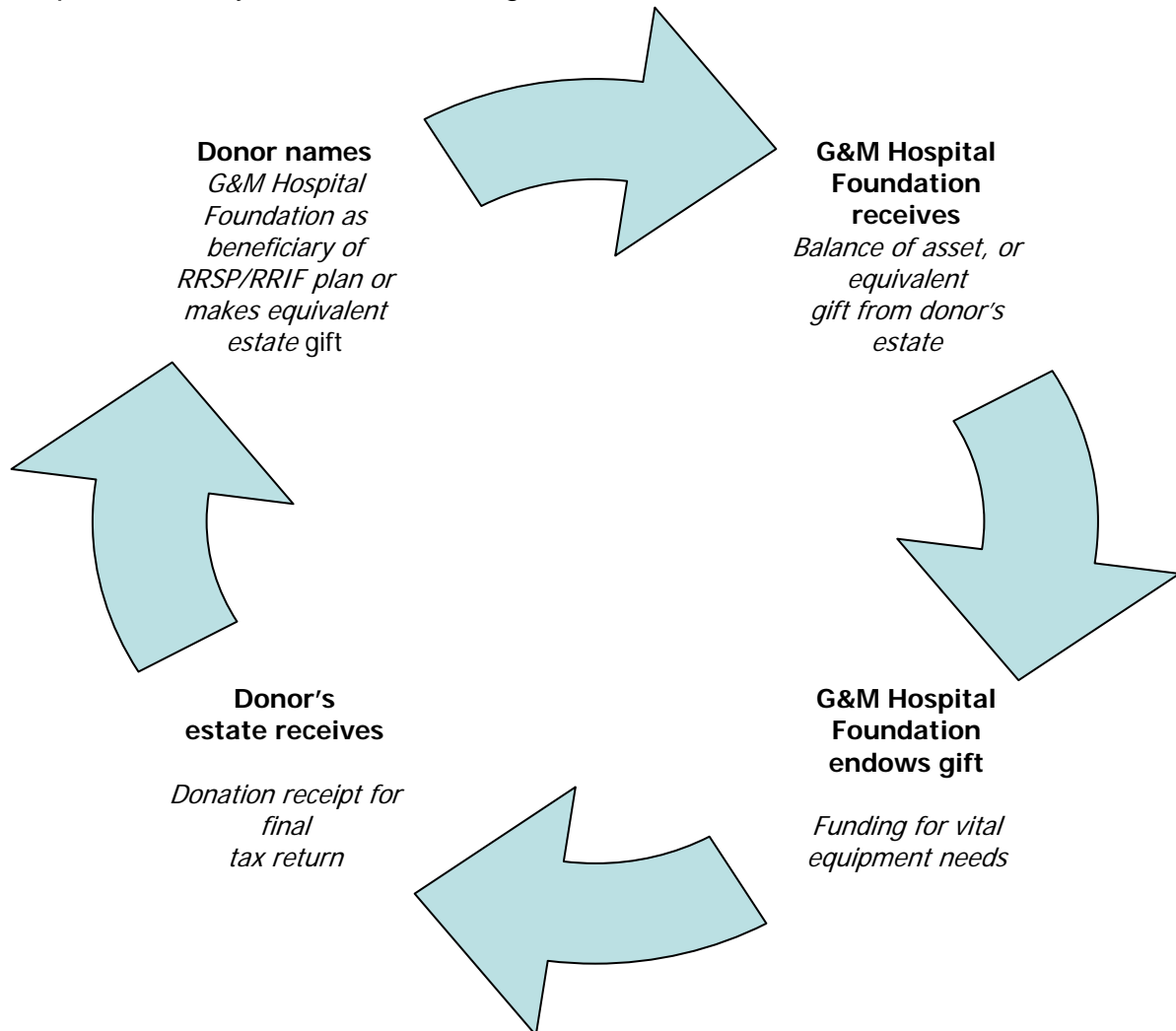


Gifts of RRSPs & RRIFs

Saving for your retirement is an essential part of a complete financial plan. However, your strategy should also consider what happens to your Registered Retirement Savings Plan or Registered Retirement Income Fund when you pass away. Upon your death, where a surviving spouse, dependent or disabled child, is not a named beneficiary, these registered savings are deemed to be disposed of and 100% of the remaining balance is added to your income in the year of death and likely to be taxed at the highest marginal rate. The tax liability resulting from this disposition will be borne by your estate.

Gifting your RRSP or RRIF plan to the Collingwood G&M Hospital Foundation through a beneficiary designation or a bequest gift in your will is a very effective way to support local health care. Your estate may claim this charitable donation in the year of death equal to 100% of your net income (higher than the limit of 75% for living donors). Any unused charitable donations can be carried back to the previous tax year at the same higher rate.



Advantages

- Other than the cost of preparing the will, it doesn't cost you anything to make a generous gift to the G&M Hospital.
- A gift of an RRSP or RRIF allows you to make a long-term commitment without affecting your current standard of living.
- A gift provides the comfort of knowing your assets are still available to you today if needed.
- In many cases, it can allow you to make a larger gift to the G&M Hospital than one made during your lifetime.
- A gift of an RRSP or RRIF allows you to make a tax-effective gift. Your estate may claim charitable donations to the Collingwood G&M Hospital Foundation in the year of death equal to 100% of your net income (higher than the limit of 75% for living donors). Any unused charitable donations can be carried back to the previous tax year at the same higher rate.
- A gift of an RRSP or RRIF ensures your gift will be used to purchase vital equipment for the hospital in order to provide the highest quality of care for patients

How does it work?

You choose to make the Collingwood G&M Hospital Foundation the beneficiary or alternate beneficiary of your RRSP or RRIF plan. Upon your death, or that of your spouse, the CGMH Foundation receives the balance of the asset directly from the financial institution. Your estate receives tax credits for the charitable gift to offset the tax on income.

Because the asset passes outside of the estate, no probate fees are payable on the asset, resulting in additional tax savings. Using this method, the Foundation has no involvement in your estate and receives your gift in a timely fashion.

You should ensure that you consult your professional advisors when making a gift of your RRSP or RRIF. They can advise you on your unique situation.

Remember to advise the staff of the CGMH Foundation to ensure your donation is directed per your wishes and you are appropriately recognized for this important contribution.

Collingwood G&M Hospital Foundation

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