



Guidance notes for Lawyers when a client is establishing a Fund with the Geyser Community Foundation

1. Complete the “Application to Establish a Named Endowment Fund” form

1.1 Include the client’s contact details

1.2 Name of Endowment Fund

1.2.1 **Donations over \$50,000** become a Named Fund with associated privileges, namely:

- Clients choose which charities or charitable causes receive the annual distributions from their Named Fund
- Annual reporting to Fund holder / executor.

1.2.2 **Donations under \$50,000** go into one of Geyser’s Community Funds where the annual distributions will be for any charitable purpose (or purposes) within the Rotorua or Taupo districts at the discretion of the Trustees of the Foundation.

Examples of Community Funds available for contribution are:

- Arts Fund
- Education & Leadership Fund
- Environment Fund
- Rotorua Fund
- Taupo Fund

Alternatively, your client can choose another of Geyser’s existing Funds to support. Please refer www.geysercf.org.nz for details of all Funds.

1.2.3 **Intended Beneficiaries**

Beneficiaries **must operate for a charitable purpose** as recognised by the Charities Service and the Inland Revenue Department. If your client nominates a charity that operates nationally **but wishes their distributions to be used in the local region, this must be specified.**

Your client may wish to **specify several charities**, eg, 25% to ABC school, 25% to XYZ charity, and 50% to be distributed to any charitable purpose (or purposes) within the Rotorua and / or Taupo districts at the discretion of the Trustees of the Foundation.

If your client **wishes all of their annual distribution** to be at the Trustees' discretion, then write in 100%.

1.2.4 Establishment Donation

Geysler Community Foundation encourages people to consider making an establishment donation of \$5,000 towards its operating expenses. People may choose to pay this at the time of establishing their Fund; pay \$1,000 annually for five years (and claim the 33.3% tax credit while still living), or it will be debited at the time the Foundation receives the funds (usually at the time of the client's death).

NOTE: This donation is in addition to the minimum amount to be invested in the endowment fund (currently \$50,000).

1.2.5 Authorisation for Name Disclosure

It can be very encouraging for people to see donors listed who they know and respect. However, Geysler appreciates that this can be a very delicate subject for some people and will only list names where we have been given authority to do so.

Once this form has been completed and signed by your client, please post to the **Geysler Community Foundation, P O Box 611, Rotorua 3040**, for our records. Geysler will then make personal contact with your client to acknowledge their generosity.

2. Amend your Client/s Will

Nothing can happen until provision has been made in your client's Will for the Geysler Community Foundation. Suggested wording is as follows:

To transfer <<*insert amount – this may be a fixed amount or a percentage of the residue*>> to the GEYSER COMMUNITY FOUNDATION Charities Registration No. CC21560 to be paid into the <<*Name of Fund*>> so that it may be dealt with by the Trustees of the Foundation in accordance with the terms of that Fund. I direct that the receipt of any responsible officer of the Geysler Community Foundation to be a full discharge to my Trustees.

3. In the Case of Funds Being Donated from a Trust

If your client's Geysler Foundation endowment fund is to be provided from a client's Trust, you will need to add a Memorandum of Wishes to the instructions. Suggested wording is as follows:

After I have died, it is my wish that you pay or transfer <<*insert amount*>> % of the Trust's net assets to the GEYSER COMMUNITY FOUNDATION, Charities Registration No. CC21560, to be paid into the <<*Name of Fund*>> so that it may be dealt with by the Trustees of the Foundation in accordance with the terms of that Fund. I direct that the receipt of any responsible officer of the Geysler Community Foundation to be a full discharge to my Trustees.

Thank you for sharing the Geysler Community Foundation concept with your client. If you or your client have any questions please call 07 349 7496 or email info@geysercf.org.nz