

PROSPECTUS

BRETHREN IN CHRIST FOUNDATION, INC.

431 GRANTHAM ROAD
MECHANICSBURG, PA 17055

www.bicfoundation.org

(717) 796-4788

An Indiana Religious Nonprofit Corporation

An Affiliate of the

GENERAL CONFERENCE of the BRETHREN IN CHRIST CHURCH

\$40,000,000

UNSECURED DEBT INSTRUMENTS

Instrument (1)	Current Variable Interest Rate (2)	Minimum Maturity Period (3)	Offering Price	Commissions and Underwriting Expense	Net Proceeds to Issuer
Stewardship Investment Certificates	0.00% to 2.47%	6 mo. to 5 years	100% of Principal Amount	None	\$20,000,000
Thrift Accumulation Plan Agreements	0.00% to 0.75%	30 days	100% of Principal Amount	None	\$15,000,000
Individual Retirement Account Notes	2.47% to 2.72%	5 years	100% of Principal Amount	None	\$5,000,000

The securities described in this Prospectus will be sold by the Brethren in Christ Foundation, Inc. without the payment of any commission. Net proceeds of the offering after estimated expenses of \$67,200 are anticipated to be \$39,932,800 if the full \$40,000,000 of securities would be sold. See Page 7 "Use of Proceeds."

THE SECURITIES DESCRIBED HEREIN ARE ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 3(a)(4) OF THE FEDERAL SECURITIES ACT OF 1933. THE SECURITIES DESCRIBED HEREIN ARE ALSO EXEMPTED FROM REGISTRATION IN CERTAIN STATES BY STATE LAW, WHILE IN OTHER STATES THEY HAVE BEEN REQUIRED TO BE REGISTERED. THE FACT THAT THESE SECURITIES HAVE BEEN REGISTERED IN STATES WHERE THAT IS REQUIRED, OR THAT THEY MAY BE EXEMPT FROM REGISTRATION IN CERTAIN OTHER STATES, DOES NOT MEAN THAT THE APPLICABLE ADMINISTRATOR OF THE STATE SECURITIES LAWS NOR THE SEC HAS PASSED IN ANY WAY UPON THE ACCURACY OR ADEQUACY OF THE INFORMATION SET FORTH HEREIN, NOR THAT SUCH ADMINISTRATOR HAS PASSED UPON THE MERITS OR QUALIFICATIONS OF OR RECOMMENDED, ENDORSED OR GIVEN APPROVAL TO, THE ISSUER, THE SECURITIES, OR THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. NO PERSON HAS BEEN AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS OTHER THAN THOSE SET FORTH IN THIS PROSPECTUS IN CONNECTION WITH THE OFFER CONTAINED HEREIN, AND INFORMATION OR REPRESENTATIONS NOT HEREIN CONTAINED, IF GIVEN OR MADE, MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORIZED BY THE BRETHREN IN CHRIST FOUNDATION, INC. THIS PROSPECTUS DOES NOT CONSTITUTE AN OFFER TO SELL OR SOLICITATION TO BUY ON BEHALF OF THE BRETHREN IN CHRIST FOUNDATION, INC. IN ANY STATE IN WHICH SUCH OFFER OR SOLICITATION IS NOT AUTHORIZED BY APPLICABLE LAW OR EXEMPT FROM REGISTRATION. NEITHER DELIVERY OF THIS PROSPECTUS NOR ANY SALES MADE HEREUNDER SHALL UNDER ANY CIRCUMSTANCES CREATE ANY IMPLICATION THAT THERE HAS BEEN NO CHANGE IN THE AFFAIRS OF THE ORGANIZATION SINCE THE DATE HEREOF.

- (1) See "DESCRIPTION OF SECURITIES".
- (2) This interest rate may vary. See "DESCRIPTION OF SECURITIES".
- (3) IRA Note minimum maturity period may vary. See "DESCRIPTION OF SECURITIES".

THIS OFFERING IS SUBJECT TO SIGNIFICANT RISKS. SEE PAGES 4 to 7 "RISK FACTORS".

The date of this Prospectus is April 19, 2022.

THIS PROSPECTUS CONTAINS ESSENTIAL INFORMATION ABOUT THE ISSUER OF THE SECURITIES BEING OFFERED HEREBY. PROSPECTIVE INVESTORS ARE ADVISED TO READ THIS PROSPECTUS CAREFULLY PRIOR TO MAKING ANY DECISION TO PURCHASE THE SECURITIES OFFERED HEREBY.

THE SECURITIES DESCRIBED HEREIN ARE NOT NEGOTIABLE AND ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE. THESE SECURITIES MAY NOT BE TRANSFERRED OR RESOLD EXCEPT TO PERSONS WHO WOULD HAVE BEEN ELIGIBLE TO PURCHASE THEM INITIALLY AND THEN ONLY UPON NOTICE TO AND WRITTEN APPROVAL OF THE FOUNDATION AND AS PERMITTED UNDER THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. SECURITIES HELD THROUGH THE INDIVIDUAL RETIREMENT PROGRAM ARE ONLY TRANSFERABLE UNDER THE TERMS OF THE INDIVIDUAL RETIREMENT PLAN. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISKS OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.

CERTIFICATES, AGREEMENTS AND NOTES WILL BE OFFERED AND SOLD ONLY TO PERSONS WHO, AT THE TIME OF RECEIVING A PURCHASE APPLICATION, ARE MEMBERS, CONSTITUENTS, CONTRIBUTORS TO OR PARTICIPANTS IN THE FOUNDATION, THE BRETHERN IN CHRIST CHURCH AND/OR ITS PROGRAMS, ACTIVITIES OR ORGANIZATIONS, OR PARENTS, SPOUSES, CHILDREN, GRANDCHILDREN OR BIC U.S. 403(b)(9) ACCOUNTS OF SUCH PERSONS, OR TO BRETHERN IN CHRIST FOUNDATION INDIVIDUAL RETIREMENT PLANS AND HEALTH SAVINGS ACCOUNTS AS DIRECTED BY THE HOLDERS THEREOF.

THE SECURITIES ARE NOT SAVINGS OR DEPOSIT ACCOUNTS OR OTHER OBLIGATIONS OF A BANK AND ARE NOT INSURED BY THE FEDERAL DEPOSIT INSURANCE CORPORATION, ANY STATE BANK INSURANCE FUND, THE SECURITIES INVESTOR PROTECTION CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY. THE PAYMENT OF PRINCIPAL AND INTEREST TO AN INVESTOR IN THE SECURITIES IS DEPENDANT UPON THE ISSUER'S FINANCIAL CONDITION. ANY PROSPECTIVE INVESTOR IS ENTITLED TO REVIEW THE ISSUER'S FINANCIAL STATEMENTS, WHICH SHALL BE FURNISHED AT ANY TIME DURING BUSINESS HOURS UPON REQUEST. THE NOTES ARE NOT OBLIGATIONS OF, NOR GUARENTEED BY, THE BRETHERN IN CHRIST DENOMINATION, OR BY ANY CHURCH, CONFERENCE, INSTITUTION OR AGENCY AFFILIATED WITH THE BRETHERN IN CHRIST DENOMINATION.

IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE DISCLOSURE, MERITS AND RISKS INVOLVED.

INVESTORS ARE ENCOURAGED TO CONSIDER THE CONCEPT OF INVESTMENT DIVERSIFICATION WHEN DETERMINING THE AMOUNT OF NOTES THAT WOULD BE APPROPRIATE FOR THEM IN RELATION TO THEIR OVERALL INVESTMENT PORTFOLIO AND PERSONAL FINANCIAL NEEDS.

CALIFORNIA RESIDENTS: The Commissioner of Financial Protection and Innovation of the State of California does not recommend or endorse the purchase of the securities described in the Prospectus of the Brethren in Christ Foundation, Inc.

Automatic investment renewal at maturity as described in this Prospectus is not available in California. The Foundation will notify each registered owner in California approximately forty (40) days before his or her Certificate or Note matures, at which time the holder will have the opportunity to notify the Foundation of his or her intention to renew the investment. The Foundation does not renew Certificates or Notes owned by California residents until receiving a positive word from the holder of the Certificate or Note. Upon maturity, the money will be held as a cash balance and will not earn interest until the Foundation receives a request for reinvestment or withdrawal from the depositor.

Any renewals by California residents will only be accepted by the Foundation if at the time of renewal there is a currently effective qualification in California (which may or may not be granted.)

Notwithstanding statements in this Prospectus concerning limitations on withdrawals from Thrift Accumulations Plan Agreements to a limit of \$5,000 in any month or \$15,000 in any calendar quarter, in California the installment payment of withdrawals is not permitted and any withdrawal will be paid in full at the time of withdrawal. Any redemption or payment by the Foundation on any of its debt securities offered in California will be made in full at maturity, in accordance with the terms of the security. Payment will not be made with other debt instruments.

IT IS UNLAWFUL TO CONSUMMATE A SALE OR TRANSFER OF THESE SECURITIES, OR ANY INTEREST THEREIN, OR TO RECEIVE ANY CONSIDERATION THEREFOR, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COMMISSIONER OF FINANCIAL PROTECTION AND INNOVATION OF THE STATE OF CALIFORNIA, EXCEPT AS PERMITTED IN THE COMMISSIONER'S RULES.

FLORIDA RESIDENTS: These securities have not been registered with the State of Florida. The Foundation is registered to sell its own securities as an issuer/dealer in Florida and the securities will be offered solely through our corporate officers and employees who are registered with the Florida Office of Financial Regulation.

IDAHO RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE IDAHO SECURITIES ACT.

KENTUCKY RESIDENTS: The debt securities of the Foundation are issued pursuant to a claim of exemption from registration under Section KRS 292.400(9) of the Kentucky Revised Securities Act.

MARYLAND RESIDENTS: During the year ending December 31, 2021, \$18,964 worth of Certificates, \$88,072 of Agreements and \$0 of Notes were sold in Maryland. These securities were sold pursuant to a claim of exemption from registration under the Maryland Securities Act. The Division of Securities of the Office of the Attorney General of Maryland has not reviewed the information in this document nor passed in any way upon the merits of, recommended, or given approval to these securities. Any representation to the contrary is a criminal offense.

NEW YORK RESIDENTS: THE ATTORNEY GENERAL OF THE STATE OF NEW YORK HAS NOT PASSED ON OR ENDORSED THE MERITS OF THIS OFFERING. ANY REPRESENTATION TO THE CONTRARY IS UNLAWFUL.

The Foundation's management has examined this Prospectus and believes that it contains a fair summary of the documents referred to herein, and that this Prospectus does not omit any material fact and does not contain any misstatement of a material fact.

OHIO RESIDENTS: The Commissioner of Securities of the State of Ohio does not recommend or endorse the purchase of these securities. In addition, if the Foundation receives as undeliverable two (2) returned statements or other notifications or communications pertaining to a security of the Foundation held by an Ohio resident, then the Foundation will declare the security inactive, monitor it as such and, if not already elected by the holder, accumulate, rather than pay, interest on the security. The security will continue to accrue interest until it is redeemed or until it is disposed of by the Foundation pursuant to applicable Ohio unclaimed property laws

OREGON RESIDENTS: The Foundation has registered an aggregate amount of \$300,000 in Certificates, Agreements and Notes to be offered in Oregon. Automatic Certificate or Note renewal at maturity as described in this Prospectus is not available in Oregon. The Foundation will notify each registered owner in Oregon approximately forty (40) days before his or her Certificate or Note matures, at which time the holder will have the opportunity to notify the Foundation of his or her intention to renew the investment. The Foundation does not renew Certificates or Notes owned by Oregon residents until receiving a positive word from the holder of the Certificate or Note. Upon maturity, the money will be held as a cash balance and will not earn interest until the Foundation receives a request for reinvestment or withdrawal from the depositor.

PENNSYLVANIA RESIDENTS: A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS BEEN FILED WITH THE PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES. THE PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES HAS NOT PASSED UPON THE VALUE OF THESE SECURITIES, MADE ANY RECOMMENDATIONS AS TO THEIR PURCHASE, NOR APPROVED OR DISAPPROVED THE OFFERING, NOR PASSED UPON THE ADEQUACY OR ACCURACY OF THE OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THE REGISTRATION STATEMENT AND THE EXHIBITS FILED THERE WITH ARE AVAILABLE FOR INSPECTION AT THE OFFICES OF THE PENNSYLVANIA DEPARTMENT OF BANKING AND SECURITIES, 17 NORTH SECOND STREET, SUITE 1300, HARRISBURG, PENNSYLVANIA 17102-2290, (717) 787-1854 OR 1-800-722-2657 (TOLL FREE IN PENNSYLVANIA), DURING REGULAR BUSINESS HOURS (MONDAY-FRIDAY, 8:30 A.M. TO 5 P.M.) OR FROM THE FOUNDATION.

Of the \$40,000,000 in debt securities being offered hereby, \$20,000,000 of Certificates, \$15,000,000 of Agreements and \$5,000,000 of Notes will be offered to Pennsylvania residents.

It is the position of the Pennsylvania Department of Banking and Securities that indemnification in connection with violations of the securities laws is against public policy and void.

EVERY PURCHASER OF THE SECURITIES DESCRIBED IN THIS PROSPECTUS HAS THE RIGHT TO WITHDRAW FROM THE PURCHASE AS PROVIDED BY SECTION 207(m) OF THE PENNSYLVANIA SECURITIES ACT OF 1972.

IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES PURSUANT TO A PROSPECTUS WHICH CONTAINS A WRITTEN NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m)(1) OF THE PENNSYLVANIA SECURITIES ACT OF 1972, YOU MAY ELECT, WITHIN TWO BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS (WHICH IS NOT MATERIALLY DIFFERENT FROM THE FINAL PROSPECTUS) TO WITHDRAW FROM YOUR PURCHASE AGREEMENT AND RECEIVE A FULL REFUND OF ALL MONIES PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW.

TEXAS RESIDENTS: THESE SECURITIES HAVE NOT BEEN REGISTERED IN THE STATE OF TEXAS.

WISCONSIN RESIDENTS: NEITHER THRIFT ACCUMULATION PLAN AGREEMENTS NOR INDIVIDUAL RETIREMENT ACCOUNT NOTES ARE AUTHORIZED FOR SALE IN WISCONSIN.

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SUMMARY INFORMATION

The following is a brief summary of certain information contained elsewhere in this Prospectus. This summary is not intended to be complete and is qualified in its entirety by reference to more detailed information contained elsewhere in this Prospectus, including the Appendix hereto. ALL PROSPECTIVE INVESTORS ARE URGED TO REVIEW THIS PROSPECTUS CAREFULLY.

The Foundation

Brethren in Christ Foundation, Inc. (the “Foundation”) was incorporated in Indiana on September 29, 1972, as a corporation not-for-profit under the name “The Jacob Engle Foundation, Inc.” The Foundation provides financial services to various Brethren in Christ denominational entities, including the maintenance of a fund (the “Brotherhood Loan Fund”) to provide financing for the acquisition, construction and remodeling of Brethren in Christ churches, parsonages and other church-related projects, as well as to provide a source of funds for ministers and missionaries for residential loans. The Foundation also provides certain financial services to support the work of the Brethren in Christ Church including administration of certain deferred giving programs and consultation thereon for the Brethren in Christ denomination and related church entities. The Foundation’s affairs consist of two funds, the Brotherhood Loan Fund and the Trust Fund. Most of the financial activities and positions described in this Prospectus relate to the Brotherhood Loan Fund. The Financial Statements included as Appendix A to the Prospectus include the financial activities and positions of both the Brotherhood Loan Fund and the Trust Fund, and clearly separate the financial reporting of each fund. The principal office of the Foundation is located at 431 Grantham Road, Mechanicsburg, Pennsylvania, 17055. The mailing address is 431 Grantham Road, Mechanicsburg, Pennsylvania 17055. The telephone number is (717) 796-4788. The web address is www.bicfoundation.org. See “BRETHREN IN CHRIST FOUNDATION, INC.”

Description of Securities

The securities offered hereby are in the aggregate principal amount of \$40,000,000, and the purchase price of these securities is 100% of the face value. The securities are unsecured obligations of the Foundation and will mature as follows:

Description	Aggregate Principal Amount	Current Variable Interest Rates	Maturity
Stewardship Investment Certificates	\$20,000,000	0.00% to 2.47%	Six months to 5 years
Thrift Accumulation Plan Agreements	\$15,000,000	0.00% to 0.75%	Demand plus 30 days
Individual Retirement Account Notes	\$5,000,000	2.47% to 2.72%	Minimum: the lesser of 5 years or holder’s 59-1/2 birthday

The Foundation reserves the right to terminate any or all Certificate, Agreement or Note obligations by refunding the principal sum at any time plus unpaid interest to the date of termination. See “RISK FACTORS” and “DESCRIPTION OF SECURITIES.” In the discretion of the Foundation, any of the securities may be issued in book entry form. See “DESCRIPTION OF SECURITIES.”

Use of Proceeds

Certificates	\$ 20,000,000
Agreements	15,000,000
Notes	<u>5,000,000</u>
	\$ 40,000,000
Estimated Expenses	<u>67,200</u>
Net Proceeds	\$ 39,932,800

The expenses of this offering, including printing, mailing, attorney's fees, auditor's fees and securities registration fees are estimated to be approximately \$67,200 aggregate. The Foundation will use the proceeds from the sale of the Certificates, Agreements and Notes to carry on the activities of the Brotherhood Loan Fund. The Foundation may also use additional funds to make discretionary contributions to the General Conference of the Brethren in Christ Church in accordance with policies adopted by the Board of Directors. No underwriting discounts or commissions will be paid in connection with this offering. See "USE OF PROCEEDS," "BROTHERHOOD LOAN FUND LENDING ACTIVITIES" and "DESCRIPTION OF SECURITIES – Method of Sale."

Management

The principal non-employee executive officers of the Foundation appointed from the Board of Directors are as follows: William G. Strausbaugh, President (Chair); Ronald D. Niesley, Vice President (Vice Chair); and Karl Brummer, Secretary/Treasurer. In addition, the following officers are non-director employees appointed by the Board of Directors with primary responsibility for the Brotherhood Loan Fund debt securities: James R. Reynolds, Executive Director and David Fish, Controller. For additional information on the experience of management, see "MANAGEMENT – Board of Directors" and "– Officers."

Financial Information

For selected financial information of the Brotherhood Loan Fund and a five-year summary of financial statements of the Foundation, please see pages 11 and 12, respectively, of this Prospectus. Audited financial statements of the Foundation, including the notes thereto, are included as Appendix A to this Prospectus.

RISK FACTORS

The securities offered hereby involve risks to investors. The following factors should be considered by prospective investors before making a commitment to purchase any of these securities:

1. **The securities are unsecured obligations of the Foundation.** Principal and interest repayment on these securities is dependent upon the financial condition of the Foundation. No Foundation assets have been or will be pledged as security for repayment of principal. Although the Foundation does not expect to do so, it could issue secured obligations, which would be senior in right of payment to the securities offered by this Prospectus. The amount of any senior secured obligations will in no case exceed 10% of the tangible assets of the Brotherhood Loan Fund. See “DESCRIPTION OF SECURITIES.”
2. **There is no sinking fund to protect investors.** No sinking fund or insurance or trust indenture will be established by the Foundation to provide for repayment of the principal amount of these securities. The absence of a sinking fund and trust indenture may adversely affect the Foundation’s ability to repay these securities.
3. **The securities are not insured.** The Certificates, Agreements and Notes are the unsecured obligations of the Foundation and are not savings or deposit obligations of a bank. The securities are not savings or deposit or other obligations of a bank and are not insured by the Federal Deposit Insurance Corporation (FDIC), Securities Investor Protection Corporation (SIPC), any state insurance fund or any other governmental agency.
4. **Variable interest rates on securities are subject to change.** The Certificates, Agreements and Notes are variable interest rate obligations and subject to change at the beginning of a calendar month at the discretion of the Board of Directors. A 30-day notice to all investors is required before the rates can be decreased. See “DESCRIPTION OF SECURITIES.”
5. **The financial condition of the Foundation is the only protection for investors.** There is no guarantee that the Foundation will not experience declines in net assets. Both the Loan Fund and the Trust Fund have experienced decreases in net assets in some prior years due to declines in market value of investments. Further, charitable activities of the Trust Fund subject it to increased volatility in changes in net assets over annual periods. See “FIVE-YEAR SUMMARY OF FINANCIAL STATEMENTS” and “USE OF PROCEEDS.”
6. **The value of the Foundation’s investments can decrease.** The Foundation may invest certain of its available funds that are not used for loans in investments that are subject to fluctuation in market values. See the immediately preceding Risk Factor #5. There is no guarantee that the Foundation will not experience declines in net assets. See “FIVE-YEAR SUMMARY OF FINANCIAL STATEMENTS” and “USE OF PROCEEDS.”
7. **A high percentage of the outstanding debt securities either are demand obligations or mature in 2022.** As of December 31, 2021, \$24,628,657 of the \$49,208,325 outstanding debt obligations were either payable on demand (\$13,200,587) or scheduled to mature in 2022 (\$11,428,070). See “DESCRIPTION OF SECURITIES – Outstanding Debt Obligations.” The financial position of the Foundation could be impaired if a high percentage of these securities were redeemed.
8. **Reserves (liquid assets) maintained by the Foundation may not be adequate to fund withdrawals.** The Foundation is dependent upon principal and interest payments on its outstanding loans, cash receipts from the sale of securities and income on cash deposits and investments to maintain reserves and liquidity. No assurance can be given that future withdrawals will not exceed reserves. Moreover, the actual amount of reserves may vary based on loan activity. See “USE OF PROCEEDS” and “BROTHERHOOD LOAN FUND LENDING ACTIVITIES.”

