WESLEYAN IMPACT PARTNERS

IGNITING IMAGINATION

OFFERING CIRCULAR 2024

Dear Wesleyan Impact Partner Investor,

Thank you for considering an investment in Wesleyan Impact Partners Impact Certificates.

This Offering Circular provides specific information for prospective investors to consider in evaluating an investment in Impact Certificates. It details the anticipated returns and potential risks associated with the investment.

Wesleyan Impact Partners is a nonprofit corporation. All revenues generated by our investment and lending activities are used in support of the mission and purpose of the church.

Impact Certificates are variable and fixed-rate certificates that pay a rate of interest as detailed in the enclosed Offering Circular and the accompanying Rate Sheet and Application to Purchase.

Please contact us with any questions. We would be glad to answer questions you may have about how to complete the Application or about your decision to invest with us.

If you have any questions, please feel free to call or email Sara Beltran or Randi Forrest with any questions at 800-862-8633 or by email:

- Sara Beltran: sbeltran@wesleyanimpactpartners.org
- Randi Forrest: rforrest@wesleyanimpactpartners.org

Gratefully,

Lisa G. Greenwood

Rev. Lisa Greenwood
President & CEO, Wesleyan Impact Partners

Wesleyan Impact Partners
11709 Boulder Lane, Suite 220
Austin, Texas 78726
800-862-8633

SUPPLEMENT TO OFFERING CIRCULAR DATED MAY 15, 2024

The following information supplements and updates the Offering Circular of Wesleyan Impact Partners (the "Issuer") dated May 15, 2024 ("Offering Circular"), relating to the offer and sale of up to $100,000,000 in aggregate principal amount of unsecured debt securities. This supplement should be read in conjunction with the more detailed information about the Issuer and its offering, including the risk factors set forth in the Offering Circular. This supplement is qualified in its entirety by reference to the Offering Circular (including any amendments or supplements to it), except to the extent that the information in this supplement supersedes or amends information set forth in the Offering Circular. Please keep this supplement with your Offering Circular for future reference.

Changes to Board of Directors

Effective January 1, 2025, the Issuer has appointed two new members to its Board of Directors, Rev. Dr. Aleze M. Fulbright and Rev. William H. Lamar IV. The "Management" section of the Offering Circular is hereby amended to include their biographical information as follows:

> ***Reverend Dr. Aleze M. Fulbright*** is a dynamic leader, preacher, and ordained elder in The United Methodist Church. Rev. Dr. Fulbright is the Secretary of the General Conference of The United Methodist Church where she oversees the administration, coordination, and facilitation of the General Conference, the highest legislative body of the UMC. Rev. Dr. Fulbright earned a Doctor of Ministry in Pastoral Leadership from Houston Graduate School of Theology, and prior to entering full-time ministry in 2008, she had a career in accounting.
>
> ***Reverend William H. Lamar IV*** is the pastor of the Metropolitan African Methodist Episcopal (AME) Church in Washington, DC. Rev. Lamar IV earned a Master of Divinity from Duke Divinity School in 1999 and was ordained as an itinerant elder in 2000 at the Florida Annual Conference of the AME Church. Rev. Lamar IV has also served congregations in Monticello, Orlando, and Jacksonville, Florida, as well as Hyattsville, Maryland. For nearly 15 years, Rev. Lamar IV has also been actively involved in faith-based community organizing for justice, working with organizations like Direct Action Research Training, Industrial Areas Foundations, and Washington Interfaith Network.

Concurrently with these changes, the Issuer thanks outgoing Board Chair Dr. Maggie Jackson and outgoing Board member Ruby D. Anderson for their years of service on the Issuer's Board.

The Issuer's new Board Chair is Wayne Moy, who has served on the Board of Directors since 2020, and previously served the Issuer as its Executive Director from 2005 to 2007 and from 2011 to 2017. His biography is already included in the "Management" section of the Offering Circular.

Wesleyan Impact Partners

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INTEREST RATE SHEET

DATED March 1, 2025

May 15, 2024 OFFERING CIRCULAR

$100,000,000 OF UNSECURED CERTIFICATES

Type of Certificates	Interest Rate	Minimum Investment Amount
Flexible Investment Certificates	0.85%	$100.00
One Year Term Certificates	4.30%	$100.00
Two Year Term Certificates	4.00%	$100.00
Three Year Term Certificates	4.05%	$100.00
Four Year Term Certificates	4.10%	$100.00
Five Year Term Certificates	4.30%	$100.00
Individual Retirement Account Certificates	3.00%	$100.00

Interest rates currently offered on new issuances of Certificates are as set forth on the accompanying Interest Rate Sheet, which may be amended from time to time by the President of Wesleyan Impact Partners. Current interest rates may also be obtained by calling us at 800-862-8633, or emailing Invest@wesleyanimpactpartners.org

or visiting The Issuer's website at wesleyanimpactpartners.org. If economic conditions in the market should warrant, the interest rate(s) offered on Flexible Investment Certificates and Individual Retirement Account Certificates may be increased or decreased after thirty (30) days' prior written notice to Certificate holders by the Issuer. Unless the Certificate holder re-invests in a Term Certificate at maturity, interest rates for Term Certificates are fixed for the life of the Term Certificate, once issued.

Certificates are offered pursuant to an Offering Circular, which contains essential information about the issuer (Wesleyan Impact Partners). Persons are advised to read the Offering Circular carefully prior to making any decision to purchase these securities.

This is not an offer to sell you our securities and we are not soliciting you to buy our securities. The offering is made solely by the Offering Circular and only in states where authorized. Before investing, you should read our Offering Circular available at wesleyanimpactpartners.org. Past performance is no guarantee of future results. Rates subject to change. The Notes are unsecured debt securities subject to terms, conditions and risks described in our Offering Circular, including risk of possible loss of the amount invested. Payment is dependent on Wesleyan Impact Partners' financial condition at the time payment is due. Not FDIC or SIPC insured. Not a bank deposit. Not guaranteed by any denomination.

Special Notice – Certificates are Uncertificated

The Certificates will be issued in book-entry form as uncertificated securities to be held and recorded in the book-entry-only system maintained by the Issuer. After purchase of any Certificate, the purchaser will not receive a physical certificate representing the Certificate but will receive a confirmation acknowledging purchase of the Certificate. The Certificate will be registered in book-entry form by the Issuer. The Issuer will issue a physical Certificate to any investor upon request

Wesleyan Impact Partners

11709 Boulder Lane, Suite 220
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(800) 862-8633

Offering Circular

Wesleyan Impact Partners is a national nonprofit fueled by impact investors, borrowers, and philanthropists that invests in ministries and innovative leaders courageously doing God's work in the world – partnering in a Spirit-led movement to bring about human flourishing grounded in love, generosity and belonging.

Over the course of its 50 plus-year history, Wesleyan Impact Partners has made loans throughout the United States and its territories, empowering churches and their related entities to pursue their God-sized dreams. The work is made possible by those individuals, donors, and institutions who invest in Wesleyan Impact Partners.

Wesleyan Impact Partners (the "**Issuer**"), is offering up to $100,000,000 in unsecured debt securities consisting of: (i) Flexible Investment Certificates; (ii) Term Certificates; and (iii) Individual Retirement Account Certificate. For more than 50 years, Wesleyan Impact Partners has offered unsecured debt securities for investment by eligible supporters of its charitable mission. The terms "**Impact Certificates**," "**Impact Notes**," "**Certificates**" and "**Notes**" have been used interchangeably, formally or informally, at various times as the name for these securities. The securities also are referred to as "**Investment Obligations**" in the audited financial statements. For purpose of this Offering Circular, these debt securities are primarily referred to as "**Certificates**" or both when referring to the new debt securities to be sold and the outstanding debt securities, including outstanding securities that were issued under the name "notes" or "impact notes." These names are intended to be interchangeable for all purposes.

Flexible Investment Certificates may be redeemed by the certificate holder, in whole or in part, at any time upon at least fifteen (15) days' prior written notice to the Issuer. Term Certificates have a fixed duration of one, two, three, four or five years, depending on the term selected by the investor. Certificates purchased by Individual Retirement Accounts (IRAs) may be redeemed, in whole or part, at any time upon at least thirty (30) days' prior written notice from the IRA custodian to the Issuer. The minimum investment amount is $100 for all Certificates. See "Description of the Certificates" beginning on page 29.

Interest rates currently offered on new issuances of Certificates are as set forth on the accompanying Interest Rate Sheet, which may be amended from time to time by the President of the Issuer. Current interest rates may also be obtained by calling the Issuer at (800) 862-8633, emailing the Issuer at info@wesleyanimpactpartners.org or visiting the Issuer's website at www.wesleyanimpactpartners.org. If economic conditions in the market should warrant, the interest rate(s) payable on Flexible Investment Certificates and IRA Certificates may be increased or decreased after thirty (30) days' prior written notice to investors by Issuer. Unless the investor re-invests in a Term Certificate at maturity, interest rates for Term Certificates are fixed for the life of the Term Certificate, once issued.

Interest begins to accrue upon Issuer's receipt of funds from an investor and the issuance of the Certificate by the Issuer. Payment may be made by check, ACH payment, or wire transfer, in U.S. funds. Applications are accepted via U.S. mail to the Issuer.

The expenses of this offering, which the Issuer expects to be less than 0.18% of the total offering amount, are paid from the Issuer's operating capital. This offering is not underwritten and no commissions are paid for the sale of the Certificates. As a result, the Issuer receives 100% of the proceeds from this offering.

THIS OFFERING IS SUBJECT TO CERTAIN RISKS WHICH ARE DESCRIBED BEGINNING AT PAGE 4.

This Offering Circular contains essential information about the Issuer and the Certificates. Persons are advised to read this Offering Circular carefully prior to making any decision to purchase these securities. Please see "State Specific Information" beginning on page v for information particular to certain states of residence.

This date of this Offering Circular is **May 15, 2024**.

Except as to residents of certain states, if a holder of a maturing Term Note or Term Certificate purchased prior to January 1, 2017 or after May 15, 2019 does not present it for payment (if certificated) or give the Issuer written instructions to pay or redeem it, that Term Certificate will automatically be renewed or "rolled over" into a like Term Certificate at the prevailing interest rate paid on the same Term Certificate as that being rolled over. The rate of interest that the Issuer pays on the Term Certificate issued as a result of the roll-over may be less than the rate of interest paid on the maturing Term Certificate. See "State Specific Information" beginning on page v for information regarding the treatment of Term Certificates at maturity for residents of certain states.

Except as to residents of certain states, for any Term Note purchased between January 1, 2017 and May 15, 2019, if the Issuer does not receive written instructions from the holder to redeem the Term Note at maturity, the Issuer will automatically convert the Term Note into a Flexible Investment Note (unless the Term Note is redeemed early or a new Term Note is purchased by the holder). See "State Specific Information" beginning on page v for information regarding the treatment of Term Notes at maturity for residents of certain states.

There is no right to early redemption of a Term Certificate by the holder. The Issuer retains the right to reject any request for early redemption. For Certificates that are redeemed prior to their maturity, the Issuer will generally pay the principal in five (5) equal annual installments (except as to residents of certain states), and will charge an early redemption penalty. See "Early Redemption Penalty" on page 31, the Risk Factor entitled "Restrictions on Early Redemptions" on page 5, and the Risk Factor entitled "Early Redemption Penalty" on page 5 for information regarding restrictions and penalties regarding an early redemption. See "State Specific Information" beginning on page v for information regarding the Issuer's waiver of its right to repay principal on an installment basis for holders in certain states.

THESE SECURITIES MAY EITHER BE REGISTERED OR EXEMPT FROM REGISTRATION IN THE VARIOUS STATES OR JURISDICTIONS IN WHICH THEY ARE OFFERED OR SOLD BY THE ISSUER. THIS OFFERING CIRCULAR HAS BEEN FILED WITH THE SECURITIES ADMINISTRATORS IN SUCH STATES OR JURISDICTIONS THAT REQUIRE IT FOR REGISTRATION OR EXEMPTION.

THESE SECURITIES ARE ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 3(a)(4) OF THE SECURITIES ACT OF 1933, AS AMENDED. NEITHER THIS OFFERING CIRCULAR NOR A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT DETERMINED THE ACCURACY, ADEQUACY, TRUTHFULNESS, OR COMPLETENESS OF THIS DOCUMENT AND HAVE NOT PASSED UPON THE MERIT OR VALUE OF THESE SECURITIES, OR APPROVED, DISAPPROVED OR ENDORSED THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE DISCLOSURE, MERITS, AND RISKS INVOLVED. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THIS SECURITY, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES. THE EXEMPTION FROM CALIFORNIA CORPORATIONS CODE SECTION 25130 PROVIDED BY CORPORATIONS CODE SECTION 25104(H) IS WITHHELD BY

ORDER OF THE COMMISSIONER OF THE DEPARTMENT OF FINANCIAL PROTECTION AND INNOVATION WITH RESPECT TO ANY NONISSUER TRANSACTION IN THE CERTIFICATES AND ALL OUTSTANDING SECURITIES OF THE SAME CLASS.

INVESTMENT OBLIGATIONS OF THE ISSUER ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION (FDIC), SECURITIES INVESTOR PROTECTION CORPORATION (SIPC), OR ANY OTHER STATE OR FEDERALLY REGULATED INSTITUTION. THE INVESTMENT OBLIGATIONS ARE ALSO NOT CERTIFICATES OF DEPOSIT OR DEPOSIT ACCOUNTS WITH A BANK, SAVINGS AND LOAN ASSOCIATION, CREDIT UNION OR OTHER FINANCIAL INSTITUTION REGULATED BY FEDERAL OR STATE AUTHORITIES. THE PAYMENT OF PRINCIPAL AND INTEREST TO AN INVESTOR IN THE INVESTMENT OBLIGATIONS IS DEPENDENT UPON THE ISSUER'S FINANCIAL CONDITION, WHICH IS IN TURN DEPENDENT UPON REPAYMENT OF PRINCIPAL AND PAYMENT OF INTEREST BY BORROWERS. A PURCHASE OF THE INVESTMENT OBLIGATIONS IS SUBJECT TO INVESTMENT RISKS, INCLUDING POSSIBLE LOSS OF THE ENTIRE PRINCIPAL AMOUNT INVESTED. ANY PROSPECTIVE INVESTOR IS ENTITLED TO REVIEW THE ISSUER'S FINANCIAL STATEMENTS, WHICH SHALL BE FURNISHED AT ANY TIME DURING BUSINESS HOURS UPON REQUEST. THE INVESTMENT OBLIGATIONS ARE NOT OBLIGATIONS OF, NOR GUARANTEED BY, THE UNITED METHODIST CHURCH, OR BY ANY CHURCH, CONFERENCE, INSTITUTION OR AGENCY AFFILIATED WITH THE UNITED METHODIST CHURCH.

NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION IN CONNECTION WITH THIS OFFERING OTHER THAN THOSE CONTAINED IN THIS OFFERING CIRCULAR, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATION MUST NOT BE RELIED ON AS HAVING BEEN MADE BY THE ISSUER OR ANY OF ITS AFFILIATES, EMPLOYEES OR AGENTS.

INVESTORS ARE ENCOURAGED TO CONSIDER THE CONCEPT OF INVESTMENT DIVERSIFICATION WHEN DETERMINING THE AMOUNT OF INVESTMENT OBLIGATIONS THAT WOULD BE APPROPRIATE FOR THEM IN RELATION TO THEIR OVERALL INVESTMENT PORTFOLIO AND PERSONAL FINANCIAL NEEDS.

Special Notice – Certificates are Uncertificated

The Certificates will be issued in book-entry form as uncertificated securities to be held and recorded in the book-entry-only system maintained by the Issuer. After purchase of any Certificate, the purchaser will not receive a physical certificate representing the Certificate but will receive a confirmation acknowledging purchase of the Certificate. The Certificate will be registered in book-entry form by the Issuer. The Issuer will issue a physical Certificate to any investor upon request.

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APPENDIX LIST:

STATE SPECIFIC INFORMATION

The Issuer is or may be qualified to offer and sell its securities in all of the following states. Certain features state law, however, require certain special disclosures, give residents certain legal rights with regard to investments, and/or limit the features of the Certificates that the Issuer can offer in the state. You should read the applicable section carefully if you live in one of the states listed below. Note that some states have relevant disclosures in one or both of the multistate disclosures on this page in addition to a state-specific disclosure below. If you are not a resident of any of these states, you may proceed to the "Summary" Section of the Offering Circular, which begins on page 1.

RESIDENTS OF ALABAMA, ARIZONA, ARKANSAS, CALIFORNIA, IDAHO, INDIANA, KENTUCKY, MICHIGAN, MISSOURI, OHIO, PENNSYLVANIA, TENNESSEE AND WASHINGTON: This Offering is available only to those persons or entities who are, prior to the receipt of the Offering Circular, one of the following: (i) entities within a Wesleyan or Methodist Church connectional system; (ii) entities which trace their origin to the Wesleyan Episcopal movement of the 18th century; (iii) members of, contributors to (including previous investors), or participants in the Issuer, a church with roots in the Wesleyan Episcopal movement, their connectional units or any program, activity or organization which constitutes a part of or sharing a programmatic relationship with such organization, or the family members of, or entities controlled by, any such members, contributors or participants; and (iv) successors in interest to any of the foregoing. The Issuer may determine in its discretion that a prospective investor or transferee does not meet one of the foregoing definitions and reserves the right to refuse to offer or sell any Certificate to any person or entity.

RESIDENTS OF ALABAMA, ARKANSAS, CALIFORNIA, GEORGIA, IDAHO, MICHIGAN, MISSOURI, OKLAHOMA, PENNSYLVANIA, VERMONT, WASHINGTON AND WISCONSIN: If you redeem your Term Certificate prior to the stated maturity date, the Issuer will not repay the principal in five (5) equal annual installments as provided in this Offering Circular. Instead, if the Issuer, in its discretion, approves of a request for early redemption, the Issuer will repay the principal amount on the Certificate in one lump sum payment, less the applicable early redemption penalty, as described under "Early Redemption Penalty" on page 31.

If you demand repayment on a Flexible Investment Certificate, or your Term Certificate reaches maturity, and you elect not to re-invest, the Issuer will not repay the principal in five (5) equal annual installments as provided in this Offering Circular. Instead, the Issuer will repay the principal amount on the Certificate in one lump sum payment.

RESIDENTS OF ARKANSAS, CALIFORNIA, GEORGIA, KENTUCKY, LOUISIANA, OHIO, OREGON, AND SOUTH CAROLINA: Your Term Certificate will not be automatically renewed at maturity. You will be paid at the maturity of the Term Certificate the full principal and accrued interest balance of the Certificate upon presentation for repayment, if a physical Term Certificate was issued, or if the Term Certificate is uncertificated, on written instructions to repay the investment. Alternatively, you may exchange such maturing or matured Term Certificate for a new Term Certificate then offered by the Issuer by tendering the outstanding Term Certificate, if a physical Term Certificate was issued, or written instructions if one has not, and a new signed Application to the Issuer (see Appendix B). Until the physical Certificate or written instructions and new Application (as applicable) are received by the Issuer, the matured Certificate will become an account payable of the Issuer, earning interest at the rate then offered by the Issuer on Flexible Investment Certificates, until such time as the matured Certificate is presented for repayment or a new Application has been received. The Issuer will continue to attempt to contact you after the maturity of a Certificate and assist you in completing the necessary steps either to purchase a new Certificate or obtain repayment of the matured Certificate. If the Issuer is unable to reach you, the matured Certificate will be handled in accordance with applicable law, including the rules of escheat.

ALABAMA RESIDENTS: THE NOTES ARE OFFERED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 37(H) (SEE SECTION 8-6-10, CODE OF ALABAMA, 1975) OR OTHER APPLICABLE SECTION OF THE ALABAMA SECURITIES ACT.

CALIFORNIA RESIDENTS: THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION OF THE STATE OF CALIFORNIA DOES NOT RECOMMEND OR ENDORSE THE PURCHASE OF THESE SECURITIES.

FLORIDA RESIDENTS: The Certificates are offered and issued pursuant to a claim of exemption from registration and have not been registered in the State of Florida.

KENTUCKY RESIDENTS: These securities are issued pursuant to a claim of exemption from registration under section Kentucky Revised Statutes Section 292.400(9) or other applicable section of the Kentucky Securities Act.

LOUISIANA RESIDENTS: These securities, with the exception of the Flexible Investment Certificates (which are not offered to Louisiana residents), have been offered pursuant to a claim of exemption from registration under Section 709 of the Louisiana Revised Statues or registered with the Securities Commissioner of the State of Louisiana. The Securities Commissioner, by accepting registration, does not in any way endorse or recommend the purchase of any of these securities.

MICHIGAN RESIDENTS: These securities are offered pursuant to a claim of exemption from registration under Mich. Comp. Laws Section 451.2202 or a registration order issued by the State of Michigan. The State of Michigan does not recommend or endorse the purchase of any securities, nor does it pass upon the truth, merits, or completeness of this Offering Circular or any other information filed with the State. Any representation to the contrary is a criminal offense.

MISSOURI RESIDENTS: In making an investment decision, investors must rely on their own examination of the person or entity creating the securities and the terms of the offering, including the merits and risks involved. The Missouri Securities Division has not in any way passed upon the merits or qualifications of the securities hereby offered, or passed upon the accuracy or determined the adequacy of this document. These securities have not been registered under the Missouri Securities Act under the exemption provided by Section 409.2-201(7)(B) or other applicable section of the Revised Statues of Missouri. No approval has been given to the issuer, these securities, or the offer or sale thereof to any Missouri residents. Any representation to the contrary is a criminal offense.

NORTH CAROLINA RESIDENTS: In making an investment decision, investors must rely on their own examination of the person or entity creating the securities and the terms of the offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offense.

OREGON RESIDENTS: At any time upon written notice and, if applicable, the return of your outstanding Flexible Investment Certificates to the Issuer, you may redeem your Flexible Investment Certificates or may convert them into the Issuer's Term Certificates.

PENNSYLVANIA RESIDENTS: These securities have not been approved or disapproved by the Pennsylvania Department of Banking and Securities, nor has the Department passed upon the accuracy or adequacy of this Offering Circular. Any representation to the contrary is a criminal offense.

It is the position of the Pennsylvania Department of Banking and Securities that indemnification in connection with violations of the securities laws is against public policy and void.

IF YOU PURCHASE INVESTMENT OBLIGATIONS FROM WESLEYAN IMPACT PARTNERS, YOU HAVE THE RIGHT TO WITHDRAW FROM THE PURCHASE BY ELECTING, WITHIN TWO (2) BUSINESS DAYS AFTER WESLEYAN IMPACT PARTNERS HAS ACCEPTED YOUR APPLICATION TO PURCHASE INVESTMENT OBLIGATIONS, TO WITHDRAW YOUR PURCHASE AND RECEIVE A FULL REFUND, WITHOUT INCURRING ANY LIABILITY TO WESLEYAN IMPACT PARTNERS OR ANY OTHER PERSON. TO ACCOMPLISH THIS WITHDRAWAL, A LETTER SHOULD BE SENT TO THE ISSUER INDICATING YOUR INTENTION TO WITHDRAW. SUCH LETTER SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE AFOREMENTIONED SECOND BUSINESS DAY. IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME WHEN IT WAS MAILED. SHOULD YOU MAKE THIS REQUEST ORALLY, YOU SHOULD ASK FOR WRITTEN CONFIRMATION THAT YOUR REQUEST HAS BEEN RECEIVED. LETTERS ARE TO BE FORWARDED TO THE ISSUER AT 11709 BOULDER LANE, SUITE 220, AUSTIN, TX 78726.

The Issuer has filed certain documents, including a Registration Statement, with respect to the Certificates offered by this Offering Circular, in the office of the Pennsylvania Department of Banking and Securities. The Registration Statement includes certain exhibits only summarized or alluded to in this Offering Circular. Any person who wishes to obtain these additional documents may do so by requesting such information from the Pennsylvania Department of Banking and Securities, Market Square Plaza, 17 North 2nd Street, Suite 1300, Harrisburg, PA 17101, telephone number (717) 787-8059, during office hours of 8:30 a.m. to 5:00 p.m., Monday through Friday. This Offering Circular does not contain all of the information that has been filed with states other than Pennsylvania, but that information is made a part hereof and may be inspected in the offices of the regulatory bodies of those states. Except as indicated herein, this Offering Circular is effective as of the date on its front cover.

SOUTH CAROLINA RESIDENTS: These securities have not been registered with the Securities and Exchange Commission, being exempt securities under Paragraph (4), Section 3(a) of the Securities Act of 1933, as amended, and have not been registered under the Securities Law of South Carolina, being exempt under Section 35-1-201(7) or other applicable sections of that law. Flexible Investment Certificates and IRA Certificates are not offered to South Carolina residents pursuant to this Offering Circular.

