INVESTING WITH FRIENDS FIDUCIARY

About Friends Fiduciary
Friends Fiduciary Corporation (FFC) is a Quaker non-profit organization providing cost effective, socially responsible investment management services exclusively to Quaker meetings, churches, schools and organizations. FFC manages over $450 Million for more than 390 constituents across the country. We are a manager of managers, selecting best in class investment managers to implement our Quaker socially responsible investment guidelines across multiple asset classes. We are the most active Quaker organization engaging in shareholder and policy advocacy and the Quaker voice on important business issues.

Opening an Account
To open an account, the organization completes the Custody and Investment Agreement, obtains a minute of approval and/or authorization from their Monthly Meeting for Business, Board of Directors, Governing Committee, or other appropriate body, and completes the Account Information and Authorization form. The organization sends this documentation, along with any additional information on the purposes, restrictions, or historical origin of the assets in each account. This additional information helps FFC maintain a more complete and accurate historical record of the funds for the constituent. The Custody and Investment Agreement covers all of an organization’s accounts and investment products.

Additional or Multiple Accounts
If a deposit is made to open an additional account, include a description of the purpose of the account and note any restrictions on the funds. Organizations are encouraged to designate separate accounts for different purposes or for specific restrictions, so that the income and principal value of each can always be individually determined. Funds restricted as to use of principal should not be combined with unrestricted funds. In practice this usually means that moneys for scholarships, graveyards, general use, etc., should be in separate accounts. Two assets, for example the Quaker Growth & Income Fund and the Short Term Investment Fund, can be held in a single account, at the constituent’s discretion.

Account Minimums
There are no minimum initial deposit requirements to invest in any Friends Fiduciary Fund. The Quaker Index Fund does operate with a minimum annual fee of $2,700, and for the Short Term Investment Fund we request that monthly withdrawals be kept to a minimum.
Semi-annual Standard Distributions
Standard distributions from both the Quaker Growth & Income Fund and Quaker Green Fund, as defined by Friends Fiduciary total return policy, are distributed in June and December. Standard distributions are made on a per unit basis and are calculated using a three-year rolling average of unit value multiplied by the standard distribution rate (see below). The resulting figure is divided in half to determine the semi-annual distribution amounts. Organizations can determine on an account by account basis whether the distributions are to be paid out in whole, in part, or reinvested. Distributions can be paid by check or by direct deposit into the organization’s bank account. Check stubs and direct deposit advices listing account level detail for each payment are provided with the distribution payments.

Standard Distribution Rates
The Friends Fiduciary Board of Directors regularly reviews standard distribution rates applicable to distributions paid out of the Quaker Growth & Income Fund and Quaker Green Fund in June and December. The standard rates depend upon long term capital market returns, volatility and inflation. The rates are applied to a twelve quarter rolling average of the fund’s unit value which has a smoothing effect that evens out the impact of large market swings and results in a more stable and predictable distribution pattern. Standard distribution rates are determined using a ‘total return’ approach. This means that a portion of the standard distribution rate is attributable to actual income earned (interest and dividends paid) and a portion to capital appreciation or gains in the value of the underlying securities. The rate is intended to balance current distributions while preserving the purchasing power of principal over time. The 2019 standard distribution rate for the Quaker Growth & Income Fund is 4.0%. The 2019 standard distribution rate for the Quaker Green Fund is 3.5%. Neither the Quaker Index Fund nor the Short Term Investment Fund operates with a distribution rate. Constituents may withdraw funds from any of their fund holdings or accounts at any time.

Market Valuations
Account market values are determined by multiplying the number of units held of each asset by the per unit price of the asset. Market value per unit is determined on a daily basis and is available online. Account balances and activity are available online to authorized representatives designated by the constituent organization.

Additions and Withdrawals
Constituents can make additions or withdrawals from their account(s) on any business day at no charge. Some investment options may have limitations on the number of withdrawals in a given period. This is to reduce administrative costs and lower the fee charged to all constituents. When adding to an account, it is important to indicate the organization’s name and the name(s) of the specific account(s) and the asset(s) to be credited with the deposit. To make a deposit via wire transfer, please call the Friends Fiduciary office to confirm the current wire instructions. Requests for withdrawals must be made using a Withdrawal Request Form. The form must be signed by the designated Fund Representative and approved by a designated Second Authorizer, either via signature on the form, reverse email, or reverse phone call. Please note the amount, the specific account(s), and fund from which the withdrawal is to be made and if the funds are to be transferred via check or an ACH transfer. Checks will be mailed to the address of record for the Fund Representative. For ACH transfers, the bank name and last four digits of the account number
entered on the form must match the account Friends Fiduciary has on file. While Friends Fiduciary does not charge extra for processing ACH or wire transfer withdrawals, the organization’s own bank may. Withdrawals are processed the first business day after the Second Authorization is obtained. Please allow 5-7 business days to receive a check via US mail. ACH and wire transfers are generally disbursed within 1-2 business days.

**Transfers between Accounts and Between Assets within Accounts**
Transfers between constituent accounts within Friends Fiduciary can be made at any time with a written request by the designated Fund Representative for the account from which the transfer is being made. Transfers between funds within accounts (e.g. transfer from the Quaker Growth & Income Fund to the Quaker Green Fund) are processed on the following business day. This type of transfer is a sale of units from the existing fund (in whole or in part) and the purchase of units of another fund. The sale and purchase is executed at the closing daily unit value for each fund on the date the request was received.

**Statements and Reports**
Authorized representatives of each constituent have the ability to access their account information online. Constituents can view transactional data, query activity based upon selected dates and view account statements. In addition, quarterly individual account and group statements are available online. To sign up for online access constituents may visit the Friends Fiduciary website at [www.friendsfiduciary.org](http://www.friendsfiduciary.org). Quarterly group statements are mailed approximately ten business days after each calendar quarter end. Group statements show the market value, the asset holdings, and transactional detail for each account maintained by the constituent. The annual independent audits of the Quaker Growth & Income Fund, the Quaker Green Fund, the Quaker Index Fund, and Friends Fiduciary Corporation are available upon request.

**Closing an Account**
When a request is received for a complete withdrawal of a constituent’s assets in all accounts, 90% of the closing market value of the account, as valued on the date the business day the request is received by FFC, will be processed and paid out to your organization. The final payment for the balance of the account will be processed within five (5) business days of the full withdrawal request, once the final market value for the withdrawal has been audited. If a constituent closes a sub-account while keeping one or more sub-accounts open, the full balance of the closing sub-account will be paid on the first business day after the Second Authorization is obtained.

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