9. **There are limitations on withdrawals and penalties for early withdrawal.** Investors have no right to withdraw invested funds prior to maturity of the Certificates or Notes purchased, except that, in the case of Certificates and Notes, after a holder reaches the age of 59-1/2, withdrawals are permitted for income purposes without penalty in accordance with the terms of the Individual Retirement Program. Interest penalties and other restrictions may apply to early withdrawals of Certificates and Notes. Subject to any applicable restrictions in the state where sold, Certificates and Notes will automatically renew for a like term on the maturity date if a request for withdrawal is not received from the investor prior to the maturity date. The Foundation will send a notice of maturity and a copy of the current Prospectus at least forty (40) days prior to maturity. Withdrawals from Thrift Accumulation Plan Agreements require a 30-day advance written notice and are limited to \$5,000 in a calendar month or \$15,000 in a calendar quarter (although these restrictions may be waived by the Foundation in its discretion.) See “DESCRIPTION OF SECURITIES.”
10. **These securities are subject to redemption.** The Foundation reserves the absolute right to terminate any or all Certificates, Agreements or Notes at any time without prior notice by refunding the principal sum at any time plus unpaid interest to the date of termination. See “DESCRIPTION OF SECURITIES – General.”
11. **There is no market for these securities and transfers are restricted.** The Certificates, Agreements and Notes offered hereby are not negotiable, and are transferable only to certain eligible persons upon notice to the Foundation. There is no market for the Certificates, Agreements or Notes and it is not anticipated that a market will develop. Investors should, therefore, view the purchase of a Certificate, Agreement or Note as an investment for the full term thereof. See “DESCRIPTION OF SECURITIES.”
12. **A default on loans made by the Brotherhood Loan Fund could impair the Foundation’s ability to meet its obligations.** Although loans will generally be secured by a mortgage or deed of trust in favor of the Foundation, there is no assurance that in the event of default the foreclosure sale value, after expenses, will be adequate to fully repay any defaulted loan. If a default and foreclosure occur, there may be substantial periods of time during which the Foundation will receive no payments on the mortgaged property. Moreover, the market for re-sale of church properties may be limited depending on location and the specifics of the property.
13. **Organizations that borrow from the Foundation are dependent on contributions.** The Foundation makes loans to religious institutions of the Brethren in Christ Church and its affiliated organizations, as well as to ministers. In general, the ability of the institutions to repay principal and interest on such loans when due will depend upon contributions they receive from their members. Both the number of members of the Church and the amount of contributions may fluctuate. Contributions may fluctuate for any number of reasons, including, without limitation, the health of the economy, the employment circumstances affecting contributors, and developments internal to the church organization borrowing from the Foundation. Further, in view of the relationship of the Foundation with its borrowers, the Foundation may be willing in certain circumstances to accommodate late payments. A decline in contributions to any of these religious institutions or their affiliated organizations may adversely affect the ability of the Foundation to repay the securities. See “BRETHREN IN CHRIST FOUNDATION, INC.”
14. **The loan policies of the Foundation are less stringent than commercial lenders.** Because of the relationship between the Foundation and its borrowers (affiliated churches and its related religious organizations), loan policies, including loan underwriting and enforcement of loan terms in the event of delinquency, are less stringent than loan policies of commercial lenders.
15. **There is potential environmental liability associated with the loans the Foundation makes.** The Foundation does not typically conduct an environmental audit before approving a loan. If environmental pollution or other contamination is found on or near property securing a loan, the Foundation’s security for the loan could be impaired. In addition, changes in environmental regulations

could require the borrower to incur substantial unexpected expenses to comply with such regulations and this could impair both the value of the collateral and the borrower's ability to repay the Foundation.

16. **State regulations of sales of securities are subject to change.** Changes in state laws, rules or regulations, or the applications thereof, regarding the sale of debt obligations of religious, charitable or other nonprofit organizations may make it more costly and difficult or impossible for the Foundation to offer and sell its debt obligations in some states in the future. Such changes could affect the financial stability of the Brotherhood Loan Fund and the Foundation.
17. **Interest on certain securities is taxable income.** Interest paid or payable on the Certificates and Agreements will normally be taxable as ordinary income to the holder regardless of whether interest is paid or retained and compounded. Interest paid or payable on the Agreements, Certificates and Notes purchased by Individual Retirement Plans or the Agreements and Certificates purchased by Health Savings Accounts will be excluded from income until withdrawn, to the extent the Individual Retirement Plans and Health Savings Accounts qualify for such treatment under the Internal Revenue Code and Regulations. If interest paid is at a "below-market" rate, under certain circumstances the Internal Revenue Service may impute income up to the market interest rate level. See "DESCRIPTION OF SECURITIES – Tax Considerations."
18. **Net assets without donor restrictions of the Foundation are available to satisfy other obligations of the Foundation.** Although proceeds from the sale of Certificates, Agreements and Notes will be allocated to the Brotherhood Loan Fund, these funds would also be available to meet any other obligations of the Foundation including as a result of successful claims by trust fund beneficiaries or others as a result of the Foundation's Trust Fund activities.
19. **Funds held in trust are not available to satisfy Brotherhood Loan Fund obligations.** Funds held by the Foundation as trustee or in another fiduciary capacity would not be available to satisfy general obligations of the Foundation, including Certificates, Agreements and Notes. However, the net assets without donor restrictions held in the Foundation's Trust Fund would be available to satisfy Brotherhood Loan Fund obligations. See the Financial Statements included as Appendix A.
20. **The assets of the Foundation could be used to satisfy potential claims made against the denomination.** The Foundation is a separate legal entity, distinct from the other units of the denomination and is, therefore, not generally liable for claims against the denomination or its member churches. Nevertheless, it is always possible that claims may be made against the Foundation in relation to matters associated with the denomination or other churches or related units or entities.
21. **Purchase of securities does not entitle an investor to claim a charitable deduction.** A purchase of a Certificate, Agreement or Note is not a charitable contribution to the Foundation and investors may not claim a charitable deduction for federal income tax purposes as a result of purchasing the securities. See "DESCRIPTION OF SECURITIES – Tax Considerations."
22. **The Brethren in Christ Church is not responsible for the obligations of the Foundation.** Neither the General Conference of the Brethren in Christ Church nor any church or other unit of the denomination is responsible for or guarantees the debts and liabilities of the Foundation, including the debt securities offered by this Prospectus.
23. **Officers and directors of the Foundation are not professionally trained investment managers.** The Foundation is managed by officers and directors who are not trained professionally in financial management. See "MANAGEMENT."
24. **There are risks related to competition from other potential lenders to the churches and church-related entities the Foundation serves.** Competitors include banks, church extension funds and other lenders which from time to time may be active in the specific loan market where a borrower or potential borrower is located. The Foundation uses revenues from loans to make payments to investors in its

debt securities. Competition could have the adverse effect of reducing the Foundation’s revenue by reducing loans outstanding or putting pressure on the Foundation to lower rates on loans in order to make its loans more attractive to borrowers.

25. **Decrease in Certificate, Agreement and Note Renewals.** The Foundation’s business plan anticipates a significant number of its securities will be renewed at maturity. If there is a significant decrease in renewal rate of maturing securities, resulting in a significant increase in redemptions, the Foundation’s resulting financial condition could adversely affect its ability to repay its securities.
26. **Coronavirus (COVID-19).** The novel coronavirus (COVID-19) pandemic, which began in March 2020 and continues into 2022, has resulted in, among other things, limiting of in-person gatherings of individuals, significant financial market volatility, increased unemployment, and disruption of supply chains, production and sales across a range of industries. While the scope, duration and full effects of the pandemic are rapidly evolving and not fully known, if its effects continue for a prolonged period, the Foundation’s borrowers could experience a decline in charitable contributions thereby impairing their ability to repay their loans, demand for our loans could be negatively affected, demand for our securities could be negatively affected, or holders of our securities could request early redemption or decline to renew their securities at maturity. The occurrence of any of the foregoing could have a material adverse impact on the Foundation’s business activities, financial condition and/or operations, which could negatively affect our ability to repay the securities. We cannot reasonably estimate the length or severity of the pandemic and cannot estimate with any certainty the effect the pandemic will have on our business activities, financial condition or operations.

FORWARD-LOOKING STATEMENTS

Throughout this Prospectus, we may make statements about possible future events or occurrences. The forward-looking statements are identifiable by words or phrases indicating that particular events “may” or “will” occur or that we “expect,” “anticipate,” “project,” “plan,” “believe” or “intend” that a particular event may or will occur in the future or similarly stated expectations. These forward-looking statements are subject to many factors, including the above Risk Factors and the other information contained in this Prospectus that could cause actual results to differ materially from the stated expectations. We undertake no obligation to update or revise any forward-looking statements to reflect developments or information obtained after the date of this Prospectus.

USE OF PROCEEDS

Certificates	\$20,000,000
Agreements	15,000,000
Notes	<u>5,000,000</u>
	\$40,000,000
Estimated Expenses	<u>-67,200</u>
Net Proceeds	\$39,932,800

The expenses of this offering, including printing, mailing, legal fees, audit fees, filing fees and other related expenses, are estimated to be approximately \$67,200 in the aggregate. No underwriters are participating in the distribution of the debt securities offered hereby and no underwriting discounts or commissions will be paid in connection with this offering. Sales of the debt securities will be effected solely by the Foundation’s Executive Director, Account Officer, Controller and Director of Operations. See “DESCRIPTION OF SECURITIES – Method of Sale”.

The Foundation will use the proceeds from the sale of Certificates, Agreements and Notes to carry on the activities of the Brotherhood Loan Fund. The Brotherhood Loan Fund primarily serves as a source of funds from which loans may be made to Brethren in Christ Church organizations or affiliated

organizations for the purpose of acquiring, constructing or remodeling denominational churches, parsonages or other church-related projects, as well as providing a source of loan funds for ministers for the purchase of residences. The Foundation's sale of its debt securities is primarily related to the need for loan funds and funds to maintain liquidity. See "BROTHERHOOD LOAN FUND LENDING ACTIVITIES" and "DESCRIPTION OF SECURITIES – Liquidity Reserves."

The Foundation may also use additional funds to make discretionary contributions to the General Conference of the Brethren in Christ Church. Unless designated otherwise by the Foundation, discretionary contributions may be used by the General Conference for any purpose, including operating expenses. As of December 31, 2019, the Board of Directors of the Foundation adopted policies to (a) designate, on an annual basis, the Trust Fund's net operating excess, if any, for the benefit of the General Conference; provided that, as of the time of such designation, net assets without donor restriction of the Trust Fund are no less than an amount equal to the five (5) years historical average of the Trust Fund's annual operating expenses, and (b) continue its policy not to make discretionary contributions from the Brotherhood Loan Fund if the ratio of outstanding obligations with respect to debt securities offered by this Prospectus to net assets of the Brotherhood Loan Fund is greater than 8 to 1. The Board of Directors further clarified that all contributions from the Foundation are purely discretionary and are subject to annual review. As of December 31, 2021, the ratio of Brotherhood Loan Fund debt securities to net assets was 5.2 to 1. Pursuant to the policies adopted in 2019, the Foundation will not make a discretionary contribution from the Brotherhood Loan Fund in any year that the Foundation anticipates that such a contribution will cause the Brotherhood Loan Fund to experience a decrease in net assets for the year. The Board of Directors of the Foundation did not make any discretionary contributions from the Brotherhood Loan Fund to the General Conference during the calendar year ending December 31, 2021.

Proceeds from the sale of the debt securities and other income of the Brotherhood Loan Fund are accumulated in bank accounts and other investments until needed for loans, payments with respect to the debt securities, including potential withdrawals or other expenses of the Brotherhood Loan Fund.

It is the current policy of the Foundation that the Brotherhood Loan Fund maintain reserves in the form of cash, certificates of deposit, money market funds, and/or marketable securities or mutual funds at least equal to the sum of the following: Certificates – 10% of the outstanding principal balance, Agreements – 25% of the outstanding principal balance and Notes – 5% of the outstanding principal balance. As of December 31, 2021, the Brotherhood Loan Fund had approximately \$19.3 million in cash and cash equivalents and approximately \$38.7 million in loans outstanding. Reserves enjoy no special protection from the claims of the Foundation's general creditors, however, and are established principally for the purpose of providing liquidity. As of December 31, 2021, the Foundation had a \$3.0 million unsecured line of credit with Centric Bank, Harrisburg, PA to provide additional liquidity if needed. As of December 31, 2021, the line of credit had no amount outstanding. During 2021, the Foundation did not make any draws on the line of credit.

The Foundation does not presently require, nor does it anticipate that it will require, any proceeds of this offering to meet interest payments on its outstanding debt obligations as of December 31, 2021; however, no assurance can be given that some portion of the proceeds from future sales will not at some time in the future be required to meet such interest payments. Reserves established with a portion of the proceeds from this offering will be utilized to meet principal payments on maturing debt obligations.

INVESTMENT ACTIVITIES

The Foundation may invest its assets without donor restrictions in certificates of deposits, corporate bonds, U.S. government and federal agency securities, mutual funds (both stock and fixed income), common stocks and other investments that are deemed suitable. The Board of Directors of the Foundation has ultimate responsibility for investment policy. For information on the background of the Board of Directors, see "MANAGEMENT."

Additionally, the Board of Directors of the Foundation may establish an investment advisory committee to provide investment input and guidance to the Board of Directors and the Executive Director, all in accordance with the Foundation’s Bylaws. Financial experience (e.g., experience in accounting, insurance, financial planning, investment or similar areas) may not be mandatory for service on the investment advisory committee. The Board of Directors has not established an investment advisory committee at this time. Currently, principal persons responsible for investment decisions of the Foundation are its Executive Director and Trust Officer. Neither of these individuals has any professional experience managing investments other than through their work for the Foundation. For additional information on these individuals and the other officers of the Foundation, see “MANAGEMENT.”

Separate investment policies are established by the Foundation for funds held in trust in the Trust Fund and Brotherhood Loan Fund assets available for investment. The Foundation seeks to avoid investments in industries and entities whose core objectives, products, services or business practices are inconsistent with the mission of the Foundation and its heritage as a ministry of the Brethren in Christ Church. When it is possible to reasonably screen such industries and entities from inclusion in the Foundation’s investment portfolios, the Foundation excludes such investments.

Trust funds are invested in accordance with the terms of the applicable trust instruments and investment policies established by the Foundation for different types of trust funds (e.g., charitable life income funds, charitable donor-advised funds and common trust fund investment accounts for affiliated churches and church organizations).

At January 1, 2021 and at January 1, 2022, the investment policy for Brotherhood Loan Fund assets available for investment specified targets of 0% equities and 100% fixed income investments, with acceptable ranges between 0% and 20% for equities and 80% and 100% for fixed income investments. Management of the Foundation has discretion based on its judgment of current financial conditions to vary asset allocation within the acceptable ranges specified by the Brotherhood Loan Fund investment policy in effect at any time. **Subject to approval by the Foundation’s Board of Directors, the Foundation’s investment policies, including types of investments, targets and acceptable ranges, are subject to change at any time without notice.**

Investment composition consisted of the following as of December 31, 2021, 2020 and 2019:

	2021	2020	2019
Interest Bearing			
Checking	\$19,343,967 100.0%	\$16,689,949 100.0%	\$9,281,097 63.0%
Certificates of Deposit	0 0.0%	0 0.0%	5,450,000 37.0%
	<u>\$19,343,967 100.0%</u>	<u>\$16,689,949 100.0%</u>	<u>\$14,731,097 100.0%</u>

For the Brotherhood Loan Fund, the aggregate realized and unrealized gains and losses for the years ended December 31, 2021, 2020 and 2019 were \$0.

CAPITALIZATION OF THE BROTHERHOOD LOAN FUND

	December 31, 2021 Actual	December 31, 2021 Pro Forma
Short and long term debt securities:		
Debt securities	\$49,208,325	\$49,208,325
Anticipated sales of new debt securities	0	6,750,000*
Net short and long term debt securities	49,208,325	55,958,325
Net Assets:		
Net assets without donor restriction	9,055,740	9,055,740
Net assets with donor restriction	440,128	440,128
Total net assets	9,495,868	9,495,868
Total capitalization	\$58,704,193	\$65,454,193**

*Based on an average of the last 5 years of historical experience, of the total \$40,000,000 of debt securities offered nationwide, approximately \$33,250,000 will be deemed sold by virtue of renewals including both renewals of matured securities and transfers from one type of security to another or will remain unsold. Based on this historical average, approximately \$6,750,000 of the total offered will be sold as new sales of debt securities providing new cash. See “DESCRIPTION OF SECURITIES – Sales in 2021 and 2020” for information on actual new sales.

**Represents the sum of net short- and long-term debt securities (including anticipated sales of new debt securities) and total net assets.

The above table assumes the anticipated new sales from the offering occurred at one time as of December 31, 2021 and does not take into account the anticipated redemption of maturing obligations (Notes and Certificates) during the 12 month period, which are anticipated to be approximately \$11,428,070. In addition to Notes and Certificates, the Brotherhood Loan Fund had outstanding demand obligations (Agreements) totaling \$13,200,587 at December 31, 2021.

**SELECTED FINANCIAL INFORMATION
OF THE BROTHERHOOD LOAN FUND**

The following historical information with respect to the Brotherhood Loan Fund is reported in or derived from the Foundation's audited financial statements for the years indicated and should be read in conjunction with information set forth elsewhere in this Prospectus, including the financial statements included as Appendix A to this Prospectus.

Year Ended December 31,

Brotherhood Loan Fund	2021	2020	2019	2018	2017
Cash, Cash Equivalents and Readily Marketable Securities (combined)	\$19,343,967	\$16,689,949	\$14,731,097	\$12,636,620	\$14,461,047
Total Loans Receivable, net	\$38,440,653	\$39,337,403	\$39,608,634	\$41,160,885	\$37,830,235
Loan Delinquencies (delinquent 90 days or more) as Percentage of Loans Receivable	0.0%	0.0%	0.0%	0.0%	4.5%
Amount and Percent of Unsecured Loans Receivable	\$0 0%	\$0 0%	\$0 0%	\$0 0%	\$0 0%
Total Assets	\$58,775,170	\$57,042,950	\$55,256,899	\$54,809,988	\$53,455,790
Total Securities Payable	\$49,208,325	\$47,700,796	\$46,188,532	\$46,013,187	\$44,953,389
Amount of Securities Redeemed During the Fiscal Year	\$5,975,636	\$5,439,752	\$4,961,725	\$4,904,295	\$6,619,618
Other Long-Term Debt	\$0	\$0	\$0	\$0	\$0
Net Assets	\$9,495,868	\$9,281,663	\$9,017,499	\$8,731,150	\$8,411,565
Change in Net Assets	\$214,205	\$264,164	\$286,349	\$319,585	\$63,148

FIVE-YEAR SUMMARY OF FINANCIAL STATEMENTS OF THE FOUNDATION

A summary of the financial statements concerning the revenues and gains, expenses and losses, and other net increase (decrease) in net assets of the Foundation, including both the Brotherhood Loan Fund and the Trust Fund, for the years 2017 through 2021 is set forth below:

	Total Revenues and Gains	Total Expenses and Losses	Other Changes in Net Assets	Total Change in Net Assets	Total Net Assets at Year End	Net Assets Less Designated, Donor Advised Assets
Brotherhood Loan Fund:						
2021	\$1,786,393	\$1,606,274	\$34,086	\$214,205	\$9,495,868	\$9,495,868
2020	\$2,099,760	\$1,870,081	\$34,485	\$264,164	\$9,281,663	\$9,281,663
2019	\$2,097,064	\$1,845,780	\$35,065	\$286,349	\$9,017,499	\$9,017,499
2018	\$1,778,865	\$1,494,729	\$35,449	\$319,585	\$8,731,150	\$8,731,150
2017	\$1,583,529	\$1,560,960	\$40,579	\$63,148	\$8,411,565	\$8,411,565
Trust Fund:						
2021	\$413,940	\$367,902	(\$225,365)	(\$179,327)	\$3,888,300	\$2,023,822
2020	\$404,724	\$346,664	\$352,958	\$411,018	\$4,067,627	\$1,977,784
2019	\$380,525	\$528,366	(\$82,901)	(\$230,742)	\$3,656,609	\$1,919,724
2018	\$315,933	\$287,059	(\$64,646)	(\$35,772)	\$3,887,351	\$2,067,566
2017	\$466,908	\$441,499	\$1,003,182	\$1,028,591	\$3,923,123	\$2,038,692
Combined:						
2021	\$2,200,333	\$1,974,176	(\$191,279)	\$34,878	\$13,384,168	\$11,519,690
2020	\$2,504,484	\$2,216,745	\$387,443	\$675,182	\$13,349,290	\$11,259,447
2019	\$2,477,589	\$2,374,146	(\$47,836)	\$55,607	\$12,674,108	\$10,937,223
2018	\$2,094,798	\$1,781,788	(\$29,197)	\$283,813	\$12,618,501	\$10,798,716
2017	\$2,050,437	\$2,002,459	\$1,043,761	\$1,091,739	\$12,334,688	\$10,450,257

Part of the mission of the Foundation is to facilitate charitable giving to the Brethren in Christ Church and other approved charities by operating a planned giving program. One component of this program is a donor-advised charitable giving option whereby a donor makes a charitable contribution to the Foundation with the understanding that the Foundation will over time distribute the funds to charities (which may include the Foundation), taking into consideration the donor's preferences. Charitable contributions to the Foundation and related charitable contributions to other charities in connection with the Trust Fund's donor-advised charitable giving program (classified as other changes in net assets) vary widely from year to year. As a result, the Foundation believes that changes in the net assets of the Brotherhood Loan Fund, rather than changes in the net assets of the Trust Fund or the two funds combined, is the more significant financial measure upon which investors should focus. The far right column in the table above sets forth the amount of net assets less those assets designated for the donor advised charitable giving program at the end of the indicated years. See "Net Asset Classifications" in Note 1 to the Financial Statements included as Appendix A.

