



CHRISTIAN  
CHURCH  
FOUNDATION

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*Helping Disciples Make a Difference*

**CHARITABLE GIFT ANNUITY  
ADMINISTRATION**

**OFFERED BY  
CHRISTIAN CHURCH FOUNDATION, INC.**

**For Christian Church (Disciples of Christ) Entities**



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## **CHARITABLE GIFT ANNUITY ADMINISTRATION**

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CHRISTIAN CHURCH FOUNDATION, INC.**

**For Christian Church (Disciples of Christ) Entities**

**1099 North Meridian Street, Suite 700**

**P.O. Box 1007**

**Indianapolis, Indiana 46206-1007**

**800/668-8016**

**[www.christianchurchfoundation.org](http://www.christianchurchfoundation.org)**

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- II. Application for Charitable Gift Annuity Agreement and Direct Deposit Authorization**
- III. Affidavit (for Charitable Gift Annuities funded with assets held in a trust)**
- IV. Security Transfer Information**
- V. Sample Proposal Letter**
- VI. Rates: American Council on Gift Annuities (ACGA) Suggested Rates and Lesser Rates for Increased Residual**

## **I. CHARITABLE GIFT ANNUITY ADMINISTRATION AND POLICY OVERVIEW**

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**Charitable Gift Annuity Agreement: An Overview A legal contract between Christian Church Foundation, Inc. (CCF) and a donor with a fixed lifetime annuity payment and end of life gift for ministry.**

*Note: More details about the charitable gift annuity agreement are included in the “Application for Charitable Gift Annuity Agreement” at Section II.*

CCF enters into a contract with the donor and agrees to pay a fixed annuity payment to the annuitant(s) for life. Both restricted charitable gift annuity assets AND all unrestricted assets of the Foundation are pledged to make these payments. At the donor’s death, any residual is distributed for ministry as directed by the donor. Annuity payments should NOT be referred to as “income” in discussions with donors, since a portion of the annuity payment is a tax-free return of the principal contributed by the donor. It should be stressed that a charitable gift annuity is an IRREVOCABLE gift and cannot be returned to the donor if the donor later has need for the funds. Federal tax laws mandate this in order to qualify for the income tax charitable contribution deduction on the charitable portion of the annuity.

**Accounting for charitable gift annuity investments and investment returns:** The funds received by CCF for charitable gift annuities are segregated from other operating assets, Joint Investment Trust funds, and trusts. The performance of each individual gift is separately tracked. In determining the amount of the residual that will ultimately be available for charity, earnings from all charitable gift annuity investments are spread proportionately across all charitable gift annuities. Separate investment pools are maintained as required by state laws and the CCF board to provide adequate diversification for these funds. The earnings from *all* of these investments are spread across all of the charitable gift annuity contracts to determine the residual amount available for charity, regardless of the state where the contribution originated.

**Expected gift portion of the charitable gift annuity contract:** The Foundation offers charitable gift annuities at annuity rates suggested by the American Council on Gift Annuities (ACGA). The ACGA suggests charitable gift annuity rates using investment, life expectancy, administrative cost and other assumptions. These assumptions are calculated to yield an average expected residual distribution to charitable beneficiaries of 50% of the original amount of assets transferred in exchange for a charitable gift annuity. The residual distribution for a charitable gift annuity established with CCF at the ACGA suggested rate, will be a maximum of 50% of the funding assets. Any amounts above the expected residual will be added

to the Foundation's gift annuity payment reserves (see also Adverse experience losses below). If the residual is less than expected at the time of distribution, the entire residual will be distributed. The maximum residual distribution will be appropriately adjusted for those charitable gift annuities established at a lesser rate than suggested ACGA rates. Ultimate gift residuals will fluctuate widely, and it is possible there will be no residual to be distributed when the gift annuity matures at the annuitant's death.

**Adverse experience losses:** In the event annuity payments use 100% of the amount given for the charitable gift annuity and all the investment earnings related to that annuity (also known as "running dry"), CCF continues to make the contractual payments to the annuitant. These payments are an obligation and a liability of the Foundation. The liability for these payments is NOT an obligation of our ministry partners. CCF has established reserves for payments for dry charitable gift annuities and adds to these reserves. The only time that an amount would be added to CCF's reserves would be if a gift annuity contract performed better than expected. If the annuity performed as expected, or below expectations, no amount would be added to CCF's reserves. It is anticipated that CCF's reserves will adequately cover any payments for dry annuities; however, if the established reserves are fully depleted, the cost of these payments may be shared by all of the charitable gift annuity contracts administered by the Foundation.

**Cost recovery charges:** A monthly charge of 1/12 of 1% of the invested value of the annuity is deducted from each annuity to reimburse the CCF for our services. This amount, which is subject to change, is consistent with the expense charges assumed by the ACGA in the actuarial assumptions used to suggest charitable gift annuity rates.

**Charitable Gift Annuity Policies:** In order to minimize risk to all of the charitable gift annuity contracts, allow the Foundation and our partners to reach the maximum number of potential eligible donors, and to accept only those gifts that are expected to provide a benefit to charity, gift policies have been enacted by the Foundation. The full text of the Christian Church Foundation's Charitable Gift Annuity Policies, including marketing concepts and tax considerations, can be found in the following pages. Key policies of interest to our partners are as follows:

- Charitable gift annuities should NOT be promoted as investment alternatives.
- Charitable gift annuities are written for one or two lives only.
- The minimum amount required to fund a charitable gift annuity is \$5,000.

- ACGA suggested rates are the maximum rates offered by the Christian Church Foundation for charitable gift annuities. Donors should receive information for at least three payout rates, with the ACGA rate being the highest rate, as a part of each proposal.
- Expected residual values should be shown at 50% when using the ACGA rate; lesser payout rates should show expected residuals according to the schedule shown in Section VI. It is possible for a charitable gift annuity to exhaust the entire contract amount.
- All charitable gift annuities over \$200,000 will be reviewed for reinsurance advisability. Donors should be informed if their charitable gift annuity may be reinsured.

Pages 11-15 detail all of CCF's charitable gift annuity policies.

### **Privacy Policy:**

The Foundation is required under the Gramm-Leach-Bliley Act to provide charitable gift annuity donors with a statement of our privacy policy no less than annually. A copy of that policy can be found on Page 16. As partners in the charitable gift annuity process, we require you to commit to also protecting the donor's personal information.

### **Charitable Gift Annuity Funding Assets:**

**Key Point:** A charitable gift annuity may be funded with cash or long-term appreciated securities. In certain circumstances, a charitable gift annuity may be funded with a Qualified Charitable Distribution from an Individual Retirement Account.

#### Details:

Cash - Checks must be made payable to Christian Church Foundation.

Securities - There are additional benefits to donors who fund charitable gift annuities with long-term appreciated securities (most commonly publicly traded stocks). Capital gains are avoided on the gift portion of the charitable gift annuity and are spread over the donor-annuitant's lifetime on the annuity portion. **THE FOUNDATION RELIES ON OUR PARTNERS TO FIRST ENSURE THAT THE DONOR HAS LONG-TERM GAIN ON HIS/HER SECURITIES** before proceeding with any discussion about using those securities to fund a charitable gift annuity. Here is a brief summary of the most common problems encountered when

talking to donors about a potential charitable gift annuity funded with securities:

- ❑ If the donor has a loss on long-term securities and uses them to fund a charitable gift annuity, the available tax deduction will be lost. A gift made with capital loss securities is not in the best interest of the donor.
- ❑ If there is a short-term gain, the donor's charitable deduction will be reduced by the amount of the short-term gain. There is no benefit to funding a charitable gift annuity with these types of securities.
- ❑ For gifts funded with long-term capital gain securities where the donor is not an annuitant, all of the capital gain on the annuity portion will be immediately taxable to the donor. The donor will avoid capital gain tax on the gift portion of the donation but will be personally liable for capital gain tax on the annuity portion. The donor may still make the gift but should clearly understand the consequences of such a gift.

Securities with long-term gain should be transferred directly to CCF or to CCF's custodial agent, Vanguard. Securities without a long-term gain should NOT be used for gifting.

US Savings Bonds - It is not possible to fund a charitable gift annuity with US Savings Bonds without the donor first recognizing accrued interest income. Thus, savings bonds are not a good asset for funding a charitable gift annuity.

