



CHARITABLE GIFT PROGRAM

Helping you create a lasting legacy





It's a good feeling to be able to support charitable causes you care about in a meaningful way. Whether you want to help fund life-saving medical research or health-care improvements, encourage artistic, environmental or educational endeavours, or help people in need, your charitable gift can make a real difference in the lives of deserving people.

If you're considering how to create your charitable legacy, you have many choices. Especially if you want to give an enduring gift, you may want to establish an endowment fund or a private foundation. Both options, while certainly worth considering, involve an ongoing time commitment to handle administrative duties, which can sometimes overshadow the real pleasure of giving.

If you prefer a more convenient alternative that enables you to make a lasting gift, while enjoying significant tax advantages, the RBC Dominion Securities Charitable Gift Program may be right for you.

HELPING YOU CREATE YOUR LEGACY

The Charitable Gift Program is specifically designed for individuals and families wishing to support charitable causes in a meaningful way, without the time and cost associated with establishing a private foundation. It is an easy, convenient way to support charitable causes you care about, today and in the future, while receiving important tax benefits.

Through this program, you can make initial and ongoing contributions to a charitable gift fund managed by the Charitable Gift Funds Canada Foundation (CGFCF), one of the leading charitable foundations in the country. The program offers several advantages:

FLEXIBILITY

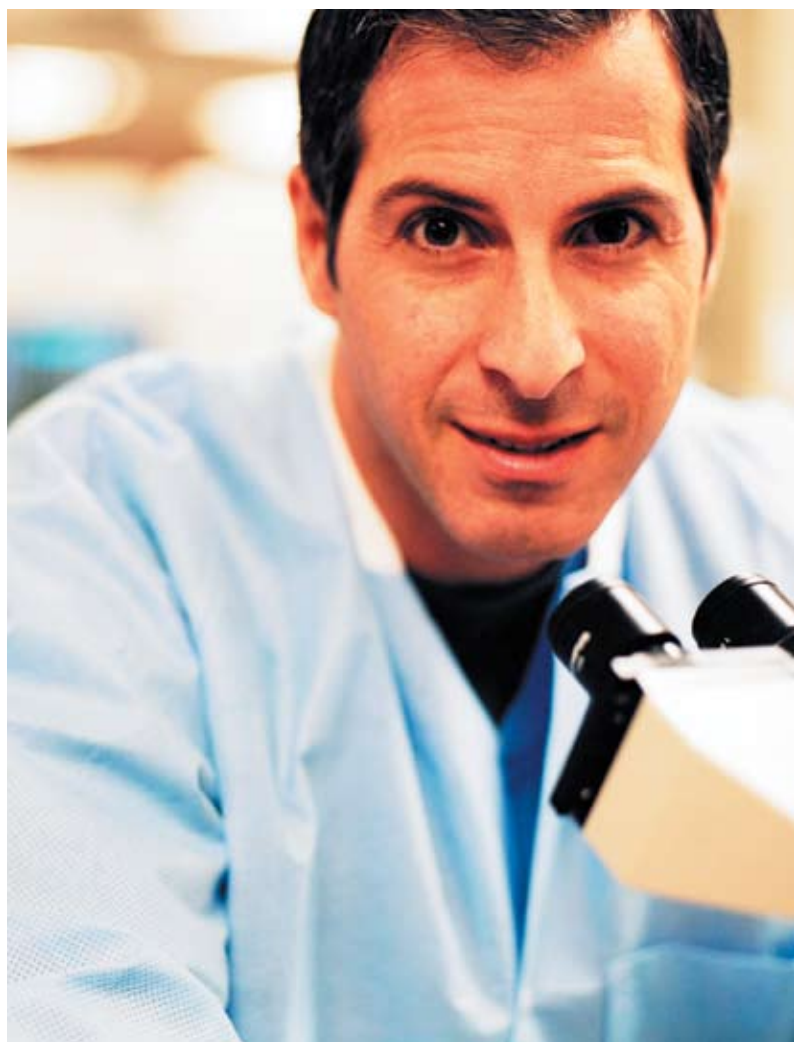
You can contribute cash, appreciated publicly listed securities or other assets to the fund, then recommend grants to the charitable organizations of your choice based on the amount of accumulated investment earnings available in your account. You can also make a deferred contribution by naming your charitable gift fund account as the beneficiary of a charitable bequest, a life insurance policy, a qualified registered retirement plan, a charitable remainder trust or another existing private foundation.

