



## FUND MANAGEMENT INVESTMENT OPTIONS

This information sheet contains descriptions of the various investment options that are currently available through the Fund Management program of the Southern Baptists of Texas Foundation (“SBTF”). The investment options include Church Expansion Term (CET) Investments and SBTF Investment Funds. Investment options may be selected by completing the Fund Management Investment Allocation Form and are subject to the Fund Management Agreement, setting forth the terms of the investment agreement between the Client and the SBTF.

### SBTF INVESTMENT FUNDS

**SBTF Balanced Fund:** The SBTF Balanced Fund provides diversification for accounts with long term objectives with a balanced approach related to growth and income. Assets of this fund may include high quality fixed income instruments, common stocks, preferred stocks, managed futures, cash equivalents and other assets. The fund provides income in the form of periodic dividends. This fund is recommended for accounts with at least a 5 year investment horizon.

**SBTF Defensive Strategies Fund:** The SBTF Defensive Strategies Fund provides active management with investments in defensive-type equities and convertible bonds with a growth objective sought with less volatility. This fund can be utilized as a component of a diversified long-term portfolio which includes various asset classes.

**SBTF Endowment Fund:** The SBTF Endowment Fund provides diversification for accounts with long-term objectives. Assets of this fund include high quality fixed income instruments, common stocks, preferred stocks, managed futures, and cash equivalents with an approximate allocation of 35% to fixed income, 45% to common equities, 10% to real assets, and 10% to tactical investments. The SBTF Endowment Fund has a five-year average return target of 8.0%. It also is designed to provide consistent income in the form of a spending policy calculation designed to comply with UPMIFA laws. This fund is recommended for accounts with at least a 5-year investment horizon.

**SBTF Enhanced Cash Fund:** The SBTF Enhanced Cash Fund is maintained to facilitate the management of funds for various accounts and provide preservation of capital, liquidity of investments, and withdrawal requests. This fund is recommended for accounts with a 3-year or less investment horizon.

**SBTF Group Equity Fund:** The SBTF Group Equity Fund provides active management with investments in a diversified portfolio of domestic and international stocks with a growth objective instead of income. This fund can be utilized as a component of a diversified long-term portfolio which includes various asset classes.

## SBTF INVESTMENT FUNDS CONTINUED

**SBTF Group Income Fund:** The SBTF Group Income Fund provides active management with investments in a diversified portfolio of domestic and international fixed income instruments with an income objective instead of growth. This fund can be utilized as a component of a diversified long-term portfolio which includes various asset classes.

**SBTF Growth Fund:** The SBTF Growth Fund provides diversification for accounts with long term objectives with a growth approach and secondary priority on income. Assets of this fund may include high quality fixed income instruments, common stocks, preferred stocks, managed futures, cash equivalents and other assets. It provides income in the form of periodic dividends. This fund is recommended for accounts with at least a 5 year investment horizon.

**SBTF Income Fund:** The SBTF Income Fund provides a positive income flow from interest on high quality corporate and government bonds. The fund minimizes volatility by not being exposed to the equities while striving to gain greater return than a cash or cash equivalent investment. This fund is recommended for accounts with at least a 3-year investment horizon.

**GuideStone Funds:** The SBTF makes GuideStone Funds available to Client. GuideStone Funds is a family of Christian-based, socially screened mutual funds for individual and institutional investors. With GuideStone Funds, Southern Baptists ministries can make their own asset allocation and withdrawal decisions according to their individual fund management needs. The GuideStone Investment Funds made available by the SBTF are not insured against loss or guaranteed by the SBTF, the FDIC or otherwise. The GuideStone Investment Funds are independently governed by GuideStone Financial Services and not by the SBTF or its investment policies or guidelines. Clients who choose to invest in GuideStone Investment Funds should review and comply with GuideStone Financial Services' fund information, policies and guidelines which may be found at [www.guidestone.org](http://www.guidestone.org).

## **CHURCH EXPANSION TERM INVESTMENTS**

- CET Investments are designed for Clients seeking income.
- CET 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.
- Church bond investments may be offered by other issuers (of the same or other denominations) offering similar terms for greater security and less risk.
- The issuer of church bonds may be primarily dependent upon contributions of the membership to meet the expenses of operation and the payment of the principal and interest on the securities. Due to population shifts or other factors, the issuer may not receive sufficient funds to meet its obligations.
- There has been no quoted market for the issuer's debt securities; however, the issuance may affect secondary market transactions. The issuer (or anyone else) is not obligated to repurchase the securities at the request of the holder thereof. Consequently, investors may not be able to resell any securities purchased should they need or wish to do so for emergency purposes or otherwise.
- All CET Investment interest rates are quoted as an annualized rate.
- Interest for CET Investments will be paid at maturity.
- Automatic renewal of CET Investments at the prevailing rate is assumed unless prior written notice is received.
- A penalty of accrued interest will be applied for early withdrawals in accordance to the Foundation's Fund Management Policy.

