LOOKING TO THE FUTURE

Servant Solutions
YOUR RETIREMENT & FINANCIAL PLANNING PARTNER

ABHE
The Association for Biblical Higher Education
Biblical • Transformational • Experiential • Missional

(800) 844-8983 info@servantsolutions.org servantsolutions.org

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June, 2017

Thank you for allowing us to participate in the 2017 Flagship Presidents Gathering! We are thankful for the opportunity to sponsor this event and fellowship with each of you. Serving the ABHE staff has been an honor for our office. Rest assured, ABHE cares about each of you deeply and strives to serve you with excellence!

Because we currently serve Christian institutions of higher learning, we have an understanding of the unique challenges facing higher education in the current culture and economic environment. It is a time of change and challenge for many colleges and universities.

Finding, hiring, and maintaining well qualified faculty and staff can be difficult. Although a seemingly small part, a strong, values aligned, retirement package can assist in retention of high caliber faculty and staff. Our goal: to walk alongside you, support you in honoring your hardworking faculty and staff, and to serve as a partner who operates in excellence.

Servant Solutions is a 403(b)(9) retirement plan, birthed out of the Church of God movement (Anderson, IN). Today we serve independent churches, Christian colleges and universities, missionaries and para-church workers across the country. Our mission has been to "Serve Those Who Serve" since 1949. We pride ourselves in excellent and personalized service, low costs, free financial planning, and tax saving strategies for ministers, including housing allowance benefits in retirement, that are not available through most other retirement plans.

If you or your benefits administrator would like to have a conversation, it would be our privilege. We would be happy to answer your questions and provide education on our unique value proposition.

Our entire staff, which averages over twenty years in experience, graduated from or was employed by small, private Christian universities. We see great value in your work and are thankful for the sacrifices made by each of you to educate future generations with a Christian worldview!

May the Lord richly bless you in all that you are doing for the Kingdom.

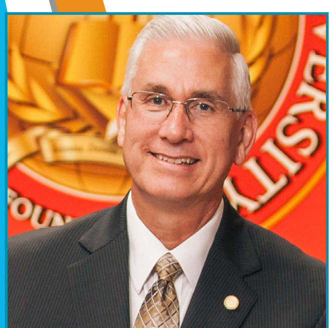
Sincerely,

Jeffrey A. Jenness
President

Erin R. Wagoner
Chief Financial Officer

Anderson University (Indiana) is pleased to partner with Servant Solutions as an option for our faculty and staff retirement needs. We've had exceptional service and great personal interaction with their staff.   I'm pleased to highly recommend Servant Solutions.
John Pistole
President
Anderson University

ABHE found a retirement partner in Servant Solutions that shares our Biblical values and has a deep appreciation and commitment to ABHE and Christian higher education. When we partnered with Servant Solutions, their staff worked to make the transition smooth and manageable.
Matt Kelly
ABHE Chief Financial Officer
Interim CFO, St. Louis Christian College



"Servant Solutions" has been a great partner with MACU in providing retirement planning to our employees. Administrators, faculty, and staff have commented that Servant Solutions staff has been very patient in helping employee's understand their investment options, as well as helping our people to think through a retirement strategy. To coin author Ken Blanchard, I'm a "Raving Fan" of Servant Solutions!
Dr. John Fozard
President
Mid-America Christian University

At Warner University we only have two options an employee can select for their retirement planning. We are proud that "Servant Solutions" is one of those options. You will not be a "number" with them, they will be a "partner" for life.
David A. Hoag, Ph.D.
President
Warner University

OUR FINANCIAL FUTURE

There are two distinct investment philosophies. One is rooted in a secular perspective that is shaped by worldly "myth conceptions". The other is based on biblical truths that are outlined in the Bible and proven through practical experience.

Consider the following contrasts:

SECULAR MYTH	BIBLICAL TRUTH
Spend and consume, saving can wait	Save and invest, spending can wait
Get rich quick	Financial stewardship
Time is an enemy	Time is an ally
Expect upward trends	Expect cycles
Time the market	Diversify your assets

The cycles experienced by stocks and bonds characterize every investment, from money markets to real estate. Such ups and downs would make perfect sense to King Solomon, who referred to a "day of adversity" (Eccles. 7:14) and wrote that "there is a time for everything - from mourning to dancing" (Eccles. 3:1,4) As an investor, we must be prepared for both scenarios.

