

GIFTING WITH LIFE INSURANCE



OUR GIFTING GOALS

Westward helps clients gift life insurance coverage to charities. Hundreds of high net worth Canadians have implemented our plans, and many of these choose to add a charitable component. Our aim is to benefit the charitable sector by increasing the number of clients who add charitable gifting to their estate plans, leading to the following results:

- **\$1 billion** of charitable life insurance implemented under Westward plans
- **Simplified, straightforward** gifting structures to encourage gifts
- **Ongoing plan maintenance** to ensure donors and charities achieve the benefits of the plans

The opinions expressed in this memorandum are strictly those of Westward Advisors Ltd. This memorandum is for information purposes only and is not legal or tax advice.



Program Progress

Since 2006, Westward has helped wealthy entrepreneurs incorporate charitable gift planning into their estate plans with the use of life insurance. Westward encourages clients to gift life insurance via public foundations to eliminate the implementation delays and administrative burdens associated with private foundations. Life insurance gifts are accelerating amongst our high net worth clients as follows:

Gifted Life Insurance Policies

Completed	In Progress	Proposed
19 Policies	14 Policies	6 Policies



Gifting Structure

Typically, our clients acquire a corporate-owned life insurance policy that includes coverage for their estate and coverage for gifting to charities. An ownership interest in a specified portion of the policy coverage is gifted to a foundation, with a shared ownership agreement setting out the rights and obligations of each owner in the policy.

The gift documents are vetted by Westward's legal counsel, the foundation's legal counsel, and the donor's advisors. Once executed and submitted to the insurer, the insurer's consent to the gift completes the gift.

After the gift is complete, the donor pays the premiums for the foundation's share of the policy and the foundation issues a donation receipt for the payment of its share of the premiums.

The Performance Optimizer

Westward's Performance Optimizer service monitors the gift program throughout the donor's lifetime. Each year, we ensure the policy and the gift are operating according to plan. We issue an annual report to the donor and the donor's advisors accounting for the plan's performance during the year. We reconcile premiums paid on behalf of the foundation to assist it in the issue of annual donation receipts. Modifications to the plan are made as circumstances require.

Going Forward

The gift program has proven highly successful in encouraging wealthy clients to include charitable gifting in their estate plans, and Westward will continue to promote this option to clients in appropriate circumstances.