**Daily Savings Account**

The Daily Savings Account will have daily liquidity with a set monthly interest rate.

**One Month CET Investment**

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

**Three Month CET Investment**

The Three Month CET Investment will receive a fixed rate for one (3) month.

**Six Month CET Investment**

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

**Nine Month CET Investment**

The Six Month CET Investment will receive a fixed rate for nine (9) months.

**One Year CET Investment**

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

**Two Year CET Investment**

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

**Three Year CET Investment**

The Six Month CET Investment will receive a fixed rate for three (3) years.

**Five Year CET Investment**

The Six Month CET Investment will receive a fixed rate for five (5) years.

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**DISCLAIMER.** THE SBTF IS COMMITTED TO ACT PRUDENTLY IN THE INVESTMENT OF FUNDS ENTRUSTED TO IT. HOWEVER, NO PART OF THIS INSTRUMENT IS TO BE CONSTRUED AS A PROMISE, GUARANTEE, COVENANT OR COMMITMENT BY THE SBTF TO ATTAIN A PARTICULAR RATE OF RETURN OR TO AVERT A DIMINUTION IN VALUE OF THE ASSETS ENTRUSTED TO THE SBTF. ALL INVESTMENTS ARE SUBJECT TO RISK. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. INVESTMENTS AND FUNDS PLACED BY CLIENTS WITH THE SBTF ARE NOT INSURED AGAINST LOSS OR GUARANTEED BY THE SBTF, THE FDIC OR OTHERWISE. THERE IS NO CURRENT MARKET FOR THE INVESTMENTS MADE THE SUBJECT OF THIS AGREEMENT. THIS INVESTMENT MAY INVOLVE HIGH DEGREE OF RISK. YOU SHOULD ONLY INVEST IF YOU CAN AFFORD A TOTAL LOSS OF YOUR CAPITAL CONTRIBUTION.

**SBTF AND INVESTMENTS NOT REGISTERED.** THE FOUNDATION'S FUND MANAGEMENT PROGRAM AND THE FOUNDATION ARE NOT REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE TEXAS STATE SECURITIES BOARD. INVESTMENT FUNDS OFFERED THROUGH SBTF'S FUND MANAGEMENT PROGRAM HAVE NOT BEEN REGISTERED WITH, APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE REGULATORY AUTHORITY.



## FUND MANAGEMENT POLICY

### I. Purpose

The Fund Management Policy and Guidelines governs the administration of fund management services offered by the Southern Baptists of Texas Foundation (“Foundation” or “SBTF”).

Investment management decisions shall be made in accordance with the Investment Policy Statement and Guidelines of the Foundation (the “Policy”).

### II. Scope

The Foundation is organized and operated as a tax-exempt, charitable and religious organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”). The Foundation offers fund management services only to Southern Baptist churches and associations in Texas and to other charitable organizations with like beliefs and commitments, all of whom must be organized and operated as tax-exempt organizations pursuant to Section 501(c)(3) of the Code (collectively, “Clients”).

### III. Responsibility

The Foundation Administrative Committee shall have the responsibility to oversee the Policy, recommending revisions to the Board of Directors as needed.

The Executive Director of the Foundation shall have administrative responsibility for the Policy.

### IV. Guiding Principles

- 1. Registration Exemption.** The Foundation is a charitable, religious organization that provides certain fund management financial services to Clients. Under applicable federal and state securities law neither the Foundation’s fund management program nor the Foundation is required to register with the Securities and Exchange Commission or the Texas State Securities Board. Investment portfolios have not been registered with, approved or disapproved by the Securities and Exchange Commission or any state regulatory authority.
- 2. Funds Not Insured.** Investments and funds placed by Clients with the Foundation are not insured against loss or guaranteed by the Foundation, the FDIC or otherwise.
- 3. DISCLAIMER.** THIS POLICY REFLECTS THE COMMITMENT OF THE FOUNDATION TO ACT PRUDENTLY IN THE INVESTMENT OF FUNDS ENTRUSTED TO IT. HOWEVER, NO PART OF THIS POLICY IS TO BE CONSTRUED AS A PROMISE, GUARANTEE, COVENANT OR COMMITMENT BY THE FOUNDATION TO ATTAIN A PARTICULAR RATE OF RETURN OR TO

AVERT A DIMINUTION IN VALUE OF THE ASSETS ENTRUSTED TO THE FOUNDATION. ALL INVESTMENTS ARE SUBJECT TO RISK, AND PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS.

