



BERMUDA COMMUNITY
FOUNDATION

Bequests and Trusts

Including a charitable bequest in a trust or will is a simple and flexible way to make a lasting gift. Planning for this type of gift doesn't have to be cast in stone. The Bermuda Community Foundation (BCF) can provide flexibility for your client's charitable interests as they change over the years.

HOW IT WORKS

Charitable bequests may be used to add to existing funds at BCF, to establish a donor fund or funds at BCF or a combination thereof. A portion of the bequest may also be passed through to selected charitable organisations other than the BCF. The terms of the bequest are recorded in a document we call a memorandum of charitable intent, or MOCI. The MOCI has two advantages.

First, it allows your client (a donor) to change the purpose of his or her gift without changing the will, trust or beneficiary forms. We keep the signed MOCI on file, periodically sending you a copy to review on behalf of your client or with your client. If his or her interests change, the MOCI can be easily updated. You would not necessarily need to change the original trust or will documents.

Second, the MOCI provides you and your client the flexibility to address multiple charitable interests via BCF. We offer access to information on critical local needs, with which to help you and your client make informed philanthropic decisions.

SUGGESTED WILL OR TRUST LANGUAGE

When your client names BCF as a beneficiary of a gift, the following language can be included in a will or trust:

"This gift will be made to the Bermuda Community Foundation (BCF), Bermuda registered charity No. 948, to be directed as described in the memorandum of charitable intent on file with the BCF."

or

"I direct that all remaining assets comprising my estate (or a percentage, fixed amount, or particular asset) shall be distributed to the Bermuda Community Foundation (BCF), Bermuda registered charity No. 948, to be directed as described in the Memorandum of Charitable Intent on file with the BCF."

The MOCI will then include instructions to establish, or add to, endowed (permanent) funds at BCF according to your client's charitable interests. Your client can start a named fund for a favourite organisation or for a community need, such as health, the environment, or the arts. They can contribute to the ongoing existence of the Community Foundation and its work in Bermuda. They may also direct pass-through (non-endowed) distributions from their gift to specific nonprofits.

SPECIFIC TRUST LANGUAGE

However, if your client desires to make a gift to a specific existing fund(s), we can provide information about funds at BCF. The following wording might be appropriate.

"I direct that all remaining assets comprising my estate (or a percentage, fixed amount, or particular asset) shall be distributed to the [NAME OF FUND] at the Bermuda Community Foundation (BCF), Bermuda registered charity No. 948."

Contact us at info@bcf.org for more information on making lasting gifts through the Bermuda Community Foundation.

Continues overleaf

SCENARIO

Jack and Joan Simmons have been long-time donors of the Bermuda Community Foundation. They have asked their estate planning attorney to direct 10% of their estate to BCF. They estimate that this will result in a gift of about \$100,000, but of course that could change.

- In 1990, they had established an endowed fund at BCF for health services called the Simmons Family Health Fund. BCF oversees grants from this fund.
- Jack and Joan also care about programmes for children and, in particular, debating as a life-long personal development skill. They both volunteer as judges with the Bermuda Debate Society (BDS), which has an endowed Agency Fund at BCF that benefits the organisation.
- The Simmons are also very impressed with the work of Doctors Without Borders.
- Joan has a life-long interest in the arts and is an excellent watercolourist.
- Jack's mother, Lucille Simmons, died last year from cancer. She received wonderful support during her illness from Agape House. They want to honour the memory of Lucille Simmons with an endowed fund here in Bermuda where she grew up.

Let's see what their Memorandum of Charitable Intent might look like:

Sample Memorandum of Charitable Intent Language regarding the Estate of Jack and Joan Simmons to BCF

The purpose of this Memorandum of Charitable Intent is to serve as a guide to the Bermuda Community Foundation (BCF) in carrying out the philanthropic objectives of Jack and Joan Simmons (Donors). The donors have stated that assets directed from their estate to BCF be used for the following charitable purposes:

1. Pass-Through Gifts: Donors wish the following amounts to be distributed by BCF to the following organisations:

\$5,000 to <i>The Cancer and Health Centre</i>	\$10,000 to <i>Doctors Without Borders</i>
\$5,000 to <i>Bermuda Debate Society</i>	\$5,000 to <i>XYZ Palliative Care House</i>

In the event that an organisation listed above is not in existence at the time funds are distributed, then the donors wish that organisation's gift to be added to the Simmons Family Health Fund at BCF.

2. Additions to Existing Community Foundation Funds: After pass-through gifts are made, the Donors wish the following percentages of the remaining balance be added to the following existing funds:

10% to the <i>Bermuda Debate Society (BDS) Endowment Fund</i>	10% to the <i>Simmons Family Health Fund</i>
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3. New Fund(s) to be Created at the Community Foundation: The following percentages from the remaining balance will be used to create the following new funds:

50% to create <i>Joan's Art Fund, an endowed fund to support arts programmes and projects in Bermuda</i>
50% to create the <i>Lucille Simmons Memorial Fund, an endowed fund to support palliative care needs</i>

In the event that the allocations for new funds do not meet BCF's minimum for new funds at the time of distribution, the allocations will be added to the *Simmons Family Health Fund*.

DONORS' REVIEW AND CONFIRMATION

We have reviewed this Memorandum of Charitable Intent and confirm that it reflects our wishes. We understand that I/we have the right to update this Memorandum at any time.

Jack Simmons, Donor

Joan Simmons, Donor

Date