

Gift Distribution Services

CSS Gift Distribution offers a simple, effective solution to Christians who wish to benefit several charities through their estate or gift planning.

When including a charitable bequest in their Will, clients name CSS as the actual beneficiary, and CSS distributes the gifts to their chosen charities. After the will has been completed a “Letter of Direction” is filed with CSS providing instructions as to the distribution of the asset to various charities. Letters of Direction are binding to CSS, but may be changed at any time. After receiving the funds from the estate, CSS distributes them according to the current Letter of Direction on file and issues a charitable tax receipt to the estate.

Likewise, when charities are chosen as the beneficiary of registered investment accounts (RRSPs and RR-IFs), or of a Life Insurance policy CSS may be named as either the primary or secondary beneficiary, and distribute funds in a similar way.

FEATURES OF CSS LETTERS OF DIRECTION

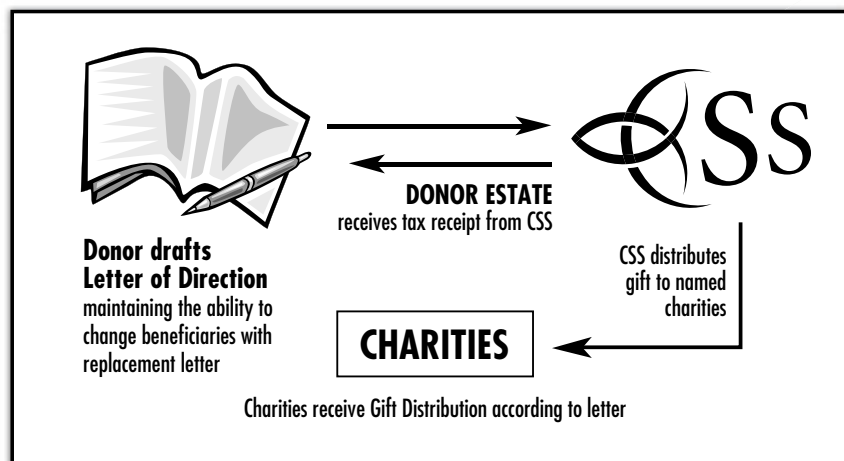
The Letter of Direction offers:

- > Flexibility – no need to change your will when you change allocations to charities
- > Privacy – Avoids multiple disclosure of your estate information
- > Simplicity – Your executor only needs to write one cheque, and receives one donation receipt
- > Anonymity – if desired

EXAMPLE:

Mary wants several favourite charities to share 10% of her estate. She opts to have Christian Stewardship Services be the beneficiary of this gift. Once her new Will is complete, she sends CSS a Letter of Direction

naming 3 favourite charities – each to receive one third of her total gift. After a move some years later, she files a new Letter of Direction with CSS, naming different charitable organizations as beneficiaries of her gift. Upon her death, CSS receives the gift from her estate and directs it to the organizations named in her most current letter.



Gift Distribution Services *...continued*

Features Explained

1. SIMPLIFIES LANGUAGE IN A WILL OR OTHER DOCUMENT

> The entire gift is given to Christian Stewardship Services, so the lawyer need not name several charities in the Will or specify the proportion of the entire gift each would receive.

2. CHANGE BENEFICIARIES EASILY

> Donors may change charitable beneficiaries or the proportion of total gift they would receive by drafting a new Letter of Direction with different instructions. These letters do not form a part of the will and therefore may be changed.

3. SIMPLIFIES MANAGEMENT OF THE ESTATE FOR EXECUTOR

> Leaving the entire gift for charity to CSS, the Executor need only provide estate information to one charity, make only one charitable distribution and receive only one receipt.

4. INCREASED LEVEL OF PRIVACY FOR THE ESTATE

> Donors often choose to benefit local causes with a gift. By having CSS make the distribution, these local causes are not party to estate information. Donors can also choose to make their contributions anonymously through CSS.

5. DECREASED CHANCE FOR A FAILURE OF GIFTS.

> If one of the charities detailed in a Letter of Direction does not exist when CSS makes a distribution, a donor's family members will be consulted in finding an appropriate substitute. If no family survives, the CSS Board will select a cause most closely resembling the original wishes of the donor.

> If the gift is made directly in the Will and the charity does not exist as specified, the gift will fail.

Is there a cost for this service?

Where CSS makes distributions to any of its 38 partnering organizations, associate partner Christian schools or Christian Reformed Churches in Canada, no fees are deducted from the gift prior to distribution. If other organizations are named in the donor's Letter of Direction, Christian Stewardship Services will deduct a distribution fee of 2% of the gift prior to distribution. Contact CSS for a current list of partner organizations.

Christian Stewardship Services reserves the right to review this practice and make changes to the fee structure from time to time. CSS will notify all donors making use of Letters of Direction prior to a new structure coming into practice.

Will CSS exist 20 years from now when my gift is made?

Many donors served by Christian Stewardship Services have Letters of Direction in their file at CSS. All of its sponsoring organizations have a vested interest in ensuring that CSS continues to exist indefinitely. *October 2006*