Mutual Funds - An in-kind transfer of shares is necessary to preserve the donor's non-recognition of capital gain. Please notify CCF prior to the gift so CCF can take the steps necessary to preserve the donor's tax benefits. NOTE: our past experience has been that when the shares cannot be transferred via Depository Trust Company (DTC) it can take several days, or even several weeks, to accomplish a transfer of mutual fund shares. Donor should be advised that this transfer may take some time to complete. This transfer time makes this a riskier gift asset in volatile markets or when trying to get a last-minute income tax deduction.

Qualified Charitable Distribution (QCD) from an Individual Retirement Account (IRA) – A QCD is a distribution from an IRA directly to a qualified charity. The IRA owner does not receive an income tax deduction for the distribution to the charity, but the distribution is not taxable to the IRA owner and may count toward

the owner's required minimum distribution. QCDs are available to IRA owners who have attained age 70 ½.

Beginning January 1, 2023, an IRA owner at least age 70 ½ may make a once in a lifetime, currently up to \$53,000 in a single year, transfer for a charitable gift annuity. Amounts of less than \$53,000 may be transferred during a year with the total limited to \$53,000. Even if the IRA owner transfers less than \$53,000 in a year, the unused amount may not be made up in a future year. Spouses may each contribute \$53,000 from their own IRAs for a single or joint-life charitable gift annuity. The IRA owner and/or their spouse are the only permitted annuitants for a charitable gift annuity established with a QCD. A QCD cannot fund a deferred charitable gift annuity. The payout rate for a charitable gift annuity funded with a QCD must be at least 5% and the entire payment is taxable. Finally, the charitable gift annuity cannot be assigned to the charity if the annuitant determines at a future date that they no longer need the payments. This differs from a charitable gift annuity funded with cash, securities or mutual funds, which may be assigned to the charity at a future date.

### **Charitable Gift Annuity Gift Date:**

**Key Point:** The gift date matters as it determines both how the gift is valued (for non-cash gifts) and the date when the annuity period begins (i.e., the annuity begins getting credit for earnings from the gift annuity investments). The Federal tax code determines the date of the gift depending on how the gift is delivered (by hand, US mail, private delivery services, or electronic transfer). CCF policy requires a signed Application for Charitable Gift Annuity Agreement be received on or before the gift date. (See further comment under "Information Needed to Establish a Charitable Gift Annuity.")

#### Details:

Hand Delivery - If delivered "by hand" (physically given to an "agent" of CCF), the gift date is the date received by the agent. Employees of CCF, acting in a capacity to receive gifts, are agents of CCF. Development officers of our partner ministries are also agents. It is imperative to expedite the delivery of the gift to CCF in Indianapolis for timely receipting and processing. For stock delivered by hand, the gift date is the first date when the gift annuity application and BOTH the stock certificate and stock power are in hand.

US Mail - If delivered by U.S. Postal Service, the gift date is the postmark date. If the Application and check or stock powers are mailed separately, the gift date is the date the last required item was mailed. A gift mailed to our partners is credited to the donor on the day mailed to the partner. Again, delivery of gifts should be expedited to CCF in Indianapolis. ALSO NOTE: When a gift is received by mail, the donor's envelope should be included with the other information sent to CCF in Indianapolis so that the donor's mailing date can be



verified. Stock certificates and stock powers should always be sent in separate mailings. The date that the last of these envelopes was postmarked for mailing (to CCF or our "agent") is the gift date.

Private Delivery Services - The Internal Revenue Service has authorized the use of certain Private Delivery Services (PDS). Authorized PDS entities may include Federal Express, United Parcel Service and others. The IRS publishes authorized PDS entities and updates that list periodically. If an individual uses an authorized PDS, the date that an item was given to and recorded by a PDS or the date that is marked on the cover of the item is treated as the postmark date.

Electronic Transfer (DTC) - Securities transferred via Depository Trust Company (DTC) are considered gifted on the date received by CCF's broker (Vanguard). Mutual Funds transferred are considered gifted on the date received by CCF's account set up for purposes of receiving that gift. A complete Application should be in hand BEFORE the donor is given transfer instructions.

Security Re-Registered in CCF Name - When a donor chooses to have the stock transferred to CCF on the books of the issuing corporation, the date transferred on the issuing corporation's stockholder records is the gift date. NOTE: this is a time-consuming process that could take weeks. It is not a practical way to make gifts when it is near the end of the year and a current year charitable income tax deduction is desired.

QCD from IRA (also see above) - The gift date for a QCD from an IRA used to establish a CGA is the date the funds leave the donor's account. For checks received directly from the IRA custodian, the check date may be used. For checks received from donor(s) written against their IRA accounts, the donor will need to provide the date the QCD was debited from the IRA.

### **Information Needed to Establish a Charitable Gift Annuity:**

1. Application for Charitable Gift Annuity Agreement: *(See Section II.)*

The Application form integrates disclosure information with donor-provided information. This form should not be altered.

As a result of the Philanthropy Protection Act of 1995, certain information about the charity must be communicated to the donor. Please ensure that your donor is provided with all pages of the Application, including state specific disclosures. As a side note, the information appearing in bold print is required to be presented in this manner according to state law.

The Application also includes a Direct Deposit Authorization form so that annuitants can receive their periodic payments via direct deposit. This helps streamline CCF's processing.

2. Affidavit: *(See Section III.)*

An affidavit may be required whenever a gift is made from a trust, other than the donor's revocable trust. Some trusts do not allow charitable gifts from the trust. Please be aware of this and discuss this with your CCF representative to see if an affidavit will be required.

**Correspondence With Donor/Annuitants:**

When the gift is completed, a formal CCF receipt is prepared and sent to the donor along with the Charitable Gift Annuity Agreement. Also sent to the donor is a letter explaining the charitable income tax deduction, payments, taxable nature of the payments and when the tax information changes, as well as information about the understanding of the residual beneficiary. A copy of this letter and our receipt is sent to our partners.

In December of the year of charitable gift annuity funding, a letter is sent to the donor that includes tax information to support any charitable income tax deduction (including a statement regarding the Applicable Federal Rate election) and, if funded with appreciated property, information for the Schedule D attachment for capital gains reporting and suggestions for completing Form 8283. A copy of this communication is sent to CCF's partner organizations.

By January 31 each year a Form 1099-R is sent to each annuitant providing the required income tax reporting (taxable, non-taxable and capital gain amounts) for the annuity payments made for the prior year.

A copy of the Privacy Policy is mailed annually to donors.

**Status of State Registrations and Compliance:**

Due to state requirements, annuity agreements must be state specific. CCF is currently registered in all states requiring registration with the exception of Hawaii, New Jersey, New York, Maine, South Dakota and North Dakota. If a prospective donor resides in one of these states, please contact CCF. We may be able to obtain registration or assist by contacting a community foundation in that state that could help with the gift. Before

“doing charitable gift annuity business” in any of these states, speak to a CCF representative. “Doing business” includes sending marketing material into the state and visiting with prospective donors in the state regarding a contribution for a gift annuity. As nation-wide mailing lists frequently have recipients in these states, even if the gift is not actively solicited, CCF recommends including a disclaimer in all mailings and advertising, and the like. Something similar to “The Christian Church Foundation does not offer charitable gift annuities in all states” should be sufficient.

It is our belief that the applicable state, for purposes of these regulations, is the state where the donor (not annuitant) lives at the time the charitable gift annuity is written. State by state rules are not always clear cut in this area.

**Investment of Charitable Gift Annuity Funds:**

A description of the gift annuity investments is disclosed in our Application for Charitable Gift Annuity Agreement. We maintain separate investments to meet individual state requirements in California, Tennessee and Florida. Charitable Gift annuity funds are held separately from all other Foundation assets.

**Tracking Charitable Gift Annuity Balances:**

As noted on page two, each individual gift annuity’s performance is tracked separately. After the first year an annuity balance might look like this:

Original Deposit	\$10,000
Less 1.0% for administration	- 100 (approximate charge)
Plus investment earnings (or less losses), net of any adverse experience loss	450
Less payments to annuitant	- <u>750</u> (assumes 7.5% annuity rate)
Invested annuity assets	\$ 9,600

Note: In this one-annuity example, the invested percentage is 96%. The invested percentage is the ratio of the current invested annuity assets and the original contract amount. Most of our partners receive periodic reports about their charitable gift annuities. A report on your charitable gift annuities may be requested at any time; contact Christy Stratton (317/713-2436 or 800/668-8016), [cstratton@ccf.disciples.org](mailto:cstratton@ccf.disciples.org), if you would like information on the current status of your charitable gift annuities.

