

CHURCH FUNDS MANAGEMENT INVESTMENT OPTIONS

This information sheet contains descriptions of the various investment options that are currently available through the Church Funds Management program of The Baptist Foundation of Oklahoma. The investment options include Church Building Loan (CBL) Term Investments and Market Investments. Investment options may be selected by completing the Church Funds Management Investment Allocation Form.

CBL TERM INVESTMENTS

- CBL Term Investments are designed for clients seeking income.
- CBL Term Investments invest predominantly in the debt of Southern Baptist churches.
- Investments may also include the debt of other Southern Baptist entities, as well as cash.
- All CBL Term Investment interest rates are quoted as an annualized rate.
- Interest for CBL Term Investments will be paid at maturity.
- Automatic renewal of CBL Term Investments at the prevailing rate is assumed unless prior written notice is received.
- For a term investment that is 12 months or less, the penalty is three (3) months of interest. For a term investment that is longer than 12 months, the penalty is six (6) months of interest. The penalties shall be limited to accrued interest and shall not invade principal.

One Month CBL Term Investment

The One Month CBL Term Investment will receive a fixed rate for one (1) month.

Three Month CBL Term Investment

The Three Month CBL Term Investment will receive a fixed rate for three (3) months.

Six Month CBL Term Investment

The Six Month CBL Term Investment will receive a fixed rate for six (6) months.

Nine Month CBL Term Investment

The Nine Month CBL Term Investment will receive a fixed rate of interest for nine (9) months.

One Year CBL Term Investment

The One Year CBL Term Investment will receive a fixed rate for one (1) year.

Two Year CBL Term Investment

The Two Year CBL Term Investment will receive a fixed rate for two (2) years.

MARKET INVESTMENTS

General Investment Pool: The General Investment Pool is designed for medium to long term investors seeking investment growth with income. This investment pool invests predominantly in stocks and bonds but may also have a nominal investment in cash. The target asset allocation is diversified as follows: 45% U.S. stocks, 20% international stocks and 35% high quality U.S. corporate and government bonds. This investment pool offers higher potential for investment growth (loss) relative to other investment options which have no investments in stocks. This investment pool seeks to outperform the S&P 500 for stock investments and the Barclay's Aggregate Bond Index for bond investments.



Total Equity Pool: The Total Equity Pool is designed for long term investors seeking investment growth. This investment pool invests predominantly in stocks but may also have a nominal investment in cash. The target asset allocation is diversified as follows: 70% U.S. stocks and 30% international stocks. This investment pool offers a higher potential for investment growth (loss) with limited income generated from dividends. This investment pool seeks to outperform the S&P 500.

Balanced Pool: The Balanced Pool is designed for medium to long term investors seeking a balance between investment growth and income. This investment pool invests predominantly in stocks and bonds but may also have a nominal investment in cash. The target asset allocation is diversified as follows: 35% U.S. stocks, 15% international stocks, and 50% high quality U.S. corporate and government bonds. This investment pool offers higher potential for investment growth (loss) relative to other investment options which have no investments in stocks. This investment pool seeks to outperform the S&P 500 for stock investments and the Barclay's Aggregate Bond Index for bond investments.

Fixed Income Pool: The Fixed Income Pool is designed for long term investors seeking investment income. This investment pool invests predominantly in bonds and may also have a nominal investment in cash. The target asset allocation is 100% U.S. corporate and government bonds. This investment pool seeks to provide a greater level of income relative to other market investment options with potential for investment growth (loss). This investment pool seeks to outperform the Barclay's Aggregate Bond Index.

Money Market Mutual Fund: The Money Market Mutual Fund is designed for short term investors seeking investment income. This investment fund shall invest in an institutional cash money market fund.

All funds, with the exception of the CBL Term Investments, are managed by registered investment advisors.



CHURCH FUNDS MANAGEMENT INVESTMENT ALLOCATION FORM

_____ (Client) requests that its Church Funds Management account as identified below be invested in accordance with this Investment Allocation Form. **Asset selections made and authorized signers named within this Investment Allocation Form are applicable to this account only.** (New accounts will be assigned an account number upon inception of Church Funds Management Account.)

Account Name: _____

Account Number: _____

\$ _____

CBL Term Investments

Please indicate CBL Term Investments by dollar amount and term below (*total must equal amount listed above*). Multiple CBL Term Investments may be selected. A description of investments may be found in the Church Funds Management Investment Options. Each of the term investments will receive a fixed interest rate for the term of deposit. All interest rates are quoted as an annualized rate. Interest will be paid at maturity. For a term investment that is 12 months or less, the penalty is three (3) months of interest. For a term investment that is longer than 12 months, the penalty is six (6) months of interest. The penalties shall be limited to accrued interest and shall not invade principal. The Foundation is available to work with you to personalize a portfolio that will meet your institution’s liquidity needs and desired maturity schedule.

- \$ _____ One Month Term Investment
- \$ _____ Three Month Term Investment
- \$ _____ Six Month Term Investment
- \$ _____ Nine Month Term Investment
- \$ _____ One Year Term Investment
- \$ _____ Two Year Term Investment

\$ _____

Market Investments

Please indicate Market Investment allocation by percentages (*total must equal 100% of the allocation to Market Investments*). A description of investments may be found in the Church Funds Management Investment Options. The Foundation is available to work with you to personalize a portfolio that will meet your institution’s investment goals.

- ____ % General Investment Pool
- ____ % Total Equity Pool
- ____ % Balanced Pool
- ____ % Fixed Income Pool
- ____ % Money Market Mutual Fund

100 % TOTAL



DEFAULT SELECTION: If an allocation for Market Investments is not made, the default allocation of the Market Investments will be 100% to the Money Market Mutual Fund.

The Foundation shall rely only upon written instructions signed by any of the following representatives of the Client in regard to revisions, renewals, withdrawals, or changes to this Church Funds Management Investment Allocation Form:

NAME	OFFICE	SIGNATURE
_____	_____	_____
_____	_____	_____

The Client shall notify the Foundation of any other persons or substitutions of persons authorized to give instructions. The Foundation may rely on any communication reasonably believed by it to be genuine and authorized by the Client under terms of this Investment Allocation Form.

Executed and effective this _____ day of _____, 20____

CLIENT:

BY: _____

Signature

Print Name and Title