If you were a resident of the State of South Carolina when you purchased a Term Certificate, you may declare an “event of default” on your Term Certificate only if one of the following occurs:

- The Issuer does not pay principal or interest on the Term Certificate for a period of sixty (60) days from the date of lawful demand by you, other than by clerical error or administrative oversight, provided that you do not waive the default and the Issuer does not lawfully contest the payment; or
- A South Carolina resident who owns a Term Certificate of the “same issue” as your Term Certificate (i.e., the same type, term and offering) has rightfully declared an event of default as to his or her Term Certificate.

To declare an event of default, you must submit a written declaration to the Issuer. The rightful declaration of an event of default as to any one Term Certificate of an issue constitutes an event of default on the entire issue in South Carolina. Upon a rightful declaration of an event of default on a Term Certificate:

- The principal and interest on your Term Certificate becomes immediately due and payable;
- If you request in writing, the Issuer will send you a list of names and addresses of all investors in the State of South Carolina who own a Term Certificate of the same issue as your Term Certificate; and

- The owners of 25% or more of the total principal amount of Term Certificates of the same issue outstanding in the State of South Carolina can declare the entire issue in the State of South Carolina due and payable.

TENNESSEE RESIDENTS: In making an investment decision, investors must rely on their own examination of the issuer and the terms of the offering, including the merits and risks involved. These securities have not been recommended by any federal or state securities commission or regulatory authority. Furthermore, the foregoing authorities have not confirmed the accuracy or determined the adequacy of this document. Any representation to the contrary is a criminal offense.

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom. Investors should be aware that they may be required to assume the financial risk of this investment for an indefinite period of time.

VIRGINIA RESIDENTS: These securities are issued pursuant to a claim of exemption from registration under Section 13.1-514.1.b of the Virginia Securities Act or other available exemption under Section 13.1-514 of the Virginia Securities Act.

WASHINGTON RESIDENTS: Your Term Certificate will not be automatically renewed at maturity. Unless the Issuer receives a written instruction from you to exchange the maturing Term Certificate for a new Term Certificate or Flexible Investment Certificate, along with new signed Application to the Issuer (see Appendix B), you will be paid at the maturity of the Term Certificate the full principal and accrued interest balance of the Certificate. If the Issuer does not receive written instructions from you regarding the maturing Term Certificate and is unable to reach you to repay the principal and accrued interest, the Certificate will be handled in accordance with applicable law, including the rules of escheat.

SUMMARY

About the Issuer

Wesleyan Impact Partners is a non-profit corporation that operates exclusively for religious purposes, and is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code of 1986, as amended (including regulations, rulings, guidance and interpretations thereunder, the "**Code**"). The Issuer's principal office is located at 11709 Boulder Lane, Suite 220, Austin, Texas 78726.

Under the Issuer's Bylaws and certain contracts described later in this Offering Circular, the Issuer's operations, and some aspects of its governance, are generally managed and administered by the Texas Methodist Foundation ("**TMF**"), subject to the authority of the Issuer's board of directors (the "**Board**"). For more information regarding the Issuer's relationship with TMF, see "Relationship with the Texas Methodist Foundation" beginning on page 16.

About the Certificates

The Certificates are unsecured general debt obligations of the Issuer of a priority equal to that of any Certificates issued at any time and other unsecured general debt obligations of the Issuer. The Certificates are offered to individuals and organizations located in the United States, and in some states only to those who meet the definition set forth under "State Specific Information" on page v (all such offerees, "**Eligible Investors**"). The Certificates are transferable only to Eligible Investors and upon prior written notice to the Issuer. The Issuer has the right to redeem the Certificates at any time. See "DESCRIPTION OF THE CERTIFICATES" beginning on page 29.

The Certificates are not insured by the Federal Deposit Insurance Corporation (FDIC), the Securities Investor Protection Corporation (SIPC), or any other state or federally regulated institution or private insurance company. The Certificates are also not certificates of deposit or deposit accounts with a bank, savings and loan association, credit union or other financial institution regulated by federal or state authorities.

Under the circumstances described below, the Issuer's liquid assets may not be sufficient, in the ordinary course, to pay the interest and principal that will become due on the Certificates as they mature.

Key Risks to Investors in Wesleyan Impact Partners' Certificates

The following is a summary of some of the important risks to the Issuer that investors should consider before investing in the Certificates. For a full description of these and other risk factors, see "RISK FACTORS" beginning on page 4.

1. <u>Concentration of Borrowers and Investors</u>

The Issuer faces risks associated with the concentration of its loan portfolio in a single borrower, which comprised approximately 20.70% of the Issuer's net assets without donor restrictions as of December 31, 2023. The greater proportion of the Issuer's loan portfolio comprised by a small number of borrowers, the more exposed the Issuer is to the risk that those large borrowers are unable to repay their loan obligations due to conditions specific to the borrowers or the geographic regions in which they are located. Similarly, approximately 43% of the Certificates as of December 31, 2023 were held by two significant investors, which exposes the Issuer to the risk that such large investors request redemption of their Certificates or elect not to reinvest their Term Certificates at maturity, which would negatively impact the Issuer's capitalization.

2. <u>Borrower Demand for Loans</u>

The United Methodist Church recently experienced a period of significant disaffiliations, which ended on December 31, 2023 and resulted in a significant number of churches being approved by annual conferences for disaffiliation before the period ended. Although the Issuer's governance documents permit it to continue its lending activities to Church Organizations which share common origins with the Wesleyan Episcopal movement of the 18th century, not all disaffiliated churches remain borrowers.

Regardless of the cause, a reduction in borrower demand for loans poses a risk to the Issuer's ability to place loans and thereby earn interest income, which could have a negative impact on the Issuer's ability to repay investors.

3. Risk of Reduced Demand for Certificates and Rising Interest Rates

The Issuer borrows money from investors (via the issuance of the Certificates) at one rate of interest and attempts to lend the same funds to church borrowers at a higher rate, thereby generating sufficient income to pay maturing Certificates.

In 2023, the Issuer raised approximately $7,482,000 from the sale of Certificates, and it lent approximately $7,470,000 to borrowers. During such periods in which the Issuer places more funds in loans than it is able to raise from the sale of Certificates, the reduced demand for Certificates may be a reflection of the broader interest rate environment, inflationary or other economic concerns, uncertainty stemming from the recent disaffiliations from The United Methodist Church, or other factors. Regardless of the cause, if a substantial number of holders of Flexible Investment Certificates and IRA Certificates (which totaled a combined principal amount of approximately $22,872,000 at December 31, 2023) demand repayment of their Certificates, and a substantial number of holders of Term Certificates (holding approximately $25,020,000 of Certificates maturing in 2024) demand repayment of their Certificates at maturity, and in each case do not reinvest in the Certificates in order to earn a higher rate of return elsewhere, the Issuer's ability to repay investors could be compromised. Meanwhile, offering higher interest rates on Certificates has risks of its own, especially if the weighted average interest rate received from the Issuer's portfolio of loans receivable (which are generally of longer durations) is slower to increase. During periods in which the Issuers raises more money than it lends, the reduced demand for mortgage loans may reflect a more general decline in Wesleyan/Methodist Church membership. Should this occur and the Issuer is unable to lend its funds from the sale of Certificates (and thereby earn interest, from which it will repay investors), it may have an adverse effect on the Issuer's financial position, results of operations and ability to repay investors.

4. Inability of Borrowers to Repay Mortgage Loans

The Issuer depends on churches making timely payment of their mortgage obligations to the Issuer. Those loan payments are the primary source of funds for the Issuer's payment of its obligations to investors. Churches most often rely on their receipt of contributions from church members to repay their mortgage loans. If a significant number of church borrowers should experience declines in church attendance, they may not receive sufficient contributions to make full scheduled payments of their mortgage debt.

5. The Issuer's Lending Practices; Single Purpose Buildings Secure Loans

The Issuer's lending standards and its policies regarding the legal documentation of loans, particularly construction loans, are different than, and in some cases, less stringent than, those of commercial lenders. Moreover, the Issuer's policies with regard to delinquencies are also less stringent than those of commercial lenders. As a result, the Issuer may experience a greater incidence of impaired, delinquent or defaulted loans than a commercial lender would experience.

If a borrower should default, the Issuer may have greater difficulty than a commercial bank would have in recovering the full amount of its loan; the mortgaged properties that secure the Issuer's loans often include church buildings that are single-purpose buildings, which have a limited market.

If the Issuer should experience a significant number of delinquencies or defaults, it may not be able to recover the full amount of the outstanding mortgage debt due it. The repayment to the Issuer of outstanding mortgage debt is material to the Issuer's ability to discharge its obligations to investors.

Activities of the Issuer

The Issuer engages in three primary activities. First, it sells Certificates. Second, from the funds raised by the sale of its Certificates, and from funds that it administers as custodian on behalf of the General

Board of Global Ministries of The United Methodist Church ("**Global Ministries**"), the Issuer lends money to churches, annual conferences, councils, general boards, agencies, and units forming the organizational structure of The United Methodist Church and any other denominational bodies tracing their origins to the Wesleyan Episcopal movement of the 18th century, to enable them to purchase, build, expand, or renovate and improve churches, parsonages, or mission buildings, and for other purposes closely related to the religious purposes of the local churches. Third, the Issuer supports the development of innovative leaders who deepen the work of local churches and engage those outside of the local church model in new expressions of faith and spiritual formation. For more information regarding the Issuer's activities, see "HISTORY AND OPERATIONS" beginning on page 15.

In connection with the Issuer's lending program, the Issuer provides financial consultation, at no charge, to applicant borrowers. This consultation includes understanding and facilitating the mission and ministry of the organization and analyzing the financial condition of a borrowing religious entity, including its ability to service debt, a discussion of construction alternatives that may be available, an evaluation of the entity's financial strengths and weaknesses, and other items that may affect the financial condition of the entity and its ability to engage in and expand its religious activities.

Use of Proceeds

The offering of the Issuer's Certificates is intended to raise funds to be used for the general fulfillment of the Issuer's religious and charitable purposes, including making loans to Church Organizations. Sales proceeds are temporarily invested pending their deployment, and some of the proceeds may be used to pay the Issuer's maturing Investment Obligations. For more information, see "USE OF PROCEEDS" beginning on page 17.

Key Financial Data

The following summary reflects important financial data as of December 31, 2023:

Cash, Cash Equivalents & Investments (Combined)	$	20,285,428
Total Loans Receivable	$	97,382,780[1]
Amount of Unsecured Loans Receivable	$	-
Unsecured Loans Receivable as a Percentage of Total Loans Receivable		-%
Loan Delinquencies as a Percentage of Total Loans Receivable[2]		0.20%
Total Assets	$	115,227,640
Total Investment Obligations	$	72,036,377
Amount of Investment Obligations Redeemed During the Fiscal Year	$	15,030,673
Other Long-Term Debt	$	-
Net Assets	$	36,842,727
Increase in Net Assets	$	1,389,890

This Key Financial Data is derived from and should be read in conjunction with our audited financial statements and related notes as of December 31, 2023 and 2022 and for the years ended December 31, 2023, 2022, and 2021, together with the independent auditors' report dated March 21, 2024, attached to this Offering Circular as Appendix A (the "**Audited Financial Statements**").

[1] Total Loans Receivable reflects the gross aggregate principal amount of loans outstanding, and is not reflective of the allowance for credit losses of $3,250,000. This sum includes $4,740,304 in loans that the Issuer manages for Global Ministries. Please see "The Issuer as Administrator for Global Ministries Loan Fund" on page 12 of this Offering Circular.

[2] Loan Delinquencies include loans on which payments of principal or interest are delinquent for 90 days (or more), whether in default or not.

RISK FACTORS

The Certificates are Unsecured Debt Obligations

The Certificates are unsecured debt obligations of the Issuer, subject to the terms, conditions and risks described in this Offering Circular, including risk of possible loss of the amount invested. The payment of interest and the repayment of principal on the Certificates is solely dependent upon the financial condition and operations of the Issuer. Investors do not have an equity interest in the Issuer and have no right on matters brought before the Board. As unsecured general obligations, the Certificates are of equal rank with the Issuer's other Certificates and any other unsecured general obligations of the Issuer now outstanding or issued or incurred in the future.

No Sinking Fund or Trust Indenture

The Issuer has not established any sinking fund or trust indenture to provide for the repayment of the Certificates. Accordingly, no trustee monitors the Issuer's affairs on investors' behalf, no agreement provides for joint action by investors in the event the Issuer defaults on the Certificates, and investors do not have the other protections a trust indenture would provide. The absence of a sinking fund and a trust indenture may adversely affect the Issuer's ability to make payments under the Certificates.

The Certificates Are Not Insured

The Certificates are not insured by the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC), or any other state or federally regulated institution or private insurance company. The Certificates are also not certificates of deposit or deposit accounts with a bank, savings and loan association, credit union or other financial institution regulated by federal or state authorities. A purchase of the Certificates is subject to investment risks, including possible loss of the entire principal amount invested.

Changes Within The United Methodist Church

The United Methodist Church whose churches and related entities have been historically the majority of the borrowers recently experienced a significant number of church disaffiliations from that denomination. From the 2019 Special General Conference until the period ended on December 31, 2023, a significant number were approved by annual conferences for disaffiliation before the period ended. Though the Issuer is able to receive investments from and enter into loans which share common origins with the Wesleyan Episcopal movement of the 18th century, not all disaffiliating church members have remained as investors nor disaffiliated churches remained as borrowers, and we may experience additional attrition as those parties' existing loans and investments mature. These events may have adverse impacts on the client churches' ability to repay loans and the Issuer's activities, financial condition, and cash flows.

Concentration of Borrowers

The Issuer's lending limit to any one borrower is twenty-five percent (25%) of the Issuer's net assets without donor restrictions at the time of the loan's approval, or approximately $9,211,000 as of December 31, 2023. The lending limit is an aggregate amount and includes all debt to a borrowing entity of the Issuer, including funded and unfunded loans. Standard guidelines for the lending limit may be modified by the Board from time to time, which means that this limit may be increased. The greater the amount lent by the Issuer to a single borrower, the greater the risk that member contributions alone will not be sufficient to repay the loan. Furthermore, the greater the amount lent by the Issuer to a single borrower, the greater the pressure on the Issuer's net reserves in the event of a default by such borrower. As of December 31, 2023, the two largest single borrowers represented, respectively, 8.10% and 4.67% of total loans receivable, not including allowance for credit losses, and 20.70% and 11.94% of the Issuer's net assets without donor restrictions. No other borrower comprises more than 4.18% of the Issuer's total loans receivable.

Concentration of Investors

At December 31, 2023, there were 2486 holders of the Issuer's approximately $72,036,000 in outstanding Certificates. Those obligations ranged in principal amount from approximately $100 to approximately $1,145,000, not including a Flexible Investment Certificate in the approximate amount of $16,338,230 held by Global Ministries, and Flexible Investment and Term Obligations totaling approximately $14,626,000 held by TMF. If the investors holding a substantial portion of the Certificates were to seek redemption of their Flexible Investment Certificates, not reinvest in their Term Certificates at maturity, or if they were permitted, under extreme circumstances and in the Issuer's sole discretion, to redeem their Term Certificates early, those Certificate proceeds would not be available to the Issuer.

No Staggered Maturities

If a substantial portion of the Issuer's repayment obligations under the Certificates were to come due in a limited period of time, the Issuer's ability to repay Certificates that come due during any given period could be adversely impacted. The Issuer is not obligated to limit the amount of debt that may mature in any given year or period.

Restrictions on Early Redemptions

There is no right to early redemption of a Term Certificate. The Issuer retains the right to reject any request for early redemption and to charge an early redemption penalty for requests that it approves. Except as to residents of certain states, the Issuer may repay the principal amount of a Term Certificate redeemed prior to its maturity in five (5) equal annual installments, together with interest payable annually at the rate being offered on Flexible Investment Certificates. Consequently, investors may experience a delay in their receipt of the full principal amount of a Term Certificate redeemed early. The earlier repayment of Certificates for redeeming investors who reside in those states where the Issuer does not repay principal in installments, and consequent later payment of Certificates for investors who reside in all of the remaining states, may increase the risk that the Issuer will not be able to meet its obligation to repay the Certificates on a timely basis to investors who live in such other states. See "DESCRIPTION OF THE CERTIFICATES" beginning on page 29 and "State Specific Information" beginning on page v for more information.

Early Redemption Penalty

If the holder of a Term Certificate redeems the Certificate prior to its maturity, the Issuer, subject to its right to pay the principal in five (5) equal annual installments (except as to residents of certain states), will repay the principal amount of the Term Certificate, together with interest payable annually at the rate being offered on the Issuer's Flexible Investment Certificates during the remainder of the payout, and charge an early redemption penalty. See "DESCRIPTION OF THE CERTIFICATES" beginning on page 29, the prior Risk Factor, "Restrictions on Early Redemptions," as well as "State Specific Information" beginning on page v for information regarding penalties and restrictions regarding early redemption and the repayment of principal in five (5) equal annual installments.

Automatic Roll Over of Certificates

Except as to residents of certain states, if a holder of a maturing Term Certificate purchased prior to January 1, 2017 or after May 15, 2019 does not present it for payment (if certificated) or give the Issuer written instructions to pay or redeem it, that Certificate will automatically be renewed or "rolled over" into a like Term Certificate at the prevailing interest rate paid on the same kind of Term Certificate as that being rolled over, which interest rate may be lower than the interest rate offered on the maturing Certificate.

Except as to residents of certain states, for any Term Note purchased between January 1, 2017 and May 15, 2019, if the Issuer does not receive written instructions from an investor to redeem the Term Note at maturity, the Issuer will automatically convert the Term Note into a Flexible Investment Note (unless the Term Note is redeemed early or a new Term Certificate is purchased by the investor). See

“DESCRIPTION OF THE CERTIFICATES” beginning on page 29 and “State Specific Information” beginning on page v for information regarding the treatment of Term Certificates at maturity for residents of certain states.

Under U.S. federal income tax law, the above automatic roll over of Certificates could be considered or deemed an exchange of the existing instrument for the new instrument and deemed taxable gain or loss may be realized if the exchange is considered a “significant modification” (as defined under the Code) of the terms of the obligations under the existing debt instrument. Potential investors should consult their own tax advisors for their specific circumstances, not only for federal income tax purposes but also for compliance with applicable state, local or foreign tax laws.

Redemption of Certificates by the Issuer

The Issuer shall have the right to repurchase any of its Certificates at any time upon three (3) months’ prior written notice by payment of the principal amount of the Certificate together with accrued unpaid interest plus a premium equal to one and one-half percent (1.5%) of the principal sum of the Certificate.

Risk of Reduced Demand for Certificates

In 2023, the Issuer raised approximately $7,482,000 from the sale of Certificates, and it lent approximately $7,470,000 to borrowers. During such periods in which the Issuer places more funds in loans than it is able to raise from the sale of Certificates, the reduced demand for Certificates may be a reflection of the broader interest rate environment and a lack of demand for the Certificates. Should this occur, or if interest rates in the marketplace are such that a substantial number of investors do not reinvest in the Certificates in order to earn a higher rate of return elsewhere, the Issuer’s ability to repay investors could be compromised.

Risk of Reduced Demand for Loans

Churches which draw their origins from the Wesleyan Episcopal movement, the entities eligible to enter into loans with the Issuer, are experiencing a general trend of reduced church membership which may result in a decrease in demand for Certificates or the financial strength of borrowing churches. A reduced demand for loans from the Issuer would risk reducing its interest income, which could have a negative impact on the Issuer’s ability to repay investors.

Risk of Uncertainty in Interest Rate Market

As a mortgage lender and an issuer of debt securities, the Issuer is subject to risk associated with mismatches between the interest rates payable on and the term to maturity of, on the one hand, the Certificates issued to investors and, on the other hand, the loans the Issuer makes to borrowers. The nature of many of the Issuer’s mortgage loan terms can result in longer durations of its loans than its Certificates, which have comparatively shorter durations. Similarly, the changes in interest rates attributable to loans and Certificates may differ in magnitude. The Issuer’s ability to manage interest rate risk could have a material impact on its net income and financial position, especially in the current rising interest rate environment.

Sources of Funds to Pay Principal and Interest May be Constrained

The Issuer’s primary sources of cash are loan repayments, interest earned on those loans, income from other investments or proceeds from their sale (see Note 5 to the Audited Financial Statements for additional information regarding the Issuer’s investments), and the continued sale of new Certificates. The amount of cash generated by the Issuer could be reduced below the amount needed to pay interest and principal on the Certificates in the ordinary course if the Issuer: (i) experiences significant delinquencies or defaults, or resets the repayment terms on its mortgage loans in such a manner that significantly reduces its cash flow; (ii) fails to find borrowers for its funds; (iii) fails to continue the sale of its Certificates; (iv) experiences a major increase in the demand for repayment of Flexible Investment

Certificates or Individual Retirement Account Certificates; and/or (v) experiences a major decline in the roll over rate of maturing Term Certificates.

Concentration of Credit Risks

Financial instruments that potentially subject the Issuer to concentration of credit risks consist principally of cash and cash equivalents, investments, loans receivable and debt securities. Included in these risks are deposits held in excess of federal deposit insurance limits and a significant portion of the investment portfolio invested in accounts, securities and certificates of deposit with four financial institutions. For more detailed information, see "Concentration of Credit Risk" in Note 4 to the Audited Financial Statements.

No Underwriting

The Issuer is offering the Certificates directly and without a firm underwriting commitment. No assurance can be given as to the principal amount of the Certificates that will be sold and whether the proceeds will be sufficient to accomplish the purposes of the offering.

The Issuer May Sell Additional Debt Securities

In addition to the Certificates offered by this Offering Circular, the Issuer may issue additional Certificates or other debt securities in the future, which debt securities may be equal in right of payment to the Certificates, which could adversely impact the Issuer's ability to repay the Certificates upon maturity or at all. The total amount of $100,000,000 in Certificates to be sold in this offering is not a limitation on the amount of Certificates that the Issuer may sell in this and other offerings that the Issuer may conduct at any time. The Issuer anticipates that it will continue to sell additional Certificates as part of a continuous offering process. The Certificates do not limit the total indebtedness that the Issuer may incur. Accordingly, the Issuer's ability to pay amounts due under the Certificates may be impaired by its future indebtedness obligations.

The Issuer May Have Debt Senior to the Certificates

The Issuer may pledge a portion of its loans or other assets as collateral for debt obligations that the Issuer issues or incurs, which would rank senior in right of repayment to the Certificates ("Senior Secured Indebtedness"). It is the Issuer's policy, however, that the amount of Senior Secured Indebtedness may not exceed an amount equal to ten percent (10%) of the Issuer's tangible assets. The Issuer has a $10,000,000 revolving line of credit from Frost Bank secured by substantially all of the Issuer's assets, including investments and loans receivable. As of December 31, 2023 there was no outstanding balance on the line of credit, and the Issuer had no other outstanding Senior Secured Indebtedness, but the Issuer may draw on its line of credit from time to time.

Difficulty in Obtaining or Maintaining a Line of Credit

As of December 31, 2023, the Issuer had a line of credit with Frost Bank with a total credit line limit of up to $10,000,000, under which there was no outstanding balance. A line of credit is a helpful resource for cash flow and liquidity purposes. In the event that we cannot maintain a line of credit or meet the conditions for a draw on our line of credit, our liquidity could be negatively affected and this could have a material adverse effect on our ability to repay our Certificates. No assurance can be given that new investments in our Certificates, loan sales, loan participation sales, loan payoffs, or other efforts will generate sufficient funds to fund our lending operations. See "Financial and Operational Activities – Line of Credit" on page 20.

The Issuer May Securitize a Portion of its Loan Portfolio

It is the policy of the Issuer that it may securitize up to ten percent (10%) of its loan portfolio, if all of the following conditions are met: (i) the loans are securitized and sold on a non-recourse basis predominately to entities not affiliated with the Issuer; (ii) the proceeds from the sale of the securitized loans will be used to make additional loans to churches and other entities within Wesleyan/Methodist Church connectional systems; and (iii) the securitization will not hinder the ability of the Issuer to make payments under the Certificates when due. As of the date of this Offering Circular, the Issuer has not securitized any portion of its loan portfolio and, further, has not in at least the last 25 years of its history, securitized any portion of its loan portfolio.

Dependence Upon TMF

Pursuant to the Employee Sharing Agreement and Administrative Services Agreement, TMF causes its employees to conduct the day-to-day business of the Issuer. In addition, under the Bylaws of the Issuer, TMF nominates five (5) of the Issuer's directors, and certain matters may be approved only by a majority of the five (5) TMF nominees. Therefore, the Issuer is dependent on TMF for the management and administration of its business and affairs. For more information, see "Relationship with the Texas Methodist Foundation" beginning on page 16.

