

LCMS Foundation Fee Structure - Investment Accounts

The LCMS Foundation has hired a number of experienced investment management firms to invest the assets entrusted to the Foundation. The management fees paid to these managers are charged to their respective accounts at one-twelfth the rate each month, reducing the net income distributed to the holders of the fund. The blended annual management fee reduction in distributable income is as follows:

<u>PREFERENCE FUNDS</u>		<u>STANDARD FUNDS</u>		<u>MONEY MARKET FUNDS</u>	
Core Bond	0.15%	Fixed Income	0.23%	Money Market/ Short Term Investment Funds	0.18%
High Yield Bond	0.55%	Conservative Balanced	0.21%	Dollar Cost Averaging	0.18%
Domestic Equity	0.08%	Moderate Balanced	0.18%		
International Equity	0.24%	Aggressive Balanced	0.16%		
		Equity	0.14%		

All returns are reported net of the fees shown above.

Investment accounts are charged administration and reporting services fees on a monthly basis.

The current schedule for the annual fees for investment accounts invested in the Foundation **Preference** or **Standard Funds** is:

0.55% on the first \$1,000,000
 0.45% on the next \$9,000,000
 0.35% on the next \$15,000,000
 Negotiable thereafter

The current schedule for the annual fees for the **Money Market Funds**:

0.10% on all balances

All administration and reporting services fees are charged directly to the custodial account, while the management fees referenced earlier are paid at the investment fund level.