

and engaged solely in bona fide educational or religious activities, or to any hospital in the State which is operated in conjunction with an accredited medical school, which shall have been in active operation in this State for at least ten years prior thereto and which shall have been granted exemption from federal income taxation under the provisions of Section 501 of the Federal Internal Revenue Code of 1954, provided, however, that such special permit shall be in effect only so long as such educational or religious organization or hospital shall be exempt from federal taxation under the provisions of Section 501 of the Federal Internal Revenue Code of 1954. Such permit shall authorize such educational or religious organization or hospital to receive gifts of money or other property conditional upon, or in consideration of, its agreement to pay an annuity to the donor or his nominee, and to make and carry out such annuity agreement.

(b) Every such educational or religious organization or hospital issuing annuities under such permit shall have and maintain admitted assets at least equal to the sum of adequate reserves on its outstanding annuity agreements as indicated by an annual report which shall be submitted to the Commissioner within ninety (90) days after the termination of such organization's fiscal years. Such annual reports shall be treated as confidential by the Commissioner and shall not be available for public inspection. In determining the reserves of any such organization on outstanding annuity agreements a deduction shall be made for all or any portion of an annuity risk which is reinsured by a life insurance company authorized to do business in this State.

(c) No such educational or religious organization or hospital shall make or issue in this State any annuity agreement unless or until it has obtained from the Commissioner a permit issued in accordance with the provisions of this section. If the Commissioner finds, after notice and hearing, that any such organization, having such a special permit, has failed to comply with the requirements of this section or is not exempt from federal income taxation under the provisions of Section 501 of the Federal Internal Revenue Code of 1954, he may revoke or suspend such permit or he may order such organization to cease making any new annuity contracts until such requirements have been satisfied. In case of such revocation or suspension, outstanding annuity contracts shall remain in full force and effect. The action of the Commissioner in revoking or suspending any such permit or in making any such order shall be subject to judicial review as provided in this Article.

(d) Every such educational or religious organization or hospital issuing annuities under special permit from the Commissioner shall be exempt, otherwise than as provided in this section, from the provisions of this Article with respect to such activity, and no law enacted hereafter shall apply to them unless they be expressly designated therein.

(e) Every educational or religious organization or hospital may, however, other than by annuity contract, agree to accept conditional donations and to pay to the donor or his nominee a specified return established with reference to the actual net earnings of the particular donation or with reference to the actual or estimated earnings of a specified fund of the donee organization and in so doing, every such educational or religious organization or hospital shall be exempt