



## ***GIFT ALLOCATION AGREEMENT***

### ***Purpose and Benefits***

#### **Purpose**

To provide a means for donors to designate one gift from within their estate plan to Lutheran Church – Canada Financial Ministries (operating as Lutheran Foundation Canada), whereby the disbursement of that gift is then administered by the Foundation. There is no cost for this service.

A Gift Allocation Agreement is usually used when the donor chooses to disburse their estate gift to more than one charitable organization.

Current Gift Allocation Agreements include agreements ranging from two to sixteen named charitable organizations, and/or from estates that are likely to provide gifts ranging from \$25,000 to \$2,000,000.

#### **Benefits**

1. The estate executor is required to only communicate with the Foundation, regarding estate notifications, approvals, and disbursements, greatly simplifying their work.
2. Only the Foundation is sent a copy of the Will, providing greater privacy for the donor, as listed charities will only be aware of the amount gifted to them.
3. If the donor decides to make changes to those ministries receiving a gift, or the amount given to each, only the Gift Allocation Agreement need be changed, at no cost to the donor, unlike having to change your Will.
4. Allows the Foundation an opportunity to confirm charitable organizations have been correctly named, in keeping with CRA regulations.
5. If requested by the donor, allows the Foundation to assist in structuring the gift to take greater advantage of tax incentives regarding charitable giving.



**GIFT ALLOCATION AGREEMENT**

**THIS AGREEMENT** made in duplicate as of the \_\_\_\_\_ day of \_\_\_\_\_, 2023,

**IS BETWEEN:**

**LUTHERAN CHURCH-CANADA FINANCIAL MINISTRIES**

operating as LUTHERAN FOUNDATION CANADA

(herein called "LCCFM")

OF THE FIRST PART

- and -

\_\_\_\_\_  
(herein collectively called the "DONOR")

OF THE SECOND PART

WHEREAS LCCFM is a public foundation working on behalf of Lutheran Church – Canada and her affiliated organizations and congregations;

AND WHEREAS Canada Revenue Agency has encouraged LCCFM to accept gifts on behalf of the various organizations and congregations affiliated with Lutheran Church – Canada;

AND WHEREAS LCCFM has a fiduciary responsibility to Canada Revenue Agency, Lutheran Church – Canada, her affiliated organizations and congregations, and to any individual who has given a gift;

AND WHEREAS LCCFM must adhere to the stated use or disbursement of any and all gifts accepted by LCCFM;

AND WHEREAS the DONOR has transferred ownership on life insurance policy # 00000, with (enter insurance company), having a face value of \$00,000; which automatically causes the named beneficiary to be Lutheran Church – Canada Financial Ministries,

NOW THEREFORE in consideration of the covenants herein contained the parties agree as follows:

**AGREEMENT:**

1. The DONOR hereby acknowledges and declares that this gift is absolute and irrevocable, and that in respect of this gift LCCFM shall have no liability or obligation whatsoever to the DONOR'S heirs, administrators, executors, trustees or assigns, save that which is outlined herein.



2. LCCFM agrees that upon receipt of funds from the insurance policy as outlined above, those funds shall be disbursed as follows:

Organization Name	Charitable Number	% of total	Purpose
		100	As needed

3. Should any of the beneficiaries named in the above clause, no longer exist at the time the gift is received, their designated portion shall be disbursed (choose one):

- at the discretion of the LCCFM Board, or their successors. This discretion would be linked as closely as possible to the DONOR'S original intent.
- equally between the remaining beneficiaries.
- to Lutheran Church – Canada to be used as needed.

4. Do you want these gifts to be given anonymously?  Yes  No

5. The DONOR acknowledges that LCCFM reserves the right, should it be needed, to lapse or surrender the policy for the greater of its CASH SURRENDER VALUE or FULL MARKET VALUE if the DONOR is unable to maintain any required future premium payments, or if the policy is at risk due to changes in dividend scales, or other unexpected events.

Accepted by:  
Donor

Accepted by:  
Lutheran Church-Canada Financial Ministries

\_\_\_\_\_  
Donor Name

\_\_\_\_\_  
Allen Schellenberg – Executive Director