Individual Donor Endowment Fund Program Packet

The United Methodist Foundation of West Ohio is pleased to assist individual donors (or families) who wish to establish an endowment fund for charitable purposes. This packet of materials is designed to specifically help donors with that process and to meet the necessary disclosure requirements. Please contact us if you have any questions or would like assistance in completing the process.

Contents of this package include:

- Endowment Information Statement
- Blank Endowment Agreement Form for Individual Endowments
- Foundation Investment Policy
- Stock transfer form

Contacts:
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Donor Relations Associate: 614-844-6200 Ext. 222
Website: www.westohioumc.org
INFORMATION STATEMENT
January 1, 2021

ENDOWMENT FUND PROGRAM OF
THE UNITED METHODIST FOUNDATION OF WEST OHIO
WEST OHIO CONFERENCE OF THE UNITED METHODIST CHURCH

Introduction

This Information Statement (this "Statement") provides information concerning the Endowment Program (the "Endowment Program") of the West Ohio Conference of the United Methodist Church (the "Conference"), as operated by the United Methodist Foundation of West Ohio. Please read the following carefully and retain it for your future reference. For more information about the Endowment Program, please contact the Foundation office at the address and telephone number listed on the cover sheet that accompanies this Statement.

Background

The Conference is a charitable not-for-profit corporation organized under the laws of Ohio and exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The Conference was established in 1969 by merger. Since 1978, it has been accepting charitable gifts of various kinds. Its programs include outright gifts, charitable gift annuities, other deferred giving vehicles, and bequests/trust distributions. In 2020, the United Methodist Foundation of West Ohio was established as a separate corporation of which the Conference is sole member, to replace the Council on Development which had fulfilled its initial purposes.

The Conference is governed under the direction of its Board of Trustees, comprised of twelve persons who are elected for staggered four-year terms. The Foundation is governed by a Board of Trustees comprised of 14 persons who are elected for staggered four-year terms. The staff of the Foundation carries out day-to-day management and operational responsibilities for charitable giving programs that primarily benefit the Conference as well as other United Methodist programs, missions, ministries and organizations. The staff of the Foundation operates under the supervision of the Foundation Board. The Bishop of the Conference and the Chief Financial Officer of the Conference serve as ex-officio members of the Foundation Board.
Endowment Program

The Endowment Program was initiated in 2007 by action of the Council on Development and the Annual Conference. The initial deposit of $111,000.00 to the Endowment Program came from four individuals and represented gifts made from 1987 to 2004, which are to be held in perpetuity for the benefit of various local churches within the Conference.

Pursuant to the Philanthropy Protection Act of 1995, the Foundation is not required to register under the Investment Company Act of 1940, as amended; and, as a charitable organization that maintains charitable funds, is exempt from registration under Federal and state securities laws. Accordingly, neither the funds nor the interests therein are registered under the Securities Act of 1933, as amended, or any state securities laws, and neither the Securities and Exchange Commission nor any state securities commission has reviewed or approved the funds or interests therein.

Purpose of the Individual/Family Endowment Program

The purpose of the Individual/Family Endowment Program is to offer donors a vehicle for organizing and funding endowment funds for the support of designated charitable beneficiaries. Donors make an initial contribution toward the endowment and may take up to five years to fully fund the endowment. Individual endowments require specific distribution instructions that align with the Foundation's policies. Individual endowments are intended to meet the philanthropic intent of the donor as documented in the donor agreement. Endowments may not be made to benefit individuals.

The Foundation acts as investment agent and custodian for various funds that have been donated to or accumulated by the Foundation and other Conference organizations, agencies, or churches. The investing organizations or charitable beneficiaries must be charitable not-for-profit organizations exempt from federal income tax under Section 501(c)(3) or other applicable sections of the Internal Revenue Code of 1986, as amended and related to the West Ohio Conference. The Foundation's duties include physical safekeeping, investment, and distribution of the Funds' assets in accordance with the directions of these entities, or in the case of individual endowments, with the donors' original charitable intent.

Establishing an Individual Endowment Fund

To establish an Individual Endowment Fund with the Foundation, a participating donor (“Donor”) must complete and sign an Endowment Investment Management Agreement (the "Endowment Agreement") in the form attached within this packet. Under the terms of the Endowment Agreement, the donor delivers cash or acceptable property to the Foundation to be held in a named fund. The fund is invested and maintained as a sub account fund of the Endowment Program, and the Foundation is authorized to sell, transfer, exchange, invest or reinvest all or any part of the sub account fund pursuant to investment guidelines established by the Foundation's Investment Committee.
Under the terms of the Endowment Agreement, the endowment will be assessed a percentage (per year) of the fund's net invested market value to cover the Foundation's share of the administrative expenses. For further details on the expenses and fees, refer to the section below entitled "Fees". The Foundation will provide the donor with quarterly reports showing all activity in the participating donor's account, including contributions, withdrawals, market value, appreciation, and administrative fees. Administrative fee disbursements will be made on a monthly basis or as otherwise communicated.

Investment Management

The Foundation will provide overall management of the Endowment Program. The Foundation has established an Investment Committee to provide oversight of its endowment investment program. The Investment Committee maintains an Investment Policy Statement (IPS), as from time to time amended, that sets forth the duties of the Investment Committee and other parties. (See Investment Policy in this packet). The Investment Committee reports regularly to the Foundation Board and to the Conference Board of Trustees.

