

**The Investment Pool for Participating Entities
of the
Diocese of Marquette**

GOVERNING DOCUMENT

I. PURPOSE

The Diocese of Marquette (the "Diocese") hereby establishes an Investment Pool for Participating entities of the Diocese of Marquette (the "Investment Pool") this 11th day of July, 1995.* The purpose of the Investment Pool is to receive, hold, manage, invest and reinvest funds contributed by participating entities of the Diocese.

II. POLICIES AND PROCEDURES

A. **Participation.** Acceptance and approval of a Participation Agreement is required of all entities who wish to participate in the Investment Pool. Only entities whose assets are owned by the Diocese are entitled to participate in the Investment Pool, and all assets invested in the Investment Pool shall be legally owned by the Diocese.

B. **Management.** The Diocese has entered into a Master Custodial Account Agreement for Participating Dioceses with Comerica Bank (the "Custodian") dated as of January 1, 1995 (the "Master Custodial Account Agreement") for the purpose of investing assets owned by the Diocese. The Diocese is willing to invest the assets of the Investment Pool as part of its General Diocesan Funds held under the Master Custodial Account Agreement.

The Diocese will manage the cash flow for the Investment Pool into and out of the Master Custodial Account, as follows:

1. The Diocese will collect deposits from the participating entities and forward them to the Custodian.
2. The Diocese will make payments to the participating entities in accordance with the terms of the Participation Agreement.
3. The Diocese will provide a quarterly accounting to participating entities of their transactions within the Investment Pool. The Diocese will provide an annual report on the investment performance of the Investment Pool.

C. **Investments.** The Investment Pool will be invested through the services of professional investment managers selected by the Diocesan Finance Council from the group of investment managers retained to invest the assets held under the Master Custodial Account Agreement. The Diocesan Finance Council will monitor the investment results of the Investment Pool at its quarterly meetings. The Diocesan Finance Council will retain ultimate investment authority with respect to all assets in the Investment Pool.

D. **Deposits and Withdrawals.** The Diocese encourages and welcomes contributions to the Investment Pool from participating entities. A minimum deposit of \$5,000 is required to participate in the Investment Pool. Deposits of \$500 and over will be accepted thereafter.

1. **Deposits --** will be accepted at any time. However, funds received can be invested in the Investment Pool only on the first day of each month. The participating entities will purchase "units" in the Investment Pool based on the market value of "units" within the Investment Pool at the close of the previous calendar month. Deposits should be received at least five days prior to the last day of the month to be invested in the Investment Pool on the first day of the next month. Giving the Diocese advance notice of anticipated deposits will improve the efficiency with which new contributions may be processed.

This policy for orderly acceptance of deposits, with quarterly reporting, will allow for consistent and equitable management services to all entities that participate in the investment Pool.

2. **Withdrawals and Allocations of Earnings --** will be allocated proportionately to each participating entity. While the purpose of the Investment Pool is to provide for the long term investment needs of participating entities, and while the reinvestment of earnings is encouraged, a participating entity is permitted to:

- (a) withdraw annual earnings (all dividends, interest income and realized gains/losses) net of fees from its individual account;
- (b) accumulate and reinvest all or a portion of current earnings as part of the principal; and
- (c) withdraw from the corpus of the account after giving the Diocese three months notice of the withdrawal. ***(This applies to participating entities who are endowment funds organized as juridical persons under Canon Law.)***

The annual earnings available for withdrawal will not be known until the June 30 statement of earnings and assets of the Investment Pool is received by the Diocese.

An annual statement of earnings will be sent to participating entities on or about July 31st of each year indicating the current earnings available for withdrawal.

Withdrawal requests require a 15 *day notice* to the diocese and can be made on a quarterly or monthly basis.

E. **Fees.** Fees, including custodian, administrative and investment advisor (consultation, transaction and/or commission) fees will be allocated proportionately to all funds within the Investment Pool on a quarterly basis. The fees will be allocated as a part of calculating the market value of "units" in the Investment Pool.

F. **Amendment or Termination of Investment Pool.** The Diocese reserves the right to amend the terms of, or terminate the Investment Pool at any time. If the investment Pool is terminated by the Diocese, it will return to the participating entities the amounts credited to their accounts within the Investment Pool, subject to the Diocese's ownership rights in such assets.

DIOCESE OF MARQUETTE

By: _____
Most Reverend John F. Doerfler, STD, JCL,
Bishop of Marquette.

**Revised: February 20, 2014*