PLANNING FOR A SECURE FUTURE

Financial security should be more than just a future **hope**. It should be your **expectation**. There are numerous belief systems on how families in America can achieve financial success in this economy. Some feel social programs might be the answer, yet Servant Solutions believes the American family could benefit from the following four-part plan:

1. Spend less than you earn.
2. Avoid the use of debt.
3. Maintain liquidity.
4. Set long-term goals.

These guidelines have stood the test of time, having been developed and outlined thousands of years ago in the Old and New Testaments. We cannot influence inflation or guess which way the stock market is going to run. We cannot avoid paying taxes – although in some cases, it is not for any lack of trying!

What we can control is our preparation to deal with these financial realities. We can trade in our thermometer mentality (reacting to the current environment) for that of a thermostat (controlling the environment). With an effective money management plan in place, we can approach the future – any future - with a sense of genuine security.

FOUR COMMON INVESTMENT MISTAKES

1. THE MARKET-TIMING MYTH

Every investor knows the secret to stock market success: buy low and sell high. The trouble is nobody can consistently time investment moves to make this strategy work. There is no formula for market-timing magic.

Even so, for the investor who works with a short time horizon, the lure of what could happen under the buy-low-sell-high scenario is often irresistible. A jump in the price of a particular stock creates a "had I but known" mindset, leaving the investor drooling over the potential discovery of the next "great timing" opportunity.

In a thirty-year period, could you spot the nine months that would make a difference? If you missed them, your return would be no greater than that afforded by Treasury bills. However, by investing in stocks you would face significantly more risk.

2. THE PAST-PERFORMANCE PITFALL

Many people pick investments simply because they have been profitable in the past - even though there is no guarantee an investment that once performed well will continue to do so.

3. THE SAFETY SLIP-UP

In the financial world, safety does not necessarily equal wisdom. Many conservative investors, fearing the downward swings of an uncertain economic market, ignore their need for a healthy rate of return and squirrel their resources away in the least-risky investment available. U.S. Treasury bills, bonds, and other guaranteed investments may provide a safe harbor - yet such conservatism offers no potential for maximizing financial rewards.

4. THE AGGRESSIVE AGENDA

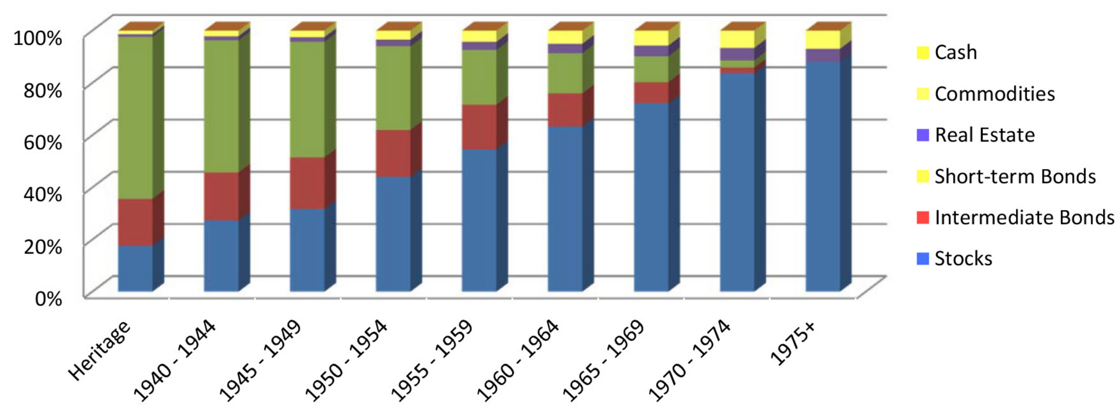
On the flip side of the conservative coin is the aggressive investor who thinks that time is short, that he cannot afford to wait, and the smartest financial strategy is to pursue the highest-yielding investments he can find - regardless of the risk involved.

Servant Solutions Retirement Plan
LifeFund Age-Based Fund Overview

Description of the LifeFund Age-Based Funds

Each age-based fund available in the Servant Solutions Retirement Plan provides a diversified portfolio. Funds are comprised of underlying investments that may contain some or all of the following asset classes: U.S. stocks, international stocks, bonds, real estate, commodities, and cash. Asset allocation takes the form of a "glidepath"; as you near retirement, the age-based fund moves money from stocks to bonds. The fund automatically becomes more conservative over time, eliminating the need for you to modify fund selections or allocations as you age.

Age-Based Funds: Asset Allocation Targets



Which fund is appropriate for you?

The age-based funds are designed to match your birth year. For example, if you were born in 1962, the 1960-1964 fund would be selected. If you were born before 1940, the Heritage fund matches your age.

How do the age-based funds work?

