



## **INFORMATION MEMORANDUM**

**March 31, 2023**

***ONLY FOR AND RESTRICTED TO MEMBERS OF THE CANADIAN BAPTISTS OF ATLANTIC CANADA AND THEIR AFFILIATES, TO THEIR MEMBERS OR ADHERENTS WHO ARE RESIDENT IN ONE OF THE PROVINCES OF ATLANTIC CANADA, AND TO CERTAIN ASSOCIATED CORPORATIONS AND TRUSTS, AND NOT FOR THE GENERAL PUBLIC***

### **Description of the Atlantic Baptist Foundation and its works**

The Atlantic Baptist Foundation (the "Foundation") was formed as a not-for-profit society under the laws of Nova Scotia in 1961, and currently operates out of its head office in Moncton, New Brunswick. The Foundation was formed by a predecessor to the Canadian Baptists of Atlantic Canada (the "Baptist Convention"), with the object and purpose of raising funds to provide financial assistance to Baptist Convention member churches, councils and agencies, and their affiliated camps, nursing homes, schools and similar organizations (the "Baptist Institutions").

Since its formation, the Foundation has provided financial assistance to Baptist Institutions, on an as required basis, by using the funds it raises to make loans to Baptist Institutions. The loans are made for specific uses by or general use of the Baptist Institution. The loans are most commonly used for renovations to existing facilities, such as new roofs for churches, or construction of new facilities, which help expand specific ministries, including churches, educational institutions, camps and adult special care facilities. Loans made by the Foundation for amounts under \$100,000 are often made on an unsecured basis, though the Foundation may require security, depending on the circumstances. All loans made by the Foundation for amounts over \$100,000 are secured by a mortgage on a real estate asset of the Baptist Institution taking the loan. The loans made by the Foundation have varying interest rates, depending on the borrower. The current practice of the Foundation is to collect an interest rate equal to the set return offered on its investment products on loans made to churches, and to set higher interest rates on loans made to all other organizations.

The Foundation raises the funds needed to make loans by offering different investment products, which pay a set return, to Baptist Institutions and to individuals who are members of the Baptist Institutions (the "Individual Members"). Given that the Baptist Institutions and Individual Members invest in and support the ministries and missions of the Baptist Institutions by investing in the products offered by the Foundation, they will be referred to as "Foundation Investors".

The Foundation uses the returns earned from its loans, and, as needed, returns from its own investment portfolio, to pay the set return offered on its investment products, as well as its expenses. Any remainder from the returns earned by the Foundation from its loans are invested by a registered and regulated portfolio manager, working on behalf of the Foundation. The primary purpose of the Foundation's investment portfolio is to have an asset that the Foundation can turn to in order to make the set payments to the Foundation Investors, in the event that the returns from the loans fail to meet expectations. From time to time, when the Foundation considers it prudent to do so, in light of the payment obligations owed to the Foundation Investors, the Foundation will give grants to Baptist Institutions funded

by the returns from its investment portfolio, to even further support and expand the ministries and missions of the Baptist Institutions.

Over the years of its operations, the Foundation has been able to expand its offering of investment products to the Foundation Investors and its ability to support the ministries of the Baptist Institutions, all by consistently maintaining strict management and investment policies, focused on protecting and growing the assets of the Foundation, and in turn the Foundation Investors. Since accepting its first investors, the Foundation has made every payment it has been required to make to the Foundation Investors, on time. Furthermore, the Foundation has always returned the money requested by a Foundation Investor, including a complete repayment.

In addition to offering investment products, the Foundation historically offered to accept funds of Foundation Investors for the purpose of investing those funds in Foundation investment products and paying the set return amounts to a named person or organization chosen by the Foundation Investor. These arrangements represent a very small portion of the Foundation's current portfolio. New arrangements of this nature are not accepted by the Foundation at this time, and it is anticipated that this will be the case for the foreseeable future.

### **Description of the non-registered investment products**

Since its formation, the Foundation has raised money to support the Baptist Institutions by offering different types of investment products, including several products that it has and continues to describe as different types of "savings accounts". The Foundation has changed the savings accounts offered over the years of its operations, and may continue to change the savings products on offer, from time to time. The terms and conditions of the savings accounts that the Foundation currently offers are described over several documents. Most of the terms and conditions, including all of the material terms and conditions attaching to every savings account, are set out in this information memorandum, which is provided to every Foundation Investor. Other terms and conditions are set out in the documents that the Foundation uses to establish new savings account for a Foundation Investor, which documents may be modified from time to time. Foundation investors will receive notice of any modification to any of the terms and conditions.