**Distribution of Residual at Maturity of Charitable Gift Annuity:**

Upon notification of the death of an annuitant, CCF verifies the death through an obituary, communication with the family or other means. If satisfactory evidence of the death of an annuitant cannot be obtained, a copy of the death certificate may be required. If this is the sole remaining annuitant, CCF verifies that payments to the annuitant have not been issued since date of death. The annuity is then marked for liquidation following the spreading of charitable gift annuity investment income (or loss) for the current month. Liquidated proceeds, up to the expected residual, are then sent to the charitable beneficiary.

If the annuitant did not survive to his or her calculated life expectancy, a letter is written to the executor with information regarding “unrecovered investment in annuity,” which may be tax-deductible on the annuitant’s final income tax return. The executor is reminded that a Form 1099-R will be issued in the name of the decedent for the taxable portion of annuity payments in the final year.

## CHARITABLE GIFT ANNUITY POLICIES

### A. MARKETING CONCEPTS

1. Charitable gift annuities are especially appealing to retired donors willing to make a gift of cash, appreciated marketable securities or a QCD from an IRA through the Christian Church Foundation who desire to receive annuity payments that may increase their current cash flow.
2. Charitable gift annuities appeal to donors interested in receiving guaranteed payments that are partially tax-free. Older donors also qualify for higher annuity rates.
3. Deferred charitable gift annuities are often popular with those who want to supplement retirement income as the guaranteed payments are not subject to the IRS limitations imposed upon "qualified" retirement plans.
4. With “flexible deferred charitable gift annuities” the annuitant does not have to choose the annuity starting date at the time of the gift. The annuitant can make that choice later, based on his/her life situation. The older the annuitant is when payments begin, the higher the annuity rate (and therefore the annuity payments) will be when payments begin.
5. Donors can influence the amount of the charitable income tax deduction, the periodic cash flows, and the ultimate gift to your ministry by selecting a payout rate that best meets the donor’s objectives. The maximum annuity rate is the rate suggested by the American Council on Gift Annuities (ACGA).
6. Charitable gift annuities are an excellent way to increase cash flow and transfer management responsibilities for gift property.
7. Charitable gift annuities are very useful for providing immediate or deferred income payments for a spouse, parent, or other individual(s).
8. A gift of appreciated marketable securities is often appealing as the capital gain tax is avoided on the gift portion of the contract. When the donor (or donor and a designated survivor) receives the annuity payments, the capital gain on the annuity portion is spread out over their lifetime(s).

9. Reduced taxes are an added incentive for many donors as part of the value of the charitable gift annuity qualifies as an itemized charitable deduction. NOTE: Due to the increased standard deduction available to donors, many donors no longer itemize deductions. This should be taken into account by a donor considering establishing a charitable gift annuity.
10. As a charitable gift annuity may be established with a QCD from an IRA, donors who hold assets in an IRA may find this a great way to reduce their taxable income as QCDs are not taxable and increase cash flow through the charitable gift annuity payments.
11. There are generally no legal costs incurred by donors for document preparation since the agreement with the Christian Church Foundation is both simple and brief, whether the gift is large or small. Donors are encouraged to seek review by their professional advisor(s).

## B. TAX ISSUES

1. The income tax charitable deduction is based on IRS tables for calculating the gift portion of the assets transferred to the Christian Church Foundation. If the donor itemizes income tax deductions, it may be advantageous to choose the highest Applicable Federal Rate to yield the highest immediate income tax deduction. If the donor does not itemize deductions for income tax purposes (due to the 2018 tax law changes providing for an increased standard deduction, this may be true for many donors), the lowest Applicable Federal Rate should be chosen to yield the lowest taxable amount on the periodic payments.
2. A portion of the donor's cost basis in the transferred asset is returned tax-free to the designated annuitant.
3. The donor's cost basis and capital gain, if any, is allocated between the gift portion and the annuity portion. Capital gain is avoided on the gift portion, irrespective of whether the donor is also an annuitant.
4. Any capital gain may be spread out over the annuitant's lifetime (rather than taxed immediately) if the donor is the sole annuitant or if the donor and a survivor are the annuitants.
5. If the annuity is funded with jointly-owned or community property, and payments are payable to both owners and then to the survivor, the capital gain can be reported

ratably over their joint life expectancy. For annuities funded with a donor's separate property benefiting the donor and spouse, one-half of the reportable capital gain must be reported and taxed currently. Donors should consider transferring ownership for separately held assets to joint ownership prior to funding a gift annuity.

6. The annuity payments are taxed by allocating the donor's basis and any capital gain over the annuitant's lifetime and treating the balance of the annuity payment as ordinary income.
7. For charitable gift annuities established with a QCD from an IRA, the payments are fully taxable as ordinary income. Further, as the QCD is not taxable to the IRA owner, there is no income tax deduction; however, the QCD may count toward the IRA owner's required minimum distribution.
8. The Christian Church Foundation's obligation to make annuity payments is backed by the funds that the Foundation receives for charitable gift annuities, as well as all unrestricted assets of the Foundation.
9. A reportable gift (on IRS form 709) occurs when a donor makes a gift with a value in excess of the gift tax annual exclusion. The gift tax exclusion is indexed for inflation annually and is currently \$18,000. The gift to the charity, while reportable, is also fully deductible. The standard CCF charitable gift annuity agreement includes the right to revoke language whenever there is an annuitant other than the donor(s) or the donor's spouse, which makes the gift incomplete for gift tax purposes. Thus, the donor may not need to report the gift to the annuitant currently but will need to be certain the information is retained in the event the donor is subject to estate tax at his/her death. Donors should consult with their professional tax advisor for specific tax advice.
10. There may be gift, capital gain or estate tax considerations if the donor designates another person (including his/her spouse) as the sole or surviving annuitant.

#### C. POLICY AND PROCEDURES

1. Christian Church Foundation representatives should not promote charitable gift annuities as investment vehicles or present them as investment alternatives. A charitable gift annuity is an irrevocable gift vehicle that generates cash payments to a donor or others for life.
2. The minimum amount needed for funding a charitable gift annuity is \$5,000.

3. By law, no more than two life-income beneficiaries are permitted for any charitable gift annuity.
4. The maximum charitable gift annuity for one person (or a husband and wife) in a five-year period is \$500,000. The maximum immediate pay charitable gift annuity for an annuitant younger than age 60 is \$50,000. The maximum deferred pay charitable gift annuity when an annuitant is age 49 or younger when the annuity is funded OR when the annuitant begins taking payments at age 59 or younger is \$50,000. These maximums may be increased with prior approval of the president and senior vice president of the Foundation. Higher amounts may be approved when there are factors that mitigate the risk to the Foundation. These include the election of a reduced payout rate, an annuitant with less than 10 years of remaining life expectancy, or an undervalued market.
5. The Foundation may require donors to submit proof of age at the time a charitable gift annuity is established. A copy of a state-issued driver's license, state identification card, government-issued birth certificate or United States passport will meet this requirement. This may be required for larger charitable gift annuity contracts (generally \$200,000 or more). If required, this copy should be included with the charitable gift annuity application at the time it is submitted to the Foundation.
6. The Christian Church Foundation will accept only cash, mutual funds, readily marketable securities and a QCD from an IRA in exchange for a charitable gift annuity.
7. Christian Church Foundation annuity rates conform to the uniform charitable gift annuity rates suggested by the American Council on Gift Annuities. Donor proposals should present clear, concise, written information to all donors on the potential benefits of electing rates below ACGA rates to increase their charitable deduction and increase their ultimate gift to the church. Lesser rates corresponding to a larger residual are found at Section VI; a sample letter that can be customized for communicating proposed rates is also included at Section V.
8. Proposals for charitable gift annuities at the ACGA rate should show an expected residual value of 50% of the contract value. An expected 50% residual is the actuarial assumption used in setting annuity rates. Donors should be informed through a review of proposals at various rates and the Application that, while the payments to them are guaranteed, expected residual values are only an estimate and will fluctuate based on the annuitant's longevity and relevant market performance. Donors should be made aware that the expected residual for a gift annuity



established at ACGA rates is 50%; 50% is the maximum amount that will be distributed to ministry at the maturity of the contract. Any balance above 50% will be retained by the Foundation to support its gift annuity program. If a gift annuity is established at a lesser rate than the ACGA suggested rate, the maximum amount will be adjusted appropriately.