Competition with Other Institutions

Other institutions may offer certificates, notes or other securities with a higher rate of return and/or certificates, notes or other securities that provide greater security and less risk than the Certificates. Also, in many instances, the Issuer competes with commercial lenders with respect to loans to churches, which may lead to the Issuer lending to less creditworthy borrowers or at lower interest rates than it otherwise would.

Policies and Procedures May Change

The Issuer reserves the right to change its policies and procedures. At various points in this Offering Circular, the Issuer describes or otherwise refers to its policies, such as its loan guidelines. These descriptions and references are intended to help investors understand the Issuer's current operations. If the Issuer changes its policies or procedures, including its loan guidelines, there may be an adverse impact on its ability to repay the Certificates. The Issuer does not require investor consent to change its policies or procedures.

Investment Portfolio Risks

The Issuer's liquid assets are subject to various market risks, which may result in losses if market values of investments decline. The Issuer's investment portfolio is primarily invested in Wespath Investment Management's Fixed Income Fund, Short Term Investment Fund, and Multiple Asset Fund, whose investment risks are described in general below. The securities-specific risks that follow may arise from those and other investments made directly or indirectly by the Issuer.

1. <u>Wespath Investment Management Short Term Investment Fund–I Series</u>.

The Short Term Investment Fund–I Series (STIF-I) offered by Wespath Investment Management holds cash and cash equivalents in the form of units of a daily cash sweep account. STIF-I investments carry some degree of risk that will affect STIF-I's investment performance and the price of its units. As a result, loss of money is a risk of investing in STIF-I. STIF-I is subject to the following principal investment risks through its exposure to its sweep account: market risk, investment style risk, security-specific risk, credit risk, interest rate risk, liquidity risk and prepayment risk.

2. <u>Wespath Investment Management Fixed Income Fund–I Series</u>.

The Fixed Income Fund–I Series (FIF-I) offered by Wespath Investment Management seeks to earn current income while preserving capital by investing in a broad mix of fixed income instruments. FIF-I investments carry some degree of risk that will affect their value, FIF-I's investment performance and the price of its units. As a result, loss of money is a risk of investing in FIF-I. FIF-I is subject to the following principal investment risks: market risk, investment style risk, security-specific risk, credit risk, country risk, currency risk, derivatives risk, interest rate risk, liquidity risk and prepayment risk.

3. <u>Wespath Investment Management Multiple Asset Fund–I Series</u>.

The Multiple Asset Fund–I Series (MAF-I) offered by Wespath Investment Management seeks to attain current income and capital appreciation by investing in a broad mix of different types of investments. The MAF-I is a fund of funds allocated primarily among four other I-Series Funds (including the U.S. Equity Fund–I Series, International Equity Fund–I Series, the Inflation Protection Fund–I Series, and the FIF-I described above) in accordance with specified allocation targets. MAF-I investments carry some degree of risk that will affect MAF-I's investment performance and the price of its units. As a result, loss of money is a risk of investing in MAF-I. MAF-I is subject to the following principal investment risks: market risk, investment style risk, security-specific risk, credit risk, country risk, currency risk, derivatives risk, interest rate risk, liquidity risk and prepayment risk.

4. <u>Market Risk</u>.

General economic conditions may affect the Issuer's activities. Interest rates and general levels of economic activity may affect the value and number of investments made by the Issuer or considered for prospective investment.

5. <u>Fixed Income Securities Risk</u>.

The Issuer may invest in bonds or other fixed income securities, including without limitation, commercial paper and bank debt. The Issuer will, therefore, be subject to credit, liquidity and interest rate risks and may also be subject to price volatility due to factors, such as interest rate sensitivity, duration, market perception of the creditworthiness of the issuer, general market liquidity, and issuer-level liquidity. It is likely that a major economic event, such as a recession or reduction of liquidity in the market could severely disrupt the market for such securities and may have an adverse impact on the value of such securities. In addition, it is likely that any such economic event could adversely affect the ability of issuers of such securities to repay principal and pay interest thereon and increase the incidence of default for such securities. Changes in interest rates may cause a decline in the market value of an investment. With bonds and other fixed income securities, a rise in interest rates typically causes a fall in values, while a fall in interest rates typically causes a rise in values. The risk of bonds can vary significantly depending upon factors such as the issuer and maturity. For example, the issuer of a security or the counterparty to a contract may default or otherwise become unable to honor a financial obligation. The bonds of some companies may be riskier than the stocks of others.

6. <u>Money Market Risk</u>.

Although a money market fund is designed to be a relatively low-risk investment, it is not free of risk. Despite the short maturities and high credit quality of a money market fund's investments, increases in interest rates and deteriorations in the credit quality of the instruments the money market fund has purchased may reduce the money market fund's yield and can cause the price of a money market security to decrease. In addition, a money market fund is subject to the risk that the value of an investment may be eroded over time by inflation.

Loan Repayment Dependent on Contributions to Borrowers

The Issuer's loans are made primarily to affiliated churches and related religious organizations, including local churches, whose ability to repay the loans depend primarily upon contributions that they receive from their members. Due to the disruption to church services and the economic downturn stemming from the coronavirus outbreak, combined with aging congregations, and an expected rise in unemployment, members may not be able to meet their existing contribution pledges.

Loan Delinquencies

The Issuer considers a loan to be "delinquent" for purposes of this Offering Circular when payments of principal or interest are ninety (90) days or more past due, whether the borrower is in default or not. The Issuer believes that its policies with regard to delinquencies are less stringent than those of commercial lenders due to the Issuer sharing, in part, the missional purpose of the denomination entities which make up its borrowers. The Issuer may be willing to accept partial, deferred, interest only or late payments. Tolerance of delinquencies by the Issuer could lead to a greater delinquency rate than would be tolerated by a commercial lender. As of December 31, 2023, the issuer had one loan in the principal amount of $174,240 that is delinquent. The Issuer remains active in working with the church borrower and its local leadership to resolve the matter.

Loan Policies Less Stringent for Borrowers than the Commercial Standard

As a church extension fund driven by its religious mission, the Issuer's relationship with its borrowers and its loan policies, including with respect to underwriting criteria and documentation requirements, are fundamentally different from those of normal commercial lenders. In view of that relationship, moreover, the Issuer commonly makes exceptions to its lending policies, at its discretion, when a particular borrower's circumstances warrant such deviation. The Issuer may be more inclined to accommodate partial, deferred or late payments, or to modify existing loans in situations where a typical commercial lender may not. For example, the Issuer may waive the requirement of an environmental study, appraisal, title insurance policy (in lieu of a title search), or an updated survey. See "LENDING ACTIVITIES" beginning on page 20 for more information.

Low Interest Rate on Certificates Not an Indicator of Risk

The Issuer focuses on church lending and as a result the interest rates paid on the Certificates may be disproportionately low compared to the potential for loss. The Issuer anticipates that investors will invest in the Certificates for the primary purpose of supporting the Issuer's and its borrowers' mission as non-profit, charitable organizations. Interest rates offered for the Certificates may not be as high as those offered by other financial institutions operating on a for-profit basis for similar investments. As a result, the risk of investment and potential risk of loss in the Certificates may be greater than implied by their relatively low interest rate. Generally, the loans financed by the Issuer do not or cannot meet conventional lending standards. The Issuer's ability to make payments on the Certificates is dependent upon the economic success of its lending activities.

Loans Secured by Single-Purpose Buildings

Mortgages held by the Issuer to secure loans to its borrowers most often are mortgages that are recorded against properties that contain "single-purpose" buildings. Single purpose buildings have a restricted resale market. Accordingly, if the Issuer were to foreclose on a mortgage secured by such a property, it may not be able to realize sufficient proceeds from the foreclosure sale to pay off the borrower's loan to the Issuer.

Security for First Mortgage Loans; the Issuer May Not Obtain Appraisals for Secured Properties

The Issuer secures most, but not all, of its loans with a first mortgage on real estate. The Issuer may not require the borrowing church to obtain independent appraisals of such secured properties. Accordingly, the loan amount could exceed the value of the property securing it. See "Loan Policies" beginning on page 20.

Loans Secured by Equipment

The Issuer may make equipment loans to borrowers and secure those loans by perfecting a security interest in the equipment that is being purchased together with other secured interests. The equipment that secures those loans includes, but is not limited to, computers, copiers, vehicles, pianos, and organs, and will normally have a limited life expectancy. Accordingly, if the Issuer were to have to seize the equipment to pay a loan deficiency, the market value of the equipment may not be sufficient to pay off the borrower's loan to the Issuer.

Construction Loans

Borrowers often use the Issuer's loans to construct new facilities or renovate existing facilities. Approximately 12.67% of the dollars the Issuer disbursed in loans during 2023 were to finance construction projects, which are riskier than loans made to finance existing properties. If any of the unique risks associated with construction and renovation are realized, including but not limited to costs associated with environmental and other regulations, the effects of economic slowdowns or service interruptions and/or legal challenges due to environmental or operational or other mishaps, they could adversely affect a borrower's ability to repay its loan by increasing construction costs or delaying or preventing completion of the project, and their failure to repay their loan could adversely affect the Issuer's ability to make payments under the Certificates.

Loans for Working Capital

The Issuer may make loans to churches to provide working capital to those borrowers. The loans will be secured by an interest in real estate, pledged funds (including the borrower's outstanding Certificates), or both. In the event of a default, repayment to the Issuer will depend on the adequacy of the security and the costs to liquidate the security interest.

Loans Secured by an Obligation Due to the Borrower

The Issuer may lend money to a borrower and take an assignment of a note payable to the borrower as additional collateral to secure the repayment of the loan. The value of the note is only as good as the underlying debtor's ability to pay it. If the debtor is unable to pay the note, the Issuer's ability to recover the debt due it by the borrower will not be greater than any other unsecured creditor and will depend on the value of the collateral taken to secure the note. As of December 31, 2023, the Issuer had no such loans.

Unsecured Loans

The Issuer may make short-term unsecured loans available to some borrowers. That means that the borrower will not provide any collateral to secure the debt due the Issuer. In such cases, the Issuer will be dependent entirely on the financial ability of the borrower to repay the loan. The Issuer will not have any greater right to payment than any other unsecured creditor. In addition, there may be secured creditors, which the Issuer would be behind in priority of repayment in a bankruptcy or default of the borrower. Please see page 23 for additional information regarding the making of unsecured loans. As of December 31, 2023, the Issuer had no such loans.

Loans Subject to Bankruptcy Risk

The Issuer's remedies as a creditor upon default by any of the borrowers will be subject to various laws, regulations and legal principles that provide protections to borrowers. The Issuer's legal and contractual remedies, including those specified in loan agreements and collateral documents, typically require judicial actions, which are often subject to discretion and delay. Under existing laws (including, without limitation, the U.S. Bankruptcy Code), the remedies specified by loan agreements and collateral documents may not be readily available or may be limited. A court may refuse to order the specific performance of the covenants contained in the loan agreements and collateral documents. In addition, the laws of a particular jurisdiction may change or make it impractical or impossible to enforce specific covenants in the loan agreements and collateral documents.

Collateral May Be Impaired

The various security interests established under the Issuer's mortgages and deeds of trust may be subject to other claims and interests. Examples of these claims and interests are statutory liens; rights arising in favor of the United States or any agency thereof; constructive trusts or equitable liens imposed or conferred by any state or federal court; and bankruptcy or receivership laws affecting amounts earned by the borrower after institution of bankruptcy or receivership proceedings by or against the borrower.

Limited Environmental Audits

There is potential environmental-related risk associated with the loans the Issuer makes. The Issuer may, but does not typically conduct an environmental audit to a long-standing church entity absent other indications of potential environmental risk before approving a loan. If environmental contamination is found on or near property securing a loan, the Issuer's security for the loan could be impaired. In addition, changes in environmental regulations could require the borrower to incur substantial unexpected expenses to comply with such regulations, which could impair both the value of the collateral and the borrower's ability to repay the Issuer.

Borrowers May Prepay Borrowed Funds

A borrower may decide to prepay its borrowed funds. There is no prepayment penalty for borrowers who prepay their loans. If borrowers choose to prepay their loans, the Issuer may not receive the interest payments it would have received if such loans were repaid as originally anticipated, which may impair the Issuer's ability to meet its payment obligations under the Certificates.

No Public or Secondary Market for the Certificates; Restrictions on Transfer

No public or secondary market exists for the Certificates and none will develop. The marketability of the Certificates is limited. The Certificates are transferable only to Eligible Investors and upon written notice to the Issuer.

Recourse for Investors Limited to the Issuer

None of the denominations known as The United Methodist Church, the Global Methodist Church, nor any of their connectional units, nor TMF, will be liable for the repayment of the Issuer's Certificates.

The Issuer as Administrator for Global Ministries Loan Fund

In 2012, Global Ministries transferred certain of its loan funds ("Global Ministries Funds") to the Issuer. The Issuer administers, invests and lends Global Ministries Funds for the benefit of Global Ministries on the basis of priorities established by Global Ministries to further charitable purposes aligned with the Issuer's charitable purposes and in accordance with lending policies and criteria established by the Issuer.

The Global Ministries Funds are comprised of funds available to make loans to United Methodist Church organizations. As of December 31, 2023, there were twelve (12) such mortgage loans outstanding with a total principal balance of approximately $4,740,304.

Outstanding loan balances are included with mortgage loan receivables in the statements of financial position. The interest earned on loans issued from Global Ministries Funds is reported as an increase or decrease to mortgage loans receivable. In addition, these amounts are reported as increase or decrease to "Amounts held on behalf of General Board of Global Ministries." These amounts are not reported as gains or losses of the Issuer. Similarly, since these assets are held for the benefit of others, the Issuer has not established an allowance for potential losses on loans made from Global Ministries Funds.

In its role as administrator of Global Ministries Funds, the Issuer could be held liable for any breach of its duties as administrator, which could negatively affect the Issuer's ability to repay the Certificates. Further, while the Issuer is a separate entity from Global Ministries, and is generally not liable for claims against Global Ministries, it is possible that claimants against Global Ministries might contend that the Issuer is also liable. If a claim like this were made or upheld, the Issuer's financial condition may be negatively affected.

See Note 8, "GBGM Loan Fund," and Note 12, "Related Party Transactions," to the Audited Financial Statements for additional information regarding Global Ministries Funds.

Charitable Gift Annuities

As of the date of this Offering Circular, the Issuer intends to offer Charitable Gift Annuities (CGA), which is a contract between the donor and the Issuer. Under these CGA agreements, in return for the transfer of cash, cash equivalents, or securities, the Issuer will pay to the donor a fixed annuity payment to one or two donors (annuitants) for their lifetime(s). At the termination of the contract, any remainder is distributed to a qualified charity of the donor's choosing. The contributed property is given irrevocably and becomes an asset of the Issuer, which we use to make loans, invest in accordance with our investment policies, or otherwise fund the Issuer's general operations. The Issuer will record a liability corresponding to these CGAs representing the actuarial liability to the CGA annuitants and the amount due to the remainder beneficiary other than the Issuer. Offering a CGA program would expose the Issuer to certain categories of risk including mortality risk, investment risk and expense risk. Mortality risk is created by the possibility that a donor might live beyond their projected mortality table. Investment risk is created by the possibility that the general obligations of the gift annuity program might exceed the return on the invested assets of the gift annuities. Expense risk is created by the possibility that the costs of managing the gift annuity program might exceed the fees collected by the Issuer. If one or more of these risks materializes, it could adversely affect the Issuer's ability to repay the Certificates. As of December 31, 2023, the Issuer was not party to any CGA and had no annuity funds or payment obligations.

Cybersecurity Risks, Dependence Upon Technology and Related Services

The Issuer's operations are dependent upon technology and related services, some of which are provided by third party vendors. The majority of the Issuer's business records are stored and processed electronically, including records of the Issuer's loans receivable, Certificates, and most other business records. The Issuer relies to a certain extent upon third-party vendors for providing hardware, software, and services (including our website functionalities) for processing, storing and delivering information. The Issuer's electronic records include confidential customer information and proprietary information of the Issuer's organization. Electronic processing, storage and delivery has inherent risks such as the potential for hardware failure, virus or malware infection, input or programming errors, interruption of website service, inability to access data when needed, corruption or permanent loss of data, unauthorized access to data or theft of data. Cyber threats are rapidly evolving and the Issuer may not be able to anticipate or prevent all such threats. While the Issuer and its vendors take measures to protect against these risks, the Issuer's computer systems and network infrastructure are not immune to cyber-attacks, including denial of service attacks, hacking, terrorist activities, identity theft and other fraudulent, illegal or improper activity perpetrated by third parties. No cybersecurity measures will be 100% effective, and there may be other risks that have not been identified or that may emerge in the future. A successful penetration or circumvention of the Issuer's or its vendor's security could cause, among other consequences, significant disruption of all aspects of the Issuer's operations, damage to hardware and software systems, misappropriation of confidential or proprietary information, personal information or identity of holders of Certificates, or theft of the Issuer's funds, which would have a material adverse effect on the Issuer, its operations, and its ability to repay its Certificates.

Risk of Future Legal Proceedings

From time to time, the Issuer may become involved in litigation in the ordinary course of its activities. Litigation can be time consuming and costly, and there can be no assurance that the Issuer will not become involved in litigation that could have a material adverse effect on its activities or its ability to repay the Certificates.

Regulatory Changes

Pursuant to current federal and state exemptions relating to certain securities offered and sold by non-profit charitable organizations, the Certificates will not be registered with the Securities and Exchange Commission and may not be registered with any state securities regulatory body in certain states. Federal and state securities laws are subject to change and frequently do change. Future changes in federal or state laws, rules or regulations regarding the sale of securities by charitable or other non-profit organizations, or the policies, practices and procedures under which regulators review registration materials or applications for exemptions, may make it more costly and difficult for the Issuer to offer the Certificates and adversely affect the Issuer's ability to sell the Certificates. Such an occurrence could result in a decrease in the amount of Certificates sold, which could affect the Issuer's operations and the Issuer's ability to meet its obligations under the Certificates. If the Issuer does not continue to qualify the Certificates in any particular state, investors in such states may not be able to reinvest at maturity. The Issuer is not subject to regulation as a bank. Although the Issuer believes that its activities are in compliance in all material respects with applicable local, state and federal laws, rules, regulations and policies, there can be no assurance that this is the case or that more restrictive laws, rules and regulations governing the Issuer's lending activities will not be adopted in the future which could make compliance much more difficult or expensive, restrict the Issuer's ability to originate loans, further limit or restrict the amount of interest and other charges earned under loans the Issuer originates, or otherwise adversely affect the Issuer's operations or prospects, which could adversely affect its ability to operate and to make payments under the Certificates and potentially lead to the termination of the offering of Certificates or termination, winding-up or liquidation of the Issuer.

Federal Income Tax Considerations

Generally, for U.S. federal income tax purposes, interest paid or payable on the Certificates will be taxable as ordinary income imputed to investors regardless of whether interest is paid or compounded. Additionally, there is always a risk that changes may be made in the tax laws, which changes could have an adverse effect on the ownership of Certificates. See "Tax Considerations" beginning on page 33 for a more detailed discussion. Potential investors should consult their own tax advisors regarding their specific circumstances including for state, local, international and other considerations.

Forward-Looking Statements

Certain sections of this Offering Circular contain forward-looking statements based on management's expectations, estimates, projections and assumptions. Words such as "expects," "anticipates," "plans," "believes," "scheduled," "estimates," and other such expressions are intended to identify forward-looking statements, which include but are not limited to projections of revenues, income, cash flows, and other financial items. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. Accordingly, actual future results and trends may differ materially from what is forecasted in forward-looking statements. All forward-looking statements speak only as of the date of this Offering Circular. The Issuer does not update or revise forward-looking statements to reflect circumstances or changes in expectations after the date of this Offering Circular.

HISTORY AND OPERATIONS

The Issuer

The issuer of the Certificates is Wesleyan Impact Partners Inc. (the "**Issuer**"), a non-profit corporation that was incorporated on January 25, 1960 as "The Methodist Investment Fund" and also formerly known as "Wesleyan Investive" and "The United Methodist Development Fund." Its principal business address is 11709 Boulder Lane, Suite 220, Austin, Texas 78726. The Issuer is exempt from federal income tax under Section 501(c)(3) of the Code, as a religious organization, and no portion of its earnings inures to the benefit of any person or private shareholder.

The Issuer is an autonomous legal entity, the obligations of which are not guaranteed by The United Methodist Church, the Global Methodist Church, nor any separate denominational body deriving its origins in the Wesleyan Episcopal movement of the 18th century ("**Other Denominational Church**") or any local church, annual conference, council, general board, agency, or any unit forming the organizational structure of the Wesleyan/Methodist denominational entities ("**Church Organization**"). The Issuer does not guarantee, and management believes it is not legally responsible for, the liabilities or obligations of these entities or any of their connectional units; and, vice versa, these church entities and their connectional units are not legally responsible for the liabilities or obligations of the Issuer.

History and Relationship of the Issuer with The United Methodist Church and the Wesleyan/Methodist Denominations and Churches

The United Methodist Church and the Global Methodist Church established their roots in America in the 18th century. They represent the confluence of three streams of religious tradition: Methodism, the Church of the United Brethren in Christ, and the Evangelical Association. The present United Methodist Church was organized in 1968 with the merger of the Methodist Church and the Evangelical United Brethren Church. The Global Methodist Church and The United Methodist Church together have over 6.7 million members and approximately 32,100 organized churches within the United States. The United Methodist Church and the Global Methodist Church are religious denominations, and there are other denominations with common roots. The Issuer as it is constituted is in a position to continue to engage in its three purposes (selling Certificates, making loans, and supporting the development of innovative leaders) with these new denominational entities or with any churches that may depart The United Methodist Church or Global Methodist Church and continue in the Wesleyan tradition.

The denominations are neither hierarchical nor congregational. They are a "connectional structure" maintained through their chain of conferences. These denominations are comprised of individuals, local churches, districts, annual conferences, jurisdictional conferences, the General Conference, and other organizations that are connected by their common religious heritage and by their desire to further the purposes and work of the denomination. Some of these organizations function within a particular geographical area, while others have responsibilities that are national or international in scope.

The organizations that comprise the connectional system are referred to in this Offering Circular as "connectional units." Unless there is a contractual agreement to the contrary, each connectional unit is legally responsible only for its own activities and affairs. It does not have responsibility for, nor assume the liability of, any other connectional unit.

Religious Purposes and Nature of Operations

The Issuer was organized and is operated exclusively for religious purposes. The general purposes of the Issuer are to raise funds from the sale of Certificates and to use those funds to assist The United Methodist Church and Other Denominational Churches to spread the Gospel by providing financial assistance to Church Organizations, and to encourage the development of a new generation of clergy and laity leaders to further their ministry in new contexts appropriate to an evolving society. Specifically, the Issuer lends money to Church Organizations within The United Methodist Church and Other Denominational Churches who wish to build, expand, renovate and improve churches and mission buildings and for other purposes closely related to the religious purposes of such Church Organizations.

All of the Issuer's loans that were made prior to January 1, 2017 are secured by first mortgages on real estate. In most cases, mortgage loans are secured by property owned by the borrower, but in some cases loans are secured by a mortgage on properties owned by another connectional unit of The United Methodist Church or Other Denominational Church. Beginning January 1, 2017, the Issuer authorized the use of funds realized from the sale of its Certificates also to make: (i) equipment loans secured by security interests in and liens on equipment purchased with the proceeds of those loans; (ii) working capital loans; (iii) loans secured by the borrower's notes receivable; and (iv) unsecured loans. See "LENDING ACTIVITIES" beginning on page 20 for more information regarding the Issuer's loans.

The Issuer also provides financial consultation at no charge to applicant borrowers and related agencies within the United States and its territories. This consultation includes understanding and facilitating the mission and ministry of the organization and an analysis of the financial condition of a borrowing religious entity, including its ability to service debt, a discussion of construction alternatives, the evaluation of the borrower's financial strengths and weaknesses, and other items that may affect the financial condition of the borrower and its ability to engage in and expand its religious activities.

The Issuer supports the development of church leaders in three ways: (1) providing forums to bring together leaders in the church for peer-based learning opportunities; (2) organizing learning communities of clergy and laity who are developing new ways of engaging an evolving society; and (3) providing grants in the form of Innovative Leadership Awards to those who have demonstrated the capacity to reach a new generation of those who are experiencing and expressing their faith and spirituality in ways not consistent with the traditional local church model.

Commencing on or about May 15, 2024, The Issuer intends to offer Charitable Gift Annuities (CGA), a contract between the donor and the Issuer. Under these CGA agreements, in return for the transfer of cash, cash equivalents, or securities, the Issuer will pay to the donor a fixed annuity payment to one or two donors (annuitants) for their lifetime(s). At the termination of the contract, any remainder is distributed to a qualified charity of the donor's choosing. The contributed property is given irrevocably and becomes an asset of the Issuer, which the Issuer will use to make loans, invest in accordance with our investment policies, or otherwise fund the Issuer's general operations. The Issuer expects to record a liability corresponding to these CGAs representing the actuarial liability to the CGA annuitants and the amount due to the remainder beneficiary other than the Issuer. The Issuer intends to offer Immediate, Deferred and Flexible CGAs. As of December 31, 2023, the Issuer was not party to any CGA and had no annuity funds or payment obligations.