The Foundation employs a professional and administrative staff to implement and oversee daily operations. Currently the staff includes an Executive Director and Donor Relations Associate, and utilizes the services of the Conference Chief Financial Officer and Staff Accountant. The staff works closely with the Foundation and the Investment Committee. Please contact the Foundation office for a current listing of the membership of the Foundation Board of Trustees, the Investment Committee and staff.

Custodian/Investment Manager

The Investment Committee retains and evaluates one or more investment managers, as appropriate, to meet the goals and objectives of the Foundation. The investment agreements between the Foundation and the Investment Managers have the usual and customary termination clauses, and clearly establish what the managers are being retained to deliver and the attendant duties and responsibilities.

Usual and customary services provided by investment managers include investment performance reporting, portfolios risk analysis, investment accounting, custodial services, sub-account administration and reporting, income collection, disbursement administration, proxy voting and any other services set forth in the Foundation’s agreement with the investment manager.

Currently the investment managers include Huntington National bank located at 17 S. Broad St., Columbus, OH 43215 and Morgan Stanley Wealth Management 7755 Montgomery Road, Suite 200, Cincinnati, OH. Under the terms of both agreements with the Foundation, Huntington National Bank and Morgan Stanley serve as custodians of the assets of the Funds.

Investments

Endowment Program assets may be invested in one of three types of funds:

- The Fixed Income Fund
- The Balanced Fund
- The Growth Fund
Investment objectives and guidelines for each strategy are set forth in the Investment Policy Statement included in this packet.

**Minimum Transfer to Endowment Program**

The minimum initial gift or transfer to the Endowment Program is ten thousand dollars ($10,000.00). No commissions will be payable in connection with such transfer and no commission-based payments will be made to any member or employee of the Foundation.

**Fees**

Fees will be charged according to the then current fee schedule published and maintained by the Foundation. See Exhibit I for current schedule.

**Risk**

The risk inherent in investing in funds is the risk common to any security: the value of endowments will fluctuate in response to changes in economic conditions, interest rates and the perceptions of the national securities markets of the underlying securities held by the funds. There can be no assurance that the Endowment Program will achieve its investment objectives since there is uncertainty in every investment. The Endowment Program will invest in securities that will increase and decrease in value.

Although the Endowment Program seeks to reduce risk by investing in diversified portfolios of various types of investments, such diversification does not eliminate all risks. There is no assurance that such diversification will reduce the variability of the return or preserve the assets from loss.

THE ENDOWMENT PROGRAM IS NOT GUARANTEED BY THE FOUNDATION, THE CONFERENCE OR ANY ORGANIZATION ASSOCIATED WITH IT, OR BY ANY GOVERNMENTAL AGENCY OR ORGANIZATION.

**General Disclaimer**

The information supplied to individuals and organizations by the Foundation is intended for general informational, educational and illustrative purposes only. The Foundation does not provide legal, estate planning, accounting or tax advice. All individuals and organizations should consult with their own appropriate professional advisors regarding relevant legal, estate planning, accounting and tax matters.

The information in this Statement is current as of the date shown on page two. The Statement is updated at least annually. The information and policies described herein are subject to change from time to time at the discretion of the Foundation.
EXHIBIT I

January 1, 2021

Annual Fee Schedule For

West Ohio Conference

United Methodist Foundation of West Ohio

Endowment Program

<table>
<thead>
<tr>
<th>Fund Name</th>
<th>Huntington National Bank Fee</th>
<th>West Ohio Conference Fee</th>
<th>Total Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed Income</td>
<td>60 basis points</td>
<td>20 basis points</td>
<td>80 basis points</td>
</tr>
<tr>
<td>Balanced Fund</td>
<td>60 basis points</td>
<td>30 basis points</td>
<td>90 basis points</td>
</tr>
<tr>
<td>Growth Fund</td>
<td>60 basis points</td>
<td>30 basis points</td>
<td>90 basis points</td>
</tr>
</tbody>
</table>

Each Fund may also incur additional reasonable and customary expenses payable to the Adviser or other parties, including tax report preparation fees, securities transaction costs (transfer fees and broker commissions), and fees paid by mutual funds including sub investment advisors in which the Fund is invested. Total cost of investing varies based on the investment mix.

NOTE: One basis point is equal to 1/100th of one percent or .01 percent.

NOTE: This fee schedule may be amended from time to time.
INDIVIDUAL ENDOWMENT INVESTMENT MANAGEMENT AGREEMENT

This Agreement made this ____ day of, ______, 202__, by and between the United Methodist Foundation of West Ohio, 32 Wesley Boulevard, Worthington, Ohio 43085 (the “Foundation”) and ______________________________________ (the “Donor”).

In consideration of the mutual promises made herein contained, and for other valuable consideration, the parties agree as follows:

Section 1. Establishment of an Endowment Fund
The Donor has delivered to the Foundation cash or acceptable property described in Exhibit I, which, together with all additions hereafter made less any withdrawals and expenses taken, shall be known as the _______________________________________________ (the “Fund) to be invested and maintained as a subaccount of the Foundation’s Endowment Program. The purpose of this Agreement is to provide investment management for the Fund. Any action by an appointed committee of the Foundation shall be fully authorized hereunder as action of the Foundation.

