

Charitable Gift Program – Creating your legacy

RBC DOMINION SECURITIES CHARITABLE GIFT PROGRAM

Description	Gift options	Taxes	Advantages	Considerations
<ul style="list-style-type: none"> A program administered 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 	<ul style="list-style-type: none"> Cash or other assets, such as appreciated securities, to establish and make additional contributions to a Classic or Flex fund Able to designate up to 30% of any donation to a Classic fund as available grant-making. All Flex fund assets available for grant-making. 	<ul style="list-style-type: none"> Donation receipts issued for full fair market value of contributions made whether they are cash, bequests or gifts-in-kind (e.g. securities) 	<ul style="list-style-type: none"> No start-up costs, low fees and expenses Minimum contribution: 2 program options <ul style="list-style-type: none"> - <i>Classic</i> minimum \$25,000 - <i>Flex</i> minimum \$100,000 No administration, but retain advisory rights: <ul style="list-style-type: none"> Name fund Recommend grants Work with trusted investment advisor Recommend investments Professional advice Tax credits to reduce income taxes 	<ul style="list-style-type: none"> Amount available for grant-making in a <i>Classic</i> fund is determined by CGFCF. In <i>Flex</i> option, all assets are available for grant-making (higher expense rates – higher entry threshold \$100,000)

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 whether they are cash, bequests or gifts-in-kind (e.g. securities) 	<ul style="list-style-type: none"> Immediate benefit to charity Tax credits to reduce income taxes 	<ul style="list-style-type: none"> Some charities unable to accept some gifts-in-kind (e.g. certain securities, thinly-traded stocks, options, etc.) Current funding versus enduring support

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 assets such as appreciated securities, to establish and make additional contributions to the foundation Gifts of private company shares are subject to restrictions not imposed on public foundations and charitable organizations 	<ul style="list-style-type: none"> Donation receipts issued for full fair market value of contributions made whether they are cash, bequests or gifts-in-kind (e.g. securities) Must adhere to Excess Holding Rule 	<ul style="list-style-type: none"> Full control of administration, investments, grant-making, etc 	<ul style="list-style-type: none"> Start-up costs can range widely (between \$5,000-\$25,000 for a \$5m to \$15m foundation) Ongoing/periodic professional and administrative costs Minimum assets to establish typically \$2m or more Full liability for CRA filing and administrative compliance

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