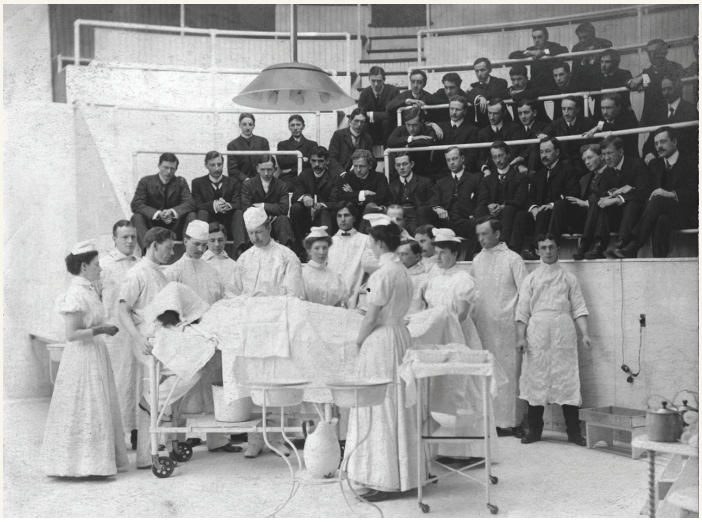
Creating the future of care with a gift of life insurance

Montreal General Hospital Foundation





Gift of life insurance

A gift of life insurance is a way to make a significant gift in the future at a small cost today. This is a handy tool to consider when planning your financial future. It can help you balance your charitable giving with tax and estate benefits so that you maximize the amount you leave to your heirs.

Options

Here are some common options you may choose, depending on which best fits your situation and goals:

Types of gift of life insurance		Tax credit
Giving an existing policy	You may transfer ownership* of a policy you currently own, and name the Montreal General Hospital Foundation as owner and irrevocable beneficiary.	You will receive a tax receipt for the fair market value of your policy, just as if you had made a cash donation. If your policy is partially paid, you will receive additional tax receipts for any future premiums you pay.
Purchasing a new policy	You may decide to buy a new policy and make the Montreal General Hospital Foundation the owner and irrevocable beneficiary of the policy.	You will receive charitable receipts for all the premium payments you pay.
Naming the Foundation as your beneficiary	You may decide to name the Montreal General Hospital Foundation as the beneficiary of your policy.	Your estate will receive a tax receipt for the value of the death benefit, which may reduce its tax burden.

*This change of ownership may trigger capital gains based on the difference between the policy's cash surrender value and its adjusted cost base. It is recommended that you seek advice from your broker, accountant, or tax advisor to determine how this may affect you.

Benefits

- You have the option to choose from plans that offer tax benefits during your lifetime or for your estate in the future.
- It is a cost-effective way of making a meaningful legacy gift.
- Compared to gifts in will, legal costs or probate fees don't apply to this type of gift.
- It can be easily and quickly arranged with your life insurance specialist.

Example

You subscribe to a $100,000 life insurance policy and designate the Montreal General Hospital Foundation (MGHF) as your beneficiary but keep the ownership. The policy has annual premiums of $2,000, to be paid for a 10-year term. At your passing, your estate will receive a tax credit of $50,000*, reducing its tax burden.

Naming the Foundation as beneficiary of your policy

Cost of the policy premiums	**- $20,000 ($2,000 x 10 years)**
Value of the legacy gift to the MGHF (Policy death benefit)	**$100,000**
Tax credit for the estate	**+ $50,000**

*Scenario for illustrative purposes only. To simplify the calculation, the tax credit rate was rounded to 50% for a donation made in Quebec.

Next steps

1. Discuss with your financial advisor and insurance broker about making a gift of a life insurance policy. They will help you evaluate the benefits for you and your estate.
2. Review the terms of your existing policy with your insurance broker or evaluate the conditions of purchasing a new one.
3. Contact the Montreal General Hospital Foundation so we can support you through the administrative requirements leading up to your donation.

For more information, please contact:

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