



UNIFORM LAW CONFERENCE OF CANADA

**DRAFT - UNIFORM GRATUITOUS CROWDFUNDING ACT
(2022-CIVIL LAW VERSION)**

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Sources

The provisions of the draft *Uniform Gratuitous Crowdfunding Act* (“UGCA”) are based on:

- Provisions of the *Uniform Informal Public Appeals Act* (2012 civil law version) carried forward sometimes with a change in content ~~and sometimes different numbering~~, and identified with the note [UIPAA civil law 2012]
- New provisions, identified with the note [New]
- Provisions of the *Uniform Benevolent and Community Crowdfunding Act* (2020), common law version, identified with the note [UBCCA]

Schedule - The model Trust Act set out in the Schedule to *UIPAA civil law 2012* has been changed to reflect the UGCA.

DRAFT - UNIFORM GRATUITOUS CROWDFUNDING ACT (2022-CIVIL LAW VERSION)

CHAPTER I OBJECT AND SCOPE

1. This Act establishes a legal framework for gratuitous crowdfunding in order to enhance public participation in such crowdfunding, in particular through rules ensuring that the donations are appropriated to the purpose for which they were made and that the residue of the donations is suitably disposed of once that purpose has been fulfilled or has become impossible to fulfill.

This Act does not apply to investment or presale crowdfunding.

[UIPAA civil law 2012 ~~UIPAA~~ modified s. 1; UBCCA ss. 2(2)(c) and (e)]

Commentary: This Act does not apply if the contributors to the crowdfunding campaign receive an economic benefit for their contributions. Public recognition of a donation, or gifts or rewards that are of token value only, do not ~~qualify as~~imply a presale, provided they are consistent with the gratuitous nature of the crowdfunding.

2. For the purposes of this Act, a crowdfunding campaign is any message, disseminated by whatever means, requesting donations from the public generally or from a section of the public in order to secure a benefit for a third party or to fulfill a purpose of private or social utility, whether the donations are made in the form of a sum of money or in the form of movable or immovable property.

[UIPAA civil law 2012 modified s. 2; UBCCA s. 1(1) “public appeal”]

3. The provisions of this Act do not apply to crowdfunding campaigns carried out on a permanent or continuing basis or to those conducted by a body that is a qualified donee within the meaning of the *Income Tax Act* (Canada).

In addition, the provisions of this Act do not apply to crowdfunding campaigns whose object is to support ~~a partisan~~-political fundraising activity if such fundraising is otherwise governed by *[insert the title(s) of any applicable provincial or federal legislation regulating political fundraising.]*

[UIPAA civil law 2012 modified s. 3; UBCCA ss. 1(1) “public appeal”, and 2(2)(a) and d)]

CHAPTER II CONSTITUTION OF A TRUST AND LEGAL REGIME APPLICABLE

4. A crowdfunding campaign results in the constitution of a trust.

The trust may result from an act drawn up in accordance with the model set out in the schedule to this Act.

In the absence of any such trust act, the trust results simply from the fact that one or more persons, or a partnership, corporation or association, hold and administer the trust patrimony made up of the sums of money or other property donated during a crowdfunding campaign in order to ensure their appropriation in accordance with the object of the campaign.

[UIPAA civil law 2012 modified ss. 4 and 5; UBCCA ss. 1(1) “fund” and “~~governing authority~~trust document”, ~~2(4)~~, 3(1), and 5(1)(2) and (3)]

Commentary: The Uniform Act makes crowdfunding campaigns subject to the legal regime of trusts. This characterization results directly from the operation of ~~the~~-law; therefore, the participants are not required to comply with the conditions for establishing a trust set out in article 1260 C.C.Q. For participants who would nonetheless prefer to draw up a trust act, a model is provided in the schedule to this Act.

5. The trust is governed, first, by the trust act and the terms of the crowdfunding campaign, which may, unless otherwise indicated, derogate from, complement or specify the application of the provisions of this Act.

The trust is also governed by the provisions of the Civil Code applicable to trusts of the relevant nature ~~adapted as required~~ unless they are incompatible, adapted as required.

“Terms of the crowdfunding campaign” means all the information given to the public, in relation to the object of the campaign, on which a decision to make a donation may be based.

