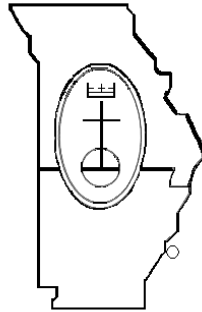


Missouri Mid-South Conference United Church of Christ



Henry and Sadie Rott Foundation

General Guidelines - Loan and Grant Request

- The Trust is a revolving fund to provide money to Missouri Conference UCC churches for establishing new churches, building additions to churches or educational facilities, or relocating established churches. Projects such as renovation of existing facilities or parsonage construction are not eligible.
- Loans are available for up to ten years at an interest rate of no more than one-half the prime rate at Commerce Bank of St. Louis County. Over the past 20 years over 50 loans have been made, averaging nearly \$70,000 each. However, the size of loans vary widely depending on the availability of funds, the scope of the project, and the financial condition of the church.
- In addition, grants are made in order to preserve the tax exempt status of the Trust. Grants are usually in the range of \$5,000-10,000. In recent years grants have been used to forgive quarterly principal payments on outstanding loans.
- Applications for Rott Funds can be obtained from the Conference office. They should be completed and returned in four (4) copies along with current church financial statements and a brief description of the project.
- Completed applications are reviewed by a four-person screening committee appointed by the Commission on Church Extension. Recommendations are forwarded to the Board of Governors comprised of the Conference Minister, an attorney, and the head of the Bank Trust Department, which meets quarterly and acts on all loan and grant requests. Applications may be approved as submitted, modified, or rejected at any stage of the process.
- In order for an application to be processed the church must have valid project cost estimates and have completed an internal fund raising program or pledge campaign. Rott loans are usually subordinated to conventional

financing services required to complete the project. The Foundation requires a firm commitment for full funding of the project prior to releasing Trust funds.

- The Board attorney is responsible for obtaining necessary documentation to secure the loan. He will contact the pastor or the church's designated representative once the application has been approved. Often there are problems with church documents; therefore, it is advisable for the church to review titles and other related information as part of their project planning.

Spring, 1993