

**The Mississippi United Methodist Foundation, Inc.
Voluntary Beneficiary Distribution Plan Guideline
For Long Term Fund Participants**

A. General Information

Many of the beneficiaries of The Mississippi United Methodist Foundation, Inc. (The Foundation) rely on routine distributions of income from Foundation accounts and endowments to support their mission.

The Foundation offers the Voluntary Distribution Plan Guideline for its permanently restricted endowments. It is available to participants in the Long Term Fund. The participant is advised to utilize whatever distribution plan best meets their financial and long-term goals.

B. Purpose

The Voluntary Distribution Plan Guideline is available for LONG TERM FUND participants. The Guideline gives endowment, investment, and finance committees additional options to manage fund distributions while strengthening the financial base of accounts and endowment funds.

C. Objectives

The goal of the Voluntary Distribution Plan Guideline is to give investors a tool to strike an appropriate balance between the present and future needs of the participants and beneficiaries with the following objectives:

To provide a predictable and relatively stable stream of revenue.

To protect the real value (i.e. purchasing power) of the revenue stream over the long term.

To protect the real value (i.e. purchasing power) of the assets over the long term.

To reduce the effects of up or down markets on fund distributions.

Disclaimer: Actual investor results may vary depending upon timing of investments. Past performance is not indicative of future results.

D. Specific Guidelines

1. Distribution Rate

The Foundation's Distribution Rate refers to a suggested percentage of restricted funds set aside for distribution each year. The suggested rate is established by The Foundation Finance and Investment Committee (The Committee) on an annual basis. The suggested rate may increase or decrease. The Committee considers historical as well as estimated future rates of return and inflation rates. Participants may determine that a different rate will better accomplish their goals and objectives.

2. Application of Spending Rate

The Distribution Rate as determined above shall be applied each September 30 to the average account balance at the end of the previous 12 calendar quarters. The resulting amount available for distribution shall be communicated to the participant. The suggested Distribution Rate is based upon a total return approach which allows both income and capital appreciation to be distributed in accordance with the Uniform Prudent Management of Institutional Funds Act (UPMIFA).

3. Limitation on Spending

The Foundation recommends that a fund not participate until it has been in existence for a minimum of four calendar quarters. This waiting period allows the fund to appreciate and make distributions from the earnings.

The Foundation suggests that if the 12 quarter rolling average market value of an account, on the date for which a distribution is being determined, is less than the fund's Historic Gift Value, the suggested Distribution Rate be reduced or distributions suspended at the discretion of the endowment, investment, or finance committee.

4. Unspent Income

Income available for distributions, as determined under the above policies, definitions and formula, but which is not disbursed for any reason, may be retained in an interest bearing account and available for disbursement in future years. Endowment Committees of participants may add undistributed income to principal at the discretion of the participant on a case-by-case basis.

This Voluntary Distribution Plan Guideline shall be reviewed annually by The Committee. The Committee may adjust the suggested Distribution Rate percentage as it deems appropriate in order to fulfill the purposes described in Investor and Endowment Agreements.

Adopted by 

The Mississippi United Methodist Foundation, Inc.
on May 1, 2015.