Offering of Certificates

This offering of $100,000,000 of Certificates is intended to raise funds that will be used primarily to make loans to local United Methodist churches and other connectional units, for the purpose of purchasing, refinancing, constructing, expanding, and making renovations and major improvements to churches, parsonages, and mission buildings. The Issuer offers these Certificates on a nationwide basis (with certain eligibility restrictions in some states, as described in the "State Specific Information" beginning on page v).

The Certificates, which provide general obligation financing for the Issuer, are not secured by particular loans to specific borrowing entities.

None of the proceeds of this offering are to be escrowed pending completion of the offering. Sales proceeds are temporarily invested pending their deployment, and some of the proceeds may be used to pay the Issuer's maturing investment obligations.

Relationship with the Texas Methodist Foundation

In 2016, the Issuer entered into an Agreement Providing for the Transfer of Operations and Governance (the "**Contract**") with Global Ministries and TMF. Pursuant to the terms of the Contract, on January 1, 2017, TMF began to manage and administer the Issuer's operations in accordance with the policies of the Board and established an endowment for the benefit of Global Ministries (the "**Endowment**"). As its initial contribution, the Issuer transferred $12.5 million of its net assets to the Endowment. On January 1, 2019, TMF assumed control of certain governance matters pursuant to the Contract, and that same day the Issuer transferred an additional $12.5 million of its net assets to the Endowment.

The President of TMF also serves as the President of the Issuer. Five (5) members of the Issuer's board of directors are elected from a pool of nominees selected by TMF, and some governance matters require the vote of at least three (3) of the five (5) directors nominated by TMF. In general, however, most matters requiring Board approval may be approved by a vote of a majority of the quorum present at a Board meeting.

The Issuer and TMF are also parties to an Employee Sharing Agreement and an Administrative Services Agreement. Under the Administrative Services Agreement and the Employee Sharing Agreement, TMF causes its employees to conduct the day-to-day business of the Issuer in the sale of the Issuer's Certificates, the management of the Issuer's loan portfolio, the administrative procedure for reviewing loan applications and extending and documenting new loans, the conduct of the Issuer's leadership development and learning activities, management of the Issuer's investments, investor relations, accounting, regulatory compliance, and marketing. The two agreements provide to TMF certain operational authority to discharge its management responsibilities. That authority includes, among other things, the authority to install and utilize new hardware and software computer systems, to develop new operational policies and procedures, and to establish and maintain reasonable accounting and reporting systems and internal controls designed to help the Issuer protect its assets. Under the two agreements, TMF does not have authority to bind the Issuer. The Issuer retains its authority over matters handled by TMF and exercises decision-making authority with respect to the making of loans and raising of funds, including the sale of Certificates.

TMF employs forty-eight (48) employees whose day-to-day work is to support the work of both TMF and the Issuer. These include nine (9) individuals in the lending operations of the Issuer and TMF; three (3) individuals in investor relations; thirty (30) employees in management, accounting, regulatory compliance, philanthropy, and marketing; and six (6) employees in leadership development.

Administrative expenses, which are primarily for services rendered by TMF, are reimbursed by the Issuer its under agreements with TMF. During each of 2023 and 2022, the Issuer disbursed $1,400,000 and $1,200,000, respectively, to TMF for administrative expenses. See Note 10 to the Audited Financial Statements.

TMF also holds Certificates with a total outstanding principal balance of approximately $14,626,000 as of December 31, 2023. Meanwhile, the Issuer holds an interest-bearing demand obligation issued by TMF with an outstanding principal balance of approximately $9,449,000 as of December 31, 2023.

USE OF PROCEEDS

The offering of the Issuer's Certificates is intended to raise funds to be used for the general fulfillment of the Issuer's religious and charitable purposes, including to make loans—or fund some portion of applications in process, outstanding loan commitments, or loan contracts—to Church Organizations, to enable them to purchase, build, expand, or renovate and improve churches, parsonages, or mission buildings, and for other purposes closely related to the religious purposes of the local churches. The Issuer adds the proceeds received from the sale of the Certificates to its general funds. The proceeds will not be allocated to any specific loan or loans, and may be invested pending deployment of the funds or for maintenance of liquidity reserves. The Issuer may also use proceeds to pay outstanding Certificates or other indebtedness and cover our overall operating expenses.

No underwriters or brokers are participating in this offering, and the Issuer pays no sales commissions in connection with the sale of the Certificates. Sales of the Certificates will be effected solely through officers and employees of the Issuer. The Issuer will use its operating capital to pay all expenses of this offering, including printing, mailing, attorneys' fees, accountants' fees, and securities registration fees, which are estimated to total less than 0.18% of the aggregate offering amount.

The Issuer expects to use proceeds from this offering consistent with past practices. In recent years, essentially all cash proceeds from sale of Certificates have been used for lending activities. It is possible, however, that proceeds of this offering may be used for the other purposes discussed above.

FINANCIAL AND OPERATIONAL ACTIVITIES

The Issuer's principal sources of funds to finance its activities are proceeds that it receives from the sale of its Certificates, interest and principal payments received by it on its outstanding mortgage loans, and income on its cash, cash equivalents and investments.

Outstanding Investment Obligations

At December 31, 2023, there were 2,486 holders of the Issuer's $72,036,377 in outstanding Investment Obligations. Those obligations ranged in principal amounts from $100 to approximately $1,145,000, not including a Flexible Investment Note held by Global Ministries in the amount of $16,338,230, and Flexible Investment and Term Notes totaling $14,626,334 held by TMF.

A breakdown of the classification of holders of outstanding Investment Obligations at December 31, 2023 is as follows:

Individuals	$ 20,406,917
Local Churches & Related Organizations	26,418,193
Annual Conference & Related Organizations	6,184,126
Colleges and Universities	37,237
General Agencies of The United Methodist Church	18,418,562
Institutions and Agencies	109,877
Cemeteries	168,251
Foundations	152,522
Finance and Community Organizations	80,858
Scholarship Funds	59,833
Total	**$ 72,036,377**

A breakdown of the type of Investment Obligations that made up the total of $72,036,377 in outstanding Investment Obligations at December 31, 2023 is as follows:

One Year Term Notes	$ 9,605,520
Two Year Term Notes	4,435,874
Three Year Term Notes	9,604,953
Four Year Term Notes	2,179,385
Five Year Term Notes	5,936,373
Flexible Investment Notes	6,507,377
IRA Notes	2,775,750
Certificates of Participation	26,581
Flexible Investment Note held by Global Ministries	16,338,230
Notes held by TMF	14,626,334
Total	**$ 72,036,377**

At December 31, 2023, the maturity dates and amounts of the Issuer's outstanding Term Certificates (including those held by TMF) were as follows:

Year Ending December 31,	
2024	$ 25,020,133
2025	15,626,599
2026	3,236,141
2027	1,901,550
2028	604,016
Total	**$ 46,388,439**

Receipts from Sales of Investment Obligations and Redemption Payments to Investors

Annual sales proceeds and redemption payments on the Investment Obligations for each of the last three (3) years are reflected in the following table:

Year Ending December 31,	Sales Proceeds	Repayments
2021	$ 8,263,948	$ 8,492,822
2022	3,079,633	12,925,406
2023	7,482,356	15,030,673

Gains and Losses on Investments

The aggregate realized and unrealized gains (losses) from investments, including investments of amount held on behalf of the Global Ministries Funds, for the fiscal years ending December 31, 2023, December 31, 2022, and December 31, 2021 were $645,044, $(952,304), and $159,667 respectively.

Outstanding Loans Receivable

At December 31, 2023, the Issuer held mortgage loans with an aggregate principal balance of $97,382,780.[3] As of December 31, 2023, the mortgage loans bear rates of interest ranging from 0.00% to 9.20% per annum, as further described in Note 6 to the Audited Financial Statements. These loans were outstanding in nearly every state of the United States and most annual conference areas. One outstanding loan receivable comprised approximately 8.10% of total loans receivable, not including allowance for credit losses, and another loan comprised approximately 4.67% of total loans receivable. See "Concentration of Borrowers" on page 4 for more information.

The following table shows the approximate maturity of the outstanding mortgage loans, as of December 31, 2023, and has been calculated on the basis of regularly scheduled contract payments:

2024	$ 4,591,199
2025	5,343,636
2026	5,465,506
2027	5,734,167
2028	5,756,778
2029 and thereafter	70,491,494
Total	**$ 97,382,780**[4]

[3] Total Loans Receivable reflects the aggregate principal amount of loans outstanding, and is not reflective of the allowance for credit losses of $3,250,000. This sum includes $4,740,304 in loans that the Issuer manages for Global Ministries. Please see "The Issuer as Administrator for Global Ministries Loan Fund" on page 12 of this Offering Circular.

[4] This sum includes $4,740,304 in loans that the Issuer manages for Global Ministries. Please see "The Issuer as Administrator for Global Ministries Loan Fund" on page 12 of this Offering Circular.

All loans made by the Issuer may be prepaid. Accordingly, expected future cash flows may differ from the contractual amounts indicated above. The following table shows the outstanding balance of the Issuer's loans receivable by type of security.

At December 31, 2023:		
Loans Secured by First Mortgages Only	$	92,402,742[5]
Loans Secured by First Mortgages and Guarantees		4,980,038
Total	**$**	**97,382,780**

The policy of the Issuer requires it to secure at least ninety percent (90%) of its outstanding loans by real or personal property or by guarantees of third parties. The Issuer has exceeded that standard for at least the past 25 years.

Income and Expenses Unrelated to Operations

The Issuer does not have any direct or indirect material expenses or revenues that are unrelated to its operations.

Line of Credit

As of December 31, 2023, the Issuer had a line of credit with Frost Bank that allowed the Issuer to borrow up to $10,000,000, at an interest rate equal to the AMERIBOR-Term 30 rate plus 1.75% (7.12% at December 31, 2023). As a condition to the line of credit, the Issuer provided to Frost Bank a first priority security interest in substantially all of the Issuer's assets, including investments and loans receivable. The line of credit requires the Issuer to meet certain financial covenants, including unrestricted net assets and debt service coverage ratio. As of December 31, 2023, there was no outstanding balance on this line of credit, but the Issuer may draw on this line of credit from time to time.

LENDING ACTIVITIES

Nature and Types of Loans

The Issuer primarily makes first mortgage loans to Church Organizations for the purchase, construction, expansion, major improvement, renovation and repair of churches, parsonages, or mission buildings, and the refinancing of loans made for those purposes. First mortgage loans mean that the loans are secured by a first mortgage on real estate.

The Issuer's policies allow for the following additional loan facilities to eligible borrower applicants: (i) equipment loans secured by a security interest in and a lien on the equipment that the borrower purchases with the loan proceeds; (ii) working capital loans; (iii) loans secured only by a borrower's notes receivables; and (iv) unsecured loans. However, the Issuer secures no fewer than ninety percent (90%) of its outstanding loans with real or personal property or by a guarantee of a third party.

Most of the Issuer's loans are made to churches, and most of the loans to churches have been made to build, expand, or renovate church facilities or to refinance existing debt. However, the Issuer may also lend money to districts, city societies, district unions, mission institutions or annual conference church extension agencies to purchase, build, expand or renovate their facilities.

A table showing the Issuer's mortgage loans receivable and the dates of maturities of its mortgage loans may be seen at "Outstanding Loans Receivable" beginning on page 19.

Loan Policies

All loan activity of the Issuer is for religious purposes. In furtherance of that charitable purpose, the Issuer commonly works with potential and existing borrowers to reach a mutually satisfactory funding

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[5] This sum includes $4,740,304 in loans that the Issuer manages for Global Ministries. Please see "The Issuer as Administrator for Global Ministries Loan Fund" on page 12 of this Offering Circular.

solution. As a church extension loan fund, the Issuer does not operate like a typical commercial lender and frequently acts in a more gracious and accommodating manner in its lending practices, including by making exceptions to loan policies when circumstances warrant.

Under circumstances where applications for loans exceed the available liquidity of the Issuer, the priorities for allocation of resources are guided by the underlying purpose to help Wesleyan/Methodist churches become more purposeful and more clearly focused on her God-appointed mission through the integration of financial and leadership resources. Among the considerations given to the appropriation of funds for available loans are the following: (i) to align with the Issuer's evolving understanding of its charitable purposes in line with the work of churches in a changing context; (ii) to assist racial or ethnic minority churches; (iii) for the construction of a new congregation's first church property or facility; (iv) for the renovation, expansion and/or remodeling of existing church facilities, related tax-exempt organizations, or mission institutions; (v) for site purchases and purchases of properties for the relocation of churches; (vi) for the purchase, refinancing and remodeling of parsonages; and (vii) for the refinancing of existing mortgages and loans.

1. <u>Financial Information Required for Loan Applicants</u>.

The Issuer determines on a case-by-case basis the credit information that the Issuer requires a loan applicant to submit to the Issuer. The information that the Issuer generally may require includes the following: (i) financial information including the applicant's statements of assets and liabilities and income and expenses for the prior two (2) years; (ii) the applicant's Local Church Annual Report Form to the Annual Conference or similar denominational entity for the most recent two (2) years, if any; (iii) the applicant's Annual Report of Trustees to its denominational connection for the most recent two (2) years; (iv) the applicant's Annual Report of the Committee on Finance to the Administrative Board for the most recent two (2) years; (v) the applicant's current year budget; and (vi) such other credit information as may be determined by the Issuer.

In some cases, a representative of the Issuer's Loan Department may visit in person, or by appropriate technological device, the entity requesting a loan to interview the borrower's leadership, review documents, understand and provide consultation, if asked, on the borrower's mission and ministry. The representative also evaluates the collateral and determines if any additional information is required before the Issuer makes its decision.

2. <u>Creditworthiness of Borrower</u>.

The Issuer does not rely upon specific qualifying ratios in evaluating the creditworthiness of potential borrowers. Rather, the Issuer evaluates the creditworthiness of each borrower by relying on tools and analyses available to the Issuer to determine whether the borrower can repay a loan from its cash flow without materially affecting the missions and ministries offered by the borrower. The Issuer in most instances requires that an applicant's debt service payments (including with respect to the loan being requested) be twenty percent (20%) or less of its budget. However, the Issuer may depart from this debt service requirement under circumstances based on the historical performance and financial strength of the borrower.

3. <u>Term of Loan</u>.

Except with respect to working capital, equipment and unsecured loans, loans generally have a maturity of twenty-three (23) years or less and are amortized over a period not to exceed twenty (20) years. Working capital, equipment and unsecured loans generally have much shorter terms. In addition to any other Board-approved exceptions to these terms, loans for the purchase of a parsonage generally may have terms of up to thirty (30) years.

4. <u>Interest Rates</u>.

Rates charged by the Issuer are set by the Staff Loan Committee (the "**Staff Committee**"). Rates charged by the Issuer may be fixed or variable. Variable rate loans are adjusted monthly and may allow for a ceiling and a floor. Loans with a fixed rate allow for periodic adjustments under the terms of the loan agreement. This adjustment period generally does not exceed five (5) years. Interest rates for specific loans are based on factors outstanding at the time, which include general economic conditions, competitive lending environment, liquidity needs of the Issuer and other factors deemed necessary by the Staff Committee. The Issuer also has the discretion to charge an applicant origination, discount, legal or other fees associated with the loan process.

5. Single-Borrower Lending Limit.

The Issuer does not, as a matter of policy, lend funds to any one borrower that exceed twenty-five percent (25%) of the Issuer's net assets without donor restrictions at the time the loan is approved ("**Lending Limit**"). The Lending Limit is an aggregate amount and includes all debt to a borrowing entity of the Issuer, including funded and unfunded loans. Any loan recommended by the Staff Committee that is an exception to the Lending Limit will be identified to the Loan and Investment Committee of the Board (the "**Board Committee**").

6. Collateral Standard.

The Issuer secures no less than ninety percent (90%) of the total principal amount of its outstanding loans with real or personal property or by a guarantee of a third party.

Other Loan Policies

The Issuer may, from time to time, advance additional funds on a previously approved outstanding loan, provided (i) the financial condition of the borrower has not materially changed since the initial approval; (ii) use of the funds is authorized by the appropriate committee of the borrower; (iii) use of the funds is not prohibited by the borrower's denominational organizing documents; and (iv) the amount of the advance does not exceed $250,000.

Renewal of loans that conform to the criteria of the prior approval by the Board do not require additional approval, provided the financial condition of the borrower has not materially changed in an adverse way since the prior approval.

The Issuer's policies prohibit making loans: (i) to individuals; (ii) to organizations that do not have a connection to a church that draws its origins from the Wesleyan Episcopal movement of the 18th century; (iii) where the ability to repay the loan is unlikely; (iv) that are not allowed by law; or (v) for speculative land buying or the purchase of land by a connectional entity where there is no congregation or fellowship in existence to develop the land for use.

Loan Application and Review

Each loan application is assigned to the Staff Committee, which includes the President and Treasurer of the Issuer and such additional persons as may be appointed by the President. The Staff Committee reviews each application.

Provided that a loan applicant's combined outstanding debt to the Issuer does not exceed $250,000, the Staff Committee, without the approval of the Board Committee, may approve or reject applications for loans (or restructurings) of not more than $250,000 aggregate debt if (i) a majority of the members of the Staff Committee approve the loan, and (ii) the vote of the Senior Vice President was one of the votes that formed the majority approving the loan. Loans approved in this manner are reported to the Board Committee at its next meeting.

The Board Committee must review and approve or reject applications for loans (or requests to restructure) that: (i) exceed $250,000; or (ii) are submitted by a loan applicant that has aggregate outstanding debt to the Issuer exceeding $250,000.

The Issuer does not in every instance require that the borrower provide the Issuer an independent appraisal of the property that an applicant proposes as security for the loan; nor does the Issuer, in the ordinary course, inspect the property upon which an applicant's construction or renovation is to take place. The Issuer also evaluates the collateral based upon tax assessment values, insured values, and valuations provided in the applicant's annual reports to its affiliated denominational entity. The Issuer generally requires an independent appraisal if the loan-to-value ratio exceeds seventy-five percent (75%).

Loan Documentation

Each applicant that has been approved for a loan must execute a Loan Agreement that establishes the terms and conditions on which the Issuer is willing to extend the loan.

The Issuer's Loan Agreement may provide that each borrower, as a condition to the Issuer's disbursement of loan proceeds, submit the following documents to the Issuer for its review and approval: (i) a note that reflects the terms of the loan; (ii) a mortgage or deed of trust covering the property that secures the loan; (iii) hazard insurance equal to the greater of the committed loan amount or eighty percent (80%) of replacement costs; (iv) survey with floodplain certifications (unless the appraisal otherwise indicates) and, when applicable, flood insurance; (v) evidence of property value acceptable to the Issuer; (vi) a title insurance policy or other such document that provides assurance of the Issuer's lien position; (vii) an assignment of rents, if applicable; and (viii) other documentation as deemed necessary by the Issuer.

1. <u>Working Capital and Equipment Loans</u>.

The Issuer may make loans for working capital and equipment purchases including, but not limited to, the purchase of computers, copiers, vehicles, pianos, and organs. The Issuer requires that these loans be documented with a note that reflects the terms of the loan and that the loan be secured with a perfected security agreement in equipment, together with other security interests as the Issuer may deem appropriate. The term of the loan generally may not exceed the life of the equipment that is being purchased, or one (1) year in the case of a working capital loan. Interest on such loans is payable monthly.

2. <u>Loans Secured by Note Receivables</u>.

The Issuer considers extending loans to qualified borrowers and securing the loan by taking a collateral assignment of a note receivable, if the Issuer believes that the note receivable provides adequate security for the loan. In such cases, the Issuer reviews the creditworthiness of the maker of the note receivable, including its repayment history, as well as the collateral and the legal documentation of the note prior to accepting this type of collateral to secure a loan.

3. <u>Unsecured Loans</u>.

The Issuer considers unsecured loans only to entities with impeccable financial strength and an identifiable source of repayment. These loans generally do not exceed three (3) years in maturity, and interest is generally collected monthly. Unsecured loans are documented with a note that reflects the terms of the loan.

Exceptions to Loan Policies

If the Board is asked to make exceptions to the Issuer's lending policies, the Staff Committee is required to identify the recommended exceptions on the loan summary that the Staff Committee presents to the Board Committee, and provide the Board Committee with a statement detailing the reason for the exception.

Loan Delinquencies

The Issuer considers a loan to be "delinquent" for purposes of this Offering Circular when payments of principal or interest are ninety (90) days or more past due, whether the borrower is in default or not.

The Issuer had one delinquent loan as of December 31, 2023. The following table summarizes delinquent loans for the three (3) most recently completed fiscal years:

Fiscal Year End	Number of Loans	Past Due Amount	Principal Balance
2021	2	$ 145,056	$ 1,138,396
2022	-	-	-
2023	1	174,240	174,240

Loan Losses

The Issuer has not experienced any loan losses in any of its last three (3) fiscal years.

Allowance for Credit Losses

The Issuer has established an allowance for credit losses based on an estimate of lifetime expected credit losses. As of December 31, 2023, the allowance for credit losses was $3,250,000.[6] In at least the last 25 years of its history of operations, the Issuer has charged approximately $551,000 against the allowance for credit losses or its substantively similar predecessor, the loan loss reserve.

Loan Modifications

It is the policy of the Issuer to aid its borrowers in meeting their debt repayments. Such efforts have included, but are not limited to, providing consultation regarding fundraising, financial management and church growth, and working with the governing body of a mortgagor to re-set the terms for repayment. Accordingly, the delinquency experience of the Issuer is not comparable with that of a commercial lender. The Issuer commonly offers a variety of loan modifications to borrowers depending upon the individual circumstances of the loan, which may include a change of the interest rate; the maturity date, timing of payment or frequency of payment; the dollar amount payable; or a combination of such changes.

During 2023, one loan with a principal balance of approximately $1,449,838 was restructured by lowering the interest rate and deferring principal payments until January 1, 2025. During 2022, one loan with a principal balance of approximately $1,138,000 was restructured by lowering the interest rate. There were no restructured loans with a payment default which occurred within twelve (12) months of the restructuring date during 2023 or 2022.

Loan Deferrals

As a charitable organization, the Issuer works with its borrowers during times of adversity. Where appropriate, the Issuer assists church borrowers in adapting their missions and ministries to changing circumstances. For example, during the height of the COVID-19 pandemic from 2020 to 2022, the Issuer identified resources to assist certain borrowers in making a pivot toward online giving. During that time, the Issuer also offered certain borrowers the option to defer principal payments. The Issuer continues to work with its borrowers when circumstances warrant, and at December 31, 2023, had 20 loans representing approximately $25,757,361 (or approximately 26% of the Issuer's total loans outstanding) with deferred principal payments.

[6] The Issuer's allowance for credit losses does not include any provision for potentially uncollectible loans made from Global Ministries Funds. See Note 8 to the Audited Financial Statements.

INVESTING ACTIVITIES

Nature and Amount of Invested Funds

In accordance with its policy of maintaining reasonable reserves to meet normal interest payments as they accrue and to repay principal amounts on outstanding Investment Obligations, the Issuer's investment portfolio is primarily invested in the I-Series of each of the Short Term Investment Fund, the Fixed Income Fund and the Multiple Asset Fund of Wespath Institutional Investments, a subsidiary of Wespath Benefits and Investments, which is a general agency of The United Methodist Church, at 1901 Chestnut Avenue, Glenview, Illinois 60025-1604. The investment objectives of the funds are described below. See also the Risk Factor entitled "Investment Portfolio Risks," beginning on page 8.

At December 31, 2023, the Issuer's investments consisted of the following:

	Book Value	Market Value	% of Total Investment
Short Term Investment Fund, I Series	$ 1,000,991	$ 1,070,382	16.4%
Fixed Income Fund, I Series	1,674,508	1,756,897	26.9%
Multiple Asset Fund, I Series	3,058,929	3,692,564	56.7%
Total	**$ 5,734,428**	**$ 6,519,843**	**100%**

Liquidity Policies and Liquidity Status

The Issuer's liquidity policies require that at the end of each recent fiscal year, the Issuer's cash, cash equivalents, readily marketable securities and available lines of credit shall have a value of at least eight percent (8%) of the principal balance of its total outstanding Investment Obligations, except that the value of available lines of credit for meeting this standard shall not exceed two percent (2%) of the principal balance of its total outstanding Investment Obligations.

The Issuer's policies require the Issuer to maintain a liquidity reserve of at least eight percent (8%) of the principal amount in investments easily converted to cash without adverse effect on principal. This allocation is subject to revision in response to the needs of the Issuer.