Section 2. Investment Authority
The Foundation is hereby authorized to invest this subaccount with all other subaccount funds held by the Foundation in such manner as the Foundation shall deem appropriate. Specifically, the Foundation shall have the power, authority and discretion, within the investment guidelines established by the Foundation’s officers or authorized professional investment advisors, to sell, transfer or exchange, all or any part of the Fund, at such prices and upon such terms and conditions and in such manner as the Foundation shall deem best, to invest and reinvest the account in such stocks, bonds, debentures, mutual funds, fixed income instruments, cash equivalents, or other securities as it may deem proper and suitable, without any liability for depreciation or diminution in value, and to have all incidental authority necessary to accomplish its investment function.

Within its general authority, the Foundation shall direct the investments of the Fund as follows to meet the Fund’s desired investment goals:

A. __The Fixed Income Fund (debt securities and cash equivalents); or [see attached “Investment Objectives, Guidelines and Policies].
B. __The Balanced Fund (debt securities, cash equivalents and equities); or [see attached “Investment Objectives, Guidelines and Policies].
C. __The Growth Fund (equities, debt securities and cash equivalents); or [see attached “Investment Objectives, Guidelines and Policies].

The Donor acknowledges that the investment in the Fund (in any allocation) necessarily involves market and related risks and, that by reason thereof, both the income and the principal value of the fund may fluctuate with changes in market and economic conditions. The Foundation makes no assurance or guaranty that any particular investment result will be achieved. Further, past results are no guarantee of future results.
Section 3. Custodian/Professional Investment Advisor
Custody of the assets in the Account will be maintained with The Huntington National Bank, or other institutional custodian selected by the Foundation, which may also serve as the professional investment advisor for the Fund (the Advisor). The Donor authorizes the Foundation to select and monitor the performance of the Advisor, which shall invest the Fund in accordance with the applicable Investment Objectives, Guidelines and Policies. The Foundation shall have no liability with respect to the acts, omissions or conduct of the Advisor.

Section 4. Accounting
The Foundation shall provide the Donor with annual reports showing the fair market value of the Fund at the end of each reporting period together with current information regarding income received and current account transactions.

Section 5. Expenses
The Donor understands that fees will be assessed and payable from the Endowment as set forth on the Fee Schedule attached hereto as Exhibit II, and as may be amended from time to time. Fees shall be based on the Fund’s net invested market value, shall be calculated and paid on a calendar quarterly basis (or such other periodic basis as the Foundation shall determine), and shall be deducted from the Fund balance on the last day of the period over which the fee was incurred. Please refer to Exhibit II for the Fee Schedule.

Section 6. Distributions and Withdrawals
Distributions will be made to the donor’s designated beneficiary in accordance with the instructions set forth below:

Distributions Options: (Choose one)

<table>
<thead>
<tr>
<th></th>
<th>Quarterly</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Semi-Annually following 1st 2nd 3rd 4th Quarter</td>
</tr>
<tr>
<td></td>
<td>(Circle Desired Quarters)</td>
</tr>
<tr>
<td></td>
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</tr>
<tr>
<td></td>
<td>On Request</td>
</tr>
</tbody>
</table>

Total distributions annually will equal: (Choose one)

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Earnings (i.e., dividends and interest)</td>
<td>An amount determined each year by applying a percentage (typically 3% to 5%) of the three-year average of the fair market value of the Fund as determined by the first business day of each calendar year. The percentage must be communicated to the Foundation by January 30th for distributions throughout the year.</td>
</tr>
<tr>
<td>The amount stated in each written request.</td>
<td></td>
</tr>
</tbody>
</table>
Section 7. Exculpation and Indemnification
Except for gross negligence or willful misconduct, neither the Foundation nor its members, officers, affiliates, employees or agents shall be liable hereunder or otherwise for any action performed or omitted to be performed or for any errors of judgment in managing the Fund. Donor shall indemnify Foundation (and its members, officers, affiliates, employees and agents) against any expense, loss, liability or damage arising out of any claim asserted, or threatened to be asserted by any third party, including attorney’s fees as incurred, with respect to the matters as to which the Foundation is exculpated from liability as set forth.

Section 8. Agreement Subject to Applicable Laws

Section 9. Successors and Assigns
This Agreement shall bind each party’s respective successors and assigns and may be amended in writing only.

Section 10. Deposits
The Donor may make additional deposits after the initial contribution, at a minimum of $1,000 dollars cash or other property acceptable to the Foundation, in the Fund at any time in keeping with the terms of the Information Statement. Deposits should be made payable to the United Methodist Foundation of West Ohio and include the account name.

FOR FUND __________________________

PRINTED NAME       POSITION       SPECIMEN SIGNATURE

1. ____________________________  ____________________________  ____________________________

2. ____________________________  ____________________________  ____________________________

3. ____________________________  ____________________________  ____________________________

Any two of the above representatives shall be authorized to act for the Donor under this Agreement: This Agreement is signed effective on the date heretofore stated and Donor acknowledges receipt of the complete “Endowment Program Packet”.

