



FOUNDATION

for Niagara & Hamilton area Christian Schools

Revocable Deposit Agreement

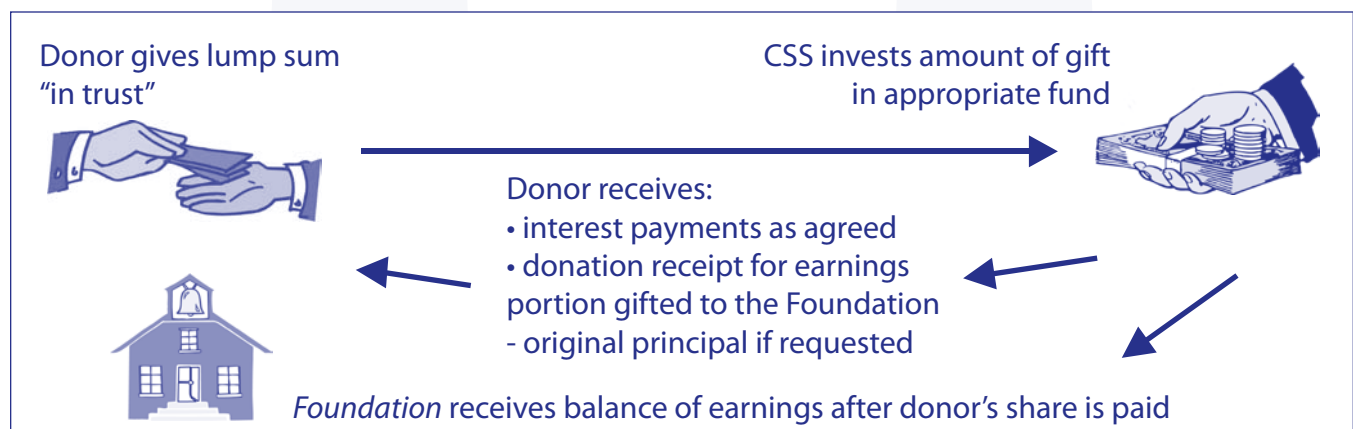
A *Revocable Deposit Agreement (RDA)* is a combination of an investment and a planned gift that is arranged through our partnership with **Christian Stewardship Services (CSS)**. It is especially designed for donors who wish to put their capital to work effectively, benefiting themselves and their local Christian school(s). Deposits are invested in one of CSS's investment funds and pay a rate of return annually based on the return of the underlying fund - during the past few years this has been in the 5 to 6% range. To include the charitable intent, CSS requires all donors to agree to share a minimum of 50% of these earnings with a charity such as the *Foundation for Niagara & Hamilton area Christian Schools*. CSS issues the charitable receipt to the donor for the funds gifted to our Foundation as well as the T5 slip for the earnings he or she receives from CSS.

The original sum invested remains your property and you can have it returned, all or just a portion, upon 30, 60 or 90 days notice - thereby earning the name 'revocable'. With this unique investment option, there is no need to tie up your capital for 5 years or more to earn this rate of return - and your money, the complete deposit or just a portion of it, is available on relatively short notice should you need it!

With the 'revocable' designation in place, the remaining principal in the *RDA* is returned to the donor's estate in the event of their death. In addition to the gift of earnings, a donor can also elect to have any remaining funds gifted to the *Foundation* (under certain circumstances) - avoiding probate and other fees.

Benefits and Features of an *RDA*

- a sound investment in 'kingdom work'
- the donor retains ownership of the principal
- earnings benefit our Christian schools through our *Foundation* - tax receipt issued
- excellent rate of return with funds still accessible if and when needed
- not subject to probate if gifted at death (terms subject to prior approval by CSS)



How can I expect my gift to be used?

Any funds received by our *Foundation* can be designated in a variety of ways:

- to be allocated by the Board of Directors to help underwrite promotional efforts. In this way all our member schools benefit and the cause of Christian education is advanced.
- to be allocated to one or more school endowments or special purpose fund.
- to flow-through to one or more specific schools for bursary purposes or for the school Board(s) to allocate where the need is greatest.

In many cases, designations can also be revised and/or changed if requested by the investor, especially if the original designations were made directly with our *Foundation*.

How are the deposits invested by CSS?

Charity Loan Fund: Christian Stewardship Services' Charity Loan Fund is made available to sponsoring charities, churches and Christian schools to assist them in financing their capital needs. Mortgages and loans are extended to these organizations at competitive rates providing CSS investment criteria are met. CSS's Investment Committee – comprised of financial industry professionals and members of CSS, manages the Charity Loan Fund.

What about the Issuer?

These Deposit Agreements are issued by Christian Stewardship Services, a charity registered with Canada Revenue Agency (formerly Revenue Canada and CCRA) under BN# 10692 0309. CSS was established in 1976 as a federal non-share corporation. It acts on behalf of some 40 charitable causes including the *Foundation for Niagara & Hamilton area Christian Schools*.

Are there any fees for this service?

Yes, CSS charges a 1% per annum management fee on all Deposit Agreements. We feel this is a very reasonable fee considering the historical rate of return relative to the liquidity of the funds invested.



FOUNDATION for Niagara & Hamilton area Christian Schools

Henry J. Koornneef CFP, CSA - Executive Director

Head Office: 6488 Smithville Rd., P.O. Box 850, Smithville, ON L0R 2A0
phone: 905-957-8172 • toll free: 1-877-340-9555 • fax: 905-957-9172
office@schoolfoundation.ca • www.schoolfoundation.ca