

ENJOY ENHANCED TAX BENEFITS BY DONATING MARKETABLE SECURITIES

Teachers Without Borders - Canada ("TWB-C") can now accept direct gifts of marketable securities. Such gifts give rise to enhanced tax savings, which can significantly reduce the out of pocket cost to you of making a donation to TWB-C.

Marketable securities are shares, mutual fund units and other securities listed on a public stock exchange. A direct gift of a marketable security is a donation made by a transfer of the marketable security directly from your investment account into TWB-C's investment account. On completion of the transfer, TWB-C will issue to you a donation tax receipt in an amount equal to the value of the marketable securities on the date they are received in TWB-C's account. Recent changes to federal tax regulations make this type of giving more beneficial and efficient than ever before.

Under new federal tax changes effective June 2006, you can donate appreciated securities to TWB-C without paying any capital gains tax. Previously, donors paid capital gains tax on 25 per cent of the gain. When you gift marketable securities directly to a registered charity such as TWB-C, the capital gain you would otherwise realize on a transfer of such marketable securities will be exempt from income tax. As a result of this tax exemption, you will be able to use the full amount of the donation tax receipt to reduce income tax otherwise payable by you in the year of donation and up to five subsequent years.

The tax savings are greatest for marketable securities, which have the greatest potential capital gains such as shares that have increased in value significantly. Moreover, if you have flow through shares, the tax savings can reduce the out of pocket cost to you of making the gift by as much as 95%. The enhanced tax savings are also available for direct gifts of marketable securities acquired by you on the exchange or the exercise of an employee stock option where certain conditions are met.

While tax incentives are not the only reason to give to charity, they are an important consideration. To determine the exact amount of tax savings available to you from making a direct gift of marketable securities we recommend that you consult with your tax advisors.

If you hold flow through shares or other marketable securities, which have potential capital gains, please consider donating such securities to support the efforts of Teachers Without Borders - Canada.

If you wish to donate shares or if you have questions about how the process works please contact Teachers Without Borders (Canada) Investment Advisor directly and he can walk you through the steps:

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Thank you,
Noble Kelly,
President
Teachers Without Borders – Canada
www.twbcanada.org