FOR UNITED METHODIST FOUNDATION OF WEST OHIO

By: ____________________________
    Chief Financial Officer

By: ____________________________
    Executive Director
EXHIBIT I
DESCRIPTION OF PROPERTY

The Fund initially will be funded with $__________ to be placed in the _________ Fund option offered by the Foundation.

EXHIBIT II
ANNUAL FEE SCHEDULE
WEST OHIO CONFERENCE
UNITED METHODIST ENDOWMENT PROGRAM

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Each Fund may also incur additional reasonable and customary expenses payable to the Advisor or other parties, including tax report preparation fees, security transaction costs (transfer fees and broker commissions), and fees paid by mutual funds including sub-investment advisors in which the Fund is invested. Total cost of investing varies based on the investment mix.

Note: One basis point is equal to 1/100th of one percent or .01 percent.

Note: This fee schedule may be amended from time to time.

Note: The Foundation reserves the right to waive fees under certain qualifying conditions.
West Ohio Conference Investment Policy Statement

Adopted by the Conference Investment Policy Committee on February 1, 2012
As amended January 29, 2013
As amended February 7, 2017
As amended September 18, 2018
As amended February 11, 2020

Executive Summary

The Board of Trustees (BOT) of the West Ohio Conference of the United Methodist Church, in accordance with the Book of Discipline and Ohio law, has fiduciary responsibility for the assets owned by the Conference, including various financial investments.

The United Methodist Foundation (UMF) in addition to having portfolios of assets such as a Gift Annuity Fund and various Endowment Funds, creates opportunities for individuals, local churches and other affiliated organizations to support the mission of the West Ohio Conference of the United Methodist Church through gifts of monetary value. The results of their efforts give rise to pools of assets requiring UMF investment oversight.

The Conference Council on Finance and Administration (CFA) under the Book of Discipline is responsible for developing policies for governing the investment funds of the Conference (with the exception of pension funds).

The Board of Pensions and Health Benefits (BOPHB) is accountable for the oversight of conference retirement and health plans, including the investment of fund assets, which predominantly are those accumulated to satisfy a retiree health care liability.

The Board of Trustees, the United Methodist Foundation, the Council on Finance and Administration and the Board of Pensions and Health Benefits has each passed resolutions that result in the establishment of the Conference Investment Policy Committee. Its purpose is to provide governance and oversight of investments of the Conference. The Conference Investment Policy Committee’s responsibilities are defined in this Investment Policy Statement (IPS).

The Conference Investment Policy Committee shall have at least one member each from BOT, BOPHB, CFA and UMF. These committees shall appoint their own members to the Investment Committee. A member of the BOT delegation shall serve as chairperson of the committee. The Conference CFO shall serve ex-officio. Additional outside experts may from time to time be nominated and asked to join the committee, also serving in an ex-officio capacity.
Responsibilities of the Conference Investment Policy Committee

The Conference Investment Policy Committee (CIPC) accepts the following specific responsibilities under this Investment Policy Statement:

1. Review and maintain the Conference IPS.
2. Meet at least four (4) times annually.
3. Report not less than annually to the BOT, UMF, CFA and BOPHB.
4. Observe and ensure adherence to socially responsible investing consistent with the United Methodist Church as expressed through the Book of Discipline and any restrictions adopted by the Annual Conference.
5. Monitor controls and procedures affecting Conference investments such as capital markets assumptions, strategic asset allocation and portfolio rebalancing.
6. Review and assess investment performance results relative to stated benchmarks and time frames for each investment manager.

The BOT, UMF, CFA and BOPHB shall each retain responsibility for various administrative functions related to investable assets associated with their respective board. The functions include, but are not limited to setting spending policies, receiving CIPC reports, assignment of members to the CIPC, determining when and in what amounts contributions to Conference investments will be accepted, and recommending changes and updates to the Conference Investment Policy Statement. These Boards may establish or utilize existing committees to guide these activities or serve as a committee of the whole.

Conference Gift Acceptance Committee

For gifts other than cash, stocks and mutual funds, the Foundation will convene an ad hoc gift acceptance committee to review proposed gifts for the purpose of understanding accompanying liabilities, valuation and appropriateness given the objectives of the Foundation. The Gift Acceptance Committee is a committee of the United Methodist Foundation and includes a member of the Board of Trustees.

Guidelines for all Conference Investable Assets

Other Parties

From time to time the CIPC may retain outside parties to assist with investing or providing other services for Conference investments, including, but not limited to banks, brokers, investment managers, investment advisors, custodians, auditors, actuaries, and attorneys.
Responsibilities of the Investment Manager(s)

1. Adhere to the West Ohio Conference Investment Policy Statement.
2. Provide monthly consolidated statements to the Conference Chief Financial Officer (CFO).
3. Provide monthly sub-account reporting, where applicable, to the CFO or his or her designee.
4. Meet quarterly with the CIPC to review economic conditions, investment performance, and recommend asset allocation adjustments.
5. Adhere to their defined investment process.
6. Promptly communicate to the West Ohio Conference CFO changes to their investment process or personnel.
7. Provide custodial services.
8. Vote proxies.
9. Provide administration support and reporting that enables the Boards and Councils to carry out their respective responsibilities.

