

OSPREY WATCH

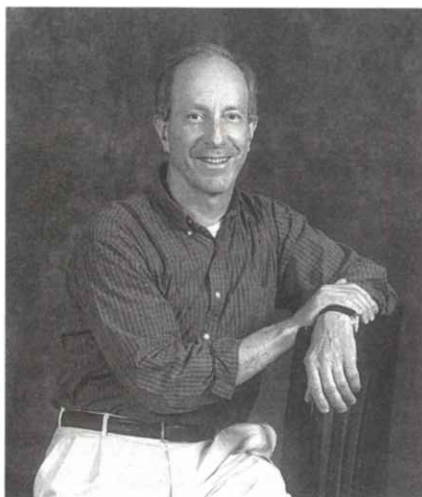
ENVIRONMENTAL DEFENSE
NEWS FROM
THE OSPREY SOCIETY
FALL 2006

JAMES T.B. TRIPP: A FORCE FOR NATURE

Think of just about any serious environmental issue — loss of wetlands, urban sprawl, global warming — and you will likely find our general counsel Jim Tripp leading efforts to address it. Tripp is a Yale Law School-trained attorney, but in his 33 years with Environmental Defense, his interests have ranged from the science of restoring damaged ecosystems to the latest technologies to reduce pollution. “He has an ability to see directly to the core of issues and come up with creative solutions,” said our New York Regional Director Andy Darrell.

Tripp combines an incisively logical mind with an abiding passion for the outdoors. His love for wildlife came from his father, who led Tripp and his siblings on birding expeditions around his home town of Newton, Massachusetts.

Through the years, Tripp has put both his intellect and his passion to work protecting wetlands and pine forests in New Jersey and Long Island, mangrove swamps in Southwest Florida, and bottomland hardwood wetlands in the Mississippi River Basin. He helped reveal economic abuses by the Army Corps of



Our general counsel Jim Tripp focuses on America's most critical environmental problems.

Engineers, and litigated key Clean Water Act cases. He has been a leader on climate issues, has served on several environmental commissions (including New York Governor George Pataki's task force on greenhouse gases), is chair of the New York City Water Board, and is currently strategizing the legal defense of California's automotive global warming standards against attacks by the auto industry.

Protecting national treasures: The Louisiana delta

The fallout from Hurricane Katrina magnified the importance of Tripp's efforts to restore the Gulf Coast's wetlands. Tripp was first attracted to the Mississippi Delta three decades ago by its unique ecological status — 40% of the nation's coastal wetlands lie in the delta — and by the sheer magnitude

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Environmental Defense is introducing our donor advised fund for donors who are looking for a convenient and tax-efficient way to further their philanthropic goals. The article below, written by Knight Kiplinger, highlights the features that make donor advised funds so attractive. The article first appeared in Kiplinger's Personal Finance magazine in July of 2006.

PHILANTHROPY MADE EASY: DONOR ADVISED FUNDS

You don't have to have billions, like Warren Buffett or Bill Gates, to improve the world through philanthropy. Millions of Americans do it on a smaller scale each year, and a lot of them are creating their own mini foundations with no legal hassle.

Like most Americans, I get great joy from charitable giving — sharing my material blessings with organizations that make this a better world. But a few years ago, as my list of charities grew longer and longer, I began to feel overwhelmed by the complexities of active philanthropy.

There was writing and mailing checks, many of which required explanatory cover letters; hurriedly deciding at year-end which of my favored charities would receive donated shares of appreciated stock or mutual funds; doing the paperwork for those asset transfers to a dozen different grantees; and keeping all the records for my tax preparer.

Relief at last

Today those hassles are history, and I owe it all to the giving account I opened with a donor advised fund (DAF). Donor advised funds have done for philanthropy what online brokers did for investing and online banking did for bill-paying.

Why do I love my DAF? Let me count the ways. First, it's a snap to use. I can make a donation from my online account in 60 seconds, and my DAF will mail it with a cover letter, which I can customize — for example, by earmarking the gift for a particular purpose.

I also like the tax advantage my DAF offers me. When I make a charitable donation of appreciated assets to my DAF (avoiding the capital-gains tax), I get an immediate deduction, but I don't have to decide right then which charities will

eventually receive my money. The DAF will sell my donated assets, park the proceeds in my account and invest them as I instruct. I can take my time — a few months or a few years — to decide on disbursements.

Record-keeping is simple. My donor-advised fund creates a searchable database of my past giving. I can see at a glance when, how much and for what purpose I gave.