The age-based funds work in a similar way to a target date fund. The age-based funds are comprised of mutual funds, and younger plan participants have a higher allocation to stocks than older plan participants. Likewise, participants that are closer to retirement have a higher allocation to fixed income. Rebalancing to new asset allocation targets within each age-based fund occurs yearly.

What action is required?

If you do not make an investment election, by default, you will be invested in the fund of your birth year. The age-based funds offer a diversified portfolio for plan participants that consider themselves a delegator. If you prefer to make your own investment elections, you may change the age-based fund in which you are invested, invest in multiple age-based funds, or select your own investments and allocations at any time.

How much do the age-based funds cost?

The expense ratio for each age-based fund varies. However, the expense ratio for each fund is expected to be approximately .08% to .15%. Please refer to the fund fact sheet for specific fee information.

Disclosures:

1. Each age-based fund is meant as guidance based on general objectives of the participant. This is not meant to be specific investment advice.
2. All information was created exclusively by Ronald Blue & Co. for the sole use by Servant Solutions and its plan participants.

SAVING FOR RETIREMENT WORKSHEET

How much will you need?

2. $30,000
x .75
$22,500

4. $22,500
- 11,712
$10,788

5. $10,788
x 3.33
$35,924.04

6. $35,924.04
x 11.94
$428,933.03

8. $5,000
x 9.06
$45,300.00

9. $428,933.03
- 45,300.00
$383,633.03

10. $383,633.03
x .008
$3,069.06

11. $3,069.06÷$30,000
10%

STEPS	SAMPLE CALCULATIONS	YOUR CALCULATIONS
1. Current annual income.	$30,000.00	
2. Income needed during retirement. Depending on your retirement goals, you may need 70-100 percent of your current income. Multiply step 1 by that percentage (for example 75) to estimate annual retirement income in today's dollars.	$22,500.00	
3. Social Security income. Enter the benefit amount from **TABLE 1*** that most closely corresponds to your income.	$11,712.00	
4. Annual retirement income. Subtract step 3 from step 2. This is the income you will need from your personal investments in today's dollars.	$10,788.00	
5. Future retirement income. Multiply step 4 by the inflation factor from **TABLE 2*** that most closely matches the number of years until you retire.	$35,924.04	
6. Retirement goal. Multiply step 5 by 11.94. This figure assumes that you will retire at age 66 and spend 15 years in retirement (use 14.88 for 20 years, and 17.41 for 25 years). It also assumes you will earn 6.5 percent on your retirement portfolio with a 3.5 percent inflation rate.	$428,933.03	
7. Current portfolio. Enter the amount of your current retirement investments.	$5,000.00	
8. Value of current investments at retirement. Multiply step 7 by the growth factor from **TABLE 3*** that corresponds most closely to the number of years until you retire.	$45,300.00	
9. Retirement shortfall. Subtract step 8 from step 6. This is how much you need to accumulate before you retire.	$383,633.03	
10. Annual goal. Multiply step 9 by the accumulation factor from **TABLE 3** that most closely matches the number of years until you retire. This is how much you should be investing each year.	$3,069.06	
11. Percentage of annual income to save per year. Divide line 10 by line 1.	10%	

** Tables found on Page 9 of this booklet.*
This chart is for illustrative purposes only and does not reflect the return on any specific investment. Results depend on many factors and we do not guarantee the accuracy or applicability to your circumstances. This example assumes the participant is 31 years old, and will retire in 35 years.

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Tables for use in completing the Saving for Retirement Worksheet

SOCIAL SECURITY BENEFITS

ANNUAL INCOME	ANNUAL BENEFIT ESTIMATE
20,000	8,504
30,000	11,712
40,000	13,896
50,000	16,104
72,000	20,928

TABLE 1

Figures show the approximate benefit for a 66 year-old retiring in 2010. For a more accurate estimate of your Social Security benefits, call 1-800-772-1213 to obtain SSA Form 7004.

Source: SSA Online quick calculator. http:llwww.ssa.gov/OACT/quickcalc/index.htm
Full Retirement Age for individuals born between 1943-1954 is age 66.

YEARS TO RETIREMENT	INFLATION FACTOR
5	1.19
10	1.41
15	1.68
20	1.99
25	2.36
30	2.81
35	3.33
40	3.96

TABLE 2

This table assumes an annual rate of inflation of 3.5 percent.

YEARS TO RETIREMENT	GROWTH FACTOR	ACCUMULATION FACTOR
5	1.37	.176
10	1.88	.074
15	2.57	.041
20	3.52	.026
25	4.83	.017
30	6.61	.012
35	9.06	.008
40	12.42	.006

TABLE 3

This table assumes an annual rate of return of 6.5 percent.