Responsibilities of Conference Staff

Conference staff, under the primary direction of the CFO carries out day-to-day management and operational responsibilities for Conference investment programs and are accountable to established Boards and Councils.

General Investment Guidelines and Constraints:

- **Rebalancing:**
  
  The CIPC shall review not less than annually asset allocation guidelines for each investment strategy.

- **Diversification:**
  
  A primary method of risk management shall be to ensure each account holds a diverse set of securities, asset classes and sub-asset classes limited by the guidelines of each investment strategy.

- **Prohibited Investments:**
  
  The Annual Conference may from time to time pass recommendations that limit companies that the Conference may invest in. The results of such recommendations shall automatically be incorporated into this IPS. A cumulative list of such prohibitions or limitations can be found in Appendix A of this document.

- **Socially Responsible Investment Restrictions**
¶1717 of the 2016 Book of Discipline reads:

Sustainable and Socially Responsible Investments—In the investment of money, it shall be the policy of The United Methodist Church that all general boards and agencies, including the General Board of Pension and Health Benefits, and all administrative agencies and institutions, including hospitals, homes, educational institutions, annual conferences, foundations, and local churches, make a conscious effort to invest in institutions, companies, corporations, or funds with policies and practices that are socially responsible, consistent with the goals outlined in the Social Principles. All United Methodist institutions shall endeavor to seek investments in institutions, companies, corporations, or funds that promote racial and gender justice, protect human rights, prevent the use of sweatshop or forced labor, avoid human suffering, and preserve the natural world, including mitigating the effects of climate change. In addition, United Methodist institutions shall endeavor to avoid investments in companies engaged in core business activities that are not aligned with the Social Principles through their direct or indirect involvement with the production of anti-personnel weapons and armaments (both nuclear and conventional weapons), alcoholic beverages or tobacco; or that are involved in privately operated correctional facilities, gambling, pornography or other forms of exploitative adult entertainment. The boards and agencies are to give careful consideration to environmental, social, and governance factors when making investment decisions and actively exercise their responsibility as owners of the companies in which they invest. This includes engaging with companies to create positive change and hold them accountable for their actions, while also considering exclusion if companies fail to act responsibly.

In addition to what's in the Book of Discipline, the policy of the West Ohio Conference is that every effort is made to ensure that no investments are made in corporate entities that generate more than 10% of their gross revenues from alcohol, tobacco, gambling, pornography, the production and distribution of military armaments or privately-operated correctional facilities. An exception to the 10% threshold will apply to restaurants and other food retailers that sell or serve alcoholic beverages. For such businesses, a 25% revenue threshold will apply. Further, mutual funds that list as a top ten holding any firm that meets the above criteria are also prohibited. To the extent that investments that were once eligible become ineligible, every effort shall be made to divest of them in a prudent manner. Investment managers shall review not less than semi-annually the equity investments held by mutual funds and make changes as appropriate. Emerging markets commingled equity pools are exempt from the above restrictions if specifically authorized and the aggregate exposure of companies otherwise prohibited does not exceed 10% of the value of the fund.
Conference Investment Policy Committee and the entities to which it delegates investment authority shall strive to adhere to the Wespath Benefits and Investments (WBI) Sustainable Investment Strategies guidelines that are published in WBI's Statement of Administrative Investment Policy under "Ethical Exclusions" which can be found here https://www.wespath.org/assets/1/7/investment policy.pdf when carrying out responsibilities under this policy.

- Investment Managers shall divest promptly of any securities held in violation of Conference policy and report on their compliance with this policy quarterly.

Adopted:

[Signature]

Date: 2-11-2020

[Signature]

Date: 2-11-2020

West Ohio Conference Investment Policy Committee Chair
EXHIBIT A
STABLE STRATEGY (INACTIVE)
Investment Objectives, Guidelines and Policies

1. Investment Objective
The overall investment objective is the prudent management of funds in such a way that will provide for preservation of capital and purchasing power of the assets with an emphasis on providing a high level of income. Investments are limited to U.S. Treasuries.

2. Investment Approval Policy
Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to, investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have the full investment discretion with regard to market timing and security selection.

3. Asset Allocation Range
The Investment Manager will use the following as guidelines:
Fixed Income (Bonds) 90-100%
Liquidity (Cash) 0-10%

4. Fixed Income Guidelines
Objective
Achieve returns which exceed those of the Barclay’s Short Term Treasury Index
Portfolio Application
The average maturity of the bond portfolio (use average life for mortgage backed securities) should be no longer than four (4) years.

5. Liquidity Guidelines
Objective
A. Cash equivalents should be actively managed but with due regard for prudence.
   i. US Treasuries and bank-managed short-term money market funds.

6. Prohibited Investments
The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:
A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
B. Venture Capital
C. Guaranteed Insurance Contracts
D. Commodities
E. Precious Metals or Gems
F. Real Estate
7. **Performance Benchmark**
Performance relative to the Barclay's Short Term Treasury Index shall be used to evaluate investment manager performance
EXHIBIT B
SHORT-TERM FIXED INCOME STRATEGY
Investment Objectives, Guidelines and Policies

1. **Investment Objective**
The overall investment objective is the prudent management of funds in such a way that will provide for preservation of capital and purchasing power of the assets with an emphasis on providing a high level of income. Investments will include debt securities issued by the U.S. Government and its agencies or fully insured certificates of deposit and investment grade corporate bonds.

