

ANNUITIES

Annuities allow you to make an immediate gift to support Sunnybrook while at the same time receiving a guaranteed predetermined income for life for you and your surviving partner.

Benefits to You

- You receive a fixed and guaranteed income stream, at a rate of return that is typically higher than the rate of guaranteed income investments.
- Depending on your age, a large portion or all of your annuity income payments may be tax-free.
- You receive a charitable tax receipt for the gift component for even more tax savings.

How

- Your gift is divided into two parts. A portion of your gift is immediately given to Sunnybrook Foundation, and you receive a tax receipt for that amount. The remainder is used to purchase an annuity from an insurance company and you receive a guaranteed income for life.

Example*

Mr. Reynolds is 74 years old and would like to make a gift to Sunnybrook in honour of the excellent care that he has received over many years. Mr. Reynolds has always been a conservative investor, he has substantial cash and

near cash assets including a \$80,000 maturing GIC, which has been paying 1% interest. Mr. Reynolds decides to transfer the \$80,000 GIC to Sunnybrook to make a gift today and purchase an annuity which will provide him with a guaranteed income stream for life.

- Mr. Reynolds makes an \$80,000 gift to Sunnybrook.
- Sunnybrook receives \$20,000 as a charitable gift today, and Mr. Reynolds receives a tax receipt for \$20,000.
- The remainder is used to purchase an annuity from an insurance company at a rate of 5.4% which will provide him with an annual income stream \$4,320.
- Mr. Reynolds chooses to receive monthly payments from his annuity for as long as he lives and he feels proud that he could make a difference today through a gift to Sunnybrook.

** Numbers are for illustrative purposes only.*