



OFFICE OF
INSURANCE COMMISSIONER

In the Matter of)	No. G08-46
)	
The Financial Examination of)	FINDINGS, CONCLUSIONS,
WORLD VISION)	AND ORDER ADOPTING REPORT
)	OF
)	FINANCIAL EXAMINATION
A Domestic Charitable Gift Annuity Issuer.)	

BACKGROUND

An examination of the financial condition of **WORLD VISION** (WV) as of September 30, 2006, was conducted by examiners of the Washington State Office of the Insurance Commissioner (OIC). WV holds a Washington certificate of exemption to issue charitable gift annuities. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings and instructions was transmitted to WV for its comments on March 27, 2008. WV's response to the report is attached to this order only for the purpose of providing a convenient review of the response.

The Commissioner or a designee has considered the report, the relevant portions of the examiners work papers, and submissions by WV.

FINDINGS

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 1 through 7 of the report.

CONCLUSIONS

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of **WORLD VISION** (WV) and to order WV to take the actions described in the Instructions section of the report. The Commissioner



acknowledges that WV may have implemented the Instructions prior to the date of this order. The Instructions in the report are an appropriate response to the matters found in the examination.

ORDER

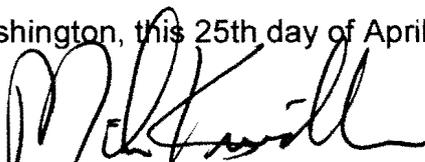
The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

World Vision is ordered as follows, these being the Instructions contained in the examination report on pages 1-2.

1. WV is ordered to increase by an additional 10% the actuarial reserve calculated for the separate reserve fund in compliance with RCW 48.38.020(3)(c). Instruction 1, Examination Report, page 2.
2. WV is ordered to comply with reporting requirements in accordance with RCW 48.38.010(10)(a) and the OIC Annual Report Instructions which requires an Annual Report for WV on a non-consolidated basis. Instruction 2, Examination Report, page 2.

IT IS FURTHER ORDERED THAT, WV file with the Chief Examiner, within 90 days of the date of this order, a detailed report specifying how WV has addressed each of the requirements of this order

ENTERED at Olympia, Washington, this 25th day of April, 2008.


MIKE KREIDLER
Insurance Commissioner

April 8, 2008

James T. Odiorne
Deputy Insurance Commissioner
State of Washington, OIC
5000 Capitol Blvd.
Tumwater, WA 98501

Re: Financial Examination Report of World Vision – CGA
As of September 30, 2006

Gift Planning

P.O. Box 9716
Federal Way, WA 98063-9716

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www.worldvision.org/giftplanning

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INSURANCE COMMISSIONER
COMPANY SUPERVISION

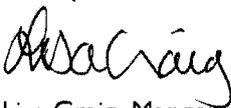
Dear Mr. Odiorne:

Thank you for providing a draft of the above referenced report and the opportunity to review the material. We did find some factual errors and would like to request the following corrections:

- Page 1, Statutory Reserves-The liability amount reported here appears to include all of World Vision's annuity funds, including the California fund, as of September 30, 2006. The reserve calculations and Statement of Actuarial Opinion submitted with World Vision's annual filing excluded California and was calculated as of December 31, 2006. Therefore the fourth sentence in the first paragraph of this section should read: "As a result, the reported \$2,726,908 annuity liabilities were understated by \$272,691 as of December 31, 2006."
- Page 5, Statement of Actuarial Opinion-Again, the amount is for all annuity funds, including California, as of September 30, 2006. The second sentence in this section should read: "The SAO indicated that WV's annuity contract reserves as computed under RCW 78.38.020(3)(a) and (b) of the Washington Insurance Code should be \$2,726,908."
- Page 5, Annuity Assets Custodial Function-The amount is for all annuity funds, including California. The second sentence in this section should read: "The market value of the annuity investments as of December 31, 2006 was \$3,356,166."
- Page 6, Financial Statements-Amounts listed under Balance per Annual Report and Balance per Examination are incorrect on three lines:
 - Cash and Equivalents should be 3,132 (instead of \$2,599)
 - Marketable securities should be 5,370 (instead of 5,946)
 - Other assets should be 96,053 (instead of 96,010)

It is my understanding that the report will not be formally adopted until the necessary corrections are made. Please let me know if you require anything further to finalize the report.

Sincerely,



Lisa Craig, Manger
Gift Planning Operations

"And do not forget to do good and share with others, for with such sacrifices God is pleased."

—Hebrews 13:16(NIV)