BRETHREN IN CHRIST FOUNDATION, INC.
\$40,000,000 UNSECURED DEBT INSTRUMENTS

BROTHERHOOD LOAN FUND

\$20,000,000
STEWARDSHIP INVESTMENT CERTIFICATES

\$15,000,000
THRIFT ACCUMULATION PLAN AGREEMENTS

\$5,000,000
INDIVIDUAL RETIREMENT ACCOUNT NOTES

BRETHREN IN CHRIST FOUNDATION, INC.

The Foundation

The Brethren in Christ Foundation, Inc. (“Foundation”) was incorporated September 29, 1972, under the name “The Jacob Engle Foundation, Inc.,” as a corporation not for profit under the laws of the State of Indiana, sponsored by the Brethren in Christ Church. The Foundation’s name was changed to “Brethren in Christ Foundation, Inc.” on January 18, 2000. One of its principal functions is to generate funds to be made available to finance the acquisition, construction and remodeling of Brethren in Christ churches, parsonages and other church-related projects, as well as funds for ministers to purchase residences. The Foundation administers the Brotherhood Loan Fund for this purpose. The Foundation also provides certain financial services, including administration of certain deferred giving programs and consultation thereon, for the Brethren in Christ denomination and related church entities. For this purpose, the Trust Fund was established.

The Foundation is not a successor to any other entity but it is affiliated with the General Conference of the Brethren in Christ. Membership in the Foundation consists of those individuals who are members of the General Conference Board of the Brethren in Christ, as well as those persons who are directors of the Foundation. The annual meeting of the Foundation membership is held within six months of the end of the fiscal year. Only the membership of the Foundation is entitled to attend the annual meeting. The General Conference of the Brethren in Christ is a Pennsylvania religious non-profit corporation and is the governing body for the Brethren in Christ religious denomination. The General Conference Board is the chief administrative board of the General Conference.

Management of the Foundation is handled by its Board of Directors, which is selected by the Foundation’s members. The General Treasurer and the National Director of the Brethren in Christ Church are included as ex officio members of the Board.

The Foundation’s affairs consist of two funds, the Brotherhood Loan Fund and the Trust Fund. Most of the financial activities and positions described in this Prospectus relate to the Brotherhood Loan Fund. The audited financial statements included as Appendix A to this Prospectus include the financial activities and positions of both the Brotherhood Loan Fund and the Trust Fund, and clearly separate the financial reporting of each fund.

The Stewardship Investment Certificates (“Certificates”), the Thrift Accumulation Plan Agreements (“Agreements”) and the Individual Retirement Account Notes (“Notes”) offered hereby are unsecured obligations of the Foundation. Proceeds from the sale of these debt securities will be placed into the Brotherhood Loan Fund. The Brotherhood Loan Fund intends to make loans to Brethren in Christ Church congregations or affiliated organizations desiring their use for the purpose of acquiring, constructing or remodeling denominational churches, parsonages, or other church-related projects, as well as providing a source of loan funds for ministers to purchase residences. The Certificates, Agreements and Notes offered and sold by the Foundation are unsecured general obligation financing and are not secured by any of the loans to any of the borrowers from the Foundation.

The Certificates, the Agreements and the Notes will be offered by the Foundation solely through its Executive Director, Controller, Account Officer and Director of Operations. No commission or other remuneration will be paid to any officer or salesman in connection with any sale.

The Foundation is presently exempt from federal income tax pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code, as amended (the “Code”), and has been determined not to be a “private foundation” under Section 509 of the Code. It is organized and operated exclusively for religious purposes, and no part of its net earnings may inure to the benefit of any private person. As a nonprofit corporation, the Foundation has no shareholders. Its membership consists of those individuals who are members of the Brethren in Christ General Conference Board and those persons elected as directors of the Foundation. As of December 31, 2021, the Foundation had seven full-time and one part-time employees.

The debts and liabilities incurred by the Foundation are independent of the financial structure of the General Conference of the Brethren in Christ or any other units of the denomination; thus, such entities will have no legal obligations with respect to these securities.

The purchase of the Foundation’s Certificates, Agreements or Notes does not entitle a purchaser to an equity interest in the Foundation or the right to vote on corporate matters brought before the members.

The principal office of the Foundation is located at 431 Grantham Road, Mechanicsburg, Pennsylvania 17055. The mailing address is 431 Grantham Road, Mechanicsburg, Pennsylvania 17055. The telephone number is (717) 796-4788. The web address is www.bicfoundation.org.

The Brethren in Christ Church

The Brethren in Christ had its beginnings as a religious denomination in the eighteenth century in Pennsylvania. It is believed to be the first indigenous American religious denomination. The movement which created the Church was founded between 1770 and 1780, largely a synthesis of elements from the Anabaptist and the Pietist movements. Its adherents were located primarily along the Susquehanna River in Pennsylvania, and until about the time of the Civil War were therefore called the “River Brethren.” The denomination was incorporated as the Brethren in Christ in the Commonwealth of Pennsylvania in 1904.

The Brethren in Christ Church is governed by the General Conference of the Brethren in Christ (the “General Conference”), a religious nonprofit corporation incorporated in the Commonwealth of Pennsylvania in 1941 and shortly thereafter merged with the Brethren in Christ.

Governance within the Church is accomplished at three distinct levels: general, at the General Assembly level; intermediate, at the Regional Conference level; and local, at the congregational level. The ultimate authority of the Church in policy and doctrine is vested in the General Assembly, which is comprised of representatives of all segments of the Church. The basic unit of local government is the congregation that has self-governing privileges in accordance with the General Conference’s authority. To facilitate and keep uniform church policy and doctrine, the Church is divided into seven regional conferences, each of which acts as an intermediary between the General Conference and local congregations. Each regional conference is a separate, distinct, autonomous, nonprofit corporation.

Generally, the purpose of each regional conference is to develop new congregations, help find suitable pastors, certify the standing of ministers, and aid pastors and congregations in achieving their own purposes in accordance with Church policy and doctrine.

The General Assembly of the Brethren in Christ Church meets once every two years and is a body representative of the church members, through which the denomination acts to carry out its objectives. Supervisory, legislative and policy-making powers are vested in the General Assembly. Opportunity for participation and discussion at meetings of the General Assembly is accorded delegates, ordained and licensed ministers, General Conference Board, commission and committee members, regional conference secretaries, deacons and other individuals named by congregations, regional conferences, their boards and committees, or General Conference boards and committees. However, only active ministers, members of general boards, General Conference Institutions and Agencies, elected delegates, General Conference clerical staff, a deacon or governing board member of each congregation, persons retired as active ministers with 20 years of service and regional conference secretaries may vote upon matters before the General Assembly. The General Assembly generally receives reports on work of the denomination, considers issues concerning the denomination, its religious purposes and objectives, and elects officers and personnel for the succeeding biennium.

The General Conference Board (“GCB”) is composed of no fewer than ten Board Members, all at least 18 years old and members of a BIC U.S. congregation. At least half of the Board Members shall not be employed by the BIC U.S or a BIC U.S congregation. The Bishop of each Regional Conference shall recommend to the GCB a person from that Regional Conference to serve on GCB who, when appointed, shall be identified as “the board member from the (named) Regional Conference.” Such person must also be confirmed by the Regional Conference.

The Nominating Committee shall present each Regional Conference member and at least three “at-large” members for approval to the General Assembly. Each approved Board Member shall serve a four year term. Such members may not serve more than three terms consecutively. The National Director shall serve as an ex-officio, non-voting member of the GCB.

The General Assembly elects the National Director of the General Conference. Prior to August, 2013, the responsibilities of the National Director were handled by the Moderator and General Secretary.

In addition to the General Conference Board, which is considered a division of the Church, the other major administrative units of the church include standing committees; denomination representatives; the Brethren in Christ Foundation, Inc. and the group of trustees and boards of affiliated institutions. Members of each of these boards are elected by the General Assembly after presentation by the Nominating Committee, which is one of the General Conference Standing Committees.

Each of the above-mentioned major administrative units of the Church may control one or more separate entities, which itself may or may not be in corporate form, and each of which may have its own executive and administrative staff and board of directors to conduct its functions. The sole exception to this is the Brethren in Christ Foundation, Inc., which is itself an autonomous, not-for-profit corporate entity, whose members consist of the members of the General Conference Board and the Foundation’s Board of Directors.

Primary coordination between these administrative units is provided by the General Conference Board, which serves as the operating arm of the General Board and generally supervises the programs and functions of the Church, coordinating the efforts of the various administrative units of the Church and acting in an advisory capacity to the General Conference National Director.

United States church congregation attendance figures for the Brethren in Christ for the years 2015 to 2019 are as follows:

Year	Attendance	% Change Over Prior Year
2016	28,244	(3.16)
2017	28,642	1.41
2018	27,330	(4.58)
2019	25,873	(5.33)
2020	22,500	(13.04)

Shared Services Agreement

In an effort to better utilize staff expertise, the General Conference Board and the Foundation entered into a Shared Services Agreement in February, 2017. This agreement formalizes the sharing of staff and other resources between the two organizations. Pursuant to the terms of the agreement, the Foundation and the General Conference will provide each other certain services, which may include, but are not limited to, personnel services, computer server access and technology management, and access to office space and related infrastructure. As consideration for services provided, each party will pay a fee based on the services actually provided to such party. The goal of the Shared Services Agreement is to standardize administrative processes for both parties.

BROTHERHOOD LOAN FUND LENDING ACTIVITIES

Loans

In addition to the sale of its debt securities, the Brotherhood Loan Fund generates funds for operations through interest received on outstanding loans and investments. For the years ending December 31, 2021 and December 31, 2020, the Foundation's income from interest on Brotherhood Loan Fund loans was \$1,626,218 and \$1,797,745, respectively, while its Brotherhood Loan Fund income from interest and dividends on cash and investments was \$157,009 and \$161,158 respectively.

During the years ending December 31, 2021 and December 31, 2020, the Foundation made cash disbursements for Brotherhood Loan Fund loans totaling \$4,226,392 and \$2,447,267, respectively. A description of each loan made by the Brotherhood Loan Fund with a principal balance in excess of \$500,000 including the required monthly payment of principal and interest, the maturity date and principal balance thereon at December 31, 2021 (the interest rate is variable unless otherwise noted) is as follows:

Loans with Balance in Excess of \$500,000 As of December 31, 2021

Loan Type	Monthly Payment	Maturity Date	Principal Balance
Church Mortgage	\$4,393	2035	\$528,771
Church Mortgage	5,681	2032	561,418
Church Mortgage	3,789	2042	627,945
Church Mortgage	3,502	2050	689,529
Church Mortgage	4,559	2047	690,733
Church Mortgage	5,547	2040	888,179
Church Mortgage	4,921	2046	895,149
Church Ministry	4,838	2047	901,443
Church Mortgage	4,807	2048	906,613
Affiliated Ministry	7,369	2036	960,623
Church Mortgage	5,100	2050	1,099,727

Church Mortgage	6,628	2046	1,193,977
Affiliated Ministry	6,944	2047	1,209,113
Church Ministry	7,925	2042	1,283,537
Church Mortgage	7,552	2042	1,292,501
Church Ministry	7,350	2049	1,382,758
Church Mortgage	7,426	2048	1,398,178
Church Ministry	8,096	2047	1,407,526
Church Mortgage	9,897	2051	1,986,241
Church Ministry	9,897	2051	1,994,525
Church Mortgage	11,722	2046	2,181,578
Church Mortgage	22,813	2042	<u>3,781,468</u>
Total			<u>\$27,861,532</u>

As of December 31, 2021, the remaining 60 loans, each under \$500,000, at variable interest rates, with principal amounts payable through 2051, totaled \$10,793,875. The total principal balance due to the Foundation on Brotherhood Loan Fund loans receivable as of December 31, 2021 equals \$38,655,407.

The following is a summary of the scheduled principal repayments of the Brotherhood Loan Fund's total loans receivable at December 31, 2021:

**Scheduled Principal Repayments
At December 31, 2021**

2022	\$1,049,629
2023	1,191,636
2024	1,246,331
2025	1,317,465
2026 and after	<u>33,850,346</u>
TOTAL	<u>\$38,655,407</u>

For the years ending December 31, 2021 and December 31, 2020, the Foundation received principal payments on its Brotherhood Loan Fund loans in the amounts of \$5,164,597 and \$2,701,324, respectively.

The repayment of principal and interest on the debt securities offered hereby is dependent upon the financial condition of the Foundation, which is partially dependent upon the financial conditions of the various churches and other units of the Church to which loans are extended. To the extent the Foundation is dependent upon funds other than operating income to repay principal and interest on outstanding debt obligations, and to the extent that existing investors do not extend their investments or renew their investments in amounts as substantial as has been the Foundation's prior experience, there may be an effect on the Foundation's financial condition and it may be necessary for the Foundation to redeem certain of its investments or obtain funds from other sources, including borrowings, to meet current cash needs.

It may be noted, however, that since its organization and the inception of the Brotherhood Loan Fund in 1976, the Foundation has never missed a payment of principal or interest on any of its obligations. Further, the policy of the Foundation is that the Brotherhood Loan Fund maintains reserves at least equal to the sum of the following: Certificates – 10% of the outstanding principal balance, Agreements – 25% of the outstanding principal balance and Notes – 5% of the outstanding principal balance. See "USE OF PROCEEDS."

Loan Policies

Loans from the Brotherhood Loan Fund shall be made only to Brethren in Christ congregations or other organizations affiliated with the Brethren in Christ Church, or to ministers and missionaries of the Brethren in Christ Church to finance the acquisition, construction and/or remodeling of Brethren in Christ churches, parsonages and other ministerial residences, and other church-related projects. Loans are to be

reviewed by the Regional or General Conference for comments and required approvals. All loans to churches must receive the approval of both the Bishop and the Conference Board of Directors of the conference within which the borrowing congregation is located, prior to submission of the loan request to the Foundation. Loans for national Brethren in Christ denomination projects (which may include in some cases loans to international churches) must receive prior approval of the General Conference Board. No loans may be made without approval of the Foundation's Board of Directors or board appointed Loan Committee, and such approval shall be given only in accordance with and after due consideration of general guidelines established by the Board of Directors from time to time and set forth in the Foundation's Brotherhood Loan Fund Policy.

Brotherhood Loan Fund loans will be made to a congregation with such funds only after investigation of an organization's giving pattern and resources has established the congregation's commitment to the program, its potential for future growth, and its overall ability to meet principal and interest payments when due. Loans generally do not exceed 80% of the appraised value of the completed project, although where a congregation has demonstrated exceptional commitment to its building program, as for example through written pledges from most of its members sufficient to cover the increased giving required, an exception may be made. Generally, loans will be secured by a mortgage or deed of trust on real property in favor of the Foundation and may require a guarantee from the Regional or General Conference. As of December 31, 2021, all of the outstanding Brotherhood Loan Fund loans were secured by real or personal property.

Mortgage loans made to ministers will generally not exceed 95% of the cost of the residence. The application from the Pastor is evaluated on its own merits. Regional Conferences will not be asked for guarantees on these mortgage loans.

At no time may loans to any single borrower exceed 20% of the total assets of the Brotherhood Loan Fund.

All of the Brotherhood Loan Fund loans are currently variable interest rate loans, with initial interest rates in the range of 3.30% to 5.00%, for terms of up to 30 years. Fixed interest rate loans are also made at the discretion of the Foundation. Repayment of the loans is based on an amortization schedule until the amount is repaid in full with interest.

The above Brotherhood Loan Fund loan policies are determined by the Foundation's Board of Directors and are subject to revision or waiver from time to time. Thus, no assurance may be given that the foregoing loan policies, amounts of loan funds available, interest rates offered or security required will not be changed (a) periodically or (b) with respect to a particular loan or project.

Loan Processing

The Foundation receives loan requests from local churches, units of the Church, related organizations and ministers at its principal office in Mechanicsburg, Pennsylvania. After consultation and review of the planned project, the Foundation's staff may deliver applications, where appropriate, to prospective borrowers. After loan applications are properly filed, the Foundation's staff will review applications and documentation, and issue staff commitments for loans, where appropriate, which are subject to ratification by the Foundation's Board of Directors. In addition, with respect to real property secured loans, the Foundation requires normal lender protections, such as title insurance or an opinion of counsel as to the validity of title, and an adequate property insurance policy. The Foundation may also require the borrower to obtain an independent appraisal as to the value of the real property securing the loan it makes. Generally, the Foundation does make personal contact through its staff with the leadership of the various church borrowers prior to issuing any commitment in order to discuss and accumulate pertinent information concerning the church and past and present membership contributions in an effort to determine the prudent amount of indebtedness for the borrower and realistically evaluate the church's ability to repay.

Loan Delinquencies

As of December 31, 2021 and December 31, 2020, there were no Brotherhood Loan Fund loans more than 90 days delinquent in principal or interest payments. Due to the nature of the relationship with its borrowers, the Foundation may be willing to consider accommodations with borrowers whose payments fall behind, or to consider refinancing their outstanding obligations. It is the purpose of the Brotherhood Loan Fund to aid its borrowers in every instance to meet their obligations without foreclosure. The Foundation may also work with other units of the Church, which, although not obligated to do so, may be willing to aid a financially disabled church to repay its indebtedness. No assurance can be given, however, that the Foundation will be able or willing to refinance or accommodate all borrowers who may in the future become delinquent.

Allowance for Loan Losses

The Foundation maintains an allowance for loan losses on outstanding loans. The amount is dependent on the portion guaranteed by a participating Regional or General Conference. At December 31, 2021, the guaranteed portion of Brotherhood Loan Fund loans partially or wholly guaranteed by the Conferences totaled \$6,895,160. Additionally, any portion of the principal balance of the nonaccrual loans deemed to be uncollectable is reserved. As of December 31, 2021, there were no nonaccrual loans outstanding within the Brotherhood Loan Fund.

Total Brotherhood Loan Fund loans receivable at December 31, 2021	\$38,655,407
Allowance for loan losses	<u>(214,754)</u>
Total Brotherhood Loan Fund loans receivable – net at December 31, 2021	<u>\$38,440,653</u>

See Note 5 to the Audited Financial Statements included as Appendix A to this Prospectus for additional information on allowance for loan losses.

DESCRIPTION OF SECURITIES

General

The securities offered hereby are in the aggregate principal amount of \$40,000,000, and the purchase price of these securities is 100% of the face value. The securities are offered for cash and the Foundation offers no financing terms. The securities are unsecured obligations of the Foundation and will mature as follows:

Description	Amount	Maturity
Stewardship Investment Certificates	\$20,000,000	Six months to 5 years
Thrift Accumulation Plan Agreements	\$15,000,000	30 days
Individual Retirement Account Notes	\$5,000,000	Minimum: the lesser of 5 years, or holder's 59-1/2th birthday; Maximum: withdrawals must begin and distribution completed as required by law for IRA accounts.

