



PHILANTHROPY

WHY SHOULD YOU CONSIDER A CHARITABLE TRUST IN YOUR WILL?

WHAT IS A TESTAMENTARY CHARITABLE TRUST?

A Testamentary charitable Trust is created within and by your Will and allows you to maintain your philanthropic initiatives even after your death, and in perpetuity.

The Trust Will not take effect until after your death and may be created using specific assets, a designated portion of your Estate or the entire remaining balance of your Estate. Multiple Trusts may also be created within your Will if there are several institutions or causes you would like to benefit.

WHAT ARE THE BENEFITS OF A TESTAMENTARY CHARITABLE TRUST?

Whilst you may consider gifting a sum of money to a registered charity or benevolent institution, to make a more permanent and enduring contribution, it may be more effective to establish a testamentary charitable Trust in your Will.

The Trust Will continue in perpetuity and you can specify the causes that you wish to benefit, for instance, humanitarian or community purposes such as education, medical or scientific research, advancement of religion, the relief Of poverty or protection of the less Privileges.

HOW DOES A TESTAMENTARY CHARITABLE TRUST OPERATE?

By working with one of our Estate Planning Personnel, you can incorporate specific instructions in your Will regarding the operation Of the Trust. This includes the charities or causes that you would like to benefit from the Trust and the purposes for which Trust funds can be applied by those institutions.

The Will represents the governing document for the Trust and the Trustee Will be bound to follow its terms in administering the Trust. Upon your death, the Executor of your Estate Will set aside the amount you have designated to form the initial capital Of the Trust. The Trustee Will be responsible for the ongoing administration Of the Trust and the management Of the investment portfolio.

The Trustee Will distribute Trust income to the charitable institutions you have nominated in your Will, with distributions generally made on an annual basis. You can specify the institutions that are to benefit from the Trust distributions, as well as the frequency of the distributions, or alternatively, you can leave this decision to the discretion of the Trustee. You may wish to provide general guidance to the Trustee about the causes you want to benefit from the Trust and leave the final decision to the Trustee, so they can respond to appropriate issues that may arise in the future. For example, because of scientific and medical advancements over the years, there are many new areas of research requiring funding today that would not have been thought possible years ago.