
Ministry Fund Management Agreement



Georgia Baptist Foundation

Ministry Fund Management Agreement

THIS AGREEMENT("Agreement") is by and between:

("Organization") and the GEORGIA BAPTIST FOUNDATION, INC., a Georgia nonprofit corporation, whose address is 3237 Satellite Blvd, Suite 150, Duluth, GA 30096 ("Foundation").

WHEREAS, the Foundation is an organization tax-exempt under section 501(c)(3) of the Internal Revenue Code of 1986 ("Code"), and its exempt purposes include the promotion of certain charitable and religious principles and beliefs;

WHEREAS, the provision of investment and other stewardship opportunities to the Organization, and to other section 501(c)(3) organizations with religious and/or charitable purposes consistent with those of the Foundation, is substantially related to and directly furthers the accomplishment of those purposes;

WHEREAS, the organization is exempt under section 501(c)(3) of the Code whose religious and/or charitable purposes are consistent with those of the Foundation;

WHEREAS, the Organization is the owner of certain monies, securities, and/or other properties described in Schedule A attached to this Agreement;

WHEREAS, the Organization wishes to place these properties in the custody of the Foundation, to be held and maintained by the Foundation in a common investment fund, the Ministry Trust Fund ("MTF"), along with any substitutions and additions to the properties ("Property"), in accordance with the Foundation's Investment Policy Statement, as it may be amended from time to time, and with the terms and conditions of this Agreement;

NOW, THEREFORE, in consideration of the premises and of the following provisions and understanding, the parties agree as follows:

1. The Property shall be held by the Foundation in a separate fund which shall be designated as the
-



FUND ("Fund"). Although the Fund shall be separately accounted for on the books and records of the Foundation, Fund assets may be co-mingled with other investment property held by the Foundation for investment purposes.

2. The Foundation agrees:
 - a. To collect and receive the income, issues, dividends, and profits of the Property as the same become due and payable;
 - b. To review investments of the MTF and the recommendations of the MTF's investment advisors at least semi-annually as of June 30th and December 31st of each year and to make such investments and reinvestments in the MTF as it deems best;
 - c. To collect, receive, and receipt for the principal of all investments and securities held by it under the terms of this Agreement, to retain the same in its possession, and to invest and reinvest the proceeds thereof;
 - d. To remit the income or return investment principal as directed on the Distribution Schedule attached to this Agreement.
3. The Organization acknowledges that it has received a copy of the Foundation's current Investment Policy Statement, the Fund Management Disclosures, and other information related to the MTF, and that it and its representatives possess such knowledge and experience as to evaluate the risks and merits of investment in the MTF. The Organization further acknowledges the risks inherent in such investments and that the Foundation does not guarantee results of MTF investments, and that past performance of the MTF is neither an indicator nor a guarantee of future performance. The Organization agrees that Foundation shall not be liable for loss of Fund principal or income, except when such loss is caused by the Foundation's gross negligence or willful misconduct.
4. The Foundation is a not a registered investment advisor, a broker-dealer or an investment advisor, and does not provide advice on investment in the MTF to the Organization.
5. The Foundation agrees to hold and invest all of the Property delivered to the Foundation and to redeliver part or all of the Property to the Organization upon written notification of the Organization ("Notice"), as soon as practicable, but in all cases within thirty (30) days of the Notice.
6. The Foundation shall have the right to hold the Property in its name or in the name of its nominee.
7. The Foundation shall be authorized to employ any bank, trust company, or other



appropriate financial institution to act as custodian or fiscal agent of the Foundation, and to delegate to such bank, trust company or financial institution the custody and management of the Property.

8. The Organization, as well as others, may add additional property to the Fund, provided such property is acceptable to the Foundation, by delivering, or otherwise conveying by proper instruments of conveyance or transfer, the same to the Foundation during the term of this Agreement.
9. At least annually and at the termination of this Agreement, the Foundation shall provide a report on the Fund to the Organization. The report shall include the following information:
 - a. A statement of the assets and liabilities pertaining to the Fund as of the end of the accounting period; and
 - b. A statement of the receipts and disbursements of principal and income pertaining to the Fund that have occurred during the last complete accounting period.
 - c. Delivery of the reports described above may be satisfied in the form of electronic statements made available through a web-based system, or through other means of electronic delivery in the discretion of the Foundation, rather than paper statements, and if web-based access is available to the Organization no reports need to be delivered by the Foundation. Paper statements may be requested by the Organization and if paper statements are available such statements shall be delivered to the address identified below in this Agreement.
10. All accounts held by the Foundation participate in expenses paid to fund managers and custodians on a pro rata basis. Additionally, the Organization agrees that the Foundation shall be compensated for its services provided under this Agreement in accordance with its regularly published administrative fee schedule in effect and as amended from time to time, and such compensation may be deducted by the Foundation from the income and/or principal of the Property.
11. The Organization represents and warrants that it is the fee owner of the Property transferred under this Agreement, and that the undersigned officer of the Organization is authorized to transfer the Property.
12. This Agreement shall be terminable by either party upon the delivery of thirty (30) days written notice to the other party.
13. All notices and reports identified in this Agreement, and all communications regarding the Fund, shall be delivered in writing by USPS or private delivery, by facsimile, or by electronic mail as follows:



