

# INVESTMENT AGREEMENT

This Agreement is made this \_\_\_\_\_ day of \_\_\_\_\_ 2021 by and between the METHODIST FOUNDATION OF OHIO, 8800 Cleveland Avenue NW, North Canton, OH, 44720 (hereinafter "Foundation") and \_\_\_\_\_ of the East Ohio Conference of the United Methodist Church, located at \_\_\_\_\_ (hereinafter "Participant").

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

## 1. Establishment of Component Fund

The Participant has delivered to the Foundation the sum of \$\_\_\_\_\_, which together with all additions hereafter made and less any withdrawals taken, which shall be known as the \_\_\_\_\_ Fund (hereinafter, "Fund") to be invested and maintained as a component fund of the Foundation.

## 2. Investment Authority

The Foundation is hereby authorized to invest the Fund in common with all other 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 Trustees, its officers and its 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 so as to meet one of the following allocations pertinent to the Fund's desired investment goals:

- A.  a fixed income fund (fixed income instruments only)
- B.  a balanced fund (equities and fixed income instruments within the Foundation guidelines)
- C.  an equity fund (equities, with a small component of fixed income or cash equivalents)

Participant may change its allocation request quarterly by written notice to the Foundation,

Participant acknowledges that the investment of the Fund (in either allocation) necessarily involves market risk 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.

## 3. Accounting

The Foundation shall provide Participant with monthly reports showing the market value of the Fund at the end of each reporting period together with current information regarding income received and current account transactions. The Foundation shall also provide an annual report of all relevant financial information to Participant at the end of the Foundation's fiscal year.

## 4. Expenses

Participant shall pay .008 per year of the Fund's net invested market value to the Foundation for its share of the Foundation's administrative expense. Such expense shall be deducted periodically, normally monthly, from the net Fund balance, based upon the invested market value of the Fund on the last day of the period over which the expense was incurred.

## 5. Disbursements

Regular income disbursements shall be made upon the following schedule: \_\_\_\_\_. Other disbursements of income and/or principal shall be requested in writing upon 30 days notice.

**6. Authorized Representatives**

Participant has listed below, the names, positions, and specimen signatures of all persons authorized to act for Participant. Changes of authorized personnel shall be made in writing to the Foundation and, until otherwise properly notified, the Foundation shall be entitled to act upon the directions of Participant's listed personnel without further inquiry or liability.

**7. Termination**

This Agreement may be terminated by either party upon 30 days written notice to the other.

**8. Conditions upon Participant's Failure to Exist**

If, for any reason, Participant shall go out of existence, dissolve or otherwise legally lose its status as a tax-exempt charitable, religious organization, then at such time, the Fund shall become a permanent part of the Foundation and thereafter may be distributed only with the approval of the Foundation's Board of Trustees.

**9. Agreement Subject to Applicable Laws**

It is intended that the Fund shall be a component part of the Foundation and not a separate trust, and that nothing in this Agreement shall affect the status of the Foundation as an organization described in section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and as an organization which is not a private foundation within the meaning of Section 509(a) of the Code. This Agreement shall be interpreted in a manner consistent with the foregoing intention and so as to conform to the requirements of the foregoing provisions of the federal tax laws and any regulations issued pursuant thereto. The Foundation is authorized to amend this Agreement to conform to the provisions of any applicable law or government regulation in order to carry out the foregoing intention. References herein to provisions of the Internal Revenue Code of 1986, as amended, shall be deemed references to the corresponding provisions of any future Internal Revenue Code.

**10. Successors & Assigns**

The Agreement shall bind the party's respective successor and assigns and may be amended in writing only.

This Agreement is signed effective on the date described in the Preamble hereto.

THE FOUNDATION \_\_\_\_\_ (Participant)

By: \_\_\_\_\_  
EXECUTIVE DIRECTOR

**Any \_\_\_\_\_ of the following representatives shall be authorized to act for Participant under this contract:**

NAME	POSITION	SPECIMEN SIGNATURE