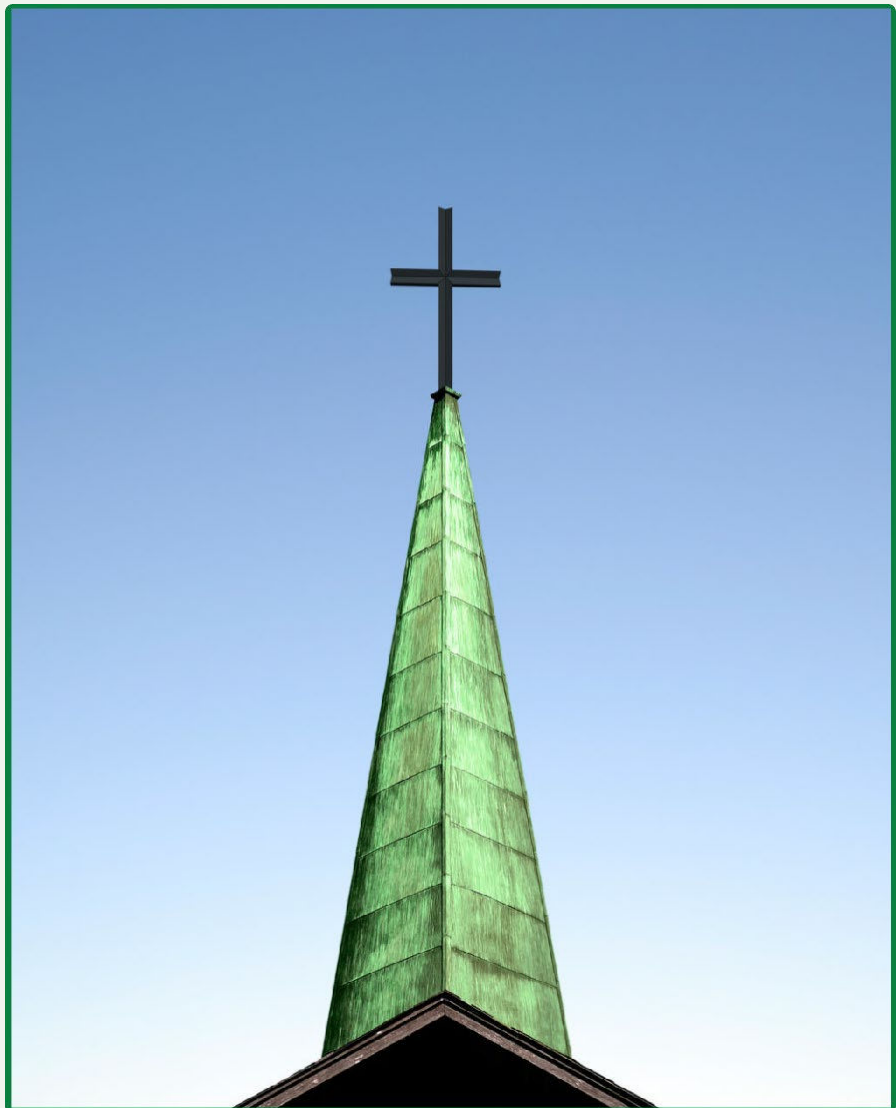




MISSOURI  
BAPTIST **FOUNDATION**  
GREAT COMMISSION • GREAT INVESTMENT

## Information for Participants



## Contact

### Missouri Baptist Foundation

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This Information for Participants describes the availability of certain Common Investment Funds and portfolios, and the terms and conditions under which the Missouri Baptist Foundation offers its investment services to Baptist and other qualifying charitable organizations. This Information for Participants is given in compliance with the Philanthropy Protection Act of 1995, and is addressed only to organizations in the categories described below (see “Eligible Participants”).

This Information for Participants is not intended to be distributed to any other person or entity, or for any other purpose. There are certain investment risks associated with participation in the Investment Funds as described in this Information for Participants.

This information statement has not been reviewed or approved by the Securities Exchange Commission or any other federal regulatory authority. Any representation to the contrary is unlawful.

Missouri Baptist Foundation is not registered as an investment adviser and does not provide investment advice to participants or the common investment funds or portfolios described herein. Investment advice, if any, to participants or the common investment funds or portfolios is provided by separately compensated third party investment advisers who are registered under federal and/or state law or are exempt from such registration.



## Missouri Baptist Foundation | Information for Participants

In 1946, a group of devout and caring men and women created the Missouri Baptist Foundation with a singular purpose: to strengthen the mission and ministry efforts of Baptist churches and organizations based in Missouri and to support their work worldwide.

