

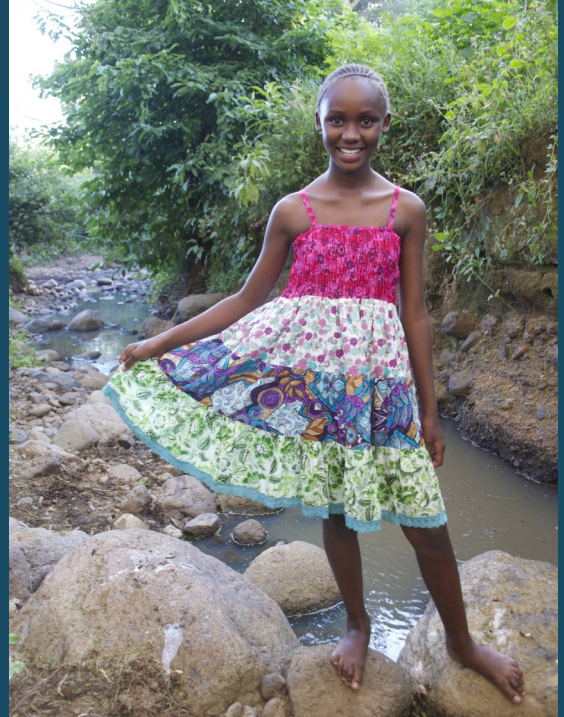
CORNERSTONE ENDOWMENT TRUST



CREATING OPPORTUNITIES...

Endowment funds will...

be essential to the vitality and financial security of Naomi's Village and Cornerstone in the years ahead. While monthly operating budgets for both ministries are met through the regular giving of child sponsors, the Cornerstone Endowment Trust (CET) will preserve gifts in perpetuity so they can power our long-term goals. Earnings from the CET will fund college educations, vocational training, leadership development, and multiplication of similar social impact ministries in other needy areas across Kenya one day.



The Cornerstone Endowment Trust,

established as a legal entity in 2016, started with an initial investment of \$400,000 in January. By July, the trust had gained \$30,479 in total interest income from a mix of low-risk investments made through Tier 1 banks in Kenya. The CET continues to be managed by a board of trustees that includes Lincoln Njenga, CPA/CFA, who among other distinctions, sits on the monthly Market Leaders' Forum that the Governor, Central Bank of Kenya, chairs representing the Diaspora Investment Agenda. The Forum's mandate is to implement and steer the very successful Kenya Government bond program.



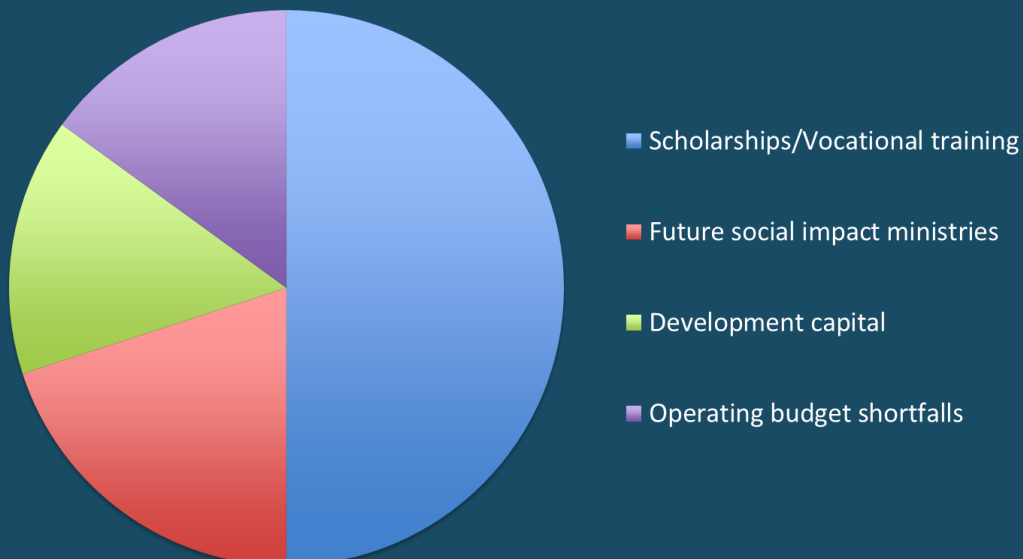
...FOR THE FUTURE

What will it do?

- Fund scholarships for college education and vocational training for CPA students after secondary school graduation
- Provide financial support for future social impact ministries in Kenya to be started by CPA students once they are college graduates
- Provide capital for CPA's future development, including additional facilities, other infrastructure, and income-generating projects
- Generate funds to support the CPA operating budget during times when child sponsor funds and funds from income-generating projects are insufficient to meet needs



Potential Distribution of Investment Income...



PLANTING SEEDS...

Why an Endowment?

An Endowment is a unique form of donation that pools together a large sum of money to create a steady stream of investment income throughout the year. It also allows the flexibility to funnel that income into specific areas of need, as opposed to one time donations that most often come in bunches and are typically earmarked for a specific program or project.

By utilizing that flexibility an Endowment essentially protects the effectiveness of one-time donations and gifts by ensuring that the programs and items that are less likely to be donated to directly, are financially covered.

Growing the Endowment will also offer sustainability for longer term, continual projects and programs like college scholarships, and will ultimately reduce or eliminate the need for fundraising before the start of each and every college school year.

With help from our loyal base of donors, committed to seeing our mission and vision through to its ultimate goal, the CET can continue to grow and bear fruit in perpetuity.

How does it work?

The Endowment was seeded with \$400,000 in late 2015, and these funds have been placed in various low risk investments in Kenya. As the CET continues to grow through contributions, the amount of principal goes up, and as a result, the interest income derived increases as well. That periodic interest income can be used to cover operating shortfalls, fund capital projects, or provide scholarships to our students moving into the collegiate ranks. In the event that there is not an immediate need for the interest income created by the CET, that income can be reinvested back into the Endowment, further increasing its principal balance and income potential.

...PRODUCES FRUIT

Donating to the endowment...

directly sustains the long tradition and vision for Naomi's Village and Cornerstone as a whole. The CET will allow us to continue to increase our investment in the lives of our children and the level of impact we have in the surrounding community.

Compounding growth...

\$1,000

At 10% growth rate, a \$1,000 donation to the endowment will grow to \$2,593 in 10 years, creating \$1,593 in value if reinvested or \$100 annually in investment income.

Investing in education...

\$100,000

At 10% interest annually, \$100,000 will produce \$10,000 in interest income. That \$10,000 would cover half of the annual out-of-state tuition and fees for a Cornerstone graduate at an average cost public university in the United States

Covering our bases...

\$1,500,000

At 10% interest rate, a \$1,500,000 donation to the endowment will produce \$150,000 in investment income annually, enough to fund an amazing Kenyan social impact ministry startup.

*See Appendix for a transparent look at Naomi's Village/Cornerstone processes and practices detailing how contributed funds are handled, accounted for, and 100% of donated funds intended for a particular project are used for only that project.