

## INVESTMENT AND DISBURSAL AGENCY AGREEMENT

This AGREEMENT, made and entered this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by and between the \_\_\_\_\_(the "Principal"), and the VIRGINIA BAPTIST FOUNDATION, INC., a Virginia non-profit corporation affiliated with the Baptist General Association of Virginia (the "Agent"), provides as follows:

### RECITALS

1. The Principal is the recipient of certain property described on Exhibit A hereto, which property has been given to the Principal for its charitable and religious purposes and with which the Principal has established \_\_\_\_\_(the "Fund");
2. The Principal desires to delegate to the Agent the responsibility for investment and disbursement of the principal and income from the Fund; and
3. The Agent is legally authorized to perform such investment and disbursement responsibilities and agrees to accept such responsibilities on the terms and conditions set forth in this Agreement.

### AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. The Principal hereby assigns, conveys and delivers to the Agent, and the Agent hereby accepts, the property described on Exhibit A attached hereto, for the purposes and on the terms described in this Agreement. The Principal may, from time to time, assign, convey and deliver additional property to the Agent to be held for the purposes and on the terms described in this Agreement.
2. The Agent, after consultation with, and upon advice from the principal, shall invest and reinvest the property and shall pay and disburse (i) the income and (ii) such amounts of the principal as shall be directed by the Principal, from time to time, according to directions provided to the Agent by the Principal. The Agent shall not be liable for acting on such directions, and shall have no duty to inquire into the compliance of such directions with the terms on which the Principal holds the Fund.
3. Within a reasonable time after the close of each calendar year, the Agent shall give the Principal an annual report, reflecting the property held, the income received thereon, any losses or expenses attributable thereto, and all distributions made thereon.
4. This Agreement shall be for an initial term of one year and shall thereafter automatically renew for successive terms of one year, unless and until either party shall deliver to the other a written notice of termination, after a meeting in person to discuss same, and at least 90 days before the expiration of the then-current term. In the event of termination, the Agent shall deliver to the

Principal all assets it then holds, including investments thereof and any accrued interest received thereon, as of the effective date of such revocation.

5. The Agent is hereby authorized and empowered, consistent with the other terms of this Agreement, to exercise those powers with respect to the assets which are granted by Section 64.1-57 of the Code of Virginia (1950), as amended, which section is incorporated herein by reference. The Agent shall not be liable for any investment, reinvestment, payment or disbursal effected upon directions or advice from the Principal. The Agent shall be compensated for performing its duties hereunder in accordance with its Administrative Cost Recovery ("ACR") fee schedule as in effect from time to time, and shall be reimbursed from the Fund for all expenses incurred under this Agreement.

WITNESS the following signatures as of the date written above.

\_\_\_\_\_, Principal  
(Name of Organization, Refer to Page 1)

By: \_\_\_\_\_  
Authorized Officer of the Organization

Virginia Baptist Foundation, Inc. Agent

By: \_\_\_\_\_  
Authorized Officer of the Foundation

**EXHIBIT A**

Please Attach a Check From Your Organization as Exhibit A

**EXHIBIT B**  
**The Virginia Baptist Foundation, Inc.**  
**Agency Account Application and Directions**

1. Account Application. We, the undersigned, having executed and delivered to the Foundation an Investment and Disbursal Agency Agreement, dated \_\_\_\_\_, \_\_\_\_\_<sup>i</sup> (the "Agreement"), hereby apply for the establishment of a Fund Account thereunder, as follows:

Name of Fund: \_\_\_\_\_<sup>ii</sup>  
Name of Organization: \_\_\_\_\_<sup>iii</sup>  
Mailing Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ EIN: \_\_\_\_\_  
Contact Person: \_\_\_\_\_  
Telephone: Area: \_\_\_\_\_ No: \_\_\_\_\_ Ext: \_\_\_\_\_ Fax: \_\_\_\_\_  
Email: \_\_\_\_\_  
Initial amount transferred to the Foundation under the Agreement: \_\_\_\_\_<sup>iv</sup>

For internal use only: VBF Fund Account # \_\_\_\_\_.

2. Investment of Funds. We hereby provide the following directions for the investment of amounts held by the Foundation under the Agreement:

- a. \_\_\_\_\_% in the Foundation's Certificate of Deposit Investment Option<sup>v</sup>  
Initial Rate: \_\_\_\_\_<sup>vi</sup> Initial Term: \_\_\_\_\_ Rollovers authorized? (y/n) \_\_\_\_\_.
- b. \_\_\_\_\_% in the Foundation's Money Market Investment Option<sup>vii</sup>
- c. \_\_\_\_\_% in the Foundation's Equity Portfolio<sup>viii</sup>
- d. \_\_\_\_\_% in the Foundation's Balanced Portfolio<sup>ix</sup>
- e. \_\_\_\_\_% in the Foundation's Fixed Income Portfolio<sup>x xi</sup>

3. Disbursal of Funds. We hereby provide the following directions for disbursal of amounts held under the Agreement:

- a. Charitable Beneficiary:
  - 1. Name: \_\_\_\_\_
  - 2. Address: \_\_\_\_\_  
City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_
  - 3. Amounts: Reinvest \$ \_\_\_\_\_; Disburse \$ \_\_\_\_\_
  - 4. Frequency: (circle one) Annually Semiannually Quarterly Monthly

4. Other Information:

\_\_\_\_\_

WITNESS the following signature and seal as of the date first set forth above.

