



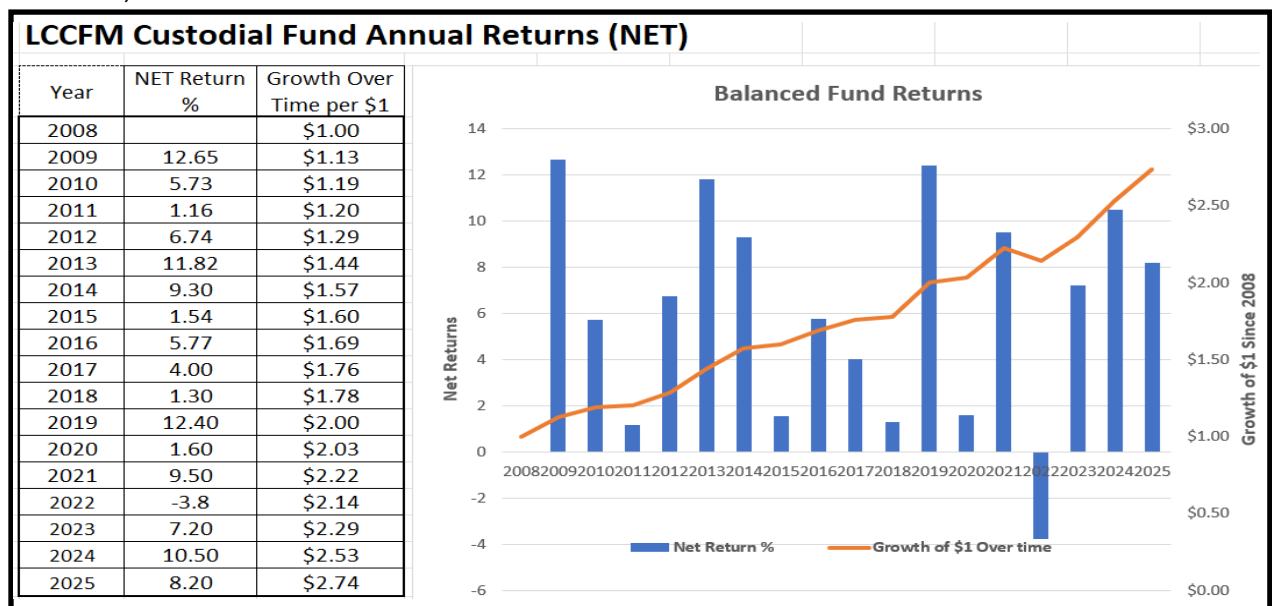
# Lutheran Foundation Canada

REFLECTING GOD'S GRACE

## Custodial Fund Investments

Lutheran Foundation Canada has approximately \$26 million in assets under management, with \$13 million invested as 'endowment' funds and \$13 million invested as 'custodial' funds. Whereas *endowments* are funds gifted to the Foundation and typically invested into perpetuity, *custodial* funds are not donated, but only transferred to the Foundation for investment purposes. These funds may be returned to the investing organization at any time. Both types of funds are invested using a Balanced Mandate Strategy.

As a service to the member congregations and organizations of Lutheran Church – Canada's synodical family only, the Foundation accepts funds (\$25K min.) for investment purposes. These funds are pooled with other similar funds and placed in the Foundation's Custodial Investment Accounts. The Foundation uses the same investment consultant (Ellement Consulting) as previously used by LCC's pension funds, with investments disbursed across four (4) investment managers, five (5) asset classes, and six (6) different investment funds, in order to mitigate risk. Pooling investments creates economies of scale enabling the Foundation, and therefore our investors, to realize significant savings in investment management fees, as well as access to investment opportunities unavailable for smaller investment amounts. Investment returns for Custodial Funds in the Balanced Mandate have averaged 6.219 % NET, after investment fees and an administration fees of 0.6%. The chart below shows annual performance by year, and the accumulated value of a dollar over time, if invested since 2008.



It is important to understand that investment returns vary with changing market conditions. Past performance is no guarantee of future returns, especially in the short term. As seen above, for every dollar invested in 2008, even with all the bull and bear markets over time, that one dollar is now worth \$2.74 in 2026. If markets continue to fluctuate as they have in the past, even initial investments made in early 2022 suffering a loss of capital, should experience a similar pattern of growth over time.

To learn more about the Foundation's Custodial Funds, please visit our website [www.lutheranfoundation.ca](http://www.lutheranfoundation.ca). You can download our *Custodial Fund Agreement* and *Investment Policy Statement* through our Resources section. If you have questions, please call 877-711-4438.