

RESOLUTION NO. 2026-01
A RESOLUTION OF HOT SPRINGS BAPTIST CHURCH
ESTABLISHING THE HSBC QUASI-ENDOWMENT LEGACY FUND.

WHEREAS, Since its inception faithful members of Hot Springs Baptist Church have generously provided facilities and resources ensuring that the Church’s mission will be accomplished for generations to come; and

WHEREAS, It is essential that the property and facility capital needs of Hot Springs Baptist Church be maintained, upgraded and enhanced to effectively continue this legacy and fulfillment of the gospel ministry; and that

WHEREAS, the Board of Directors deems it prudent to establish a source of long-term financial stability for Hot Springs Baptist Church’s capital needs in the form of a quasi-endowment fund honoring the legacy of its faithful past, present and future members.

NOW THEREFORE BE IT RESOLVED BY HOT SPRINGS BAPTIST CHURCH

SECTION ONE. THAT There is hereby established and created a quasi-endowment fund, to be known as the “HSBC Quasi-Endowment LEGACY Fund” (FUND). The FUND is hereby established within the unrestricted net assets of Hot Springs Baptist Church, for the primary purpose of funding the church’s capital improvement needs and for other limited purposes.

SECTION TWO. THAT the principal of the HSBC Quasi-Endowment LEGACY Fund shall be invested with a goal of income generation and the preservation of principal for a long but unspecified period, as determined by the Board of Directors. Provided however, the principal, or a portion thereof, may be withdrawn and expended in case of emergency only in accordance with the provisions of the FUND operating policy.

Cross Reference: Fund Operating Policy – Emergency Use of Principal.

SECTION THREE. THAT additions to the HSBC Quasi-Endowment LEGACY Fund may be received from individual or corporate donations, estate bequests, and from unrestricted contributions or internal transfers. Provided that, unrestricted contributions or internal transfers shall be at the discretion of the Stewardship Committee. Solicitations for donations will clearly inform donors that the principal remains designated as unrestricted net assets and is subject to potential expenditure at the Board of Directors’ discretion.

SECTION FOUR. THAT the Board of Directors will meet at least annually to oversee the FUND investments and take appropriate actions to ensure that the FUND is managed properly. In this regard, the Arkansas Baptist Foundation shall be the initial FUND manager. Provided however, the Board of Directors may recommend that FUND management be moved to another fiduciary

agency as they deem necessary to ensure the best stewardship of the FUND's assets. The selected fiduciary agency must have a managed portfolio with not less than \$100 million in assets under management. Any change in FUND management and resulting transfer of corpus and accumulated income from the Arkansas Baptist Foundation to another fiduciary agency must be approved by vote of the Church at a special called or regular Church Conference.

SECTION FIVE. THAT the Board of Directors shall promulgate a policy governing the operation and administration of the HSBC Quasi-Endowment Legacy Fund. The policy, and any amendments thereto, shall be approved by vote of the church body.


SECTION SIX. THAT in consultation with the investment manager, the Board of Directors shall propose and Stewardship Committee budget FUND withdraws as they deemed appropriate. Fund withdraws and proposed uses shall be approved by vote of the church body at a regular or special called church conference. Specific directions concerning the Church's approved FUND withdraws shall be communicated, in writing, by the Church Administrator to the FUND manager.

SECTION SEVEN. THAT in the event of church dissolution or merger, the FUND shall be transferred to Baptist-affiliated organizations with similar values and mission, at the sole discretion of the Arkansas Baptist Foundation.

ADOPTED THIS 22 DAY OF FEBRUARY, 2026



Tiffany McCain, President, Board of Directors



Katie Reeves, Church Clerk