The initial interest rate on Certificates, Agreements and Notes offered will depend upon prevailing interest rates at the time of sale. The interest rates of the debt securities offered by the Foundation are variable. The Foundation reserves the right to adjust (increase or decrease) the interest rate on any or all

Certificates, Agreements, or Notes at the beginning of any month to meet market conditions. The variable interest rate may be set at any level above zero in the sole discretion of the Board of Directors based on its judgment of market conditions at a particular time. Investors in Certificates and Agreements may agree with the Foundation to accept a lower interest rate. See “Stewardship Investment Certificates – Ministry” and “Thrift Accumulation Plan Agreements – Ministry.” All decreases in interest rates are effective only if a participant is sent written notice of the decrease no less than thirty (30) days prior to the effective date. In the case of Certificates and Notes, an investor shall be entitled to withdraw from an investment and receive the full return of principal and all accrued but unpaid interest, without an early redemption penalty, if the investor, within thirty (30) days of receipt of the notice of a decrease in interest rates, makes a written withdrawal request to the Foundation. Increases or decreases may not be made retroactively effective. In no event may the interest rate exceed the amount permitted by law. The interest on the Certificates, Agreements and Notes will be compounded monthly, on the basis of a 365-day year, assuming the interest is left to accumulate. Investors in Certificates (other than through the Foundation’s IRA Program) may elect to receive monthly, quarterly or semiannual interest payments and investors in Agreements (other than through the Foundation’s IRA Program), may elect to receive monthly or quarterly interest payments.

In 1989, the Foundation began offering Certificates at reduced interest rates or at zero interest to allow investors to further benefit the church. See “Tax Considerations.”

The Foundation may from time to time offer additional evidences of indebtedness without notifying or obtaining the consent of the holders of Certificates, Agreements or Notes offered hereby. The Foundation does not contemplate that any subsequent offering of its evidences of indebtedness will be secured obligations of the Foundation and hence senior to the securities offered hereby. No assurance can be given, however, that the Foundation will not at some future date issue obligations which will have a higher claim to the assets of the Foundation than the Certificates, Agreements and Notes. The amount of any senior secured obligations will in no case exceed 10% of the tangible assets of the Brotherhood Loan Fund.

The Certificates, Agreements and Notes will be unsubordinated debts of the Foundation, with the result that in the event of liquidation or any distribution of assets upon bankruptcy, reorganization or similar proceedings, all unsubordinated debt obligations of the Foundation issued to investors, including the Certificates, Agreements, and Notes, will have an equivalent claim to the Foundation’s assets. As of December 31, 2021, the Foundation has no mortgage loans or mortgage notes payable or other secured indebtedness which have a superior claim to the Foundation’s assets over the Certificates, Agreements and Notes. With respect to any Certificate, Agreement or Note, failure of the Foundation to pay principal and interest when due as requested will be an event of default by the Foundation, but only as to that Certificate, Agreement or Note.

The Foundation reserves the right to terminate any or all Certificate, Agreement or Note obligations at any time without prior notice by refunding the principal sum at any time plus unpaid interest to the date of termination. Although there is no provision in the instruments issued hereunder for redemption of debt obligations before the maturity date at the request of the holder, it has been the practice of the Foundation to honor requests for early redemption upon representation of need, and to pay accrued interest in full to the date of such redemption. There can be no assurance that the Foundation will continue such practice in the future. In cases of early redemption where hardship cannot be represented, the Foundation would apply the early withdrawal penalty. See “Stewardship Investment Certificates” and “Individual Retirement Account Notes.”

The purchase of the Foundation’s Certificates, Agreements or Notes does not entitle a purchaser to an equity interest in the Foundation or the right to vote on corporate matters brought before the members.

In the discretion of the Foundation, any of the Certificates, Notes and Agreements may be issued in book entry form. If the securities are issued in book entry form, the Foundation will send the investor written confirmation of issuance but a physical Certificate, Note or Agreement will not be issued.

The Foundation currently makes payments to investors (principal and interest) by direct deposit to an account at a financial institution designated by the investor. However, the Foundation reserves the right to make payment by check in its discretion or upon agreement with the investor.

The Foundation may suspend or delay withdrawals from, or redemptions of, its securities in the event that any such security or the holder thereof is subject to an ongoing investigation by the Foundation, any governmental authority or any financial institution regarding identity theft, fraud or similar cyber-crime or there is a dispute relating to the legal ownership of any such security. Under such circumstances the Foundation may require (i) additional information to verify an investor’s identity and disclose the same to government agencies as may be required by law; (ii) intervention by judicial or other binding legal authority to determine and/or rule on the proper legal ownership of such security or the finality of any investigation relating to the legal owner of such security; (iii) or mutual agreement of all interested parties as to the agreed upon ownership rights of such security. Holders of the Foundation’s securities acknowledge and agree that the Foundation shall not be held liable regarding the suspension or delay of withdrawals under its securities pending any determinations of or investigations regarding ownership or other legal rights as set forth above.

Account statements will be mailed to investors quarterly. Additionally, the Foundation provides investors access to their account statements online at www.bicfoundation.org.

Stewardship Investment Certificates

The minimum purchase amount for a Certificate is \$25 and the Certificate term may be six months, or one, two, three, four or five years. The initial interest rates the Foundation will pay on these Certificates as of April 1, 2022 are as follows:

Maturity Period	Annual Variable Interest Rate
Six months from date of issue	1.00%
One year from date of issue	1.49%
Two years from date of issue	1.74%
Three years from date of issue	1.98%
Four years from date of issue	2.23%
Five years from date of issue	2.47%

Interest rates on Certificates are variable and may be adjusted from time to time as explained above (see “General”). The initial interest rate on Certificates will depend upon prevailing interest rates at the time of sale. Interest on Certificates may be payable semiannually on the first business day of January and the first business day of July, quarterly on the first business day of January, April, July, October or on the first business day of each month at the election of the investor. Interest may also be left to accumulate, in which case it will be credited to the holder’s account on the last day of each month. Interest credited and left to accumulate will compound monthly at the current rate of interest on the Certificate’s face amount. Whether interest is paid or accumulated, it must generally be reported as income for tax purposes in the year in which it is earned. However, if the Certificate is purchased by an Individual Retirement Program holder (see Individual Retirement Program below), interest will be accumulated, and generally will not be taxed prior to distribution. See “Tax Considerations.” Statements will be mailed quarterly and the account earns interest from the date of receipt to the date of withdrawal.

Any deposit may be withdrawn at the Certificate’s termination date upon written notice to the Foundation prior to the termination date. If such notice is not received prior to the Certificate’s termination date, the Certificate will be automatically renewed on the termination date for a like term, subject to any applicable restrictions in the state where sold. The Foundation may make an exception to this rule. Notice of impending termination and automatic renewal along with a current Prospectus will be provided to Certificate holders at least forty (40) days prior to maturity.

During one's lifetime, provision may be made for a gift to the Foundation, said sum to be transferred and the gift to become effective at the time of the account holder's death; however, such choice may be withdrawn prior to death.

Certificates shall not be permitted additional deposits.

The Foundation may authorize early redemption upon request of the investor, but the penalty for such early withdrawal shall not exceed an amount equal to 90 days interest at the then current interest rate earned on the Certificate at the time of the redemption. Waivers of or reductions from the maximum penalty amount will be considered under certain limited circumstances, including, but not limited to, cases involving hardship caused by unforeseen expenses, medical expenses, elder care and other situations determined in the sole and absolute discretion of the management of the Foundation. Any waiver or reduction from the maximum penalty amount must be approved by the Executive Director of the Foundation. However, interest accumulated may be withdrawn at any time without penalty.

Certificates are eligible for placement in an Individual Retirement Account or BIC U.S. 403(b)(9) Account (see "Method of Sale"). After the account holder reaches the age of 59-1/2, the Certificate will continue on the same terms. However, in the event of death, disability, attainment of a required distribution age or withdrawals for income purposes after attaining the age of 59-1/2, funds may be withdrawn without penalty. Other withdrawals (e.g., change of custodian) are subject to the normal rules concerning early withdrawal.

Stewardship Investment Certificates – Ministry

Some investors have indicated that they would like to receive an interest rate on their investment lower than those indicated above, in order to further benefit their church, institution, or ministry of the denomination. Stewardship Investment Certificates – Ministry ("Ministry Certificates") provide this opportunity. The Ministry Certificates are designed to support church ministries and may be either designated or undesignated. If they are designated, then the difference between the reduced interest received and the interest rate that would otherwise be paid will benefit the church, institution or ministry suggested by the investor, subject to approval by the Foundation's Board of Directors. If it is undesignated, the difference will help the Foundation to continue to offer favorable rates to church ministries as designated by the Foundation's Board of Directors. If an investor purchasing a Ministry Certificate wishes later to increase the rate up to the then applicable variable rate, he/she may do so by notifying the Foundation in writing thirty (30) days prior to the first day of the month in which the increased interest rate is to be effective. If the then applicable variable interest rate on Certificates is reduced below the reduced rate chosen by an investor for a Ministry Certificate, the applicable variable interest rate will apply so long as the chosen reduced rate is higher. All other terms of the Ministry Certificates are the same as the Stewardship Investment Certificates. See "Tax Considerations."

Thrift Accumulation Plan (TAP) Agreements

The minimum account balance for Agreements is \$5.00. Agreements (Regular TAP) are not transferable except at the time of an account holder's death, and then only to the designated beneficiary; however, deposits may be withdrawn at any time upon 30 days' written notice as explained below. Additional deposits may be made at any time in any amount of \$5.00 or more. Interest on accounts will be generated at the then applicable interest rate. The interest rate is variable and the Foundation may adjust interest as explained above (see "General"). The applicable rate as of April 1, 2022 for Regular TAP Agreements is 0.50%. Interest will be accumulated in the purchaser's account and posted thereto on the last day of each month and compounded thereafter. Statements will be mailed quarterly. Even though interest is accumulated, it must generally be reported as income for tax purposes in the year in which it is earned. However, if the Agreement is purchased by an Individual Retirement Program holder (see "Individual Retirement Program" below) or BIC U.S. 403(b)(9) Account, interest will be accumulated, and generally will not be taxed prior to distribution. See "Tax Considerations." During one's lifetime,

provision may be made for a gift over to the Foundation, said sum to be transferred and the gift to become effective at the time of the account holder's death; however, such choice may be withdrawn prior to death.

In addition to the above, the Foundation may offer a special variable interest rate on the Thrift Accumulation Plan Agreements (Special TAP) to investors who maintain a minimum balance of \$2,000 and to investors age 65 and over and to Brethren in Christ churches and their institutions. For the individual investor age 65 and over, the investor's age is the only determining factor for eligibility for this special interest rate. Additionally, the minimum balance requirement does not apply to Brethren in Christ churches and their institutions. Interest will be credited to the holder's account on the last day of each month and compounded thereafter. These account holders may elect to receive a check for their interest earned, either monthly or quarterly. All other terms of the special interest rate TAP Agreements, except for the higher interest rate, are the same as for other TAP Agreements. The applicable interest rate as of April 1, 2022 for Special TAP is 0.75%.

Any amount of any deposit may be withdrawn upon 30 days' advance written notice, up to \$5,000 in a calendar month or \$15,000 in any calendar quarter, although these requirements may be waived by the Foundation.

Thrift Accumulation Plan Agreements – Ministry

Regular and Special TAP account holders have the opportunity to select 0% interest on their investments in order to benefit their church, institution, or a ministry of the denomination ("Ministry Agreements"). Ministry Agreements may be either designated or undesignated. If they are designated, the interest that would otherwise be paid to the account holder will benefit the suggested ministry, subject to approval by the Foundation's Board of Directors. If it is undesignated, the interest will help the Foundation to continue offering favorable rates to churches and church agencies. If an investor purchasing a Ministry Agreement wishes to return to the Regular or Special TAP rate, he/she may do so by notifying the Foundation in writing thirty (30) days prior to the first day of the month in which the increased interest rate is to be effective. See "Tax Considerations."

Individual Retirement Account Notes

Notes are available for purchase only by Individual Retirement Account ("IRA") holders (see "Individual Retirement Program").

The minimum purchase amount for a Note is \$25 or the balance of an individual's IRA, whichever is less, and the minimum Note term is the lesser of five years or the time until the holder's 59-1/2 birthday, with any early withdrawals other than upon death or disability, required distributions upon attaining a required distribution age or for income purposes after age 59-1/2, subject to penalties as set forth below. IRAs are not transferable except at the time of a holder's death, and then only to the beneficiary designated by the holder. The interest rate on IRA Notes is variable. See "General" above. The applicable interest rates on these Notes as of April 1, 2021 are as follows:

Minimum Maturity Period	Annual Variable Interest Rate
Five years from date of issue	2.47%
Ten years from date of issue	2.72%

The interest rate may be increased or decreased at the beginning of any calendar month in the discretion of the Foundation's Board of Directors based on its judgment concerning market conditions at a particular time. There is no minimum interest rate. The initial interest rate on IRA Notes will depend upon prevailing interest rates at time of sale. The interest rate on the Notes will not be lower than the highest variable interest rate being paid on any of the Certificates or Agreements. A different rate may be

established for investments for periods exceeding 10 years. Interest on Notes will be credited to the IRA monthly and compounded thereafter. Interest will be at the current rate of interest being paid, which must be greater or equal to the amount of interest paid by the Foundation on any other security of the Foundation having a variable interest rate offered in the normal course of business. Interest paid to the IRA is not taxable until withdrawn from the IRA. See "Tax Considerations." Statements will be mailed quarterly, and the IRA deposits earn interest from the date of receipt to the date of withdrawal.

All or a portion of any deposit may be withdrawn at the end of the Note's minimum maturity period, upon written notice to the Foundation prior to the expiration of such minimum maturity period. If such notice is not received prior to the expiration of the Note's minimum maturity period, or if only a portion of the deposit is withdrawn, the Note shall automatically renew for a like term, subject to any restrictions in the state where sold, on the same terms until withdrawn as permitted hereunder. The Foundation may make an exception to this rule. Notice of expiration of each 5 or 10 year maturity date and automatic continuation of the Note, along with a current Prospectus, will be provided to the IRA holder at least forty (40) days prior to expiration of the maturity period.

After the IRA holder reaches the age of 59-1/2, the Note will continue on the same terms. However, in the event of death, disability, attainment of a required distribution age or withdrawals for income purposes after attaining the age of 59-1/2, funds may be withdrawn without penalty. Other withdrawals (e.g., change of custodian) are subject to the normal rules concerning early withdrawal which are described in the next paragraph.

The Foundation may authorize early redemption of a Note upon the request of the IRA holder. The amount redeemed may be subject to an early withdrawal penalty, which shall not exceed an amount equal to 90 days interest at the current rate being earned at the time of withdrawal. Waivers of or reductions from the maximum penalty amount will be considered under certain limited circumstances, including, but not limited to, cases involving hardship caused by unforeseen expenses, medical expenses, elder care and other situations determined in the sole and absolute discretion of the management of the Foundation. Any waiver or reduction from the maximum penalty amount must be approved by the Executive Director of the Foundation. Such early withdrawal shall be subject to current availability of reserve funds.

Tax Considerations

Purchasers of Certificates, Agreements and Notes will not receive a charitable deduction for federal income tax purposes upon the purchase of a Certificate, Agreement or Note. Unless purchased through an Individual Retirement Program Account, Health Savings Account or BIC U.S. 403(b)(9) Account, the interest paid or payable on these securities will be taxable as ordinary income to the holder. **If interest is accrued over the life of the security and is paid at the maturity date, the holder generally must report such interest as income on his or her federal income tax returns and state income tax returns, if applicable, ratably over the life of the security as it accrues.** Upon sale or exchange of a Certificate or Agreement, the seller would generally report either short term or long term gain or loss, dependent upon the length of time held, the gain or loss being equal to the difference between his purchase price and the amount he or she receives upon sale or exchange, less previously accrued interest. (However, transferability of the Notes is very limited. See "Method of Sale.") Purchasers who hold Certificates or Agreements until their maturity will not be taxed on the return of the principal purchase price or on the payment of previously accrued and taxed interest. Any excess will generally be interest income.

The Certificates, Notes and Agreements which bear interest at "below-market" rates may fall within the imputed interest provisions of Section 7872 of the Code, which, in some cases, impose tax liability on purchasers for the difference between market rates and the interest actually paid. The Internal Revenue Service has issued temporary and proposed regulations interpreting these provisions. The temporary regulations state that certain loans carrying "below market" rates of interest will be exempted from the imputed interest provisions of the Code. The exemptions include a gift loan to a charitable organization (described in Code section 170(c)) if, at no time during the taxable year, the aggregate outstanding amount of loans by the lender to that organization exceeds \$250,000.

Individual Retirement Plan and Health Savings Account holders directing the investment of assets of the Plan in Certificates, Agreements, or Notes will generally not be taxed on the interest earned during the period the interest is held by the Plan. The holder will be taxed at the time of withdrawal. See “Individual Retirement Program” and “Health Savings Account Program.”

Under the backup withholding rules, a holder of Certificates, Agreements and Notes may be subject to backup withholding at a rate of 24% with respect to reportable payments (including interest, dividends, original issue discount and proceeds of certain sales), unless such a holder (a) is a corporation, exempt from tax under Section 501(a) of the Internal Revenue Code, an IRA or comes within certain other exempt categories and, when required, demonstrates this fact, or (b) provides a certified taxpayer identification number, certifies that the holder is not subject to backup withholding, and otherwise complies with applicable requirements of the backup withholding rules. A holder of a Certificate, Agreement or Note who does not provide the Foundation with his or her correct taxpayer identification number may be subject to penalties imposed by the Internal Revenue Service. Backup withholding is not an additional tax. Any amounts so withheld may be credited against the federal income tax liability of the person subject to such withholding.

The foregoing is only a summary of certain federal income tax considerations. Purchasers should consult with their own tax advisors regarding the actual tax consequences to them of transactions with respect to the securities offered by this Prospectus, including, without limitation, under state and local tax laws and if applicable, Code provisions and related regulations applicable to Individual Retirement Accounts, Health Savings Accounts or BIC U.S. 403(b)(9) Accounts.

Outstanding Debt Obligations

The following is a description of the outstanding debt securities of the Foundation at December 31, 2021:

Description	Number of Certificates, Agreements, Notes/Holders	Interest Rate	Aggregate Principal Balance
Certificates	914/284	1.00%	\$478,877
		1.49%	1,749,562
		1.74%	1,680,282
		1.98%	2,079,502
		2.23%	1,399,649
		2.47%	<u>23,335,353</u>
			<u>30,723,225</u>
Agreements	503/427	0.50%	55,306
		0.75%	<u>13,145,281</u>
			<u>13,200,587</u>
Notes	304/143	2.47%	1,920,159
		2.72%	<u>3,364,354</u>
			<u>5,284,513</u>
			<u>\$49,208,325</u>

The previous table reflects the highest rates payable on securities as of December 31, 2021. Although the Foundation pays a lower rate on Ministry Certificates and Ministry Agreements, the account holder may elect the higher rate upon 30 days prior written notice to the Foundation.

Outstanding principal of debt securities held by individuals at December 31, 2021 totaled \$25,865,452 or 53% of total principal outstanding at December 31, 2021. Outstanding principal of debt

securities held by churches and other units of the denomination totaled \$23,342,873 or 47% of total principal outstanding at December 31, 2021.

At December 31, 2021, Individual Retirement Accounts, which totaled \$6,771,485, were invested as follows: \$71,296 in Agreements, \$1,415,676 in Certificates and \$5,284,513 in Notes.

At December 31, 2021, Health Savings Accounts, which totaled \$511,221, were invested as follows: \$385,421 in Agreements and \$125,800 in Certificates.

During calendar years 2021 and 2020, debt obligation repayments to investors, exclusive of renewals and reinvestments, totaled \$5,975,636 and \$5,439,752, respectively.