9. All annuities over \$200,000 will be reviewed for reinsurance advisability. Donors should be informed if the gift annuity will be reinsured.
10. State registration requirements must be adhered to in those states whose insurance or other laws and regulations so require. The “Application for Charitable Gift Annuity Agreement” and related disclosures should be provided to the donor with the initial gift proposal or illustration and must be signed by the donor prior to the acceptance of the gift.
11. The Foundation has met the requirements necessary to administer gift annuities in the District of Columbia and all states except Hawaii, New York, New Jersey, Maine, South Dakota and North Dakota.
12. Donors should be encouraged to have the charitable gift annuity transaction and related documents reviewed by their professional advisor(s). It is especially important that the transaction be reviewed by the donor's advisors if family members have objections or the donor's financial sophistication or judgment is in doubt.
13. Subject to any state reserve requirements, the gift assets are invested according to Christian Church Foundation guidelines.
14. Annuity payments can be made annually, semi-annually or quarterly. Payments may be made monthly if the charitable gift annuity is for \$25,000 or more.
15. The Christian Church Foundation will consider changing the charitable beneficiary on any charitable gift annuity written by a partner organization only if approved by the partner organization.
16. The gift date for charitable gift annuities will be the date that the Christian Church Foundation or its agent has in hand (or the postmark for mailed gifts) ALL of the following: currently valid check or stock and stock powers, current signed Application, and affidavit (if required).

**CHRISTIAN CHURCH FOUNDATION, INC.  
CHARITABLE GIFT ANNUITY PROGRAM  
PRIVACY POLICY**

The Christian Church Foundation, Inc. (the “Foundation”) is a donor-oriented organization that values the loyalty and generosity of our donors and friends. As such, we are committed to protecting the privacy of your personal financial information. We are therefore happy to provide you with this statement of our privacy policy.

We collect nonpublic, personal information about persons who fund charitable gift annuities ("Donors") from these sources:

- information we receive directly from Donors, orally, on applications, or from other materials; and
- information we receive from others, in connection with transactions and dealings with the Foundation.

It is the policy of the Foundation to keep all nonpublic, personal information about our Donors private and confidential. Accordingly, the Foundation will not share any nonpublic, personal information about our Donors or former Donors with any nonaffiliated party, except as otherwise permitted or required by law, or with the express permission of our Donors. The Foundation may notify the ultimate beneficiary of the Donor’s gift, disclose to the beneficiary the amount of the gift, and release the Donor’s personal contact information to the beneficiary only upon specific authorization from the Donor.

We restrict access to Donor nonpublic, personal information to Foundation personnel and third-party service providers involved in the administration of the charitable gift annuity program or any other specific annuity. We employ physical, electronic, and procedural safeguards to protect a Donor’s nonpublic, personal information. The companies and financial institutions that work on the Foundation’s behalf are obligated to the Foundation to similarly safeguard the nonpublic, personal information about our Donors and former Donors.

Your privacy is of utmost importance to the Foundation. Questions regarding the Foundation’s Privacy Policy may be directed to Lori Lucas, Senior Vice President, Christian Church Foundation, 1099 North Meridian Street, Suite 700, Indianapolis, Indiana 46204.



For Office Use Only:

\_\_\_\_\_  
Gift Date

## APPLICATION FOR CHARITABLE GIFT ANNUITY AGREEMENT

Christian Church Foundation, Inc.

P.O. Box 1007

Indianapolis, IN 46206-1007

[www.christianchurchfoundation.org](http://www.christianchurchfoundation.org)

(800) 668-8016 Toll Free

(317) 635-1991 Fax

A Charitable Gift Annuity Agreement is an irrevocable contract between the donor(s) and the Christian Church Foundation, Inc. (“Foundation”). I (we) hereby make application for a charitable gift annuity subject to the following terms and conditions:

### **Section 1: Donor Information**

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Phone: \_\_\_\_\_

E-mail: \_\_\_\_\_

The donor is the person(s) who owns the asset exchanged for the charitable gift annuity (“Annuity” or “CGA”). It is important that the person(s) shown as donor(s) actually holds legal title to the asset used to establish the CGA.

The name(s) shown as donor will be listed in the Foundation’s annual report and on the receipt.

If the assets are owned by a revocable or other trust, an affidavit stating that the trust allows for gifts may be required; this should be discussed with your Foundation representative.

Effective: March 2024

**Section 2: Annuitant(s) Information**

First Annuitant Name: \_\_\_\_\_

Date of Birth\*: \_\_\_\_\_ Social Security No.: \_\_\_\_\_

Relationship to Donor: \_\_\_\_\_  
(self, spouse, son, daughter, sister, brother, other relative, friend, other)

Enter the following if different from donor:

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

Second Annuitant Name: \_\_\_\_\_

Date of Birth\*: \_\_\_\_\_ Social Security No.: \_\_\_\_\_

Relationship to Donor: \_\_\_\_\_  
(self, spouse, son, daughter, sister, brother, other relative, friend, other)

Enter the following if different from donor:

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ E-mail: \_\_\_\_\_

An Annuity may benefit one or two persons for their lifetime(s) (“Annuitant(s)”). It is the Foundation’s policy to issue annuity payments to the first Annuitant listed above unless a request is made to issue payments jointly. An annual Form 1099-R is issued by the Foundation showing the taxation of the annuity payments received. Form 1099-R may only be issued in one name and will be issued to the first Annuitant listed. On the death of the first Annuitant, future payments and the Form 1099-R will be issued to the second Annuitant listed above, if any. The payments will end with the last regular payment before the date of death of the Annuitant(s).

If the Annuitant is someone other than the donor and the Annuity is funded with appreciated securities, the capital gain on the annuity portion may be immediately taxable to the donor. Married donors should note that capital gain will be triggered if jointly-held appreciated marital assets are used to fund an Annuity for only one spouse or when property legally owned by only one spouse funds an Annuity to benefit the other spouse.

Please consult your tax or financial advisor for more information on establishing an Annuity, federal gift taxes and the consequences of using appreciated securities for an Annuity that benefits another person.

\*Proof of age may be required by supplying a copy of a state-issued driver’s license, state identification card, government-issued birth certificate or United States passport.

### **Section 3: Applicable Federal Rate (“AFR”) Election**

The AFR is an interest rate that is used by the Internal Revenue Service (“IRS”) to determine the value of the charitable portion of a CGA. As periodic payments are made to the Annuitant, a portion of the amount used to establish the CGA is returned tax-free over the life expectancy of the Annuitant. After the Annuitant exceeds what was his or her life expectancy at the date of the contract, annuity payments are taxed as ordinary income to the Annuitant. The IRS allows the donor(s) the option of selecting the best available AFR to meet their individual tax situation. Most donors who are able to itemize will elect the AFR which results in the highest immediate tax deduction. NOTE: Not applicable for a CGA funded with a qualified charitable distribution (QCD) from an individual retirement account (IRA).

\_\_\_\_\_ I elect the highest available immediate tax deduction.

\_\_\_\_\_ I elect the highest available tax-free portion of annuity payments.

### **Section 4: Annuity Type**

An “Immediate Annuity” makes its first payment at the end of the first “period” (see Section 6: Payment Election) after funding. If the Donor selects a “Deferred Annuity,” s/he chooses when the annuity payments start. These payments can begin one or more years after the funding of the agreement, and are often scheduled to supplement retirement income; the longer the deferral period, the higher the annual payments for any given donor.

\_\_\_\_\_ I elect an Immediate Annuity.

\_\_\_\_\_ I elect a Deferred Annuity with payments to begin \_\_\_\_\_.

