APPLICATION FOR SPECIAL ANNUITY PERMIT BY CHARITABLE, RELIGIOUS, MISSIONARY, EDUCATIONAL OR PHILANTHROPIC CORPORATIONS OR ASSOCIATIONS (SECTION 1110 NYS INSURANCE LAW)

To the Superintendent of Financial Services of the State of New York:

The undersigned, the ……..…….. of ……..…….……. State of…..….……..…., located at (insert address)……..……..…, being desirous of receiving gifts of cash and other property in the State of New York conditioned upon or in return for its agreement to pay an annuity to the donor or his/her nominee, hereby makes application for a permit as specified in Section 1110 of the New York Insurance Law and in order that the New York State Department of Financial Services may be fully advised as to the qualifications of said corporation or association to exercise such privileges in the State of New York, the following facts are submitted:

1. The ……., a corporation or association, that was duly organized under the laws of the State of…….…..…..……on the ..…….…….day of ……..…… 19……..…, for the purpose of …….
   ……..…….…..……
   ……..……..……..…….……
   ……...……
   ……...……
   ……
   (Indicate whether a corporation or an association and quote powers from certificate of incorporation or articles of association.)

2. Is the corporation or association conducted without profit and engaged solely in bona fide charitable, religious, missionary, educational, or philanthropic activities?

   Answer……...

3. Has the corporation or association (including its predecessor corporation or association) been in active operation for at least ten years prior to the date of this application?

   Answer …….……

4. Will the annuity rates to be charged on new contracts issued on and after the date of this application be sufficient at all ages, on the basis of the actuarial standard prescribed by Section 4217 of the New York Insurance Law for the valuation of future annuity obligations (or on the basis of any higher standard adopted by the corporation or association for the calculation of its reserves), to return a residuum to the corporation of at least 50% of the original gift or consideration upon death of the annuitant or survivor of annuitants?

   Answer …….……

5. We have attached hereto a complete schedule of the present maximum annuity rates of the corporation or association. Answer …….……

6. We have attached hereto copies of each present form of agreement currently issued to annuitants. Answer …….……

7. Does the financial report submitted herewith show the admitted assets of the corporation or association that on the date of such report had been segregated as separate and distinct funds for the purpose of annuity benefits and that may not, without exception, be applied towards the payment of other debts or obligations of the corporation or association?

   Answer …….……

8. We have attached hereto a certified copy of that portion of the charter, by-laws or the entire resolution requiring segregation of assets for annuity benefits in accordance with Section 1110 of the New York Insurance Law. Answer …….……

   Note: See specimen form of resolution recommended by the Department of Financial Services and attached hereto.

9. Are such segregated assets held for the protection of all such annuitants of the corporation or association? Answer …….……

10. Are the required admitted assets invested in accordance with the requirements as specified in Section 1110 of the New York Insurance Law? Answer …….

    If not, explain:……...……..……..…….....

11. The following is a Summary of the Financial Report submitted herewith relating to the segregated funds referred to in Interrogatory 7 above:

Total Admitted Assets	$…….	Reserve on Annuities per Actuary's Report	$ …….
		Amounts past due and unpaid to Annuitants	……...
		Other Liabilities	…….……...
	_____	Unassigned Funds (Surplus)	_____
Total*	$_____	Total*	$_____

* Total admitted asset column must equal total reserves, liabilities and surplus column.

Dated _____ _____
(Name of corporation or association)

S E A L

By _____ President

By _____ Treasurer

State of _____
}ss
County of _____

_____ and _____ being duly severally sworn, each for himself deposes and says that the said _____ is the President and the said _____ is the Treasurer of the _____; that he/she signed the foregoing application by order of the board of directors; that he/she has read the application and knows the contents thereof and the statements contained therein and that such application and the data submitted to the Actuary or Accountant as the basis of his/her certification of valuation are true and complete to the best of his/her knowledge, information and belief.

_____ President

_____Treasurer

Subscribed and sworn to before me this
_____ day of _____ 20_____

S E A L

Certification of the Valuation of the

Annuity Liabilities

of the ……

as of ……..

State of ……

} ss.:

County of ……

……..…. Actuary/Accountant, for the ……..……..

……..… deposes and says: That the amount of the annuity reserve of $ …… shown in the financial report herewith submitted, has been correctly computed based upon the schedules and other valuation data submitted to him; that the bases used in the valuation are shown below and that such bases satisfy the minimum requirements of Section 4217 of the Insurance Law of the State of New York:

Annuity Table of Mortality	Assumed Rate of Interest	Years of Issue of Annuity Contracts	Amount of Reserve	Deduct Reinsurance Annuity Reserve	Net Annuity Reserve
……	……..……	……..……...	……..……	……..…	……
……	……..……	……..……...	……..……	……..…	……
……	……..……	……..……...	……..……	……..…	……
……	……..……	……..……...	……..……	……..…	
				Total	$

……..…….

Actuary/Accountant

Subscribed and sworn to before me
this ……day of ……..……. 20____

S E A L

……..……..…….

Notary Public

Note: The following proposed resolution would be satisfactory to the New York State Department of Financial Services.