[UIPAA civil law 2012 modified s. 4 and 6; UBCCA ss. 1(1) “terms of the public appeal”, ~~2(4)~~, ~~5(1)(2) and (3)~~, 23(5) and 24(6)]

Commentary: Where the contributors have agreed to the terms of use of a crowdfunding platform, these terms may form part of the terms of the crowdfunding campaign. However, these terms of use might constitute a contract of adhesion and their clauses might be subject to review by the courts, notably having regard to articles 1379 and 1435 to 1437 C.C.Q.

6. If the trust act and the ~~related~~-terms of the crowdfunding campaign are inconsistent, the latter take precedence.

[UIPAA civil law 2012 modified s. 7; UBCCA s. 6(4)]

CHAPTER III ADMINISTRATION OF THE TRUST

7. The trust patrimony is administered by the trustee designated in the trust act or in accordance with the trust act.

Any persons, partnerships, ~~corporations~~ or associations that in fact administer the trust patrimony are also trustees, notwithstanding any contrary stipulation.

[UIPAA civil law 2012 modified s. 8; UBCCA s. 4(1)]

Commentary: Since this provision is imperative, nothing may derogate from it, including the provisions of the trust act or the terms of the crowdfunding campaign, which may include the terms of use of a crowdfunding platform. In the absence of a trust act, it is common for the campaign organizer to administer the trust patrimony. If the crowdfunding platform is involved in the administration, it also becomes a trustee. In the event of a conflict as to how the trust patrimony is to be administered, these persons must try to reach a decision or, failing that, apply to the courts.

8. Notwithstanding section 7, a crowdfunding platform, bank, trust company, savings company or other financial institution is not considered to be a trustee on the sole grounds that it holds sums of money or other property donated during a crowdfunding campaign.

A crowdfunding platform is any person, partnership, corporation or association that facilitates a crowdfunding campaign through an online platform or an application.

[UIPAA civil law 2012 modified s. 9; UBCCA ss. 1(1) “online platform” ~~2(2)b)~~ and 4(2)]

9. The administration of the trust is gratuitous, notwithstanding any contrary stipulation.

[UIPAA civil law 2012, s. 10]

Commentary: Article 1300 C.C.Q. specifies that unless the administration is gratuitous according to law, the act, or the circumstances, the administrator is entitled to remuneration. In the present case, the administration must be gratuitous. This section ~~10~~ has no equivalent in the common law version.

10. The trustee may accept any donation made during a crowdfunding campaign, provided that the donation is not subject to conditions that are irreconcilable with the object of the campaign or with the provisions otherwise governing the trust.

[UIPAA civil law 2012 modified s. 11; UBCCA ~~modified~~ s. 15(2)]

11. The trustee may repeat a crowdfunding campaign or launch a new campaign and take any other step considered necessary or useful by the trustee to increase the trust patrimony.

[UIPAA civil law 2012 modified s. 12; UBCCA ~~modified~~ s. 15(1)]

12. The trustee, although acting as the administrator of the property of others charged with full administration, is required to invest the sums administered in accordance with the rules of the Civil Code respecting presumed sound investments.

[UIPAA civil law 2012 s. 13; UBCCA s. 14(1)]

Commentary: Section 14(1) of the common law version refers to the *Trustee Act* of the province or territory concerned. In Quebec, the trustee acts as an administrator of the property of others charged with full administration, which gives the trustee broad powers relating to investments (articles 1278, 1306 and 1307 C.C.Q.). In the present case, the goal of the administration is to

conserve the donated property and preserve its value until it is used for the purposes of the trust. ~~However~~Moreover, the trustees are unlikely to be investment experts and must be prevented from making high-risk investments. For this reason, it is advisable to subject them to the rules on presumed sound investments, which normally apply only to administrators charged with simple administration, such as tutors to a minor (articles 1301 and following C.C.Q.). Since this provision is not imperative, the provisions of the trust act or the terms of the crowdfunding campaign may derogate from it.

13. The trustee may, with respect to any matter concerning the administration of the trust or the appropriation of the property making up the trust patrimony, seek the opinion of the person for whose benefit the crowdfunding campaign was carried out or, where applicable, of that person's parent, tutor or other representative.

The opinion is sought for consultation purposes only. It is not binding on the trustee.

[UIPAA civil law 2012 modified s. 14; UBCCA s. 20(3)]

Commentary: This provision stems naturally from the principle that the trustee is bound to act in the best interest of the beneficiary or of the object pursued. The trustee must seek to discover the needs of the beneficiary, but also exercises independent judgment. See articles 1278 and 1309 C.C.Q.

14. The trustee must, notwithstanding any contrary stipulation, allow a donor, or any other interested party, to examine the trust act if such an act exists.