2. **Investment Approval Policy**
Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to, investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have the full investment discretion with regard to market timing and security selection.

3. **Asset Allocation Range**
The Investment Manager will use the following as guidelines:
- Fixed Income (Bonds) 90-100%
- Liquidity (Cash) 0-10%

4. **Fixed Income Guidelines**
   **Objective**
   Achieve returns which exceed those of the Barclay's Intermediate Aggregate Bond Index
   **Portfolio Application**
   The average maturity of the bond portfolio (use average life for mortgage backed securities) should be no longer than four (4) years.

5. **Liquidity Guidelines**
   **Objective**
   A. Cash equivalents should be actively managed but with due regard for prudence.
   B. The following are permissible cash equivalent investments:
      i. U.S. Treasury Issues
      ii. Negotiable Certificates of Deposit at commercial banks rated A-1 by Standard & Poor's
      iii. Jumbo Certificates of Deposit to the extent they are fully FDIC insured.
      iv. Repurchase agreements collateralized by U.S. Treasury and Agency securities
      v. Eurodollar time deposits of banks rated at least "A" or better held in an inter-bank fund located within the territorial U.S.
      vi. Federal agency issues
      viii. Floating rate bank securities.
6. **Prohibited Investments**
The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:
   A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
   B. Venture Capital
   C. Guaranteed Insurance Contracts
   D. Commodities
   E. Precious Metals or Gems
   F. Real Estate

Commingled investment pools are exempt from the above restrictions. It is understood when you invest in a commingled fund that you are adopting the policies of that investment pool.

7. **Performance Benchmark**
Performance relative to the Barclay's Intermediate Aggregate Bond Index shall be used to evaluate investment manager performance.
EXHIBIT C
FIXED INCOME STRATEGY
*Investment Objectives, Guidelines and Policies*

1. **Investment Objective**
The overall investment objective is the prudent management of funds in such a way that will provide for preservation of capital and purchasing power of the assets with an emphasis on providing a high level of income.

2. **Investment Approval Policy**
Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to, investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have the full investment discretion with regard to market timing and security selection.

3. **Asset Allocation Range**
The Investment Manager will use the following as guidelines:
- Fixed Income (Bonds) 80-100%
- Liquidity (Cash) 0-20%
- Equity (Stock) 0-20%

4. **Fixed Income Guidelines**
   **Objective**
   Achieve returns which exceed those of the Barclay's Intermediate Aggregate Bond Index
   **Portfolio Application**
   The average maturity of the bond portfolio (use average life for mortgage backed securities) should be no longer than ten (10) years.

5. **Liquidity Guidelines**
   **Objective**
   A. Cash equivalents should be actively managed but with due regard for prudence.
   B. The following are permissible cash equivalent investments:
      i. U.S. Treasury Issues
      ii. Negotiable Certificates of Deposit at commercial banks rated A-1 by Standard & Poor's
      iii. Jumbo Certificates of Deposit to the extent they are fully FDIC insured.
      iv. Repurchase agreements collateralized by U.S. Treasury and Agency securities
      v. Eurodollar time deposits of banks rated at least "A" or better held in an inter-bank fund located within the territorial U.S.
      vi. Federal agency issues
      viii. Floating rate bank securities.
6. **Prohibited Investments**

The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:

- A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
- B. Venture Capital
- C. Guaranteed Insurance Contracts
- D. Commodities
- E. Precious Metals or Gems
- F. Real Estate

Commingled investment pools are exempt from the above restrictions. It is understood when you invest in a commingled fund that you are adopting the policies of that investment pool.

7. **Performance Benchmark**

Performance relative to the Barclay's Intermediate Aggregate Bond Index shall be used to evaluate investment manager performance
1. **Investment Objective**  
The overall investment objective is the prudent management of funds in such a way that will provide for preservation of capital and purchasing power of the assets with an emphasis on providing a balance between long-term growth and current income without undue exposure to risk.

2. **Investment Approval Policy**  
Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to, investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have the full investment discretion with regard to market timing and security selection.

All investments shall be made keeping in mind the Social Principles of the United Methodist Church (Book of Discipline) and the general guidelines and principles established by the General Council on Finance and Administration. Investments shall not knowingly be made in securities in which a corporate entity has significant interest in alcoholic beverages, tobacco, gambling, pornography and the manufacture of weapons.

3. **Asset Allocation Range**  
The Investment Manager will use the following as guidelines:
- Total equities (Stocks): 35-65%
- Total International (Stocks): 0%-20%
- International -Emerging Markets: 0% to 7.5% (included within the 0% to 20% total international allocation)
- Fixed Income (Bonds): 35-65%
- Money Market (Cash): 0-10%

International equities (including Emerging Markets) will have maximum allocation of 20% of the strategy.

4. **Equity Guidelines**  
**Objective**  
Achieve returns that exceed those of the overall market as measured by the Russell 3000 Index.

**Portfolio Application**  
Any one equity holding will not exceed 5% (five percent) of the total portfolio. To the extent that the market value of existing holdings in companies or industries exceeds the above guidelines, the Investment Manager will review the appropriateness of reductions with the Conference Investment Policy Committee.
5. Fixed Income Guidelines

Objective
Achieve returns, which exceed those of the Barclay's Intermediate Aggregate Bond Index.

