

Charitable Gift Annuity

The Charitable Gift Annuity is a popular planned gift that can be arranged by Christian Stewardship Services for supporters of our Partner Organizations. It enables you to support your favourite charity with a substantial gift and enjoy an excellent income for life. All or a large portion of the income you receive is tax exempt and all donors qualify for a one-time charitable donation receipt at the time of purchase.

Your gift will be invested ethically and responsibly by CSS. You will receive a fixed regular income based on your age and the rates in effect when your annuity is arranged. This income ends at death and the remaining portion in the Annuity account will be distributed to your selected charities. Joint Gift Annuities are also available.

FEATURES OF A CHARITABLE GIFT ANNUITY

- Guaranteed, excellent income for life
- Irrevocable gift
- Income received largely/wholly tax exempt
- Gift not subject to probate
- Charity gets the gift immediately at time of death—no waiting for estate to be settled

EXAMPLE:



Suppose Anna, a widow aged 75 years, has a \$20,000 savings bond maturing. She wants to re-invest the money and needs retirement income, but also wants to support Christian causes. She decides to place \$20,000 in a Charitable Gift Annuity. Based on her age, she receives an annual income of \$1,116.00 of which all \$1,116.00 is tax-free. She also receives a one-time charitable tax receipt for \$5,733.53. She designated that, upon her death, the balance in the annuity to go to three favourite charities in equal shares.

Charitable Gift Annuity...continued

What is the Annuity Rate?

Christian Stewardship Services will provide a written quotation outlining the payments to you, the choice of payment frequency and the timing of payments available. The quotation includes a breakdown of the portions of your payment which will be taxable or non-taxable, and the approximate amount of the charitable receipt you will receive upon purchase.

The quotation does not constitute an agreement and will contain an expiry date after which the rate may change. Quoted rates are updated on a weekly basis.

How are Annuity Rates Set?

CSS is a member of the Canadian Charitable Annuity Association (CCAA), which sets standards for all its members. They constantly monitor the factors used in setting rates for member charities. CSS recommends that you seek independent advice in the acquisition of your annuity, and we comply with the regulation, which stipulates that you have 10 days from signing the application to change your mind. Doing so will trigger a full refund with no fees or penalties applied.

What Guarantees the Income?

Any government program or other organization does not insure the Charitable Gift Annuity payments. The security of annuity payments is guaranteed by the existence of an investment fund of over five million dollars, which is invested in bonds, mortgages and some equities. In addition, there is a special annuity reserve of over \$500,000. Both funds are identified separately from all the other funds held by CSS. A qualified actuary reviews both the reserve requirements and the investment portfolio every three years. Each review has confirmed that the fund assets are sufficient to meet all future payments to donors.

What about the Issuer?

Gift annuities are issued by Christian Stewardship Services, a charity registered with Revenue Canada under BN# 10692 0309 RR0002. CSS was established in 1976 as a federal non-share corporation. It acts on behalf of over 40 charitable organizations and over 100 Christian schools, which are Partner Organizations including their donors and friends. The annuitant designates the charity or charities of their choice for the ultimate charitable benefit. At least one of the CSS partners must be included for a portion of the actual benefit. Please see our website for a current partner list: www.Csservices.ca

Revised January 2017