

FORM 41: RETIREMENT PLAN FEES FOR 2018

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 is incorporated as the church benefits board of the Evangelical Free Church of America (EFCA) and administers the Retirement Plan in accord with the tenets and polity of the EFCA, which shape investment and operational policies.

Fees and allocation of costs pay for administration, investment trading, web-based access, investment advisers, and financial management that are incurred in operating the Retirement Plan.

There are three types of investment Options: mutual funds, an adjustable rate investment (CIF), and FCMM-managed funds. Participants invest in mutual funds through FCMM's partnership with the Alerus, providing access to American Funds (Option F), Vanguard Funds (Option G), and Timothy Plan Funds and GuideStone Funds (both in Option J: Biblically Responsible). Costs and fees for each fund family are applied as described below. No fees are charged to participating employers.

● MUTUAL FUNDS

Mutual Funds: American Funds (Option F)

Alerus provides access to over 25 of the R4 class of American Funds, a low-fee classification. There are no load fees, front or back, on these funds. Mutual fund fees deducted before reported returns include 12b-1 and subTA fees totaling 35 basis points (0.35%) forwarded to FCMM. These fees are used by FCMM to provide investing advice to participants. Those investing in American Funds have access to advice on selecting mutual funds and/or FCMM-managed collective funds for their financial situation.

Mutual Funds: Timothy Plan Funds (Option J)

Alerus provides access to 12 Timothy Plan funds. There are no load fees, front or back, on these funds. A 12b-1 mutual fund fee is deducted before reported returns and forwarded to FCMM: 25 basis points (0.25%) for 10 funds and 75 basis points (0.75%) for two funds (TCGAX Conservative Growth and TSGAX Strategic Growth). These fees are used by FCMM to provide investing advice to participants. Those investing in Timothy Plan funds have access to advice on selecting mutual funds and/or FCMM-managed collective funds for their financial situation.

Mutual Funds: GuideStone Funds (Option J)

Alerus provides access to over 20 GuideStone Funds in Option J. There are no load fees on these funds. A Shareholder Servicing Fee (SSF) is deducted before reported returns and forwarded to FCMM: 10 basis points (0.10%). The SSF fee is used by FCMM to provide investing advice to participants. Those investing in GuideStone funds have access to advice on selecting mutual funds and/or FCMM-managed collective funds for their financial situation.

Mutual Funds: Vanguard Funds (Option G)

Alerus provides access to almost 80 Vanguard funds. These funds operate with low internal cost and are designed for the experienced investor. Vanguard's mutual fund management charge is deducted before reported returns. Investment advice is not normally offered for funds of this self-directed Option.

FCMM Fees Applied to All Mutual Funds

Fees assessed by FCMM after reported mutual fund returns and deducted from the participant's account include:

- An annual account maintenance fee of \$18.00 charged to each mutual fund Option account (\$4.50 deducted each quarter); and
- A 48 basis point (0.48%) FCMM management fee, deducted from each mutual fund Option account (12 basis points deducted each quarter), based on the value of the account at the end of the quarter.

● ADJUSTABLE RATE INVESTMENT (Option H)

Christian Investors Financial (CIF) pays an administrative fee 50 basis points (0.5%) to FCMM on the adjustable rate Investment Certificate. Participants in this option pay no fees and receive the published "403(b)(9) certificate" rate. Prospective investors should refer to CIF's current Offering Circular for risk factors and other information for investment decisions. Current rate information is available at www.christianinvestors.org.

● FCMM-MANAGED FUNDS (Options C, D, E)

The FCMM-managed fund Options are invested in managed collective fund portfolios. These Options incur transaction and investment management costs charged by the investment advisor and managers. Such fees are deducted before reported performance returns. [See Form 40 Performance Report.]

Operating costs (i.e. administration, legal, compliance, customer service) for the Retirement Plan are charged to each Option (C, D, E) based on market value and allocation criteria. When calculated as percentage of managed assets, the operating costs were approximately 93 basis points (0.93%) in 2017. In 2018 the percentage will likely vary due to market value and expense allocation changes. Participant earnings and account values are reported net of ("after") these costs.

There are no other sales commissions, charges, loads, or 12b-1 fees applicable to the FCMM-managed funds.