The following is a summary of maturity dates of outstanding debt securities of the Foundation at December 31, 2021:

Description	Aggregate Principal Balance
Thrift Accumulation Plan Agreements on demand	\$ 13,200,587
Debt Securities maturing in 2022	11,428,070
Debt Securities maturing after 2022	<u>24,579,669</u>
	<u>\$49,208,325</u>

Maturities of Certificates and IRA Notes at December 31, 2021 were:

Description	Aggregate Principal Balance Due						Total
	2022	2023	2024	2025	2026	2027+	
Certificates:							
Six Month	\$478,877						\$478,877
One Year	1,749,562						1,749,562
Two Year	613,368	\$1,066,914					1,680,282
Three Year	543,878	471,947	\$1,063,677				2,079,502
Four Year	910,361	194,846	107,652	\$186,790			1,399,649
Five Year	5,771,298	4,637,181	2,893,934	5,022,997	5,009,943		23,335,353
	<u>10,067,344</u>	<u>6,370,888</u>	<u>4,065,263</u>	<u>5,209,787</u>	<u>5,009,943</u>		<u>30,723,225</u>
IRA Notes:							
Five Year	1,055,644	195,861	170,809	194,982	302,863		1,920,159
Ten Year	305,081	92,200	199,519	189,067	386,629	\$2,191,858	3,364,354
	<u>1,360,725</u>	<u>288,061</u>	<u>370,328</u>	<u>384,049</u>	<u>689,492</u>	<u>2,191,858</u>	<u>5,284,513</u>
Total	<u>\$11,428,069</u>	<u>\$6,658,949</u>	<u>\$4,435,591</u>	<u>\$5,593,836</u>	<u>\$5,699,435</u>	<u>\$2,191,858</u>	<u>\$36,007,738</u>

It has been the Foundation's historical experience that only a portion of the principal balance on maturing debt obligations is actually revoked or redeemed by the investor. For the years 2021, 2020, 2019, 2018 and 2017, of the investment obligations reaching maturity, 99% 87%, 91%, 91% and 84%, respectively, were renewed or reinvested. In addition to Notes and Certificates (maturing obligations), the Brotherhood Loan Fund had outstanding Agreements (demand obligations) totaling \$13,200,587 at December 31, 2021 and \$13,495,919 at December 31, 2020.

Liquidity Reserves

Since its inception, the Brotherhood Loan Fund has had sufficient funds available from all sources to make all principal and interest payments required on outstanding debt obligations. The Brotherhood Loan Fund generates new funds for the repayment of debt obligations and interest expense from operating income, loan principal repayments and the receipt of funds from new debt obligations. These amounts totaled \$14,475,610 and \$11,735,716 for the years ending December 31, 2021 and December 31, 2020, respectively. Debt obligation repayments, exclusive of renewals and reinvestments, totaled \$5,975,636 and \$5,439,752, for the years ending December 31, 2021 and 2020, respectively, and interest expense on Certificates, Agreements and Notes totaled \$928,379 and \$1,109,580, respectively. Therefore, of the new funds available to the Brotherhood Loan Fund in 2021 and 2020, approximately 48% and 56%, respectively, for those periods was applied to repayment of principal and interest on the Brotherhood Loan Fund's outstanding obligations. The Foundation also maintains reserves in the form of cash, certificates of deposit, money market funds, and/or marketable securities or mutual funds for the repayment of debt obligations issued in connection with the Brotherhood Loan Fund. Based on the Foundation's minimum reserve policy for the Brotherhood Loan Fund (described under "USE OF PROCEEDS"), the minimum required reserve amounts totaled \$6,636,695 and \$6,515,719, as of December 31, 2021 and December 31, 2020, respectively. The Brotherhood Loan Fund's total cash and cash equivalents of \$19,343,966 as of December 31, 2021, was well in excess of the reserve requirements. As of December 31, 2021, the Foundation also had available a \$3 million unsecured line of credit. See the Audited Financial Statements included as Appendix A to this Prospectus.

Sales in 2021 and 2020

The tables below present information on sales of securities in 2021 and 2020. "Transfers" represent transfers from one type of security to another while "renewals" represent reinvestment of a matured security into the same type of security.

Security	2021			
	New Sales	Transfers	Renewals	Total Sales
Thrift Accumulation				
Plan Agreements	\$4,081,822	\$384,799		\$4,466,621
Certificates	3,212,558	3,342,184	7,293,701	13,848,443
IRA Notes	188,785	82,790	463,924	735,499
Totals	\$7,483,165	3,809,773	\$7,757,625	\$19,050,563

Of the total new sales in the above table during 2021, \$3,856,672 was purchased by churches and other units of the denomination and \$3,626,493 was purchased by individuals.

Security	2020			
	New Sales	Transfers	Renewals	Total Sales
Thrift Accumulation				
Plan Agreements	\$3,985,793	\$996,671		\$4,982,464
Certificates	2,786,771	1,087,340	\$6,703,744	10,577,855
IRA Notes	179,453	7,000	787,930	974,383
Totals	\$6,952,017	\$2,091,011	\$7,491,674	\$16,534,702

Of the total new sales in the above table during 2020, \$3,459,623 was purchased by churches and other units of the denomination and \$3,492,394 was purchased by individuals.

Method of Sale

The debt securities will be offered and sold only through the Prospectus. Information concerning the services the Foundation provides to the Brethren in Christ Church, including the Brotherhood Loan Fund, will be distributed through national and regional publications of the Church, the Foundation's website and through Foundation brochures distributed to congregations or mailed to prior investors. In addition, information about the Foundation may be distributed at church conferences, retreats, conventions and seminars. On occasion, an officer or employee of the Foundation may also discuss the nature and purpose of the Foundation's work at a national or regional meeting, congregational service or meeting. No underwriting or selling agreement exists, and no direct or indirect commissions or other sales-based remuneration will be paid to any individual or organization in connection with the offer and sale of the debt securities. The Foundation's Executive Director, Controller, Account Officer and Director of Operations have the responsibility for the offer and sale of the Foundation's securities, subject to compliance with the securities laws of a particular state.

Prospective investors may obtain a Prospectus by contacting the Foundation in Mechanicsburg, Pennsylvania by mail, telephone, or electronic mail. The Foundation will then transmit a Prospectus to the prospective investor. Prospective investors may also access the Prospectus on the Foundation's website, www.bicfoundation.org, for viewing and/or printing. If the investor wishes to purchase a security, the investor must complete the Purchase Application accompanying the Prospectus for the appropriate security and must submit the completed application with payment to the Foundation in Mechanicsburg, Pennsylvania. Additionally, for new investors, the Foundation may require additional information to verify the investor's identity, including, without limitation, a background check and/or investigative consumer report. The Foundation may offer new and existing investors the capability to complete a Purchase Application and purchase the Foundation's securities online on the Foundation's website. If the Foundation accepts the offer to purchase, the investor will be notified by mail or e-mail and an executed Certificate, Agreement, or Note, as appropriate, will be returned to the investor or delivered to the Individual Retirement Plan or Health Savings Account Custodian with a copy to the investor; subject however, to the Foundation's right, in its discretion, to issue any of the Certificates, Agreements or Notes in book entry form. If the securities are issued in book entry form, the Foundation will send the investor written confirmation of issuance but a physical Certificate, Note or Agreement will not be issued.

Certificates, Agreements and Notes will be offered and sold only to persons who, at the time of receiving a Purchase Application, are members, constituents, contributors to or participants in the Foundation, the Brethren in Christ Church and/or its programs, activities or organizations, or parents, spouses, children, grandchildren or Brethren in Christ Pension Fund 403(b)(9) Retirement Income Accounts (each a "BIC U.S. 403(b)(9) Account") of such persons, or to Brethren in Christ Foundation Individual Retirement Plans or Health Savings Account, as directed by the holders thereof.

The Certificates and Agreements offered hereby are not negotiable and are transferable only to persons who would have been eligible to purchase Certificates or Agreements initially, and then only upon notice to and written approval of the Foundation. Notes are not negotiable and are transferable only under the terms of the Individual Retirement Program.

Individual Retirement Program

The Foundation sponsors an Individual Retirement Program (hereinafter referred to as the "Program") that allows individuals to establish individual retirement accounts under which the Foundation acts as custodian. The Program is subject to the rules and regulations for individual retirement accounts as set forth in the Internal Revenue Code and Regulations. A separate application for an individual retirement account, which includes appropriate disclosure information, must be made before such an account can be established.

Once an individual establishes an individual retirement account, the Program allows the individual to direct the investment of his or her account. Investments under the Program are limited to investments that the Foundation is authorized and capable of holding as IRA custodian. These investments are the Foundation's Certificates, Agreements, and Notes. Agreements are demand securities, while Certificates carry terms of 6 months to 5 years. Both generally offer market rates. The Notes are available only under the Program, have longer terms, and generally offer higher market rates.

Individuals interested in the Program should carefully review the IRA disclosure statement and other materials describing the Program, provided by the Foundation. The Foundation's role as custodian under the Program is limited to holding and administering the assets of each individual's IRA. Individuals who establish IRAs with the Foundation are responsible for complying with all relevant tax laws, some of which are summarized in the "DESCRIPTION OF SECURITIES – Tax Considerations" section of this Prospectus. The Foundation does not provide investment, tax or legal advice. Individuals who establish IRAs with the Foundation are strongly encouraged to consult with their attorney or tax adviser with regard to their specific situation.

Health Savings Account Program

The Foundation sponsors a Health Savings Account Program (the "HSA Program") that allows individuals to establish health savings accounts ("HSAs") for which the Foundation acts as custodian. The HSAs and the HSA Program are subject to the rules and regulations for HSAs set forth in the Internal Revenue Code and regulations. A separate application for HSAs, which includes appropriate disclosure information about HSAs and Internal Revenue Code regulations, must be made to the Foundation in order to establish an HSA with the Foundation. Individuals interested in establishing an HSA with the Foundation should carefully review the HSA disclosure statement and other materials describing the HSA Program, which may be obtained from the Foundation.

Once an individual establishes an HSA with the Foundation, the HSA Program allows the individual to direct investment of the account by submitting instructions to the Foundation. Investments under the HSA Program are limited to investments which the Foundation is authorized and capable of holding as HSA custodian. These investments are the Foundation's Thrift Accumulation Plan Agreements and Certificates. The Foundation's IRA Notes are not eligible investments for HSAs.

DESCRIPTION OF FACILITIES

The Foundation owns the building in Pennsylvania which serves as facilities for its principal office and no proceeds from this offering will be used to purchase or construct any real property for the Foundation. This building was constructed with donated funds totaling \$801,941 to cover the construction for an office building on land leased by Messiah College to the Foundation. Terms of the lease are for 100 years, with a renewal clause for an additional 100 years. The building is utilized by the Foundation and other agencies of the Brethren in Christ Church. Employees of the Brethren in Christ General Conference also utilize these office facilities. No rental or lease payments are made, but operating and maintenance costs of the building are shared by the Foundation and each of the church agencies on a pro rata basis.

During 1981, property with an appraised value of \$415,000 was transferred to the Foundation from the General Conference. The property is held by the Foundation as Trustee, and court approval must be obtained prior to any sale of the property. At such time as the property is sold, the corpus will be managed by the Foundation and the earnings distributed to the mission program of The Brethren in Christ Church.

In addition to the above, the Foundation may hold certain real estate for sale. Proceeds from the sale of these properties will be utilized to fund Charitable Trusts or Gift Deposit Accounts or to satisfy loan obligations owed to the Foundation.

Except as described above, the Foundation owns no other buildings or real property other than a small amount of office furniture and equipment.

MANAGEMENT

Board of Directors

The Board of Directors is the governing body of the Foundation. It manages the Brotherhood Loan Fund program and exercises the Foundation's corporate powers. The number of directors is between 3 and 15, the exact number to be determined in accordance with the bylaws of the Foundation. Each member of the Foundation's Board of Directors is elected to a four-year term by the members of the Foundation except the General Conference Treasurer and National Director (formerly the General Conference Secretary) who are directors of the Foundation by reason of their respective offices. The Foundation's members consist of the General Conference Board of the Brethren in Christ Church plus persons elected to the Foundation Board of Directors who are not also members of the General Conference Board.

Two members of the Foundation's Board of Directors are also members of the General Conference Board. They are:

JULIA A. STOUT (General Conference Treasurer) – Occupation: Retired. Age: 68. Appointed in 2018. Ms. Stout was the Chief Financial Officer for Messiah Lifeways from 2003 until 2014. Prior to being appointed CFO, she served on the Board of Messiah Lifeways. Ms. Stout's previous experience includes positions as the Executive Director and CEO of the Brethren in Christ Foundation, Vice President and Director of Program Development and Administration, as well as Bank Controller for Keystone Financial Corporation and Assistant Treasurer/Corporate Secretary at Masland Industries, Inc. She currently serves on the General Conference Board of the Brethren in Christ, U.S. and chairs the Finance Committee of the Denomination. Ms. Stout earned her Pennsylvania CPA Certificate in 1977 while working for Ernst and Young and her BS degree in accounting from Elizabethtown College in 1975. Her business address is 431 Grantham Road, Mechanicsburg, PA 17055.

W. ALAN ROBINSON – Occupation: General Conference National Director. Age: 59. Appointed in 2013. Prior to his appointment as National Director, Dr. Robinson served as Senior Pastor of Carlisle Brethren in Christ Church from 1999 until 2013. Originally from Northern Ireland, Dr. Robinson was active in church planting and pastoral ministry throughout the United Kingdom before arriving in the U.S. Dr. Robinson has served the broader Church by chairing various committees, as Assistant Moderator of Susquehanna Regional Conference and as representative to the National Association of Evangelicals. Dr. Robinson has also served as adjunct faculty at Messiah University, Evangelical Seminary, and International Christian College, Glasgow, Scotland. He earned his diploma in Pastoral Theology from Bethel Bible College, his Bachelor of Arts degree from Manchester University, his Master's degree in applied theology from Oxford University, his Ph.D. from Indiana University of PA and his Doctor of Ministry degree from the Asbury Theological Seminary. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

Other Foundation Directors appointed by the members of the Foundation are:

KARL BRUMMER – Occupation: President and CEO. Age: 50. Re-appointed to a second term in 2020, term expires in 2024. Mr. Brummer is employed by Messiah Lifeways located in Mechanicsburg, PA. Mr. Brummer was appointed President and CEO in September 2021. Prior to this role, he served as Senior Vice President for Human Resources, Enrichment Services and Community Support Services of Messiah Lifeways. He also serves as Chairman of the Board of Trustees for Messiah Homes. Mr. Brummer has served as adjunct faculty at Elizabethtown College, Messiah University, and Harrisburg University. Karl received his Bachelor's degree in Human Resource Management from Messiah University and a Master's degree in Business Administration from Kutztown University. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

ANLER MOREJON – Occupation: Lead Pastor. Age: 45. Re-Appointed to a third term in 2022, term expires 2026. Born in Cuba, Mr. Morejon and his family moved to the United States in 1990. Mr. Morejon has been an active member of the BIC family since 1991. He previously served as an officer of the Southeast Conference Board of Directors and was the treasurer from 2010 to 2012. Mr. Morejon is now the liaison between the Southeast Conference churches and the Foundation for all loan requests. Mr. Morejon currently serves as the lead Pastor for Zion Church BIC. Mr. Morejon is also the president of Divine Consulting, a firm specializing in the House of Worship market focusing on the areas of Audio-Visual and Organizational Management. Mr. Morejon holds a bachelor’s degree in Business Administration (Management) from Florida International University and a Masters in Theological Studies from Houston Baptist University. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

RONALD D. NIESLEY - Occupation: Tax Accountant. Age: 70. Re-appointed to a second term in 2020, term expires in 2024. Mr. Niesley has been in the accounting industry for 44 years and has owned and operated his own tax accounting practice since 1998 and is employed part time in the tax department of Taylor Corporation, a Minnesota corporation. He is a member of Fairview Brethren in Christ Church. Mr. Niesley has served as treasurer for Memorial Holiness Camp and as a member of his local school district Finance Review Committee. He has previously held positions on the Fairview Church Board and deacon team, Great Lakes Regional Conference Board and the General Conference Board. Mr. Niesley is a graduate of Messiah University with a BS in Business Administration. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

JEREMY L. SPEAR – Occupation: Executive Director. Age: 53. Appointed to first term in 2022, term expires in 2026. Mr. Spear has served as Executive Director of Roxbury Camp and Conference Center since 2011. Prior to 2011, he served as Youth Pastor in Michigan. Mr. Spear attended Hobe Sound Bible College. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

WILLIAM G. STRAUSBAUGH – Occupation: Retired. Age: 64. Appointed in 2019, term expires 2023. Dr. Strausbaugh was formerly employed by Messiah University located in Grantham, PA as Vice President for Information Technology and Associate Provost Emeritus. In addition to his service on the BIC Foundation Board, Bill also serves as an active board member for The Gospel Tide. Dr. Strausbaugh previously served as a board member at Mechanicsburg BIC Church, the Susquehanna Regional Conference and the General Conference Board of the BIC U.S. Bill received his Bachelor’s degree in Mathematics from Messiah University, a Master of Science degree in Computer Science from Villanova University and his D. Ed. in Higher Education from The Pennsylvania State University. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

Officers

The non-employed executive officers of the Foundation elected biennially from among the Foundation’s directors are as follows:

WILLIAM G. STRAUSBAUGH	President (Chair)
RONALD D. NIESLEY	Vice President (Vice Chair)
KARL BRUMMER	Secretary/Treasurer

See “- Board of Directors” above for biographical information about these non-employed executive officers.

The following are officers of the Foundation involved in the operation of the Brotherhood Loan Fund:

JAMES R. REYNOLDS – Occupation: Executive Director, Brethren in Christ Foundation, Inc., since November 1, 2017. Age: 60. Mr. Reynolds served as the Controller of the Foundation from 2006 until his appointment as Executive Director. From 1987 to 2006 served as Director of Finance, Pennsylvania School Boards Association Insurance Trust. Mr. Reynolds served as Accounting Manager and Controller for a variety of businesses prior to joining PSBA. Mr. Reynolds completed his Accounting education at Delaware Tech in Georgetown, DE. A member of Mt. Calvary United Methodist Church, Harrisburg, PA. Mr. Reynolds serves as Financial Secretary. While a member of Centenary United Methodist Church he served as Chair of the Church Council, Board of Trustees president, Council on Ministries board member and as Vice President of the Men’s Club. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

JOHN H. BURNS – Occupation: Loan Officer and Director of Operations, Brethren in Christ Foundation, Inc. since June 14, 2010. Age: 61. From June 1987 through June 2010, Mr. Burns worked for Henry Company, a manufacturing firm, in Research and Development in a variety of roles, eventually rising to Technical Director. He holds a Bachelor of Science degree in chemical engineering from the University of Pennsylvania in Philadelphia, PA. Mr. Burns is a member of Summit View Brethren in Christ Church in New Holland, PA, where he has taught adult Sunday School classes and is a former member of the Church Board. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

DAVID W. FISH – Occupation: Controller, Brethren in Christ Foundation, Inc. since September 1, 2018. Age: 30. Mr. Fish served as an Auditor with Capin Crouse LLP from June 2014 through August 2018 and was an intern with the Brethren in Christ Foundation from August 2012 through April 2013. Mr. Fish graduated from Messiah University and obtained his CPA license in Pennsylvania. He attends Mechanicsburg Brethren in Christ Church. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

SEAN KLECKNER – Occupation: Account Officer, Brethren in Christ Foundation, Inc. Since September 16, 2021. Age: 31. Mr. Kleckner served as Corporate Recruiter for Select Medical, Inc. from April 2015 through September 2021. Prior to joining Select Medical, he was employed by Computer Aid, Inc. as a Technical Recruiter. Mr. Kleckner graduated from Geneva College with a bachelor’s degree in Business Administration with a focus on Marketing in 2013. Mr. Kleckner is active with local soccer programs serving as coach. He attends Mechanicsburg Brethren in Christ Church. His business address is 431 Grantham Road, Mechanicsburg, PA 17055.

As of the date of this Prospectus, no petition under the Bankruptcy Act or any State insolvency law has been filed by or against any of the directors or officers of the Foundation and no receiver, fiscal agent, or similar officer was appointed by a court for the business or property of any such director or officer or of any partnership in which he or she was a general partner or of any corporation or business association of which he or she was an executive officer. None of the directors or officers of the Foundation has ever been convicted or pleaded nolo contendere in a criminal proceeding (excluding minor traffic violations and other minor offenses) or is the subject of a criminal proceeding which is pending as of the date of this Prospectus. Moreover, none of the directors or officers of the Foundation has ever been held liable in a civil action (or, as of the date of this prospectus, is a defendant in any civil action) involving allegations of fraud for violations of any securities or franchise law, embezzlement, fraudulent conversion, misappropriation of property, theft or restraint of trade.

As of the date of this Prospectus, (1) none of the directors or officers of the Foundation are or have been the subject of any order, judgment or decree of any court of competent jurisdiction or administrative or self-regulatory agency permanently or temporarily enjoining him or her from, or revoking or suspending his or her registration necessary for, any of the following: (i) acting as an investment advisor, investment advisory representative, underwriter, broker, or dealer in securities, or as an affiliated person, director or

employee of any investment company, banks, savings and loan association or insurance company, (ii) engaging in or continuing any conduct or practice in connection with any such activity or in connection with the purchase or sale of any security or commodity futures related contract, (iii) representing an issuer offering or selling securities, (iv) acting as promoter, officer, director or partner of an issuer (or an individual occupying a similar status or performing similar functions) offering or selling securities or of a person who controls or is controlled by such issuer; or (v) relying upon an exemption from registration for securities; and (2) none of the directors or officers of the Foundation are or have been the subject of any order, judgment or decree of a federal or state authority or administrative or self-regulatory agency barring or suspending the right of any such director or officer to be engaged in any activity described in (1)(i)-(v) above, censuring such director or officer for any activity, ordering such director or officer to effect a rescission offer to persons who purchased securities of an issuer with whom such director or officer is or was controlled by or otherwise affiliated or connected with, imposing an administrative assessment, or adjudging such director or officer in contempt of any stop order, cease advertising order, cease and desist order, or order requiring return of sales compensation. None of the directors or officers of the Foundation have within the past five years filed a registration statement or application for exemption from registration that is currently subject to a stop order under a state's securities law.