Investment Policies

The investment policies of the Issuer require:

- Reasonable and prudent diversification.
- Investment of cash through investment managers in short- and intermediate-term securities based on cash flow needs.
- No more than ten percent (10%) of the Issuer's assets in a single "credit," except U.S. government and agency securities.
- Maximum maturity of any asset may not exceed five (5) years from time of purchase.

1. Investment Objective.

The Issuer administers its investment policies to provide for reasonable and prudent diversification and preservation of its cash, cash equivalents, and readily marketable securities.

The Short Term Investment Fund–I Series (STIF-I) seeks to preserve capital by holding cash and cash equivalents in the form of units of a daily cash sweep account. The Fixed Income Fund–I Series (FIF-I) seeks to earn current income while preserving capital by primarily investing in a diversified mix of fixed income securities. The Multiple Asset Fund–I Series (MAF-I) seeks to attain current income and capital appreciation by investing in a broad mix of different types of investments.

2. Responsibility for Making Policy.

The Issuer's investment policies are set by the Board.

3. Responsibility for Managing Investments.

The Issuer’s investments in the STIF-I, FIF-I and MAF-I are managed by Wespath Investment Management, a division of the General Board of Pension and Health Benefits of The United Methodist Church, 1901 Chestnut Avenue, Glenview, Illinois 60025-1604.

SELECTED FINANCIAL DATA

The following tables set forth certain selected financial data with respect to the Issuer's Statements of Financial Position and Statements of Activities for the most recent five (5) fiscal years. Management has compiled this data from, and it should be read in conjunction with, the Audited Financial Statements. See also "Key Risks to Investors Wesleyan Impact Partners' Investment Obligations" beginning on page 1. The Issuer's "Statements of Cash Flows" for its three (3) most recent fiscal years can also be found with the Issuer's Audited Financial Statements.

Summary of Statements of Financial Position

	As of December 31,				
Description	**2023**	**2022**	**2021**	**2020**	**2019**
Cash, Cash Equivalents and Investments (Combined)	$ 20,285,428	$ 18,131,770	$ 29,706,654	$ 24,433,211	$ 12,473,993
Accrued Interest Receivable	709,491	696,845	703,391	593,913	345,646
Loans to Churches, Less Allowance for Credit Losses	94,132,780	96,912,186	91,968,408	95,723,682	97,438,073
TOTAL ASSETS	115,227,640	115,777,576	122,498,918	120,773,156	110,277,832
Investment Obligations	72,036,377	77,873,242	86,288,449	84,992,661	76,817,064
Amounts Held on Behalf of Global Ministries	4,759,904	2,164,240	784,153	1,610,844	1,757,366
TOTAL LIABILITIES	78,384,913	80,324,739	87,397,755	86,923,044	78,644,584
TOTAL NET ASSETS	$ 36,842,727	$ 35,452,837	$ 35,101,163	$ 33,850,112	$ 31,633,248
Amount of Unsecured Loans Receivable	$ -	-	-	25,000	-
Unsecured Loans Receivable as a Percentage of Total Loans Receivable	-%	-%	-%	0.03%	-
Loan Delinquencies as a Percentage of Total Loans Receivable[7]	0.20%	-%	1.39%	0.53%	0.46%

For additional information, please see "Statements of Financial Position" in the Audited Financial Statements and the Notes thereto.

[7] Loan Delinquencies include loans on which payments of principal or interest are delinquent for 90 days (or more), whether in default or not.

Summary Statements of Activities

Description	2023	2022	2021	2020	2019
Interest on Mortgage Loans (Income)	$ 4,332,983	$ 4,261,064	$ 4,419,044	$ 4,551,768	$ 4,674,131
Interest on Investment Obligations (Expense)	1,711,452	1,433,366	1,526,930	1,590,163	1,477,334
Net Interest Income	2,621,531	2,827,698	2,892,114	2,961,605	3,196,797
Reduction in Allowance for Credit Losses	-	250,000	-	-	3,900,000
Net Interest Income after Allowance for Credit Losses	2,621,531	3,077,698	2,892,114	2,961,605	7,096,797
Total Non-Interest Expenses	(1,889,457)	(1,784,617)	(1,810,989)	(1,790,876)	(1,375,332)
Change in Net Assets Without Donor Restrictions Before Transfer to TMF Related to Endowment for Benefit of Global Ministries and net assets released from restriction	1,372,845	342,105	1,240,670	2,216,864	6,427,355
Transfer to TMF Related to Endowment for Benefit of Global Ministries	-	-	-	-	(12,500,000)
Net assets released from restriction	-	-	-	-	-
CHANGE IN NET ASSETS WITHOUT DONOR RESTRICTIONS	$ 1,372,845	$ 342,105	$ 1,240,670	$ 2,216,864	$ (6,072,645)

Summary of Sales of Investment Obligations and Redemption Payments

Year Ending December 31,	Sales Proceeds	Repayments
2019	$ 5,858,074	$ 12,292,289
2020	14,676,870	8,087,693
2021	8,263,948	8,492,822
2022	3,079,633	12,925,406
2023	7,482,356	15,030,673

For additional information please see “Statements of Activities” in the Audited Financial Statements and the Notes thereto.

DESCRIPTION OF THE CERTIFICATES

Pursuant to this Offering Circular, the Issuer is offering up to $100,000,000 in unsecured debt securities consisting of: (i) Flexible Investment Certificates; (ii) Term Certificates; and (iii) Individual Retirement Account Certificates.

For more than 50 years, Wesleyan Impact Partners has offered unsecured debt securities for investment by eligible supporters of its charitable mission. The terms "**Impact Certificates**," "**Impact Notes**," "**Certificates**" and "**Notes**" have been used interchangeably, formally or informally, at various times as the name for these securities. The securities also are referred to as "**Investment Obligations**" in the audited financial statements. For purpose of this Offering Circular, these debt securities are referred to as "**Certificates**" or both when referring to the new debt securities to be sold and the outstanding debt securities, including outstanding securities that were issued under the name "notes" or "impact notes." These names are intended to be interchangeable for all purposes.

This section first describes terms applicable to all Certificates, before individual sections describing terms specific to each type of Certificate.

All Certificates

1. <u>Eligible Investors</u>

The Certificates are offered to individuals and organizations located in the United States, and in some states only to those who meet the definition set forth under "State Specific Information" on page v (all such offerees, "**Eligible Investors**").

2. <u>Application to Purchase</u>.

All Certificates are issued only after the applicant has received the Issuer's current Offering Circular and Interest Rate Sheet and the Issuer has received the investor's completed Application to Purchase, which is found at <u>Appendix B</u>. Applications are accepted via U.S. mail to the Issuer.

New Certificates may be purchased in increments of $100. Payment may be made by check, ACH payment or wire transfer, in U.S. funds.

3. <u>Certificates are Uncertificated</u>.

The Certificates are issued in book-entry form as uncertificated securities to be held and recorded in the book-entry-only system maintained by the Issuer. After purchase of any Certificate, the purchaser will not receive a physical Certificate or Note representing the Certificate but will receive a registration confirmation acknowledging payment for the Certificate. The Certificate will be registered in book-entry form by the Issuer. The Issuer will issue a physical Certificate to any investor upon request.

4. <u>Accrual and Payment of Interest</u>.

For all Certificates, interest accrues daily and is compounded monthly. For Term Certificates and Flexible Investment Certificates, investors may elect, at the time of purchase, either (a) to receive semiannual payments within fifteen (15) days after June 30 and December 31 in an amount equal to all interest accrued during the prior six (6) months, <u>**or**</u> (b) to have interest accrued and compounded until maturity. Holders of Term Certificates and Flexible Investment Certificates may change their election at any time upon thirty (30) days' written notice to the Issuer. IRA Certificates do not have the option to receive semiannual payments.

5. <u>Issuer's Right to Call</u>.

The Issuer has the right to call an issued and outstanding Certificate at any time upon three (3) months' prior written notice by payment of the principal amount of the Certificate together with accrued interest plus a premium equal to one and one-half percent (1.5%) of the principal sum of the Certificate. An early redemption penalty will not be imposed on any Certificates called.

6. Limited Transferability.

The Certificates are transferable only (i) to other Eligible Investors, (ii) upon written notice to the Issuer, and (iii) as permitted under the Securities Act of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom.

Flexible Investment Certificates (not offered to residents of certain states)

Interest is computed from the date of issue and is paid either semiannually or at maturity depending on the investor's election (see "Accrual and Payment of Interest" on page 29). If economic conditions in the market should warrant, the interest rate offered on Flexible Investment Certificates may be increased or decreased from time to time and the new rate disclosed in advance to investors by the Issuer through periodic balance and interest reports. Principal and interest are payable at any time within fifteen (15) days of written demand from the investor.

Except as otherwise noted in this paragraph, the Issuer has the right to repay the principal in five (5) equal annual installments beginning fifteen (15) days after demand with respect to a Flexible Investment Certificate. In such cases, interest is payable annually at the then-current rate that the Issuer pays on its Flexible Investment Certificates. The Issuer has waived its right to repay the principal on an installment basis with respect to Flexible Investment Certificates issued to residents of certain states (as described more fully in "State Specific Information" beginning on page v). Although the Issuer has historically repaid promptly on demand the full amount of the principal on all outstanding Investment Obligations, no assurance can be given that the Issuer will be willing or able to make repayments without invoking these rights in the future.

Term Certificates

1. Fixed Interest and Principal.

Term Certificates accrue interest daily from the date of issue, and interest is paid semiannually or at maturity (see "Accrual and Payment of Interest" on page 29). Each Term Certificate bears the applicable rate of interest at the time of issuance for the full term of the Certificate. Any changes in interest rates by the Board affect only new Term Certificates issued after the change in rate.

Certificate holders may not increase the principal balance of their Term Certificate after the initial investment.

2. Maturity—Renewal or Redemption.

Term Certificates have a fixed duration of one, two, three, four or five years. At least thirty (30) days prior to maturity, the Issuer will provide written notice to the holder that the Term Certificate is approaching maturity and that the holder has the option to redeem the Certificate or have it extended prior to its maturity, along with a copy of the Issuer's Offering Circular and any Supplements thereto then in effect. If the Certificate holder, on or prior to the maturity date, provides written notice to the Issuer that they wish to redeem, the Issuer will repay the outstanding principal and accrued but unpaid interest on the Certificate. If the Issuer does not receive written notice from the Certificate holder of their desire to redeem, the Issuer will, at maturity, either automatically renew the Term Certificate for the same maturity period at the then-prevailing interest rate for such Term Certificate, automatically convert the outstanding principal and accrued but unpaid interest into a Flexible Investment Certificate, or pay the outstanding principal and interest, depending on the date of issuance and the Certificate holder's state of residence.

In the alternative, if it shall elect to do so, and except as otherwise noted in this paragraph, the Issuer reserves the right to repay the principal in five (5) equal annual installments beginning thirty (30) days after demand, and accrue interest on the principal balance during the remainder of the payout at the same rate as the Issuer is then paying on its Flexible Investment Certificates. The Issuer has waived its right to repay the principal on an installment basis with respect to Term Certificates issued to residents of certain states (as described more fully in "State Specific Information" beginning on page v). Although the Issuer has historically repaid promptly on demand the full amount of the principal on all outstanding Investment Obligations, no assurance can be given that the Issuer will be willing or able to make repayments without invoking these rights in the future.

Except as to residents of certain states, if a holder of a maturing Term Certificate purchased prior to January 1, 2017 or after May 15, 2019 does not present it for payment (if certificated) or give the Issuer written instructions to pay or redeem it, that Certificate will automatically be renewed or "rolled over" into a like Term Certificate at the prevailing interest rate paid on the same kind of Term Certificate as that being rolled over, which interest rate may be lower than the interest rate offered on the maturing Certificate.

Except as to residents of certain states, for any Term Note purchased between January 1, 2017 and May 15, 2019, if the Issuer does not receive written instructions from a Certificate holder to redeem the Term Note at maturity or purchase a new Note, the Issuer will automatically convert the outstanding principal and accrued but unpaid interest on the Term Note into a Flexible Investment Note. See "State Specific Information" beginning on page v for information regarding the treatment of Term Notes at maturity for residents of certain states.

3. Early Redemption Penalty.

Certificate holders are not entitled to redeem a Term Certificate or any portion thereof prior to the stated maturity date without the Issuer's consent. If a holder of a Term Certificate redeems the Term Certificate before maturity, the early redemption penalty is four (4) months' interest (at the applicable rate of interest) on the principal amount being redeemed; or the entire interest accrued on the Certificate if it has been issued for less than four (4) months. The penalty is charged first against any interest already accrued, which has yet to be paid, and then from the principal that would otherwise be returned to the holder. If the Issuer invokes its right to make payments of principal in five (5) equal installment payments, the early redemption penalty will be deducted from the first such installment payment. The Issuer has waived its right to repay the principal on an installment basis with respect to Term Certificates issued to residents of certain states (as described more fully in "State Specific Information" beginning on page v). This early redemption penalty is generally waived if (i) the holder has died or has been declared incompetent by a court of competent jurisdiction, or (ii) the Certificate is held by an IRA and the request for redemption is made within seven (7) days of establishing the IRA, in which event the entire principal amount will be returned, without payment of interest.

Individual Retirement Account (IRA) Certificates

Investors living in most states may decide to invest in our IRA Certificates with funds held in an Individual Retirement Account as defined in Section 408 of the Code ("IRA"). The interest rate offered on IRA Certificates may be increased or decreased after thirty (30) days' prior written notice to Certificate holders by the Issuer. All or part of the principal and interest is payable at any time within thirty (30) days of written demand by the IRA custodian to the Issuer. Interest is computed from the date of issue and is accrued daily and compounded monthly.

There are certain risks and considerations involved in investing in self-directed IRAs. Investors considering an investment through their IRA should consider, at a minimum, (a) whether the investment is in accordance with the documents and instruments governing the IRA, plan or other account, (b) whether the investment satisfies the fiduciary requirements associated with the IRA, plan or other account, (c) whether the investment will generate unrelated business taxable income, or a UBTI, to the IRA, plan or other account, (d) whether there is sufficient liquidity for that investment under the IRA, plan or other account, (e) the need to value the assets of the IRA, plan or other account annually or more frequently, (f) whether the investment would constitute a non-exempt prohibited transaction under applicable law, (g) whether and the extent to which the IRA will be subject to maximum contribution limits and/or required minimum distributions, and (h) whether the custodian will apply any fees to the account through which an investment in the Certificate will be made, including fees for opening, maintaining or terminating the IRA, fees applicable to certain transactions involving the Certificate, paper statement fees, or other fees. Consultation with the investor's own financial and tax adviser is recommended. The Issuer is not affiliated with an IRA custodian. States in which IRA Certificates are not offered are noted under "State Specific Information" beginning on page v. More information on this investment option is available by contacting the Issuer.

PLAN OF DISTRIBUTION

Offers to Sell

Certificates are offered and sold only through officers and employees of the Issuer.

The Issuer's officers and employees solicit offers to buy the Certificates only in states which permit them to solicit offers. In addition, when the opportunity arises, other officers and directors of the Issuer may speak generally with regard to the nature and purpose of the Issuer's work.

Certificates are offered for sale through advertising in national and regional United Methodist publications (including internet-based publications), and by distributing the Offering Circular to prospective and existing investors. On occasion, the Offering Circular is distributed at United Methodist meetings, generally those held on a conference-wide or national basis.

No funds are accepted for the purchase of a Certificate, nor will any Certificate be issued, unless and until the Issuer has received an executed Application from the investor.

No Underwriting or Selling Agreements

There are no underwriting or selling agreements, no commissions (direct or indirect), and no remuneration being paid to any individual or organization in connection with the offer and sale of the Certificates.

Expenses of Offering

The expenses of this offering, which the Issuer expects to be less than 0.18% of the total offering amount, are paid from the Issuer's operating capital.

Annual Reports and Statement of Balances

Each Certificate holder will be provided with an Offering Circular, including the Issuer's financial statements audited by an independent auditor upon request. A written notice is sent at least semiannually to each Certificate holder showing the principal and interest balance of each of the holder's Certificates.

Withdrawal, Suspension or Reduction of Offering by the Issuer

The Issuer reserves the right at any time, and without prior notice or consent of Certificate holders, to withdraw or suspend the offering or reduce the amount of Certificates offered. There is no minimum amount which must be raised, and if the entire amount of the offering is not needed for the purposes intended, the offering may be withdrawn or suspended.

TAX CONSIDERATIONS

By purchasing a Certificate, you will be subject to certain income tax provisions of the Code. Investors should consult their tax advisors on the specific federal, state, local or international tax consequences of their investment. Some of the significant U.S. federal income tax consequences of purchasing a Certificate generally include the following.

Although the Issuer is a Code Section 501(c)(3) organization, you will not be entitled to a charitable contribution deduction for the Certificate you purchase. Interest on your Certificate is fully taxable to you as ordinary income, except for the IRA Certificates. You have the right to either receive periodic payments of interest or have those interest payments reinvested with your Certificate. The interest on Certificates will be taxable to you in the year it accrues whether you have elected to receive or reinvest it. You will not be taxed on the return of any principal amount of your Certificate or on the receipt by you of interest that was previously taxed and reinvested; however, if you experience an event that causes the basis in your Investment Certificate or previously taxed interest to be reduced, you may have taxable income upon the return of principal or previously taxed interest. Payments of principal and interest may be subject to "back-up withholding" of federal income tax if you fail to furnish us with a correct Social Security Number or tax identification number, or if you or the IRS has informed us you are subject to back-up withholding.

In addition, if you (or you and your spouse together) have invested or loaned more than $250,000 in the aggregate with or to us and other charitable organizations that control, are controlled by or are under common control with us, you may be deemed to receive additional taxable interest under Code Section 7872 if the interest paid to you on a particular Certificate is below the applicable federal rate, which is a minimum rate of interest which the Internal Revenue Service requires be included in certain loan transactions. In that situation, the Internal Revenue Service may impute income up to that applicable federal rate. To determine whether this applies, investors should consult their tax advisors.

If the law creating the tax consequences described in this summary changes, this summary could become inaccurate. This summary is based on the Code, the regulations promulgated under the Code and administrative interpretations and court decisions existing as of the date of this Offering Circular. These authorities could be changed either prospectively or retroactively by future legislation, regulations, administrative interpretations, or court decisions, and the Issuer has no obligation to notify you regarding any changes to the tax consequences of an investment in the Certificates due to any such changes. Accordingly, this summary may not accurately reflect the tax consequences of an investment in the Certificates after the date of this Offering Circular.

Finally, this summary does not address every aspect of tax law that may be significant to your particular circumstances. For instance, it does not address special rules that may apply if you are a financial institution or tax-exempt organization, or if you are not a citizen or resident of the United States. Nor does it address any aspect of state, local or foreign tax law that may apply to you. It also does not address the tax consequences of investing through an IRA or other tax-deferred account. You should consult with your own competent financial and tax advisors.

LITIGATION AND OTHER INFORMATION

At the date of this Offering Circular, there were no suits, actions, or other legal proceedings or claims pending or threatened against the Issuer or its officers or directors. There has been no material legal proceeding against the Issuer for at least the last 25 years.

NO MATERIAL DEFAULT

For at least the last 25 years, the Issuer has not had any material default in the payment of any principal, interest, dividends or sinking fund installments on any security or indebtedness for borrowed money or on any rentals under material leases with terms of three (3) years or more.

MANAGEMENT

Organizational Structure

The management of the affairs of the Issuer is vested in its Board. As of the date of this Offering Circular, there were nineteen (19) directors, five (5) of whom were elected by the members of the previous year's Board from a pool of nominees selected by TMF. The remaining directors are elected by the members of the previous year's Board from a pool of nominees selected by the Issuer's Nominating Committee. At least one (1) director is elected from each of the six (6) jurisdictional areas of The United Methodist Church.

The Board meets at least twice each year.

For purposes of maintaining continuity on investment and loan operations, Board Members who were members of the Board on December 31, 2019, for whatever term, were all deemed eligible to serve for up to three (3) three (3)-year terms until their successors are elected. The directors cannot serve more than a total of three (3) consecutive three (3)-year terms. Service in filling an unexpired or vacated position is not considered for purposes of the term limit. The Board may also elect a retiring Board Chair to serve as a voting member of the Board for one or more additional one (1)-year terms, not subject to the three-term limit.

Elected Directors

Ruby D. Anderson currently resides in Southfield, Michigan. She was awarded a Bachelor of Science degree in Elementary Education by Lincoln University in Missouri, earned a Master of Science degree from Indiana University and holds an Administrative Specialist Certification from the Wayne State University College of Education. Anderson's career has included teaching social studies and most recently, as a real estate broker. Anderson served as a United Methodist Church volunteer-in-mission to Liberia; as Mission Ambassador for the Detroit Annual Conference to Sudan; as a volunteer-in-mission to Haiti; and as the leader of a volunteer-in-mission team to Northern Ireland. Anderson serves as a volunteer at several local nursing homes in the Detroit metropolitan area, and as a local and state officer of Church Women United. Anderson serves as 1st lay delegate to the UMC North Central Jurisdiction Conference, with her current term expiring in 2024. She is also Director on the national Board of Directors for United Women in Faith, formally United Methodist Women with her current term expiring in 2024. She will also serve as the 1st alternate delegate to the General Conference 2022 for Michigan. Anderson is serving her third term as a director, which will expire in 2026.

Reverend Dr. Leroy Barber is the Executive Director of Neighborhood Economics in Portland, Oregon. In 1989, Barber co-founded Restoration Ministries to serve Philadelphia homeless families and children living on the streets. In 1994, he became Director of Internship Programs at Cornerstone Christian Academy. Barber was licensed and ordained at Mt. Zion Baptist Church, where he served as Youth Director and Associate Minister of Evangelism. In 1997, he joined FCS Urban Ministries in Atlanta, GA working with the Atlanta Youth Project to serve as the founding Executive Director of Atlanta Youth Academies, a private elementary school providing quality Christian education for low-income families in the inner city. Barber also helped found DOOR Atlanta, Community Life Church, South Atlanta Marketplace, and Community Grounds Coffee shop in Atlanta, as well as Green My Hood and The Voices Project. Barber is an innovator, entrepreneur and lover of the arts. Barber has a Master of Divinity and Doctor of Ministry. He is the author of four books ad was recognized in 2021 as a recipient of the Locke Innovative Leader Award. Barber is serving his first term as a director, which will expire in 2026.

Reverend Dr. David S. Bell currently resides in Brighton, Michigan. He received his Bachelor of Arts degree from The College of Wooster, graduated magna cum laude with a Master of Divinity degree from Drew Theological School, and received a Doctor of Divinity degree from United Theological Seminary. He has completed post-graduate certificates in Executive Leadership from the Weatherhead School of Management, Case Western Reserve University. He currently serves as the President &

Executive Director of the United Methodist Foundation of Michigan and an adjunct faculty member of United Theological Seminary. He is an Ordained Elder in The United Methodist Church. Bell is a thought leader whose intuitive curiosity about organizational systems and passionate emphasis on emotional intelligence combine to empower vital transformation. Bell is an executive leader with proven experience in capacity building, fund development, organizational visioning, and asset-based thinking. He is regarded as an insightful author, nationally recognized keynote speaker, and visionary leader who connects economic and cultural trends with planned giving theory in the context of Christian financial discipleship. Bell has served on several Board of Directors, including General Council on Finance and Administration, United Theological Seminary, and is the immediate past president of the National Association of United Methodist Foundations. He is an active member of the Association of Fundraising Professionals, the National Association of Charitable Gift Planners, and the International Association of Advisors in Philanthropy. Bell is serving his first term of office as a director, which will expire in 2024.

Bishop Héctor A. Burgos Núñez is the Episcopal leader of the Upper New York Area. Bishop Burgos holds a Master of Divinity from the School of Theology at Drew University in Madison, NJ, a bachelor's in business administration with a concentration in Management and Strategic Marketing from the University of Puerto Rico, and a graduate certificate in Information Systems Technology. Bishop Burgos is a Community Leadership Fellow from the Lewis Center for Church Leadership, a certified ICA coach, and an Outward Mindset facilitator. Bishop Burgos' interests include racial and organizational equity, leadership development, contextual evangelism and worship, and strategic communications in a digital era. Burgos is serving his first term as a director, which will expire in 2026.

