



Planned Giving Manager Suite

Planned Giving Manager/Mini Manager/Gift Annuity Manager
Windows Version 6.5A Update
November 2011

Dear PGM Client,

I am pleased to announce the release of **Planned Giving Manager version 6.5A**. This update incorporates the new ACGA suggested maximum rate tables for gift annuities and deferred gift annuities. The new rates will be effective for gifts made on or after January 1, 2012. We have also updated the IRS discount rates through December 2011.

These changes are detailed on the following page. Please review them before you use your updated software.

If you have any questions about the software, please do not hesitate to call Client Services toll free at 888-474-2252. We look forward to helping you get the most out of PGM 6.5A.

Sincerely,

A handwritten signature in blue ink, appearing to read "G. Pforzheimer".

Gary M. Pforzheimer

Summary of Enhancements

- **New ACGA rates**

On November 18, 2011, the American Council on Gift Annuities (ACGA) announced new suggested maximum gift annuity rates to replace the rates that became effective on January 1, 2012. The rates will apply to gift annuities established on or after January 1, 2012, although a charity may follow the new rates immediately if it wishes.

For typical annuitant ages, 70 – 85, the new single-life rates will be 0.6% - 0.7% lower than the rates they replace. Two-life annuity rates are 0.7% - 0.8% lower at most joint ages throughout the schedule. In addition, the ACGA has reduced the compound interest factor for deferred gift annuity (DGA) rates from 4.00% to 3.25% for all deferral periods. As a result of this reduction, the longer the deferral period, the greater will be the difference between the old DGA rates and the new ones. For more details, see our analysis at <http://www.pgcalc.com/news/acga-rates-december-2011.htm>.

After you install PGM 6.5A, PGM will continue to pick gift annuity rates from your current gift annuity rate table. If you wish to use the new rates at any time prior to January 1, 2012, open Customize – Gift Annuity Rate Tables in the PGM Menu Bar, select "ACGA Rates Effective 1/1/2012," then click Done. Be sure to save your configuration change when prompted on exit.

You will be prompted to choose a gift annuity rate table the first time you launch PGM 6.5A on or after January 1, 2012. "ACGA Rates Effective 1/1/2012" will be the default choice unless you use a custom gift annuity rate table, in which case your custom table will be the default choice. When you see this message, click the rate table you wish to use going forward, then click Done. Again, be sure to save your configuration change when prompted on exit.

- **IRS discount rates updated through December 2011**

As with every update, we have included all monthly IRS discount rates up to the month of release in order to ensure their accuracy. PGM 6.5A incorporates discount rates through December 2011.

- **Online Help updated to reflect all changes**

We have updated PGM's Online Help to reflect all changes in PGM 6.5A.