

# YOUR GUIDE TO A LEGACY GIFT OF LIFE INSURANCE

## What is a Gift of Life Beneficiary?

A gift of **life insurance** is a simple and easy way to support St. Clement's School. A life insurance policy enables you to make a significant gift for the future for a relatively small financial outlay today. Many donors would like to make a significant legacy contribution; however, they may choose not to use current financial resources. A life insurance gift, as either a new or existing policy, can be a creative way to make a gift that you didn't think was possible.

## The Francis C. Powell Heritage Society

Completing a Legacy Giving Commitment Form will inform us of your decision to create a legacy gift and provides you an opportunity to join the Francis C. Powell Heritage Society. The Society celebrates the legacy of the Powell Family and honours members of our community who choose to make provisions for a legacy gift to St. Clement's School.

(please turn over)

## Benefits to you

- **Is simple and convenient** – The transaction is simple. Your life insurance specialist can advise you on the type of policy that would best fit your needs, custom-design your program, and carry through with the necessary paperwork.
- **Is inexpensive** – A way to make a larger gift than you might otherwise be able to, without depleting your current assets now or your estate later.
- **Save taxes today** – With some arrangements, receive charitable tax receipts for the premiums paid or the cash value of the policy that you can use in your next tax return.
- **Eliminates probate, legal and executor fees** – Life insurance is not subject to probate costs or delays in settlement. The full proceeds are payable to St. Clement's School at maturity or your death.

### For further information please contact:

St. Clement's School Advancement Office 416 483 4835 x2272  
21 St. Clements Ave., Toronto, ON, M4R 1G8 [scs.on.ca/support-scs](http://scs.on.ca/support-scs)  
Charitable number 10500 5805 RR0001

ST. CLEMENT'S  
SCHOOL

*Passion. Courage. Curiosity.*



# YOUR GUIDE TO A LEGACY GIFT OF LIFE INSURANCE CONTINUED

## How to

There are a number of easy ways to make a gift of **life insurance**.

1. You can take an existing policy that has finished serving its original purpose and simply have the **ownership and beneficiary** designation transferred to St. Clement's School. This designation cannot be changed. A charitable tax receipt will be issued for the accumulated value of the policy at the time of transfer. Any continued premium payments also qualify for a charitable tax receipt. St. Clement's School strongly recommends that you discuss this matter with your insurance specialist before any transfer takes place.
2. You can purchase a new life insurance policy in which **St. Clement's School** is named as the **owner and beneficiary**. You continue to pay the premiums and receive a charitable tax receipt for those payments. Again, this designation cannot be changed.

## For example

Mrs. Smith has a \$100,000 life insurance policy for which she still pays premiums of \$2,000 a year. The policy also has \$5,000 built-up cash value in the policy. She irrevocably transfers it to St. Clement's School. Here is what happens:

- Mrs. Smith creates a future gift for when she dies in the amount of \$100,000, filling her with a sense of satisfaction and happiness knowing that her support will have a significant impact on the lives of so many future Clementines.
- She receives an immediate tax credit of \$5,000, giving her approximately \$2,250 to \$2,300 return for her current tax year.
- She receives a tax credit every year that she continues to pay for the policy of \$2,000, and she gets back approximately 45% (in Ontario).

## Please seek expert advice

St. Clement's School strongly recommends that you seek professional insurance and legal advice to ensure that your financial goals are considered, that your tax situation is reviewed, and that your legacy gift is tailored to your circumstances. A life insurance specialist should review in detail what plan best fits your needs. Before considering a legacy gift of life insurance, you should already have satisfied any need for life insurance for the protection of your family.