

## Investment Management Agreement

This AGREEMENT (hereinafter “Agreement”) is entered into on \_\_\_\_\_ (MM/DD/YYYY) between:

Church/Organization Name: \_\_\_\_\_

Address: \_\_\_\_\_

City, State Zip Code: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Church/Org Website: \_\_\_\_\_

Church/Org Email Address: \_\_\_\_\_

(hereinafter referred to as “you” or “your”) and, THE UNITED METHODIST FOUNDATION OF THE NORTHERN ILLINOIS CONFERENCE, INC., Chicago, Illinois (hereinafter referred to as “we”, “us”, “our”, or “The Foundation”) regarding the receipt and management of certain assets. These assets will be referenced by named Fund(s) specified in Appendix “A” of this Agreement. You also acknowledge and agree that you have reviewed the acknowledgements set forth in Appendix “A” to this Agreement.

With this Agreement, you hereby appoint The Foundation as your Fiduciary Agent to hold, manage, and distribute the assets of your Fund(s) for the uses and purposes and upon the terms and conditions specified in this Agreement. You authorize and instruct The Foundation to receive and manage any transfers of cash, securities, or other property that may be transferred by you or others to The Foundation for the benefit of your Fund(s). You authorize us to receive and manage all income, dividends, and profits of the assets placed in your Fund(s) and to receive and manage any proceeds from redemption or sale of all assets transferred to us for the benefit of your Fund(s). You authorize The Foundation to vote and exercise all rights and options, to enter into or to approve agreements for merger, reorganization or equivalent transactions concerning any corporate stock or security in your Fund(s). You may withdraw any or all of your assets with thirty (30) days advance written notice by the individual(s) so authorized through this Agreement. This agreement does not apply to funds owned by the Foundation that distribute to your church or organization as a beneficiary of such permanently restricted funds.

The Foundation hereby agrees to accept, hold, manage, and safely keep as your Fiduciary Agent such gifts and transferred assets that may be received from you or others and designated as part of your Fund(s). We will collect and receive the income, dividends, and profits of the assets placed in our charge under the terms of this Agreement. We will provide to you a prompt acknowledgment of assets received by your Fund(s) in our charge, and we will provide to you a full statement of account, at least quarterly, showing all transactions and dealings with assets in your Fund(s) since the date of the last preceding statement. The Foundation may employ other agents, persons, organizations, or firms to provide counsel, to act on our behalf, or to act under our direction regarding your assets and Fund(s). Securities held by us under this Agreement may be registered in the name of The Foundation or our agent or other nominee provided that our responsibility and liability is not diminished by such registration.

The Foundation's annualized management fees are calculated on the fair market value of the assets held under this Agreement. The Foundation's annualized ministry administration fee is tiered, based on client assets under management. For the amount less than \$500,000 the annualized fee is 0.65% (0.0065); \$500,000-\$1,000,000, 0.60% (0.006); more than \$1,000,000, 0.50% (0.005). The annualized fee is assessed monthly on the first day of each calendar month, calculated on the daily balance of the previous calendar month. The annualized institutional investment adviser's fee is 0.10% (0.001). At the fund level, the annualized fees of the underlying portfolio managers may fluctuate per allocation changes and investment manager selection relative to ongoing portfolio management. The aggregated annualized platform and portfolio managers' fees for the Conservative, Moderate, and Aggressive Funds are, respectively, 0.31% (0.0031), 0.29% (0.0029), and 0.29% (0.0029). The aggregated annualized platform and portfolio managers' fees for the Climate Solutions Funds—Conservative, Moderate, and Aggressive—are, respectively, 0.35% (0.0035), 0.35% (0.0035), and 0.38% (0.0038). The Foundation's annualized ministry administration fee for the Short-Term Fund is 0.24% (0.0024); for more information and fund expenses for the core holding of the Short-Term Fund, which is currently the PIMCO Short-Term Fund (PTSHX) see <https://www.pimco.com/en-us/investments/mutual-funds/short-term-fund/inst>. Statements reflect the fair market value of the assets measured on the last day of the previous calendar month, net of fees.

The Foundation does not currently charge an administration fee or institutional consultant fee for funds held in the money market fund (Schwab Government Money Fund). Please note that an investment in a money market vehicle is not insured or guaranteed by the FDIC or any other government agency. Although money markets seek to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in them. They depict performance without adjusting for the effects of taxation, but are adjusted to reflect sales charges and ongoing fund expenses.

The Foundation shall also be entitled to reimbursement for "out of pocket" or extraordinary expenses incurred in the performance of its duties under this Agreement.

This Agreement may be revised or amended in writing at any time in such manner that is mutually agreed upon by you and The Foundation. The Foundation may modify this Agreement, including the fee structure, without your consent by providing to you at least ninety days (90) advance written notice. This Agreement may be terminated without cause or prejudice at any time either by you or by The Foundation with at least thirty days (30) advance written notice. Upon termination, all of your assets that we manage under this Agreement shall be paid over, delivered, or surrendered unto you within 45 days.