The savings accounts are non-registered investment products, which means that they are not required to be registered with the Canada Revenue Agency, and, in turn, do not offer any tax savings or deferral to the Foundation Investors.

The savings accounts, as an investment product, pay an interest rate that is set annually by the Foundation's board of directors (the "Interest Rate"). Each year, the baseline for the Interest Rate going forward is calculated as the average rate of nine posted redeemable GICs offered by six large Canadian banks, a credit union and an online bank. A forecast of potential changes to GIC rates is obtained from an industry expert, to determine whether any positive or negative change should be made to the calculated baseline interest rate. The Foundation always reserves the right to make changes to the Interest Rate throughout the year, in case of any unpredicted material changes in the financial markets, though this right is rarely exercised.

The Foundation is currently offering the following type of savings account to Foundation Investors:

***The Savings Plan*** - This is a savings account that is currently available for a minimum initial investment of \$100, which minimum principal amount must be maintained to keep the account on record. There is no minimum on subsequent increases to the principal amount invested. These accounts may be held jointly by multiple holders, and if this option is selected, it will include a right of survivorship in favour of the surviving holder(s). Interest on the principal amount invested is calculated at the Interest Rate on June 30 and December 31 of each year. The calculated interest amount owing is, at the direction of the Foundation Investor, either added to the outstanding principal amount invested in the savings account, or paid out from the savings account to the Foundation Investor. There are no partial or early payments of interest if a Foundation Investor requests a return payment prior to an interest payment date. Foundation Investors may demand repayment of any or the full amount of their accumulated principal at any time. The Foundation also has the right to repay any or the full amount of the accumulated principal to the Foundation Investor, and to close the account, at any time.

**Terms and Conditions of the Savings Plan** - The investment product that is referred to as the “savings accounts” is a demand promissory note issued by the Foundation to the Foundation Investor named as the “account holder” (collectively, the “Notes”). This means that each time a savings account is opened in the records of the Foundation, the Foundation is in fact issuing a Note in the name of the Foundation Investor. The Note issued is not a separate document, and exists only in uncertificated form, in the records of the Foundation. Each Foundation Investor receives one Note, which covers and represents all changes to the principal amount over time, including reinvestments of interest. In other words, each Foundation Investor who opens a savings account makes one investment in one Note of the Foundation, which allows the Foundation Investor to increase and decrease the principal amount represented by that Note.

The Notes are unsecured, fixed income debt obligations owed by the Foundation to the Foundation Investors. The Notes do not have a maturity date, as they are payable on demand. This means that a Foundation Investor is entitled to demand a partial or full repayment from the Foundation, at any time. Another way this can be said is that the Notes track how much principal the Foundation Investors have invested with the Foundation under the terms of their savings accounts, how much interest has been added to the principal, if any, and how much in total the Foundation owes the Foundation Investors.

### **Description of the registered investment products**

**The Atlantic Baptist Foundation Real Estate Mortgage Fund** – Created in order to offer Individual Members with a tax-deferred investment option held in a registered investment account. The Real Estate Mortgage Fund (the “Foundation Fund”) is a unit-based trust settled by the Foundation, who also acts as its trustee. The Foundation Fund was settled by a Declaration of Trust dated November 1, 2001 (as amended from time to time, the “Fund Declaration”). The right to benefit from the Foundation Fund is divided into interests called units (the “Fund Units”), which may be acquired by Individual Members (each, a “Unit Holder”). The Fund Declaration does not provide for different types or classes of Fund Units, and provides that all Fund Units entitle their holder to the same rights with respect to the Foundation Fund. Each Fund Unit entitles the Unit Holder to a proportional interest in the net assets of the Foundation Fund, which, in practice, is equal to the total of principal invested plus interest calculated on that amount at the Interest Rate.

The principal amount invested by a Unit Holder is used to purchase the maximum number of Fund Units that can be purchased with the principal amount, based on the value per Fund Unit, on the next coming valuation date of the Foundation Fund. For example:

- If the value of each Fund Unit is \$20 on the first valuation date to occur after the investment, then an initial principal investment of \$500 would be used to purchase 25 Fund Units; and
- If the value of each Fund Unit increases to \$25 at the next valuation date, then an additional \$500 investment would only purchase 20 Fund Units at that time.