[UIPAA civil law 2012 s. 15; UBCCA s. 5(4)]

Commentary: Section 5(4) of the common law version gives this right to donors of large amounts. This section creates a broader, imperative right.

15. The trustee ensures that the sums of money and other property making up the trust patrimony are appropriated in accordance with the trust act and the terms of the crowdfunding campaign.

[UIPAA civil law 2012 modified s. 16; UBCCA s. 24(2)]

16. Any payments made by the trustee to fulfill the purpose for which the trust was constituted or because of expenses arising out of its administration are paid out of the trust patrimony, without the trustee being required, in connection with the payments, to distinguish between the capital administered and the fruits and revenues generated by that capital.

[UIPAA civil law 2012 s. 17; UBCCA s. 13(1)]

17. The trustee is required to indicate, in the summary account of the trustee's administration that must be rendered at least once a year in accordance with the provisions of the Civil Code,

whether the sums of money or other property making up the trust patrimony are sufficient to fulfill the purpose for which the trust was constituted, if they are still necessary to fulfill that purpose, or if they can no longer be used to fulfill that purpose.

The obligations imposed by this section cannot be set aside or reduced by the trust act or the terms of the crowdfunding campaign.

[UIPAA civil law 2012 modified s. 18; UBCCA s. 24(3)]

Commentary An administrator of the property of others must render a summary account of the administration at least once a year (articles 1351 and following C.C.Q.). The obligation imposed by this section is in addition to the obligation provided for in the Civil Code.

18. The trustee may transfer all or part of the property making up the trust patrimony to a not-for-profit organization, a contractual association, a trust foundation or another trust pursuing similar objects, if in the opinion of the trustee such an action will facilitate the fulfillment of the object of the crowdfunding campaign.

The trustee may, with a view to making such a transfer, establish such an organization, association, foundation or trust.

If the trust patrimony is made up of sums of money and property of a value that is equal to or greater than the amount established by regulation, the trustee must obtain the prior-authorization of the court before transferring all or part of the property.

[UIPAA civil law 2012 modified s. 19; UBCCA ss. 17(1) and (2)]

Commentary: Although section 17 of the common law version does not state this as clearly, this section stipulates that only not-for-profit entities may benefit from the transfer of property from the trust patrimony. This section must not be used to circumvent the rules governing the termination of the trust and the disposal of the residue; a transfer may only take place in order to fulfill the object of the campaign. Unlike the common law version, this section requires that court authorization be sought if the value of the trust patrimony is equal to or greater than the amount established by regulation. This provision was added because, under the Civil Code, such a transfer cannot be made without court authorization.

19. If there is more than one trustee, the trustees act by majority unless the trust act or the terms of the crowdfunding campaign provide for them to act jointly or in a determinate proportion.

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[UIPAA civil law 2012 modified s. 20; UBCCA s. 22(1)]

Commentary: This section restates the rule found in article 1332 C.C.Q., the effects of which are broadly similar to those sought by section 22(1) of the common law version.

20. Every donor is an interested party within the meaning of articles 1290 and 1291 of the Civil Code relating to the supervision and control of the trust administration.

[UIPAA civil law 2012 s. 21; UBCCA s. 8]

CHAPTER IV REVISION OF THE TERMS OF THE CAMPAIGN

21. The trustee may, without altering the object of the crowdfunding campaign, revise the terms of the campaign, notably to make certain clarifications about the fundraising goal or the method for ~~distributing the~~disposing of a residue.

However, if the crowdfunding campaign specifies that an express fundraising goal must be met before the donations can be withdrawn ~~from the trust and transferred to the beneficiary~~, the trustee may not revise the terms of the campaign to stipulate a lesser fundraising goal.

Notwithstanding the first paragraph, if the crowdfunding campaign is carried out through a crowdfunding platform or through a bank, a trust company, a savings company or any other financial institution, these bodies are not required to authorize revisions of the terms of the campaign.

[New; UBCCA s. 6(1), (2), and (3)]

Commentary: This chapter was created to reflect the amendments to section 6 of the common law version.

This section relaxes the rule in article 1294 C.C.Q. concerning the need to obtain court authorization. It recognizes that, in practice, campaign organizers sometimes revise the terms of the crowdfunding campaign to make certain clarifications or reflect a change in circumstances.

To revise the object of the campaign, however, the trustee would have to apply to the court.