Roland Fernandes resides in Atlanta, Georgia, and is the General Secretary of the General Board of Global Ministries of the United Methodist Church (Global Ministries) and the United Methodist Committee on Relief (UMCOR). He was elected to this position effective September 1, 2020. Prior to that, he was the Chief Operating Officer and General Treasurer of Global Ministries as well as the Executive Director and Treasurer of the UMCOR. He was also the lead staff providing oversight of the Issuer on behalf of Global Ministries. Fernandes has worked with Global Ministries since 1995 in various capacities starting as Area Financial Executive for Global Ministries in India and the Philippines in 1995 and 1996 before moving to New York at the beginning of 1997 to serve as Comptroller of UMCOR and the Health and Welfare unit of Global Ministries. From the year 2000, Fernandes served as the Treasurer of UMCOR, the Health and Welfare unit, and UMDF. Since 2003, he has been serving as the General Treasurer of Global Ministries with financial oversight and responsibility for all entities within Global Ministries. He has also served twice as interim Treasurer of the Women's Division of Global Ministries. In 2016, Fernandes was elected as the Chief Operating Officer in addition to being General Treasurer. As of March 2018, he is also the Co-Executive Director of UMCOR. Before working for Global Ministries, Fernandes was the Chief Auditor of the Methodist Church in India for eight years from 1988 to 1995. Originally from India, Fernandes attended St. Xavier's College in Calcutta, India, and graduated in 1985 with a Master of Commerce degree from Calcutta University. He has also been a Chartered Accountant, the British equivalent of a CPA, since 1987. As the former Board Chair, Fernandes is serving a one (1)-year term as director, which will expire in 2024, and is eligible for additional one (1)-year terms at the Board's election.

Reverend Mary Kohlstaedt Huycke lives in Yakima, Washington. She is an ordained Elder in the United Methodist Church currently serving as the executive director of Courageous Space Coaching & Consulting, where she provides reflective supervision, executive and team coaching, and consultation services. In partnership with Wesley House, Cambridge; BGHEM; and Leaderwise. Huycke is part of piloting reflective pastoral supervision in the United States and researching its impact. She has served previously as a district superintended and co-authored several books on leadership and congregational development for the Alban Institute. Huycke is serving her third term of office as a director, which will expire in 2026.

Dr. Maggie Jackson resides in Warrensville Heights, Ohio but grew up in Alabama and received a full scholarship to study Sociology at Northwestern College in Iowa. After receiving her bachelor's degree, she pursued a Master's in Social Work (MSW) at the University of Denver in Colorado. This provided the opportunity to work for the Denver County Department of Public Welfare, which allowed Jackson to work with students. She loved her work so much she pursed a Ph.D. in Social Work at Case Western Reserve University in Ohio. Following her Ph.D., Jackson became a professor at Cleveland State University in order to continue working with students. While there, she published two books and several journal articles. She also served as the Director of the School for Social Work for 18 years and received the Cleveland State University Distinguished Faculty Award for Service in 2010. Jackson is a faithful United Methodist, who served on the board for GBHEM for eight years. She served on the board of Global Ministries for eight years as well, taking the leadership role of Personnel Chair and as a current member of the Audit Committee. She was a four-time delegate to General Conference, President of UMW for the East Ohio Conference, VP of UMW for the North Central Jurisdiction, and VP of UMW Social Action at the national level. Furthermore, she served on the Board of Trustees with Africa University for fourteen years and recently had an endowed scholarship named in her honor. Jackson is serving her second term as a director, which will expire in 2024.

George E. Johnson, Jr. currently resides in Missouri City, Texas. Johnson received Bachelor Degrees in Sociology & Political Science from Lamar University in 1969. He has earned numerous Certificates and Certifications in finance, real estate appraisals and real estate management. Johnson has also served as Adjutant Professor in Commercial Real Estate at Texas Southern University and is a Certified Mediator. Johnson is CEO of George E. Johnson Development Inc., a real estate brokerage and development firm founded in 1974. Johnson is currently a member of National Board of Directors for the Alzheimer's Association. Johnson is serving his second term as a director, which will expire in 2024.

Wayne Moy was the Executive Director of the Issuer from May 2005 to December 2007, Co-Executive Director of the Issuer from December 2011 to December 2017, and continued to serve the Board as an Advisory Director until he was elected to the Board in 2020. Between September 2008 and January 2014, Moy also served Global Ministries as Associate Treasurer and Director of General Services & Asset Management, which also included property, insurance and investments. Moy is currently the Director of Property Management and Financial Analysis for UWFaith. Prior to joining the Issuer, Moy worked in Financial Services for over 20 years. He was employed at Charles Schwab Capital Markets as a trader/market maker from April 1998 to December 2002. He was also an Analyst / Database Administrator for Atlantic Portfolio Analytics Management, a fixed income money manager specializing in analyzing and trading Mortgage and Asset Backed Securities. Moy also worked as a high net worth money manager for International Assets Advisory Corp, and as an institutional investor account manager at Instinet – Reuters. Moy received a Bachelor of Arts degree in Economics from Columbia University in 1995. He is a member of the Securities Traders Association, and has passed the NASAA Series 7, 55 and 63 examinations. Moy also serves on a few Investment Committees and Board of Directors, including for the United Methodist Higher Education Foundation, City Society of NYAC and Global Ministries. Moy is serving his second term as a voting director, which will expire in 2026.

Reverend Dr. Christopher Pierson is an executive with experience serving and leading nonprofit, religious, and community organizations. He is Senior Pastor of Gary Church in Wheaton, Illinois, where he ministers to a congregation of over 750 members. Pierson is known for building strong teams, and helping individuals and organizations claim their strengths and recognize their potential. His core beliefs in compassion, peace and justice drive his leadership. He earned a Master of Divinity degree from Garrett Evangelical Theological Seminary (Evanston, IL) and a Doctor of Ministry degree from New Brunswick Theological Seminary (New Jersey). Pierson is serving his first term as a director, which will expire in 2026.

Reverend Dr. Gil Rendle lives in Haverford, Pennsylvania. Rendle is a retired Senior Vice President and part-time Consultant with The Texas Methodist Foundation in Austin, Texas and as an independent consultant working with issues of change and leadership in denominations. Prior to this position he served the Alban Institute as an author, seminar leader and senior consultant for twelve years. An ordained United Methodist minister, Rendle served as senior pastor of two urban congregations in Pennsylvania for sixteen years and as a denominational consultant for The United Methodist Church for nine years. Rendle has an extensive background in organizational development, group and systems theory, and leadership development. He has consulted with congregations on planning, staff and leadership development, and issues of change, including work with middle judicatory and national denominational offices and staff as they wrestle with denominational and congregational change. In training workshops and conferences, Rendle has led numerous large and small groups in practical learning that directly impacts participants' decisions and practice in their leadership roles. He is the author of eleven books, a contributor to four books, and the author of numerous articles and monographs. His most recent books include *Journey in the Wilderness: New Life for Mainline Churches* (2010) and *Back to Zero: The Search to Rediscover the Methodist Movement* (2011), both published by Abingdon Press, and *Quietly Courageous: Leading the Church in a Changing World*, (2021) and *Countercultural: Subversive Resistance and the Neighborhood Congregation* (2023), both published by Rowman & Littlefield. Rendle is serving his third and final term as a director, which will expire in 2025.

Reverend Dr. Owen Ross lives in Irving, Texas. Ross has been the Director for the Center of Church Development for the North Texas Conference UMC, since July 1, 2017. In this role, Ross leads the vitalization and church planting strategies for The United Methodist Church in North Texas and serves on the Bishop's cabinet. Prior to this work, Ross served as the founding pastor of La Fundición de Cristo/Christ's Foundry United Methodist Mission for fifteen years. A native of the rural East Texas town of Henderson, he holds a Bachelor of Arts with a double major in International Studies and Political Science from Texas A&M University, a Master of Divinity from Southern Methodist University, and a Doctor of Ministry from Asbury Theological Seminary. He has also done coursework at La Universidad de las Americas - Puebla, Mexico, and at Africa University - Zimbabwe. Ross is serving his third term as a director, which will expire in 2026.

Reverend Dr. Kristin Stoneking serves as Associate Professor of United Methodist Studies and Leadership at Pacific School of Religion in Berkeley, California. An elder in the California-Nevada Annual Conference, she serves on the Western Jurisdiction Leadership Team as chair of the jurisdictional Council on Finance and Administration. She is a member of the conference leadership body (Core Team), and on the 2020 Jurisdictional and General Conference delegation. Stoneking serves as a member of the external audit committee for the General Board of Global Ministries. With experience serving local churches in California, Illinois and Kansas, developing church property for innovative and income-producing ministry, and revitalizing campus ministry, Stoneking describes her call as one to service, renewal and transformation. Prior to her current appointment, Stoneking served as the Executive Director of the United States branch of the Fellowship of Reconciliation in New York, an interfaith peace organization with consultative status at the United Nations. Stoneking is a graduate of Rice University (B.A.) and Garrett-Evangelical Theological Seminary (M.Div.), and the Graduate Theological Union (Ph.D.), and is a former Fellow of the Pluralism Project at Harvard University. For the Graduate Theological Union, Stoneking has served on the Board of Trustees, Presidential Search Committee, and co-chaired the Committee on Diversity, Equity and Inclusion. A published author on leadership and strategic planning, Stoneking has acted as a consultant with GBHEM and conferences in the Western and South Central Jurisdictions and is adjunct faculty at Claremont School of Theology. Stoneking is serving her third term as a director, which will expire in 2026.

Reverend Dr. Ron Swain lives in Georgetown, Texas. Swain has over four decades of experience in higher education administration. For 20 years, Swain served in several positions at Shaw University in Raleigh, North Carolina, the oldest historically black college in the Southeastern United States. His last position at Shaw was Vice President for Institutional Advancement and Planning. In 1994, he became national director for the final phase of The United Negro College Fund's Campaign 2000. He subsequently served as the 15th President of Wiley College in Marshall, Texas. In August 2000, Swain joined the Senior Staff at Southwestern University as Senior Advisor to the President for Strategic Planning and Assessment. In addition to his higher education career, he is an ordained minister. Since 2014, Swain has served the Discipleship Team at The First United Methodist Church of Georgetown as Director of Transformative Missions Ministries. Swain is the initiator and convener of Courageous Conversations about Race in Georgetown. Since 2014, over five hundred residents have participated in Courageous Conversations as a respectful, civil process of dialogue about the difficult issue of race. In November 2022, Swain began serving as Chaplain and Director of Spiritual and Religious Life at

Southwestern University in Georgetown, Texas. A native of Macon, Georgia, Swain holds Bachelor of Arts and Master of Education degrees from Duquesne University in Pittsburgh, PA; the Master of Divinity degree from the Shaw Divinity School in Raleigh, NC; the Master of Education degree from the University of North Carolina at Chapel Hill; and the Doctor of Education degree from The George Washington University in Washington, D.C. Swain is serving his third and final term as a director, which will expire in 2025.

Cindy Thompson is a lifelong member of The United Methodist Church and has extensive experience in both the for-profit and non-profit sectors. She is a Certified Public Accountant and served as a Chief Financial Officer in the private sector. As an adept leader, and careful observer of effective processes and systems, she has assisted boards and leaders develop strategic plans. In 2012, Thompson founded Boundless Impact, a nonprofit driving inclusive leadership and innovation initiatives across commerce, education, civic and faith networks to unleash prosperity for all communities. Thompson is an executive leader and social entrepreneur whose organization provides a platform for cross-boundary leaders to connect and mobilize around initiatives that achieve results to further the global common good. Thompson is serving her first term as a director, which will expire in 2026.

Carmen F.S. Vianese currently resides in Nunda, New York. Vianese graduated from Herkimer County Community with an Associate of Applied Science degree in the field of Occupational Therapy. Vianese also received an Associate of Applied Science degree in Massage Therapy from the New York Institute of Massage. Since November 1986, prior to her recent retirement, Vianese was employed in Perry, New York, as a staff therapist in the Occupational Therapy Department of the Finger Lakes Developmental Disabilities Service Office of New York State. For 12 years during her period of employment there, Vianese owned and operated Hands of Grace, a private clinical practice engaged in massage therapy, in Nunda New York. Vianese has served as a member of the board of directors of the Nunda Community Home and as a volunteer for Hospice Massage Therapy services. Vianese also continues to serve the UMC through her position as a board member for Global Ministries, as well as through the Upper New York Annual Conference as United Women in Faith's President and the Head delegate of the General & Jurisdictional Conference Delegations. Vianese is serving her third term as a director, which will expire in 2026.

Reverend Dr. Cynthia D. Weems is the District Superintendent of the Southeast District of the Florida Conference which spans Delray Beach to Key West and encompasses five language groups. Weems will begin serving as Senior Pastor of The United Methodist Church of Sun City Center, Florida on July 1, 2024. Formerly, she served as pastor of First United Methodist Church of Miami, a church with an extensive ministry to the diverse homeless population of downtown Miami. Weems has served congregations in Connecticut, Kansas, and Florida. After seminary, she spent two years as a volunteer missionary in Cochabamba, Bolivia. Weems is a Mississippian by birth, later raised in Kansas City, and the daughter of a pastor and public school teacher. She is a Phi Beta Kappa graduate of Millsaps College, was a Yale Fellow and Student Body President at Yale Divinity School. Later, she earned a Doctor of Ministry degree from Saint Paul School of Theology. Weems was a 2016 and 2020 clergy delegate to General and Jurisdictional Conferences from the Florida Conference. Weems is trilingual, having learned both Spanish and Portuguese in Latin America. She serves on the Board of National Justice for our Neighbors and chairs the Encounter with Christ in Latin America and the Caribbean Advisory Board. Weems is serving her second term as a director, which will expire in 2024.

Reverend Sara A. White currently resides in Columbia, South Carolina. White received her Bachelor of Arts degree in History from the University of South Carolina and was awarded a Master of Divinity degree from Lutheran Theological Seminary South, Columbia, South Carolina. White is the Lead Pastor of Hibben United Methodist Church in Mt. Pleasant, South Carolina. Previously, she served as Director of Congregational Development for the South Carolina Conference from 2012 until 2019. Prior to that, she held the position of District Superintendent of the South Carolina United Methodist Church in the Rock Hill District, and from 2001 to 2006, was the lead pastor of John Wesley United Methodist Church in Charleston, South Carolina. White served as delegate to the 2008 and 2012 General Conferences of The United Methodist Church and has also served as a Jurisdictional Conference delegate for the

Southeastern Jurisdiction Conference. Her Annual Conference service includes membership on the Southeastern Jurisdiction Council on Finance and Administration; South Carolina Annual Conference CFA; and the Board of Trustees of the Epworth Children's Home. White is serving her second term as a director, which will expire in 2024.

Kay Yeager lives in Wichita Falls, Texas. Yeager served two terms as Mayor of Wichita Falls, Texas from 1996 through 2000. In 2015, Perkins School of Theology named her as a recipient of the 2015 Woodrow B. Seals Laity Award for her commitment as a civic leader and community volunteer. Born and raised in Wichita Falls, she graduated from the local high school, before pursuing her Bachelor's Degree in Chemistry at Sweet Briar College in Sweet Briar, Virginia. She also attended the University of St. Andrews, Scotland during her junior year. She graduated with honors in 1961 and then went on to serve her community. She has been a member of many boards, lending her leadership skills to organizations such as the Board of Directors of the Methodist Children's Home, Executive Board of Perkins School of Theology at Southern Methodist University, Texas Utilities Advisory Board, Presbyterian Manor Foundation, and the Board of the Texas Methodist Foundation. Yeager's work in the larger community includes serving as Chair of the Board of the Yellowstone National Park Foundation and the Notre Dame Advisory Council. Additionally, she served as Chairwoman of the Board of the Multi-Purpose Events Center (MPEC) in Wichita Falls. She is a lifelong member of First United Methodist Church Wichita Falls. Yeager is serving her third and final term as a director, which will expire in 2025.

Board Officers

Dr. Maggie Jackson is the current **Board Chair** of the Issuer; Ron Swain is its current **Board Vice Chair**; and Rev. Sara A. White is its current **Board Secretary**. Each of these officers is also a director of the Issuer who serves in such office until their successor is elected, and their respective biographies are set forth above.

Corporate Officers

Reverend Lisa Greenwood is President and Chief Executive Officer of the Issuer and TMF. Greenwood joined the staff of Texas Methodist Foundation in 2012 serving as Vice President for Leadership Ministry before becoming the President & CEO of TMF and Wesleyan Impact Partners in 2022. Rev. Greenwood is an ordained Elder in the North Texas Conference of the United Methodist Church, where she served Highland Park United Methodist Church, First United Methodist Church in Denton, First United Methodist Church in Commerce, and First United Methodist Church in Richardson, Texas. During the last five years of local church ministry, Greenwood also served as a ministry strategist with Horizons Stewardship Company. Greenwood earned a Bachelor of Arts degree from the University of Texas at Austin and a Master of Divinity from Yale Divinity School. Greenwood served as the President of the National Association of United Methodist Foundations until her appointment as President of the Issuer.

Curtis Vick is Chief Operating Officer and Chief Financial Officer of the Issuer and TMF. Vick started his career with TMF in 1982, developing computer-based bookkeeping systems. Through the years he has been involved in all areas of TMF and has been integral in the four merger transactions during its history. Vick is the son of a Methodist minister and received a basketball scholarship to attend Southwestern University, a Methodist university in Georgetown, Texas where he earned a Bachelor of Science in Computer Science.

Chris Miller is Vice President of Lending at WI. Miller is responsible for the lending activities of the Issuer. Miller has nearly twenty years of banking and commercial lending experience supporting the business growth strategies of owner-operated businesses and commercial real-estate developers. He most recently served as Austin Market Area Executive at Simmons Bank managing a team of Commercial Lenders and Support Staff with a loan portfolio similarly sized to Wesleyan Impact Partners and Texas Methodist Foundation. Prior to Simmons, Miller served as Senior Vice President of Commercial Banking at Southside Bank. After being formally trained at Sterling Bank as a Credit

Analyst, Miller has underwritten and managed hundreds of loan transactions with loan sizes up to $40MM including real estate construction, acquisition, and rehabilitation, (Including Faith Based Borrowers). Miller has also worked directly with nonprofit and owner-operator borrowers with loan relationship sizes up to $20 million.

Paula L. Sini is Vice President of Loan Operations of the Issuer. She also serves as Assistant Vice President of Texas Methodist Foundation, appointed to that position in 2015. Sini has 30 years' experience in consumer, real estate, and commercial lending. Prior to her appointment at TMF Sini was Senior Vice President, National Manager for BBVA Compass with responsibility for Commercial and Industrial, Public Finance, and Global Wealth Loan Documentation and Funding Control. During her career in commercial banking, she was involved in compliance and training and supervised work teams of 40 or more persons.

Tom Stanton is Corporate Secretary and General Counsel of the Issuer and TMF. Stanton became General Counsel of TMF in 2014. From 2005 through 2016 he served as Chancellor to two Bishops of a United Methodist Church Annual Conference. Stanton received his bachelor's degree in Theology and Economics from Georgetown University in 1979, and his Juris Doctorate from the University of Texas School of Law in 1987. He clerked for the Chief Judge of the Western District of Texas Federal Court from 1987 to 1989 and is licensed in the United States Supreme Court, the Fifth Circuit Court of Appeals, and the Western (Federal) District of Texas. Stanton practiced trial law with an emphasis in commercial and complex litigation and was a sought-after mediator for 10 years prior. Stanton has been active for 19 years in resourcing a medical clinic, women's school, seminary, and small college in the Democratic Republic of Congo ("DRC") with annual trips leading teams of medical, educational, and construction workers into the mission station in rural DRC. In addition to his legal responsibilities, Stanton resources churches and church-related entities in finding their missional purpose and developing strategies to deepen their cultures of philanthropy and mission.

Rev. Dr. Blair Thompson is Chief Learning and Innovation Officer. Rev. Thompson facilitates conversations with leaders from across the Wesleyan ecosystem especially in the areas of discerning purpose and expanding imagination. She oversees and directs Texas Methodist Foundation's Lilly-funded Thriving Congregations, Thriving in Ministry and Compelling Preaching initiatives. Thompson is also the creator and producer of Learning and Innovation's podcast "Igniting Imagination." Thompson is a versatile and skilled facilitator. She is known for her engaging presence, excellent session design, collaborative approach, and the ease with which she navigates difficult conversations. Thompson is an Ordained Elder in the United Methodist Church. She joined the staff of Texas Methodist Foundation in 2020 after serving as a pastor in a variety of settings, including small town Kansas, downtown Dallas, and suburban Richardson, Texas. Rev. Thompson completed her dissertation on pilgrimage in the development of clergy leadership for her Doctorate of Ministry degree in 2018.

Janet M. Mitchell is the Chief Marketing Officer of the Issuer and TMF. Prior to joining TMF on staff in 2022, she served as the organization's contract Chief Marketing Officer since 2014. Mitchell is the principal of M Group Agency, a strategic marketing agency founded in 2005 that builds the businesses and brands of for-profit and nonprofit organizations. As Chief Marketing Officer, Mitchell has developed and launched four companies in Austin, Texas, one to over a $90 million business and recognized as #6 in the Top 50 Fastest Growing Companies by PricewaterhouseCoopers. Prior to that Mitchell served as the Vice President, Marketing North America for Duracell, Inc. Mitchell holds a Bachelor of Science in Business Administration, double majoring in Finance and Marketing, from Babson College, Wellesley, Massachusetts and a Master of Business Administration, with a specialization in business policy and strategy, graduating magna cum laude, from the University of Connecticut, Hartford Connecticut.

Justin Gould is Vice President of Philanthropy of the Issuer and TMF. Gould joined the staff of Texas Methodist Foundation in 2013 after nearly a decade serving in various fundraising roles at Southwestern University during its successful $150 million comprehensive campaign. Gould leads all aspects of TMF's fundraising and gift planning programs. Gould holds Bachelor of Arts. in Business Administration from Southwestern University in Georgetown, TX, where he currently serves on the Board of Visitors, and a

Master of Business Administration from Willamette University in Salem, OR. Additionally, Gould is a past-president of the Charitable Gift Planners of Austin and holds the Chartered Advisor in Philanthropy (CAP) designation.

Criminal and Civil Proceedings

During the past ten (10) years, no officer or director has been convicted of any criminal matter (other than for traffic violations and other minor misdemeanors) or has been the subject of any order, judgment, or decree of any court enjoining such person from any activities associated with the offer or sale of securities or limiting the right of the person to engage in any activity in connection with the purchase or sale of any security or to be associated with persons engaged in that activity.

Compensation

Officers and Directors. The Issuer's operations are administered by TMF pursuant to the Employee Sharing Agreement and Administrative Services Agreement described in the "Relationship with the Texas Methodist Foundation" section on page 16. The Issuer does not pay any compensation or other remuneration to the officers or directors of the Issuer, who often serve in dual roles with TMF. The total aggregate direct and indirect remuneration, including without limitation, salaries, health and other insurance benefits, and pension or retirement plans, paid by TMF to the employees, officers and directors of the Issuer for their services to the Issuer in 2022, was approximately $1,115,000. The Issuer estimates that the aggregate remuneration paid by TMF to the officers and directors of the Issuer in 2023 will be approximately $1,225,000. The Issuer or TMF may also reimburse officers and directors for expenses incurred in the performance of their responsibilities.

Administrative Expenses. Administrative expenses, which are primarily for services rendered by TMF, are reimbursed by the Issuer under the terms of a written agreement. The Issuer disbursed to TMF approximately $1,400,000 during 2023 and approximately $1,200,000 during 2022, for administrative expenses, including wages and benefits of employees, officers and directors paid by TMF for their services to the Issuer.

Conflict of Interest

Other than Certificates that have been purchased by officers and directors of the Issuer, there have been no material transactions, nor any proposed, between the Issuer and any director or officer of the Issuer; or between the Issuer and any family member of an officer or director of the Issuer; or between the Issuer and any entity in which an officer or director or a family member of an officer or director has a material interest (except as described with respect to TMF).

No officer or director of the Issuer shall hold more than two percent (2%) of the total Certificates sold by the Issuer. Officers and directors of the Issuer may only purchase Flexible Investment Certificates. The outstanding balance of Certificates held by officers and directors of the Issuer was approximately $11,000 as of December 31, 2023.

The officers and employees of the Issuer are compensated by TMF in connection with the Employee Sharing Agreement and Administrative Services Agreement, which are described in greater detail on page 16 under "Relationship with the Texas Methodist Foundation."

INVESTOR REPORTS

The Issuer's current audited financial statements will be made available to any investor upon written request, and will be delivered to investors within one hundred twenty (120) days of the end of the Issuer's last fiscal year.

INDEPENDENT AUDITORS

The Financial Statements as of December 31, 2023 and 2022 and for the Years Ended December 31, 2023, 2022, and 2021, are attached as Appendix A to this Offering Circular and have been audited by Maxwell Locke & Ritter LLP, independent auditors.

APPENDIX A

AUDITED FINANCIAL STATEMENTS

ML&R

Wesleyan Impact Partners Inc.

Financial Statements as of December 31, 2023 and 2022 and for the Years Ended December 31, 2023, 2022, and 2021 and Independent Auditors' Report

MAXWELL LOCKE & RITTER LLP | Accounting & Advisory

AUSTIN 401 Congress Avenue, Suite 1100, Austin, TX 78701

ROUND ROCK 411 West Main Street, Suite 300, Round Rock, TX 78664

MLRPC.COM

Wesleyan Impact Partners Inc.