### **Section 5: Annuity Rate Election**

The act of establishing a CGA with the Foundation is not, and should not be viewed as, an investment. Rather, it is a way for the Annuitant(s) to receive fixed, specified annuity payments (“Annuity Amount”) for life, while also making a charitable gift. Because a charitable gift is involved, the annuity rates offered by the Foundation are often lower than those available on commercial annuities offered by insurance companies and other financial institutions. The fact that you are making a charitable gift may provide you with tax benefits, including a current federal income tax deduction (if you itemize), annuity payments which are partially tax-free (commercial annuities may also provide for partially tax-free payments), and possible future estate tax savings.

In determining the maximum Annuity Amount that it will offer, the Foundation uses the annuity rates suggested by the American Council on Gift Annuities (“ACGA”). The ACGA suggests gift annuity rates using investment, life expectancy, administrative cost and other assumptions to provide for an estimated residual distribution to a charitable beneficiary of 50% of the original amount of assets transferred in exchange for an Annuity (“contract amount”). The Foundation

offers all donors the option of electing a lower annuity rate to provide the named charitable beneficiary with an even greater amount at the termination of the gift annuity.

The following summary information will help you understand the potential benefits of electing a lower payout rate and is based on an estimated contract amount of \$\_\_\_\_\_.

	Rate	Annual Payments	Taxable Portion	Estimated Deduction	Estimated Gift
1.					
2.					
3.					

The ACGA rate for your Annuity is \_\_\_\_\_%. Proposals at any rate (under the ACGA rate) are available at your request.

I elect an annuity rate of \_\_\_\_\_%.

### **Section 6: Payment Election**

The Annuity Amount may be paid in annual, semi-annual, or quarterly installments. If the Annuity is funded with cash or assets having a fair market value of \$25,000 or more, the donor may elect monthly payments. More frequent installment payments will result in a slightly lower charitable income tax deduction.

I elect \_\_\_ Annual \_\_\_ Semi-annual \_\_\_ Quarterly \_\_\_ Monthly Annuity Payments

### **Section 7: Funding Asset Information**

The Foundation will accept only cash, QCD from IRA, mutual funds, or marketable securities that are readily tradeable on a recognized securities exchange as funding for a CGA.

When an Annuity is funded with long-term appreciated assets (and the donor is an Annuitant), the Annuity Amount is treated for tax purposes as a combination of return of capital (tax-free), long-term capital gain and ordinary income. Each year, the tax status of the Annuity Payments will be reported to the Annuitant on a Form 1099-R.

Because of adverse tax consequences, the Foundation does not recommend using short-term appreciated assets or assets with a current market value below their cost basis to fund a CGA.

The Foundation relies on the donor to provide accurate and complete information regarding the cost basis of contributed assets. The information you provide will be used to prepare information returns required by the IRS and failure to provide information that is, to the best of your knowledge, accurate and complete may result in the imposition of penalties or interest charges by the IRS.

The gift date for the CGA is the date that the Foundation has received both the completed signed Application and assets for the funding of the CGA. Assets are considered received as follows: for cash or checks, on the date of mailing or hand delivery; for securities or mutual funds, on the date received in the Foundation’s account; for actual stock certificates, the date the Foundation received the stock certificate and stock power document. NOTE: A qualified charitable distribution (QCD) from an individual retirement account (IRA) for a CGA requires special handling; please discuss this with a Foundation representative before funding the CGA.

Type and Value of Funding Asset:

\_\_\_\_\_ CASH \$ \_\_\_\_\_ Checks should be payable to Christian Church Foundation, Inc.

\_\_\_\_\_ QCD from IRA \$ \_\_\_\_\_ Requires special handling; please discuss before funding

\_\_\_\_\_ SECURITIES \$ \_\_\_\_\_ Estimated Fair Market Value

Basis and ownership detail is required information. Contributed securities should be held for more than one year; if any of the contributed securities have been held less than one year and a day, this should be discussed with a Foundation representative BEFORE funding the CGA.

Description: \_\_\_\_\_  
\_\_\_\_\_

Basis: \_\_\_\_\_

Date of Acquisition: \_\_\_\_\_

Ownership: Jointly owned by: \_\_\_\_\_  
Solely owned by: \_\_\_\_\_  
Held in trust name (affidavit may be required): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**Section 8: Remainder Charitable Beneficiary:**

When assets are transferred to the Foundation in exchange for an Annuity, a charitable gift is irrevocably made. The Donor’s right to recover those assets is permanently surrendered at the time of the transfer to the Foundation.

After the death of the last surviving Annuitant, the balance of the Annuity, up to a maximum of the estimated gift based on the donor-selected payout rate, will be transferred to the “Remainder Charitable Beneficiary (ies).” The amount that will ultimately be transferred to the Remainder Charitable Beneficiary(ies) will depend on factors including investment results, the lifetime of the Annuitant(s), administrative cost recovery and the possible adverse actuarial or market experience of other charitable gift annuity contracts. It is possible that the original contract amount will be totally used in satisfying the annuity obligation to the Annuitant(s). Any amount in excess of the estimated gift as shown on page 4 will be retained in the gift annuity pool.

Payments to the Annuitant(s) are fixed and will continue regardless of the residual that remains from the original contract amount.

The Remainder Charitable Beneficiary must be at least 51% to an entity that is affiliated with the Christian Church (Disciples of Christ) and/or the Stone-Campbell Movement. Select the charitable beneficiary you would like to benefit:

\_\_\_\_\_ % Christian Church Foundation Permanent Fund  
Fund Name: \_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_ Outright distribution to the following charitable organizations: If more than one, indicate the percentage to each.

\_\_\_\_\_ % \_\_\_\_\_  
\_\_\_\_\_ % \_\_\_\_\_  
\_\_\_\_\_ % \_\_\_\_\_

**Notification to Remainder Charitable Beneficiary:**

At the request of the donor(s), the Foundation will notify the Remainder Charitable Beneficiaries that a CGA has been established listing their organization as a beneficiary. The Foundation does not disclose any amounts as a part of this notification.

The Foundation should notify the Remainder Charitable Beneficiary(ies) of your intention to benefit them with this CGA.

\_\_\_\_\_ YES \_\_\_\_\_ NO

**Section 9: Changes to this Agreement**

Changes to the originally designated Remainder Charitable Beneficiary may typically be made if the donor(s) and the Foundation all agree to such change. In all cases, the Remainder Charitable Beneficiary must be at least 51% to an entity that is affiliated with the Christian Church (Disciples of Christ) and/or the Stone-Campbell Movement. In most situations, Annuitants may request early termination of the CGA to accelerate the gift to the Remainder Charitable Beneficiary.

If this Annuity is funded by more than one donor, do you wish to allow the surviving donor the ability to request changes to the Remainder Charitable Beneficiary?

\_\_\_\_\_ YES \_\_\_\_\_ NO \_\_\_\_\_ N/A



If this Annuity provides for outright distribution to a Remainder Charitable Beneficiary currently affiliated with the Christian Church (Disciples of Christ) and/or the Stone-Campbell Movement, do you wish to redistribute the remainder in the event that such entity ceases to be so affiliated?

\_\_\_\_\_ YES                      \_\_\_\_\_ NO                      \_\_\_\_\_ N/A

\_\_\_\_\_  
\_\_\_\_\_

Contingent Beneficiary(ies)

Unless instructed otherwise, a distribution to an entity no longer affiliated with the Christian Church (Disciples of Christ), would be made proportionately to any other named beneficiaries or, in the case of a single beneficiary, would be directed to the “Area of Greatest Need” as determined by the Foundation’s Board of Directors.

**Section 10: Certification**

I hereby certify that I have reviewed the foregoing Application for Charitable Gift Annuity Agreement and verified the accuracy of the information provided on my behalf herein. I have verified the birthdates and social security numbers of the Annuitants. I have also reviewed the “Additional Information Regarding the Christian Church Foundation, Inc. and Investment of Charitable Gift Annuity Assets and the State Specific Disclosures.” I understand that my Application for a Charitable Gift Annuity with the Foundation cannot be accepted until **both** this signed Application and the funding asset(s) have been received by the Foundation.

I understand that my gift is irrevocable and that the Annuity Amount is fixed and does not change over time. I understand that the right to the Annuity Amount may be assigned under certain circumstances but cannot be assigned to any person or organization other than the Foundation. I also understand that the Foundation is not a legal, tax, investment or accounting consultant and that I should seek the services of appropriate professional advisors regarding all such matters.

