

# Gifts of Life Insurance

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## Gifts of life insurance

Insurance gifts are a cost-effective way to create a lasting gift to The Caledon Parent-Child Centre while providing you significant tax relief. In most cases, it allows an individual the ability to give a larger gift than they may have thought possible. When a charity is made the beneficiary of a life insurance policy, the policy goes directly to the charity. Your estate is then entitled to a tax receipt for the amount of the gift while the proceeds remain outside your estate thus avoiding probate.

This is a wonderful and easy way to make a gift to help The Caledon Parent-Child Centre. All you need to do is contact your insurance professional and inform them that you wish to change your beneficiary. They will provide the necessary forms and documents to confirm the gift has been created. It is always best to consult with your professional advisor prior to making any changes to your estate or financial plan.

## Advantages for the donor

- The donor makes a major donation at a modest cost.
- The donor's estate is entitled to a donation receipt for the cash value of the policy.
- The gift remains outside the estate and does not affect other assets intended for family members. It does not inflate the size of the donor's estate. Therefore, estate settlement costs don't increase.

## Advantages for the charity

- The gift is substantially higher than normal periodic donations would provide.
- Payment to the charity is guaranteed by the life insurance company when the gift is irrevocable. Payment is made immediately upon death of the donor with the minimum of formality.
- The gift cannot be contested by family members or other possible heirs.
- The gift is not subject to claims by the donor's creditors.
- The charity does not have to continually solicit the donor for future donations.