

## Charitable Annuity



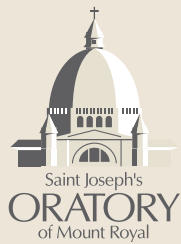
## The Oratory's Planned Giving Program

*A charitable annuity allows you to make an important gift to Saint Joseph's Oratory of Mount Royal in exchange for a guaranteed fixed and regular amount for the rest of your life, and/or your spouse's life.*

*When you set up an annuity, a minimum of 20% of its cost is gifted to the Oratory, as per Canadian Revenue Agency rules and regulations. The balance is used to pay you the agreed amount periodically for the rest of your life. In case of premature death, any amount not used to make these periodical payments then also become the property of Saint Joseph's Oratory.*

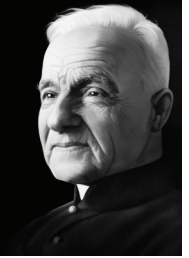
*A charitable annuity is set up based on the amount you entrust to the Oratory, your life expectancy and current interest rates. Annuities at Saint Joseph's Oratory are offered to people at least 60 years of age for a minimum of \$20,000.*

*An annuity allows you to benefit from advantageous annuity rates and, in many cases, the monies you receive will not be taxable. According to current tax rules, the taxable portion of the payments you receive is calculated based on the annuity rate and your life expectancy at the time the contract is signed.*



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### EXAMPLES OF ANNUITIES

#### Mr. and Mrs. O'Connor

*Mr. and Mrs. O'Connor have \$20,000 they can use towards to an annuity. He is 70 years old and his wife is 61.*

*They would like to make an important gift to Saint Joseph's Oratory of Mount Royal while making sure they receive a predetermined and guaranteed revenue on a regular basis. They are thinking of establishing the annuity in Mr. O'Connor's name, transferable to his wife after he passes.*

*They make an irrevocable payment of \$20,000 to the Oratory, of which 20%, or \$4,000, is immediately set aside as a gift for which they get a donation tax receipt. The remaining \$16,000 will finance an annual annuity of \$731, or the equivalent of 3.65% of the of the payment made*

#### Mr. Parker

*Mr. Parker is 76 years old. He has savings of \$100,000 that he would like to use to make an important gift to Saint Joseph's Oratory of Mount Royal, but he also wants to make sure he will have enough money to cover his expenses for the rest of his life. He decides to purchase a charitable annuity at the Oratory.*

*Based on his life expectancy, Mr. Parker will be able to receive \$6,558 per year, or a 6.56% yield on the money he will transfer to the Oratory. (Rates vary based on the Bank of Canada rates at the time the contract is signed).*

*(rates vary based on Bank of Canada rates when the contract is signed) for as long as one of Mrs. and Mr. O'Connor lives.*

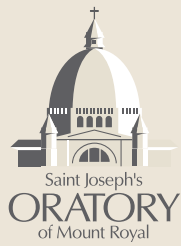
*According to tax rules, only \$87.17 will be taxed annually. (The taxable portion of the annuity is based on the donors' life expectancies and the contract's yield; the older the donor is, the lower the taxable portion will be. In some cases, there are no taxes to pay at all.)*

*Furthermore, since an immediate gift of \$4,000 was made to the Oratory, Mr. and Mrs. O'Connor will receive a tax receipt in that amount, a receipt they can use to get a tax credit for the year of the gift or in the next five years.*

*This tax credit can mean savings of approximately \$1,800.*

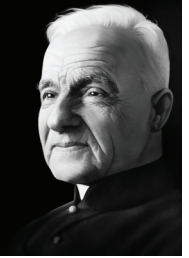
*Because he has chosen to donate 20% of the amount he has available to purchase this annuity, Mr. Parker will receive a tax receipt in that amount, a receipt he can use to get a tax credit for the year of the gift or in the next five years. This receipt could mean a savings of approximately \$9,612 in taxes.*

*And, based on current tax law, this annual income of \$6,558 will only be taxed on \$158 (based on his life expectancy).*



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### EXAMPLES OF CALCULATIONS

These rates vary based on Bank of Canada interest rates when the contract is signed. These figures are only given as examples.

#### Woman. Initial annuity purchase cost of \$20,000.

AGE	RATE	ANNUAL REVENUE	CHARITABLE RECEIPT	TAXABLE REVENUE
60	3.71%	\$743	\$4,000	\$173
69	4.58%	\$917	\$4,000	\$122
77	5.65%	\$1,131	\$4,000	\$0
81	6.41%	\$1,282	\$4,000	\$0
85	7.29%	\$1,458	\$4,000	\$0
90	7.51%	\$1,592	\$4,000	\$0

#### Man. Initial annuity purchase cost of \$20,000.

AGE	RATE	ANNUAL REVENUE	CHARITABLE RECEIPT	TAXABLE REVENUE
60	3.26%	\$651	\$4,000	\$159
69	5.09%	\$1,008	\$4,000	\$83
77	6.23%	\$1,246	\$4,000	\$0
81	7.08%	\$1,416	\$4,000	\$0
85	7.92%	\$1,584	\$4,000	\$0
90	8.43%	\$1,686	\$4,000	\$0

#### Couple, husband and wife. Initial annuity purchase cost of \$20,000

AGE	RATE	ANNUAL REVENUE	CHARITABLE RECEIPT	TAXABLE REVENUE
60	3.36%	\$673	\$4,000	\$103
69	4.10%	\$820	\$4,000	\$26
77	5.00%	\$1,000	\$4,000	\$0
81	5.81%	\$1,162	\$4,000	\$0
85	6.53%	\$1,306	\$4,000	\$0
90	7.22%	\$1,444	\$4,000	\$0

**P.S.:** The discussion herein is general in nature and may not apply to all individuals. Prospective donors are urged to consult their personal tax and financial advisors concerning the specific consequences of making gifts to Saint Joseph's Oratory of Mount Royal.



**ANY QUESTIONS?  
DO NOT HESITATE  
TO COMMUNICATE  
WITH US.**

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