



# Our Story

Early in 1992, Arthur Ally, then President and Owner of Covenant Financial Management, was challenged to design a retirement plan for pastors of independent churches and offer it on a national scale. Mr. Ally searched the entire investment industry for any professionally managed program that would complement the Christian world-view passion of evangelical pastors.

After identifying several socially screened funds, Mr. Ally dug further, but failed to find a fund that screened for more than a few social issues, including alcohol and tobacco. Through this research, he learned these funds were attracting Christians' investment dollars due to their screens, but at the same time were missing many Christian key issues like abortion and pornography.

Mr. Ally now stood at a crossroad in his financial planning career. Should he abandon the effort to locate a current fully-screened fund or create a quality investment program that would meet the needs of a Biblically sensitive investor? Through prayer and soul searching, he was convicted to make a life changing move. Mr. Ally spent the next two years developing and testing a moral screening model. This quest brought some very uplifting results, since the majority of companies, not necessarily run by Christians, had moral ethics that passed the Biblical screens placed over them. That discovery indicated the potential for a screened fund to enjoy comparable performance to non-screened mutual funds.

At age 52, it was time for Mr. Ally to change his career path (a 15-year financial consultant/branch manager and 12 year public accountant) to launch America's first pro-life/pro-family mutual fund. The "Timothy Plan's" name was an inspiration of his wife, Bonnie. She was currently studying I Timothy and felt that verses 5:8 and 22 defined the purpose of the fund perfectly. Through much prayer and faith in this calling, Mr. Ally sold his financial planning practice and pressed forward, moving into a nearby modest building, where the Timothy Plan was born.

Raising one million dollars from a small group of loyal and faithful Christian investors through a local limited partnership (Timothy Partners, Ltd.), Mr. Ally went forth on the mission God had called him to embark upon. This initial capital would insure a sufficient base to cover the front end start-up costs associated with the registration process, as well as an adequate pool of funds to carry the mutual fund project well through the break-even point (during the early years of operation).

Mr. Ally decided to initially focus on five major factors: abortion, pornography, alcohol, tobacco and casino gambling. Years later, the screens for anti-family entertainment and alternative lifestyles were added to the mix, rounding out the screens that the Timothy Plan is known for today.

Initially, the Timothy Plan set out to be a no-load fund, which seemed to be the most feasible method to market the funds. Over time, more and more financial consultants were advising Mr. Ally to restructure the Timothy Plan as a load fund. As a load fund, financial professionals would be able to offer the Timothy Plan to their clients. Creating a wave of interest, the Timothy Plan grew from its humble beginnings as a single fund to a full-fledged family of funds.

Finding highly competent portfolio management for a new mutual fund that incorporates very specific moral screens was a challenge. As other funds were opened, the challenge to find other competent money managers proved to be difficult at first, since others did not share the vision that Mr. Ally had. Through what can only be described as the hand of God directing the Timothy Plan, a major international financial firm had a few faithful men who wholeheartedly endorsed what Mr. Ally was trying to do. With their assistance, the Timothy Plan was able to upgrade portfolio management through the years, to the point where today we can confidently say that we have attracted top tier money managers across the entire family of funds.

Through this endeavor, Mr. Ally went on to help start an organization for Christian financial consultants (National Association of Christian Financial Consultants), became managing partner of a company that developed a tool to analyze mutual funds based on moral integrity (eVALUEator), co-authored a workbook series for Christian stewardship (Biblical Stewardship Series) and started an organization for pastors to become informed and take action in our communities (Florida Faith & Works Coalition).

Today, the Timothy Plan continues to be the leader in the Biblically Responsible Investing arena. It continues to launch new funds in response to changing economic and other conditions, like the Israel Common Values Fund and the Defensive Strategies Fund. In conjunction with their Kingdom mission and focus, Timothy Partners provides financial support to numerous ministries including those involved in human trafficking, defending of Christian liberties, and preserving the life of the unborn. Mr. Ally's vision has grown, and with the guidance of a top-notch board of directors, God still remains the "real chairman of the board."



## TIMOTHY PLAN

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## Your pro-life mutual fund choice.

*Investing in a mutual fund may result in a loss of principal. Carefully consider the investment objectives, risks, charges and expenses before investing. A prospectus is available from the Fund or your financial professional that contains this and other more complete, important information. Please read it carefully before investing or sending money.*