

CANADIAN FRIENDS OF OAXACA, INC.

LEGACY GIFTS

(Amended February 2020)

Why consider a legacy gift?

Your values can have a powerful effect upon the world you inhabit and leave behind for others. One way to express those values is to make a legacy gift - a planned future donation - to an organization that reflects and strives to implement them in a way you find meaningful.

A legacy gift to CANFRO will help ensure that its work to improve the lives of low-income young Oaxacans can endure. Your gift can be unrestricted and available for use where the Board of Directors feels it is most needed. It can also be restricted to benefit a particular project. The gift does not have to be large. Any amount can make a notable and lasting difference.

How is a legacy gift made?

There are different ways to make a legacy gift. Perhaps the simplest is to specify a gift to CANFRO in your will, or to add it to your will through a codicil (a document used to supplement or amend a will). Creating your own will is a possibility, but legal and financial counsel can help avoid problems in settling your estate and carrying out your testamentary wishes.

You can make a legacy gift through a living trust, one that you establish while you are alive rather than through your will upon your death. A living trust can be useful in avoiding the delays and fees associated with probating a will. However, creating one can be quite a complex process, and counsel is likely essential.

Further, you can also make a legacy gift by naming CANFRO the beneficiary of an insurance policy, a financial account, or a pension fund. This process can also be useful in avoiding the delays and fees of probate. Designating a beneficiary for an insurance policy etc. is quite simple. You only need to contact your insurer, financial account manager or pension fund manager.

However you choose to make a legacy gift, we urge you to seek legal and financial counsel first. Please note that neither CANFRO nor its representatives can act as executor of a donor's will.

What will happen with my legacy gift?

We would appreciate hearing from you if you decide to make a legacy gift to CANFRO, so that we have an opportunity to express our thanks and to ascertain how best to acknowledge your support. You can choose what you wish to disclose and we will honour your wishes respecting confidentiality.

Similarly, if circumstances change and you wish to amend or cancel a gift, we would appreciate hearing from you about that as well, so that we can plan accordingly. We are grateful for any gift, but we fully understand that estate planning needs can vary over time.

Once we receive notice of a legacy gift, we will work with you, your counsel or your executor – depending upon the nature and timing of the gift – to respect your wishes. We suggest that, if you are considering a gift to benefit a particular CANFRO project, you consider acknowledging potential changes in circumstances of that project and providing us some flexibility respecting the use of funds. You can see an example of this sort of acknowledgement, below.

Legacy gifts can lead to significant administrative work. Such gifts are, of course, most welcome. However, they may be received and disbursed over time. CANFRO acts as a trustee for any funds held in its accounts. This means that funds must be properly invested and tracked until fully disbursed. In addition, larger gifts may lead to additional auditing requirements. CANFRO is a volunteer-run, not-for-profit charity committed to deducting only a small amount from regular donations for its administrative expenses. As a result, additional expenses associated with legacy gifts will be paid out of those gifts.

If you are interested in making a legacy gift and would like more information than you find below, please contact CANFRO's president: (president@canfro.ca)

What sort of legacy gift can I make in my will?

1. Gift of a Specific Amount or Asset

You can leave a specific dollar amount to CANFRO in your will. You can also leave specific assets such as personal property, real property, securities, or the proceeds of a life insurance policy payable to CANFRO as the named beneficiary.

From CANFRO's perspective, gifts of personal property most easily made if you direct the executor of your will to sell the property and provide the proceeds of sale to CANFRO. Gifts of real property must be made in this way. You can also direct your executor to contact CANFRO to discuss whether a gift of personal property can be used without sale.

2. Residual Gift

You can leave the residue of your estate or a percentage of it to CANFRO in your will. The value of your gift will be calculated once all estate expenses are paid and other specific gifts are paid.

You can also leave the residue of a pension fund, other financial account or insurance policy. The value of your gift will be calculated once the portions assigned to other specific beneficiaries are paid.

3. Contingent Gift

You can make CANFRO a beneficiary of your estate if designated beneficiaries do not survive you.

What sort of language should I use to make a legacy gift?

You may find the following suggestions helpful when you are creating a legacy gift in your will:

For a Specific Amount or Asset

I give to CANFRO (Canadian Registered Charity #829434281RR0001), located at 341 Townsend Road, Stirling, Ontario, K0K3E0, the sum of \$ _____ (or an accurate description of the asset being given) for its general charitable purposes (or specify a particular CANFRO project).

If you choose to support a particular CANFRO project, it may be helpful to include a clause similar to the following one, so that your gift can continue to be of use to CANFRO if conditions affecting the project change.

If at some future time the CANFRO Board of Directors decides that it is no longer possible to use my gift for the purposes specified, the Board has the right to apply the gift for purposes they deem most appropriate in the circumstances.

For a Residual Gift

I give to CANFRO (Canadian Registered Charity #829434281RR0001), located at 341 Townsend Road, Stirling, Ontario, K0K3E0, for its general charitable purposes (or specify a particular CANFRO project) all (or ___%) of the residue of my estate (or retirement plan, financial account or insurance policy) once expenses are paid and other specific gifts have been satisfied.

For a Contingent Gift

In the event that any of my named beneficiaries dies before me, I give to CANFRO (Canadian Registered Charity #829434281RR0001), located at 341 Townsend Road, Stirling, Ontario, K0K3E0, for its general charitable purposes (or specify a particular CANFRO project) all property which would have passed to those beneficiaries.

Thank you for considering a legacy gift to CANFRO. Your generosity will benefit young Oaxacans and offer them a better future.