The Foundation is incorporated as a Missouri nonprofit corporation, and it is governed by a board of 12 trustees. These trustees are selected from the Missouri Baptist community and include prominent business leaders, government officials, ministers, and educators. The Foundation staff is responsible for the administration and execution of the Foundation's mission. These operations include:

- Investment management for asset protection
- Stewardship education
- Financial strategy design for churches and ministries
- Planned giving services
- Church loans
- Trust administration
- Gift annuity administration
- Endowment and scholarship management

As of September 30, 2024 the Foundation managed more than \$217.8 million in custodial, endowment and long-term funds for ministries of Missouri Baptists and other qualified charitable trusts or entities, and other giving arrangements.

### What is the purpose of the Missouri Baptist Foundation?

The purpose of the Missouri Baptist Foundation is to develop, manage, and distribute financial resources for the benefit of Missouri Baptists' mission and ministry efforts within Missouri, other states, and around the world.

The priorities of the Missouri Baptist Foundation are to promote Christian stewardship, assist with the planning and implementation of charitable gift arrangements and manage assets entrusted to the Foundation to provide perpetual support for the mission and ministry efforts of Missouri Baptists.



The Foundation encourages faithful stewardship by:

- Managing funds entrusted to it in an effective and principle-based manner,
- Educating people in appropriate Christian estate stewardship and financial management techniques,
- Providing trustee services to facilitate good financial management,
- Encouraging individuals to be good Christian stewards,
- Educating individuals about tax effective means of contributing to Christian causes while maintaining an income stream for themselves or their family or friends,
- Striving for excellence and continuous improvement in its operation,
- Operating with the highest Christian moral and ethical standards, as exemplified by its membership in the Evangelical Council for Financial Accountability,
- Granting college and seminary scholarships for Missouri Baptists,
- Strategic grant-making for eligible churches and ministries,
- Endowment management for Missouri Baptist Convention entities,
- General financial support of Missouri Baptist Convention Cooperative Program activities.

In the fulfillment of this mission, the Foundation seeks to offer investment opportunities that are socially screened and diversified in ways that a participant may

not otherwise be able to achieve. The Foundation also seeks to build endowments for current and future ministries at state, national and worldwide levels through development and planned giving services.

## Eligible Participants

### Who can invest with the Missouri Baptist Foundation?

The Foundation may manage funds for any organization or entity exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, and for any qualified trust with either its total remainder or its income for a predetermined period designated for qualified charitable organizations exempt from Federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended, in accordance with IRS guidelines.

The funds that the Board of Trustees will consider to receive and administer will be from the following categories of Eligible Participants:

- Baptist institutions, agencies, commissions, foundations, associations and churches;
- Other qualified charitable trusts or entities that support, advance or further religious and/or charitable purposes compatible with that of the Missouri Baptist Foundation.

None of the funds invested with the Foundation may be held for retirement plans.





### How are the Funds governed and managed?

The Missouri Baptist Foundation has several layers of governance in its structure to provide strong policymaking, oversight, and execution.

#### *Board of Trustees*

A 12 member Board of Trustees governs the Missouri Baptist Foundation. The Trustees are elected at the annual meeting of the Missouri Baptist Convention for two three-year terms. Each Trustee is required to be a member of a cooperating Missouri Baptist Convention church and a resident of Missouri. The Trustees meet three times each year and act through a three-member Executive Committee when necessary. The Board of Trustees addresses issues of policy, organizational mission and focus, and the pursuit of best practices across governance and investment management generally.

#### *Endowment Management Committee*

The Endowment Management Committee (“EMC”) is composed of Trustees and advisors chosen for expertise, professional experience and a commitment to ministry and the mission of the Foundation. EMC members are appointed annually. The EMC works closely with Foundation Trustees to communicate, oversee and refine policy decisions, monitor investment implementation and performance, and conduct regular organizational reviews.

#### *Investment Review Committee*

The Foundation’s Investment Review Committee (“IRC”) comprises of senior Foundation staff members nominated by the Foundation President. The Committee executes Trustee and Endowment Management

Committee policy directives including regular interface with the Foundation’s Investment Advisor, portfolio reporting, reconciliation, trust administration, accounting and constituent communication.

#### *Investment Advisor*

The Missouri Baptist Foundation partners with Oak City Consulting in the fiduciary stewardship of Foundation’s investments. Oak City was started in 2012 in Wake Forest, North Carolina, for the sole purpose of assisting Christian Institutions, mainly Foundations and Endowments. Oak City works with Foundations like MBF to build sound investment platforms that not only reflect a Biblical worldview but also deliver positive human impact.

Oak City Consulting is a SEC registered Investment Advisor, and acts as a co-fiduciary for the Missouri Baptist Foundation.

Oak City Consulting is responsible for manager selection, ongoing monitoring, and termination. Oak City or the Foundation may change any or all investment managers at time without notice to participants.

Commerce Bank provides custodial services for the Funds invested through the Foundation. The Missouri Baptist Foundation provides administration and reporting to investors.

