



You are receiving this notification from Midlands Community Foundation (MCF) because you have a non-endowed charitable fund with a balance of \$25,000 or more which meets our criteria for our **new** Investment Pool Options. Together with the MCF Board of Directors, Finance Committee and our investment company, First National Bank of Omaha, we created three (3) Investment Pools. These investment pools give you the opportunity to choose an investment strategy with the risk tolerance and long-term objectives for your fund(s). We want to make sure we are meeting our donors' charitable objectives.

Each Investment Pool that we offer is tailored to suit a specific investment strategy. Our staff will counsel you to help you establish the Investment Pool that appropriately reflects the integrity of your charitable legacy.

Currently, all funds are invested in the Balanced Account. If you choose a different Investment Pool other than the Balanced Account, you **MUST transfer 100%** of your fund balance into **one** of our Investment Pools. Your fund balance can NOT be split between these Investment Pools.

Current fundholders MUST submit the Investment Pool Options Form to MCF by September 15 of the current year to be effective October 1 of the current year. Once you are invested, you **MUST** stay in the Investment Pool for one year before you can change. To change your investment options, download and complete the attached Investment Pool Options Form PDF and return it to Midlands Community Foundation at info@midlandscommunity.org. Visit www.MidlandsCommunity.org for more information.

Investment Pools

1. The objective of the **Conservative Account** is designed to grow the aggregate value of the Fund at a real rate of return of 2.5% over a typical market cycle of 5-7 years. Inflation will be measured by the U.S. Department of Labor Consumer Price Index for All Urban Consumers.

<u>Type of Security</u>	<u>Target</u>	<u>Range</u>
Equity	20%	5-35%
Fixed Income	70%	55-85%
Alternatives	7%	0-20%
Cash Equivalent	3%	0-10%

2. The objective of the **Balanced Account** is designed to grow the aggregate value of the Fund at a real rate of return of 4% over a typical market cycle of 5-7 years. Inflation will be measured by the U.S. Department of Labor Consumer Price Index for All Urban Consumers.

<u>Type of Security</u>	<u>Target</u>	<u>Range</u>
Equity	45%	30-60%
Fixed Income	45%	30-60%
Alternatives	7%	0-20%
Cash Equivalent	3%	0-10%

3. The objective of the **Aggressive Account** is designed to grow the aggregate value of the Fund at a real rate of return of 5.5% over a typical market cycle of 5-7 years. Inflation will be measured by the U.S. Department of Labor Consumer Price Index for All Urban Consumers.

<u>Type of Security</u>	<u>Target</u>	<u>Range</u>
Equity	70%	55-85%
Fixed Income	20%	5-35%
Alternatives	7%	0-20%
Cash Equivalent	3%	0-10%