IMMEDIATE TAX BENEFIT ELIGIBILITY

You receive an official charitable donation receipt for the full fair market value of your contribution. Gifts of qualifying securities may also be eligible for a capital gains tax exemption.

SIMPLICITY

You enjoy simplified, comprehensive administration of your charitable gift planning over time. A single contribution can benefit multiple charities, not only today but in the future as well. Additional



contributions can be made to a charitable gift fund at any time, producing a generous tax credit in the year of the gift.

ENDURING FAMILY LEGACY

The program helps you create an enduring family legacy fund. Like a private foundation, you can also give your fund a unique name that reflects your family's legacy, such as The Smith Family Fund for the Arts. You can also name grant advisors and successors to your fund so your family's legacy continues. If there are no surviving successors after you pass away, CGFCF will continue your legacy by awarding grants to eligible charities consistent with your original intent.

GRANT RECOMMENDATION PRIVILEGES

In addition to being immediately entitled to generous tax credits for all contributions, you can make recommendations on how account earnings are distributed to your favourite charities throughout your lifetime and, if desired, in perpetuity.

INVESTMENT STRATEGY RECOMMENDATIONS

You can recommend an investment strategy for your gift contributions, choosing from a wide range of options professionally managed by RBC Dominion Securities.

ENHANCED GIVING POWER OVER TIME

Any potential growth in assets realized within your account accumulates tax free, enhancing your ability to recommend increasingly larger charitable grants in the future.

CHOOSING THE RIGHT OPTION FOR YOU

You have many options when it comes to creating your charitable legacy. Most commonly, people simply give cash or donate property. Other options include leaving a bequest in your Will, donating an insurance policy on your life, or opening a charitable gift annuity that provides income. For larger gifts, you might consider a charitable remainder trust, endowment fund, or private foundation.

A CONVENIENT ALTERNATIVE

The RBC Dominion Securities Charitable Gift Program is designed as a convenient alternative to establishing a private foundation that is both cost effective and tax efficient.

Starting a private foundation in Canada can involve considerable start-up costs and ongoing administrative expenses, such as the annual filing of CRA information and tax returns. With a charitable gift fund, there are no set-up costs and just a low annual management fee.

The main advantage of a private foundation is the high level of direct control it provides. However, if you do not require this degree of control, or would prefer to be free of the administrative obligations that having this control entails, then you may want to consider a charitable gift fund instead.

The following page provides an overview of the key features of a charitable gift fund compared to both a private foundation and an outright gift.



CREATING YOUR LEGACY

ONE-TIME GIFT TO A CHARITABLE ORGANIZATION

Description	Gift options	Taxes	Advantages	Considerations
<ul style="list-style-type: none"> ■ A CRA-registered charitable organization that carries out approved charitable activities and can receive funding from donors directly and from other sources such as foundations 	<ul style="list-style-type: none"> ■ Cash or other property donated directly to a chosen charity and used to fund approved charitable activities undertaken by the recipient organization 	<ul style="list-style-type: none"> ■ Donation receipts issued for full fair market value of contributions made ■ Gifts of appreciated securities entitled to preferential tax treatment on capital gains ■ Donation receipts issued for full fair market value of estate gifts 	<ul style="list-style-type: none"> ■ Immediate benefit to charity ■ Current income tax credits to reduce other tax owing 	<ul style="list-style-type: none"> ■ Some charities unable to accept donated securities ■ One-time giving versus an enduring legacy ■ Donations must be made annually to receive ongoing tax benefits