Remuneration and Other Transactions

No member of the Board of Directors of the Foundation receives any compensation for being a Director. The Foundation reimburses its directors for actual expenses incurred in attending the Directors' meetings. For the year ended December 31, 2021, no officers or directors of the Foundation received total annual remuneration in excess of \$150,000.00. The following table sets forth the amount of annual direct and indirect remuneration paid to the Chief Executive Officer in 2021 and paid to all other officers and directors of the Foundation in 2021:

	<u>For year ended December 31, 2021</u>			
	<u>Cash</u>			<u>Aggregate</u>
	<u>Compensation</u>	<u>Insurance</u> ¹	<u>Retirement</u>	<u>Remuneration</u>
Chief Executive Officer	\$101,916	\$25,663	\$10,191	\$137,770
Other Officers ²	\$272,507	\$67,511	\$26,492	\$366,510
All Officers and Directors as a Group:	\$374,423	\$93,174	\$36,683	\$504,280

For 2022, the Foundation's Executive Director, James Reynolds, is scheduled to earn \$107,702 in base compensation, \$25,830 in insurance and \$10,770 in retirement. No other director or officer is scheduled to receive remuneration in excess of such amounts from the Foundation in 2022.

Except as set forth above, during the three-year period preceding the date hereof, there have been no material transactions or agreements between the Foundation and any of the officers, directors or principal employees of the Foundation, or any company directly or indirectly controlled by any such person or persons.

EXEMPTION-REGISTRATION

The securities described herein have not been registered with the U.S. Securities and Exchange Commission because they are exempt from registration by applicable federal law. These securities are also exempted from registration in certain states by state law, while in other states they have been required to be registered.

¹ Includes health, dental, vision and long-term disability insurance premiums.

² For purposes of this calculation, other officers include the Foundation's Controller, Director of Operations and Loan Officer, Account Officer September 16 through December 31, 2021 and Trust Officer.

FINANCIAL STATEMENTS

The Foundation's Statements of Financial Position as of December 31, 2021 and 2020, the Statements of Activities for the years ended December 31, 2021, 2020, and 2019, and the Statements of Cash Flows for the years ended December 31, 2021, 2020, and 2019 appear in Appendix A beginning on page A-3. The financial statements of the Foundation for the years ended December 31, 2021, 2020, and 2019, have been audited by McKonly & Asbury, LLP, independent auditors whose report appears beginning on page A-1.

LEGAL PROCEEDINGS

There are no pending or threatened material legal proceedings known to be contemplated by governmental authorities, administrative bodies or other persons, to which the Foundation is a party or to which any of its property is or may be subject.

LEGAL OPINION

Penwell Bowman + Curran LLC, Harrisburg, Pennsylvania, counsel to the Foundation, has issued an opinion to the Foundation that the securities offered hereby, when issued by the Foundation, will be legally issued and outstanding, fully paid and non-assessable and will constitute valid and binding debt obligations of the Foundation.

FINANCIAL REPORTING

Each investor in the Securities will receive the audited annual financial statements of the Brethren in Christ Foundation, Inc. within 120 days of each fiscal year end and upon written request.

BRETHREN IN CHRIST FOUNDATION, INC.

FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2021, 2020, AND 2019
AND
INDEPENDENT AUDITOR'S REPORT



McKONLY & ASBURY
CPAs & Business Advisors

MEMBERS

AMERICAN AND PENNSYLVANIA INSTITUTES
OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT MEMBER OF



INDEPENDENT AUDITOR'S REPORT

Board of Directors
Brethren in Christ Foundation, Inc.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Brethren in Christ Foundation, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2021 and 2020, and the related statements of activities and cash flows for each of the years in the three year periods ended December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of Brethren in Christ Foundation, Inc. as of December 31, 2021 and 2020, and the changes in its net assets and its cash flows for each of the years in the three year period ended December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of Brethren in Christ Foundation, Inc. and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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MAILING ADDRESS

McKonly & Asbury • 415 Fallowfield Road • Camp Hill, Pennsylvania 17011

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Brethren in Christ Foundation, Inc.'s ability to continue as a going concern for one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Brethren in Christ Foundation, Inc.'s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Brethren in Christ Foundation, Inc.'s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

McKonly & Asbury, LLP

Camp Hill, Pennsylvania
March 2, 2022

BRETHREN IN CHRIST FOUNDATION, INC.

STATEMENTS OF FINANCIAL POSITION

	December 31, 2021			December 31, 2020				
	Brotherhood Loan Fund	Trust Fund	Eliminations	Total All Funds	Brotherhood Loan Fund	Trust Fund	Eliminations	Total All Funds
ASSETS								
Cash and cash equivalents	\$ 19,343,967	\$ 7,049,402	\$ -	\$ 26,393,369	\$ 16,689,949	\$ 6,216,841	\$ -	\$ 22,906,790
Investments	-	27,164,084	(7,282,706)	19,881,378	-	27,209,843	(7,410,954)	19,798,889
Receivables	38,440,653	603,088	-	39,043,741	39,337,403	695,333	-	40,032,736
Loans, net	87,242	(87,242)	-	-	68,115	(68,115)	-	-
Interfund, net	51	-	-	51	-	-	-	-
Accrued interest	806,680	-	-	806,680	861,617	-	-	861,617
Property and equipment, net	96,577	18,709	-	115,286	85,866	18,233	-	104,099
Other assets	-	-	-	-	-	-	-	-
Total assets	\$ 58,775,170	\$ 34,748,041	\$ (7,282,706)	\$ 86,240,505	\$ 57,042,950	\$ 34,072,135	\$ (7,410,954)	\$ 83,704,131
LIABILITIES AND NET ASSETS								
Accounts payable and other liabilities	\$ 70,977	\$ 23,322	\$ -	\$ 94,299	\$ 60,491	\$ 20,544	\$ -	\$ 81,035
Debt securities	13,200,587	-	(456,717)	12,743,870	13,495,919	-	(409,415)	13,086,504
Thrift accumulation plan agreements	30,723,225	-	(1,541,476)	29,181,749	28,629,901	-	(1,426,563)	27,203,338
Stewardship investment certificates	5,284,513	-	(5,284,513)	-	5,574,976	-	(5,574,976)	-
Individual retirement account notes	-	19,726,811	-	19,726,811	-	18,563,032	-	18,563,032
CTF investment accounts	-	7,282,706	-	7,282,706	-	7,410,954	-	7,410,954
Individual retirement and health savings accounts	-	-	-	-	-	-	-	-
Split-interest agreements	-	2,956,827	-	2,956,827	-	3,098,235	-	3,098,235
Split-interest trusts	-	860,838	-	860,838	-	902,500	-	902,500
Annuities payable	-	9,237	-	9,237	-	9,243	-	9,243
Other funds held	-	-	-	-	-	-	-	-
Total liabilities	49,279,302	30,859,741	(7,282,706)	72,856,337	47,761,287	30,004,508	(7,410,954)	70,354,841
Net assets								
Without donor restrictions	-	1,864,478	-	1,864,478	-	2,089,843	-	2,089,843
Designated, donor-advised funds	-	448,822	-	448,822	-	402,784	-	402,784
Designated, discretionary funds	9,055,740	1,575,000	-	10,630,740	8,841,621	1,575,000	-	10,416,621
Undesignated	440,128	-	-	440,128	440,042	-	-	440,042
With donor restrictions	-	-	-	-	-	-	-	-
Total net assets	9,495,868	3,888,300	-	13,384,168	9,281,663	4,067,627	-	13,349,290
Total liabilities and net assets	\$ 58,775,170	\$ 34,748,041	\$ (7,282,706)	\$ 86,240,505	\$ 57,042,950	\$ 34,072,135	\$ (7,410,954)	\$ 83,704,131

The accompanying notes are an integral part of these financial statements.

BRETHREN IN CHRIST FOUNDATION, INC.

STATEMENTS OF ACTIVITIES

	Year Ended December 31, 2021		Year Ended December 31, 2020		Year Ended December 31, 2019		
	Brotherhood Loan Fund	Trust Fund	Brotherhood Loan Fund	Trust Fund	Brotherhood Loan Fund	Trust Fund	Total All Funds
Net assets without donor restrictions							
Revenues and gains							
Interest on loans	\$ 1,626,218	\$ 30,041	\$ 1,656,259	\$ 38,130	\$ 1,878,733	\$ 46,432	\$ 1,925,165
Net investment income	157,009	12,307	169,316	16,101	188,694	16,943	205,637
Contributions	25	88,396	88,421	105,184	49,764	66,069	115,833
Service fees, net	426	197,398	197,824	179,052	(28,388)	176,678	148,290
Other	2,715	85,798	88,513	66,257	8,261	74,403	82,664
Total revenues and gains	1,786,393	413,940	2,200,333	404,724	2,097,064	380,525	2,477,589
Net assets released from restrictions	34,000	-	34,000	-	35,000	-	35,000
Total revenues, gains, and other support	1,820,393	413,940	2,234,333	404,724	2,132,064	380,525	2,512,589
Expenses	1,606,274	367,902	1,974,176	346,664	1,845,780	528,366	2,374,146
Excess (deficiency) of revenues, gains, and other support over expenses before donor-advised funds activity	214,119	46,038	260,157	58,060	286,284	(147,841)	138,443
Change in donor-advised funds							
Contributions	-	170,060	170,060	742,975	-	350,558	350,558
Net investment income	-	111,668	111,668	145,284	-	141,336	141,336
Charitable distributions	-	(490,404)	(490,404)	(518,111)	-	(558,846)	(558,846)
Administrative expenses	-	(16,689)	(16,689)	(17,190)	-	(15,949)	(15,949)
Increase (decrease) in donor advised funds	-	(225,365)	(225,365)	352,958	-	(82,901)	(82,901)

(continued)

BRETHREN IN CHRIST FOUNDATION, INC.

STATEMENTS OF ACTIVITIES (Cont'd)

	Year Ended December 31, 2021		Year Ended December 31, 2020		Year Ended December 31, 2019		
	Brotherhood Loan Fund	Trust Fund	Brotherhood Loan Fund	Trust Fund	Brotherhood Loan Fund	Trust Fund	Total All Funds
Change in net assets without donor restrictions	214,119	(179,327)	264,179	411,018	286,284	(230,742)	55,542
Net assets with donor restrictions							
Farming income, net	34,086	-	34,485	-	35,065	-	35,065
Net assets released from restrictions	(34,000)	-	(34,500)	-	(35,000)	-	(35,000)
Change in net assets with donor restrictions	86	-	(15)	-	65	-	65
Change in net assets	214,205	(179,327)	264,164	411,018	286,349	(230,742)	55,607
Net assets - beginning	9,281,663	4,067,627	9,017,499	3,656,609	8,731,150	3,887,351	12,618,501
Net assets - ending	<u>\$ 9,495,868</u>	<u>\$ 3,888,300</u>	<u>\$ 9,281,663</u>	<u>\$ 4,067,627</u>	<u>\$ 9,017,499</u>	<u>\$ 3,656,609</u>	<u>\$ 12,674,108</u>

The accompanying notes are an integral part of these financial statements.

BRETHREN IN CHRIST FOUNDATION, INC.

STATEMENTS OF CASH FLOWS

	Year Ended December 31, 2021			Year Ended December 31, 2020			Year Ended December 31, 2019		
	Brotherhood Loan Fund	Trust Fund	Total All Funds	Brotherhood Loan Fund	Trust Fund	Total All Funds	Brotherhood Loan Fund	Trust Fund	Total All Funds
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Cash flows from operating activities	214,205	(179,327)	34,878	264,164	411,018	675,182	286,349	(230,742)	55,607
Change in net assets	64,850	-	64,850	63,052	-	63,052	45,844	-	45,844
Adjustments to reconcile change in net assets to net cash and cash equivalents provided by (used in) operating activities	-	-	-	3,928	-	3,928	-	-	-
Depreciation	-	-	-	-	-	-	-	-	-
Loss on disposal of property and equipment	-	-	-	-	-	-	-	-	-
Net unrealized and realized (gains) losses on investments	(41,455)	(2,184,170)	(2,184,170)	17,385	(2,000,923)	(2,000,923)	(2,974)	(2,711,728)	(2,711,728)
Provisions for loss on loans	-	10,368	(31,087)	-	2,824	20,209	-	(1,357)	(4,331)
(Increase) decrease in	(51)	-	(51)	27,027	-	27,027	47,136	10	47,146
Accrued interest receivable	(10,711)	(476)	(11,187)	(2,167)	79,289	77,122	6,972	19,766	26,738
Other assets	-	-	-	-	-	-	-	-	-
Increase (decrease) in	10,486	2,778	13,264	9,623	9,474	19,097	(14,783)	(17,724)	(32,507)
Accounts payable and other liabilities	-	(41,662)	(41,662)	-	110	110	-	(40,356)	(40,356)
Annuities payable	-	-	-	-	-	-	-	-	-
Net cash and cash equivalents provided by (used in) operating activities	237,324	(2,392,489)	(2,155,165)	383,012	(1,498,208)	(1,115,196)	368,544	(2,982,131)	(2,613,587)
Cash flows from investing activities	(9,913)	-	(9,913)	(106,374)	-	(106,374)	(79,207)	-	(79,207)
Purchase of property and equipment	938,205	81,877	1,020,082	253,846	165,790	419,636	1,555,225	(19,480)	1,535,745
(Increase) decrease in loans	-	-	-	-	-	-	-	-	-
Net unrealized and realized (gains) losses on split-interest investments	-	(413,676)	(413,676)	-	(380,205)	(380,205)	-	(558,347)	(558,347)
Purchases of investments	-	(1,963,497)	(1,963,497)	-	(1,617,926)	(1,617,926)	-	(1,703,196)	(1,703,196)
Proceeds from sale of investments	-	4,607,102	4,607,102	-	3,083,798	3,083,798	-	3,168,928	3,168,928
Net cash and cash equivalents provided by investing activities	928,292	2,311,806	3,240,098	147,472	1,251,457	1,398,929	1,476,018	887,905	2,363,923
Cash flows from financing activities	(19,127)	19,127	-	(83,896)	83,896	-	74,570	(74,570)	-
Net (increase) decrease in interfund	837,014	-	837,014	996,156	-	996,156	983,151	-	983,151
Debt securities	670,515	-	670,515	516,108	-	516,108	(807,806)	-	(807,806)
Reinvested interest	-	-	-	-	-	-	-	-	-
Other net changes	-	-	-	-	-	-	-	-	-
Net increase (decrease) in	-	1,163,779	1,163,779	-	1,354,454	1,354,454	-	2,082,933	2,082,933
CTF investment accounts	-	(128,248)	(128,248)	-	(13,706)	(13,706)	-	30,504	30,504
Individual retirement and health savings accounts	-	(141,408)	(141,408)	-	(32,953)	(32,953)	-	(3,075)	(3,075)
Split-interest agreements	-	(6)	(6)	-	79	79	-	50	50
Other funds held	-	-	-	-	-	-	-	-	-
Net cash and cash equivalents provided by financing activities	1,488,402	913,244	2,401,646	1,428,368	1,391,770	2,820,138	249,915	2,035,842	2,285,757
Net increase (decrease) in cash and cash equivalents	2,654,018	832,561	3,486,579	1,958,852	1,145,019	3,103,871	2,094,477	(58,384)	2,036,093
Cash and cash equivalents - beginning	16,689,949	6,216,841	22,906,790	14,731,097	5,071,822	19,802,919	12,636,620	5,130,206	17,766,826
Cash and cash equivalents - ending	19,343,967	7,049,402	26,393,369	16,689,949	6,216,841	22,906,790	14,731,097	5,071,822	19,802,919

The accompanying notes are an integral part of these financial statements.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

1. SUMMARY OF ACCOUNTING POLICIES

General

Brethren in Christ Foundation, Inc. (Foundation) was established for the purpose of receiving, investing, and distributing funds for the benefit of the Brethren in Christ Church (Church). In certain instances, members of the Board of Directors of the Foundation are also members of the General Conference Board of the General Conference of the Church, which is the governing body of the Brethren in Christ religious denomination.

The foundation focuses its efforts in two primary service areas that are reported in separate funds.

Brotherhood Loan Fund

The Brotherhood Loan Fund was established to provide financing for the purchase, construction, or renovation of churches, parsonages and other church-related projects. Funding for Brotherhood Loan Fund loans is primarily provided by debt securities sold to individual church members.

Trust Fund

The Trust Fund accounts for the administration of common trust fund investment accounts placed with it by church affiliated organizations. Certain loans to church affiliated organizations and individuals are issued from the Trust Fund. Split-interest trusts, for which the Foundation serves as trustee, are also accounted for in the Trust Fund. Additionally, the Trust Fund accounts for individual retirement accounts and health savings accounts of individual church members and church employees where the Foundation serves as custodian.

Eliminations

The Trust Fund invests individual retirement accounts and health savings accounts in certain assets of the Brotherhood Loan Fund. Therefore, the funds from these accounts are included as investments and liabilities in the Trust Fund and liabilities in the Brotherhood Loan Fund. The interfund investment and associated liabilities have been eliminated in the statements of financial position.

Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Financial Statement Presentation

The Foundation reports information regarding its financial position and activities according to two classes of net assets: with or without donor restrictions. The Foundation utilizes fund accounting.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Net Asset Classifications

Net assets, revenues, gains, and losses are classified based on the existence or absence of donor imposed restrictions. Accordingly, net assets and changes therein are classified and reported as follows:

Net assets without donor restrictions – Net assets available for use in general operations and not subject to donor restrictions.

The Foundation administers a gift deposit account program (donor-advised funds). Donors make irrevocable and unconditional contributions accounted for in donor-advised funds that are controlled by the Foundation. Donors may recommend distributions to charitable organizations to the Foundation from the donor advised funds. The Foundation reports these donor-advised funds as net assets without donor restrictions.

In 2019, the Foundation agreed to Board designate any net assets without donor restriction other than those related to the donor advised funds which exceed five years' worth of operating expenses for the Trust Fund for the purpose of contributing on a discretionary basis those funds to the General Conference of the Brethren in Christ Church.

Net assets with donor restrictions – Net assets subject to donor-imposed restrictions. Donor-imposed restrictions may be temporary in nature, such as those that will be met by the passage of time or other events specified by the donor. Other donor-imposed restrictions are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity. Donor-imposed restrictions are released when a restriction expires, that is, when the stipulated time has elapsed, when the stipulated purpose for which the resources was restricted has been fulfilled, or both.

The Foundation's net assets with donor restrictions as of December 31, 2021 and 2020, consist of the following:

	<u>2021</u>	<u>2020</u>
Purpose restricted	\$ 25,128	\$ 25,042
Perpetually restricted	<u>415,000</u>	<u>415,000</u>
	<u>\$ 440,128</u>	<u>\$ 440,042</u>

Cash and Cash Equivalents

The Foundation considers all certificates of deposits and any highly liquid investments with an original maturity of three months or less to be cash equivalents.

Investments

Investments are recorded at their fair values in the statements of financial position.

Loans Receivable and Interest on Loans

Loans receivable are stated at unpaid principal balances, less the allowance for loan losses. Substantially all loans receivable are collateralized by deeds of trust on real properties (principally church buildings

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

and ministers' homes) located throughout the United States. Loans generally require a loan-to-value ratio of no greater than 80%. Interest on loans receivable is recognized using the simple interest method.

Interest income generally is not recognized on specific impaired loans unless the likelihood of further loss is remote. Payments received on such loans are applied as a reduction of any accrued interest and the remainder of the payment is used to reduce the loan principal balance.

An allowance for loan losses is maintained at a level considered adequate to absorb loan losses. Management of the Foundation, in determining the allowance for loan losses, considers the risks inherent in its loan portfolio and changes in the nature and volume of its loan activities, along with general economic and real estate market conditions. In addition, management also considers its ability to work with delinquent borrowers through other units of the Church, Conference guarantees, and such other relevant factors that, in management's judgment, deserve recognition. The Foundation utilizes a two-tier approach: (1) identification of impaired loans and the establishment of specific loss allowances on such loans; and (2) establishment of general loss allowances on the remainder of its loan portfolio. The Foundation maintains a loan review system that allows for a periodic review of its loan portfolio and the early identification of potential impaired loans. The system takes into consideration, among other things: delinquency status, size of loans, type and estimated fair value of collateral, and financial condition of the borrowers. Specific loan loss allowances are established for identified losses based on a review of such information. General loan loss allowances are based on a combination of factors including, but not limited to, actual loan loss experience, composition of the loan portfolio, current economic conditions, and management's judgment. Allowances for impaired loans are generally determined based on collateral values or the present value of estimated future cash flows. The allowance is increased (decreased) by a provision for loan losses, which is reported in the statements of activities, and reduced by charge-offs, net of recoveries.

