

# CHARITABLE GIFT ANNUITY DISCLOSURE STATEMENT

ARIZONA



This disclosure statement is provided by The Great Commission Foundation of Campus Crusade for Christ DBA The Cru Foundation to Section 20-119.B of the Arizona Revised Statutes, and in accordance with the requirements of the Philanthropy Protection Act of 1995 (P.L. 104-62).

## DESCRIPTION OF A GIFT ANNUITY

A gift annuity is a simple contract between the donor(s) and the Cru Foundation. In exchange for the donor's(s') contribution, the Cru Foundation promises to make fixed payments for life to one or two annuitants (usually, but not necessarily, the donor(s)). The amount paid is based on the age(s) of the annuitant(s), in accordance with the Cru Foundation's rate schedule.

## NOT A COMMERCIAL INVESTMENT

The act of establishing a gift annuity with the Cru Foundation is not, and should not be viewed as, an investment. Rather, it is a way to arrange for annuity payments while making a charitable donation. In this respect, a gift annuity issued by the Cru Foundation is different from a commercial annuity. While both types of annuities make payments that are usually partially tax-free, the charitable donation aspect of establishing a gift annuity may result in additional tax benefits that are not available when purchasing a commercial annuity. These tax benefits include a current federal income tax charitable deduction (if you itemize your deductions) and possible future estate tax savings.

## GIFT ANNUITY RATES

Generally, the gift annuity rates paid by the Cru Foundation are those suggested by the American Council on Gift Annuities, which is a national organization of charities that has been in existence since 1927. These rates have been calculated so as to provide attractive payments to the donor and/or other annuitant(s) and also to result in a significant portion of the contribution remaining for the charity. Because a charitable gift is involved, the rates are lower than those available through commercial annuities offered by insurance companies and other financial institutions.

## ASSETS BACKING ANNUITY

The annuity payments are a general obligation of the Cru Foundation, and they are backed by all of our assets (subject to security interests). As of August 31, 2021 the market value of our total invested funds exceeded \$ 49,219,767 and they are invested in general types of investments held by the organization such as stocks, bonds, money market funds, and federal obligations. We also maintain gift annuity reserve funds valued at more than \$6,700,000 in accordance with the laws of the states in which we offer gift annuities. Assets received by the Cru Foundation for gift annuities are managed by Cornerstone Management Inc. in a conservative and disciplined manner. If the Cru Foundation should ever fail financially, individuals entitled to receive annuities will qualify as general creditors of the Cru Foundation.

## GOVERNANCE

Responsibility for governing the Cru Foundation, which was established in the state of California as a corporation on Dec 1, 1972. Vested in a Board of Directors composed of 6 persons, who are selected by recommendation. Common investment funds managed by our organization are exempt from registration requirements of the federal securities laws, pursuant to the exemption for collective investment funds and similar funds maintained by charitable organizations under the Philanthropy Protection Act of 1995.

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## POINTS TO REMEMBER

- A contribution for a gift annuity is irrevocable.
- The right to annuity payments may not be assigned to any person or organization, other than the Cru Foundation.
- The gift date is the date when you actually transfer assets. In the case of cash, it is the date you mail or deliver a check. In the case of an electronic transfer of securities, it is the date they are received into the account of the Cru Foundation. If you have certificates, it is the date they are properly endorsed and mailed or delivered.
- A charitable gift annuity is not insurance under the laws of Arizona, is not subject to regulation by the Director of Insurance and is not protected by any state guaranty fund.
- The State of Arizona and the Department of Insurance have neither approved nor disapproved of the gift annuity being offered, nor have they reviewed the information provided to determine its accuracy or completeness.

*It is my intention to transfer my rights, title, and interest in the assets listed previously in consideration of a Charitable Gift Annuity to be issued by The Cru Foundation. I further understand that I will make an irrevocable gift to The Cru Foundation and that the assets cannot be withdrawn or revoked. I understand that this document is not a gift annuity contract. The lifetime payments to be paid to me and my co-annuitant (if applicable) will be determined by the value of the assets on the date of the transfer to The Cru Foundation.*

**PRINT NAME OF APPLICANT/DONOR:**

**PRINT NAME OF APPLICANT/DONOR:**

**SIGNATURE OF APPLICANT/DONOR:**

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## FOR MORE INFORMATION

This disclosure statement is intended to provide basic information regarding the gift annuities issued by the Cru Foundation, and is not intended to serve as legal advice. We encourage you to consult with your own legal and/or financial advisor about the applicability of such a gift in your own situation.

Additional financial information about the Cru Foundation, including its most current audited financial statement and interim financial statement, is available on request. Please reach out with any questions concerning the Cru Foundation's gift annuity program, or requests for information.

**Accelerating the Great Commission through *smarter generosity.***

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