RBC DOMINION SECURITIES CHARITABLE GIFT PROGRAM

Description	Gift options	Taxes	Advantages	Considerations
<ul style="list-style-type: none"> ■ A fund managed by CGFCF, a non-profit, grant-making organization registered as a public foundation with the CRA specializing in the management of charitable gift fund accounts ■ Fund-holders can recommend annual grants from investment earnings to qualified charities 	<ul style="list-style-type: none"> ■ Cash or other property, such as appreciated securities, to establish and maintain a perpetual legacy fund ■ Proceeds fund grants to other qualified organizations for approved charitable activities undertaken by the recipient organizations 	<ul style="list-style-type: none"> ■ Donation receipts issued for full fair market value of contributions made ■ Gifts of appreciated securities entitled to preferential tax treatment on capital gains ■ Donation receipts issued for full fair market value of estate gifts 	<ul style="list-style-type: none"> ■ No start-up costs, low fees and expenses ■ Minimum contribution of just \$25,000 ■ Professional advice ■ Tax credits to reduce income taxes ■ An enduring gift that can grow over time ■ Anonymous if desired ■ Successors can be named to oversee and sustain legacy fund 	<ul style="list-style-type: none"> ■ The amount available annually for distribution is determined by the foundation

SETTING UP YOUR OWN PRIVATE FOUNDATION

Description	Gift options	Taxes	Advantages	Considerations
<ul style="list-style-type: none"> ■ A non-profit, grant-making organization registered as a private foundation with the CRA ■ A private entity that receives most of its funding from one source, usually an individual, family or corporation 	<ul style="list-style-type: none"> ■ Cash or other property donated directly to the foundation ■ Proceeds fund grants to other qualified organizations for approved charitable activities undertaken by recipient charitable organizations 	<ul style="list-style-type: none"> ■ Donation receipts issued for full fair market value of contributions made ■ Donation receipts issued for full fair market value of estate gifts 	<ul style="list-style-type: none"> ■ Full control over charitable distributions 	<ul style="list-style-type: none"> ■ Start-up costs \$5,000-\$25,000 ■ Higher legal and maintenance costs ■ Minimum contribution typically \$300,000 ■ Full liability for CRA filings and administrative compliance

HELPING YOU CREATE A LEGACY OF GIVING

CHARITABLE GIFT FUNDS CANADA FOUNDATION

We are pleased to offer the RBC Dominion Securities Charitable Gift Program in partnership with the Charitable Gift Funds Canada Foundation, an independent, non-profit charitable organization registered as a public foundation with the CRA. Established in 2003, the foundation specializes in the management and administration of charitable gift funds and is dedicated to helping donors increase and sustain their charitable giving to deserving organizations across Canada.

Choosing how to create your legacy is a very personal decision, but we're here to help make it easier. If you want a convenient way to create an enduring legacy, while enjoying important tax benefits, the RBC Dominion Securities Charitable Gift Program may be a good choice for you. Please contact your Investment Advisor for more information.



For more information about charitable giving,
please contact your Investment Advisor.



The information contained herein has been obtained from sources believed to be reliable at the time obtained but neither RBC Dominion Securities Inc. nor its employees, agents, or information suppliers can guarantee its accuracy or completeness. This report is not and under no circumstances is to be construed as an offer to sell or the solicitation of an offer to buy any securities. This report is furnished on the basis and understanding that neither RBC Dominion Securities Inc. nor its employees, agents, or information suppliers is to be under any responsibility or liability whatsoever in respect thereof. The inventories of RBC Dominion Securities Inc. may from time to time include securities mentioned herein. This information is not investment advice and should be used only in conjunction with a discussion with your RBC Dominion Securities Inc. Investment Advisor. This will ensure that your own circumstances have been considered properly and that action is taken on the latest available information. The strategies and advice in this newsletter are provided for the general guidance and benefit of our clients. Readers should consult their own Investment Advisor when planning to implement a strategy. Interest rates, market conditions, special offers, tax rulings, and other investment factors are subject to sometimes-rapid change.

RBC Dominion Securities Inc. and Royal Bank of Canada are separate corporate entities which are affiliated. *Member CIPF. ® Registered trademark of Royal Bank of Canada. Used under licence. RBC Dominion Securities is a registered trademark of Royal Bank of Canada. Used under licence. ©Copyright 2007. All rights reserved.*

CHARITY (05/07)