- a. If to the Foundation:
Dr. Johnathan Gray, President/CEO
3237 Satellite Blvd, Ste 150
Duluth, GA 30096-9028
- b. If to the Organization:

The Organization and the Foundation shall each make best efforts to keep the other party informed of any changes in contact information.

14. **THIS AGREEMENT** shall be governed by the laws of the State of Georgia without regard to its conflict of interest laws. The parties may amend this Agreement only by mutual written consent. This Agreement represents the entire understanding between the parties, and all prior agreements and understandings shall be of no further force and effect. This Agreement shall be binding upon, and shall inure to the benefit of, the parties and their respective successors. The Organization warrants and represents that the undersigned is an officer of the Organization and has been duly authorized by its governing body to execute this Agreement.

Signature: _____ Date: _____

Print Name: _____ Title: _____

Signature: _____ Date: _____

Print Name: _____ Title: _____



Schedule A

Initial Contribution/Transfer

**ONCE YOUR AGREEMENT HAS BEEN PROCESSED,
YOU WILL RECEIVE INSTRUCTIONS BY EMAIL ON
MAKING THE INITIAL DEPOSIT.**

Accepted by:

GEORGIA BAPTIST FOUNDATION

By: _____

President / CEO

Date: _____



Distribution Schedule

Name of Fund:

Income Beneficiary

Name:

Mailing Address:

Address Continued:

City:

State:

Zip:

–

EIN#:

Income Distribution

☐

Quarterly [†]

[†] **Quarterly distribution:** Receive regularly scheduled periodic quarterly distribution of the income. The income is automatically credited to your organization's bank account and no additional action is needed.

☐

Reinvest ^{††}

^{††} **Reinvest income:** Earned income from investments is reinvested into the Ministry Trust Fund through the purchase of additional units of ownership. Units are purchased at the market value determined on the last day of the previous month.

(Initial)



Disclosures for Administration of Endowment and Other Institutional Funds

Introduction and Purpose

Georgia Baptist Foundation, Inc. (the "Foundation") is a religious, not-for-profit Corporation, which was chartered in 1941 to serve as the independent trust agency of the Georgia Baptist Mission Board. The philosophy of the Georgia Baptist Foundation is to preserve, protect and enhance the corpus while providing a sustainable flow of funds to support the agencies, institutions, and causes of the Georgia and Southern Baptist Conventions.

The Foundation is recognized as an organization exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code (the "Code") and classified as a public charity under sections 509(a)(1) and 170(b)(1)(A)(vi) of the Code whereby only unrelated business income, as defined by Section 512(a)(1) of the Code, is subject to Federal income tax.

The purpose of this disclosure statement is to provide guidance for, expectation of, and limitation on all parties bearing investment responsibilities with the Foundation.

Delegation of Responsibilities

The administration of endowment and other institutional funds ("Fund") is managed in compliance with all applicable fiduciary, prudence, and due diligence requirements that experienced investment professionals would utilize and with all relevant laws, rules, and regulations issued by local, state, and federal entities that apply to the Foundation. The Foundation will adhere to the requirements of the Uniform Prudent Management of Institutional Funds Act ("UPMIFA").

Board of Trustees

The Board of Trustees bears the overall fiduciary responsibility for the Foundation. It is the responsibility of the Board to approve and amend as appropriate all policies related to the administration of endowment and other institutional funds including: The Investment Policy, The Income Spending Policy, and The Cost Recovery Fee Schedule.

Trustee Standard of Conduct

1. Subject to the intent of a Trustor expressed in a gift instrument or any express written agreement, the Foundation in managing and investing the Fund, shall consider the charitable purposes of the trust beneficiaries and the purposes of the trust agreement.