## V. Policy Statement

1. **Agreement.** A Fund Management Agreement, setting forth the terms of agreement between the Client and the Foundation for fund management services, shall be signed by authorized representatives of both entities. The agreement shall apply to all of the Client's fund management accounts administered by the Foundation, unless otherwise agreed in writing executed in similar fashion by Client and the Foundation. The Client shall be required to give evidence of Client's governing body's action approving the agreement.
2. **Investment Allocation Form.** A Fund Management Investment Allocation Form, setting forth the Client's desired asset allocation and authorized representatives, shall be submitted by the Client for each fund management account.
3. **GuideStone Investment Funds.** The SBT offers certain GuideStone Investment Funds as potential investments for Clients. GuideStone Investment Funds are not insured against loss or guaranteed by the SBTF, the FDIC or otherwise, and are independently governed by GuideStone Financial Services and not by the SBTF or its investment policies or guidelines. Clients who choose to invest in GuideStone Investment Funds must review GuideStone Financial Services' fund information, policies and guidelines located at [www.guidestone.org](http://www.guidestone.org).
4. **Contributions.**
  - a. Church Expansion Term (CET) Investments may be established on any business day. Subsequent contributions designated for CET Investments will be used to establish additional or new CET Investments.
  - b. SBTF Investment Funds may receive contributions on any business day. Contributions designated for SBTF Investment Funds will be invested in the designated SBTF Investment Fund within 10 business days of receipt.
  - c. The Client shall transfer funds to an account via personal delivery, mail, special delivery service, wire, or ACH transfer.
5. **Renewal.** Automatic renewal of CET Investments, including interest earned, is assumed unless prior written notice is received by the Foundation from the Client. SBTF Investment Funds will remain invested until prior written notice of withdrawal or reallocation is received by the Foundation.
6. **Reallocation.** The Client may reallocate its investments between CET Investments and SBTF Investment Funds, as follows:

- a. CET Investments may be reallocated at maturity to new CET Investments and/or to SBTF Investment Funds. If reallocated to SBTF Investment Funds, funds will be invested in the designated SBTF Investment Fund within 10 business days of receipt.
- b. SBTF Investment Funds may be reallocated to new CET Investments and/or other SBTF Investment Funds no more frequently than monthly.

**7. Distributions.** The Client shall direct the Foundation as to the distribution of Client's funds:

- a. CET Investments:
  - i. The Client may withdraw its CET Investments at maturity without penalty.
  - ii. A partial withdrawal before maturity shall be considered an early redemption of the CET Investment, with penalty. The remainder of the funds not withdrawn may be reinvested into a new term investment.
- b. SBTF Investment Funds: Distributions of net income and principal shall be made upon written request with no penalty.

**8. Termination.** The Client may terminate, in whole or in part, its fund management account(s) upon written notification and instruction from the Client to the Foundation, as follows:

- a. CET Investments:
  - i. Termination of a CET Investment at maturity incurs no penalty.
  - ii. A partial withdrawal before maturity shall be considered an early redemption of the CET Investment, with penalty.
- b. SBTF Investment Funds will be distributed with no penalty.

**9. Penalty for Early Withdrawal of CET Investments**

- a. For a term investment that is 12 months or less, the penalty is three (3) months of accrued interest. The penalty shall be limited to accrued interest and shall not invade principal.
- b. For a term investment that is longer than 12 months, the penalty is six (6) months of accrued interest. The penalty shall be limited to accrued interest and shall not invade principal.

**10. Statements.** The Foundation shall mail to the Client quarterly statements, unless the Client requests, in writing, that quarterly statements be submitted by electronic mail or other means. The quarterly statements shall include portfolio holdings, activity at the end of each quarter. Electronic monthly statements may be sent to the Client at the Client's request.

**11. Cost Recovery Fee Schedule.** The Foundation Board of Directors establishes recovery rates based on the service and support required by each class of accounts. Reference is made to the Fund Management Cost Recovery Schedule adopted by the Foundation Board of Directors, which is attached as an addendum to this Policy.

## **VI. Minimum Fund and Distribution Guidelines**

The following minimum fund amount and distribution guidelines apply to Clients participating in the fund management services administered by the Foundation:

1. The minimum amount to establish and maintain a SBTF Investment Fund account is \$2,500.
2. The minimum amount to establish and maintain a CET Investment is \$2,500.
3. Transactions received after 3:00 p.m. (CST) will be processed the next business day.
4. Distributions shall occur as follows:
  - a. CET Investments: CET Investment Funds shall be withdrawn and distributed within ten (10) business days upon receipt of written request and notification from the Client.
  - b. SBTF Investment Funds: SBTF Investment Funds shall be withdrawn and distributed from the SBTF Investment Funds within ten (10) business days upon receipt of written request and notification from the Client.

## **VII. Addendum**

Fee Schedule.