The set return on all principal invested in Fund Units is calculated at the Interest Rate on each of June 30 and December 31 of each year. All calculated set return amounts are used to purchase more Fund Units.

Each Fund Unit exists only in uncertificated form, in the records of the Foundation and the custodian of the assets of the Foundation Fund. Each Unit Holder only makes one subscription for Fund Units. This subscription allows the Unit Holder to increase or decrease the principal amount of their investment at any time by purchasing or redeeming Fund Units as of a valuation date. The subscription for Fund Units is governed by the subscription documents presented by the Foundation, as those may be amended from time to time, the terms set out in this information memorandum, and the terms set out in the Fund Declaration.

A Unit Holder may request the return of their invested principal and accumulated return by requesting the redemption of their Fund Units. Fund Units are redeemed on the next coming valuation date of the Foundation Fund, which is set as the last business day of the month when the redemption request is received, or potentially at another date chosen by the Foundation.

The Foundation Fund uses the principal invested by the Unit Holders to purchase mortgage loan and unsecured promissory note receivables from the Foundation, which generate the income needed to return invested principal and pay the set investment return amounts to the Unit Holders. The operating expenses of the Foundation Fund are paid from the excess returns from the mortgage loan and unsecured promissory note receivables. All of the assets of the Foundation Fund are held by a licensed and regulated trust company appointed by the Foundation from time to time, in the role of custodian of the funds (the “Fund Custodian”).

Though the Foundation Fund does not give direct financial assistance to Baptist Institutions, its investment in the Foundation mortgage loan receivables provides indirect assistance to Baptist Institutions by providing cash to the Foundation, for it to make new loans and give grants to Baptist Institutions and their ministries.

Fund Units may only be held in an account registered with the Canada Revenue Agency. These accounts are opened with and registered by the Fund Custodian, who acts as trustee of each Unit Holder account. Fund Units may currently be held in the following types of accounts:

***The Registered Retirement Savings Plan (“RRSP”)*** – Individual Members may open an RRSP account to invest in Fund Units, by completing the account opening documentation required by the Foundation and/or the Fund Custodian. Opening an RRSP account requires an initial investment of \$500, which amount must be maintained as a minimum, unless the Individual Members chooses to redeem all of their Fund Units and close their account. Once opened, Individual Members may make deposits into their RRSP account in any amount within their calculated RRSP contribution limit, as and when they choose, and may also make pre-determined periodic contributions. Spousal contributions are also accepted in spousal RRSP accounts. All deposits made to an RRSP account are restricted to being held as cash or used to purchase and hold Fund Units. Investment returns are only paid in connection with Fund Units held, and not on cash held. All deposits are held as cash until the next valuation date of the Foundation Fund, when all cash in an RRSP account is automatically used to purchase Fund Units, at their value established on that valuation date. Redemptions of Fund Units also occurs on valuation dates. If an Individual Member redeems all of their Fund Units, their cash will be returned to them and the RRSP account will be closed.

The RRSP accounts are registered with the Canada Revenue Agency by the Custodian. The RRSP accounts are subject to the rules on RRSPs set out in the *Income Tax Act* (Canada), such as the tax deferral and deduction rights associated with RRSP accounts in Canada, and the rule requiring RRSP accounts be closed or converted in to a RRIF by the end of the year in which the account holder turns 71 years old.

***The Registered Retirement Income Fund Plan (“RRIF”)*** – Individual Members may convert an existing RRSP account into a RRIF account, if all requirements set out in the *Income Tax Act* (Canada) are met, by completing the account opening documentation required by the Foundation and/or the Fund Custodian. Once a RRIF account is open, no further deposits are allowed to be made. A minimum principal investment of \$500 must be maintained, unless the Individual Members chooses to redeem all of their Fund Units and close their account. Starting in the year after the year that a RRIF account is opened, a minimum amount of taxable money needs to be withdrawn every year, noting that there is no limit on amounts that can be withdrawn. All amounts held on deposit in a RRIF account are restricted to being held as cash or used to purchase and hold Fund Units. Investment returns are only paid in connection with Fund Units held, and not on cash held. As with the RRSP accounts, all cash held in RRIF accounts on every valuation date of the Foundation Fund is automatically used to purchase Fund Units, at their value established on that valuation date.