The second paragraph provides that, in the case of an “all-or-nothing” crowdfunding campaign, the trustee cannot stipulate a lesser fundraising goal. In practice, the donations are not withdrawn until the fundraising goal is met, and the residual modes of disposal do not apply.

CHAPTER V TERMINATION OF THE CROWDFUNDING CAMPAIGN, TERMINATION OF THE TRUST AND DISPOSAL OF THE RESIDUE OF THE TRUST

Division I – Termination of the crowdfunding campaign

22. The trustee must terminate the crowdfunding campaign ~~upon receipt of a written demand from an individual who is the beneficiary of a crowdfunding campaign that was initiated towards a person for whose benefit the crowdfunding campaign was carried out~~ without the ~~person~~individual's consent or, where applicable, from the ~~individual's~~person's parent, tutor, or other representative, upon receipt of a written demand from the person or representative.

Similarly, if the crowdfunding campaign is carried out through a crowdfunding platform, the platform must terminate the campaign upon receipt of such a demand.

Where there is more than one beneficiary, the renunciation by one of them does not entail the end of the campaign if it does not alter its object.

[New; UBCCA s. 25(1)(2)(3) and (4)]

23. Any interested party may apply to the court to terminate a crowdfunding campaign whose object is prohibited by law or contrary to public order.

[New]

24. If a crowdfunding campaign is terminated under sections 22 or 23, the trust is thereby terminated. Every donor is then entitled to a refund, unless a court decides otherwise.

The trustee may, if unable after taking all reasonable steps to locate a donor entitled to a refund, declare that the donor's right to the refund has lapsed.

If sums of money or other property remain in the trust patrimony, the trustee must dispose of the property in accordance with the provisions of Division III.

[New; UBCCA s. 25(5)]

Commentary: This section has been added to take into account the new section 25 of the common law version. Sections 23 and 24 have no equivalent in the common law version. The fact that the reimbursement of donors is prioritized, regardless of the amount of the donation, stems from the fact that article 1422 C.C.Q. states that nullity triggers restitution of the prestations received.

If the object of the crowdfunding campaign is prohibited by law or contrary to public order, the court may terminate it and order restitution of the prestations. The crowdfunding platform may also terminate the campaign on its own initiative and refund the donations in keeping with its terms of use.

Division II – Termination of the trust

25. Unless the trust act provides for a shorter term, ~~every the~~ trust terminates not later than 100 years after its constitution, whether it was originally constituted to secure a benefit for a third party or to fulfill a purpose of private or social utility.

[UIPAA civil law 2012 modified s. 22; UBCCA s. 7(1) and (3)]

Commentary: Under the Civil Code, a personal trust cannot last longer than 100 years, whereas a private trust or social trust may be perpetual (articles 1272 and 1273 C.C.Q.). Section 7(1) of the common law version does not limit the duration of a charitable purpose trust (which is equivalent

to a social trust in Quebec law). This section limits the duration of all trusts resulting from a crowdfunding campaign, regardless of their nature.

26. In addition to termination upon the expiry of the term and for other causes provided for in the Civil Code, the trust terminates when, in the opinion of the trustee, the sums of money or other property making up the trust patrimony are insufficient to fulfill the purpose for which the trust was constituted, are no longer necessary to fulfill that purpose, or can no longer be used to fulfill that purpose.

The opinion of the trustee must be recorded in a written document setting out the reasons for the trustee's decision.

[UIPAA civil law 2012 *modified* s. 23 (*English only*); UBCCA s. 24(4)]

Commentary: Article 1296 C.C.Q. states that a court must confirm the impossibility of attaining the purpose for which a trust was constituted. This section creates an exception to that rule by authorizing the trustee to terminate the trust without applying to the court.

Division III – Disposal of the residue of the trust

§1. – Refund, restitution and redirection

27. When the trust terminates, if sums of money or other property remains in the trust patrimony, every donor of a sum of money that is equal to or greater than the amount established by regulation, or of movable property of equivalent value, is entitled to a refund of the donor's share of the residue or to the redirection of the donor's share of the residue, provided the donor so requested in writing when making the donation.

The share is determined by applying the following formula:

Share of donor = (value of donation made by donor / total value of all donations made by donors) X value of residue.

[UIPAA civil law 2012 *modified* s. 24; UBCCA ~~modified~~ ss. 11(1), (2), and (3)]

28. Unless the act of donation provides otherwise, the donor of immovable property that still exists in that form is entitled to the restitution of the property or to its redirection.