### **Adopted/Revised**

Date of Adoption: September 12, 2013 (tentative)

By: Southern Baptists of Texas Foundation Board of Directors



## **Fund Management Cost Recovery Schedule**

The Southern Baptists of Texas Foundation (the “Foundation” or “SBTF”) is committed to providing quality professional services at a low cost to Southern Baptist churches and associations in Texas and to other charitable organizations with like beliefs and commitments, all of whom must be organized and operated as tax-exempt organizations pursuant to Section 501(c)(3) of the Code (collectively, “Clients”). These professional services are funded in part by a Cost Recovery Fee program. The Foundation’s Board of Directors establishes recovery rates based on the service and support required by each class of accounts invested in by Clients.

### **Account Management Fee Administration**

1. Account management fees will be assessed on a quarterly basis (i.e., every three months), at the end of each calendar quarter. The fee assessed for each quarter will be based upon the actual value of assets on the last day of the quarter, and will be prorated for the number of days in that quarter. No fee will be assessed for any quarter if the account has no assets as of the last day of the quarter. Accounts opened during any quarter will not receive any adjustments of a management fee for the portion of the quarter prior to the opening date.
2. Account management fees for the Enhanced Cash Fund, Income Fund, and non-equity GuideStone Funds investments will generally be charged to income on a quarterly basis.
3. Account management fees for the Endowment Fund and GuideStone Funds contain equity investments will generally be charged 50% to income and 50% to principal on a quarterly basis. Exceptions to this allocation will be as directed by an applicable trust instrument or when otherwise allowed by the Texas Uniform Principal and Income Act. SBTF shall be afforded all discretionary allocation rights allowed by the Texas Uniform Principal and Income Act or other applicable authority.
4. Outright Distribution Fees will be applied to an investment fund at the time of distribution from the fund.
5. The Foundation’s Board of Directors has the discretion to negotiate fees on an individual account basis.
6. The fee schedule reflected below describes the above-mentioned fees and calculation of same. The fee schedule may be modified at the Board of Directors’ discretion, with notice to Clients.

| <b>Category of Investment Fund</b> | <b>Account Management Fee Percentage of Actual Value of Account at the Time of Assessment</b> |
|------------------------------------|---|
| SBTF Enhanced Cash fund            | .15%  |
| SBTF Income Fund                   | .35%  |
| SBTF Endowment Fund                | .55%  |
| GuideStone Funds                   |   |
| Sub-fund accounting                | .55%  |
| w/o Sub-fund accounting            | .25%  |
| Fixed Income Only                  | .15%  |
| Individual Non-SBTF Funds          | .15%  |
| Outright Distribution Fee          | .10%  |



## FUND MANAGEMENT AGREEMENT

This Fund Management Agreement (“Agreement”) is between \_\_\_\_\_, a charitable organization (“Client”), and the Southern Baptists of Texas Foundation (“SBTF”), a Texas not-for-profit religious and charitable corporation, with principle place of business located at 4025 Woodland Park Blvd., Suite 380, Arlington, TX 76013. This Agreement shall govern all fund management accounts of the Client maintained by the SBTF.

### Recitals and Reasons for Fund Management Agreement

#### WHEREAS:

1. The SBTF was established and incorporated under Texas law on September 9, 2005 and is organized and operated as a tax-exempt, charitable and religious organization under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (the “Code”).
2. The SBTF, being affiliated with the Southern Baptist denomination, offers fund management services only to Southern Baptist churches and associations in Texas and to other charitable organizations with like beliefs and commitments, all of whom must be organized and operated as tax-exempt organizations pursuant to Section 501(c)(3) of the Code (collectively, “Clients”).
3. Client is a Southern Baptist church or associations in Texas or is otherwise organized and operated as tax-exempt, charitable organizations pursuant to Section 501(c)(3) of the Code, and Client desires to place monies with the SBTF for investment management according to this Agreement.
4. The SBTF agrees to provide the Client with the opportunity to place monies with the SBTF for investment management according to this Agreement.

### Agreement

THEREFORE, in consideration of the mutual promises set forth herein, the SBTF and Client agree as follows:

1. **Selection of Investments.** The Client shall make its investment selection(s) on the Fund Management Investment Allocation Form provided by the SBTF, and Client shall provide a completed Fund Management Investment Allocation Form to the SBTF. The Fund Management Investment Allocation Form allows the Client to allocate its investments between certain investments to include the Church Expansion Term (“CET”) Investments and/or the SBTF Funds. Absent written directions or instruction from the Client to the Foundation, the default investment allocation will be 100% to the SBTF Daily Savings Account.