The RRIFs are registered with the Canada Revenue Agency by the Custodian, and are subject to the rules on RRIFs set out in the *Income Tax Act* (Canada). Individual Members may hold a RRIF account until their death.

### **Description of Eligibility Criteria for Investment and Terms of the Offering**

***Eligibility for Investment*** – The Foundation is only permitted to distribute its registered and non-registered investment products to Baptist Institutions, Individual Members, corporations controlled by Individual Members and/or their close family (“Family Corporations”), and trusts controlled by or for the benefit of Individual Members and/or their close family (“Family Trusts”). The Foundation is not permitted to distribute its investment products

to any person or organization that no longer meets the criteria of being a Baptist Institution, Individual Member, Family Corporation or Family Trust, or once the Foundation suspects that this is the case.

**Limits on Investment** – Regulations applicable to the operations of the Foundation prohibit it from accepting money that an investor has borrowed to invest in the Foundation investment products and requires the Foundation to receive an acknowledgement that no borrowed funds are used. The Foundation is also restricted in the total principal amount of its investment products that it can issue to investors. Once an Individual Member, their Family Corporation and Family Trust hold a combined total of more than \$100,000.00 worth of Foundation investment products, the Foundation is limited to accepting no more than \$20,000 in new investment principal per year from any or all of these investors combined, unless the investor has received advice on the appropriateness of the investment from a registered portfolio manager, investment dealer or exempt market dealer. This limit does not apply to certain high net worth investors.

**Offering Exemption** – The Foundation has not prepared and no regulatory authority has reviewed a prospectus describing the investment products offered by the Foundation. The Foundation offers its investment products on a prospectus exempt basis, relying on the exemption for not for profit issuers set out in section 2.38 of National Instrument 45-106. The Foundation also relies on an order of the New Brunswick Financial and Consumer Services Commission (the “Commission”), granted as principal regulator of the Foundation and applicable to its operations in each of the Atlantic Provinces, exempting the Foundation from having to meet certain requirements normally applicable to issuers of securities and investment fund managers.

### **Description of Regulatory Oversight over the Foundation**

The Foundation is not a financial institution or bank, and is not regulated under provincial laws governing financial institutions or under federal laws governing banking. The Foundation is not insured by the Canada Deposit Insurance Corporation.

The offering of investment products by the Foundation in the Atlantic Provinces is overseen by the Commission, as the principal securities regulatory authority responsible for the Foundation. The Foundation is subject to several reporting and disclosure obligations imposed by the Commission (including the preparation and delivery of this information memorandum). This information memorandum should be read in conjunction with the Foundation’s audited annual financial statements, declaration of membership and all account application documents filled out when making an initial investment.

### **Required Disclosures**

**Financial Disclosure to Investors** – The Foundation is required to disclose its most recent audited annual financial statements as part of this information memorandum. The most recent audited annual financial statements of the Foundation are incorporated in to this information memorandum by reference, and are available to all holders of Foundation investment products, upon request, from the Foundation. The Foundation is also required to deliver its most recent audited annual financial statements to the Commission, on an annual basis.

**Disclosure of Information Memorandum** – The Foundation is required to deliver this information memorandum to any person or organization who wants to invest in the Foundation investment products. The Foundation is also required to deliver this information memorandum to every Foundation Investors whenever there is a material change to its contents.

**Disclosure of Personal Information to the Commission** – The Foundation is required to disclose limited personal information about any Foundation Investor who, alone or together with associated Family Corporations and Family Trusts, has acquired and maintains Foundation investment products in amounts greater than the Holdings Threshold. The New Brunswick *Right to Information and Protection of Privacy Act*, and similar legislation in each of the Atlantic Provinces, generally requires the Commission, and its counterparts in the other Atlantic

Provinces, to keep personal information about Foundation Investors confidential, however, these laws also make the information subject to an access to information request.

By purchasing the investment products offered by the Foundation, each Foundation Investor acknowledges that certain personal information, including their name and account balance(s), may be disclosed to the Commission and may become available to the public in accordance with the requirements of applicable laws. Such personal information is being collected by the Commission under the authority granted to it in applicable securities laws and such personal information is being collected for the purposes of the administration and enforcement of the New Brunswick *Securities Act*, and similar legislation in each of the Atlantic Provinces. The Foundation Investor hereby acknowledges and consents to the collection, use, and disclosure of certain personal information by the Foundation and the Commission, as outlined above.