I understand that annuity payments made under this agreement are backed solely by the full faith and credit of the Foundation, are not insured or guaranteed by an insurance company, are not protected by any insurance guaranty association and are not backed in any way by the states or any governmental agency.

Notwithstanding anything herein to the contrary, I acknowledge that the Board of Directors of the Christian Church Foundation, Inc. shall have final authority over the management of any residual gift assets and/or the distributions to the Remainder Charitable Beneficiaries.

\_\_\_\_\_  
Donor Signature                      Printed                      Date

\_\_\_\_\_  
Donor Signature                      Printed                      Date

## **Additional Information Regarding the Christian Church Foundation, Inc. And Investment of Charitable Gift Annuity Assets**

### **The Christian Church Foundation, Inc.:**

The Christian Church Foundation, Inc. (the “Foundation”) is responsible for the administration of the Charitable Gift Annuity program. The Foundation is an Indiana nonprofit corporation affiliated with and identified through its common religious faith with the Christian Church (Disciples of Christ) ("Christian Church"). It was incorporated in Indiana on November 27, 1961. By virtue of its inclusion in the group ruling of the Christian Church, the Foundation is exempt from taxation under Section 501(c)(3) of the Internal Revenue Code (the “Code”), is not a private foundation under Section 509 of the Code, and is organized and operated exclusively for religious, educational, benevolent, and charitable purposes. The Foundation, as a nonprofit corporation, has no shareholders. Its affairs are managed by a Board of Directors consisting of a maximum of twenty-seven elected members and three ex-officio members.

As an administrative unit of the Christian Church, the Foundation seeks to ensure the continuing ministries of the Christian Church by providing opportunities for stewardship of accumulated resources through planned giving. The Foundation is authorized and is engaged primarily in soliciting, receiving, accumulating, distributing, and disbursing funds to support the work and mission of the Christian Church and/or ministries associated with the Stone-Campbell Movement. It receives and manages property and funds in trust or otherwise, for stated purposes. The Foundation also manages its permanent funds and makes distributions therefrom. There are no present, pending or threatened legal proceedings which the Foundation believes may have a material adverse effect on either the operations or financial position of the Foundation. **A copy of the Foundation’s audited financial statements and/or a copy of the Foundation’s Annual Report is available upon request.**

### **Investment of Charitable Gift Annuity Assets:**

One of the factors that distinguishes a Charitable Gift Annuity from other forms of gift instruments offered by the Foundation is that the obligation to pay the Annuity Amount is a general obligation of the Foundation. This means that the Foundation’s obligation to pay the Annuity Amount is backed by all of the Foundation’s unrestricted assets. Assets backing the Foundation’s charitable gift annuity obligation include the funds that the Foundation receives for charitable gift annuities, as well as all unrestricted assets of the Foundation.

All assets received in exchange for a Charitable Gift Annuity are jointly invested. Marketable securities and mutual funds received are sold as soon as practicable. Whenever charitable assets such as these are jointly invested, the Philanthropy Protection Act of 1995 requires charities to provide information to Donors regarding the material operations of the charity and its investment program. This information is provided to you both to help you understand more about the Foundation and to comply with that Act.

The Foundation’s investment of assets is exempt from any requirements of having to register with the Securities and Exchange Commission. In addition, the investment arrangement is not registered under any state securities laws.

Although the Foundation is not required to register its investment arrangements under federal and state securities laws, some states do require charities to register their Charitable Gift Annuities. The Foundation believes that, as of the date of this statement, it has complied with the laws and registration requirements, if any, necessary to offer Charitable Gift Annuities in the District of Columbia and 44 other states. The Foundation does not currently offer Charitable Gift Annuities in Hawaii, New Jersey, New York, Maine, South Dakota and North Dakota and, as of the date of this statement, has not registered in these states.

The Foundation segregates the assets and proceeds received from Donors for Charitable Gift Annuities in a separate fund (the "Annuity Fund"). The Foundation's Annuity Fund at December 31, 2023 totaled slightly over \$6.9 million. Certain states require that the Foundation maintain segregated funds for gift annuity obligations of that state. The Foundation maintains separate gift annuity investments for California, Florida and Tennessee. The Annuity Fund, including the separate gift annuity investments, is invested in high quality mutual funds, demand notes issued by Disciples Church Extension Fund, bank deposit accounts, and other appropriate investments. An updated, detailed listing of the Annuity Fund investments is available upon request. In addition to the Annuity Fund, the Foundation's additional unrestricted assets backing the Charitable Gift Annuity obligation totaled more than \$53 million as shown on the December 31, 2023 audited financial statements.

In certain instances, the Foundation may make the decision to commercially insure all or a portion of the Annuity by using a portion of the assets contributed to purchase a commercial annuity. In that case, it will be necessary for the Foundation to share some of your nonpublic, personal information with insurance companies issuing commercial annuities; however, these insurance companies are obligated to safeguard your nonpublic, personal information similarly to the physical, electronic and procedural safeguards utilized by the Foundation to protect such information.

The investment representations contained in this statement are current as of March 1, 2024. The Foundation reserves the right to change its investment strategy in order to comply with state regulations, adjust to market conditions or to generally improve the performance of investments. All such changes will be made by the Foundation in the exercise of its fiduciary duties to the beneficiaries. To determine further information regarding the Foundation's investments and/or whether any changes have been made since this statement, contact a Foundation representative.

In administering the Charitable Gift Annuity program, the Foundation incurs various direct and indirect costs. In order to recover these costs, the Foundation recovers a monthly administrative charge of 1/12 of 1% of the invested value of the annuity. These administration charges are subject to modification and may be increased or decreased at the sole discretion of the Foundation's Board of Directors. Administration charges do not affect the Annuity Amount paid to the Annuitant(s).

Please consult your legal or tax advisor as you consider a Charitable Gift Annuity. Donors should contact their tax advisors to determine whether a gift tax return should be filed to report their contribution to fund a Charitable Gift Annuity.

### **State Specific Disclosures**

Charitable Gift Annuities offered by the Christian Church Foundation, Inc. ("Foundation") are governed by the laws of the state in which the donor resides at the time the annuity agreement is signed. Certain states have disclosure requirements which are particular to that state. This disclosure page is intended to comply with those requirements. If you live in one of the states noted below, please note the applicable disclosure for your state.

**Alabama:** The payments made under the charitable gift annuity are nonassignable and are backed by the full faith and credit of the Foundation and are not issued or guaranteed by an insurance company or backed in any way by the State of Alabama. If the Foundation should ever fail financially, individuals entitled to receive annuities will qualify as general creditors of the Foundation. Any questions concerning the Foundation's charitable gift annuity program, or requests for information, should be directed to Lori Lucas, Senior Vice President, 800/668-8016, 1099 N. Meridian Street, Suite 700, Indianapolis, IN 46204, [llucas@ccf.disciples.org](mailto:llucas@ccf.disciples.org).

**Arizona:** Neither the state nor the Arizona Department of Insurance have approved or disapproved of the charitable gift annuity offered herein and have not determined whether any information provided to the donor is truthful or complete. This charitable gift annuity is not insurance under the laws of the state of Arizona, is not subject to regulation by the director and is not protected by any state guaranty fund.

**California:** **Annuities are subject to regulation by the State of California. Payments under this agreement, however, are not protected or otherwise guaranteed by any government agency or the California Life and Health Guarantee Association.**

**Oklahoma:** A charitable gift annuity is not regulated by the Oklahoma Insurance Department and is not protected by a guaranty association affiliated with the Oklahoma Insurance Department.

**Tennessee:** Payments made under a charitable gift annuity are backed solely by the full faith and credit of the organization, are not insured or guaranteed by an insurance company, are not protected by any insurance guaranty association, and are not backed in any way by the State of Tennessee.



STATE OF \_\_\_\_\_ )  
 )SS:  
COUNTY OF \_\_\_\_\_ )

**AFFIDAVIT**

The undersigned, being of legal age and having been duly sworn upon oath, states as follows:

1. I (We), the undersigned, am (are) the acting Trustee(s)/Co-Trustee(s) of the Trust Agreement described as follows:

\_\_\_\_\_  
Name of Trust

\_\_\_\_\_  
Trust Grantor(s)

Dated \_\_\_\_\_

2. The Trust Agreement was amended on \_\_\_\_\_.  
OR  
There have been no amendments to the Trust Agreement.  
(Cross off the inapplicable statement)

3. The Trust Agreement is in full force and effect.

4. The terms of the Trust Agreement provide that the undersigned has the power and authority to make gifts of trust property to the Christian Church Foundation, Inc. Any such gift will not result in a violation of any of the terms of the Trust Agreement or applicable law.

