

Sample Wording for Clauses Used in Wills

There are many ways to word a charitable gift in a will. Here is some suggested language we hope might help you and your clients describe their testamentary gift to our Community Foundation. Of course, the phrases may need to be adapted to reflect your client's specific interests and circumstances. Wills are often more complex than they appear, and the drafting of a will (or a codicil to an existing will) should be entrusted to experienced accounting and legal counsel, ideally those with estate planning expertise. If your client is considering an estate gift by will to the Lethbridge Community Foundation, please feel free to contact us to discuss the terms of the gift.



General Charitable Purposes – Unrestricted in Use

A gift for “General Charitable Purposes” provides maximum flexibility for the Foundation to support the highest priority needs identified in the community for funding each year. Gifts designated by your client in this manner will be directed to the Foundation’s **Community Impact Fund**.

(a) Fixed Amount:

“I give (\$ _____) to the Lethbridge Community Foundation, to be treated as capital and invested, and the net income paid to or used for such charitable purposes as the Board of Directors of the Lethbridge Community Foundation may from time to time determine.”

(b) Residue of Estate:

“I give [the residue] or [# ____ shares of the residue] of my estate to the Lethbridge Community Foundation, to be treated as capital and invested, and the net income paid to or used for such charitable purposes as the Board of Directors of the Lethbridge Community Foundation may from time to time determine”.

(c) Gift upon Death of Named Persons:

1. Of Residue

“Upon the death of the survivor of _____ and me, I direct my trustee to give the residue of my estate then remaining to the Lethbridge Community Foundation, to be treated as capital and invested, and the net income paid to or used for such charitable purposes as the Board of Directors of the Foundation may from time to time determine.”

2. Of a Fixed Sum

“Upon the death of the survivor of _____ and me, I direct my trustee to give (\$ _____) to the Lethbridge Community Foundation, to be treated as capital and invested, and the net income paid to or used for such charitable purposes as the Board of Directors of the Foundation may from time to time determine.”

(d) Contingent Bequest:

“If _____ does not survive me by ninety (90) days or dies in circumstances where the order of our deaths cannot be determined, then I give to the Lethbridge Community Foundation the residue of my estate, to be treated as capital and invested, and the net income paid to or used for such charitable purposes as the Board of Directors of the Foundation may from time to time determine.”

Specific Charitable Purposes

If specific purposes are to be designated by your client, they should be for charitable purposes reflected in the programs and services promoted by Lethbridge Community Foundation.

The following clauses would apply to gifts designated by your client for any of the *program-specific endowment funds* described above, or any other program fund maintained by Lethbridge Community Foundation. For further information, we ask that you contact the Foundation's office for additional assistance in this regard.

(a) Specific Purposes:

"I give (\$_____) to the Lethbridge Community Foundation, to be treated as capital and invested, and the net income paid to or used for [*insert name of particular charitable purpose, program or service*] provided that when in the judgment of the Foundation, the value of supporting the specific purposes or objects hereinbefore designated become significantly diminished, the net income may be paid to or used for such charitable purposes as are, in the judgment of the Foundation's Board of Directors, as close as possible to my original intent."

Addition to an Established Fund

Your client (or other contributor) may add to the capital of a fund that has already been established at the Lethbridge Community Foundation, provided that the gift does not alter the stated focus of the existing fund. The exact name and purpose of the fund should be obtained from the Foundation's Executive Director prior to finalizing the wording in any document. The appropriate wording of the will should be drafted in consultation with a representative of the Lethbridge Community Foundation.

Named Funds

Where the donor wishes a name (the donor's own name or someone else's) or another title to be attached to a new fund account financed by the bequest (**note: *minimum gift requirements are required to establish a named fund***), a version of the following sentence may be added in the will:

"The account created by this bequest shall be designated and known as "The _____ Fund".

Where a bequest (or devise) is to be designated as a tribute gift (in memory or honour of another), a form of the following sentence may be added:

“This gift is given to the Lethbridge Community Foundation in honour/in memory of _____.”

Avoiding Intestacy

A residual bequest to the Lethbridge Community Foundation can ensure that your client does not die intestate if all his/her other beneficiaries have predeceased him or her.

Rather than having the estate or a share of it go to remote family relations or the government, your client (as testator/testatrix) can name the Lethbridge Community Foundation as the ultimate beneficiary when, for whatever reason, a gift fails to take effect.

Suggested Wording:

“In the event that any gift made by this will for any reason, fails to take effect, I direct that the property or sum so described as the gift or donation, be given instead to the Lethbridge Community Foundation to be treated as capital and invested, and the net income paid to or used for such charitable purposes as the Foundation’s Board of Directors may from time to time determine.”

The “Power to Vary” Clause

To help ensure that the gifts of all donors are used to maximum potential, and to minimize the chances that purposes for which gifts are made today become redundant, we ask you to advise your clients to consider including a “power to vary purposes” clause in their wills, whenever a designated use for gifted funds is proposed. Such a clause might read as follows:

“If changed circumstances should at some future time make the specified use of this gift (or name of fund) impractical or desirable for the designated purpose, then the Lethbridge Community Foundation Board of Directors is hereby authorized to redirect the use of the funds (or the purpose of the endowed fund), provided that the amended terms of the agreement shall adhere as closely as possible to the donor(s)' original intent for this gift (Fund).”

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