Property and Equipment

Acquisition of buildings, equipment, improvements, and expenditures for repairs, maintenance, and betterments that materially prolong the useful lives of assets are capitalized. Real estate, property, and equipment are recorded at cost or estimated fair value if donated. Depreciation is recognized in amounts calculated on a straight-line basis to amortize the cost or donated value of depreciable assets over their estimated useful lives.

Impairment

The Foundation reviews its long-lived assets for impairment on an exception basis whenever events or changes in circumstances indicate that the carrying amount of the assets may not be recoverable through future cash flows. If it is determined that an impairment loss has occurred, based on the expected cash flows, then a loss is recognized in the statements of activities. No impairment loss was incurred during the years ending December 31, 2021, 2020, and 2019.

Common Trust Funds (CTF) Investment Accounts

Brethren in Christ churches, church agencies, and other eligible tax-exempt organizations place funds with the Foundation for investment in CTFs. The Foundation has established CTFs with specific investment objectives and investment policies. CTFs are separate accounting designations within the Foundation for jointly invested assets.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

The Foundation records the allocation of CTF total investment returns, net of service fees, to CTF investment accounts in the statements of activities as an increase in net assets without donor restrictions. Allocations to individual CTF investment accounts are made monthly based on average daily balances. Deposits can be made at any time. Withdrawals are permitted up to the total account balance at the end of each month after re-pricing to market value.

Individual Retirement and Health Savings Accounts

The Foundation offers Individual Retirement Accounts and Health Savings Accounts to certain investors affiliated with the Church. These accounts are held in the Trust Fund.

Split-Interest Trusts

The Foundation serves as trustee for charitable remainder unitrusts and charitable lead trusts (trusts). Annual and final distributions from the trusts are made to charitable and non-charitable beneficiaries. The grantor generally retains the right to change charitable beneficiaries during the term of the trust. Liabilities for split-interest trusts are recorded in the statements of financial position at the fair value of the trust assets. The Foundation recognizes contributions from split-interest trusts when distributed to the Foundation.

The assets held in split-interest trusts are restricted and are generally invested in the Foundation's CTFs. Changes in split-interest trust restricted assets from the allocation of CTF's total investment returns, net of service fees, and other investment income increase or decrease the split-interest agreement liabilities in the statements of financial position.

Annuities Payable

The Foundation sells charitable gift annuities to individual members of the Church. The annuities provide for lifetime payments to the annuitant based upon standard rates set by the American Council on Gift Annuities. Upon the death of the annuitant, the carrying amount of the annuity is payable to the annuitant's charitable beneficiaries (generally organizations affiliated with the Church).

At the effective date of the annuity agreement, the Foundation records a liability equal to the present value of the estimated future payments to annuitants and charitable beneficiaries. The Foundation's portion of the charitable beneficiary designation is recorded as a contribution without donor restrictions. The liability is annually re-valued at the statement of financial position date using the original discount rate and current mortality tables.

Contributions

Contributions received are recorded as with or without donor restrictions depending on the existence and/or nature of any donor restrictions.

Income Taxes

The Foundation is a not-for-profit organization exempt from federal and state income taxes pursuant to the provisions of Section 501(c)(3) of the Internal Revenue Code.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

The Foundation adheres to the provisions of Financial Accounting Standards Board (FASB) Codification 740, *Income Taxes*. ASC 740 prescribes a comprehensive model for financial statement recognition, measurement, classification, and disclosure of uncertain tax positions. The Foundation has concluded that it does not have any uncertain tax positions that require recognition or disclosure in the financial statements. Management believes it is no longer subject to income tax examinations for years prior to 2018.

Related Party Transactions

Substantially all transactions are with members of, or organizations affiliated with, the Church. The Foundation has a shared services agreement with the Church whereby certain staff, office support, and operational management is shared from time to time. The agreement results in service fees, net on the Foundation's statements of activities.

In 2019, the Foundation made discretionary contributions to the Church from the Brotherhood Loan Fund and Trust Fund that totaled \$49,764 and \$200,000, respectfully. In 2020 and 2021, the Foundation made discretionary contributions to the Church from the Brotherhood Loan Fund that totaled \$158 and \$25, respectfully.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)*. The changes associated with this ASU include the requirement for lessees to recognize the underlying assets and liabilities associated with all operating leases with terms greater than 12 months. The changes become effective for the Foundation on January 1, 2022. Management has determined the impact of these changes on the Foundation's financial statements will not be significant.

In September 2020, the FASB issued ASU 2020-07, *Not-for-Profit Entities (Topic 958): Presentation and Disclosures by Not-for-Profit Entities for Contributed Nonfinancial Assets*. The ASU is expected to increase transparency around contributed nonfinancial assets (gifts-in-kind) received by not-for-profit entities by requiring the contributed nonfinancial assets to be reported separately in the statement of activities and additional disclosures regarding the use and valuation technique. The changes become effective for the Foundation on January 1, 2022. Management has determined the impact of these changes on the Foundation's financial statements will not be significant.

Recently Adopted Accounting Pronouncement

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments-Credit Losses (Topic 326)*. The new guidance requires organizations to measure all expected credit losses for financial instruments held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The changes are required to be adopted by the Foundation by January 1, 2023, with early application permitted.

The Foundation adopted the new expected credit loss methodology of Topic 326 in 2020 and the impact on the Foundation's financial statements was minimal.

Subsequent Events

Management evaluated subsequent events through March 2, 2022, the date the financial statements were available to be issued.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

2. LIQUIDITY AND AVAILABILITY

The financial assets as of December 31, 2021 and 2020, which are available for general expenditures within one year of the statements of financial position dates comprise the following:

	2021	2020
Total cash and cash equivalents	\$ 26,393,369	\$ 22,906,790
Less:		
Cash held to fund debt securities withdrawals (see Note 8)	(6,636,695)	(6,515,719)
Cash restricted in trust fund	(5,787,748)	(5,098,979)
Cash board designated in trust fund	(448,821)	(402,784)
Add:		
Loans receivable to be collected within a year	1,132,996	1,309,325
Accrued interest	51	-
Other receivables to be collected within a year	37,791	27,959
	\$ 14,690,943	\$ 12,226,592

As part of the Foundation's liquidity management, it has a policy to structure its financial assets to be available as its general expenditures, liabilities, and other obligations come due. To help manage unanticipated liquidity needs, the Foundation has a revolving line of credit with Centric bank in the amount of \$3,000,000, which it could draw upon as further disclosed in Note 10.

3. CASH AND CASH EQUIVALENTS

The Foundation utilizes a cash management system to invest excess cash deposits.

Cash and cash equivalents consist of the following as of December 31, 2021 and 2020:

	Brotherhood Loan Fund	
	2021	2020
Interest-bearing checking accounts	\$ 19,343,967	\$ 16,689,949
	\$ 19,343,967	\$ 16,689,949
	Trust Fund	
	2021	2020
Certificate of deposit	\$ -	\$ 4,312,382
Interest-bearing checking accounts	6,610,571	1,525,001
Money market funds	438,831	379,458
	\$ 7,049,402	\$ 6,216,841

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

The Foundation is exposed to credit risk by maintaining cash balances at financial institutions in excess of federally insured limits.

4. INVESTMENTS

The cost and fair values of investments at December 31, 2021 and 2020, are as follows:

December 31, 2021	Cost	Net Unrealized Gains/(Losses)	Fair Value
Mutual funds			
International	\$ 1,449,103	\$ 649,664	\$ 2,098,767
Intermediate bonds - government	230,409	(1,608)	228,801
Large cap	3,512,741	3,484,161	6,996,902
Mid cap	881,005	169,253	1,050,258
Small cap	57,504	49,352	106,856
Money market	735	-	735
Short-term bonds	2,176,823	90,695	2,267,518
Short-term bonds - government	622,116	(2,377)	619,739
Total mutual funds	8,930,436	4,439,140	13,369,576
Cash value of life insurance	34,419	-	34,419
Investor-directed mutual funds			
International	1,507,252	226,367	1,733,619
Intermediate bonds	759,450	27,528	786,978
Intermediate bonds - government	91,468	(841)	90,627
Large cap	1,804,939	1,242,860	3,047,799
Mid cap	125,938	25,914	151,852
Small cap	5,996	3,526	9,522
Money market	885	-	885
Short-term bonds	246,753	(1,222)	245,531
Short-term bonds - government	67,683	(47)	67,636
Emerging markets	7,263	(981)	6,282
High yield bonds	9,509	424	9,933
World bonds	326,433	286	326,719
Total investor-directed mutual funds	4,953,569	1,523,814	6,477,383
	<u>\$ 13,918,424</u>	<u>\$ 5,962,954</u>	<u>\$ 19,881,378</u>

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

December 31, 2020	Cost	Net Unrealized Gains/(Losses)	Fair Value
Mutual funds			
International	\$ 1,581,640	\$ 644,913	\$ 2,226,553
Intermediate bonds - government	238,377	2,723	241,100
Large cap	3,845,581	2,995,090	6,840,671
Mid cap	912,669	47,817	960,486
Small cap	69,827	49,902	119,729
Money market	735	-	735
Short-term bonds	2,172,980	134,303	2,307,283
Short-term bonds - government	621,445	9,361	630,806
Total mutual funds	9,443,254	3,884,109	13,327,363
Cash value of life insurance	32,452	-	32,452
Investor-directed mutual funds			
International	1,479,965	233,904	1,713,869
Intermediate bonds	931,294	66,217	997,511
Intermediate bonds - government	93,687	883	94,570
Large cap	1,861,662	932,017	2,793,679
Mid cap	123,492	8,706	132,198
Small cap	6,123	3,689	9,812
Money market	2,280	-	2,280
Short-term bonds	205,368	3,767	209,135
Short-term bonds - government	56,713	1,329	58,042
Emerging markets	4,514	2,514	7,028
High yield bonds	4,580	321	4,901
Nontraditional bonds	4,943	(191)	4,752
World bonds	388,462	22,835	411,297
Total investor-directed mutual funds	5,163,083	1,275,991	6,439,074
	\$ 14,638,789	\$ 5,160,100	\$ 19,798,889

5. LOANS RECEIVABLE

Loans receivable consist primarily of amounts owed by churches affiliated with the Brethren in Christ denomination on loans made by the Foundation for the purpose of church construction or improvements. The loans mature at various dates through the year 2051 and bear interest rates ranging from 3.30% to 6.00%. Certain loans are also guaranteed by the general and regional Conferences of the Church.

During 2021, the Foundation generally had secured Trust Fund loans bearing annual interest at the rate of 3.30% to 6.00% to Church members and unrelated parties.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

The calculation for the allowance for loan losses is dependent on the amount guaranteed by the General and Regional Conferences (Conferences). At December 31, 2021 and 2020, Brotherhood Loan Fund loans were partially guaranteed by the Conferences totaling \$6,895,160 and \$8,311,176. At December 31, 2021 and 2020, Trust Loan Fund loans were partially guaranteed by the Conferences totaling \$477,649 and \$512,204.

An analysis of changes in the allowance for loan losses for 2021, 2020, and 2019, is as follows:

	Brotherhood Loan Fund	Trust Fund	Total
Allowance for loan losses, January 1, 2019	\$ 241,798	\$ 3,071	\$ 244,869
Provisions for losses on loans	<u>(2,974)</u>	<u>(1,357)</u>	<u>(4,331)</u>
Allowance for loan losses, December 31, 2019	238,824	1,714	240,538
Provisions for losses on loans	<u>17,385</u>	<u>2,824</u>	<u>20,209</u>
Allowance for loan losses, December 31, 2020	256,209	4,538	\$ 260,747
Provisions for losses on loans	<u>(41,455)</u>	<u>10,368</u>	<u>(31,087)</u>
Allowance for loan losses, December 31, 2021	<u>\$ 214,754</u>	<u>\$ 14,906</u>	<u>\$ 229,660</u>

At December 31, 2021 and 2020, there was no recorded investments in impaired loans. There was no allowance for loan losses related to impaired loans at December 31, 2021 and 2020. There was no interest income recognized on impaired loans in 2021, 2020, and 2019.

Scheduled repayments of loans receivable over the next five years and thereafter as of December 31, 2021, is as follows:

	Brotherhood Loan Fund	Trust Fund	Total
2022	\$ 1,049,629	\$ 83,367	\$ 1,132,996
2023	1,191,636	95,200	1,286,836
2024	1,246,331	91,836	1,338,167
2025	1,317,465	52,257	1,369,722
2026	1,377,223	47,743	1,424,966
Thereafter	<u>32,473,123</u>	<u>247,591</u>	<u>32,720,714</u>
	38,655,407	617,994	39,273,401
Allowance for loan losses	<u>(214,754)</u>	<u>(14,906)</u>	<u>(229,660)</u>
Loans, net	<u>\$ 38,440,653</u>	<u>\$ 603,088</u>	<u>\$ 39,043,741</u>

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

6. PROPERTY AND EQUIPMENT

A summary of property and equipment at December 31, 2021 and 2020, is as follows:

	Useful Lives	2021	2020
Office building and improvements	10-40 years	\$ 990,380	\$ 980,467
Farm – with donor restriction	N/A	415,000	415,000
Furniture and equipment	3-5 years	362,857	362,857
Accumulated depreciation		(961,557)	(896,707)
		\$ 806,680	\$ 861,617

Depreciation expense for the years ended December 31, 2021, 2020, and 2019, totaled \$64,850, \$63,052, and \$45,844.

7. NET ASSETS WITH DONOR RESTRICTIONS

In 1981, property with an appraised value of \$415,000 was transferred to the Foundation from the General Conference. The property is held by the Foundation as Trustee, and court approval must be obtained prior to any sale of the property. Net income derived from farming the property is contributed to Church Missions. At such time as the property is sold, the corpus will be managed by the Foundation and the earnings distributed to Church Missions.

8. DEBT SECURITIES

The Foundation has received approval from certain states for the sale of Thrift Accumulation Plan Agreements (Agreements), Stewardship Investment Certificates (Certificates), and Individual Retirement Account Notes (Notes) to individuals affiliated with the Church. The principal terms of these instruments as of December 31, 2021, are as follows:

	Agreements	Certificates
Minimum purchase	\$5	\$25
Term	30 days	6 months to 5 years
Interest rate at December 31, 2021	Variable, currently 0.00% to 0.75%	Variable, currently 0% to 2.47%

Notes have a minimum purchase of \$25 or the balance of an individual's IRA, whichever is less, and are generally issued for a minimum of the lesser of five years or holders reaching 59½ years of age. Interest is variable on 5 and 10 year Notes (currently at 2.47% and 2.72%) and is added to the principal on a quarterly basis.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Agreements, Certificates, and Notes outstanding at December 31, 2021, have maturity dates and amounts as follows:

2022	\$ 24,628,657
2023	6,658,950
2024	4,435,591
2025	5,593,836
2026	5,699,435
Thereafter	<u>2,191,856</u>
Total	<u>\$ 49,208,325</u>

The interest rate on these savings instruments may be adjusted monthly by the Board of Directors to reflect current market conditions.

The Foundation holds a minimum of 5%, 10%, and 25% of the proceeds from the sale of Notes, Certificates, and Agreements, respectively, in cash accounts and certificates of deposits for immediate liquidity to fund withdrawals from the Brotherhood Loan Fund. Such minimum amounts totaled \$6,636,695 and \$6,515,719, at December 31, 2021 and 2020.

9. SPLIT-INTEREST AGREEMENTS

Split-interest Trusts

Split-interest trust restricted assets consist of the following at December 31, 2021 and 2020:

	<u>2021</u>	<u>2020</u>
Cash and cash equivalents	\$ 401,715	\$ 385,937
Investments	<u>2,555,112</u>	<u>2,712,298</u>
	<u>\$ 2,956,827</u>	<u>\$ 3,098,235</u>

Liabilities for split-interest trusts totaled \$2,956,827 and \$3,098,235 at December 31, 2021 and 2020.

Annuities Payable

Assets received under charitable gift annuity agreements are held as general assets of the Foundation.

Annuities payable at December 31, 2021 and 2020, totaled \$860,838 and \$902,500 and were determined using discount rates ranging from 2.0% to 8.4%. The change in the Foundation's portion of the liability is recorded as a change in net assets without donor restrictions and totaled \$(5,597), \$13,459, and \$16,888, for the years ended December 31, 2021, 2020, and 2019.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

10. LINE OF CREDIT

The Foundation currently has available for its use a revolving line of credit with Centric Bank in the amount of \$3,000,000. All amounts borrowed under the revolving line of credit are payable on demand and bear interest at the Wall Street Journal Prime Rate. Advances under the line of credit shall be used to finance timing differences between deposits gathered and loans funded. Interest is to be calculated on the outstanding principal balance for the actual number of days lapsed during each billing cycle at a daily rate based on a year of 360 days. At December 31, 2021 and 2020, no amounts were outstanding on the line of credit.

11. FUNCTIONAL EXPENSE ALLOCATION

The costs of providing programs and other supporting activities have been summarized on a functional basis below. Accordingly, certain costs have been allocated among programs and the supporting services benefited. Such allocations are determined by management on an equitable basis. The expenses that are allocated include the following:

<u>Expense</u>	<u>Allocation Method</u>				
Professional services					Benefits received
Salaries and benefits					Time and effort
Depreciation					Time and effort
General and administrative					Benefits received
<u>2021</u>	<u>BLF</u>	<u>Trust Fund</u>	<u>Management and General</u>	<u>Fundraising</u>	<u>Total All Funds</u>
Distributions to charities	\$ 34,025	\$ 36,195	\$ -	\$ -	\$ 70,220
Interest	928,379	-	-	-	928,379
Professional services	35,038	1,918	31,170	-	68,126
Salaries and benefits	299,444	143,102	213,517	17,619	673,682
Depreciation	42,801	-	20,752	1,297	64,850
General and administrative	74,035	67,525	41,008	8,938	191,506
Matching grant	8,500	-	-	-	8,500
Provisions for loss on loans	(41,455)	10,368	-	-	(31,087)
Total expenses	<u>\$ 1,380,767</u>	<u>\$ 259,108</u>	<u>\$ 306,447</u>	<u>\$ 27,854</u>	<u>\$1,974,176</u>

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

2020	BLF	Trust Fund	Management and General	Fundraising	Total All Funds
Distributions to charities	\$ 34,658	\$ 27,946	\$ -	\$ -	\$ 62,604
Interest	1,109,580	-	-	-	1,109,580
Professional services	63,965	19,975	2,315	-	86,255
Salaries and benefits	281,402	144,622	183,087	66,564	675,675
Depreciation	40,353	-	17,024	5,675	63,052
General and administrative	91,590	53,202	35,658	5,992	186,442
Matching grant	9,000	-	-	-	9,000
Provisions for loss on loans	17,385	2,824	-	-	20,209
Loss on disposal of property and equipment	-	-	3,928	-	3,928
Total expenses	<u>\$ 1,647,933</u>	<u>\$ 248,569</u>	<u>\$ 242,012</u>	<u>\$ 78,231</u>	<u>\$2,216,745</u>

2019	BLF	Trust Fund	Management and General	Fundraising	Total All Funds
Contributions to the Church	\$ 49,764	\$ 200,000	\$ -	\$ -	\$ 249,664
Distributions to charities	35,000	35,100	-	-	70,200
Interest	1,098,839	-	-	-	1,098,839
Professional services	52,954	17,710	1,888	-	72,552
Salaries and benefits	284,520	141,664	159,754	79,075	665,013
Depreciation	29,340	-	11,461	5,043	45,844
General and administrative	92,257	39,943	19,437	10,728	162,365
Matching grant	14,000	-	-	-	14,000
Provisions for loss on loans	(2,974)	(1,357)	-	-	(4,331)
Total expenses	<u>\$ 1,653,700</u>	<u>\$ 433,060</u>	<u>\$ 192,540</u>	<u>\$ 94,846</u>	<u>\$2,374,146</u>

12. RETIREMENT PLAN

The Foundation maintains a defined contribution employee pension plan. The plan is available to all employees who are employed on a full time basis. During 2019, the employer rate was 5.0% of eligible compensation plus a match of employee contributions up to 4.5%. During 2020 and 2021, the employer rate was 5.0% of eligible compensation plus a match of employee contributions up to 5.0%. For the years ended December 31, 2021, 2020, and 2019, retirement plan expenses of \$44,494, \$39,671, and \$37,936 were included in employee benefits.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

13. CASH FLOW INFORMATION

Amounts paid for interest were as follows:

	<u>2021</u>	<u>2020</u>	<u>2019</u>
Brotherhood Loan Fund	<u>\$ 928,378</u>	<u>\$ 1,109,580</u>	<u>\$ 1,098,838</u>

Interest re-invested by holders of debt securities in the Brotherhood Loan Fund totaled \$837,014, \$996,156, and \$983,151 during the years ended December 31, 2021, 2020, and 2019.