2. **Additions to Investments.** The Client may place additional monies with the SBTF and such additional monies shall be held in accordance with the terms of this Agreement and the SBTF Fund Management Policy.
3. **SBTF Daily Savings Account and Church Expansion Term Investments Risk.** The Client understands that deposits in these two asset classes are not FDIC insured. The SBTF utilizes funds on deposit in these two asset categories to fund loans to Southern Baptist Churches and institutions. This loan portfolio is collateralized by first lien positions in the underlying church properties and is further governed by conservative underwriting guidelines approved by the SBTF's Board. The SBTF's loan portfolio is also backed by revolving line of credit which provides the SBTF with the liquidity to replace these two asset classes as a funding source should that need arise. Automatic renewal is assumed unless written notice is received prior to the end of the term. A penalty will be applied for early withdrawals as follows: For a term investment that is 12 months or less, the penalty is three (3) months of accrued interest. For a term investment that is longer than 12 months, the penalty is six (6) months of accrued interest. Any penalty shall be limited to accrued interest and shall not invade principal. Interest is paid at maturity.
4. **Pooled Investment Funds Risk.** THE CLIENT UNDERSTANDS THAT RISKS ARE INHERENT IN SECURITIES INVESTMENTS AND CONFIRMS THAT THE SBTF DOES NOT GUARANTEE THAT A NET PROFIT WILL BE OBTAINED OR THAT A LOSS MAY NOT BE INCURRED. THE CLIENT AGREES THAT IT BEARS THE RISK OF LOSS OF MONIES (PRINCIPAL AND INTEREST) PLACED IN THESE FUND MANAGEMENT INVESTMENTS EXCEPT WHERE THE LOSS IS DUE TO A BREACH BY THE SBTF OF THE TERMS OF THIS AGREEMENT. THE CLIENT ALSO UNDERSTANDS THAT INVESTMENTS AND FUNDS PLACED BY CLIENTS WITH THE SBTF ARE NOT INSURED AGAINST LOSS OR GUARANTEED BY THE SBTF, THE FDIC OR OTHERWISE. THERE IS NO CURRENT QUOTED MARKET FOR THE INVESTMENTS MADE THE SUBJECT OF THIS AGREEMENT. THIS INVESTMENT MAY INVOLVE HIGH DEGREE OF RISK. YOU SHOULD ONLY INVEST IF YOU CAN AFFORD A TOTAL LOSS OF YOUR CAPITAL CONTRIBUTION.
5. **Ownership of Assets.** The Client shall be the owner of the CET Investments selected, as well as its proportionate share of the SBTF Funds in which the Client has directed its investments. SBTF Funds shall be held in the name of the SBTF, its brokers or its nominee. The SBTF shall serve as administrator of Client's funds without bond.
6. **GuideStone Investment Funds.** The SBTF makes available for Client certain GuideStone Investment Funds. The Client acknowledges that GuideStone Investment Funds made available by the SBTF are not insured against loss or guaranteed by the SBTF, the FDIC or otherwise. The GuideStone Investment Funds are independently governed by GuideStone Financial Services and not by the SBTF or its investment policies or guidelines. Clients who choose to invest in GuideStone Investment Funds agree to review and comply with GuideStone Financial Services' fund information, policies and guidelines which may be found at [www.guidestone.org](http://www.guidestone.org).
7. **Fund Management Policy and Guidelines.** The SBTF Board of Directors has adopted a Fund Management Policy and Guidelines (the "SBTF Fund Management Policy"), which sets forth certain policies and guidelines for the administration of funds provided by the

Client to the SBTF pursuant to this Agreement. Investment management decisions shall be made in accordance with the SBTF Fund Management Policy. Fund management accounts are administered in accordance with the SBTF Fund Management Policy, as amended from time to time. Client hereby acknowledges receipt of the SBTF Fund Management Policy and that Client fully understands and accepts the policies and guidelines set forth therein.

8. **Standard of Responsibility.** The SBTF shall invest and reinvest the funds entrusted to it and the accumulation thereon as the SBTF deems appropriate and otherwise pursuant to the Client's instruction and the SBTF Fund Management Policy; provided, however, that if the SBTF invests any portion of the funds pursuant to the instructions of the Client, the SBTF shall not be liable for any loss or any other unfavorable result arising therefrom. The SBTF agrees that in all cases it will use its best judgment in investment policies and administration but does not guarantee maintenance of corpus or income, and the SBTF shall incur no liability in any case except for its own willful misconduct or gross negligence.
9. **Fees.** The SBTF shall receive compensation from Client for the SBTF's services provided pursuant to this Agreement, which compensation is based upon the SBTF's regular schedule of fees in force at the time such services are rendered. Fees are charged by the SBTF to cover its administrative and overhead costs. The fee schedule is attached as an addendum to the SBTF Fund Management Policy. Client hereby acknowledges receipt of the SBTF Fund Management Policy fee schedule and that Client fully understands and accepts the fee schedule set forth therein. There are no fees associated with the Daily Savings Account and Church Expansion Term investments.
10. **Termination.** This Agreement may be terminated by either party by giving written notice to the other and shall terminate at the end of the month following thirty (30) days of receipt of such notice by the other party. Withdrawal of the Client's monies upon termination shall be in accordance with the SBTF Fund Management Policy then in effect. Early termination fees shall apply to CET Investments as set forth in the SBTF Fund Management Policy. Valuation of the funds for terminations purposes shall be the actual value of such investments at such time.
11. **Assignment.** This contract is personal to the parties. No assignment of rights shall be permitted. This Agreement shall be binding upon and inure to the benefit of the parties, their legal representatives, and successors.
12. **Representations by Client.** The Client hereby makes the following representations and covenants, both at the signing of this Agreement and at all times during its term:
  - 10.1. **Investments Authorized By Client.** This Agreement has been duly authorized by appropriate action of the Client and is binding upon it.
  - 10.2. **Monies Owned by Client.** All monies provided to the SBTF pursuant to this Agreement are owned solely by the Client, and the income and return from investment of its monies shall only benefit the Client.
  - 10.3. **Authorized Representatives of the Client.** The SBTF shall rely upon written instructions signed by any representative of the Client listed on the Agreement Information Form provided by the Client to the SBTF.

