



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
Financial Affairs Section / Analytical Unit
Charitable Gift Annuity Licensing
500 James Robertson Parkway, 4th Floor
Nashville, Tennessee 37243
(615) 741-7520

CHARITABLE GIFT ANNUITY (CGA) LICENSING PACKET

ALL APPLICATIONS SHOULD BE MAILED TO THE FOLLOWING ADDRESS:

Joe Walker, CGA Analyst
Tennessee Department of Commerce and Insurance
Financial Affairs Section / Analytical Unit
500 James Robertson Parkway, 4th Floor
Nashville, Tennessee 37243

Questions? Call Joe Walker at 615-741-7520 or email at robert.walker@tn.gov

**CHARITABLE GIFT ANNUITY ISSUER (CGAI) LICENSING PACKET
REQUIREMENTS FOR FILING A NEW CGA CERTIFICATE OF AUTHORITY:**

1. **License Application Form – Last two (2) pages of this packet**
 - a. Must bear original signatures of two (2) responsible company officers and notarization.
2. **Non-refundable Application Review Fee of \$675.00 Payable to Tennessee Department of Commerce and Insurance.**
3. **A certificate from the Internal Revenue Service stating that the charity qualifies as an organization described in sections 501(c)(3) or 170(c)(2) of the Internal Revenue Code of 1986.**
 - a. Must be in the name of the applicant organization.
4. **Financial statement as of the end of the charitable organization's previous fiscal year that includes contact information for the charitable organization.**
 - a. Must be audited by an independent qualified Certified Public Accountant or attested to by two (2) principal officers of the company. If attested, the attestation must refer to the financial statements by date (i.e., "the balance sheet and income statement for the period ending December 31, 2011 are true and correct"). The attestation must bear original signatures and be notarized. Copies of attestations are not acceptable.
 - b. Must be in the name of the CGAI applicant seeking a Certificate of Authority. We accept consolidated statements if they state separately the amounts of the applicant.
5. **A statement on letterhead of the charitable organization listing all officers and directors of the charitable organization.**
6. **A statement on letterhead of the charitable organization certifying that the charitable organization does not use persons that receive commissions for the sale, solicitation or negotiation of charitable gift annuities.**
 - a. Must bear original signatures of two (2) responsible company officers and notarization.
7. **A statement on letterhead of the charitable organization that the charitable organization maintains a charitable gift annuity separate account that equals ... (must elect one of the following):**
 1. The total amount of donations for outstanding charitable gift annuities to which the account applies.
 - OR**
 2. One hundred ten percent (110%) of the reserves calculated in a manner consistent with T.C.A § 56-52-104(b).

If the charitable organization maintains a charitable gift annuity separate account that equals one hundred ten percent (110%) of the reserves, the charitable organization will be required to submit an actuarial opinion prepared by a qualified actuary yearly upon filing the annual report.

 - a. This statement must bear original signatures of two (2) responsible company officers and notarization.
8. **A statement on company letterhead whereby the CGAI appoints the Commissioner as attorney to receive service of lawful process in any action, suit, or proceeding in any court arising from a transaction involving a charitable gift annuity sold from, in or into this state. This appointment is irrevocable, and binds the charitable organization and any successor in interest, and shall remain in effect so long as there is in force in Tennessee any contract made or issued by the charitable organization, or any obligation arising therefrom. The letter should state the name of the attorney or other party to whom process is to be sent.**
 - a. Must bear original signatures of two (2) responsible company officers and notarization.
9. **Gift Annuity Forms must be submitted. See next page for instructions.**

Upon successful review of the CGAI application, the applicant will be issued a Certificate of Authority to act as an authorized charitable gift annuity issuer in the State of Tennessee for not more than a one (1) year term ending March 1 annually. The Certificate of Authority must then be renewed in accordance with Tenn. Code Ann. §56-52-103. The Department does NOT send renewal notices. If the Certificate of Authority is not renewed before March 1 of every year, the CGAI will be removed from the list of authorized charitable gift annuity issuers and a new license application in its entirety will be required.

CHARITABLE GIFT ANNUITY ISSUER (CGAI) LICENSING PACKET REQUIREMENTS FOR FILING CGA FORMS

Each new applicant for a New CGAI license should submit their forms (annuity contracts) for approval at the same time as their initial license application. Additional forms can be submitted for approval at any time in the future. Forms should be sent to the address on the front of this application package.

No form of a charitable gift annuity shall be issued in this state without the approval of the Commissioner. The Commissioner shall, within thirty (30) days of the filing of a charitable gift annuity, approve or disapprove the proposed agreement forms and shall notify the charitable organization as soon as practicable. If the Commissioner does not disapprove the proposed agreement forms within the aforementioned thirty (30) day period, the forms shall be deemed approved. Send all proposed forms to the address on the front of this packet for approval.

Each annuity agreement form shall include the following information:

- (1) The value of the property to be transferred;
- (2) The amount of the annuity to be paid to the donor or other annuitant;
- (3) The manner in which and the intervals at which payment is to be made;
- (4) The age and sex of the person or persons during whose life payment is to be made;
- (5) The reasonable value as of the date of the agreement of the benefits created as calculated using methodology approved by the Internal Revenue Service; and
- (6) The date the payments are to begin.

CHARITABLE GIFT ANNUITY ISSUER REQUIREMENTS FOR LICENSEES:

There are two (2) annual requirements of all licensees once your charity is licensed with us:

I. THE ANNUAL RENEWAL – Due March 1 Yearly NO RENEWAL NOTICES WILL BE SENT.

A renewal consists of **(1) a letter of intent to renew containing company contact person information and (2) a Non-refundable Renewal Fee of \$100.00.**

- a. Payable to: Tennessee Department of Commerce and Insurance.
- b. Include company contact address, phone and e-mail address.
- c. Renewals cannot be done online.

II. THE ANNUAL REPORT

This requirement consists of an Annual Report to the Department.

- a. The reporting form is found here:
<http://www.tn.gov/commerce/insurance/documents/CGAannualreportingform.pdf>
- b. The report is due ninety (90) days after the close of the charitable organization's fiscal year or at a later date approved by the Commissioner. In lieu of a verified report, a charitable organization may submit a report audited by an independent qualified Certified Public Accountant within one hundred and fifty (150) days after the close of the charitable organization's fiscal year.
- c. The report shall contain:
 1. A financial statement of the charitable organization, including its balance sheet and receipts and disbursements for the preceding year.
 2. A statement of any material changes in the information previously submitted to this Department.
 3. The number of gift annuity contracts issued during the year, the number of gift annuity contracts as of the end of the year and the number of gift annuity contracts that terminated during the year.
 4. The amount of annuity payments made during the year and the amounts transferred from the charitable gift annuity separate account to the general account during the year.
 5. An actuarial opinion prepared by a qualified actuary if the organization maintains a charitable gift annuity separate account that equals one hundred ten percent (110%) of the reserves.
- d. The Commissioner shall have the authority to request additional information as needed to:
 - Issue or renew certificates of authority
 - Ascertain maintenance of records
 - Evaluate solvency
 - Respond to consumer complaints or
 - Conduct hearings to determine compliance with Tenn. Code Ann. 56, Chapter 52.
- e. A copy of a report, containing the information required above, that has been filed in the state of domicile of the charitable organization, or in any other state in which the charitable organization must file a report containing substantially the same information required by this chapter will be deemed to satisfy the requirements of this section.
- f. Failure to file this annual report (verified or audited) will result in the suspension or revocation of the charitable organization's Certificate of Authority.

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- **APPLICABLE TENNESSEE INSURANCE LAWS FOR CHARITABLE GIFT ANNUITIES (CGAs)**
 - TITLE 56 – INSURANCE
 - CHAPTER 52 – CHARITABLE GIFT ANNUITIES
 - **APPLICABLE TENNESSEE RULES FOR CHARITABLE GIFT ANNUITIES (CGAs)**
 - Tenn. Rule and Reg. 0780-1-70



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
500 James Robertson Parkway, 4th Floor
Nashville, Tennessee 37243-1135
(615) 741-7520

**LICENSE APPLICATION FOR
TENNESSEE CHARITABLE GIFT ANNUITY ISSUER ("CGAI")
CERTIFICATE OF AUTHORITY**

On behalf of:

(Name of Person, Company, Corporation, Partnership, Association or other Legal Entity)

(Physical Street Address) (City) (State) (ZIP)

Mailing address, if different from above. If same as above, state "same"

(Mailing Address) (City) (State) (ZIP)

Type of organization: _____
(Individual, Corporation, Partnership or Association)

Address of Tennessee office. Insert "same as above" if the above is the only office or N/A if organization has no office in Tennessee:

(Address) (City) (State) (ZIP)

We hereby apply for a CGAI Certificate of Authority enabling the above entity to act as a CGAI pursuant to Tenn. Code Ann. §56-52-103.

CGA Application Contact Person or Application Preparer Information (required)	
Name:	
Address:	
City, State, Zip Code:	
Phone Number:	
E-Mail Address:	

FURTHERMORE, I hereby certify that:

1. This charitable organization maintains a charitable gift annuity 'separate account' that equals either the total amount of donations for outstanding charitable gift annuities to which the account applies or one hundred ten percent (110%) of the reserves calculated in a manner consistent with Tenn. Code Ann. § 56-52-104(b). If the charitable organization maintains a charitable gift annuity separate account that equals one hundred ten percent (110%) of the reserves, the charitable organization must also submit an actuarial opinion.
2. This charitable organization does not use persons that receive commissions for the sale, solicitation or negotiation of charitable gift annuities.
3. The charitable organization agrees to abide by all requirements of Tenn. Code Ann. §§ 56-52-101, *et seq.*, Tenn. Rule and Reg. 0780-1-70 as well as any and all amendments thereto.
4. The charitable organization acknowledges the requirement and agrees to file yearly reports consistent with Tenn. Code Ann. § 56-52-106.
5. If any of its officers and directors have been charged with, indicted for, pled guilty, nolo contendere, or been convicted of, any felony criminal offense(s), the charitable organization will provide biographical information about such officers and directors on the Form provided by the Department;

This application must be signed by two (2) of the Charitable Organization's principal officers below. Each signature must be notarized separately.

Officer #1

Officer Name #2

Name (printed)

Name (printed)

Title (printed)

Title (printed)

Signature

Signature

Date

Date

Subscribed and sworn before me, this ____ day
of _____, 20__

Subscribed and sworn before me, this ____ day
of _____, 20__

(Notary Public)

(Notary Public)

My commission expires on the ____ of _____, 20__.

My commission expires on the ____ of _____, 20__.

(Seal required)

(Seal required)