2. In addition to complying with the duty of loyalty, each person responsible for the managing and investing of the Fund shall manage and invest such Fund in good faith and with the care an ordinarily prudent person in a like position would exercise under similar circumstances, considering the purposes, terms, distribution requirements, and other circumstances of the Fund.
3. In managing and investing the Fund, the Foundation:
 - a. May incur only costs that are appropriate and reasonable in relation to the assets, the purposes of the beneficiary and the trust, and the skills reasonably available to the Foundation; and
 - b. Shall make a reasonable effort to verify facts relevant to the management and investment of such Fund.
4. The Foundation may pool two or more trusts for purposes of management and investment.
5. Except as otherwise provided by a trust agreement, the following rules apply:
 - a. In managing and investing the Fund, the following factors, if relevant, shall be considered:
 - i. General economic conditions;
 - i. The possible effect of inflation or deflation;
 - ii. The expected tax consequences, if any, of investment decisions or strategies;
 - iii. The role that each investment or course of action plays within the overall investment portfolio of the Fund;
 - iv. The expected total return from income and the appreciation of investments;
 - v. Other resources of the beneficiary agencies, institutions and causes;
 - vi. The needs of the Foundation and the Fund to make distributions and to preserve capital; and
 - vii. An asset's special relationship or special value, if any, to the beneficiary agencies, institutions and causes or to the donor;
 - b. Management and investment decisions about an individual asset shall not be made in isolation but rather in the context of the Fund's portfolio of investments as a whole and as a part of an overall investment strategy having risk and return objectives reasonably suited to the Fund and to the institution;
 - c. The Foundation may invest in any kind of property or type of investment consistent with its Investment Policy;



- d. The Foundation shall reasonably manage the risk of concentrated holdings of assets by diversifying the investments of the Fund.

Investment Manager

Subject to any specific limitation set forth in a trust agreement or in law, the Foundation may delegate to an external agent the management and investment of a fund to the extent that the Foundation could prudently delegate under the circumstances. The Foundation shall act in good faith, with the care that an ordinarily prudent person in a like position would exercise under similar circumstances, in:

1. Selecting an agent;
2. Establishing the scope and terms of the delegation, consistent with the Foundation's objectives.
3. Periodically reviewing the agent's actions in order to monitor the agent's performance and compliance with the scope and terms of the delegation.

Investment Policy

The Fund is actively managed by professional investment advisors within the guidelines imposed by the Foundation's Investment Policy (attached).

Income Spending Policy – Ministry Trust Fund

Distributions to Fund beneficiaries are managed through the Foundation's Investment and Spending Policy (attached).

Fees

The Foundation must charge an administrative fee to cover some of its costs. The fee is in accordance with the regularly published Cost Recovery Fee schedule (attached) in effect from time to time, and may be deducted from the income and/or principal of property.

Reporting

The Foundation delivers account statements electronically. Upon request of a beneficiary entitled to account history, the Foundation will provide an account history for up to a 72-month period. The Foundation may require one month to fulfill the request.



Risk

Most assets will be invested in units of a common investment pool. The pools adhere to the Investment Policy (attached) and are actively managed by professional investment advisers within the guidelines imposed by the Foundation. The pools are unitized in a manner similar to mutual funds. The unit price of a pooled investment will vary and will reflect changes in the value of the underlying stocks and bonds. Redemptions of investments in the common investment pools will be made at the market value of pool units at the time of redemption. This may be higher or lower than the original investment cost resulting in a realized gain or loss on the participation in the pool.

There are no guarantees of positive quarter to quarter returns. As an example, the year 2008 showed a **22% loss** in the Ministry Trust Fund. Except as otherwise indicated, **the common investment pools are long-term investments and are not appropriate for an investment period of less than five years.**

Acknowledgment

I represent the party to the subject trust agreement, and have read and understand the above information along with the referenced attachments.

Signature: _____

Date: _____

Name: _____

Title: _____

Signature: _____

Date: _____

Name: _____

Title: _____



Investment Policy

The Georgia Baptist Foundation, Inc. was incorporated in 1941 to support the ministries and churches of the Georgia Baptist Mission Board with the objective of advancing the gospel of Jesus Christ by serving as the trust agency for the Georgia Baptist Mission Board. The Foundation manages endowments, charitable funds, designated accounts and planned gifts through prudent, dependable, and competitive fiduciary services consistent with the highest ideals of Christian stewardship.

Scope of this Investment Policy

This document establishes the Investment Policy for the Foundation and is designed to assist in effectively supervising, monitoring, and evaluating the investment of the “Funds” under management. The Board of Trustees (Trustees) has arrived at this Investment Policy through careful study of a range of investment strategies in relation to the current and projected distribution requirements of the Funds. This Investment Policy has been chosen as the most appropriate policy for achieving the financial objectives of the Funds which are described in the “Investment Objectives” section of this document; however, the Trustees shall be free to deviate from this Investment Policy when it concludes that it is prudent and in the interest of the Foundation or the ministries it supports to do so and may amend the Investment Policy at any time.