If you have questions, more information can be obtained through the Foundation office or its website at [www.mbf.org](http://www.mbf.org)

## What is the investment philosophy?

The MBF Investment options seek to maximize impact through both investment and return. Ultimately, our investment philosophy is driven by our mission to please God and Advance the Gospel, as we want to make a difference while we make money. We want to be the leader in creating double impact through our investing approach. We seek financial returns for our clients to have financial resources to carry out their specific mission. However, we also believe we can make an impact through our investment choices.

While not every investment will directly Advance the Gospel, all of them can seek to create a better world. We can seek to find cures for diseases through investing, solve human suffering problems, and help people flourish. Historically, Christian Investment has focused on screening out morally objectionable investments. (Called negative screening.) We continue to screen out investments in companies whose revenue is derived from principal business activities of tobacco, alcohol, gaming, pornography, abortion, or fetal research.

However, we are now applying “positive screens” to our investment portfolio. We want to make sure the companies we are investing in are doing good in the world, making it a better place. They should have a corporate governance structure that protects all of their constituencies. They should be taking care of their employees, their clients, their communities, and the environment. Some investors may be accomplishing Kingdom purposes as they seek to provide capital to farmers who are feeding people or investing in church buildings in the Midwest, ensuring the Gospel is preached in those communities.

Our funds are composed of independent investment managers who combine the best financial practices of diversification and a variety of asset classes, providing broad exposure for the investor. The end goal is to meet targeted returns while taking as little risk as possible. Behind this is our belief that God owns everything, and we should invest in ways that please and honor Him.

Our funds are named after Biblical principles emphasizing both our goals and commitments. The Kingdom Fund is our long-term fund. The goal is to turn that tiny mustard seed investment into a God-sized return. (Matthew 13) Our Harvest Fund

has a middle timeline and reminds us that we must invest to gain a return. (Psalm 107) Our Storehouse Fund is for short-term investment to preserve capital while earning a reduced return in exchange. (Malachi 3)

We also know some investors seek to reduce their risk and prefer a fixed income approach. Our Term Deposits and Enhanced Cash Funds are invested through our partnership with other Baptist Foundations who in turn loan the money to churches seeking to expand their ministries. A careful underwriting process has resulted in no defaults over the forty-year history of those options.

## What are the risks?

Investing in the securities markets, involves risk of possible loss of principal and/or income. Even though the Foundation believes long-term investment of these Funds will result in positive rates of return, there is no guarantee of such written or implied. Past performance is no guarantee of future results.

The value of portfolios and Funds will fluctuate. An investing organization should consult its own advisors regarding risks, rewards and other aspects of investing in any Fund made available through the Foundation.

## What does it cost to invest with the

Foundation? Missouri Baptist Foundation seeks to keep the investment costs to its Participants as low as possible. The administrative overhead costs are shared proportionately among each of the accounts under management. Those costs are charged directly to and paid out of the assets of each respective Fund. The total current costs are explained in the MBF's Cost Recovery Schedule in detail.

## How does an organization invest with the Foundation?

Each organization wishing to invest in one or more of the Foundation Funds or portfolios described above must sign an Investment Custodial Agreement. Once the signed Agreement and assets are received in the Foundation office, investments are made in the desired Fund(s) or portfolio(s). All investments made pursuant to the Agreement will be held in the name of the Foundation (or such other entity

selected by the Foundation) as nominee for the Participant, with actual ownership of the investments remaining with the Participant. Each Participant is responsible for choosing one or more of the Funds and/or portfolios into which it wishes to direct its investment. Further, each investment manager utilized by the Foundation with respect to Participant assets is to be considered as acting for each Participant for whose benefit the investment manager has invested assets.

Each Participant will be assigned an interest (an "Ownership Interest") in the assets of each chosen Fund or portfolio reflecting the pro rata interest of the Participant in the assets of the particular Fund or portfolio. The value of a Participant's Ownership Interest may fluctuate as the value of the particular Fund or portfolio fluctuates. Purchases and withdrawals may be made in the form of check or wire transfer. There are no fees associated with purchases and redemptions.

#### When may purchases or redemption occur?

The assets of the Investment Pools are valued on the last business day of each month and a net asset value of the Ownership Interests in the assets of each of the Funds is calculated.

**Purchase or redemption of Ownership Interests in the assets of the MBF Cash Fund may be processed at any time upon written notice.**

**Ownership Interests in the assets of other Funds may be purchased at net asset value on the first business day of the month. Redemption will be made on the first business day of the month, upon 30 days' notice, at the prior month end net asset value, which will not be known at the time of redemption. Full liquidation redemption checks are disbursed by the 15th business day following the date of redemption.**

Purchase of Term Deposits may be completed on any business-banking day and are held to maturity.

In order to protect the assets of the Fund,

timing of redemptions of \$1,000,000 or more within a calendar month shall be negotiated with the Foundation as large redemptions may impact the Fund. Further information including current portfolio size, performance, fees, and updates of this Information for Participants, can be obtained from the Foundation office.

Adopted 5-14-21