

AN ACTION OF THE CHARGE CONFERENCE

THE ENDOWMENT POLICY OF NELSON MEMORIAL UNITED METHODIST CHURCH Boonville, Missouri

On this 27th day of October, 2013, the Charge Conference (the "Charge Conference") of Nelson Memorial United Methodist Church (the "Local Church") does hereby adopt the following Endowment Policy to be used in operating and administering permanent endowment gifts received by the Local Church.

A. Endowment Committee

1. The Endowment Committee of Nelson Memorial United Methodist Church (the "Committee") is hereby established.
2. The Committee shall administer the endowment funds of the Local Church, pursuant to authority granted by and policies adopted by the Charge Conference of the Local Church.
3. The Committee will inform friends and members of the Local Church as to ways endowment gifts may be made to benefit the ministries of the Local Church.
4. The members of the Committee and its chairperson shall be elected by the Charge Conference and shall serve until their successors have been elected. The Committee shall elect a secretary and such other officers and sub-committees as it deems necessary.
5. The Committee shall cooperate with the Committee on Finance in assuring that the annual audit process (as stated in Paragraph 258.4c of The Book of Discipline) is followed. The Committee shall make a full report no less frequently than once a year to the Administrative Board/Council.

B. Donations

1. The Committee may receive donations from any source, on an inter vivos or testamentary basis, in cash or in other property acceptable to them.
2. All legacies and gifts that are not designated for a specific purpose shall become a part of the General Endowment Fund of the Local Church.
3. All legacies and gifts which are designated for a specific purpose, or for other reasons require separate administration, will be separately administered according to the terms of the legacy or gift. Members and friends are encouraged to direct gifts of less than \$10,000 to the General Endowment Fund.

C. General Endowment Fund

1. A permanent fund to be known as the General Endowment Fund of Nelson Memorial United Methodist Church shall be established.
2. The General Endowment Fund is established for the purpose of providing members and friends the opportunity to make charitable gifts to the Local Church that will become a permanent source of financial support and a living memorial.
3. The General Endowment Fund is established to provide annual income for purposes that are not a part of the Local Church's established programs and that are funded through the annual operating budget of the Local Church and the regular giving of its members.
4. The objectives of the General Endowment Fund are to conserve principal and make use of only the income from the fund. Any part of the principal may be withdrawn only in extreme and overwhelming circumstances, bordering on the survival of the Local Church. Any withdrawal of principal must be approved by a three-fourths (3/4ths) vote of the Committee, a three-fourths (3/4ths) vote of the Administrative Board, and a three-fourths (3/4ths) vote of the Charge Conference.

D. Investment of Endowment Funds

1. The investment objective of the Local Church's endowment funds shall be regular, dependable income without undue exposure to risk.
2. The Committee may name the Missouri United Methodist Foundation, or another qualified organization, to act as its agent in administering and investing the Local Church's permanent endowment funds.

3. The investment performance of the Local Church's endowment funds shall be reported to the Charge Conference at least annually.
4. The Committee should employ investment strategies designed to balance the current need for income with the need for capital appreciation to offset the effects of inflation.

E. Use of Income from Endowment Funds

1. The use of income from any designated endowment funds shall be consistent with the terms of the legacy or gift.
2. The use of income from the General Endowment Fund shall be determined by the Administrative Board/Council upon recommendation of the Committee. As previously stated, the income from the General Endowment Fund shall be used for purposes that are not a part of the Local Church's established programs and that are funded through the annual operating budget of the Local Church and the regular giving of its members.

F. Liability

In the absence of gross negligence or fraud, no member of the Board of Trustees of the Local Church, the Committee, or any agent acting in behalf of the Committee shall be liable for any action made or omission with respect to the administration or investment of the Local Church's endowment funds.

G. Merger, Consolidation, or Dissolution

If at any time the Local Church is lawfully merged or consolidated with any other church, all the provisions hereof in respect to the endowment funds of the Local Church shall be deemed to have been made in behalf of the merged or consolidated church which shall be obligated to administer the same in all respects and in accordance with the terms herein. If the Local Church should ever be dissolved without any lawful successor thereto, the endowment funds of the Local Church, including both interest and principal, shall be entrusted to the Missouri United Methodist Foundation.

H. Amendments

Technical corrections and amendments to this Endowment Policy which do not alter the stated purpose of the General Endowment Fund may be made only by a three-fourths (3/4ths) vote of those present at a duly announced Charge Conference of the Local Church.

I. Severability

If any provision or any application of any provisions of this Endowment Policy shall be held or deemed to be illegal, inoperative, or unenforceable, the same shall not affect any other provisions herein contained or render the same invalid, inoperative, or unenforceable.

THIS ENDOWMENT POLICY WAS ADOPTED THIS 27th DAY OF OCTOBER, 2013 IN A DULY AUTHORIZED CHARGE CONFERENCE OF THE NELSON MEMORIAL UNITED METHODIST CHURCH, BOONVILLE, MISSOURI, BY A VOTE OF ____ FOR, ____ AGAINST, AND ____ ABSTAINED.

Recording Secretary

District Superintendent

Pastor