The Trustees have adopted a long-term investment horizon for the Ministry Trust Fund such that the probability and duration of investment losses are carefully weighed against the long-term potential for appreciation of assets.

In addition to the Investment Policy defined herein, the management of the Funds will be in compliance with all applicable laws.

Purpose of Investment Policy

The purpose of this policy is to outline the Foundation’s philosophy and worldview that will guide the investment management of the Funds and is set forth by the Trustees to:

1. Define and assign the responsibilities of all parties.
2. Establish a clear understanding of the Foundation’s general investment objectives and principles.
3. Establish guidelines for investment consultants and managers.



Delegation of Authority

The Board of Trustees is the fiduciary and is responsible for directing and monitoring the management of the Funds. The specific responsibilities of the Board of Trustees relating to the investment management of the Funds' assets include:

1. Establishing an Investment Policy to oversee the management of the Funds; Establishing and reviewing the investment objectives, permitted investments, asset allocations, and risk/reward profile for the Funds;
2. Selecting and terminating the relationship with qualified investment professionals to manage the Funds; including Investment Consultant(s), Investment Manager(s), and Custodian(s); establishing the Spending Policy of the Funds.

As such, the Trustees are authorized to delegate certain responsibilities. These include:

Investment Consultant

The Investment Consultant's role is to provide guidance to the Investment Committee and the Board on matters pertaining to the investment of the Funds' assets including investment policy development, asset allocation, investment manager selection and oversight, monitoring the Funds' performance, spending policy distributions, and compliance with the Investment Policy. The Investment Consultant, in carrying out the Investment Policy defined in this document, has authority and responsibility to select appropriate investments in the specific asset classes mandated by this Investment Policy, in accordance with the terms of an investment management agreement between the Foundation and the Investment Consultant. The Investment Consultant acknowledges its fiduciary status as non-discretionary Investment Consultant. The Investment Consultant acknowledges that it is a co-fiduciary with the Foundation with respect to determining asset allocation of the portfolio and selection of the Investment Managers. The Consultant shall not act as co-fiduciary of any managers retained or obtained by the Foundation that do not meet the Consultant's compliance requirements.

Investment Manager

The Investment Managers have the discretion to buy, sell, or hold specific securities used to meet the Funds' objectives as well as vote proxies on behalf of the Foundation. The managers should report to the Investment Consultant any major changes to outlook, strategy, or any qualitative change to the organization personnel, ownership, philosophy, etc.



Custodian

The Investment Managers have the discretion to buy, sell, or hold specific securities used to meet the Fund's objectives as well as vote proxies on behalf of the Foundation. The managers should report to the Investment Consultant any major changes to outlook, strategy, or any qualitative change to the organization (personnel, ownership, philosophy, etc.).

Investment Committee

The Trustees shall appoint an Investment Committee to act on behalf of the Trustees between the regular scheduled meetings of the Board of Trustees.

UPMIFA

The Trustees and Investment Committee are responsible for managing the investment process in a prudent manner with regard to preserving principal while providing reasonable returns and consistent with the principles articulated in the Uniform Prudent Management of Institutional Funds Act ("UPMIFA") which was enacted in the state of Georgia July 1, 2008. In this regard, the Trustees and Investment Committee will consider, if relevant, the following factors in managing the Funds:

1. general economic conditions;
2. the possible effect of inflation or deflation;
3. the expected tax consequences, if any, of investment decisions or strategies;
4. the role that each investment or course of action plays within the overall investment portfolio of the Fund;
5. the expected total return from income and the appreciation of investments;
6. other resources of the institution;
7. the needs of the institution and the Fund to make distributions and preserve capital;
8. an asset's special relationship or special value, if any, to the charitable purpose of the institution.

In addition, each person responsible for managing and investing the Funds shall comply with the duty of loyalty imposed by law and manage and invest the Funds in good faith and with the care an ordinary prudent person in a like position would exercise under similar circumstances.



Investment Objectives

The foremost objective is to ensure that investment portfolios overseen by the Foundation are managed in a manner that is consistent with the organization's stated beliefs and values. The Funds' investments will be actively screened and monitored by the Investment Consultant. A list of the portfolios' active social screens including prohibited investments will be maintained in the Appendix B.

The investment objective for the Ministry Trust Fund of the Georgia Baptist Foundation is to provide sufficient cash flow from interest, dividends, and realized or unrealized capital gains to meet the spending policy payout as specified from time to time by the Trustees, and to generate enough additional growth of principal to maintain the purchasing power of the income dollar. The specific performance goal for the Ministry Trust Fund is a portfolio that has a high probability of achieving an average return of 7.5% over a full market cycle.