Finally, my privacy can be protected, if I choose. Because checks and cover letters come from the DAF, my identity can be shielded from the charity (if, for example, I'd rather not receive its solicitations).

In short, using my donor-advised fund is like having a private foundation, but without the legal red tape, such as annual tax returns.

You may be wondering what "donor advised" means. It means that you may only suggest to the DAF that its trustees make a certain grant on your behalf. In practice, a DAF will honor your recommended grant to virtually any tax-exempt charity.

DAFs allow you to extend this grant-advising privilege to others after your death. So if you leave a bequest to your DAF in your will and name your children as successor advisers, you can instill in them your passion for philanthropy. And you can name your DAF account as you wish (for example, The Smith Family Charitable Fund).

For more information about the Environmental Defense Donor Advised Fund, please contact Anne Doyle, toll-free, at 1-877-OSPREYS (1-877-677-7397) or at ospreys@environmentaldefense.org.

Columnist Knight Kiplinger is editor in chief of Kiplinger's Personal Finance and of The Kiplinger Letter and Kiplinger.com.

JAMES AND PAMELA LLOYD

Pamela Lloyd was involved with environmental causes in California before the movement was popular. In the 1970's she was an elected official in Marin County, and later was appointed by three Governors to the San Francisco Water Control Board. She relates that in those days, fighting against controversial water bond issues, "some people thought you were a Communist if you stood up to realtors and developers."

Pam and her husband Jim, who was an engineering consultant, persevered. The couple and their children spent summers camping in the Sierras and had a strong love of mountains and the natural world. She traces her love of the environment to her father, who was George Melendez Wright, a pioneering conservationist who helped establish the Wildlife Division of the National Park Service.

Pam Lloyd met Tom Graff, California Regional Director of Environmental Defense, in the 1970's and they worked together on many land and water issues. "I appreciated Tom and his staff and how Environmental Defense approaches battles," Pam says. "They approach a challenge as advocates. They don't back down but they are not confrontational. They don't bruise feathers the way a lot of other groups do. Tom is extremely bright, knows the subjects, and has a great staff. We've had a long association."

The Lloyds began attending Environmental Defense's symposiums in New York and Washington. Pam says, the "intensive programs with environmental speakers and legislative representatives got us more deeply involved with

national and international issues. Our level of donating increased as we became impressed with their effectiveness."

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The Lloyds recently have been using a donor advised fund to manage their philanthropy. They like the flexibility that the fund provides — it allows them to advise that grants are made to Environmental Defense as well as other organizations, in ways that are in line with their philanthropic goals — while remaining easy to manage. For example, they only have to make one donation for tax purposes before the end of the tax year and then are able to advise the fund as to the recipients of their gifts.

"I think," says Pam Lloyd, "for some people this is a wonderful way to handle giving."

From her perspective as a lifelong environmentalist, Pam Lloyd feels a sense of urgency today. In recent years, she says, "we've lost wilderness areas, wildlife, and other important natural resources. And budget cuts have significantly reduced the number of professionals who manage our natural resources."

"We have four children and nine grandchildren and we want them to inherit a different world. Environmental Defense helps us engage in the ongoing hard work to preserve, protect, and restore our environment."

of its decline since the 1930s, when the delta measured 7,000 square miles and was actually expanding. Today it measures about 5,000 square miles. "It just astounded me that Louisiana was losing tens of thousands of acres of coastal wetlands every year," said Tripp, "It's sickening to see how we have let it deteriorate."

In 1987, when no other environmental group was advocating protections for the delta of the Mississippi River, Tripp helped to organize the Coalition to Restore Coastal Louisiana. That effort led to the 1990 Coastal Wetlands Planning Protection and Research Act, known as the Breaux Act. As a member of the Louisiana Governor's Commission on Coastal Restoration, Tripp today is pressing for comprehensive restoration of the Mississippi's coastal marsh and swamp forests. "We're on the cusp of putting together the pieces at the federal and state level that will revive one of the world's great river deltas," he said.

Inspiring a new generation

Despite his quiet manner, Tripp has become something of a legend in environmental circles. He acts as a mentor to young advocates and lawyers. "Jim is an inspirational figure who takes time to nurture young talent," said Darrell, who once served as Tripp's intern. Tripp's influence will help ensure that a new generation carries on his passion for defending our greatest places.



Jim Tripp has been working to protect and restore Gulf Coast wetlands for three decades.

