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## GIFT ACCEPTANCE POLICY

### I. INTRODUCTION

True Patriot Love Foundation (“Foundation”) is Canada’s Foundation for the military community working to support military members, Veterans, and their families at every stage of their journey. The Foundation works as a trusted partner with local charities, social enterprises, the Canadian Armed Forces, and the federal and provincial governments to raising money in support of stronger military families, well-being and mental health, rehabilitation and recovery and connection with communities.

The Foundation seeks to maximize the benefit it can bring to the needs of the military community, Veterans, and families. It is also conscious of the respect in which it is held and the value of its brand.

### II. PRACTICES

The Foundation welcomes gifts from individuals, corporations, public organizations, and foundations that adhere to the conditions set out by Canada Revenue Agency (CRA) except where:

1. The gift comes from an illegal source.
2. The gift or source of the gift is deemed to be contrary to the mission of the Foundation.
3. The acceptance of the gift would be counter-productive and, in all likelihood, result in a loss of other support or damage to the reputation or brand of the Foundation.

### III. PROCEDURES

The Foundation is committed to the following procedures in accepting gifts:

1. Designated gifts may be used for the purposes for which they are provided.
2. Undesignated gifts may be used for the most-needed initiatives as determined by the CEO in conjunction with the management team.
3. Due diligence may be undertaken on potential sources of funds, ideally ahead of any contact being initiated (recognizing this is not always possible and retroactive checking is needed). This would include, amongst others, appropriate checks on money laundering, and other legal or ethical considerations for countries sanctioned by Canada.
4. Where there are concerns that any gift or source of support would be acceptable, the matter will be referred first to the CEO, and as required, to the Board of Directors for a final decision.
5. All gifts will be recorded and receipted in accordance with the rules and regulations set out by the CRA. The Foundation will issue an official receipt for contributions of \$10 or

more that qualify as charitable gifts. Official receipts for contributions of less than \$10 will only be issued when requested by the donor.

6. The donor may be responsible for the cost of any required appraisal. The cost of the appraisal will be eligible for an official receipt in accordance with CRA guidelines.
7. Anonymity will be granted to any donor who makes this request.
8. In cases of potential conflict of interest, those acting on behalf of the Foundation must declare the conflict and allow an impartial individual to act for the Foundation.
9. Professional staff and members of the Board shall in all cases encourage the donor to discuss proposed gifts with an independent financial planner, legal adviser and/ or tax adviser of the donor's choice and at the donor's expense, to ensure that the donor receives a full and accurate explanation of all aspects of the proposed gift. In some cases, the Foundation may decline a gift if the donor has not obtained independent advice.

#### **IV. GIFT ELIGIBILITY**

For the avoidance of doubt, 'gift' refers to any source of financial support including corporate donations or sponsorship, foundations, private donors, events, or other promotional activity. The following gifts types are deemed eligible for acceptance by the Foundation, with other types of gifts will be determined for acceptance by the Foundation on a case-by-case basis:

##### **i. Cash**

True Patriot Love accepts cash, credit card payments, direct debit payments and cheques (including postdated) or money orders made payable to "True Patriot Love Foundation".

##### **ii. Will and Bequests**

Bequests made to True Patriot Love Foundation may qualify as a charitable gift if the terms and conditions of the bequest are acceptable under our gift acceptance policies. Official receipts will be issued to the estate of the deceased, according to CRA guidelines.

Prior to a tax receipt being issued, we require a copy of documents naming True Patriot Love Foundation as a beneficiary for our files.

##### **iii. Charitable Gift Annuities**

It is not the practice of the Foundation to manage gift annuities, but rather to purchase reinsured gift annuities from life insurance companies.

**iv. Life Insurance Policies**

True Patriot Love Foundation may accept a life insurance policy as a gift if we are named as beneficiary or is both the irrevocable owner and beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

Any premiums due are the responsibility of the donor. If the insurance policy lapses for non-payment prior to maturity because a donor fails to provide for premium payments, True Patriot Love Foundation may:

- Continue to pay the premiums;
- Convert the policy to paid up insurance; or
- Surrender the policy for its current cash value.

When a life insurance policy is absolutely assigned to True Patriot Love Foundation, any consent that is required by provincial regulations to change a beneficiary must be signed before the transfer represents a valid charitable donation.

**v. Retirement Fund**

True Patriot Love Foundation may accept the proceeds of a retirement fund as a gift if it is named as beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

**vi. Publicly Traded Securities**

Generally, True Patriot Love Foundation may only accept gifts of securities that are publicly regularly traded individual stocks, ETFs, or mutual funds from major Canadian and American exchanges. The value and the tax receiptable amount of such a donation is determined by the trading value on the date of receipt of the donation.

**vii. Charitable Remainder Trust and Residual Interest Gifts**

All proposals for charitable remainder trusts and residual interest gifts to True Patriot Love Foundation shall be reviewed by the CEO in conjunction with the COO and Senior Manager, Finance, and legal counsel, as necessary. The Foundation may accept a charitable remainder trust as a gift if it is named as a capital beneficiary. The tax receiptable amount will be determined according to CRA Guidelines.

**viii. Gifts of Property**

All proposals for gifts of property to True Patriot Love Foundation shall be reviewed by the CEO in conjunction with the COO and Senior Manager, Finance, and legal counsel, as necessary. These gifts may be reviewed to ensure that acceptance will not involve financial commitments in excess of budgeted items or other obligations disproportionate to the use of the gift.

Gifts of property valued at or over \$1,000 given to and accepted by True Patriot Love with the intent of the donor to receive a tax receipt, must receive an independent external appraisal.

**ix. Gift in Kind**

True Patriot Love Foundation may accept gifts in kind, such as auction items. In accordance with CRA Guidelines, the charitable receipt issued to the donor must equal the fair market value of the gift. If this value is not easily determinable, an independent appraiser must be solicited to determine the fair market value. If the donor purchased the item less than three (3) years prior to the donation, they would only receive a donation receipt that reflects the lesser of: (a) the cost to the donor at that time; and, (b) the current fair market value.

*Reviewed: June 2024*