5. The Christian Church Foundation, Inc. may rely, without inquiry or independent investigation, on the representations made in this Affidavit.

\_\_\_\_\_  
Affiant Signature Printed

\_\_\_\_\_  
Affiant Signature Printed

On this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_, before me personally appeared \_\_\_\_\_, to me known to be the person or persons described in and who executed the foregoing and acknowledged to me that he/she/they executed the same as his/her/their free act and deed in the capacities and for the purposes reflected therein.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my seal on the day and year first above written.

My Commission Expires: \_\_\_\_\_  
Notary Public

County of Residence: \_\_\_\_\_  
Printed



A donor who wishes to transfer securities held in a brokerage account to the Christian Church Foundation (“Foundation”) to fund a charitable gift annuity should arrange to have the securities transferred to the Foundation’s brokerage account at Vanguard.

It is important that the Foundation (or the Foundation’s representative) receive a completed Application for Charitable Gift Annuity Agreement prior to transferring the funding securities as any unidentified transfers to the Foundation’s Vanguard account will be returned to the sender.

The transferring broker (or the donor) should contact the Foundation when the transfer has been initiated. This can be done via e-mail to [gifts@ccf.disciples.org](mailto:gifts@ccf.disciples.org), fax (317/635-1991), or by telephone (800/668-8016) talking with Christy Stratton, Bobbi Wesner or Lori Lucas.

It is important that information about the securities be provided to the Foundation. This includes the contact information for the donor’s broker as well as the number of shares, name and ticker symbol for the shares, cost basis, original purchase date and ownership information (in trust, joint or individual ownership). This information should be included on the completed Application for Charitable Gift Annuity Agreement but the transferring broker should confirm that the information has been received by the Foundation. If not, the broker and/or the donor should supply the required information prior to the transfer.

Once the Foundation has been notified of the transfer of the securities, the broker should be instructed to transfer the securities to Christian Church Foundation Inc., agent Vanguard Brokerage Services, by way of the Depository Trust Co. of New York:

Vanguard DTC Number: #0062  
For: Christian Church Foundation, Inc.  
Account number: 18794540

Questions? Please contact your Foundation representative or any of the individuals shown above. We look forward to completing the transfer of securities for a charitable gift annuity. Thank you.

For funding a gift annuity with paper stock or bond certificates, please contact your Foundation representative.

Date

Donor Name  
Donor Address

Dear Donor Name:

Intro paragraph with reference to last meeting or request...

To more fully illustrate how Charitable Gift Annuities work and to provide you with the tools necessary to determine how best to meet your needs and leave a legacy to PARTNER MINISTRY, I've included three proposals to help explain how the payout rate you choose for your charitable gift annuity will change the projected amount of your legacy gift.

The American Council on Gift Annuities (ACGA) suggests the maximum gift annuity rates that we offer. Those rates are intended to leave a future gift to PARTNER MINISTRY that is 50% (on average) of the charitable gift annuity contract value. Knowing that you desire *both* to leave a legacy to PARTNER MINISTRY and receive lifetime payments for your personal needs, I've included proposals at the ACGA maximum rate as well as at rates that will produce a more generous gift to PARTNER MINISTRY. As you can see from the summary below, choosing to reduce your annual payment increases your expected ultimate gift and your available charitable deduction. Any payout rate below the ACGA maximum is possible. Just let me know if you'd like to see more options for your gift charitable gift annuity. This table and the enclosed illustrations are based on an initial Charitable Gift Annuity amount of \$20,000. Any amount above \$5,000 may be used.

	<u>Charitable Deduction<sup>1</sup></u>	<u>Annual Payment</u>	<u>Taxable Portion</u>	<u>Expected Gift Value<sup>2</sup></u>
ACGA rate of 7%	\$ 8,156	\$1,400	\$445	\$10,000
optional rate of 5.9%	\$10,017	\$1,180	\$375	\$15,000
optional rate of 4.8%	\$11,878	\$960	\$305	\$20,000

<sup>1</sup>Charitable deduction computed using the Applicable Federal Rate (AFR) for the current month; the current month AFR or the AFR for one of the prior two months may be used.

<sup>2</sup>Expected gift value is estimated based on the underlying actuarial data used by the ACGA. Actual results will vary based on market performance and the longevity of the annuitants. Your annuity payments will continue, even if your gift annuity has no value remaining.

Thank you again for visiting with me about \_\_\_\_\_ and the specific option of a Charitable Gift Annuity. I will touch base with you after you have had time to review the enclosed illustrations to see if you have any questions.

Sincerely,



# Christian Church Foundation

1099 N. Meridian Street, Suite 700

P.O. Box 1007

Indianapolis, IN 46206-1007

317/635-3100

317/635-1991 (Fax)

800/668-8016 (Toll Free)

## Gift Annuity Rate Information

### Single Life

Effective 1/1/2024

<b>Age</b>	<b>ACGA Rate Estimated 50% Residual</b>	<b>Lesser Rate Estimated 75% Residual</b>	<b>Lesser Rate Estimated 100% Residual</b>
59	5.1	4.9	4.8
60	5.2	5.0	4.8
61	5.3	5.0	4.8
62	5.4	5.1	4.8
63	5.4	5.1	4.8
64	5.6	5.2	4.8
65	5.7	5.2	4.8
66	5.8	5.3	4.8
67	5.9	5.3	4.8
68	6.1	5.4	4.8
69	6.2	5.5	4.8
70	6.3	5.5	4.8
71	6.4	5.6	4.8
72	6.6	5.7	4.8
73	6.7	5.7	4.8
74	6.8	5.8	4.8
75	7.0	5.9	4.8
76	7.2	6.0	4.8
77	7.4	6.1	4.8
78	7.6	6.2	4.8
79	7.8	6.3	4.8
80	8.1	6.4	4.8
81	8.3	6.5	4.8
82	8.5	6.6	4.8
83	8.7	6.7	4.8
84	8.9	6.8	4.8
85	9.1	6.9	4.8
86	9.3	7.0	4.8
87	9.5	7.1	4.8
88	9.7	7.2	4.8
89	9.9	7.3	4.8
90+	10.1	7.4	4.8

Christian Church Foundation  
1099 N. Meridian Street, Suite 700  
P.O. Box 1007  
Indianapolis, IN 46206-1007  
317/635-3100  
317/635-1991 (Fax)  
800/668-8016 (Toll Free)

**Gift Annuity Rate Information**  
**Two Lives**  
**Effective 1/1/24**

<b>Younger Age</b>	<b>Older Age</b>	<b>ACGA Rate Estimated 50% Residual</b>	<b>Lesser Rate Estimated 75% Residual</b>	<b>Lesser Rate Estimated 100% Residual</b>
60	60-62	4.7	4.7	4.8
60	63-66	4.8	4.8	4.8
60	67-71	4.9	4.8	4.8
60	72-95+	5.0	4.9	4.8
61	61	4.7	4.7	4.8
61	62-64	4.8	4.8	4.8
61	65-68	4.9	4.8	4.8
61	69-73	5.0	4.9	4.8
61	74-95+	5.1	4.9	4.8
62	62-63	4.8	4.8	4.8
62	64-66	4.9	4.8	4.8
62	67-70	5.0	4.9	4.8
62	71-75	5.1	4.9	4.8
62	76-95+	5.2	5.0	4.8
63	63-65	4.9	4.8	4.8
63	66-68	5.0	4.9	4.8
63	69-72	5.1	4.9	4.8
63	73-95+	5.2	5.0	4.8
64	64	4.9	4.8	4.8
64	65-67	5.0	4.9	4.8
64	68-70	5.1	4.9	4.8
64	71-73	5.2	5.0	4.8
64	74-78	5.3	5.0	4.8
64	79-95+	5.4	5.1	4.8
65	65	5.0	4.9	4.8
65	66-68	5.1	4.9	4.8
65	69-71	5.2	5.0	4.8
65	72-74	5.3	5.0	4.8
65	75-78	5.4	5.1	4.8