Asset Allocation

The asset allocation within the funds is driven by the overall objective of the Foundation, as stated above. Specific equity, fixed income, and alternative investment disciplines that are used in the asset mix, along with the percentage of the portfolio allocated to each, are listed in Appendix A. Such allocations are subject to change upon the recommendation of the Consultant and approval of the Trustees or Investment Committee.

It will be the responsibility of the Consultant to monitor the balance quarterly and notify the CEO of the Foundation if at any time portfolio allocations deviate from the policy target allocation ranges listed in Exhibit A. It is recognized that market action may cause an imbalance in the interim period but such fluctuations are normal and acceptable.

Income Distribution

The Ministry Trust Fund shall distribute income based on the Georgia Baptist Foundation, Inc. Income Spending Policy. The Income Spending Policy payout shall be calculated and distributed as a dividend for each share of the Pool. The Investment Committee of the Board of Trustees will review the dividend annually with the intent of increasing the dividend by 3% each year unless the resulting dollar amount is more than 5% or less than 4% of the applicable market value of the Pool. The staff of the Foundation will review the dividend on a quarterly basis to determine if the dividend remains in the 4%-5% corridor. If the dividend moves outside the corridor in any given quarter, the Foundation staff will adjust the dividend so that it remains within the corridor.



Risk Tolerance and Volatility

The primary measurement of risk will be the standard deviation of average returns. Consistent with the desire for adequate diversification, the Investment Policy is based on the assumption that the volatility (standard deviation) of the combined equity investment will be similar to that of the market opportunity available to institutional investors with similar return objectives. The volatility of fixed income portfolios may be greater than the market during periods when the portfolio duration exceeds that of the market and/or when alternative income strategies are utilized in the portfolio. The portfolio's risk objective is to maximize returns when adjusting for risk level and should not take inappropriate risks beyond what is necessary to generate the return objective.

Failure to achieve the goal in times of excessive market volatility is not a failure of the strategy, but will trigger an in-depth review and discussion with the Investment Consultant regarding the asset allocation and investment managers to ensure that all are performing to expectations and to articulate a forward-looking plan for improvement.

All assets contributed to the Foundation shall be disposed of as soon as practical should they not conform to the established guidelines. In extraordinary circumstances, per Investment Committee approval, assets contributed to the Foundation may not be allocated according to Appendix A and will be dealt with on a case-by-case basis.

Investment Guidelines

Equity Manager Guidelines

1. Cash equivalent holdings in excess of withdrawal needs (approximately 5%) should be avoided. However, managers may increase cash assets in the portfolio if, in their professional judgment, market conditions so warrant. The manager shall inform the Consultant of this decision.
2. Equity Holdings - Diversification and Quality Criteria
 - a. The market value of any one company holding shall not exceed 10% of the total market value of equities held in the portfolio of a specific manager.
 - b. Each manager's portfolio is expected to be appropriately diversified by industry given the manager's specific asset class and style.
 - c. Securities which are broadly classified as institutional quality issues - regardless of whether or not they are listed on a recognized stock exchange - are eligible for inclusion in the portfolio.



- d. Convertible issues are suitable for use as investment vehicles if the average quality rating conforms to the intent of these guidelines.
- 3. Equity Holdings - Turnover
If performance results meet objectives, the rate of turnover will not be a factor in manager evaluation.
- 4. Equity Holdings - Universe
The following security categories are permissible equity investments:
 - a. Common stocks;
 - b. Securities convertible into common stock;
 - c. Common stocks of foreign companies, if listed on a major U.S. securities exchange;
 - d. Equity securities of foreign companies listed on any U.S. or foreign securities exchange (applies only to foreign equity managers);
 - e. ADRs, EDRs, and GDRs;
 - f. ETFs;
 - g. REITs;
 - h. Preferred stocks;
- 5. The following are not permitted unless approved in writing by the Foundation (except as permitted for the alternative managers).
 - a. Short sales;
 - b. Put and Call Options;
 - c. Margin purchases, or borrowing or lending money;
 - d. Letter stock, private placement, or direct placements;
 - e. Commodities or futures of any type;
 - f. Real estate or mortgages, except to the extent directed by the Board of Trustees;
 - g. Common stock of foreign companies, except as permitted in Para. 4.e (applies only to domestic equity managers).
- 6. Securities of the Investment Consultant, investment manager, the custodian, their parent, or subsidiaries are not permitted unless approved in writing by the Foundation.



7. Performance measurement will include the following:
 - a. Each equity manager will be measured against an appropriate index as well;
 - b. Each equity manager will be ranked against a universe of managers using the same investment style;
 - c. A list of appropriate equity manager benchmarks will be maintained in the **Appendix C**.

