



Gift of Life Insurance Information Sheet

Overview

Many people have life insurance in one form or another. The value of life insurance is usually to provide financial security for your loved ones in the event of your death. Yet life insurance can also be used to support your favourite charities, including Armagh. It can help you make a larger gift than you may be able to make with your current income or through a bequest.

There are different ways to make a donation of life insurance. The following information provides a few ideas, and can help you decide if making such a gift to Armagh is right for you.

Change an Existing Life Insurance Policy

You may have a life insurance policy that you've held for many years, and through which you no longer need to provide financial security for your heirs. You can name Armagh as the beneficiary of the policy. There are no immediate tax benefits to you, because the beneficiary donation is revocable at any time. However, at your death, your estate will claim a charitable donation tax credit for the proceeds of the policy. The tax credit will offset income taxes payable on your estate's final tax return, and the gift won't be subject to probate fees.

To receive an immediate tax saving on the donation of an existing policy, you can transfer ownership of an existing life insurance policy to Armagh, and also make Armagh the policy's beneficiary. When you transfer ownership of the policy, a portion of its cash value will be taxable as income, but you'll receive a charitable tax receipt for the entire cash value, because the proceeds of this policy become irrevocable. If premiums are still owing, you also will receive a charitable tax receipt for every premium you continue to pay on the policy, whether you pay the insurer directly or send funds to Armagh with instructions to pay the premium.

Purchasing a New Life Insurance Policy

You can purchase a new life insurance policy to support Armagh in the future.

You can designate Armagh as the owner and beneficiary of the new policy, and make tax-creditable donations to Armagh that are used to pay the premiums. You receive current tax savings and, because the insurance proceeds pass directly to Armagh outside of your estate, you'll reduce probate costs.

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Armagh's Official Name and Address

Please be sure to include Armagh's complete name and address when naming Armagh as either the owner and/or beneficiary of your life insurance policy:

Armagh
PO Box 52581
1801 Lakeshore Road West
Mississauga, Ontario L5J 4S6

Charitable Registration Number: 118789635RR0001

Independent Counsel

Armagh will provide you with information and assistance to make a gift of life insurance. However, the ultimate responsibility regarding evaluations, tax deductibility, and/or similar legal local, provincial or federal compliance issues rests with you and/or your counsel.

All donors are encouraged to seek independent financial and legal counsel when executing wills, trusts, contracts and other agreements.

Contact Information

Contact: Ms Lynn Ward, Executive Director

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By Email: lynn.armagh@rogers.com

Website: www.armaghhouse.ca

Charitable Registration Number: 118789635RR0001