Portfolio Application:
A. The market value of the aggregate holdings of an individual corporate debtor should not exceed 10% of all debt related assets.
B. The average maturity of the bond portfolio (use average life for mortgage backed securities) should be no longer than 10 years.
C. Corporate bonds should be rated investment grade or better by Standard & Poor's or Moody's.
D. Bond investments to permit daily valued, diversified mutual funds where the investment universe includes below investment grade bonds; including but not limited to floating rate bank loans and high yield bond funds. The non-investment grade exposure must not exceed 10 percent of the portfolio, with the overall credit quality of the fund to remain investment grade. Individually held corporate bonds must be investment grade.
E. Floating bank rate securities

6. Liquidity Guidelines

Objective:
A. Cash equivalents should be actively managed but with due regard for prudence.
B. The following are permissible cash equivalent investments:
   i. U.S. Treasury Issues
   ii. Negotiable Certificates of Deposit at commercial banks rated A-1 by Standard & Poor's
   iii. Jumbo Certificates of Deposit to the extent they are fully FDIC insured.
   iv. Repurchase agreements collateralized by U.S. Treasury and Agency securities
   v. Eurodollar time deposits of banks rated at least "A" or better held in an inter-bank fund located within the territorial U.S.
   vi. Federal agency issues
   vii. Bank managed short-term money market funds
   viii. Floating rate bank securities

7. Prohibited Investments

The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:
A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
B. Venture Capital
C. Guaranteed Insurance Contracts
D. Commodities not held in a fund structure
E. Precious Metals or Gems

Commingled investment pools are exempt from the above restrictions. It is understood when you invest in a commingled fund that you are adopting the policies of that investment pool.
8. **Performance Benchmark**

Performance relative to a 40%/15%/45% blend of the Russell 3000 Index, EAFE and Barclay's Intermediate Aggregate Bond Index, respectively, shall be used to evaluate investment manager performance.
1. Investment Objective
   The overall investment objective is to provide long-term growth with income and without undue exposure to risk.

2. Investment Approval Policy
   Investment responsibility is specifically assigned to the Investment Manager subject to the broad investment policies as outlined in the rest of this document and the standards of fiduciary prudence. This responsibility includes but is not limited to, investment strategy with regard to asset mix, diversification, market volatility, and management style. In addition, the Investment Manager shall have the full investment discretion with regard to market timing and security selection.

   All investments shall be made keeping in mind the Social Principles of The United Methodist Church (Book of Discipline) and the general guidelines and principles established by the General Council on Finance and Administration. Investments shall not knowingly be made in securities in which a corporate entity has significant interest in alcoholic beverages, tobacco, gambling, pornography and the manufacture of weapons.

3. Asset Allocation Range
   The Investment Manager will use the following as guidelines:

   - Total equities (Stocks): 65%-80%
   - Total International (Stocks): 0%-25%
   - International -Emerging Markets: international allocation 0% to 10% (included within the 0% to 25% total allocation)
   - Fixed Income (Bonds): 20%-30%
   - Money Market (Cash): 0%-10%

   International equities (including Emerging Markets) will have maximum allocation of 25% of the strategy.

4. Equity Guidelines
   **Objective**
   Achieve returns that exceed those of the overall market as measured by the Russell 3000 Index.

   **Portfolio Application**
   Any one equity holding will not exceed 5% (five percent) of the total portfolio. To the extent that the market value of existing holdings in companies or industries exceeds the above guidelines, the Investment Manager will review the appropriateness of reductions with the Conference Investment Policy Committee.
5. Fixed Income Guidelines

**Objective**
Achieve returns, which exceed those of the Barclay's Intermediate Aggregate Bond Index.

**Portfolio Application:**
A. The market value of the aggregate holdings of an individual corporate debtor should not exceed 10% of all debt related assets.
B. The average maturity of the bond portfolio (use average life for mortgage backed securities) should be no longer than 10 years.
C. Corporate bonds should be rated investment grade or better by Standard & Poor's or Moody's

6. Liquidity Guidelines

**Objective:**
A. Cash equivalents should be actively managed but with due regard for prudence.
B. The following are permissible cash equivalent investments:
   i. U.S. Treasury Issues
   ii. Negotiable Certificates of Deposit at commercial banks rated A-1 by Standard & Poor's
   iii. Jumbo Certificates of Deposit to the extent they are fully FDIC insured.
   iv. Repurchase agreements collateralized by U.S. Treasury and Agency securities
   v. Eurodollar time deposits of banks rated at least "A" or better held in an inter-bank fund located within the territorial U.S.
   vi. Federal agency issues
   viii. Floating rate bank securities

7. Prohibited Investments

The Investment Manager is prohibited from investments in the following without the prior approval of the Conference Investment Policy Committee:
A. Single issue fixed Income securities not denominated in U.S. Dollars or Eurodollars; such instruments are permitted in fund structures
B. Venture Capital
C. Guaranteed Insurance Contracts
D. Commodities not held in a fund structure
E. Precious Metals or Gems

Commingled investment pools are exempt from the above restrictions. It is understood when you invest in a commingled fund that you are adopting the policies of that investment pool.