- 10.4. Client is a Southern Baptist church or associations in Texas or is otherwise organized and operated as tax-exempt, charitable organizations pursuant to Section 501(c)(3) of the Internal Revenue Code.
13. **The SBTF and Funds Not Registered.** THE FOUNDATION IS A CHARITABLE, RELIGIOUS ORGANIZATION THAT PROVIDES CERTAIN FUND MANAGEMENT FINANCIAL SERVICES TO CLIENTS. THE FOUNDATION IS NOT REGISTERED WITH THE SECURITIES AND EXCHANGE COMMISSION OR THE TEXAS STATE SECURITIES BOARD. INVESTMENT PORTFOLIOS MADE PURSUANT TO THIS AGREEMENT HAVE NOT BEEN AND WILL NOT BE REGISTERED WITH, APPROVED OR DISAPPROVED BY THE SECURITIES AND EXCHANGE COMMISSION OR ANY STATE REGULATORY AUTHORITY.
14. **Entire Agreement; Amendment.** This Agreement and any related forms and/or policies referred to herein (all of which are hereby incorporated herein by reference) constitute the parties' entire agreement with respect to the subject matter hereof and supersede all agreements, representations, warranties, statements, promises and understandings, whether oral or written, with respect to the subject matter hereof. This Agreement may not be amended, altered or modified except by a writing signed by the parties hereto. Any provisions of this Agreement which may be prohibited by law or otherwise held invalid shall be ineffective only to the extent of such prohibition or invalidity and shall not invalidate or otherwise render ineffective the remaining provisions of this Agreement.
15. **Governing Law and Venue.** This Agreement and all matters or issues collateral thereto shall be governed by and construed in accordance with the laws of the United States and the State of Texas with regard to contracts entered into and to be performed within said State, without regard to the choice of laws provisions of any jurisdiction. Venue for any dispute resolution proceedings shall be held exclusively in Tarrant County, Texas, unless otherwise agreed by the parties in writing.
16. **Dispute Resolution.** Any controversy, claim, or dispute arising from or related to this Agreement shall be settled by mediation and, if necessary, legally binding arbitration in accordance with the *Rules of Procedure for Christian Conciliation* of the Institute for Christian Conciliation, a division of Peacemaker Ministries (hereinafter referred to as the "Rules"). The complete text of the Rules may currently be obtained by accessing [www.HisPeace.org](http://www.HisPeace.org). Judgment upon an arbitration decision may be entered in any court otherwise having jurisdiction. The parties understand that these methods shall be the sole remedy for any controversy, claim, or dispute arising out of this Agreement and they expressly waive their rights to file a lawsuit in any civil court against one another for such controversies, claims or disputes, except to enforce an arbitration decision. The prevailing party in any litigation, lawsuit or other legal proceeding or dispute resolution tribunal between the parties hereto to enforce the agreements and promises set forth in this Agreement shall be entitled to recover, as a part of its judgment or award, reasonable attorney's fees incurred in such proceeding. As used herein, the phrase "prevailing party" shall mean the party who, in the reasonable discretion of the finder of fact, most substantially prevails in its claims or defenses in the civil action. Concurrent disputes under this Agreement shall be consolidated into a single mediation if at all possible, unless the parties otherwise agree in writing.

17. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed to be an original and all of which taken together shall constitute one and the same instrument.
18. **Notices.** All communications may be delivered in person, by facsimile, by email, or by mail to:

If to the Southern Baptists of Texas Foundation:    If to the Client:

Southern Baptists of Texas Foundation  
 ATTN: Executive Director  
 4025 Woodland Park Blvd., Ste. 380  
 Arlington, Texas 76013  
 Facsimile Number (682) 252-4769  
 Email: contactus@sbtexasfoundation.com

\_\_\_\_\_  
 ATTN: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 Facsimile Number: \_\_\_\_\_  
 Email: \_\_\_\_\_

Or to such other addresses as the parties may from time to time designate in writing.