PROPOSED FORM OF RESOLUTION TO BE PASSED BY CHARITABLE ANNUITY SOCIETIES RELATING TO THE APPLICATION FOR A SPECIAL PERMIT AND THE SEGREGATION OF ANNUITY RESERVE FUNDS

WHEREAS, Article 11, Section 1110 of the Insurance Law of New York State passed July, 1984 and known as Chapter 367 of the Laws of 1984 provides, among other things in respect to the exemption of Charitable Annuity Societies from certain provisions of the Insurance Law of the State of New York, that every duly organized domestic or foreign non-stock corporation (or association) conducted without profit engaged solely in bona fide charitable, religious, missionary, educational or philanthropic activities and which has been in active operation for at least ten years prior to the application for a permit hereinafter mentioned, and which issues gift annuity agreements, shall segregate from its assets as separate and distinct funds, independent from all other funds of such corporation (or association), an amount at least equal to the reserves and surplus as required therein on all gift annuity agreements, and shall not apply said assets for the payment of the debts and obligations of the corporation (or association) or for any purpose other than the annuity benefits therein specified, and,

WHEREAS this Section provides for the issuance of a special permit by the Superintendent of Financial Services of the State of New York for the purposes therein mentioned.

NOW, THEREFORE, be it RESOLVED that in order to meet the aforesaid requirements of the law and for the purpose of obtaining a special permit from the Superintendent of Financial Services of the State of New York to issue gift annuity agreements in New York there shall be

set aside and maintained assets of the corporation (or association) as a separate and distinct fund independent of all other funds of the corporation (or association) in an amount at least equal to the reserves and surplus of ten percent of such reserves on all the corporation's (or association's) outstanding gift annuity agreements required by subsection (b) of Section 1110 of the New York Insurance Law, which shall be invested in accordance with the provisions of subsection (b)* of Section 1110 of the New York Insurance Law and which segregated funds shall not be applied for the payment of debts and obligations of the corporation (or association) or for any purpose other than the annuity benefits herein referred to and which fund shall be known as ……. (*use a name that will clearly designate it as the reserve account contemplated by this subsection*).

Any assets heretofore segregated and held as separate funds on account of annuity benefits shall be merged with the aforesaid segregated assets to the extent required in order to comply with the provisions of Section 1110.

* In the case of a foreign society make to read (b) and (c).

Note: The following proposed resolution would be satisfactory to the New York State Department of Financial Services.

PROPOSED FORM OF RESOLUTION TO BE PASSED BY THE BOARD OF DIRECTORS OF CHARITABLE ANNUITY SOCIETIES RELATING TO AN APPLICATION FOR AN EXEMPTION FROM RECEIVING A SPECIAL PERMIT TO ISSUE CHARITABLE GIFT ANNUITIES IN THE STATE OF NEW YORK AND THE SEGREGATION OF ANNUITY RESERVE FUNDS

WHEREAS, Article 11, Section 1110 of the Insurance Law of New York State passed July, 1984, and amended most recently by Chapter 238 of the Laws of 2013 provides, among other things in respect to the exemption of charitable annuity societies from certain provisions of the Insurance Law of the State of New York, that every duly organized domestic or foreign non-stock corporation (or association) conducted without profit engaged solely in bona fide charitable, religious, missionary, educational or philanthropic activities, which has been in active operation for at least ten years, and which issues gift annuity agreements whose requisite reserve computed in accordance with this chapter does not exceed the amount of one million dollars, shall segregate from its assets as separate and distinct funds, independent from all other funds of such corporation (or association) organization, an amount at least equal to the reserves and surplus of twenty-five per centum on all gift annuity agreements, and shall not apply said assets for the payment of the debts and obligations of the corporation (or association) or for any purpose other than the annuity benefits therein specified, and,

WHEREAS this Section provides for an exemption from obtaining a special permit by the Superintendent of Financial Services of the State of New York for the purposes of issuing gift annuity agreements.

NOW, THEREFORE, be it RESOLVED that in order to meet the aforesaid requirements of the law and for the purpose of issuing gift annuity agreements in New York there shall be set aside and maintained assets of the corporation (or association) as a separate and distinct fund independent of all other funds of the corporation (or association) in an amount at least equal to the reserve required by section four thousand two hundred seventeen of this chapter and a surplus of at least twenty-five per centum of such reserve on all the corporation's (or association's) outstanding gift annuity agreements, which shall be invested in accordance with the provisions of subsection (b)*, except that the amount of admitted assets required by subsection (b)(i) shall be the sum of its reserves on its outstanding agreements, calculated in accordance with section four thousand two hundred seventeen of this chapter, and a surplus of twenty-five per centum of such reserves, of Section 1110 of the New York Insurance Law and which segregated funds shall not be applied for the payment of debts and obligations of the corporation (or association) or for any purpose other than the annuity benefits herein referred to and which fund shall be known as ……. (*use a name that will clearly designate it as the reserve account contemplated by this subsection)*.

Any assets heretofore segregated and held as separate funds on account of annuity benefits shall be merged with the aforesaid segregated assets to the extent required in order to comply with the provisions of Section 1110 of the New York Insurance Law.

* In the case of a foreign society make to read (b) and (c).

CHARITABLE ANNUITIES

Guidelines for organizations that are not incorporated in New York and are not regulated by other states.

Organization must sign a letter (signed by an officer of the organization) stating that they agree:

I. to submit its gift annuity activities to periodic examination by the New York State Department of Financial Services pursuant to the provisions of Section 309 and 310 of the New York Insurance Law, with such examination to be conducted at the office located in New York;

II. that the reserves for all gift annuities it issues, subsequent to 1/1/2000 but prior to 12/31/14, in the State of New York and elsewhere will meet the minimums required by the Annuity 2000 table.

III. that reserves for all gift annuities it issues subsequent to 12/31/14 will meet the minimums required by the 2012 IAR table.