Mission Statement

The Columbia Union Revolving Fund, as a corporation affiliated with the Columbia Union Conference, promotes the mission of the Seventh-day Adventist Church, by providing cost effective financing to churches, schools, conference and other entities within the Union.

The Columbia Union Revolving Fund performs this mission with organizational, ethical, and financial integrity through its members, board of directors and officers.

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Loan Policies and Procedures
Fiduciary Responsibilities

The officers and directors conduct the operations of the Columbia Union Revolving Fund (CURF), mindful of their fiduciary responsibilities to CURF and the community it serves. These obligations arise from a number of sources including our gospel mission, principles of ethics and fair business practice, and the laws of the United States that regulate much of CURF's operations.

CURF exists to serve the members of the Seventh-day Adventist church who invest in CURF Notes, and the organizations that obtain financing from CURF. CURF's responsibilities toward its noteholders include:

- Sound policies and decisions that protect the noteholder's investment.
- Dependable, accurate record-keeping.
- Timely communication to the noteholder.
- Compliance with CURF's mission, policies and procedures, and applicable state and federal laws.

CURF's responsibilities toward its borrowers include:

- Accurate and timely interpretation of borrowing policies and procedures.
- Thorough analysis, from the lender's perspective, of selected points of the proposal.
- Dependable, accurate record-keeping.
- A constructive spirit of cooperation that enables the borrower to make sound decisions on whether and how to move forward with a proposal.
- Compliance with applicable state and federal law.

This fund operates in conformity with NAD Working Policy p. 20.

Loan Policies and Procedures — Steps in the Loan Process:

1. Application. When a church or institution wishes to borrow from CURF, they should first ask their local conference treasurer for a Revolving Fund loan application. When this is completed and approved by the local church board, and signed by the local church pastor or treasurer, it is sent to the local conference treasurer for approval by the conference executive committee and association. After the conference officers and association/corporation officers sign, it is sent to the CURF Board.

Note: The borrower must comply with NAD Working Policy P 15803, which says, “A hazardous waste assessment and review shall be made regarding all church properties and other real estate to be held in the name of a denominational entity prior to acquisition of the asset, whether by gift, purchase, or otherwise. The assessment and review shall be made, using an appropriate form approved by the organization’s legal counsel.”

2. Amounts/Terms. For projects costing more than $200,000, the total amount of the loan requested cannot exceed the lesser of 300% of average, annual tithes for the last three years or 65% of total project cost. Projects costing up to $25,000 may be financed entirely through the Revolving Fund. Projects costing between $25,000 and $200,000 may be financed at 100% on the first $25,000 and 75% on the amount between $25,000 and $200,000.

Maximum repayment period permitted by the Revolving Fund:

<table>
<thead>
<tr>
<th>Repayment Period</th>
<th>Interest Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Up to $3,000 - 3 years</td>
<td>4%</td>
</tr>
<tr>
<td>$3,001 - $4,000 - 4 years</td>
<td>4%</td>
</tr>
<tr>
<td>$4,001 - $5,000 - 5 years</td>
<td>5%</td>
</tr>
<tr>
<td>$5,001 - $6,000 - 6 years</td>
<td>6%</td>
</tr>
<tr>
<td>$6,001 - $7,000 - 7 years</td>
<td>7%</td>
</tr>
<tr>
<td>$7,001 - $8,000 - 8 years</td>
<td>8%</td>
</tr>
<tr>
<td>$8,001 - $9,000 - 9 years</td>
<td>9%</td>
</tr>
<tr>
<td>$9,001 and up - 10 years</td>
<td>10%</td>
</tr>
<tr>
<td>Loans for acquisition of vans or school buses - 5 years</td>
<td>10%</td>
</tr>
<tr>
<td>Loans for acquisition of parsonages - 30 years</td>
<td>10%</td>
</tr>
</tbody>
</table>

The Revolving Fund may consider requests to extend the repayment term to 20 years.

3. Approval/Documentation. When a loan is approved by CURF, the Demand Promissory Note is sent to the church treasurer to be signed by the church pastor and treasurer; and the Guaranty is sent to the local conference treasurer to be signed by the conference and association officers.

When the signed Demand Promissory Note and the signed Guaranty are received by CURF, the loan funds are then made available upon request.

CURF sends a copy of the signed Demand Promissory Note to the church treasurer and to the local conference treasurer. CURF sends a copy of the signed Guaranty to the local conference treasurer.

4. Disbursement/Draws. The borrower must request that a loan be disbursed before loan funds are released. A borrower may request that a loan be disbursed in full or in partial draws, preferably not more than one draw per month. Interest is charged from the date the money is disbursed to the borrower. If the full amount is not needed at once, it is to the advantage of the church or institution to call for the money in partial draws.

Borrowers must request that disbursements (in full or in draws) on a loan begin no later than six months after approval by CURF. Otherwise, loan approval will expire, unless special arrangements are made in writing.

5. Payments. After the first draw is made, CURF will send a monthly statement to the church treasurer. The statement will show the amount of interest charged each month, which is due the first of the next month. Regular payments as shown on the Demand Promissory Note are to begin the first of the next month after the final draw.

Note: Payments are due the first of each month.
Interest is automatically calculated on the balance each day of the month. It is to the borrower's advantage to send the payment as early as possible.
Prepayments may be made at any time in any amount, provided the required payment has been made.

6. Other Institutions. While the above procedures pertain generally to borrowers that are churches, similar procedures apply, but more restrictive guidelines may apply, to other institutional borrowers. Documentation and approval requirements may vary. Please call us for further information.