

## MEMORANDUM

To: Tom Avey and Fellowship Council  
From: Larry N. Chamberlain, President  
Grace Brethren Investment Foundation, Inc.  
Re: Report to Fellowship Council  
Date: January 15, 2007

Greetings, colleagues . . .

I am pleased to provide you with this courtesy update of our organization as a cooperating national ministry affiliated with the Fellowship of Grace Brethren Churches.

Our board of directors is composed of fourteen individuals who reside in the several regions as prescribed in the FGBC by-laws. Re-elected to the board following the most recent board ballot are Ted Adomanis, Ben Collins, David Coleman, Rick Stair, and Jim Treichel. Jerry Michael of Martinsburg, WV continues as the Chairman of the Board. Ken Seyfert is Vice-President, Treasurer, and Executive Director of Operations. Brenda Byers is Secretary of the Corporation and Director of Finance and Administration.

Grace Brethren Investment Foundation, Inc. exists as a “church extension fund,” as defined by the North American Association of Securities Administrators. We are regulated by the securities laws (aka “blue sky laws”) of the 40+ states in which we have investors. The principal purpose of the Foundation is limited in scope by these regulatory authorities: “To enable individuals who support the objectives of the Fellowship of Grace Brethren Churches to invest funds at a reasonable rate of interest and to provide thereby a source of funding, in the form of capital loans, for acquiring, developing, and remodeling, land and buildings for Grace Brethren churches, schools, and other associated organizations.” We are precluded, of course, from making loans to individuals, and can only loan funds to 501(c)(3) churches and organizations within the Fellowship of Grace Brethren Churches.

The rate of interest paid to our investors will increase from 3.7% to 3.8%, effective February 1, 2007. As of December 31, 2006, our investor accounts total \$65,273,717, per a pre-audit report. There are approximately 63 churches that have mortgage loans outstanding, all of which are paying as agreed and none of which are delinquent in their payment obligations.

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It has been our practice to make contributions to Grace Brethren North American Missions for the continued growth of the Fellowship, as well as to other FGBC national ministries, including the office of the Fellowship Coordinator. In addition, we serve as the parenting agency for the FGBC Chaplaincy ministry and the office of the Endorsing Agent. Further, we provide voluntary leadership and staff support for the FGBC pension plan.

It is through contributions and voluntary acts of service, as well as the financing of numerous church building projects, that we are pleased to support the GO-GROW-LEAD emphasis of the FGBC.

I am pleased that Ken Seyfert will be able to join you for your meetings at Seal Beach this month. He will be eager to address any questions you may have at that time.

Thank you for the privilege and opportunity to serve as your colleagues in the awesome and powerful work of the Great Commission.

God bless you . . .

Respectfully,

A handwritten signature in black ink, appearing to read "T. J. Little", is written over a horizontal line.

**GRACE BRETHREN INVESTMENT FOUNDATION, INC.**  
**STATEMENT OF VISION – 2005-2010**  
**Adopted by Board of Directors October, 2005**

- 1) Be the lender of choice among our Grace Brethren churches and affiliated organizations, by offering a kingdom purpose, competitive and affordable rates, and creative terms.**
- 2) Be an attractive, purpose-driven place where Grace Brethren people can invest, in light of our mission purpose of providing capital financing for member churches and affiliated organizations, our historical commitment to the growth of our Fellowship by providing funds for church-planting in North America, and our conservative philosophy of investing in secured mortgages and safe financial markets.**
- 3) Be a contributor for Grace Brethren causes, primarily directed to church-planting in North America, and secondarily directed to the worthy missions of other recognized Grace Brethren organizations.**
- 4) Be an organization committed to integrity and the highest of ethical standards and practices, including the guardianship and management of funds entrusted to our care and the sustaining of supportive relationships with our staff, board, and organizational affiliates.**
- 5) Be an organization that participates in the advancement of cooperative initiatives associated with the FGBC and our community of affiliated organizations.**
- 6) Be an organization that consistently follows the organizational purposes, expectations, and guidelines prescribed by regulatory agencies to whom we are accountable as a church extension fund, as outlined by NASAA and the various securities administrators of those states where we are registered.**
- 7) Be an organization that employs qualified and impassioned personnel in order to carry out our mission and purpose with greatest efficiency and maximum impact.**
- 8) Be an organization that is committed to the teachings of Christ as clearly demonstrated in our corporate culture and personal lifestyles, serving as an example of organizational and individual behavior for our Fellowship.**
- 9) Be an organization committed to creating a learning environment for our staff and board, providing for opportunities to stay current on matters related to finance, leadership, technology, organizational structure and strategy, Christian growth and other areas supportive of our mission and purpose.**
- 10) Be an organization respectful and understanding of our distinctive role in a greater cause, understanding that finances are but a means to an end, and that organizational wealth and prosperity should always be clothed with humility, expressed in mutual appreciation, with a sense of caring and grace; shunning at all times arrogance, pride, and power.**