Traditional Fixed Income Manager Guidelines

1. Fixed Income Holdings - Bond Diversification and Quality Criteria
 - a. Marketable issues are desired so that the portfolio can be actively managed;
 - b. Bonds with maturities of one year or more should be of an original issue size in excess of \$50 million;
 - c. Bond holdings are expected to be well diversified across the permitted universe;
 - d. Quality: 90% of the overall traditional fixed income portfolio will be Bank Investment Grade; the remaining 10% must have a Moody's or Standard & Poor's credit rating no lower than B1 or B-.
 - e. The average duration of the portfolio should be +/-25% of the duration of the benchmark.
2. Fixed Income Holdings - Turnover
 - a. Bonds may be actively managed;
 - b. Active management is meant to include altering the average coupon yields, shifting maturity schedules, "swapping," and such other prudent strategies which enhance the income or quality of the portfolio or decrease the risk.
3. Fixed Income Holdings - Bond Investment Universe

The following security categories are generally permissible investments for the fixed income portion of the portfolio:

 - a. Debt securities issued or guaranteed by the United States Government or its agencies (including U.S. Government Agency mortgage-backed securities and Small Business Administration securities);
 - b. Corporate bonds, debentures, and other forms of corporate debt obligations, including equipment trust certificates;
 - c. Indexed notes;



- d. Yankee Bonds;
 - e. Debt securities issued by foreign governments provided they meet the quality criteria of Para. 1;
 - f. U.S. Municipalities;
 - g. AAA - rated Asset Backed Securities are permitted with a maximum duration of 3 years;
 - h. Student Loan backed securities including Sallie Mae bonds are not permitted.
4. Cash Equivalent Holdings Diversification
Excluding debt obligations of the U.S. Government or its agencies, or the Master custodian short-term reserve fund or money market fund, no single issue may exceed 10% of the market value of the total account.
5. Cash Equivalent Holdings - Universe
The following short term investment vehicles are acceptable:
- a. All obligations issued or guaranteed by the U.S. Government or its agencies;
 - b. Commercial paper rated A1 by Standard & Poor's and P1 by Moody's;
 - c. Certificates of Deposit - only of banks or savings and loan institutions with listed deposits in excess of \$500 mm (excluding the custodian bank) in the United States in terms of total assets;
 - d. Custodian bank short term reserve funds which meet the diversification and quality criteria set forth by the Controller of the Currency;
 - e. No-load money market mutual funds;
 - f. Euro-dollar CD's;
 - g. Bankers Acceptances.
6. Securities of the Investment Consultant, investment manager, the custodian, their parent, or subsidiaries are not permitted unless approved in writing by the Foundation (excluding short term reserve funds and money market funds).
7. Performance measurement will include the following:
- a. Each fixed income manager will be measured against an appropriate index as well;
 - b. Each fixed income manager will be ranked against a universe of managers using the same investment style;



- c. A list of the appropriate fixed income manager benchmarks will be maintained in the Appendix C.

Alternative Income Manager Guidelines

The investment objective of the Alternative Fixed Income Manager is to produce returns comparable to or exceeding those of the fixed income markets over a full market cycle targeting substantially less volatility (standard deviation) than traditional fixed income investments. The Alternative Fixed Income allocation is expected to include private equity, private real estate, and private debt investments made through commitments to limited partnership funds dedicated to those asset classes. Private Equity investments may include funds pursuing Venture, Growth, Buyout, or Special Situations sub-strategies. Venture investments are characterized by non-control investments in early-stage businesses, including pre-revenue businesses. Growth investments are characterized by either control or non-control investments in emerging but established businesses requiring institutional capital to pursue growth-related acquisitions and expansion opportunities. Buyout investments are characterized by control investments in established, more mature businesses which may require operational improvements, acquisitions or expansion capital. Special Situations investments are opportunistic investments resulting from specific, idiosyncratic developments in the market which may include distressed investments. Real estate investments may include funds pursuing Core and/or Value Add real estate sub-strategies. Core real estate investments are characterized by stable, well-leased properties in major metropolitan markets and are expected to produce consistent returns primarily through current yield. Value Add real estate may consist of properties in primary or secondary metropolitan areas requiring some improvement or repositioning to drive rent increases; Value Add real estate is expected to provide a combination of current income and capital appreciation. Private Debt investments consist of directly originated or syndicated senior loans to middle market companies and are backed by the borrower's cash flows and potentially by their hard assets. Private Debt returns are primarily through current income at a premium to traditional fixed income credit yields. Due to the private nature of alternative investments the Foundation may be limited in its ability to administer the screening guidelines listed in Appendix B for assets placed with alternative managers.

