



CHURCH ORGANIZERS FOUNDATION

A SHARED STEWARDSHIP APPROACH

CHARITY OF CHOICE GRANTING PROGRAM AGREEMENT

This Charity of Choice Granting Program Agreement (Agreement) is entered into between _____ Church Organizers Foundation (COF), a private charitable organization and registered investment adviser, and _____ the charitable organization seeking to participate in COF's Charity of Choice Granting Program (Charity of Choice).

I. PURPOSE

Church Organizers Foundation (COF) is a 501(c)(3) charitable organization established to provide stewardship services and grants to underserved communities and families, and other 501(c)(3) charitable organizations, such as churches and schools. COF recognizes that those closest to frontline ministry efforts are most vulnerable to scarcity and deprivation. But the Church is reminded in Psalm 34:10 that in Christ we lack no good thing. God's supply is plentiful. The challenge lies in our overall stewarding of it. The goal of the Charity of Choice Granting Program is to promote and empower non-profit organizations to gain financial traction through partnering while acting in the best interest of individual and nonprofit investors (Customers). COF's Charity of Choice Granting Program enables Customers to participate in directing COF grants to their favorite "Charity of Choice."

II. QUALIFYING AS A "CHARITY OF CHOICE" CHARITY

To become a qualifying Charity of Choice under the Charity of Choice Granting Program, a 501(c)(3) charitable organization must open an endowment account¹ at COF and have ten (10) Customers at COF (with an aggregate minimum asset base of \$1M) select the organization as their "Charity of Choice." The charity then becomes eligible to receive an annual grant from COF.

III. HOW TO SELECT A FAVORITE CHARITY

Participation in COF's Charity of Choice Granting Program is optional and at no cost for Customers. To participate, a Customer must open a standard brokerage account at COF and choose their favorite charity. Once the favorite charity has been selected by 10 or more Customers and with an aggregate minimum asset base of \$1M, COF will give an annual grant to that charity.

IV. GRANTING SCHEDULE

COF grants are delivered once annually, within thirty (30) business days of the end of each calendar year. Qualifying charities will receive the grant based on the following method:

1. Grants will not come from investor accounts. Instead, Customers will direct COF to send a grant to their favorite Charity of Choice. All grant monies will originate from COF and be transferred directly to the Charity of Choice endowment account.

¹ Endowment accounts are free of advisory fees and at reduced rates based on the account size.

2. Charity of Choice grant amounts are discretionary with the goal of granting 30% of COF's annual revenue between each qualifying Charity of Choice.
3. The Charity of Choice will receive an annual statement updating the number of Customers and total Customer assets choosing the charity, without disclosing personal information such as names or account numbers.

V. SHARED EXPENSES OPTION FOR CHARITIES - 50/50

COF's shared stewardship approach emphasizes partnering to build up the body of Christ (Eph 4:12). The strength of local congregations and frontline ministries is an endeavor in which all lay members, pastors, and leaders of the Church should invest. COF seeks to share in each Charity of Choice's ministry growth and cost. The Apostle Paul writes, "If one member suffers, all suffer together; if one member is honored, all rejoice together" (1 Cor 12:26). Therefore, in lieu of compensation for services, COF requests the Charity of Choice agree to share a 50/50 split of the following optional expenses at the following rates:

1. Ordinary and reasonable expenses as approved in advance by the Charity of Choice and paid within 30 days of receipt submittal for travel, marketing, conferences, and the like.
2. A monthly website subscription charge at \$375 per month for:
 - a. The Frontpage – Includes campaign introduction, updates, theme verse(s), readiness survey, and video gallery.
 - b. Get Involved Page – Displays the Ownership Strategy and connects visitors to the Campaign.
 - c. Campaign Trackers Page – Provides reporting of the progress being made on individual ministry funds and the overall Campaign.
 - d. Give Now Page – Current gifts and Monthly donations.

VI. TERMINATION

This Agreement shall remain in full force and effect until terminated by either of the parties to this Agreement. Termination shall occur upon 30 days' written notice. In such an event, Church Organizers Foundation shall be paid through the date of termination. Either party may terminate this Agreement with or without cause. This Agreement will terminate automatically if Church Organizers Foundation's or the Investment Adviser Representative's state or federal investment adviser registration shall lapse, be revoked, be suspended, or cease to be effective for any reason. The Charity of Choice may terminate this Agreement, without penalty, within five (5) business days from signing.

