



RC FORWARD

High-Impact Giving Opportunities for Canadian Donors. A project of Rethink Charity.

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Benefits of Donating Securities through CHIMP

Summary

In short, our processing arrangement for donating securities likely produced a savings of ~\$45,000 CAD on a single major donation of \$1.6M.

Donating Securities to Charity in Canada

Donors can get a stronger tax advantage if they donate securities directly, rather than converting their securities to currency and donating thereafter. CHIMP illustrates an example of how advantageous this choice can be [here](#). Converting securities to fiat exposes the donor to capital gains tax. By donating the securities directly, donors are able to give more money to beneficiaries more tax-efficiently.

Unlike other donation options, donating securities requires the use of a stock broker to convert the securities into (Canadian) dollars. Those funds then need to be directed to a registered charity by the broker so that these funds never touch the hands of the donors. The rates for providing this service vary greatly among firms. CHIMP uses RGMP StennerZohny Investment Partners for all of their securities donations, and has negotiated a very competitive brokerage fee of 1% of the monetary value of the securities, or \$250 (whichever is greater). Since CHIMP itself does not charge fees on rerouting donations to Canadian registered charities, we have found this to be the most cost-efficient way to donate securities in Canada.

A comparable leading platform charges a flat processing rate of 1.8% on all donated securities, on top of a brokerage fee of 2-3% depending on the size of the gift. In the case, for our cryptocurrency donation of approximately \$1.6M CAD, the other broker would have charged 2% of the transaction as their exchange fee, and the platform would have charged 1.8% as their administration fee, costing approximately \$45,000 more in fees on this donation than our processing arrangement charged.



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AMF Website Update:

You can donate securities to AMF (Canada) via RC Forward's [campaign with CHIMP Foundation](#).

How it's done

1. Fill out a **Letter of Direction** that your broker provides you (or [download this one](#)).
2. Send a copy to your broker who will initiate the transfer of securities.
3. Send a copy to us at CHIMP at strategies@chimp.net.
4. Send a copy to CHIMP's broker:
Julia Cheng, Canaccord Genuity Wealth Management
jcheng@cgf.com
604-643-7505
5. [Sign up](#) for a personal CHIMP Account if you don't have one already.
6. When the securities are received, they will be sold as soon as possible. The proceeds resulting from the sale will then be deposited into your personal CHIMP Account.
7. Go to RC Forward's [AMF CHIMP Campaign](#) and click "Give to the Campaign"

Please note neither the CHIMP Foundation nor RC Forward charge administrative fees for donations made to AMF Canada. RGMP StennerZohny Investment Partners broker CHIMP's securities donations and charge a brokerage fee of 1% of the monetary value of the securities, or \$250 (whichever is greater).