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Independent Auditors' Report

To the Board of Directors of
Wesleyan Impact Partners Inc.:

Opinion

We have audited the accompanying financial statements of Wesleyan Impact Partners Inc. (formerly Wesleyan Investive) (a nonprofit organization) ("WI"), which comprise the statements of financial position as of December 31, 2023 and 2022, and the related statements of activities, functional expenses, and cash flows for the years ended December 31, 2023, 2022, and 2021, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of WI as of December 31, 2023 and 2022, and the changes in its net assets and its cash flows for the years ended December 31, 2023, 2022, and 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of WI and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about WI's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

AUSTIN
401 Congress Avenue, Suite 1100, Austin, TX 78701

ROUND ROCK
411 West Main Street, Suite 300, Round Rock, TX 78664

P: 512-370-3200
F: 512-370-3250

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of WI's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about WI's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Maxwell Locke & Ritter LLP

Austin, Texas
March 21, 2024

Wesleyan Impact Partners Inc.

Statements of Financial Position
December 31, 2023 and 2022

	2023	2022
Assets		
Cash and cash equivalents	$ 13,765,585	$ 12,269,743
Investments	6,519,843	5,862,027
Accrued interest receivable	709,491	696,845
Prepaid expenses and other assets	99,941	36,775
Mortgage loan receivables, less allowance for credit losses of $3,250,000 (Note 6)	94,132,780	96,912,186
Total	$ 115,227,640	$ 115,777,576
Liabilities and Net Assets		
Liabilities:		
Accounts payable and accrued expenses	$ 315,177	$ 281,257
Deferred revenue	1,273,455	6,000
Investment obligations	72,036,377	77,873,242
Amounts held on behalf of the General Board of Global Ministries (Note 8)	4,759,904	2,164,240
Total liabilities	78,384,913	80,324,739
Net assets:		
Without donor restrictions	36,779,219	35,409,696
Without donor restrictions - Board-designated endowment	26,513	23,191
With donor restrictions	36,995	19,950
Total net assets	36,842,727	35,452,837
Total	$ 115,227,640	$ 115,777,576

See notes to financial statements.

Wesleyan Impact Partners Inc.

Statements of Activities
Years Ended December 31, 2023, 2022, and 2021

		2023		2022		2021
Change in net assets without donor restrictions:						
Interest income on mortgage loans	$	4,332,983	$	4,261,064	$	4,419,044
Interest expense on investment obligations		1,711,452		1,433,366		1,526,930
Net interest income		2,621,531		2,827,698		2,892,114
Reduction in allowance for credit losses		-		250,000		-
Net interest income after allowance for credit losses		2,621,531		3,077,698		2,892,114
Non-interest income (expense), net:						
Contributions		9,508		2,754		7,082
Other income		381,957		334,566		91,142
Grants expense		(328)		-		(100,000)
Other expenses		(2,280,594)		(2,121,937)		(1,806,971)
Total non-interest expense, net		(1,889,457)		(1,784,617)		(1,808,747)
Total interest and non-interest income, net		732,074		1,293,081		1,083,367
Realized and unrealized gains (losses) on investments		640,771		(950,976)		157,303
Change in net assets without donor restrictions		1,372,845		342,105		1,240,670
Change in net assets with donor restrictions:						
Contributions		12,772		10,897		10,259
Realized and unrealized gains (losses) on investments		4,273		(1,328)		122
Change in net assets with donor restrictions		17,045		9,569		10,381
Change in net assets		1,389,890		351,674		1,251,051
Net assets, beginning of year		35,452,837		35,101,163		33,850,112
Net assets, end of year	$	36,842,727	$	35,452,837	$	35,101,163

See notes to financial statements.

Wesleyan Impact Partners Inc.

Statements of Functional Expenses
Years Ended December 31, 2023, 2022, and 2021

	2023		
	Program	Support	
	Loans and Investor Services	General and Administrative	2023 Total
Interest on investment obligations	$ 1,711,452	$ -	$ 1,711,452
Salaries, wages, and benefits	872,587	352,413	1,225,000
Promotional programs	513,705	28,106	541,811
Administrative	26,935	279,800	306,735
Professional fees	131,364	38,259	169,623
State registration fees	18,071	-	18,071
Loan and investment system	13,888	-	13,888
Offering circular	5,466	-	5,466
Grants	328	-	328
Total expenses	$ 3,293,796	$ 698,578	$ 3,992,374

	2022		
	Program	Support	
	Loans and Investor Services	General and Administrative	2022 Total
Interest on investment obligations	$ 1,433,366	$ -	$ 1,433,366
Salaries, wages, and benefits	781,654	333,346	1,115,000
Promotional programs	576,581	70,576	647,157
Administrative	36,667	181,645	218,312
Professional fees	85,096	35,642	120,738
State registration fees	375	-	375
Loan and investment system	13,888	-	13,888
Offering circular	6,467	-	6,467
Total expenses	$ 2,934,094	$ 621,209	$ 3,555,303

(continued)

See notes to financial statements.

Wesleyan Impact Partners Inc.

Statements of Functional Expenses (Continued)
Years Ended December 31, 2023, 2022, and 2021

	2021		
	Program	Support	
	Loans and Investor Services	General and Administrative	2021 Total
Interest on investment obligations	$ 1,526,930	$ -	$ 1,526,930
Salaries, wages, and benefits	761,959	338,041	1,100,000
Promotional programs	411,442	21,875	433,317
Administrative	20,950	114,536	135,486
Professional fees	71,320	44,634	115,954
State registration fees	775	-	775
Loan and investment system	13,888	-	13,888
Offering circular	7,551	-	7,551
Grants	100,000	-	100,000
Total expenses	$ 2,914,815	$ 519,086	$ 3,433,901

See notes to financial statements.

Wesleyan Impact Partners Inc.

Statements of Cash Flows
Years Ended December 31, 2023, 2022, and 2021

	2023	2022	2021
Cash Flows from Operating Activities:			
Change in net assets	$ 1,389,890	$ 351,674	$ 1,251,051
Adjustments to reconcile change in net assets to net cash provided by operating activities:			
Realized and unrealized losses (gains) on investments	(645,044)	952,304	(159,667)
Donated stock	(12,514)	-	-
Reduction in allowance for credit losses	-	(250,000)	-
Non-cash interest accrued	1,711,452	1,430,566	1,526,905
Changes in assets and liabilities that provided (used) cash:			
Accrued interest receivable	(12,646)	6,546	(109,478)
Prepaid expenses and other assets	(63,166)	83,690	(98,115)
Accounts payable and accrued expenses	33,920	(37,896)	5,614
Deferred revenue	1,267,455	-	-
Net cash provided by operating activities	3,669,347	2,536,884	2,416,310
Cash Flows from Investing Activities:			
Proceeds from maturities and sale of investments	-	12,050,000	4,500,000
Purchases of investments	(258)	(20,900)	(3,465,261)
Mortgage loan repayments received	10,249,853	8,904,071	9,939,570
Mortgage loans made to churches	(7,470,447)	(12,452,292)	(6,184,296)
Net cash provided by investing activities	2,779,148	8,480,879	4,790,013
Cash Flows from Financing Activities:			
Proceeds from issuance of term notes (investment obligations)	7,482,356	3,079,633	8,263,948
Repayments of investment obligations	(15,030,673)	(12,925,406)	(8,492,822)
Proceeds (repayments) of amounts held on behalf of others- General Board of Global Ministries	2,595,664	234,530	(826,691)
Net cash used in financing activities	(4,952,653)	(9,611,243)	(1,055,565)
Net change in cash and cash equivalents	1,495,842	1,406,520	6,150,758
Cash and cash equivalents, beginning of year	12,269,743	10,863,223	4,712,465
Cash and cash equivalents, end of year	$ 13,765,585	$ 12,269,743	$ 10,863,223
Supplemental Disclosure -			
Cash paid for interest	$ 1,304,631	$ 601,377	$ 657,418

See notes to financial statements.

1. Organization and Nature of Operations

Wesleyan Impact Partners Inc. (formerly Wesleyan Investive) ("WI") is incorporated as a nonprofit organization which, until December 31, 2018, was under the control of the General Board of Global Ministry ("GBGM"), an agency of the United Methodist Church. Commencing on January 1, 2017, GBGM transferred day to day management of all WI activities to Texas Methodist Foundation ("TMF"), a non-profit organization. On January 1, 2019, the parties entered into two agreements, and WI reorganized their entity under the laws of the State of Texas. A minority of directors on the WI's Board of Directors also serve on the TMF's Board of Directors, to aid in aligning the two ministries. TMF's officers and staff continue to manage WI's activities under the governance of the WI Board of Directors (the "Board"), which is further discussed in Note 10.

WI provides first mortgage loans to Wesleyan-related churches and other Wesleyan-related organizations for the purchase, construction, expansion, or major improvement of churches, parsonages, or mission buildings. WI's primary activities include the sale of its investment obligations to Wesleyan-related individuals and organizations and the lending of those funds to local churches and other Wesleyan-related organizations. Beginning in 2012, WI began administering GBGM's loan program, which is further discussed in Note 8.

2. Summary of Significant Accounting Policies

Basis of Presentation - The accompanying financial statements are presented in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") as defined by the Financial Accounting Standards Board ("FASB") Accounting Standards Codification.

Use of Estimates - The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

Reclassifications - Certain amounts in the prior year have been reclassified to conform to the presentation adopted in the current year. Total net assets and changes in net assets are unchanged due to these reclassifications.

Net Asset Classifications - Net assets, revenues, gains, losses, and expenses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

> Without Donor Restrictions **-** These net assets are not subject to donor-imposed stipulations. Expenses are reported as decreases in net assets without donor restrictions. Gains and losses on investments and other assets or liabilities are reported as increases or decreases in net assets without donor restrictions, unless their use is restricted by explicit donor stipulation or by law. Net assets without donor restrictions are those currently available for use, or at the discretion of the Board for WI's use. As of December 31, 2023 and 2022, the Board had designated $26,513 and $23,191, respectively, for the Legacy Endowment Fund in recognition of the contributions of leaders to the mission of WI.
>
> With Donor Restrictions **-** These net assets are subject to donor-imposed stipulations which limit their use to a specific purpose and/or the passage of time, or which require them to be maintained permanently. WI has not received any permanently restricted contributions. As of December 31, 2023 and 2022, donor-restricted net assets were restricted for the Tom Locke Innovative Leaders Award Endowment Fund to foster innovation and entrepreneurship in the spiritual landscape particularly for those who demonstrated the ability to see beyond existing models (Note 11).

Fair Value Measurements - Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value accounting requires characterization of the inputs used to measure fair value into a three-level fair value hierarchy as follows:

> Level 1 **-** Inputs based on quoted prices in active markets for identical assets or liabilities. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
>
> Level 2 **-** Observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent from the entity.
>
> Level 3 **-** Unobservable inputs that reflect the entity's own assumptions about the assumptions market participants would use in pricing the asset or liability developed based on the best information available.

There are three general valuation techniques that may be used to measure fair value: 1) market approach **-** uses prices generated by market transactions involving identical or comparable assets or liabilities, 2) cost approach **-** uses the amount that currently would be required to replace the service capacity of an asset (replacement cost), and 3) income approach **-** uses valuation techniques to convert future amounts to present amounts based on current market expectations.

Cash and Cash Equivalents - Cash and cash equivalents include interest-bearing time deposits and demand notes with original maturities of three months or less, except for short-term investments held by WI's investment managers as part of a long-term strategy.

Investments - Investments are reported at fair value in the statements of financial position. Investment transactions are recorded on the trade date and investment income is recorded in the statements of activities when earned. Realized gains and losses are recorded as the difference between historical cost and the proceeds received from the sale of the investment. Unrealized gains and losses are recorded for the change in fair value of investments between reporting periods.

Change in Accounting Principle for Recently Adopted Accounting Pronouncement - In June 2016, the FASB issued Accounting Standards Update ("ASU") No. 2016-13, *Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, requiring the measurement and recognition of expected credit losses for financial assets held at amortized cost, including mortgage loan receivables and accrued interest receivable. WI adopted ASU No. 2016-13 on January 1, 2023 using a modified retrospective approach. The adoption did not have a significant impact on WI's statement of financial position or statement of activities.

Mortgage Loan Receivables and Interest Income - Mortgage loan receivables are stated at the outstanding principal balances, less the allowance for credit losses. Such loans are made primarily to United Methodist churches and are secured by a first lien on single purpose religious structures. While the mortgagors and the collateral are widely disbursed geographically, the mortgagors are United Methodist organizations, which rely on contributions to service such debt. Interest, due monthly, accrues at rates up to 9.2% (Note 6) and is calculated using the simple-interest method on principal amounts outstanding. Interest is recognized over the terms of the mortgage loans and recorded as interest income on mortgage loans in the statements of activities.

The accrual of interest on loans is discontinued when there is a significant deterioration in the financial condition of the borrower and full repayment of principal and interest is not expected. Loans for which interest is more than 90 days past due are reviewed to determine if the additional accrual of interest is warranted. Generally, all interest income accrued, but not collected, for loans that are placed on non-accrual status, is reversed against current income. Interest income is subsequently recognized only to the extent cash payments are received or after the borrower establishes a reasonable basis to expect future payments.

Allowance for Credit Losses - An allowance for credit losses is established to reflect management's best estimate of the losses inherent in the mortgage portfolio. Management establishes the allowance based on a variety of factors, such as loan payment history, current financial information, geographic location, demographic changes, reasonable and supportable forecasts, and other relevant factors. In establishing the adequacy of the allowance for loan losses, management performs periodic reviews of the mortgage portfolio.

Investment Obligations - WI's outstanding investment obligations consist of one to five-year Term Notes (the "Term Notes"), GBGM loan fund (Note 8), Flexible Investment Notes, and IRA Notes, as well as untendered Certificates of Participation. Investment obligations are carried at cost. Since no public market exists (or is expected to develop) for WI's investment obligations, an estimate of fair value is not practical to obtain. However, because of the relatively short duration of the obligations and annual reset for new obligations, fair value is not believed to be significantly different than carrying value.

Contributions - All contributions are recorded at their fair value and are considered to be available for operations of WI unless specifically restricted by the donor. Unconditional promises to give cash and other assets are reported as net assets with donor restrictions, if they are received with donor stipulations that limit the use of donated assets. When donor restrictions expire, that is, when a stipulated time restriction ends or purpose is accomplished, the related net assets are reclassified to net assets without donor restrictions. This is reported in the statements of activities as net assets released from restrictions. Contributions that are restricted by the donor are reported as increases in net assets without restrictions if the restrictions expire within the same fiscal year in which the contributions are received. Conditional promises to give, defined as those with a measurable performance or other barrier and a right to return, are recognized only when the conditions on which they depend are substantially met and the promises become unconditional.

Advertising Costs - Advertising costs are expensed as incurred and were not significant during the years ended December 31, 2023, 2022, and 2021.

Federal Income Taxes - WI is a nonprofit organization that is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code, except to the extent of any unrelated business income. WI did not incur any significant tax liabilities due to unrelated business income during the years ended December 31, 2023, 2022, and 2021. WI is not required to file a Form 990 tax return in the United States ("U.S.") federal jurisdiction, as a public charity/association of churches.

3. Liquidity and Availability of Financial Assets

WI's financial assets available within one year for general expenditure were as follows as of December 31:

	2023	2022
Cash and cash equivalents	$ 13,765,585	$ 12,269,743
Investments	6,519,843	5,862,027
Mortgage loan receivables due within one year	4,591,199	5,099,416
Total financial assets available within one year	24,876,627	23,231,186
Less amounts unavailable for general expenditure within one year:		
Liquidity reserve	(5,762,910)	(6,229,859)
Board-designated endowment	(26,513)	(23,191)
Total financial assets available to management for general expenditure within one year	$ 19,087,204	$ 16,978,136

The Board has established a policy to maintain at least 8%, as of December 31, 2023 and 2022, of outstanding investment obligations in cash, cash equivalents, and investments as a liquidity reserve. This policy meets the minimum requirements established by the various state regulatory agencies which generally require a minimum of 8% of outstanding obligations (6% in cash and cash equivalents and investments, and no more than 2% in a line of credit).

WI's officers and staff work closely with the Board's Loan and Investment Committee to track the purchases and renewals of WI's notes, anticipated redemptions based on historical performance, gains and losses from investments, anticipated loan payments in the current period, and unfunded loan commitments. WI invests its funds to meet cash flow requirements set out in the policy of the North American Securities Administration Association adopted by the various states' regulatory bodies. Investments generally have minimal redemption restrictions (Note 5) and are kept short-term to meet any cash flow needs and to minimize interest rate risk. WI also has an available line of credit of $10,000,000 (Note 9).

4. Concentrations of Credit Risk

Financial instruments that potentially subject WI to credit risk consist of cash and cash equivalents, investments, and mortgage loan receivables. WI places its cash and cash equivalents with a limited number of high-quality financial institutions and may exceed the amount of insurance provided on such deposits. Investments are exposed to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain securities, it is at least reasonably possible that changes in the near-term could materially affect the amounts reported in the statements of financial position. WI provides mortgage loans solely to churches which draw their origin from the Wesleyan Reform movement as expressed through several denominations. A church borrower's ability to repay their mortgage obligation is dependent on their parishioners' financial support of the local church. Factors such as unemployment, aging congregations, and declining church attendance can result in a reduction in a church borrower's contribution income, which could impair their ability to repay their mortgage loan obligation.

As of December 31, 2023 and 2022, two investors accounted for 43% and 36%, respectively, of investment obligations.

5. Investments

WI's investment portfolio is primarily invested in the Wespath Short-Term Investment Fund ("STIF-I - Wespath"), the Wespath Fixed Income Fund ("FIF-I - Wespath"), and the Wespath Multiple Asset Fund ("MAF-I - Wespath"). The cost and estimated fair value of investments were as follows as of December 31, 2023:

	Cost	Fair Value	Realized Gains	Unrealized Gains
STIF-I - Wespath	$ 1,000,991	$ 1,070,382	$ -	$ 53,028
FIF-I - Wespath	1,674,508	1,756,897	-	129,811
MAF-I - Wespath	3,058,929	3,692,564	-	462,205
	$ 5,734,428	$ 6,519,843	$ -	$ 645,044

The cost and estimated fair value of investments were as follows as of December 31, 2022:

	Cost	Fair Value	Realized Gains	Unrealized Losses
STIF-I - Wespath	$ 1,000,991	$ 1,017,354	$ 55,344	$ (29,339)
FIF-I - Wespath	1,647,508	1,627,085	182,350	(502,132)
MAF-I - Wespath	3,046,158	3,217,588	-	(658,527)
	$ 5,694,657	$ 5,862,027	$ 237,694	$ (1,189,998)

As of December 31, 2023 and December 31, 2022, all investments were measured at fair value using the net asset value per share ("NAV") (or its equivalent) as a practical expedient, and have therefore not been classified in the fair value hierarchy.

Additional information about investments measured at NAV was as follows as of December 31, 2023 and 2022:

	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
STIF-I - Wespath	None	No limits	None
FIF-I - Wespath	None	No limits	Up to 15 days
MAF-I - Wespath	None	No limits	Up to 15 days

The investment objective of the STIF-I - Wespath is to preserve capital while earning current income higher than that of money market funds. The STIF-I - Wespath exclusively holds funds of the sweep account. The sweep account holds short-term fixed income investments.

The investment objective of FIF-I - Wespath is to earn current income while preserving capital by primarily investing in a diversified mix of fixed income securities. The FIF-I - Wespath seeks to achieve its investment objective by investing primarily in fixed income securities such as U.S. and non-U.S. government bonds, agency bonds, corporate bonds, emerging market debt, and securitized products. The corporate bonds held are primarily those of companies domiciled in the U.S. that are rated investment grade or high yield. FIF-I - Wespath also holds loan participation interests secured by mortgages and other types of loan participations originated through the Positive Social Purpose Lending Program, which provides funding for affordable housing and community development facilities in the U.S., as well as for institutions focused on microfinance opportunities in developing countries.

The investment objective of the MAF-I - Wespath is to attain current income and capital appreciation by investing in a broad mix of investments. The MAF-I - Wespath is a fund of funds which seeks to achieve its investment objective by holding an allocation primarily among four other I Series Funds (including U.S. Equity Fund-I Series, International Equity Fund-I Series, Fixed Income Fund-I Series, Inflation Protection Fund-I Series) in accordance with pre-specified allocation targets.

As of December 31, 2023 and 2022, the effective duration of the STIF-I - Wespath was 0.25 and 0.2 of a year, respectively. As of December 31, 2023 and 2022, the effective duration of the FIF-I - Wespath was 5.53 and 5.7 years, respectively.

6. Mortgage Loan Receivables

Mortgage loans made by WI are subject to prepayments, as such, expected future cash flows may differ from contractual amounts. However, future mortgage payments scheduled to be collected on outstanding mortgage loans as of December 31, 2023 and 2022 were as follows:

Amount Due Within	2023	2022
1 year	$ 4,591,199	$ 5,099,416
2 years	5,343,636	5,350,550
3 years	5,465,506	6,495,619
4 years	5,734,167	6,304,023
5 years	5,756,778	6,394,521
Thereafter	70,491,494	70,518,057
	97,382,780	100,162,186
Allowance for credit losses	(3,250,000)	(3,250,000)
	$ 94,132,780	$ 96,912,186

Mortgage loans are generally approved for terms ranging from 10 to 20 years, but occasionally, to accommodate a particular situation, a term of up to 30 years may be approved. WI's Board may increase or decrease the interest rates of a loan when the loan contracts permit or decrease the rate without regard to the contractual rate where appropriate, in relation to the prevailing rates and economic conditions.

Mortgage loans bore annual interest rates ranging as follows, as of December 31:

Interest Rate	2023	2022
0.00%	$ 176,821	$ 186,868
1.00%	1,138,056	1,138,187
2.15%	-	3,876
2.20%	-	1,349,091
2.50%	1,349,091	-
3.95%	5,370,669	7,762,043
4.00%	12,494,467	12,981,805
4.25%	7,915,348	8,816,299
4.50%	32,329,889	36,603,537
4.70%	68,847	1,862,082
4.75%	15,739,634	18,220,156
4.95%	86,825	90,935
5.00%	1,680,248	827,190
5.25%	-	304,883
5.50%	2,929,711	7,345,754
5.75%	19,209	76,765
6.00%	666,450	-
6.25%	-	26,561
6.49%	205,660	224,992
6.50%	5,228,702	96,085
6.75%	2,191,250	-
6.95%	602,997	670,890
7.00%	249,498	330,379
7.25%	1,997,641	-
7.50%	3,667,413	-
7.75%	588,966	1,243,808
8.00%	156,780	-
8.50%	220,479	-
9.20%	308,129	-
	$ 97,382,780	$100,162,186

Credit Quality Indicators

WI measures expected credit losses for loans on a pooled basis when similar risk characteristics exist. Loans are risk-weighted based upon a past due (aging) schedule. All loans which are at least 90 days past due and/or on a nonaccrual status are considered high risk. This generally results in an allocation of the allowance for these loans. WI considers new customers and cash secured loans separately. Other risk factors considered by management in determining the credit quality include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due.

The following table presents mortgage loan receivables, at amortized cost, as of December 31, by credit quality indicator and year of origination:

	2023	2022
New customer loans	$ 3,870,211	$ 11,323,166
Secured loans	4,980,038	5,457,742
Existing customer loans:		
Low risk loans	76,093,573	72,827,718
Medium risk loans	8,650,115	7,200,277
Higher risk loans	3,788,843	3,353,283
Total	$ 97,382,780	$100,162,186

During the years ended December 31, 2023, 2022, and 2021, changes in the allowance for credit losses were as follows:

	2023	2022	2021
Balance, beginning of year	$ 3,250,000	$ 3,500,000	$ 3,500,000
Change in expected credit losses	-	(250,000)	-
Balance, end of year	$ 3,250,000	$ 3,250,000	$ 3,500,000

The following table presents an aging analysis of WI's loans as of December 31, 2023 and 2022:

	2023	2022
31-60 days past due	$ 814,577	$ -
60-89 days past due	1,349,091	-
Recorded investment > 90 days	176,821	186,868
Total past due	2,340,489	186,868
Current	95,042,291	99,975,318
Total loans	$ 97,382,780	$100,162,186

As of December 31, 2023 and 2022, the balances of loans on a nonaccrual status were $176,821 and $186,868, respectively.

The allowance for credit losses incorporates an estimate of lifetime expected credit losses and is recorded on each asset upon asset origination. The starting point for the estimate of the allowance for credit losses is historical loss information, which includes losses from modifications of receivables to borrowers experiencing financial difficulty. An assessment of whether a borrower is experiencing financial difficulty is made on the date of a modification. The allowance for credit losses is adjusted regularly and outside of loan modifications.

