

Planned Giving Manager Suite
Planned Giving Manager/Mini Manager/Gift Annuity Manager
Windows Version 6.0A Update
June 2006

Dear PGM Client,

I am pleased to announce the release of **Planned Giving Manager version 6.0A**.

Your update contains the following enhancements:

- A Gift Annuity Agreement narrative updated with West Virginia disclosure language
- ACGA rate tables for deferred annuities issued in New York or New Jersey
- Gift Annuity Disclosure Statement updated for Alabama requirements
- Updated Online Help files
- IRS discount rates updated through June 2006

These changes are detailed on the next page. Please review them so that you understand them before you use your updated software.

Sincerely,



Gary M. Pforzheimer

Summary of Enhancements

- **Updated Gift Annuity Agreement narrative**

We have made changes to the Gift Annuity Agreement narrative to accommodate West Virginia requirements that take effect on June 9, 2006.

Virginia agreements must now include specific disclosure language. We have added the required language so that it appears at the top of the agreement whenever you choose West Virginia as the donor's state of legal residence. This change affects donor-specific and prototype agreements.

- **ACGA rate tables for deferred annuities issued in New York or New Jersey**

On May 22, 2006, the ACGA published interest factors for use in determining deferred annuity rates for annuities issued in New York and New Jersey, effective immediately. These interest factors are generally lower than the standard ACGA rates for deferred annuities and assure that the rates suggested by the ACGA do not exceed the separate maximum rates set by these states. Note: immediate annuities issued in New York or New Jersey can use the standard ACGA rates for immediate annuities.

The interest factors depend on the length of deferral and the number and gender of the annuitants. As there are five possible combinations of annuitant number and gender – one male, one female, one male and one female, two males, and two females – we have created five new gift annuity rate tables under *Customize – Gift Annuity Rate Tables*, one for each combination. When you need a rate for a New York or New Jersey deferred annuity, just go to *Customize – Gift Annuity Rate Tables*, pick the appropriate rate table, then do your calculation. The table to use for a deferred annuity with one male and one female annuitant, for example, is *ACGA Rates for NY/NJ M/F Pub. 5/2006*. If your charity issues most of its annuities in New York and/or New Jersey, you may want to make one of the NY/NJ rate tables your default rate table in PGM.

When New York and New Jersey release their internal assumptions later in 2006, typically August or September, their maximum compound interest factors may change. We will be in contact with the ACGA once this occurs and inform our clients of any ACGA rate changes as soon as we know about them.

See *ACGA - Choosing for a NY or NJ annuity in 2006* in the PGM Online Help Index for more details on the interest factors for New York and New Jersey.

- **Gift Annuity Disclosure Statement updated for Alabama requirements**

Alabama reviewers have requested recently that a charity's gift annuity disclosure statement indicate that additional financial information is available upon request. We have added this text in the "For more information" section of PGM's Gift Annuity Disclosure Statement, along with contact information. In addition, Alabama law requires the charity to disclose information on any present, pending, or threatened legal proceedings, if any are known. We have added conditional bracketed language to the Gift Annuity Disclosure Statement that acknowledges this requirement when you indicate that you are creating a prototype disclosure statement to file with Alabama.

- **Updated Online Help**

We have updated PGM's Online Help to reflect the new West Virginia agreement requirement and new Alabama gift annuity disclosure requirements. We also have added the full text of the IRS's first private letter ruling related to commuted payment gift annuities (PLR 9042043).

- **IRS discount rates updated through June 2006**

As we do with every update, we have included all monthly IRS discount rates up to the month of release in order to ensure their accuracy. PGM 6.0A incorporates discount rates through June 2006. We send a monthly e-mail message with the most current IRS discount rate. If you are not receiving the IRS discount rate this way, but would like to, please visit www.pgcalc.com and click "Sign Up for the E-rate!" You will continue to receive our monthly IRS discount rate postcard whether or not you sign up for the E-rate.