The Investment Policy is subject to modification at the discretion of the Board of Trustees of the Georgia Baptist Foundation. Adopted by the Board of Trustees of the Georgia Baptist Foundation at its regularly scheduled meeting held on **February 6, 2025**.



Appendix A

Asset Allocation effective 2/28/2025

Georgia Baptist Foundation Ministry Trust Fund

ASSET CLASS	TARGET ALLOCATION	ALLOCATION RANGE
DOMESTIC EQUITY	36%	30% - 50%
Large-Cap	26%	20% - 35%
Mid/ Small-Cap	10%	5% - 15%
INTERNATIONAL EQUITY	17%	10% - 30%
Developed Markets	13.5%	10% - 30%
Emerging Markets	3.5%	0% - 10%
IMPACT EQUITY	2%	0% - 10%
PRIVATE EQUITY	20%	0% - 30%
FIXED INCOME	13%	5% - 20%
ALTERNATIVE FIXED INCOME	12%	0% - 20%
Core Real Estate	4%	0% - 10%
Private Debt	8%	0% - 15%



Appendix B

Screening Guidelines

As Christians, we are in the world but not of the world. Our goal as believers is to avoid the things of the world, while knowing that perfect avoidance is impossible until we stand before God.

In the same way, the Georgia Baptist Foundation strives to invest in such a way that we do not profit from the immorality of the world, yet knowing that in the complexities of the world, perfect avoidance is impossible.

We commit to using the investment guidelines listed below to generally prohibit stocks and bonds of companies that significantly profit from the immorality of the world.

CATEGORY	SELECTION
ADULT ENTERTAINMENT	10% Revenue Threshold
GAMBLING	10% Revenue Threshold
ALCOHOL	
Manufacturing/Marketing/Branding	10% Revenue Threshold
Suppliers/Inputs	10% Revenue Threshold
Retailers	10% Revenue Threshold
TOBACCO/CANNABIS	
Manufacturing/Branding	10% Revenue Threshold
Supplier	10% Revenue Threshold
Retailers	10% Revenue Threshold
LIFE/CHOICE	
Manufacturing/Marketing/Licensing of Abortifacients	10% Revenue Threshold
Abortion Medical Facilities and Providers	Restrict All
Embryonic Stem Cell Research	10% Revenue Threshold
GENDER MODIFICATION	10% Revenue Threshold



Appendix C

Investment Strategy Benchmarks

Equity Benchmarks

1. Large-cap growth managers will be measured against the Russell 1000 Growth Index
2. Large-cap value managers will be measured against the Russell 1000 Value Index
3. Large-cap core managers will be measured against the S&P 500 Index
4. Small-cap growth managers will be measured against the Russell 2000 Growth Index
5. Small-cap value managers will be measured against the Russell 2000 Value Index
6. Small-cap core managers will be measured against the S&P 600 Index
7. International Developed Equity managers will be measured against the MSCI World ex US Index
8. Emerging Markets Equity managers will be measured against the MSCI Emerging Markets Index
9. Impact Equity managers will be measured against an index appropriate for their specific strategies
10. Private Equity managers will be measured against the Cambridge US Private Equity Index

Traditional Fixed Income Benchmarks

1. Intermediate Duration Fixed Income manager will be measured against the Barclays US Govt/Credit Index

Alternative Income Benchmarks

1. Real Estate managers will be measured against the NCREIF Property Index
2. Private Debt managers will be measured against the LSTA Leveraged Loan Index



Cost Recovery Schedule

The Georgia Baptist Foundation is committed to providing you with the highest possible professional services at the lowest cost. This mission is funded in part by a Cost Recovery Fee program. The Board of Trustees establishes recovery rates based on the service and support required by each class of account.

Annual Fee Rate Schedule

MANAGEMENT AGREEMENTS	BASIS POINTS	%	\$
MINISTRY FUND			
Churches and Associations	75	0.75%	\$75 per \$10,000
Institutional Funds	80	0.80%	\$80 per \$10,000
Scholarship Funds Administered by the Foundation	80	0.80%	\$80 per \$10,000
Term Endowments and Donor Advised Funds	75	0.75%	\$75 per \$10,000
Planned Gifts	75	0.75%	\$75 per \$10,000

Administration of Fees

The Ministry Fund fee is deducted from a combination of both principal assets and accumulated Spending Policy dividends credited to the investing account. The principal portion of the annual fee is prorated and deducted monthly from the Fund itself. The income portion of the annual fee is prorated and deducted quarterly from the individual investing account.

The fee schedule may be modified at the Board of Trustees' discretion.