The modification categories offered can generally be described in the following categories:

Rate Modification - A modification in which the interest rate is changed.

Term Modification - A modification in which the maturity date, timing of payment, or frequency of payment is changed.

Payment Modification - A modification in which the dollar amount of the payment is changed.

Combination Modification - Any other type of modification, including the use of multiple categories above.

The following table shows the amortized cost basis of a loan modified for a borrower experiencing financial difficulty during the year ended December 31, 2023:

	Amortized Cost	Financial Effect
Mortgage loans	$ 1,449,838	Restructured by lowering the interest rate from the 9.20% to 3.95% and deferring principal payments until January 1, 2025

Prior to the adoption of ASU 2016-13, loans were considered impaired when, based on current information and events, it was probable WI would be unable to collect all amounts due in accordance with the original contractual terms of the loan. Impaired loans include loans on nonaccrual status and accruing troubled debt restructurings. When determining if WI would be unable to collect all principal and interest payments due in accordance with the contractual terms of the loan agreement, WI considered the borrower's capacity to pay, which included such factors as the borrower's current financial statements, an analysis of global cash flow sufficient to pay all debt obligations and an evaluation of secondary sources of repayment, such as guarantor support and collateral value.

The tables below include all loans deemed impaired, whether or not individually assessed for impairment. If a loan was deemed impaired, a specific valuation allowance was allocated, if necessary, so that the loan was reported net, at the present value of estimated future cash flows using the loan's existing rate or at the fair value of collateral if repayment was expected solely from the collateral. Interest payments on impaired loans were typically applied to principal unless collectability of the principal amount was reasonably assured, in which case interest was recognized on a cash basis.

The following presents WI's impaired loans as of December 31, 2022:

	Recorded Investment	Unpaid Principal Balance	Related Allowance	Average Recorded Investment	Interest Income Recognized
With no related allowance recorded:					
Mortgage loans	$ 8,862,150	$ 8,862,150	$ -	$ 8,355,230	$ 445,900
With an allowance recorded:					
Mortgage loans	5,510,247	5,510,247	2,039,197	5,584,254	240,945
Total	$14,372,397	$14,372,397	$ 2,039,197	$13,939,484	$ 686,845

WI individually assessed for impairment all troubled debt restructurings totaling $5,324,625 as of December 31, 2022. There were no troubled debt restructurings on a nonaccrual status. No additional funds are committed to be advanced in connection with impaired loans as of December 31, 2023 and 2022. There were no restructured loans with a payment default which occurred within 12 months of the restructuring date during the years ended December 31, 2023 and 2022.

WI's allowance for credit losses does not include any provision for potentially uncollectible loans made from the GBGM loan fund as management believes these mortgage loans receivable are collectible. WI has not charged off interest on any loans during the years ended December 31, 2023, 2022, and 2021.

As of December 31, 2023 and 2022, $4,980,038 and $5,457,742, respectively, of mortgage loans were guaranteed by conferences of the United Methodist Church. Mortgage loans committed but not funded as of December 31, 2023 and 2022 totaled $8,848,416 and $2,867,207, respectively.

7. Investment Obligations

The amounts outstanding as of December 31, 2023 and 2022, including reinvested interest by type of obligation, are as follows:

	2023	2022
One-year term notes	$ 17,559,006	$ 13,537,618
Two-year term notes	4,435,874	5,273,709
Three-year term notes	9,604,953	12,749,355
Four-year term notes	2,179,385	4,657,115
Five-year term notes	12,609,221	13,451,163
GBGM loan fund (Note 8)	16,338,230	18,581,160
Flexible investment notes	6,533,958	6,405,975
IRA notes	2,775,750	3,217,147
	$ 72,036,377	$ 77,873,242

Term Notes bear interest at rates established at their issuance. At December 31, 2023 and 2022, the Term Notes bore interest as follows:

	2023	
	Interest Rate Per Annum	Weighted Average Interest Rate
One-year term notes	2.77 - 4.60%	3.99%
Two-year term notes	1.30 - 4.50%	3.00%
Three-year term notes	1.65 - 4.20%	2.58%
Four-year term notes	1.90 - 4.00%	2.52%
Five-year term notes	2.15 - 4.00%	2.95%

	2022	
	Interest Rate Per Annum	Weighted Average Interest Rate
One-year term notes	1.00 - 3.55%	1.76%
Two-year term notes	1.30 - 3.70%	1.50%
Three-year term notes	1.65 - 3.80%	2.13%
Four-year term notes	1.90 - 3.80%	2.75%
Five-year term notes	1.75 - 3.90%	2.90%

At the maturity date of a Term Note, an investor may redeem principal and unpaid accumulated interest by written demand. If demand for payment is not made, where permitted by state regulations, the Term Note will be extended for continuous identical terms at the then prevailing interest rate offered for similar Term Notes until demand for payment upon the extended maturity date is made. In accordance with the provisions of Term Notes and where permitted by state regulations, WI reserves the right to repay the principal amount of Term Notes in five equal annual installments beginning 30 days after the maturity date (such deferral is not available to residents of Alabama, Arkansas, California, Georgia, Idaho, Michigan, Missouri, Oklahoma, Pennsylvania, and Wisconsin).

As of December 31, 2023, the Term Notes' maturity amounts were as follows:

Year Ending December 31,	
2024	$ 25,020,133
2025	15,626,599
2026	3,236,141
2027	1,901,550
2028	604,016
Total	$ 46,388,439

During the years ended December 31, 2023 and 2022, Flexible Investment Notes ("Notes") bore interest at a rate of 1.50% and 1.20% per annum, respectively. The Board may increase or decrease the rate of interest from time to time, upon 30 days' written notice to the holders of such Notes. The Notes are payable on demand; however, in accordance with the provisions of the Notes and where permitted by state regulations, WI reserves the right to require 30 days' written notice and to repay the principal amount of the Notes in five equal annual installments (such deferral is not available to residents of Alabama, Arkansas, California, Georgia, Idaho, Michigan, Missouri, Oklahoma, Pennsylvania, and Wisconsin).

IRA Notes are those which are intended by the purchaser for his/her personal individual retirement account. During the years ended December 31, 2023 and 2022, IRA Notes bore interest at a rate of 3.50% and 2.75% per annum, respectively. The Board may increase or decrease the rate of interest from time to time, upon 30 days' written notice to the holders of such IRA Notes. IRA Notes are repayable at any time upon 30 days' written notice by the holder.

Effective April 1, 1996, WI recalled all of its outstanding Certificates of Participation (the “Certificates”) for redemption and, as of September 30, 1996, outstanding Certificates no longer earned interest. The Certificates may be redeemed for the principal amount of the Certificates plus interest accrued through September 30, 1996, and a premium of 2.50% of the principal in accordance with the provisions of the Certificates. As of December 31, 2023 and 2022, there were untendered Certificates of $26,581.

WI may recall any of its investment obligations upon six months’ written notice to the investor and the payment of a 1.50% premium of the face amount of the investment.

8. GBGM Loan Fund

During 2012, GBGM transferred a portion of its loan funds to WI for the purpose of making “missional” loans. The GBGM loan fund is comprised of funds available to make loans and the outstanding loan balances on these GBGM loans as of December 31, 2023 and 2022 were $4,759,904 and $2,164,240, respectively. These loans were reported as a liability for amounts held on behalf of GBGM.

Outstanding loan balances are included with mortgage loan receivables in the statements of financial position. As of December 31, 2023, there were twelve mortgage loan receivables outstanding with a total balance of $4,740,304. As of December 31, 2022, there were thirteen mortgage loan receivables outstanding with a total balance of $2,156,994. Interest on mortgage loans issued from the GBGM loan fund are reported as increases to both the GBGM mortgage loan receivables and the liability for amounts held on behalf of GBGM, and are not reported in the statements of activities of WI. Since these assets are held for the benefit of GBGM, WI has not established an allowance for potential losses on loans made from GBGM funds.

9. Line of Credit

WI has a $10,000,000 revolving line of credit (the “Line of Credit”) with a financial institution which bears interest at the AMERIBOR-Term 30 rate plus 1.75%, (7.12% and 6.15% at December 31, 2023 and 2022, respectively). There were no advances outstanding at December 31, 2023 or 2022. The Line of Credit matures on June 30, 2024 and is secured by substantially all of WI’s assets, including investments and loans receivable, and requires WI to meet certain financial covenants, including unrestricted tangible net assets and interest coverage ratio.

10. Agreement with TMF

On January 1, 2019, WI entered into an Employee Sharing Agreement and an Administrative Services Agreement with TMF. Under the Administrative Services Agreement and the Employee Sharing Agreement, TMF causes its employees to conduct the day-to-day business of WI in the sale of WI's investment obligations, the management of WI's loan portfolio, the administrative procedure for reviewing loan applications and extending and documenting new loans, management of WI's investments, investor relations, accounting, regulatory compliance, and marketing. The two agreements provide to TMF certain operational authority to discharge its management responsibilities. That authority includes, among other things, the authority to install and utilize new hardware and software computer systems, to develop new operational policies and procedures, and to establish and maintain reasonable accounting and reporting systems and internal controls designed to help WI protect its assets. Under the two agreements, TMF does not have authority to bind WI. WI retains its authority over matters handled by TMF and exercises decision-making authority with respect to the making of loans and raising of funds, including the sale of investment obligations.

The Boards of Directors of TMF and WI have determined that these two agreements, and the operational efficiencies they have achieved, advance the exempt purposes and missional priorities of the two entities.

As of December 31, 2023 and 2022, TMF's balance included in investment obligations totaled $14,626,334 and $9,805,361, respectively. As of December 31, 2023 and 2022, WI has investments in TMF money market funds totaling $9,448,834 and $9,172,255, respectively.

Administrative expenses, which are primarily for services rendered by TMF, are reimbursed by WI under agreement with TMF. During the years ended December 31, 2023 and 2022, WI incurred expenses totaling $1,400,000 and $1,200,000, respectively, related to administrative expenses with TMF.

11. Locke Innovative Leader Award

Starting in 2021, WI's Board authorized the creation of this annual award program in which up to five awards are given out per cycle. An award ceremony and cohorts of past and present awardees are convened throughout the year as part of this program. Its programmatic purpose is rooted in a strong belief that investment in bold, enterprising leaders with inventive approaches to ministry not only advances the church but creates communities of genuine human flourishing.

As of December 31, 2023 and 2022, the program expenses were $343,213 and $415,596, respectively, and were paid from unrestricted net assets.

12. Related Party Transactions

WI holds cash and cash equivalents from organizations affiliated with certain Board members totaling $1,647,054 as of December 31, 2022. WI has investment obligations with a Board member affiliated with GBGM and other investors totaling $17,817,089 and $20,286,329 as of December 31, 2023 and 2022, respectively. WI also holds amounts on behalf of GBGM.

13. Subsequent Events

WI has evaluated subsequent events through March 21, 2024, the date the financial statements were available to be issued, and no events have occurred from the statement of financial position date through that date that would impact the financial statements.

APPENDIX B

APPLICATION TO PURCHASE

APPENDIX B
APPLICATION TO PURCHASE

Wesleyan Impact Partners
11709 Boulder Lane, Suite 220
Austin, TX 78726

Date: _______________

APPLICATION TO PURCHASE
(Includes Required Information for IRS Form W-9)

I enclose a check in full payment for the following indicated Certificate(s) in the principal amount of $_________________. (*minimum $100.00*)

MAKE ALL CHECKS PAYABLE TO: Wesleyan Impact Partners (Check one below)

Description	**Investment**	**Current Rates**
__Flexible Investment Certificate	$_______	1.50%
__One Year Term Certificate	$_______	4.40%
__Two Year Term Certificate	$_______	4.20%
__Three Year Term Certificate	$_______	4.00%
__Four Year Term Certificate	$_______	3.90%
__Five Year Term Certificate	$_______	3.80%
__IRA Investment Certificate	$_______	3.40%

Interest rates shown are those in effect at **March 1, 2024**. Wesleyan Impact Partners (the "Issuer") may change the current interest rate payable on Flexible Investment Certificate upon prior written notice to the holders of such Certificate. The Issuer may also change the rate of interest on Certificates to be sold in the future.

Check one below:

❒ **Please send payments on June 30 and December 31 in the amount equal to all interest accrued during the prior 6 months.**

❒ **Please compound all accrued interest.**

Note: Investors who wish to purchase a Certificate through a self-directed Individual Retirement Account (IRA) may also be required to fill out additional documentation in connection with such investment. The Issuer is not affiliated with any IRA custodian. For more information, please call the Issuer at **1-800-862-8633**.

The Certificate will be issued in book-entry form as uncertificated securities to be held and recorded in the book-entry-only system maintained by the Issuer. After purchase of any Certificate, the purchaser will not receive a physical Certificate, but will receive a registration confirmation acknowledging payment for the Certificate. The Certificate will be registered in book-entry-only form by the Issuer. The Issuer will issue a physical Certificate to any holder upon request.

Investor Name: ____

(*For existing investors*) Current Account # ___________________

Mailing Address: ____

City:_________________________ State: ________________________Zip: _____________

Home Telephone:(_____)_______________Business Telephone:(_____)_________________

I hereby acknowledge and represent as follows:

- I have received the Offering Circular of Wesleyan Impact Partners dated May 15, 2024 and the current Interest Rate Sheet.
- I am 18 years of age or older.
- I am (and prior to receipt of the Offering Circular, I was) a member of the class of Eligible Investors as described in the Offering Circular. (Residents of certain states must complete the additional certification attached to this Application.)

☐ Please check the box if you have been notified by the Internal Revenue Service that you are subject to backup withholding.

CERTIFICATION: Under the penalties of perjury, I certify that the social security number and the information regarding backup withholding on this form are true, correct, and complete.

Signature:_____________________________Signature:_____________________________

FOR ADDITIONAL INFORMATION, PLEASE CALL THE ISSUER AT 1-800-862-8633.

Limited Transferability

These securities are subject to restrictions on transferability and resale and may not be transferred or resold except as permitted under the Securities Act of 1933, as amended, and the applicable state securities laws, pursuant to registration or exemption therefrom.

The Certificates are transferable only to Eligible Investors and upon prior written notice to the Issuer.

Not insured

Certificates of the Issuer are not insured by the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC) or any other state or federally regulated institution.

Please issue the Certificate in accordance with one of the following investment options:
(Print or Type Information; please choose only one investment option)

(1) CHURCH / ORGANIZATION ACCOUNT (The Certificate is to be registered only in the name of one person or church)

Contact Name ____________ Telephone No. ____________ Organization Federal ID No ____________

Mailing Address ____________

Authorized persons on the account –

____________ ____________

____________ ____________

(2) INIDIVIDUAL/JOINT ACCOUNT (Registration of the Certificate in the names of two individuals under this designation): Both individuals listed here will own the Certificate in joint tenancy with right of survivorship. Interest will be reported to Internal Revenue Service using the social security number of the first named person unless otherwise directed.

Primary Owner: ____________ Name ____________ Social Security No. or Federal ID No.

Joint Owner: ____________ Name ____________ Social Security No. or Federal ID No.

(3) CUSTODIAN FOR A MINOR ACCOUNT: Interest will be reported to the Internal Revenue Service using the social security number of the minor.

____________ Name of Custodian ____________ Social Security No. of Custodian

as custodian for ____________ Name of Minor ____________ Social Security No. of Minor

under the ____________ Uniform Transfers to Minors Act
Name of State

(4) TRANSFER ON DEATH DESIGNATION: If you would like to designate an individual to receive ownership of your Certificate upon the last of the Owner(s)' deaths, please fill in the information below. In order to designate multiple beneficiaries, please attach a page setting forth each beneficiary's name, social security number, and the percentage of the Certificate you would like that person to receive. Be sure the percentages you wish for each to receive do not add to a number greater than 100. If the percentage amount is not filled in, the Issuer will split the benefit evenly between the beneficiaries. Until the death of the surviving Owner, the surviving Owner owns the Certificate and all interest earned on it. Upon death of the surviving Owner, the account will become the property of the beneficiary(ies) subject to: (i) the rights of creditors should the surviving Owner's estate have insufficient funds to pay the debts of the surviving Owner, and (ii) applicable inheritance taxes.

____________ Name of Beneficiary ____________ Social Security No. or Federal ID No.

(5) FORMAL TRUST ACCOUNT: Interest will be payable only to the Trustee. A copy of the written trust agreement ***must*** be enclosed.

____________ Name of Trustee ____________ Taxpayer Identification No. of Trust

NOTICE TO INVESTORS FROM ALABAMA, ARIZONA, ARKANSAS, IDAHO, INDIANA, KENTUCKY, MICHIGAN, MISSOURI, OHIO, PENNSYLVANIA, AND TENNESSEE:

This Offering is available only to those persons or entities who are, prior to the receipt of the Offering Circular, one of the following: (i) entities within a Wesleyan or Methodist Church connectional system; (ii) entities which trace their origin to the Wesleyan Episcopal movement of the 18th century; (iii) members of, contributors to (including previous investors), or participants in the Issuer, a church with roots in the Wesleyan Episcopal movement, their connectional units or any program, activity or organization which constitutes a part of or sharing a programmatic relationship with such organization, or the family members of, or entities controlled by, any such members, contributors or participants; and (iv) successors in interest to any of the foregoing. The Issuer may determine in its discretion that a prospective investor or transferee does not meet one of the foregoing definitions and reserves the right to refuse to offer or sell any Certificate to any person or entity.

If you are a resident of one of these states, please check the correct box:

❒ **We meet the above requirement.**

❒ **We do not meet the above requirement.**

Please sign and date this certification exactly as you have signed and dated your Application to Purchase.

Signature:______________________________ Signature:______________________________

NOTICE TO INVESTORS FROM PENNSYLVANIA: Withdrawal of Purchase by Investor

If you have accepted an offer to purchase these securities made pursuant to an Offering Circular which contains a notice explaining your right to withdraw your acceptance pursuant to section 207(m) of the Pennsylvania Securities Act of 1972 (70 P.S. section 1-207(m)), you may elect, within two business days after the first time you have received this notice and an Offering Circular, to withdraw from your purchase agreement and receive a full refund of all monies paid by you. Your withdrawal will be without any further liability to any person. To accomplish this withdrawal, a letter should be sent to the issuer indicating your intention to withdraw. Such letter should be sent and postmarked prior to the end of the aforementioned second business day. It is prudent to send it by certified mail, return receipt requested, to ensure that it is received and also to evidence the time when it was mailed. Should you make this request orally, you should ask for written confirmation that your request has been received. Letters are to be forwarded to the Issuer at 11709 Boulder Lane, Suite 220, Austin, TX 78726.

Redeeming and Rolling Over Certificates

Except as to residents of Arkansas, California, Georgia, Kentucky, Louisiana, Oregon, Ohio, Oregon, South Carolina, and Washington, if a holder of a maturing Term Certificate does not give the Issuer written instructions to redeem it, that Term Certificate will automatically be renewed or “rolled over” into a like Term Certificate at the prevailing interest rate paid on the same Term Certificate as that being rolled over. The rate of interest that the Issuer pays on the Term Certificate issued as a result of the roll-over may be less than the rate of interest paid on the maturing Term Certificate.

Upon the maturity of a Term Certificate held by residents of Arkansas, California, Georgia, Kentucky, Louisiana, Oregon, and South Carolina, the Issuer will pay the principal and accrued interest balance of the Certificate upon written instruction to the Issuer to redeem it. Alternatively, the holder may exchange the maturing Term Certificate for a new Term Certificate then offered by the Issuer upon written instruction to the Issuer and a delivery of a new signed Application. Until written instructions and new Application are received by the Issuer, the matured Certificate will become an account payable of the Issuer, earning interest at the rate then offered by the Issuer on Flexible Investment Certificates, until a new Application has been received. The Issuer will continue to attempt to contact the holder after the maturity of a Certificate and assist the holder in completing the necessary steps either to purchase a new Certificate or obtain repayment of the matured Certificate. If the Issuer is unable to reach you, the matured Certificate will be handled in accordance with applicable law, including the rules of escheat.

For residents of the State of Washington, Term Certificates will not be automatically renewed at maturity. Unless the Issuer receives a written instruction from the holder of a maturing Term Certificate to exchange the Certificate for a new Term Certificate or Flexible Investment Certificate, along with new signed Application to the Issuer, the holder will be paid at the maturity of the Term Certificate the full principal and accrued interest balance of the Certificate. If the Issuer does not receive written instructions from the holder regarding the maturing Term Certificate and is unable to reach you to repay the principal and accrued interest, the Certificate will be handled in accordance with applicable law, including the rules of escheat.

The rate of interest that the Issuer pays on the Certificate issued as a result of any “roll-over” of a maturing Term Certificate may be less than the rate of interest paid on this Certificate. If, at the Maturity Date, the Issuer is not permitted to sell its Certificates in the state where the holder resides, the Issuer will redeem this Certificate and send the principal and interest due on the Certificate to the holder.

There is no right to early redemption of a Term Certificate. The Issuer retains the right to reject any request for early redemption. For Certificates that are redeemed prior to their maturity, the Issuer will generally pay the principal in five (5) equal annual installments (except as to residents of certain states), and will charge an early redemption penalty. The early withdrawal penalty will be four (4) months’ interest on the principal amount withdrawn; or the entire interest accrued on the Certificate if the Certificate has been issued for a period less than four (4) months. The Issuer reserves the discretionary right to change the early withdrawal penalty.

The penalty will be charged first against any interest then in the account and then from the principal. This early withdrawal penalty will be waived if: (i) the account owner dies or is declared incompetent, or (ii) if the account is an IRA account and the request for withdrawal is made within seven days of establishing the IRA account in which event the entire amount will be returned without payment of interest.

California Code of Regulations Title 10, Section 260.141.11 Restriction on Transfer

(a) The issuer of any security upon which a restriction on transfer has been imposed pursuant to Section 260.102.6, 260.141.10 or 260.534 shall cause a copy of this section to be delivered to each issuee or transferee of such security at the time the certificate evidencing the security is delivered to the issuee or transferee.

(b) It is unlawful for the holder of any such security to consummate a sale or transfer of such security, or any interest therein, without the prior written consent of the Commissioner *(until this condition is removed pursuant to Section 260.141.12 of these rules)*, except:

(1) to the issuer;

(2) pursuant to the order or process of any court;

(3) to any person described in Subdivision (i) of Section 25102 of the Code or Section 260.105.14 of these rules;

(4) to the transferor's ancestors, descendants or spouse, or any custodian or trustee for the account of the transferor or the transferor's ancestors, descendants, or spouse; or to a transferee by a trustee or custodian for the account of the transferee or the transferee's ancestors, descendants or spouse;

(5) to holders of securities of the same class of the same issuer;

(6) by way of gift or donation inter vivos or on death;

(7) by or through a broker-dealer licensed under the Code *(either acting as such or as finder)* to resident of a foreign state, territory or country who is neither domiciled in this state to the knowledge of the broker-dealer, nor actually present in this state if the sale of such securities is not in violation of any securities law of the foreign state, territory or country concerned;

(8) to a broker-dealer licensed under the Code in a principal transaction, or as an underwriter or member of an underwriting syndicate or selling group;

(9) if the interest sold or transferred is a pledge or other lien given by the purchaser to the seller upon a sale of the security for which the Commissioner's written consent is obtained or under this rule not required;

(10) by way of a sale qualified under Sections 25111, 25112, 25113, or 25121 of the Code, of the securities to be transferred, provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;

(11) by a corporation to a wholly owned subsidiary of such corporation, or by a wholly owned subsidiary of a corporation to such corporation;

(12) by way of an exchange qualified under Section 25111, 25112 or 25113 of the Code, provided that no order under Section 25140 or subdivision (a) of Section 25143 is in effect with respect to such qualification;

(13) between residents of foreign states, territories, or countries who are neither domiciled nor actually present in this state;

(14) to the State Controller pursuant to the Unclaimed Property Law or to the administrator of the unclaimed property law of another state; or

(15) by the State Controller pursuant to the Unclaimed Property Law or by the administrator of the unclaimed property law of another state if, in either such case, such person (i) discloses to potential purchasers at the sale that transfer of the securities is restricted under this rule, (ii) delivers to each purchaser a copy of this rule, and (iii) advises the Commissioner of the name of each purchaser;

(16) by a trustee to a successor trustee when such transfer does not involve a change in the beneficial ownership of the securities;

(17) by way of an offer and sale of outstanding securities in an issuer transaction that is subject to the qualification requirement of Section 25110 of the Code but exempt from that qualification requirement by subdivision (f) of Section 25102; provided that any such transfer is on the condition that any certificate evidencing the security issued to such transferee shall contain the legend required by this section.

(c) The certificates representing all such securities subject to such a restriction on transfer, whether upon initial issuance or upon any transfer thereof, shall bear on their face a legend, prominently stamped or printed thereon in capital letters of not less than 10-point size, reading as follows: "IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THIS SECURITY, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES."