



March 16, 2020

Dear Clients and Friends of the Foundation,

Since its inception, it has always been the goal of the Foundation to help United Methodists in The Western North Carolina Conference and beyond be the best stewards of their God-given resources. We meet this goal through the establishment of endowments, planned giving vehicles, leadership education, low-cost loans and SRI/ESG investing. This letter relates specifically to investing.

One need not look any further than the daily news or social media to see that these are unusual times. The Coronavirus, or COVID-19, has dominated news feeds and ultimately has had a negative effect on markets worldwide. In our current environment, it is not uncommon for someone to ask, "Is the Foundation getting a lot of calls from people panicking about the market?" You may be asking the same question, so here are some thoughts.

First and foremost, the Foundation values your well-being as well as that of our team members. Therefore, we have put into place a protocol as recommended by the Centers for Disease Control and hope you will consider doing the same – not out of panic, but rather out of precaution.

Secondly, we greatly value the trust you have placed in us through the investment of ministry funds. When considering the volatility of the market in recent weeks, one might wonder if changes need to be made in investment strategy. Our thought on this is simple: STAY THE COURSE. One of the worst things we can do is respond out of panic to tried and true investment principles, lest we fall into the trap of market timing.

We have faced challenging markets before. We will face them again. We stand by our position that the Foundation's investment options are structured through the diversification of asset classes; when the market stabilizes and heads upward, our clients that continue with their current investment strategy will recover market losses incurred. Thus far, any decreases in the market value of your funds invested with us are "unrealized." If you choose to cash out when the market is down, those losses become "realized" and you miss the opportunity to ride the market back up. Ultimately, this could lead to a lack of necessary funding to carry out your ministry.

Finally, please know our investment team and staff continue to stay abreast of market conditions. If changes are necessary in our investment options, those will be considered through a reasonable and rational process in conjunction with our investment consultant, Callan. Remember: we were created by you, for you. When you do well, we do well...and God's Kingdom here on earth is realized. This is our end goal.

If it would be helpful to you and your team to discuss your investments with us further, please reach out to us. It is our honor and pleasure to be in ministry with you through fund management as we build the Church for generations to come.

Most gratefully,

A handwritten signature in black ink that reads "David A. Snipes". The signature is fluid and cursive.

David A. Snipes
President