

GEORGE'S TREE

The story of a *well* planned gift



Alain Lévesque

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A large, leafy tree stands in a field of tall grass. The tree is the central focus, with its branches spreading out. A blue square with rounded corners and a white border is overlaid on the tree, containing the white number '1'.

1

A REUNION

Shortly after their friend George's funeral two couples, old pals, are together for breakfast in a restaurant.

Charles and Lisa are both recent retirees from careers respectively in architecture and landscaping. Lately, they have been devoting more time to their longstanding passions, travel and horticulture. Over the past few months, a first grandson has arrived to add a whole new dimension to their lives.

Ann and James are childhood sweethearts. Now married for forty years, they are both university graduates. Ann left her job as a nurse after the birth of her second child, while James pursued a successful career in accounting and management.

After a meal, the conversation turned to George who had died but three years after his wife Nicole. George and Nicole, both professors, had been part of the group of friends since their university days.

“George's fate took quite a different turn from what he had planned. So many things will now change.” Sighed Charles, as he clutched Lisa's hand.

“I know what you mean!’ confirmed Ann. “He leaves a great void: his children, his brother Anthony, his old dog Pat and that’s without speaking of his health club routine, his students, all his charitable works... We were members of the hospital foundation board of directors; he was so dedicated and involved. He gave so much of his time and money to the institution, as well as to other organisations. He had become so active after retiring from the university. His support will be sorely missed.” She said regretfully.

“What do you mean Ann?” asked Charles.

“I was just thinking that all the money he gave to his various cherished causes won’t be easy to find elsewhere.”

“Don’t you know?” asked Charles.

“Know what?” replied Ann.

“For the organisations that George was supporting it’s quite the contrary. Even if he has passed on, his support will continue.” said Charles.

ENDOWMENT FUNDS

All planned gifts shown in this seminar can be used to create a permanent endowment fund, also known as a capitalised fund or, in other words, an eternal gift.

2.1

The foundation invests the initial gift and the capital remains intact. The interest is paid out annually and becomes a stable source of income for the future.

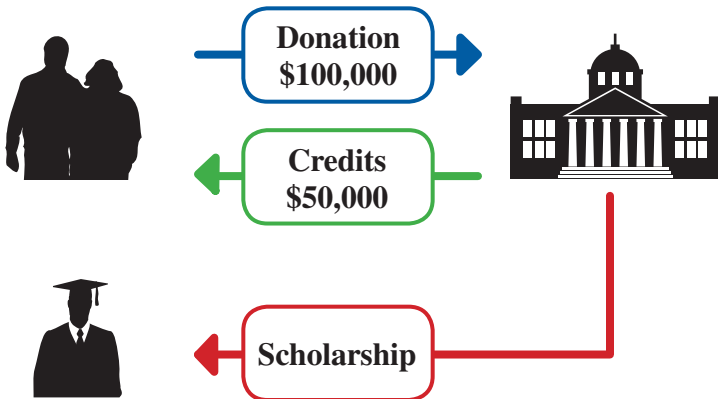
An endowment fund is a particularly eloquent way to remember someone, be he the donor or a close relative. According to the type of receiving foundation, the funds can serve to finance research, student scholarship, health care, equipment purchases, etc. An endowment fund is an excellent alternative solution for the creation of a private foundation.

The foundation can annually pay out the amount it wants, but must respect a minimum of 3.5% of the capital of the fund (minimum imposed by CRA).

Example

John and Marsha make a **\$100,000** donation to their university to create a scholarship fund. The university has a policy to distribute **4%** per annum.

- 1 They make a donation of **\$100,000**;
- 2 They receive **\$50,000** in tax credits;
- 3 The university invests the **\$100,000** and each year, distributes **\$4,000** in the form of a scholarship.



A **\$4,000** scholarship will be distributed in their name each year in perpetuity

CHARITABLE BEQUEST

The method most frequently used at death, a testamentary gift is simple to make: the donor needs only to add a clause in his will that stipulates that he wishes to make a gift to one or more organisations at death.

The advantages for the donor are **anonymity** and **flexibility**.

Anonymity: The donor does not need to reveal his intention to make a gift at death to the beneficiary foundation.

Flexibility: The gift can be modified at all times by a simple change in the will or by the addition of a codicil.

We can bequeath in various ways. For example:

- **Specific bequest**

“I bequeath my home to the _____
Foundation.”

“I bequeath to the _____ Hospital
Foundation the sum of \$25,000.”

“I bequeath to the University of _____
30 % of the value of my estate.”

- **Residual bequest**

“I bequeath to my three children the sum of
\$100,000 and the **residue** of my estate to the
Canadian _____ Foundation.”

- **Universal bequest**

“I bequeath the totality of my estate to
_____ Church.”

To facilitate the liquidator’s task and so the amount can be claimed in the deceased’s final income tax report, the organisation’s name must be clearly shown in the will.

- What is a planned gift?
- How do we make a planned gift?
- Must we be wealthy to make a planned gift?
- Is it possible to make a gift at death without depriving our beneficiaries?

GEORGE'S TREE WAS WRITTEN FOR YOU, WHO WISH TO GIVE AND NEED ANSWERS TO THESE QUESTIONS.

Specialist in gift planning, Alain Lévesque demystifies many preconceived notions on the subject of philanthropy. Through George's story he clearly reveals, with the help of precise and easily understood examples, various ways to make charitable donations.

HIS STRATEGIES ARE AVAILABLE TO EVERYONE

George's story is an inspiring example for anyone who wishes to leave a lasting legacy to society.

This book and its lessons will forever alter your view of philanthropy by having you to discover how easy it is to contribute to causes close to your heart.



Alain Lévesque is the president of DeVimy Group Inc., a financial planning firm specialised in gift planning and philanthropy.

Mr Lévesque is a member of the Association of Fundraising Professionals (AFP) and the Canadian Association of Gift Planners (CAGP). He is recognized in Canada as a professional and dynamic speaker and is unmatched in clarifying complex concepts.

He describes his work as follows:

"I help people accomplish their philanthropic dreams."

100% OF THE PROFITS FROM THIS BOOK WILL BE DONATED TO ORGANISATIONS COMING TO THE AID OF CHILDREN.