[UIPAA civil law 2012 *modified* s. 25 (*English only*); UBCCA s. 12(1)]

29. The trustee may, if unable after taking all reasonable steps to locate a donor entitled to a refund, restitution, or redirection, declare that the donor's right has lapsed.

[UIPAA civil law 2012 ~~modified~~ s. 26; UBCCA ss. 11(4) and 12(2)]

§2. – Residual modes of disposal

30. If sums of money or other property remain in the trust patrimony after the refunds, restitutions, and redirections performed by the trustee or after the trustee has declared that the underlying rights have lapsed, the trustee disposes of the money or property in accordance with the provisions of this subdivision, depending on whether the trust was originally constituted to secure a benefit for a third party or to fulfill a purpose of private or social utility.

[UIPAA civil law 2012 modified s. 27; UBCCA ss. 7(2), 11(5), 12(3), and 24(5)]

Commentary: One effect of this section is to prevent the application of article 1297, para. 2 C.C.Q., which states that where there is no beneficiary, any property remaining when the trust is terminated devolves to the settlor or the settlor's heirs.

31. The sums of money and other property remaining in a trust constituted to secure a benefit for a third party are remitted to the beneficiary or to the beneficiary's heirs, except if the terms of the campaign provide for another mode of disposal.

[UIPAA civil law 2012 modified s. 28; UBCCA s. 10(9)]

32. The sums of money and other property remaining in a trust constituted to fulfill a purpose of private or social utility are disposed of in accordance with the trust act and the terms of the crowdfunding campaign.

If the trust act and the terms of the crowdfunding campaign do not contain instructions for the disposal of the sums of money and other property, and if the value thereof does not exceed the amount established by regulation, the money and property must be remitted to one or more qualified donees within the meaning of the *Income Tax Act* (Canada) that pursue objects consistent with the spirit of the crowdfunding campaign, said donee or donees to be selected by the trustee.

In all other cases, the property of the trust may only be disposed of with ~~prior~~^{the} authorization from the court.

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[UIPAA civil law 2012 modified s. 29; UBCCA ss. 10(1) and 10(6)]

Commentary: Article 1298 C.C.Q. sets out what happens to the property of a social trust that terminates by the impossibility of its fulfillment. The second paragraph of this section precludes the application of 1298 C.C.Q. with respect to the need to obtain court authorization for disposal of the residue, provided the value of the residue does not exceed the amount established by regulation. This section also differs from section 10 of the common law version by providing that this amount is established by regulation.

33. The trustee is only bound by the stipulations of the trust act providing for the disposal of the property of the trust if they are clearly stated in the terms of the crowdfunding campaign.

[UIPAA civil law 2012 modified s. 30; UBCCA s. 10(2)]

34. Any interested party may, if the stipulations of the trust act and the terms of the crowdfunding campaign provide instructions for the disposal of the trust property that are inconsistent with the spirit of the crowdfunding campaign, apply to the court for a declaration that those stipulations are null and that those terms are non-opposable.

In addition, any interested party may submit to the court a mode of disposal for the trust property, even if the disposal of the property is not subject to the authorization of the court.

The court may make any order it considers just in the circumstances.

[UIPAA civil law 2012 modified s. 31; UBCCA ss. 10(5) and 10(7)]

CHAPTER VI FINAL PROVISIONS

35. The Minister of Justice is responsible for the administration of this Act.

36. The provisions of this Act do not apply to crowdfunding campaigns under way on *(insert here the date of coming into force of this Act)*.

[UIPAA civil law 2012 modified s. 33; UBCCA s. 2(5)]

37. This Act comes into force on *(insert here the date of assent to this Act)*.

SCHEDULE

(Important information for trustees: Included with this trust act are some examples and notes that will explain some of its features and assist trustees in completing the act. They do not form part of the act itself.)

TRUST ACT

The persons who have signed this document as trustees¹ wish to declare the terms on which they [hold] [will hold]² the property forming part of the trust patrimony and will deal with it in order to achieve the purposes of the trust, and to declare how they will deal with any residue in the trust patrimony.

Governing statute

1. This trust act is made pursuant to the *Uniform Gratuitous Crowdfunding Act* ("the Act").³

Name of trust patrimony

2. This act of trust pertains to a trust patrimony called:⁴

(the "Trust patrimony").