The Foundation was established in 1949. Responsibility for governing The Foundation is vested in a Board of Directors who is elected by The Northern Illinois Conference of The United Methodist Church. Investments managed by us are exempt from registration requirements of 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. Investment decisions are made by professional money management firm(s) and executed by our broker, who is registered under federal securities laws. The Foundation abides by The United Methodist Church guidelines on environmental, social, and governance (ESG) investing. Investments may fluctuate in value reflecting market conditions. Investments are not guaranteed and may lose value. The Foundation staff and Board of Directors monitor investments. The Foundation is a not-for-profit organization dedicated to serving the financial, stewardship, and charitable interests of United Methodists in Northern Illinois. For further information, please contact us.

Regular disbursements or requested withdrawals from your fund(s) will be sent by check made payable to the legal name (as indicated above for the church, agency, mission, or organization) and will be mailed to the address on file or via electronic transfer (ACH.)

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Initials

Only the following persons are authorized to change these investment instructions or to request disbursements from the fund(s) or to provide instructions regarding management of the fund(s). We do not require that signatures be notarized or guaranteed and you shall not hold us liable for following directions or instructions, which appear legitimate per the terms of this Agreement. Individuals who have the full authority, and have obtained all necessary approvals, to appoint authorized signers, must authorize removals and/or additions of signers. Changes become effective when received in our office. Visit <https://umfnc.org/resources/> for more information and forms.

**Number of signatures required for redemption/transfer instructions:** \_\_\_\_\_

(Minimum of 2 signatures recommended)

INDICATE # REQUIRED

1. \_\_\_\_\_  
NAME (Please Print) SIGNATURE  
\_\_\_\_\_  
TITLE DAYTIME PHONE NUMBER  
\_\_\_\_\_  
EMAIL ADDRESS

2. \_\_\_\_\_  
NAME (Please Print) SIGNATURE  
\_\_\_\_\_  
TITLE DAYTIME PHONE NUMBER  
\_\_\_\_\_  
EMAIL ADDRESS

3. \_\_\_\_\_  
NAME (Please Print) SIGNATURE  
\_\_\_\_\_  
TITLE DAYTIME PHONE NUMBER  
\_\_\_\_\_  
EMAIL ADDRESS

4. \_\_\_\_\_  
NAME (Please Print) SIGNATURE  
\_\_\_\_\_  
TITLE DAYTIME PHONE NUMBER  
\_\_\_\_\_  
EMAIL ADDRESS

\_\_\_\_\_  
Initials

The two individuals identified below warrant and represent that they have the full authority, and have obtained all necessary approvals, to appoint the authorized signers identified on Page 3 on behalf of and for the account(s) of the church/organization identified on Page 1 of this Agreement. Examples of legal representatives are: various chairs of Trustees, Administrative Council, Endowment Committee, Secretaries of Boards, and various executives, Senior Pastor, Executive Director, CEO, etc.

**Church / Organization Representative #1**

\_\_\_\_\_  
NAME (Please Print)

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
CHURCH/ORGANIZATION TITLE (Please Print)

\_\_\_\_\_  
DATE

**Church / Organization Representative #2**

\_\_\_\_\_  
NAME (Please Print)

\_\_\_\_\_  
SIGNATURE

\_\_\_\_\_  
CHURCH/ORGANIZATION TITLE (Please Print)

\_\_\_\_\_  
DATE

... and The United Methodist Foundation of the Northern Illinois Conference, Inc., Chicago, Illinois.

By \_\_\_\_\_  
Chris Walters, President & CEO

\_\_\_\_\_  
DATE

\_\_\_\_\_  
Initials

## Appendix A: New Account Names and Allocations

The Foundation shall receive assets for and manage the following account(s) under this Agreement:

1. Account Name: _____		
Initial deposit: \$	_____	Check # _____ Other _____
Initial allocation:	_____ % Aggressive Fund	(85% stocks, 15% fixed income)
	_____ % Agg. Climate Solutions	(85% stocks, 15% fixed income)
	_____ % Moderate Fund	(60% stocks, 40% fixed income)
	_____ % Mod. Climate Solutions	(60% stocks, 40% fixed income)
	_____ % Conservative Fund	(30% stocks, 70% fixed income)
	_____ % Con. Climate Solutions	(30% stocks, 70% fixed income)
	_____ % Money Market Fund	
2. Account Name: _____		
Initial deposit: \$	_____	Check # _____ Other _____
Initial allocation:	_____ % Aggressive Fund	(85% stocks, 15% fixed income)
	_____ % Agg. Climate Solutions	(85% stocks, 15% fixed income)
	_____ % Moderate Fund	(60% stocks, 40% fixed income)
	_____ % Mod. Climate Solutions	(60% stocks, 40% fixed income)
	_____ % Conservative Fund	(30% stocks, 70% fixed income)
	_____ % Con. Climate Solutions	(30% stocks, 70% fixed income)
	_____ % Money Market Fund	
3. Account Name: _____		
Initial deposit: \$	_____	Check # _____ Other _____
Initial allocation:	_____ % Aggressive Fund	(85% stocks, 15% fixed income)
	_____ % Agg. Climate Solutions	(85% stocks, 15% fixed income)
	_____ % Moderate Fund	(60% stocks, 40% fixed income)
	_____ % Mod. Climate Solutions	(60% stocks, 40% fixed income)
	_____ % Conservative Fund	(30% stocks, 70% fixed income)
	_____ % Con. Climate Solutions	(30% stocks, 70% fixed income)
	_____ % Money Market Fund	