

SAMPLE BEQUEST LANGUAGE

This document is intended for accountants and lawyers only. The North Bay Regional Health Centre Foundation (NBRHC Foundation) does not provide legal advice. The NBRHC Foundation encourages individuals to seek legal, accounting and financial advice when drafting their Will.

Forms of Bequests

Specific bequest

A. Sum of money

“I give to North Bay Regional Health Centre Foundation the sum of (amount)...”

B. Particular property(ies) such as real estate, stocks, bonds, jewelry, works of art, or other items. Unless the property provides a purpose to the Hospital, as determined by the Board of Trustees of the North Bay Regional Health Centre Foundation, it will be sold. The proceeds, less any appraisals and selling costs will be applied as per the terms of the bequest.

“I give to North Bay Regional Health Centre Foundation (description of property)...”

Rest and residue of estate

“I give to North Bay Regional Health Centre Foundation all (or stated percentage) of the rest, residue, and remainder of my estate...”

Contingent bequest

“If (name/s of primary beneficiary/ies) do/es not survive me, [or shall die within ninety (90) days from the date of my death, or as a result of a common disaster], then I give to North Bay Regional Health Centre Foundation (describe amount of cash, property or percentage of residual estate)...”

Charitable remainder trust

“I direct that my Estate Trustee raise out of the capital of my estate the sum of \$_____ to be held and invested by my trustee and to pay to (name of spouse or other individual/s) all of the net income which accrues therefrom during (his, her, their) natural lifetime(s). Upon the death of _____, such trust fund shall be distributed to North Bay Regional Health Centre Foundation (may want to add ability to encroach on capital).

Purpose of Bequest

Below is a “purpose” clause that can be added to any of the examples of bequest language.

1. Unrestricted use

“...to be used for the general purposes of North Bay Regional Health Centre Foundation.” (May also add, “...at the discretion of the Board of Trustees.”)

“...to be used for medical equipment.”

“...to be used for cancer care.”

Power to Vary Provision

It is recommended that the following paragraph be added if the bequest is for a restricted use to grant power to vary provision.

“If, in the opinion of the Board of Trustees of the North Bay Regional Health Centre Foundation, it should become impossible, inadvisable, or impractical to use this gift for the specified purpose(s), I direct that the Board may in its discretion use the gift to the best advantage of the North Bay Regional Health Centre keeping in mind the original wishes of the donor. In any such alternative application, the support provided by this bequest shall be clearly identified with the name of (name of individual).”

EXAMPLE 1 – where Testator wants to give the Trustee discretion

For the purposes of my Will:

- a. The receipt of any person purporting to be the proper officer of the North Bay Regional Health Centre Foundation named as a beneficiary shall be a full discharge to my Trustees.
- b. If, at the time of distribution, The North Bay Regional Health Centre Foundation has amalgamated with another institutional beneficiary or has changed its name or objects, any provision for it in my Will shall not fail and I declare that, notwithstanding the particular form of the bequest, my paramount intention is to benefit a general charitable purpose and my Trustees are hereby authorized in their absolute discretion to pay the bequest to the institutional beneficiary that they consider most closely fulfills the objects I intend to benefit.

EXAMPLE 2 – If the Testator does not want the gift to go to any other charity

If, in the discretion of my Trustees, the North Bay Regional Health Centre Foundation named in my Will has ceased to operate (as distinct from changing the location of its work, changing its name, amalgamating or uniting with another organization or organizations) the gift to the organization shall lapse. (a further clause is needed to designate the beneficiaries if the gift lapses)

ENDOWMENT FUNDS

An endowment fund is a gift that is invested and provides income to support the North Bay Regional Health Centre Foundation. The principal is never spent and continues to provide revenue year after year.

The North Bay Regional Health Centre Foundation has a general, unrestricted endowment fund. Unrestricted endowments are our priority as the income generated is used to provide funding for the areas of most urgent need at the Hospital.

The North Bay Regional Health Centre Foundation also provides donors with opportunities to create Named Endowment Funds. For a gift of \$50,000 or more, a Named Endowment Fund can be created in your name, your family name or in honour of an individual of your choice.

You may indicate in your Will that you wish your gift to be endowed, without restriction. If your gift is \$50,000 or more you may designate that this gift be used to create a Named Endowment Fund. Here is suggested wording you may want to share with your lawyer if you wish to establish a Named Endowment Fund with a bequest in your Will:

“I give to the North Bay Regional Health Centre Foundation _____
to be used to establish an endowment fund.” The principal contributed for this fund may be merged with any of the Foundation’s assets for investment purposes, but shall be identified in the Foundation’s books as the (name of donor and/or other individual(s)) Endowment Fund. The annual income created by the endowment fund shall be used for (state purpose. Examples: “medical equipment”, “education”, or for a particular division or program of the Foundation).

It is also recommended that the following language be added to any restricted use language in your Will:

“If, in the opinion of the North Bay Regional Health Centre Foundation Board of Trustees (hereinafter referred to in this clause as “the Board”), it should become impossible, inadvisable or impractical to apply these funds to the purposes so designated, or if the Board is of the opinion that part of the said funds are not required for such purposes, the Board shall use the said funds or such part thereof in such manner as in its discretion may seem to be to the best advantage of the North Bay Regional Health Centre Foundation for other purposes consistent with the spirit and intention of this gift.”