How the trust patrimony came into being

3. (1) The trust patrimony was created because of the following circumstances⁵:

(2) A crowdfunding campaign for donations to the trust patrimony [was carried out on] [will be carried out on]⁶ _____.
(date)

(3) [If applicable⁷] The crowdfunding campaign is conducted through the crowdfunding platform called (name of platform)

and details can be found at the following internet address: _____

¹ It is advisable to have at least two, but not more than four trustees.

² Strike out inapplicable text in square brackets.

³ Trustees have a number of powers and duties set out in the Act. The Act should be consulted when any question arises concerning the administration of the trust.

⁴ State the name of the trust patrimony. Examples of names are "Doe Family Disaster Relief Trust Patrimony" and "Town of XYZ Hurricane Relief Fund."

⁵ List the circumstances that have led to the creation of the trust patrimony, including particular facts and events that have made its creation necessary. See examples set out in the Appendix to this Schedule.

⁶ Strike out inapplicable text in square brackets.

⁷ Strike out paragraph (3) if the crowdfunding campaign is not carried out through a crowdfunding platform.

[insert a link to the crowdfunding campaign's dedicated webpage]

Objects of the trust

4. The objects of the trust are⁸:

Residue

5. If sums of money or other property remain after the purposes objects of the trust have been fulfilled as far as possible, that money or property will be donated to one or more of the following organizations, all of which are registered Canadian charities or qualified donees under the *Income Tax Act* (Canada) or are bodies that have objects similar to those of the trust.⁹

SIGNED by the following persons as trustees of the trust patrimony on
_____.¹⁰
(date)

Signature

(Email [if any])

Signature

(Email [if any])

Signature

⁸Set out the objects for which the trustees can make payments from the trust patrimony. These objects must be in keeping with the information, given to the public, on which a decision to donate will be based. See examples set out in the Appendix to this Schedule.

⁹See examples in the Appendix to this Schedule for guidance about how to dispose of a residue.

¹⁰ Each trustee must print his or her name, address, telephone number and email address, and sign here. See note 1 concerning the number of trustees.

Uniform Law Conference of Canada

(Email [if any])

Signature

(Email [if any])

[Add additional names and contact information, as required]

APPENDIX TO SCHEDULED TRUST ACT - EXAMPLES

A. Examples of the circumstances for creating the trust patrimony

Example No. 1:

The John Doe Special Needs Trust Patrimony was created because:

- (a) John Doe is a 5-year-old boy living in [city or town and province].
- (b) On July 1, 2010, John Doe was injured in a motor vehicle accident. His left arm was amputated.
- (c) John Doe needs a state-of-the-art artificial arm to enable him to carry out day-to-day tasks. The arm will have to be replaced several times as John grows. It will also have to be serviced regularly to keep it in good working order.
- (d) The parents of John Doe cannot afford an advanced electronic artificial arm.
- (e) John Doe and his parents will need other special equipment to meet his needs.
- (f) Many members of the community have offered to help John Doe and his family.

Example No. 2:

The XYZ Earthquake Relief Fund was created because:

- (a) On August 1, 2010, an earthquake devastated the community of XYZ.
- (b) The earthquake destroyed many homes in XYZ, damaged roads, and disrupted communications.
- (c) Many residents of XYZ were injured and many lost all their belongings.
- (d) A fund is needed to supplement efforts by government and private agencies to relieve the community of XYZ.

B. Examples of the objects of a trust

Example No. 1:

The objects of the John Doe Special Needs Trust Patrimony are:

- (a) to purchase an artificial arm for John Doe and replace it when the trustees agree a replacement is needed;
- (b) to maintain the artificial arm and its replacements in good functioning order;
- (c) to purchase, maintain, and replace other technological aids, which the trustees think are necessary or desirable to meet the special needs of John Doe; and
- (d) to assist the parents of John Doe to equip their home to accommodate his special needs.

Example No. 2:

The objects of the Town of XYZ Earthquake Relief Fund are:

- (a) to provide medical treatment, food, clothing, and temporary shelter to victims of the earthquake;
- (b) to provide supplies and equipment to assist in the effort to rescue and evacuate victims of the earthquake; and

(c) to assist persons who are in financial need because of losses suffered in the earthquake.

C. Examples of how to dispose of a residue

The residue may be paid, in equal or unequal portions, to one or more charities or other organizations with objects similar to the objects of the crowdfunding campaign.

Example No. 1:

paid to the XYZ Hospital for Sick Children.

Example No. 2:

distributed equally among the following charities:

- the Town of XYZ Foodbank Society
- the Town of XYZ Community Improvement Association