Investment Composition of the LifeFund Age-Based Portfolios

(as of April 3, 2017)

LifeFund Name (Birth Year)		Heritage (before 1940)	1940 1944	1945 1949	1950 1954	1955 1959	1960 1964	1965 1969	1970 1974	1975+ (after 1974)
Time-Based Portfolio Allocations:										
	Long-term	20%	30%	35%	48%	60%	70%	80%	92%	100%
	Intermediate-term	40%	40%	43%	40%	40%	30%	20%	8%	0%
	Short-term	40%	30%	22%	12%	0%	0%	0%	0%	0%
		100%	100%	100%	100%	100%	100%	100%	100%	100%
Fund Allocations:										
Long-term	Vanguard Institutional Index I	5.0%	7.5%	8.8%	12.0%	15.0%	17.5%	20.0%	23.0%	25.0%
	Vanguard Total Intl Stock Index I	8.4%	12.6%	14.7%	20.2%	25.2%	29.4%	33.6%	38.6%	42.0%
	Vanguard Emerging Mkts Stock Idx I	2.2%	3.3%	3.8%	5.3%	6.6%	7.7%	8.8%	10.1%	11.0%
	Vanguard REIT Index I	1.0%	1.5%	1.7%	2.4%	3.0%	3.5%	4.0%	4.6%	5.0%
	Vanguard Extended Market Idx I	1.6%	2.4%	2.8%	3.8%	4.8%	5.6%	6.4%	7.4%	8.0%
	PIMCO CommoditiesPLUS Strategy Instl	1.8%	2.7%	3.2%	4.3%	5.4%	6.3%	7.2%	8.3%	9.0%
Intermediate-term	Vanguard Total Bond Market Index I	21.6%	21.6%	23.2%	21.6%	21.6%	16.2%	10.8%	4.3%	0.0%
	Vanguard High-Yield Corporate Adm	2.0%	2.0%	2.2%	2.0%	2.0%	1.5%	1.0%	0.4%	0.0%
	Vanguard Short-Term Investment-Grade I	12.4%	12.4%	13.3%	12.4%	12.4%	9.3%	6.2%	2.5%	0.0%
	Vanguard Shrt-Term Infl-Prot Sec Idx Ins	4.0%	4.0%	4.3%	4.0%	4.0%	3.0%	2.0%	0.8%	0.0%
Short-term	Vanguard Short-Term Bond Idx I	40.0%	30.0%	22.0%	12.0%	0.0%	0.0%	0.0%	0.0%	0.0%
		100%	100%	100%	100%	100%	100%	100%	100%	100%

The Servant Solutions custom age-based funds are each composed of mutual funds. Age-based funds for younger participants have greater stock market risk, while age-based funds for older participants have less exposure to stocks and a higher allocation to bonds and cash. Over time, each age-based fund reduces risk by following a glidepath, allocating more to bonds and cash and less to stocks. Age-based funds are automatically rebalanced at least quarterly. Rebalancing may occur more frequently if performance of individual funds or asset classes results in significant deviation from the age-based funds’s target allocations.

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FINANCIAL ROADMAPS

Servant Solutions provides three levels of financial planning to help you secure your financial future.

Discover which one is right for you and contact us today to get started.

The Servant Solutions Financial Roadmaps are provided at NO COST to you as a member.

LEVEL 1 • BASIC
The Basic is a "do it yourself" approach using Servant Solutions retirement worksheets and the LIVE FREE workbook to place you on a path to good budgeting and assessment of your retirement planning.

BASIC

LEVEL 2 • INTENTIONAL
The Intentional is a combination of the Basic approach with use of Servant Solutions worksheets and budgeting tools, plus a one-on-one consultation with a Servant Solutions representative.

INTENTIONAL

LEVEL 3 • COMPREHENSIVE
The Comprehensive is an in-depth approach which constructs a custom financial plan specific to you by using MoneyTree software. A secure email is sent to you for completion. Once returned, a 30 to 50-page report with action points is produced with guidance and help from our staff.

COMPREHENSIVE

YOUR CUSTOM FINANCIAL PLAN IS PRODUCED THROUGH THREE EASY STEPS:

1. Request the secure link for SSFR by email: jobold@servantsolutions.org or by calling us at 800-844-8983.

2. Complete the secure questionnaire via the link. Your information is kept confidential.

3. Await a call from a Servant Solutions officer to double check data input.

Jim O'Bold
Director of Financial Planning & Development
jobold@servantsolutions.org

We're serious about personal financial health and stewardship! We believe you are as well. Do not put off charting a solid financial course that allows you peace of mind and the ability to be flexible in serving the Lord in the places He has called you.

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