Executed and effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

CLIENT:

MINISTRY LEGAL NAME: \_\_\_\_\_

EIN: \_\_\_\_\_

BY: \_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Print Name

\_\_\_\_\_  
 Print Name

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Title

SOUTHERN BAPTISTS OF TEXAS FOUNDATION:

BY: \_\_\_\_\_  
 Executive Director



**FUND MANAGEMENT AGREEMENT  
Selection Certificate**

**Client Name:** \_\_\_\_\_

**Account Name:** \_\_\_\_\_

**Agreement Date:** \_\_\_\_\_

The following information is required to provide the SBTF with a clear understanding of the client's preference in the allocation of the funds held within a SBTF Fund Management Agreement.

The funds within the agreement will be deposited into the investment options indicated on this certificate and are based upon the investment objectives, income needs, and time horizon determined by the client. CET Investment rate will be set at the rate for the month the deposit is received. Absent written directions or instructions from the client to the Foundation, the default investment allocation will be to the SBTF Enhanced Cash Fund. SBTF Investment Options are invested with independent institutional investment managers.

Please indicate in the blanks below the amount of the dollars from the account listed above that are to be invested in investment option selected.

- \$ \_\_\_\_\_ DAILY SAVINGS ACCOUNT
- \$ \_\_\_\_\_ 1 MONTH CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ 3 MONTH CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ 6 MONTH CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ 9 MONTH CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ 1 YEAR CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ 2 YEAR CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ 3 YEAR CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ 5 YEAR CHURCH EXPANSION TERM INVESTMENT
- \$ \_\_\_\_\_ SBTF BALANCED FUND\*
- \$ \_\_\_\_\_ SBTF DEFENSIVE STRATEGIES\*
- \$ \_\_\_\_\_ SBTF ENDOWMENT FUND\*
- \$ \_\_\_\_\_ SBTF ENHANCED CASH FUND\*
- \$ \_\_\_\_\_ SBTF GROUP EQUITY FUND\*
- \$ \_\_\_\_\_ SBTF GROUP INCOME FUND\*
- \$ \_\_\_\_\_ SBTF GROWTH FUND\*
- \$ \_\_\_\_\_ SBTF INCOME FUND\*
- \$ \_\_\_\_\_ GUIDESTONE FUNDS\*(Complete Supplemental GuideStone Selection Certificate)

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\$ \_\_\_\_\_ **TOTAL DEPOSIT**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**\*EXCLUDING THE DAILY SAVINGS ACCOUNT AND CHURCH EXPANSION TERM INVESTMENTS, (1) NO PART OF THIS INSTRUMENT IS TO BE CONSTRUED AS A PROMISE, GUARANTEE, COVENANT OR COMMITMENT BY THE SBTF TO ATTAIN A PARTICULAR RATE OF RETURN OR TO AVERT A DIMINUTION IN VALUE OF THE ASSETS ENTRUSTED TO THE SBTF. (2) ALL INVESTMENTS ARE SUBJECT TO RISK. PAST PERFORMANCE IS NOT A GUARANTEE OF FUTURE RESULTS. (3) INVESTMENTS AND FUNDS PLACED BY CLIENTS WITH THE SBTF ARE NOT INSURED AGAINST LOSS OR GUARANTEED BY THE SBTF.**



**SUPPLEMENTAL GUIDESTONE  
Selection Certificate**

**(Complete only if selecting individual GuideStone Funds)**

**Client Name:** \_\_\_\_\_

**Account Name:** \_\_\_\_\_

**Account Agreement Date:** \_\_\_\_\_

The following information is required to provide the SBTF with a clear understanding of the client's preference in the allocation of funds from the account listed above into various GuideStone Funds available within a SBTF Fund Management Agreement.

**Asset Allocation Funds:**

- \$ \_\_\_\_\_ Conservative Allocation
- \$ \_\_\_\_\_ Balanced Allocation
- \$ \_\_\_\_\_ Growth Allocation
- \$ \_\_\_\_\_ Aggressive Allocation

**Select Funds**

- |                                   |                                      |
|-----------------------------------|--------------------------------------|
| \$ _____ Money Market             | \$ _____ Value Equity                |
| \$ _____ Low-Duration Bond        | \$ _____ Growth Equity               |
| \$ _____ Medium-Duration Bond     | \$ _____ Small Cap Equity            |
| \$ _____ Extended-Duration Bond   | \$ _____ International Equity        |
| \$ _____ Global Bond              | \$ _____ Emerging Markets            |
| \$ _____ Inflation Protected Bond | \$ _____ Defensive Market Strategies |
| \$ _____ Real Estate Securities   | \$ _____ International Equity Index  |
| \$ _____ Equity Index             |                                      |

This selection certificate confirms that a total amount of \$ \_\_\_\_\_ of the account listed above are to be invested according to the allotted amount for each individual GuideStone Fund selected above.