Account Authorization

Account Name(s):

Account Number(s):

Mailing address for statements and other correspondence: ☐ **Change of Address**

Organization Name:

Address:

City, State, Zip:

Phone:

Please indicate the persons authorized to sign withdrawal requests (W/D Auth.) and access the Foundation's online client portal (Ministry ClientView) below. There MUST be more than one authorized person listed.

Account Authorized Personnel

W/D
Auth.

Ministry
ClientView

Name ¹:

Phone:

☐☐

Title:

Email:

Name ²:

Phone:

☐☐

Title:

Email:

Name ³:

Phone:

☐☐

Title:

Email:

**Account Authorized Personnel (cont.)**W/D
Auth.Ministry
ClientViewName⁴: _____ Phone: _____☐☐

Title: _____ Email: _____

IMPORTANT Number of signatures required for withdrawals (if applicable): _____
(If above line is not completed, we will need 2 signatures for withdrawals.)

Withdrawal requests must be submitted to The Foundation on your ministry's/agency's stationery via email, fax, or US mail.

Form must be signed by one party representing the organization:Signature¹: _____ Date: _____

Print Name: _____ Title: _____

Phone: _____ Email: _____

Signature²: _____ Date: _____

Print Name: _____ Title: _____

Phone: _____ Email: _____

IMPORTANT: Please notify us of any leadership changes.

Ministry ClientView Disclosure: Account information available through Ministry ClientView is for inquiry purposes only. Information cannot be altered onscreen. No account activity (including withdrawals, wires, and transfers) can be initiated through Ministry ClientView. Data can be exported to the user's file for spreadsheet applications or saving as a PDF document.

Please be aware that the first 10 business days of the month are needed to summarize and report activity through the prior month-end.



Funding Your Account Deposit Instructions

FOR CHECKS

Please include a letter of instruction to let us know the account to be credited and where to send a gift receipt or letter of acknowledgement.

Send Checks Via Regular Mail

Georgia Baptist Foundation, Inc. #117475
PO Box 117475
Atlanta, GA 30368-7475

Send Checks Via Overnight Mail

ATTN: Georgia Baptist Foundation, Inc. #117475
100 South Crest Dr
Stockbridge, GA 30281

FOR ACH DELIVERY (PLEASE NOTE THESE ARE NOT WIRE TRANSFER INSTRUCTIONS)

Truist Bank, Atlanta
ABA# 021052053
Account# 83864880
Name: Georgia Baptist Foundation, Inc.

FOR WIRE TRANSFERS:

Please contact us for wire instructions at (770) 452-8338 or support@gbfoundation.org

Please email us at support@gbfoundation.org when an ACH or Wire Transfer is initiated and include the name and account number of the account receiving the deposit and any other special instructions.

Gifts of stocks, mutual funds, and IRAs can also be delivered to Georgia Baptist Foundation. We sell the gifted assets, invest the proceeds in your account, and provide receipts to donors. Please contact us for additional information.



Deposit Instructions

1. Read and sign authorization agreement.
2. Scan or photograph the completed direct deposit authorization and a check or withdrawal slip.
3. For security purposes, call Georgia Baptist Foundation, Inc. at **770-452-8338** or email support@gbfoundation.org for a secure link to submit your form online.

AUTHORIZATION AGREEMENT FOR AUTOMATIC DEPOSITS

I understand that Georgia Baptist Foundation, Inc. will only deposit funds to an account owned by the beneficiary described in a fully executed fund agreement.

I authorize Georgia Baptist Foundation, Inc. to electronically deposit any distribution to which my organization is entitled to the bank account specified on the voided check attached.

If monies to which my organization is not entitled are deposited into its account, I authorize Georgia Baptist Foundation, Inc. to direct the financial institution to return said funds. This authority will remain in effect until I have filed a new authorization or until revoked by me in writing.

Organization: _____

Address: _____

City: _____

State: _____

Zip: _____

—

Phone: _____

Email: _____

BANK AUTHORIZATION INFORMATION

Account Type: ☐ Checking ☐ Savings

Bank Name: _____

Routing No: _____

Account No: _____



Signature: _____ Date: _____

Print Name: _____

Signature: _____ Date: _____

Print Name: _____

BE SURE TO INCLUDE A VOIDED CHECK OR WITHDRAWAL SLIP
(Must be preprinted with Organization's name and address)

CHURCH OR ORGANIZATION NAME
1234 SUNNY STREET
DULUTH, GA 12345-1234

4589

DATE _____ 20 ____

PAY TO THE ORDER OF _____ \$ _____

_____ DOLLARS

MEMO _____

⑆230865407⑈ 109039 7435