If you have any questions about the collection and use of this information, contact the Commission at:

**Financial and Consumer Services Commission**  
**85 Charlotte Street, Suite 300**  
**Saint John, NB, E2L 2J2**  
**Tel. (506) 658-3060 Toll Free in New Brunswick 1-866-933-2222**  
**Facsimile: (506) 658-3059**

## **RISK ALERT**

**Investment Risk** - Since the Foundation has issued its first investment product, it has always paid its stated rate of return to Foundation Investors, when and as due, and no Foundation Investor has ever lost any of the money they have invested with the Foundation. Notwithstanding this, there is always risk when making investments, and this includes investments made with the Foundation. The following is a list of potential risks that could impact an investment made with the Foundation, noting that this list does not set out every potential risk, and also noting that a combination of several of these risks, even in small magnitude, could impact investment returns:

- major downturn in the economy;
- unpredictable major downturns in trading markets;
- an unprecedented number of defaults on Foundation mortgage receivables;
- Inability to receive insurance payments when there is damage to mortgaged properties;
- an unprecedented number of requests to redeem all investments with the Foundation;
- potential of data breaches affecting the Foundation or its service providers;
- potential for cyberattacks made against the Foundation or its service providers;
- potential failures of telecommunications infrastructure affecting the Foundation or its service providers;
- mass illness or public health pandemics affecting the staff of the Foundation or its service providers;
- the Foundation becoming insolvent; and/or
- unpredictable turmoil affecting the operations of the Baptist Foundation.

In addition, no securities regulatory authority, including the Commission, has evaluated or endorsed the merits of the Foundation investment products or the disclosure in this information memorandum.

**Risk Mitigation** - To mitigate the potential risks for the Foundation Investors, the board of directors and senior leadership of the Foundation are diligent in ensuring that the Foundation meets industry standards in protecting the assets of the Foundation Investors, including hiring staff experienced in the financial and real estate industries, bonding staff, insuring facilities, ensuring proper documentation and insurance is in place for the borrowers under the mortgages, obtaining the advice and services of well-regarded legal counsel and auditors, preparing audited annual financial statements, and importantly, relying on the advice of a professional portfolio manager to manage the Foundation's investment portfolio.

On a practical basis, the Foundation is able to mitigate most risks to the investment proceeds it receives by retaining the right to adjust the stated return on investments received as and when it is required, to reflect markets, and the performance of the mortgage receivables.

**Risk Acknowledgement** – Notwithstanding its robust and careful risk mitigation and management efforts, the Foundation is required by law to obtain a signed risk acknowledgement statement, in the form enclosed with this information memorandum at Schedule “A”, from each purchaser of Foundation investment products.

### **Contractual Rights of Rescission and Right of Action**

As previously detailed in this information memorandum, any Foundation Investor holding a Note is entitled to receive a full or partial repayment of the principal amount of their Note, plus calculated returns to date, at any time. Investors may also request the redemption of any number of their Fund Units at any time, which will be redeemed at the next valuation date of the Foundation Fund. Even with this being the case, the Foundation is required by law to provide its investors with certain generic rights, which are detailed below.

**Contractual Right of Rescission** - Every investor in Foundation investments is, by the terms of this information memorandum, entitled to a contractual right of rescission. This means that each time an investor places money with the Foundation, the investor may, within forty-eight (48) hours, demand the immediate return of their money, without interest or any type of return on investment.

**Statutory Rights of Action and Rescission** - Securities laws in certain jurisdictions in Canada provide purchasers of investments, in addition to any other rights they may have at law and in addition to the contractual right of rescission, with a remedy for rescission or damages or both if an offering memorandum delivered in connection with the investment, or any amendment to it and, in some cases, advertising and sales literature used in connection therewith, contains a “misrepresentation”, as defined in the applicable securities laws. However, these remedies, or notice with respect thereto, must be exercised, or delivered, as the case may be, by the purchaser within the time limits prescribed by the applicable securities legislation.

As an example, the following is a summary of the rights of rescission or rights to damages available to purchasers of investments who rely on an offering memorandum, in New Brunswick. This summary is subject to the express provisions of the applicable securities laws of New Brunswick and the regulations, rules and policy statements thereunder, and reference is made thereto for the complete texts of such provisions. Such provisions may contain limitations and statutory defences on which issuers of securities and other persons may rely. The rights of action described below are in addition to and without derogation from, any other right or remedy that a purchaser may have under applicable laws and are subject to the defences contained therein.