VII. DISCLAIMERS

1. **Confidentiality.** COF Customer information, including investor personal information and information related to the Charity of Choice Granting Program, shall be treated on a confidential basis, and shall not be released to any person or entity without the Charity of Choice's authorization or unless otherwise requested by law, regulation, or court order.
2. **Conflicts of Interest.** No individual will receive monetary benefit from the Charity of Choice Granting Program. No individual will receive economic benefit for referrals, sales, or fees, but an individual who is charitably inclined or who is an interested party in a charitable organization, may be incentivized to refer to Church Organizers Foundation. Charity of Choice Granting Program participants receive mutual benefit with COF through directing grant funds. The greater the participation rate in the Charity of Choice Granting Program, the greater the benefit for participating Charities of Choice and for COF. Church Organizers Foundation has no financial incentives to recommend any investment strategy, financial plan, or product to Customers but may benefit indirectly through recommending the Charity of Choice program. COF does not share fees with unregistered persons or organizations but does distribute annual discretionary grants to charitable organizations. COF is a 501(c)(3) private charity because it does not ask for donations, only gives them. COF does not compete with any LCMS agencies because the agencies do not provide similar products or services and are not fiduciaries (in most cases) registered to provide financial or investment advice. COF's focus is to serve people and groups previously not served by LCMS agencies. COF has a regulatory fiduciary duty to work in the best interests of its clients (not in conflict). COF must disclose potential risks related to estate, investment, and gift planning proposals. COF is

independent, free from corporate or fraternal influence, does not provide proprietary products (e.g. promissory notes, loans, variable annuities, insurance) and does not benefit from soft money compensation.

3. **Disclosures.** Church Organizers Foundation may provide services to other charities at fees which differ from this Agreement depending upon the expected service demands of and the unique fee arrangement with each charity (charities that participate in the Charity of Choice Granting Program and charities that do not). COF may offer grants to other charities at rates that differ from those offered to the undersigned Charity of Choice. Grants amounts are discretionary and will range between 5% of COF endowment value and 30% of COF total revenue. Other similar forms of investment advice may be available at lower cost. COF is a Registered Investment Adviser and will always maintain its registration as an Investment Adviser under applicable state and federal laws. COF will furnish the undersigned Charity of Choice with disclosures required by law for investment accounts at the time an endowment account is opened.
4. **Arbitration.** This Agreement will be governed by the laws in the state of Michigan. By signing this Agreement, the parties agree that all claims and disputes arising under or relating to this Agreement are to be settled by binding arbitration in the state of Michigan or another location mutually agreeable to the parties.
5. **Proprietary Intellectual Property.** COF shall exclusively own all Proprietary Intellectual Property stated on its website and other written materials, including concepts and processes, which COF conceives, develops, or facilitates, and other rights of any kind in or relating to the Proprietary Intellectual Property, including but not limited to all copyright, patent, trade secret and trade-mark rights. COF does not have nor provide proprietary financial products (e.g. promissory notes, loans, variable annuities, insurance).
6. **Waiver of Liability.** Church Organizers Foundation will not be responsible for, and is hereby released from, any loss or damages in any form resulting from the failure of a 501(c)(3) charitable organization to fulfill any of the goals or objectives for donations and grants in participating in the Charity of Choice Granting Program or from liability incurred by a charity's board of director or employees.
7. **Validity of Each Part.** If any portion of this Agreement is held to be invalid, its invalidity will not affect the validity of any other provision of this Agreement.

VIII. CHARITY OF CHOICE'S SIGNATURE(S)

AGREED AND ACCEPTED THIS _____ DAY OF _____, 20_____.

Partners in the Body of Christ,

X

President, Charity of Choice

X

Rev. Dr. Martin E. Lee
Executive Director
Church Organizers Foundation
marty@churchorganizers.org

X

Officer, Charity of Choice
(Treasurer, Secretary, Financial Secretary, etc.)
517-755-8770

X

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