Congress Encourages IRA Gifts

If you are age 70 1/2 or older, new legislation now allows you to make cash gifts totaling up to \$100,000 a year from your traditional or Roth IRA to qualified charities — such as Environmental Defense — without incurring income tax on the withdrawal. This is good news for people who want to make a charitable gift during their lifetime from their retirement assets, but have been discouraged from doing so because of the income tax penalty. The provision is effective for tax years 2006 and 2007 only, so act now to take full advantage of this benefit.

Please contact us for further information at: Osprey Society, 257 Park Avenue South, New York, New York 10010, 1-877-677-7397, ospreys@environmentaldefense.org or return the enclosed reply card.



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finding the ways that work

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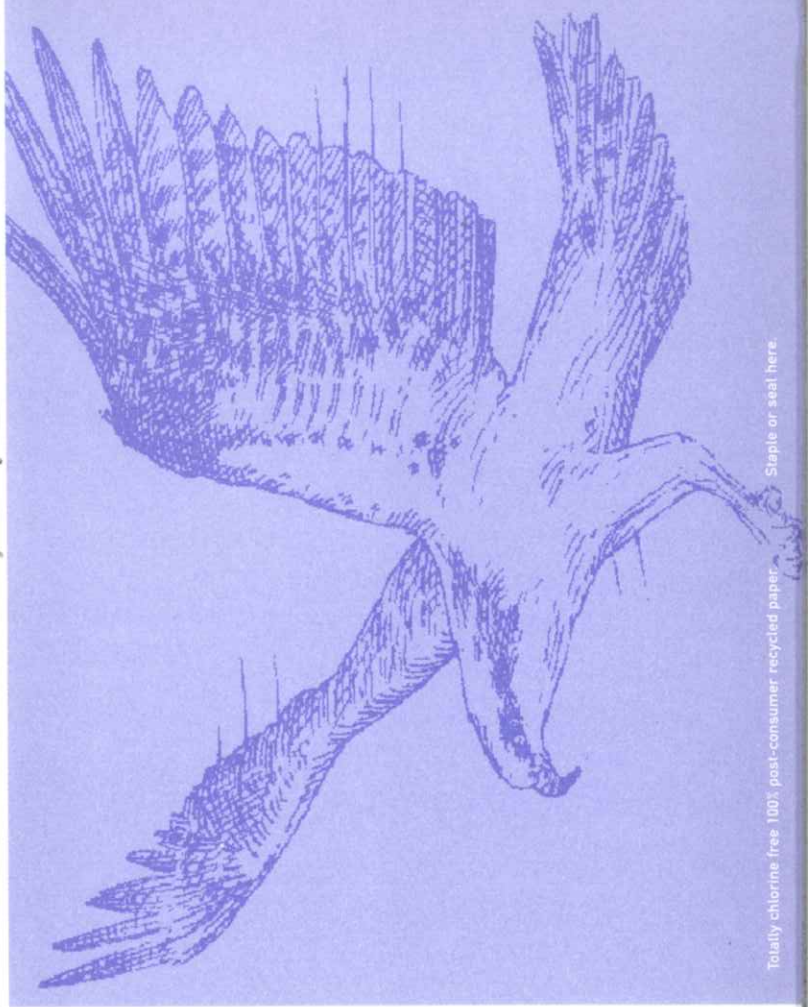
New York, NY 10010

Toll Free: 1(877) 677-7397

Email: ospreys@environmentaldefense.org

Anne B. Doyle
Director of Planned Giving
Environmental Defense
257 Park Avenue South
New York, NY 10010

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- I would like to learn more about the Environmental Defense Donor Advised Fund. Please contact me.
- Please contact me about a gift from my IRA to Environmental Defense.
- I have included Environmental Defense in my estate plans. The amount is \$_____ (optional).
- Send me information on including Environmental Defense in my estate plans.
- Send me information about receiving life income from my gift. I am interested in:
 - charitable gift annuity
 - charitable remainder trust

My birth date is*: _____

Additional Beneficiary's birth date*: _____

**most gift benefits are determined
by the age of the income beneficiary (ies).*

Name - Please Print

Telephone Number

E-Mail Address

Address

City

State

Zip

ENVIRONMENTAL DEFENSE OSPREY SOCIETY

Anne B. Doyle

Director of Planned Giving

257 Park Avenue South

New York, NY 10010

ospreys@environmentaldefense.org

www.environmentaldefense.org/plannedgiving.cfm

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