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**Gift Annuity Rate Information**  
**Two Lives**  
**Effective 1/1/24**

<b>Younger Age</b>	<b>Older Age</b>	<b>ACGA Rate Estimated 50% Residual</b>	<b>Lesser Rate Estimated 75% Residual</b>	<b>Lesser Rate Estimated 100% Residual</b>
65	79-95+	5.5	5.1	4.8
66	66-67	5.1	4.9	4.8
66	68-69	5.2	5.0	4.8
66	70-72	5.3	5.0	4.8
66	73-75	5.4	5.1	4.8
66	76-79	5.5	5.1	4.8
66	80-95+	5.6	5.2	4.8
67	67-68	5.2	5.0	4.8
67	69-70	5.3	5.0	4.8
67	71-73	5.4	5.1	4.8
67	74-75	5.5	5.1	4.8
67	76-79	5.6	5.2	4.8
67	80-95+	5.7	5.2	4.8
68	68-69	5.3	5.0	4.8
68	70-71	5.4	5.1	4.8
68	72-73	5.5	5.1	4.8
68	74-76	5.6	5.2	4.8
68	77-79	5.7	5.2	4.8
68	80-82	5.8	5.3	4.8
68	83-95+	5.9	5.3	4.8
69	69-70	5.4	5.1	4.8
69	71-72	5.5	5.1	4.8
69	73-74	5.6	5.2	4.8
69	75-76	5.7	5.2	4.8
69	77-79	5.8	5.3	4.8
69	80-82	5.9	5.3	4.8
69	83-95+	6.0	5.4	4.8
70	70	5.5	5.1	4.8
70	71-72	5.6	5.2	4.8

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70	73-74	5.7	5.2	4.8
70	75-76	5.8	5.3	4.8
70	77-78	5.9	5.3	4.8
70	79-81	6.0	5.4	4.8
70	82-95+	6.1	5.4	4.8
71	71	5.6	5.2	4.8
71	72-73	5.7	5.2	4.8
71	74	5.8	5.3	4.8
71	75-76	5.9	5.3	4.8
71	77-78	6.0	5.4	4.8
71	79-80	6.1	5.4	4.8
71	81-95+	6.2	5.5	4.8
72	72	5.7	5.2	4.8
72	73	5.8	5.3	4.8
72	74-75	5.9	5.3	4.8
72	76	6.0	5.4	4.8
72	77-78	6.1	5.4	4.8
72	79-80	6.2	5.5	4.8
72	81-83	6.3	5.5	4.8
72	84-95+	6.4	5.6	4.8
73	73	5.9	5.3	4.8
73	74-75	6.0	5.4	4.8
73	76	6.1	5.4	4.8
73	77-78	6.2	5.5	4.8
73	79-80	6.3	5.5	4.8
73	81-83	6.4	5.6	4.8
73	84-95+	6.5	5.6	4.8
74	74	6.0	5.4	4.8
74	75	6.1	5.4	4.8

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74	76	6.2	5.5	4.8
74	77-78	6.3	5.5	4.8
74	79-80	6.4	5.6	4.8
74	81-83	6.5	5.6	4.8
74	84-95+	6.6	5.7	4.8
75	75	6.2	5.5	4.8
75	76-77	6.3	5.5	4.8
75	78-79	6.4	5.6	4.8
75	80-81	6.5	5.6	4.8
75	82-83	6.6	5.7	4.8
75	84-86	6.7	5.7	4.8
75	87-95+	6.8	5.8	4.8
76	76-77	6.4	5.6	4.8
76	78-79	6.5	5.6	4.8
76	80-81	6.6	5.7	4.8
76	82-83	6.7	5.7	4.8
76	84-85	6.8	5.8	4.8
76	86-88	6.9	5.8	4.8
76	89-95+	7.0	5.9	4.8
77	77-78	6.5	5.6	4.8
77	79	6.6	5.7	4.8
77	80-81	6.7	5.7	4.8
77	82-83	6.8	5.8	4.8
77	84-85	6.9	5.8	4.8
77	86-87	7.0	5.9	4.8
77	88-90	7.1	5.9	4.8
77	91-95+	7.2	6.0	4.8
78	78	6.6	5.7	4.8
78	79	6.7	5.7	4.8

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78	80-81	6.8	5.8	4.8
78	82	6.9	5.8	4.8
78	83-84	7.0	5.9	4.8
78	85-86	7.1	5.9	4.8
78	87-88	7.2	6.0	4.8
78	89-91	7.3	6.0	4.8
78	92-95+	7.4	6.1	4.8
79	79	6.8	5.8	4.8
79	80-81	6.9	5.8	4.8
79	82	7.0	5.9	4.8
79	83-84	7.1	5.9	4.8
79	85	7.2	6.0	4.8
79	86-87	7.3	6.0	4.8
79	88-89	7.4	6.1	4.8
79	90-92	7.5	6.1	4.8
79	93-95+	7.6	6.2	4.8
80	80	6.9	5.8	4.8
80	81	7.0	5.9	4.8
80	82	7.1	5.9	4.8
80	83	7.2	6.0	4.8
80	84-85	7.3	6.0	4.8
80	86	7.4	6.1	4.8
80	87-88	7.5	6.1	4.8
80	89	7.6	6.2	4.8
80	90-92	7.7	6.2	4.8
80	93-95+	7.8	6.3	4.8
81	81	7.1	5.9	4.8
81	82	7.2	6.0	4.8
81	83	7.3	6.0	4.8

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81	84	7.4	6.1	4.8
81	85	7.5	6.1	4.8
81	86-87	7.6	6.2	4.8
81	88	7.7	6.2	4.8
81	89-90	7.8	6.3	4.8
81	91	7.9	6.3	4.8
81	92-94	8.0	6.4	4.8
81	95+	8.1	6.4	4.8
82	82	7.3	6.0	4.8
82	83	7.4	6.1	4.8
82	84	7.5	6.1	4.8
82	85	7.6	6.2	4.8
82	86	7.7	6.2	4.8
82	87	7.8	6.3	4.8
82	88	7.9	6.3	4.8
82	89-90	8.0	6.4	4.8
82	91	8.1	6.4	4.8
82	92-93	8.2	6.5	4.8
82	94-95+	8.3	6.5	4.8
83	83	7.5	6.1	4.8
83	84	7.7	6.2	4.8
83	85	7.8	6.3	4.8
83	86	7.9	6.3	4.8
83	87	8.0	6.4	4.8
83	88	8.1	6.4	4.8
83	89	8.2	6.5	4.8
83	90-91	8.3	6.5	4.8
83	92	8.4	6.6	4.8
83	93-95+	8.5	6.6	4.8

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84	84	7.8	6.3	4.8
84	85	7.9	6.3	4.8
84	86	8.0	6.4	4.8
84	87	8.2	6.5	4.8
84	88	8.3	6.5	4.8
84	89	8.4	6.6	4.8
84	90	8.5	6.6	4.8
84	91-92	8.6	6.7	4.8
84	93-95+	8.7	6.7	4.8
85	85	8.1	6.4	4.8
85	86	8.2	6.5	4.8
85	87	8.3	6.5	4.8
85	88	8.5	6.6	4.8
85	89	8.6	6.7	4.8
85	90	8.7	6.7	4.8
85	91	8.8	6.8	4.8
85	92-95+	8.9	6.8	4.8
86	86	8.3	6.5	4.8
86	87	8.5	6.6	4.8
86	88	8.6	6.7	4.8
86	89	8.8	6.8	4.8
86	90	8.9	6.8	4.8
86	91	9.0	6.9	4.8
86	92-95+	9.1	6.9	4.8
87	87	8.7	6.7	4.8
87	88	8.8	6.8	4.8
87	89	9	6.9	4.8
87	90	9.1	6.9	4.8
87	91-95+	9.3	7.0	4.8



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88	88	9	6.9	4.8
88	89	9.2	7.0	4.8
88	90	9.4	7.1	4.8
88	91-95+	9.5	7.1	4.8
89	89	9.4	7.1	4.8
89	90	9.6	7.2	4.8
89	91-95+	9.7	7.2	4.8
90	90	9.8	7.3	4.8
90	91-95+	9.9	7.3	4.8
90+	91-95+	9.9	7.3	4.8