8. Performance Benchmark

Performance relative to a 50%/20%/30% blend of the Russell 3000 Index, EAFE and Barclay's Intermediate Aggregate Bond Index, respectively, shall be used to evaluate investment manager performance
Appendix A
Annual and General Conference Actions

1. The 2011 Annual Conference Recommendation #5 adopted June 7, 2011 prohibits investing in equity issues of Caterpillar (CAT), Hewlett Packard (HPQ) and General Electric (GE).

2. The 2018 West Ohio Annual Conference passed legislation that effectively rescinded the prohibitions in 1 above because of the adoption of the legislation below.

WEST OHIO CONFERENCE - 2018; Passed during the June 6 session
RECOMMENDATION #5
Investment Management

Whereas, the 2009 West Ohio Annual Conference authorized a diverse task force to examine a request by Palestinian Christian leaders that churches around the world take non-violent action to oppose the occupation of the Palestine territories, and

Whereas, this task force faithfully examined this request including visits to the Holy Land and unanimously recommended that The West Ohio Conference divest from and be prohibited from making any additional direct investments in General Electric, Hewlett Packard and Caterpillar based on these firms' involvement in sustaining the occupation of the Palestinian territories, and

Whereas, the 2011 Annual Conference adopted the task force's recommendation (#5) that prohibits the Conference from investing in the common equity (stock) of General Electric, Caterpillar and Hewlett Packard, and

Whereas, the 2011 Annual Conference also adopted the task force's recommendation to call on the General Church and other General Church agencies to consider similar actions, and

Whereas, since 2011, the General Church agency known as Wespath (formerly General Board of Pension & Health Benefits) has invested time and resources in understanding the Israeli-Palestinian conflict, including visits by their senior staff, and has now excluded from its investments five Israeli banks and a construction company based on an assessment of their human rights-related impact and risk associated with the occupation of Palestinian territories, and

Whereas, Wespath, in response to legislation from Annual Conferences, has introduced the new Social Values Choice group of funds that includes the Social Values Choice Bond Fund, Equity Social Values Plus Fund and the US Treasury Inflation Protection Fund that exclude investments in Hewlett Packard and Caterpillar, among other companies, and

Whereas, The West Ohio Conference Investment Policy Committee has faithfully adhered to the 2011 recommendation since its passage and has since been unable to invest in Wespath's competitively performing flagship fund, and
Whereas, The West Ohio Conference Investment Policy is to adhere to Wespath's investment screens and exclusions but for General Electric, Hewlett Packard and Caterpillar.

Therefore, be it resolved that the 2018 West Ohio Annual Conference affirm and acknowledge the 2009 Task Force's initial work and their ongoing engagement that has contributed to changes in Wespath's investing,

Be it further resolved that The West Ohio Conference affirms the actions taken by Wespath as consistent with the spirit of the 2011 West Ohio recommendation prohibiting investment in companies that sustain the occupation,

Be it further resolved that eligible individual and corporate investors within The West Ohio Conference be encouraged to consider investing in the aforementioned Social Values Choice group of funds,

Be it further resolved that the specific restrictions on corporate investments by The West Ohio Conference put in place by the 2011 session of The West Ohio Annual Conference be rescinded.

Be it further resolved that The West Ohio Annual Conference calls on all United Methodist investors to use human rights records as an important basis for evaluating investment in a company and consider removing from investments any company that derives 10% or more of its revenues from participation in the occupation of Palestine;

Be it further resolved that The West Ohio Annual Conference maintains its call for continued monitoring of matters of justice involving the occupation of Palestine, particularly for companies such as GE, Caterpillar, Hewlett Packard, and when appropriate to avoid investing in such companies;

Be it further resolved that The West Ohio Conference supports the right of churches to use human rights as criteria for investing and opposes governmental efforts to suppress such rights.

Submitted by
Conference Investment Policy Committee
Marlen Yost, Chair       Dick LeGrand
Bruce Boyd               Doreen Vogel
Ron Fanning             Rev David Ziegel

Conference Board of Trustees
Ann Baird, Chair       Julie Hurtig
Rev Alethea Botts      Dione Joseph
Rev Bill Davis         Rev Karen Muntzing
Janice Deal             Rev Greg Stover
Chris Fulton           Joel Teaford
Ann Hartmann           Marlen Yost

Bill Brownson, Conference CFO & Director of Administration
### Appendix B

**Allocation of Conference Assets by Strategy**

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<td>Ministry Fund*</td>
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STOCK GIFTS

Morgan Stanley

Donor Name: ________________________________________________________________
Phone: _____________________________________________________________________
Address: ___________________________________________________________________
Gift Securities and Share Amount: _____________________________________________
Name of the Fund to receive the transfer: _________________________________
Name of Home Church or Organization: _______________________________________

Account Name: West Ohio Conference Number: 285-042092-286
DTC Number: 0015

Morgan Stanley
Attn: Angela Lawson 7755 Montgomery Road
Cincinnati, Ohio 45236
Phone: 513-762-5291
Email: angela.l.geracilawson@msgraystone.com

Please phone Susan Black at the Foundation when a stock is transferred or for additional
information: 614-505-7335 or email: sblack@wocumc.org