\_\_\_\_\_  
Organization

By \_\_\_\_\_  
Authorized Officer

<sup>i</sup> Must match the *date made and entered* on Page 1 of the Agreement.

<sup>ii</sup> Must match the *Fund Name* on Page 1 of the Agreement.

<sup>iii</sup> Must mach the name of the *Principal* on Page 1 of the Agreement.

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<sup>iv</sup> Must match the total amount on *Exhibit A* of the Agreement.

<sup>v</sup>The Foundation's Certificate of Deposit Investment Option (the "CD Option") offers investment in a Certificate of Deposit ("CD") through the Foundation, at a rate negotiated between the Foundation and a financial institution, currently Union Bank & Trust. See [www.unionbankandtrust.com](http://www.unionbankandtrust.com). CDs are insured by the Federal Deposit Insurance Corporation ("FDIC") up to the maximum amount available per depositor (including single accounts, joint accounts, revocable trust/POD accounts, irrevocable trust accounts corporate/partnership/ unincorporated association accounts, agency and other accounts as defined by the FDIC). See [www.fdic.gov](http://www.fdic.gov). Funds invested in the CD Option have an expected investment term of six months or more.

<sup>vi</sup> Rate payable by the financial institution, exclusive of the Foundation's Administrative Cost Recovery (ACR) fee of 10 basis points.

<sup>vii</sup>The Foundation's Money Market Investment Option (the "MM Option") offers investment of available client cash on hand in an uninsured Money Market Fund operated by a major United States Mutual Fund Company, currently The Vanguard Group, Inc. The cash on hand for investment represents funds for future distribution, funds for future investment, funds held at donor request, operational reserves, etc. The MM Option uses the Vanguard Prime Money Market Fund (VMMXX). For a prospectus and other information on this Fund, See <https://personal.vanguard.com/us/funds/snapshot?FundId=0030&FundIntExt=INT>. Amounts invested in the MM Option have an expected investment term of six months or less, with the exception of a donor requested investment.

<sup>viii</sup> The Foundation's Equity Portfolio is a diversified strategy investing in approximately 150 securities primarily in the common stocks of large capitalized U.S. corporations similar to those represented in the Standard & Poor's 500 Index. The investment objective of this Portfolio is to seek above average total return through a combination of growth of capital and dividend income. Even though the Equity Portfolio is well diversified, which tends to reduce investment risks, its investments will be subject to the market fluctuation and risks inherent in all equity securities. See *also* note 10, below.

<sup>ix</sup> The Foundation's Balanced Portfolio is structured to achieve capital growth and current income by investing in approximately 150 securities in a combination of U.S. stocks, government and corporate bonds, as well as short-term investments. The mix of these assets can change gradually over time as market conditions change. Under normal investing conditions, the assets of the Balanced Portfolio will generally range between 45% and 55% for both stocks and fixed-income investments. This asset mix is intended to provide attractive returns while lowering the risk of losses in principal value through diversification. See *also* note 10, below.

<sup>x</sup> The Foundation's Fixed Portfolio employs a diversified strategy investing primarily in short-and intermediate-term fixed-income investments. The portfolio is invested in approximately 150 securities issued by the U.S. government, its agencies, and corporations, as well as insurance company guaranteed investment contracts and bank investment contracts. The Fixed portfolio's investment objectives are preservation of principal and delivery of a stable investment return. See *also* note 10, below.

<sup>xi</sup> The Foundation's Equity, Balanced and Fixed Portfolios are operated by the Foundation. See <http://www.vbfinc.org/FundManagement/InvestmentPolicy.htm> These Portfolios are insured against any/all fraudulent acts. These Portfolios are not insured against loss or guaranteed by the Foundation, any bank, the Federal Deposit Insurance Corporation, or any government agency. Investment in these

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portfolios involves investment risk, including the possible loss of the principal. These Portfolios have not been registered with, approved or disapproved by the Securities and Exchange Commission (“SEC”) or any state regulatory authority. The investment managers are regulated by a division of the SEC. These Portfolios may vary within pre-approved ranges from their allocation targets due to change in market conditions and/or shift in investment strategies.