

INVESTMENT POOL AGREEMENT FOR
SUBORDINATES AND/OR AFFILIATES

THIS AGREEMENT made and entered into as of this ____ day of _____, 20__ is between _____ Party of the First Part and the Presiding Bishopric of the COMMUNITY OF CHRIST, Party of the Second Part; WITNESSETH,

NOW, THEREFORE, the parties hereto do MUTUALLY AGREE as follows:

1. Party of the Second Part agrees to hold said funds of the Party of the First Part in the Church's Investment Pool maintained for subordinates and/or affiliates (Mission Centers, Congregations, General Church integrated auxiliaries, etc.) of said church for investment. The investment objective is to provide stability of principal, liquidity, and current income consistent with stability of principal.
2. Party of the Second Part agrees to invest, hold, and safeguard the funds, which are deposited with it and may hold any securities or other property in the Church name, a nominee name, or in such other form, as it deems best.
3. Party of the First Part expressly gives Party of the Second Part authority to invest First Party's funds in the following types of investments:
 - a. Cash.
 - b. Direct obligations of the United States Government or its agencies including Treasury bills, notes, bonds and other securities fully guaranteed by the United States Government.
 - c. Certificates of deposit fully insured by FDIC and issued by U.S. banks having at least \$1 billion in total assets.
 - d. Commercial paper rated "A1" or "A2" by Standard and Poor's or "P1" or "P2" by Moody's.
 - e. Approved custodial banks' short term reserve funds (two years or less), approved bankers acceptances, approved repurchase agreements with banks, approved no-load money market funds, and approved banks and savings and loan institutions in which balances exceed those insured by the FDIC. (Approval to be made by the Presiding Bishopric.)
 - f. Corporate bonds that are obligations of U.S. corporations; as well as debt issued by foreign corporations and governments that has been registered and marketed under the laws and regulations of the U.S. financial markets.

- g. Mortgage backed securities, including collateralized mortgage obligations, that are issued by an agency of the U.S. government or whose underlying assets have been issued by a Federal housing agency.
 - h. Asset backed securities that are rated at least AA by Moody's and Standard & Poor's.
 - i. Private placements issued under Rule 144a of the SEC.
 - j. Guaranteed investment contracts and money market funds possessing prior approval by the Presiding Bishopric.
 - k. Equity securities including common stock, preferred stock, convertible bonds and convertible stock.
 - l. Investments in American Depository Receipts (ADRs) of common stocks of non- U.S. companies listed on one of the major U.S. security exchanges or traded in the national over-the-counter market.
 - m. Other security investments as it may deem to be in the best interest of said Party of the First Part.
 - n. Up to 100% of the value of the Pool's total assets may consist of loans to subordinates and/or affiliates.
4. The said Party of the First Part, hereby gives to the Party of the Second Part absolute discretion as to price, terms conditions, date of maturity and yield in respect to such investments and loans, and authority to vary or transfer the same into others of like or similar nature, deemed suitable for the investments of said funds. It is expressly understood by the parties to this Agreement that the Party of the Second Part assumes no responsibility for gains or losses on funds deposited for investment. All actual gains and losses, interest earned, and investment expenses will be shared equally with all participants in the investment Pool based upon each participant's investment held in that Pool. This is calculated monthly and the net gain or loss will be allocated based on the average investment of the participant.
5. Party of the Second Part earns a fee to cover investment expenses and accounting services per Schedule A attached.
6. Party of the First Part agrees to absolve Party of the Second Part of any liability for errors in judgment with regard to investments made or retained for this account. Party of the Second Part shall be liable only for its gross negligence, willful default, or bad faith. It is also understood by Party of the First Part that the Party of the Second Part will invest funds in a prudent and reasonable manner.

7. Party of the First Part may withdraw any part or all of the funds and property deposited in this account. Party of the First Part agrees to give advance notice in writing to Party of the Second Part for any withdrawals of funds based on the following schedule:

a. For funds up to \$100,000.00 – 7 banking days notice

c. Over \$100,000.00 – 14 banking days notice

It is understood by both parties that there will be no charge for withdrawals if paid by check. Funds may be wired but the Party of the First Part will be charged the cost incurred by the Party of the Second Part to send the wire. (\$15.00 as of September 2003)

8. All orders for the purchase or sale of securities shall be placed through such brokers as Party of the Second Part may from time to time select.

9. Party of the First Part understands it has the right to add funds to this account from time to time provided said additions are in a form acceptable to the Party of the Second Part.

10. This Agreement is subject to cancellation by either of the Parties by giving thirty (30) days written notice.

11. THIS AGREEMENT is subject to modification or revision by the mutual agreement of the Parties hereto and it is anticipated that a good working relationship shall continue to exist between all Parties hereto in the performance of this Agreement.

12. This is a Missouri Agreement and shall be construed according to the laws of that State.

WITNESS, our hands the day and year above written.

PARTY OF THE FIRST PART

PARTY OF THE SECOND PART

By _____

By _____

Presiding Bishopric

Title _____

By _____

Title _____

Contracts must be submitted in duplicate, both copies having original signatures.

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Schedule A – Fee Schedule

The fee earned by Party of the Second Part to cover investment expenses and accounting services is calculated by applying the average account balance of the Party of the First Part to the following schedule:

Average account balance	Per Annum Fee as % of balance
Less than \$100,000	0.4% times balance
At least \$100,000 but less than \$1,000,000	0.4% times \$100,000 plus 0.3% times balance in excess of \$100,000
At least \$1,000,000 but less than \$3,000,000	0.4% times \$100,000 plus 0.3% times \$900,000 plus 0.2% times balance in excess of \$1,000,000
At least \$3,000,000 but less than \$5,000,000	0.4% times \$100,000 plus 0.3% times \$900,000 plus 0.2% times \$2,000,000 plus 0.1% times balance in excess of \$3,000,000
\$5,000,000 or more	0.4% times \$100,000 plus 0.3% times \$900,000 plus 0.2% times \$2,000,000 plus 0.1% times \$2,000,000 plus 0.05% times balance in excess of \$5,000,000