

FORM 40: PERFORMANCE REPORT FOR DECEMBER 31, 2020

The FCMM Retirement Plan enables ministry staff to develop a successful retirement life plan with a reliable source of retirement savings and income from money deposited by employing ministry organizations.

FCMM operates the FCMM Retirement Plan, a 403(b)(9) defined contribution church plan that includes seven different investment Options, comprising both FCMM managed funds and mutual funds for investment selection. The Plan is administered in accord with the tenets and polity of the Evangelical Free Church of America.

Of the investment Options, three are FCMM managed funds: Options C, D and E. Assets of these funds are pooled and managed according to fund objectives. Each participating investor has a proportionate share of the fund, which value is calculated monthly. FCMM funds do not directly invest in securities in which the corporate entity is recognized by FCMM to have significant involvement in products, services, or activities that are incompatible with the moral and ethical tenets and values of the Evangelical Free Church of America. These positive values include pro-family and pro-life matters, and exclude substantial investment in industries of beverage alcohol, tobacco, pornography, gambling, and abortion.

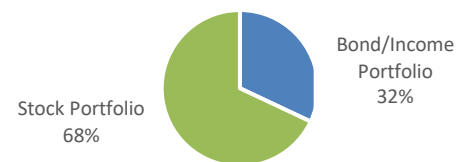
Individual performance reports for Option F (American Funds), Option G (Vanguard funds), and Option J (Timothy Plan funds and GuideStone funds) are available through the participant account access website. The current interest rate of Option H (Adjustable Rate Investment through Christian Investors Financial) is available at www.christianinvestors.org.

RETIREMENT PLAN INVESTMENT OPTIONS

FCMM Lifetime Fund—Option C

This collective fund has an investment strategy designed to build steady long-term performance. The earnings rate is determined by the FCMM trustees. The fund is structured to offer reliable value towards a monthly income benefit (in-plan “annuity”) for which 100% of accrued value can be applied. When transferred to another Option or taken as cash (“lump sum”), a fair market value (FMV) adjustment may be applied. At the date of this report, the FMV adjustment was 0% (i.e. market value is not less than accrued value). As of December 31, 2020, Option C investments consisted of US equities (38.1%), US core fixed income (22.6%), non-US equities (17.2%), US opportunistic fixed income (9.8%), alternatives (5.1%), private equity (4.3%), hedge funds (2.7%), and money market (0.2%). All costs, including investment expense and FCMM operating cost are deducted before the stated return to members.

Option C Asset Allocation



Annual Earning %	2021	2020	2019
Option C Investor Rate	2.0	4.5*	3.5

*Result of 4% earnings Jan-Mar 2020; 2% Apr-Dec 2020; 2% year-end dividend.

FCMM Managed Stock Fund—Option D

Option D is a managed, diversified stock portfolio. As of December 31, 2020, Option D investments consisted of US equities (62.6%), non-US equities (32.2%), and alternatives (5.2%). The portfolio returns, but not the benchmark, are net of all investment fees. FCMM operating costs are charged after these portfolio returns; the member’s posted account earnings reflect the net earnings after all costs.

Annual Return %	1 Yr	3 Yr	5 Yr
Option D Investor Net	13.10	9.16	10.54
Equity IPS Benchmark	18.30	11.97	12.63

FCMM Managed Bond/Income Fund—Option E

Option E is a managed, diversified portfolio for bonds and income. As of December 31, 2020, the Option E investments were made up of US core fixed income (68.3%), US opportunistic fixed income (26.8%), hedge funds (4.8%), and money market (0.1%). The portfolio returns, but not the benchmark, are net of all investment fees. FCMM operating costs are charged after these portfolio returns; the member’s posted account earnings reflect the net earnings after all costs.

Annual Return %	1 Yr	3 Yr	5 Yr
Option E Investor Net	5.90	4.59	4.44
Bond IPS Benchmark	5.61	4.08	3.44

FCMM Funds are managed by registered investment advisors selected and monitored by the Trustees of FCMM. They are designed for returns comparable to the appropriate financial indexes.

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Self-Selected Mutual Funds—Option F, G & J

Overall performance reports for any of these mutual funds may be found on the respective websites of American Funds (Option F), www.americanfunds.com, Vanguard Funds (Option G), www.personal.vanguard.com, Timothy Plan Funds (Option J), www.timothyplan.com, and GuideStone Funds (Option J), www.guidestonefunds.com.

Adjustable Rate Investment—Option H

This option is invested in an adjustable rate investment certificate with Christian Investors Financial (CIF). Current rate information is available at www.christianinvestors.org; see the 403(b)(9) listing on the Rates tab.

Past performance does not guarantee future results. Investment return and principal value will fluctuate so that a member's value may be worth more or less than their original contributions as stated in the various portfolio descriptions.

IRS CODE SECTIONS 402(G) AND 415(C) CONTRIBUTION LIMITS

The lesser of \$57,000 or 100% of includible compensation (housing allowance is excluded) can be invested in the Plan for 2020. Within this amount a participant can elect to defer \$19,500 of annual compensation as salary deferral contributions. In 2020, a participant over age 50 can make salary deferral contributions up to \$6,500 above these limits. These limits apply to the total of all contributions to all 403(b) plans participated in and are adjusted annually by the IRS. See "Retirement Plan Contribution Limits for 2020" article at fcmmbenefits.org for more information.

RETIREMENT PLAN FEE INFORMATION

FCMM provides high quality investment managers, continuous asset allocation rebalancing, and administrative and legal services for the local church's participation. The costs as a retirement plan are competitive with other investment funds. The annual Form 41 Retirement Plan Fees document, available at fcmmbenefits.org, gives more detailed information.

ONLINE ACCESS

Members may view their Retirement Plan investment accounts online and change allocations within mutual fund families (i.e. among the mutual funds offered within an Option, for Options F, G, & J). Moving funds between Options requires submitting Form 15 or Form 16 (Roth-designated funds).

Mutual funds (Options F, G, & J) are valued daily and transactions are posted as completed. FCMM-Managed Funds (Options C, D, E, & H) are **Collective funds** whose values and combined transactions are updated once monthly, normally by the third week of the following month. Contributions, earnings, transfers, and distributions are listed as monthly totals for transaction types in the Option, rather than detailed entries of each transaction.

Annuity Reserve Fund

Any funds invested in the Retirement Plan may be converted to a Monthly Income Benefit (in-plan "annuity") upon election by the participant. Each Plan Year annuity is considered a separate annuity class with a distinct variable interest rate and specific mortality table. These benefits are managed through a separate Annuity Reserve Fund with a specific long-term investment strategy and actuarial basis. While a responsibly funded plan's ratio may vary over time due to market and economic conditions, a funded ratio of 80% or more is considered to be healthy. At the date of this report, the Annuity Reserve Fund is 100% funded. As of December 31, 2020, the Annuity Fund portfolio was made up of AXA Equitable Annuity (62.1%), hedge funds (13%), US core fixed income (9.7%), private equity (8.3%), US opportunistic fixed income (6.6%), and money market (.3%).