



**HAWAII CONFERENCE FOUNDATION
CUSTODIAL ACCOUNT AGREEMENT**

This agreement between the Hawaii Conference Foundation (“Foundation”) and:
_____,
hereinafter “Account Holder”, sets forth fully the understanding of both parties.

FIRST. Investment Parameters and Risks.

The Account Holder recognizes that the Hawaii Conference Foundation Investment Fund is invested in cash, cash equivalents, fixed income securities, some hybrid securities, and common stocks, and that securities, especially common stocks, fluctuate in value as evidenced by changes in the S&P 500, the Dow Jones Industrial Averages, and other widely quoted stock market indicators. Thus, any Custodial Account investment is subject to similar fluctuations. As a result, it is possible that the Account Holder’s Custodial Account can decrease as well as increase in value at any given time. The Account Holder accepts and acknowledges this element of risk when it makes this investment. In considering participation in the Fund, the Account Holder should be aware that the types of investments selected for the Fund generally are based upon an anticipated investment period of at least five (5) years by Account Holders. Please review the Custodian Fund Disclosure Statement provided to you by the Foundation. If you have any questions, please contact the Foundation before signing this agreement.

SECOND. Authorized Account Holder Signatories.

The Account Holder designates the following office or offices (for example: treasurer, moderator, etc.) as responsible for all requests for withdrawals from its Custodial Account. The Account Holder specifies that the following offices (and office-holders) must sign withdrawal requests. The Account Holder will also provide and keep current the names and signatures of holders of the designated offices. The Account Holder acknowledges and agrees that the Foundation may rely upon such information provided by the Account Holder in dealing with the Account Holder’s Custodial Account.

(Name of Office)

(Name of Office)

(Name of Office)

Any _____ (*specify 1, 2, or 3*) of above must sign.

The current holders of these specific offices must be among the signatories for each withdrawal (for example: Treasurer):

THIRD. Scheduled Withdrawals.

The Foundation will provide regularly scheduled withdrawals on a quarterly, semi-annual, or annual basis, as requested in writing by the Account Holder. Withdrawals of all or a portion of the dividends and interest received may be requested (e.g., partial interest with the remainder reinvested, a specified dollar amount each period, or some other amount). The Account Holder may draw from principal, as well, according to the Account Holder's own policies, procedures, and donor restrictions. If the Account Holder wishes the value of its Custodial Account to remain undiminished by inflation, the accepted rate by many financial advisors for the annual total of withdrawals is not to exceed four and one-half percent (4.5%) of the market value of the Account Holder's Custodial Account at the beginning of the year in question. Quarters end on the following dates: March 31, June 30, September 30, and December 31. Changes in quarterly, semi-annual, or annual withdrawal schedules and amounts should be submitted to the Foundation in writing at least thirty (30) days before the end of a quarter.

FOURTH. Unscheduled Withdrawals.

Requests for withdrawals that are not included in scheduled withdrawal instructions, that specify special and/or larger than usual withdrawals, or that close out a Custodial Account are subject to the following terms: 1) Withdrawals of less than \$1,000 will require ten (10) days' advance notice; 2) Requests for withdrawals exceeding \$1,000 up to \$100,000 will require twenty (20) days' advance notice; 3) Withdrawals in excess of \$100,000 will require a maximum of thirty (30) days' advance notice; 4) Any withdrawal that closes out a Custodial Account will require an additional thirty (30) days' advance notice (in addition to the advance notice requirements specified in the preceding 1) through 3)). Except in unusual circumstances, special, unscheduled withdrawal requests will be limited to two (2) per account per calendar year. Requests must be in writing. There is no penalty assessed for early withdrawals.

FIFTH. Foundation Accountability.

The Foundation, for its part, will use its best efforts prudently to hold, invest, and account for funds deposited with it in this Custodial Account. The Foundation will provide quarterly reports stating the book value of the Fund (original cost plus deposits, less withdrawals, plus gains and minus losses occasioned by sales of underlying securities), the number of units in the Fund owned by the Account Holder, and the then current market value of each unit.

SIXTH. Fees.

The Foundation will levy no service charges or other fees on the Account Holder except for an administrative fee of 30 basis points (0.30%) per year paid to the Foundation and the Account Holder's proportionate share of the charges and fees levied by the Hawaii Conference Foundation Investment Fund's custodian(s) and investment manager(s) and the securities trading house(s). Except for the administrative fee described above, no portion of a Custodial Account's earnings will be appropriated or assigned to the Foundation as dues, management fees, or related purposes for either Foundation or the Hawaii Conference United Church of Christ.

SEVENTH. Term of Agreement.

This agreement will continue in force until such time as either party in writing requests that it be terminated. It shall then be terminated as soon thereafter as practicable subject to the advance notice requirements specified in paragraph "FOURTH" above.

EIGHTH. Authorization.

The individuals signing this agreement on behalf of the Account Holder represent and warrant to the Foundation that this agreement has been duly authorized and approved by the Account Holder in accordance with the Account Holder's governing organizational documents.

IN WITNESS WHEREOF, the parties hereto have executed this agreement of the _____ day of _____, _____.

(Name of Account Holder)

HAWAII CONFERENCE FOUNDATION

By: _____
Its: _____

By: _____
Its: Executive Director
"Foundation"

By: _____
Its: _____

"Account Holder"