**GuideStone Investment Funds are not insured against loss or guaranteed by the SBTF, the FDIC or otherwise, and are independently governed by GuideStone Financial Services and not by the SBTF or its investment policies or guidelines. Clients who choose to invest in GuideStone Investment Funds must review GuideStone Financial Services' fund information, policies and guidelines located at [www.guidestone.org](http://www.guidestone.org).**

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date




SOUTHERN BAPTISTS OF TEXAS  
**FOUNDATION**  
**Account Information Form**

Trust Name/s: \_\_\_\_\_  
 Trust Number/s: \_\_\_\_\_

|   |   |
|---|---|
| <b>Mailing address for Church/Agency:</b> | <input type="checkbox"/> <b>Change of Address</b> |
| Church/agency name: _____                 |   |
| Street address line 1: _____              |   |
| Street address line 2: _____              |   |
| City, Zip: _____                          |   |
| Telephone #: _____                        |   |
| Fax#: _____                               |   |

*Persons authorized to receive **written and verbal information** about the trust: (PRINT)*

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

*List the persons authorized to request the **withdrawal** of discretionary funds (income and/or principal) and the number of signatures required on each request. Requests are submitted to the Foundation on your church's/agency's stationery via fax or mail. (PRINT)*

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

Title: \_\_\_\_\_ Name: \_\_\_\_\_  
 Telephone #: \_\_\_\_\_ Email: \_\_\_\_\_

**IMPORTANT - Number of signatures required for withdrawals:**

(If above line is not completed, we will need 2 signatures for withdrawals.)

**Form must be signed by two parties representing church/agency:**

|                  |                  |
|------------------|------------------|
| Signature: _____ | Signature: _____ |
| Title: _____     | Title: _____     |
| Date: _____      | Date: _____      |



**AUTHORIZATION AGREEMENT FOR DIRECT DEPOSITS**

Account Name \_\_\_\_\_ Account Number \_\_\_\_\_

I (we) hereby authorize the Southern Baptists of Texas Foundation, hereinafter called FOUNDATION, to initiate credit and, if necessary, debit entries and adjustments for any credit entries in error to my (our): (select one)  Checking Account or  Savings Account indicated below, at the depository Financial Institution named below, and to credit or debit the same from such account. I (we) acknowledge that the authority will remain in effect until I have (or either of us) cancelled it in writing and that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Financial Institution \_\_\_\_\_ Branch \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Routing Number/ABA \_\_\_\_\_ Bank Account Number \_\_\_\_\_

This authorization is to remain in full force and effect until FOUNDATION has received written notification from me (or either of us) of its termination in such time, and in such manner as to afford FOUNDATION and Financial Institution a reasonable opportunity to act on it.

Name (s) \_\_\_\_\_ Tax ID# \_\_\_\_\_  
(Please Print)

Date \_\_\_\_\_ Signature \_\_\_\_\_

## eStatement Consent & Disclosure

### Southern Baptist of Texas Foundation Electronic Statement (eStatement) Disclosure

In this Consent and Authorization, the words “I,” “me,” and “my” mean each person who electronically signs below. The word “Account” means any and all accounts held at Southern Baptist of Texas Foundation under the Account Number. All accounts with this Account Number will be converted to eStatements.

I understand that pursuant to my account agreement with Southern Baptist of Texas Foundation, I may be entitled to receive periodic account statements in connection with my account. **By indicating my acceptance of these terms and conditions, I authorize Southern Baptist of Texas Foundation to discontinue sending me such periodic account statements via postal mail service and to instead deliver such periodic account statements to me electronically (“eStatements”).**

I understand and agree that Southern Baptist of Texas Foundation will send me an email on an ongoing basis to my primary email address on file at the Foundation, notifying me that my eStatement account statement(s) are ready to be viewed through Southern Baptist of Texas Foundation website at <http://www.sbtexasfoundation.com/>. I understand and agree that I will no longer receive paper copies of my periodic account statements.

My ongoing consent to receive subsequent account statements electronically is voluntary and may be withdrawn at any time. I may withdraw consent at any time in writing or by sending Southern Baptist of Texas Foundation a message. Subject Southern Baptist of Texas Foundation’s confirmation of my request, such withdrawal shall become effective no later than fifteen (15) days after receipt by Southern Baptist of Texas Foundation. Upon termination, I understand and agree that I will no longer have access to my account statements online and that I will receive all account statements in paper form via postal mail service.

**Client Name:** \_\_\_\_\_

**Account Name:** \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date