The *Securities Act* (New Brunswick), provides investors who purchase investments offered by an offering memorandum with a statutory right of action against the issuer of the investments for rescission or damages in the event that the offering memorandum and any amendment to it contains a “misrepresentation”. The term “misrepresentation” is defined to mean an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make any statement not misleading in the light of the circumstances in which it was made. These remedies, or notice with respect to these remedies, must be exercised or delivered, as the case may be, by the purchaser within the time limits prescribed by applicable securities laws.

Section 2.1 of New Brunswick Financial and Consumer Services Commission Rule 45-802 provides that the statutory rights of action in rescission or damages referred to in Section 150 of the *Securities Act* (New Brunswick) (“Section 150”) apply to information relating to an offering memorandum that is provided to a purchaser of securities in connection with a distribution made in reliance on all of the prospectus exemptions noted therein. Section 150 provides investors who purchase securities offered for sale in reliance on an exemption from the prospectus requirements of the *Securities Act* (New Brunswick) with a statutory right of action against the issuer of securities for rescission or damages in the event that an offering memorandum provided to the purchaser contains a “misrepresentation”.

Where the offering memorandum is delivered to a prospective purchaser of securities in connection with a defined type of prospectus exempt trade, and the document contains a misrepresentation, a purchaser who purchases the securities will be deemed to have relied on the misrepresentation if it was a misrepresentation at the time of purchase, and will have, subject to certain limitations and defences, a statutory right of action against the issuer, every person who was a director of the issuer at the date of the offering memorandum, every person who signed the offering memorandum and a selling security holder on whose behalf the distribution is made for damages or, while still the owner of securities and as against the issuer or a selling security holder on whose behalf the distribution is made, for rescission. If the purchaser elects to exercise the right of rescission, the purchaser will have no right of action for damages. The right of action for rescission will be exercisable by the purchaser only if the purchaser commences the action against the defendant, not more than 180 days after the date of the transaction that gave rise to the cause of action; or, in the case of any action other than an action for rescission, the earlier of: (i) one year after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) six years after the date of the transaction that gave rise to the cause of action.

The defendant will not be liable for a misrepresentation if it proves that the purchaser purchased the securities with knowledge of the misrepresentation.

In an action for damages, the defendant will not be liable for all or any portion of the damages that the defendant proves do not represent the depreciation in value of the securities as a result of the misrepresentation relied upon. In no case will the amount recoverable for the misrepresentation exceed the price at which the securities were offered. The liability of all persons and companies referred to above is joint and several.

The foregoing statutory right of action for rescission or damages conferred is in addition to and without derogation from any other right the purchaser may have at law.

***Contractual Extension of Statutory Rights*** – The statutory rights described above do not, on their own terms, apply to the purchase of Foundation investments and a misrepresentation in this information memorandum. However, every investor in Foundation investments is, by the terms of this information memorandum, entitled to the statutory rights described above, in consideration of their purchase of Foundation investment products, and upon the Foundation accepting an investors money, the investor is hereby granted a contractual right of action for damages or rescission that is substantially the same as the statutory right of action under New Brunswick law, as described above.



## Appendix A

### Risk Acknowledgement Statement

I acknowledge that:

- This is a risky investment, and I am investing entirely at my own risk.
- I could lose all the money I invest.
- I am not borrowing to invest in these securities.
- I have read and kept the Information Memorandum provided to me by Atlantic Baptist Foundation and understand that no securities regulatory authority or regulator has evaluated or endorsed the merits of these securities or the disclosure in the Information Memorandum.
- Atlantic Baptist Foundation is not registered with a securities regulatory authority or regulator and will not assess whether this investment is suitable for me.
- I will not be able to sell these securities except in very limited circumstances. I may never be able to sell these securities.
- The securities are expressed to be redeemable, but I may only be able to redeem them in limited circumstances.
- No one other than Atlantic Baptist Foundation has any obligation to repay my investment in these securities.
- My investment in securities issued by Atlantic Baptist Foundation does not require a prospectus which would describe the investment in detail and give me certain legal protections.
- I may receive little ongoing information about Atlantic Baptist Foundation and/or my investment.

Date: \_\_\_\_\_ Signature of Purchaser \_\_\_\_\_

Print name of Purchaser \_\_\_\_\_