14. FAIR VALUE OF FINANCIAL INSTRUMENTS

The FASB Accounting Standards Codification (ASC) 820, *Fair Value Measurements and Disclosures* (ASC 820), establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described as follows:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Foundation has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets or liabilities in active markets.
- Quoted prices for identical or similar assets or liabilities in inactive markets.
- Inputs other than quoted prices that are observable for the asset or liability.
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

An asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets and liabilities measured at fair value on a recurring basis. There have been no changes in the methodologies used at December 31, 2021 and 2020.

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

Mutual funds are valued at the daily closing price as reported by the fund. Mutual funds held by the Foundation are open-end mutual funds that are registered with the Securities and Exchange Commission. These funds are required to publish their daily net asset value and to transact at that price. The mutual funds held by the Foundation are deemed to be actively traded.

The cash value of life insurance policies are valued at the amount the Foundation is entitled to receive upon cancellation of the life insurance policy. That amount is based on the insurance premiums paid, the value of underlying investments, surrender fees, and reduced by outstanding policy loans.

Common stocks are valued at the closing price reported on the active market on which the individual securities are traded.

The fair values of CTF investment accounts and other funds held are based on net asset values of assets allocated to the CTF.

The fair values of split-interest trusts are based on the net asset values of the trust assets.

For assets and liabilities measured at fair value on a recurring basis, the fair value measurements by level within the fair value hierarchy used as of December 31, 2021 and 2020, are as follows:

2021	Level 1	Level 2	Level 3	Total
Mutual funds				
International	\$ 3,832,386	\$ -	\$ -	\$ 3,832,386
Intermediate fixed income	786,978	-	-	786,978
Intermediate fixed income - government	319,428	-	-	319,428
Large cap	10,044,701	-	-	10,044,701
Mid cap	1,202,110	-	-	1,202,110
Small cap	116,378	-	-	116,378
Money market	1,620	-	-	1,620
Short-term fixed income	2,513,049	-	-	2,513,049
Short-term fixed income - government	687,375	-	-	687,375
Emerging markets	6,282	-	-	6,282
High yield fixed income	9,933	-	-	9,933
World fixed income	326,719	-	-	326,719
Total mutual funds	19,846,959	-	-	19,846,959
Cash value of life insurance	-	-	34,419	34,419
Total investments	<u>\$ 19,846,959</u>	<u>\$ -</u>	<u>\$ 34,419</u>	<u>\$ 19,881,378</u>

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

CTF investments	\$ -	\$ 19,726,811	\$ -	\$ 19,726,811
Split-interest trusts	-	2,956,827	-	2,956,827
Other funds held	-	9,237	-	9,237
	<u>-</u>	<u>22,692,875</u>	<u>-</u>	<u>22,692,875</u>
Total liabilities	<u>\$ -</u>	<u>\$ 22,692,875</u>	<u>\$ -</u>	<u>\$ 22,692,875</u>
<u>2020</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Mutual funds				
International	\$ 3,940,422	\$ -	\$ -	\$ 3,940,422
Intermediate fixed income	997,511	-	-	997,511
Intermediate fixed income - government	335,669	-	-	335,669
Large cap	9,634,350	-	-	9,634,350
Mid cap	1,092,684	-	-	1,092,684
Small cap	129,541	-	-	129,541
Money market	3,015	-	-	3,015
Short-term fixed income	2,516,418	-	-	2,516,418
Short-term fixed income - government	688,848	-	-	688,848
Emerging markets	7,028	-	-	7,028
High yield fixed income	4,901	-	-	4,901
Nontraditional fixed income	4,752	-	-	4,752
World fixed income	411,298	-	-	411,298
	<u>19,766,437</u>	<u>-</u>	<u>-</u>	<u>19,766,437</u>
Total mutual funds	19,766,437	-	-	19,766,437
Cash value of life insurance	-	-	32,452	32,452
	<u>-</u>	<u>-</u>	<u>32,452</u>	<u>32,452</u>
Total investments	<u>\$ 19,766,437</u>	<u>\$ -</u>	<u>\$ 32,452</u>	<u>\$ 19,798,889</u>
CTF investments	\$ -	\$ 18,563,032	\$ -	\$ 18,563,032
Split-interest trusts	-	3,098,235	-	3,098,235
Other funds held	-	9,243	-	9,243
	<u>-</u>	<u>21,670,510</u>	<u>-</u>	<u>21,670,510</u>
Total liabilities	<u>\$ -</u>	<u>\$ 21,670,510</u>	<u>\$ -</u>	<u>\$ 21,670,510</u>

BRETHREN IN CHRIST FOUNDATION, INC.

NOTES TO FINANCIAL STATEMENTS

The following table sets forth a summary of changes in the fair value of the Foundation's level 3 assets for the years ended December 31, 2021, 2020, and 2019:

	Life Insurance Policies		
	2021	2020	2019
Balance, beginning of year	\$ 32,452	\$ 30,499	\$ 28,542
Premiums paid	532	532	532
Gains and premium discounts	1,435	1,421	1,425
Balance, end of year	<u>\$ 34,419</u>	<u>\$ 32,452</u>	<u>\$ 30,499</u>

The Foundation's financial instruments also include cash and cash equivalents, loans receivable and accrued interest receivable, accounts payable and other liabilities, debt securities, and individual retirement and health savings accounts. The carrying amounts of cash and cash equivalents, accrued interest receivable and accounts payable and other liabilities approximate fair values as of December 31, 2021 and 2020, because of the short maturities of those instruments. The carrying amounts of loans receivable, debt securities and individual retirement and health savings accounts are considered to approximate fair values as of December 31, 2021 and 2020, since they are subject to interest rates, which vary depending on market conditions.

15. PAYCHECK PROTECTION PROGRAM

On April 8, 2020, the Foundation qualified for and received loan proceeds in the amount of \$135,280 under the Paycheck Protection Program (PPP). The PPP, established as part of the Coronavirus Aid, Relief and Economic Security Act (CARES Act), provides for loans to qualifying organizations and also loan forgiveness for up to 100% of the loan value. The Foundation received loan forgiveness for the entire amount of the loan and it is included in contributions on the statement of activities for 2020.

16. RISKS AND UNCERTAINTIES

The COVID-19 pandemic has caused disruption of many businesses which is resulting in significant economic uncertainties. The extent of COVID-19 on the Foundation's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak, and its effect on churches, church members, and others that do business with the Foundation. All of these factors are uncertain and cannot be predicted. At this time, the extent to which COVID-19 may impact the Foundation's financial condition or results of operations is unknown. In response to COVID-19, the Foundation extended certain payment modifications to loan customers in need. As of December 31, 2020, all loans that received payment modifications during 2020 related to COVID-19 have since returned to normal repayment status.



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OF CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT MEMBER OF



ACCOUNT INFORMATION

Name _____	Social Security Number _____
Street/P.O. Box _____	Date of Birth _____
City, State & Zip _____	Phone _____
Congregation _____	Regional Conference _____

I hereby instruct the Brethren in Christ Foundation, Inc., as Custodian (“Custodian”), to purchase the Brethren in Christ Foundation, Inc. (“Foundation”) Stewardship Investment Certificate(s) (“**Certificate(s)**”) or Thrift Accumulation Plan Agreement(s) (“**Agreement(s)**”) specified below on behalf of my BICF Health Savings Account. I understand that the initial variable interest rate specified in the Prospectus is the initial interest rate as of the date of the Prospectus, and that the Foundation may adjust the variable interest rate upward or downward from time to time. The actual initial rate will be the prevailing rate at the time of sale. The minimum purchase amount is \$25 for a **Certificate** or \$5 for an **Agreement**.

INVESTMENT OPTIONS

Type of Agreement/Certificate	Total Principal Amount Invested
• Thrift Accumulation Plan – Agreement	\$ _____
• Six Month Maturity – Certificate	\$ _____
• One Year Maturity – Certificate	\$ _____
• Two Year Maturity – Certificate	\$ _____
• Three Year Maturity – Certificate	\$ _____
• Four Year Maturity – Certificate	\$ _____
• Five Year Maturity – Certificate	\$ _____

Interest will be credited to your HSA and compounded monthly for Certificates and Agreements, all on the basis of a 365-day year. Statements will be mailed quarterly.

I hereby acknowledge receipt of the current Prospectus of the Brethren in Christ Foundation, Inc., and of the financial statements reproduced therein, and further represent that I meet the limited class of investor requirements presented in the Prospectus. I HEREBY AGREE THAT THIS PURCHASE IS FOR INVESTMENT ONLY, MAY NOT BE TRANSFERRED EXCEPT AS PERMITTED BY THE FOUNDATION AND ANY TRANSFER MUST BE PURSUANT TO EITHER AN EFFECTIVE REGISTRATION OR ANY EXEMPTION THEREFROM UNDER APPLICABLE STATE SECURITIES LAWS. In accordance with the terms set forth above and as set forth in the Foundation’s Prospectus, I hereby instruct the Custodian to purchase the securities as set forth above.

Executed at _____ this _____ day of _____
City State
_____. Signature _____

The Foundation reserves the right to reject any HSA investment. No sale occurs until the Foundation accepts an HSA investment.

IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES DESCRIBED IN A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m)(1) OF THE PENNSYLVANIA SECURITIES ACT OF 1972 (70 P.S. §1-207(m)), YOU MAY ELECT, WITHIN TWO BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS (WHICH IS NOT MATERIALLY DIFFERENT FROM THE FINAL PROSPECTUS), TO WITHDRAW FROM YOUR PURCHASE AND RECEIVE A FULL REFUND OF ALL MONIES PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW.

ACCOUNT INFORMATION

Name _____	Social Security Number _____
Street/P.O. Box _____	Date of Birth _____
City, State & Zip _____	Phone _____
Congregation _____	Regional Conference _____

I hereby instruct the Brethren in Christ Foundation, Inc., as Custodian (“**Custodian**”), to purchase the Brethren in Christ Foundation, Inc. (“**Foundation**”) Individual Retirement Account Note(s) (“**Note(s)**”), Stewardship Investment Certificate(s) (“**Certificate(s)**”) or Thrift Accumulation Plan Agreement(s) (“**Agreement(s)**”) specified below on behalf of my BICF Individual Retirement Account. I understand that the initial variable interest rate specified in the Prospectus is the initial interest rate as of the date of the Prospectus, and that the Foundation may adjust the variable interest rate upward or downward from time to time. The actual initial rate will be the prevailing rate at the time of sale. The minimum purchase amount is \$25 for a **Certificate**; \$25 or the amount contained in my Individual Retirement Account, whichever is less, for a **Note**; and \$5 for an **Agreement**.

INVESTMENT OPTIONS

Type of Agreement/Certificate/Note	Total Principal Amount Invested
• Thrift Accumulation Plan – Agreement	\$ _____
• Six Month Maturity – Certificate	\$ _____
• One Year Maturity – Certificate	\$ _____
• Two Year Maturity – Certificate	\$ _____
• Three Year Maturity – Certificate	\$ _____
• Four Year Maturity – Certificate	\$ _____
• Five Year Maturity – Certificate	\$ _____
• Five Year Maturity – Note	\$ _____
• Ten Year Maturity – Note	\$ _____

Interest will be credited to your IRA and compounded monthly for Certificates, Notes and Agreements, all on the basis of a 365-day year. Statements will be mailed quarterly.

I hereby acknowledge receipt of the current Prospectus of the Brethren in Christ Foundation, Inc., and of the financial statements reproduced therein, and further represent that I meet the limited class of investor requirements presented in the Prospectus. I HEREBY AGREE THAT THIS PURCHASE IS FOR INVESTMENT ONLY, MAY NOT BE TRANSFERRED EXCEPT AS PERMITTED BY THE FOUNDATION AND ANY TRANSFER MUST BE PURSUANT TO EITHER AN EFFECTIVE REGISTRATION OR ANY EXEMPTION THEREFROM UNDER APPLICABLE STATE SECURITIES LAWS. In accordance with the terms set forth above and as set forth in the Foundation’s Prospectus, I hereby instruct the Custodian to purchase the securities as set forth above.

Executed at _____ this _____ day of _____
City State
_____. Signature _____

The Foundation reserves the right to reject any IRA investment. No sale occurs until the Foundation accepts an IRA investment.

IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES DESCRIBED IN A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m)(1) OF THE PENNSYLVANIA SECURITIES ACT OF 1972 (70 P.S. §1-207(m)), YOU MAY ELECT, WITHIN TWO BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS (WHICH IS NOT MATERIALLY DIFFERENT FROM THE FINAL PROSPECTUS), TO WITHDRAW FROM YOUR PURCHASE AND RECEIVE A FULL REFUND OF ALL MONIES PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW.

**STEWARDSHIP INVESTMENT CERTIFICATES
PURCHASE APPLICATION**

Brethren in Christ Foundation, Inc.
431 Grantham Road
Mechanicsburg, PA 17055
Phone (717) 796-4788

PART I

TYPE OF ACCOUNT

- Individual Joint* Uniform Transfers to Minors Act (UTMA) Custodial Account for Minor

*Unless otherwise instructed, joint ownership of **Certificate(s)** will be indicated by use of the conjunction "or" between the names, thus creating a joint tenancy with right of survivorship, rather than ownership as tenants in common.

ACCOUNT INFORMATION

PRIMARY OWNER or MINOR if UTMA:

Name _____

Social Security Number _____

Street/P.O. Box _____

Date of Birth _____

City, State & Zip _____

Phone _____

Congregation _____

Regional Conference _____

For churches only: EIN _____

Treasurer _____

JOINT OWNER (If desired) or CUSTODIAN if UTMA:

Name _____

Social Security Number _____

Street/P.O. Box _____

Date of Birth _____

City, State & Zip _____

PART II – I hereby apply for and agree to purchase the Brethren in Christ Foundation, Inc. ("Foundation") Stewardship Investment **Certificate(s)** specified below. I understand that the initial variable interest rate specified in the Prospectus is the initial rate as of the date of the Prospectus, and that the Foundation may adjust that variable interest rate upward or downward from time to time. The actual initial interest rate will be the prevailing rate at time of sale. The minimum purchase amount for a **Certificate** is \$25.

CERTIFICATE OPTIONS

- **Six Month Maturity**
- **One Year Maturity**
- **Two Year Maturity**
- **Three Year Maturity**
- **Four Year Maturity**
- **Five Year Maturity**

Total Principal Invested

\$ _____
\$ _____
\$ _____
\$ _____
\$ _____
\$ _____
\$ _____

TOTAL AMOUNT

- Interest on **Certificate(s)** may be accumulated or paid at the investor's request. I/We elect to have interest on the Certificate(s) as follows: (**complete one**)
- Accumulated monthly to the Certificate(s). Interest credited on the last day of each month.
 - Pay interest monthly quarterly or semiannually (**select one**) by check mailed to the address above.
 - Pay interest monthly quarterly or semiannually (**select one**) to my bank account by Electronic Funds Transfer. If you do not have an existing bank account on file or desire interest to be paid to a new bank account, please complete the EFT Authorization Form. For a copy, please contact the Foundation.

PLEASE TURN TO THE OTHER SIDE ➡

MINISTRY

Variable Interest Rates

Total Principal

	Regular*	Reduced	Invested
• Six Month Maturity	1.00%	_____ %	\$ _____
• One Year Maturity	1.49%	_____ %	\$ _____
• Two Year Maturity	1.74%	_____ %	\$ _____
• Three Year Maturity	1.98%	_____ %	\$ _____
• Four Year Maturity	2.23%	_____ %	\$ _____
• Five Year Maturity	2.47%	_____ %	\$ _____

*As of date of Prospectus

Total Amount \$ _____

I elect to take a reduced interest rate on the certificate selected here so that the church, ministry or institution suggested below may benefit. I understand that I may change to the regular plan (current variable interest rate) upon written notice to the Foundation thirty (30) days prior to the first day of the month in which the regular plan rate is to be effective. If regular rates are reduced below the reduced rate set forth above, the regular variable interest rate then in effect will apply as long as the reduced rate is higher. In making the following designation, I understand that the Foundation has the final decision regarding distribution of any benefit from the reduced interest rate.

Suggested beneficiary of reduced interest rate: _____

Interest on **Certificate(s)** may be accumulated or paid at the investor's request. I/We elect to have interest on the Certificate(s) as follows: **(complete one)**

- Accumulated monthly to the Certificate(s). Interest credited on the last day of each month.
- Pay interest monthly quarterly or semiannually (**select one**) by check mailed to the address above.
- Pay interest monthly quarterly or semiannually (**select one**) to my bank account by Electronic Funds Transfer. If you do not have an existing bank account on file or desire interest to be paid to a new bank account, please complete the EFT Authorization Form. For a copy, please contact the Foundation.

PART III - With respect to the ultimate disposition of my account: (check one)

Upon written notice to the Foundation, this choice may be changed at any time prior to death.

- At my death, the account balance of the **Certificate(s)** shall become the sole property of the Brethren in Christ Foundation, Inc.
- At my death, the Brethren in Christ Foundation, Inc. shall pay the proceeds of the **Certificate(s)** at maturity to the person(s) listed on my Beneficiary Designation Form or, if none, to the person(s) legally entitled to said proceeds. If the Foundation does not receive notification of death within 60 days of a **Certificate** termination date, the Foundation may at its discretion elect to renew the **Certificate** for one additional like term.

PART IV - I hereby acknowledge receipt of the current Prospectus of the Brethren in Christ Foundation, Inc., and of the financial statements reproduced therein, and further represent the I/we meet the limited class of investor requirements presented in the Prospectus. I HEREBY AGREE THAT THIS PURCHASE IS FOR INVESTMENT ONLY, MAY NOT BE TRANSFERRED EXCEPT AS PERMITTED BY THE FOUNDATION AND ANY TRANSFER MUST BE PURSUANT TO EITHER AN EFFECTIVE REGISTRATION OR AN EXEMPTION THEREFROM UNDER APPLICABLE STATE SECURITIES LAWS. In accordance with the terms set forth in this Application above, and as set forth in the Foundation's Prospectus, I hereby execute this Purchase Application.

Executed at _____ this _____ day of _____
City State
_____ 20____ . Signature _____

Joint Owner (if Applicable): I, the undersigned joint owner, in consideration of the Foundation's issuance of the **Certificate**, consent to the purchase(s) set forth in this Purchase Application.

Signature _____ Date _____

The Foundation reserves the right to reject any application. No sale occurs until a Purchase Application is accepted by the Foundation.

IF YOU HAVE ACCEPTED AN OFFER TO PURCHASE THESE SECURITIES DESCRIBED IN A PROSPECTUS WHICH CONTAINS A NOTICE EXPLAINING YOUR RIGHT TO WITHDRAW YOUR ACCEPTANCE PURSUANT TO SECTION 207(m)(1) OF THE PENNSYLVANIA SECURITIES ACT OF 1972 (70 P.S. §1-207(m)), YOU MAY ELECT, WITHIN TWO BUSINESS DAYS AFTER THE FIRST TIME YOU HAVE RECEIVED THIS NOTICE AND A PROSPECTUS (WHICH IS NOT MATERIALLY DIFFERENT FROM THE FINAL PROSPECTUS), TO WITHDRAW FROM YOUR PURCHASE AND RECEIVE A FULL REFUND OF ALL MONIES PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A WRITTEN NOTICE (INCLUDING A NOTICE BY FACSIMILE OR ELECTRONIC MAIL) TO THE ISSUER (OR UNDERWRITER IF ONE IS LISTED ON THE FRONT PAGE OF THE PROSPECTUS) INDICATING YOUR INTENTION TO WITHDRAW.

**THRIFT ACCUMULATION PLAN (TAP) AGREEMENTS
PURCHASE APPLICATION**

Brethren in Christ Foundation, Inc.
431 Grantham Road
Mechanicsburg, PA 17055
Phone (717) 796-4788

PART I

TYPE OF ACCOUNT

Individual Joint* Uniform Transfers to Minors Act (UTMA) Custodial Account for Minor

*Unless otherwise instructed, joint ownership of an **Agreement** will be indicated by use of the conjunction "or" between the names, thus creating a joint tenancy with right of survivorship, rather than ownership as tenants in common.

ACCOUNT INFORMATION

**PRIMARY OWNER or
MINOR if UTMA**

Name _____

Social Security Number _____

Street/P.O. Box _____

Date of Birth _____

City, State & Zip _____

Phone _____

Congregation _____

Regional Conference _____

For churches only: EIN _____

Treasurer _____

JOINT OWNER (If desired) or CUSTODIAN if UTMA:

Name _____

Social Security Number _____

Street/P.O. Box _____

Date of Birth _____

City, State & Zip _____

PART II

I hereby apply for and agree to purchase the Brethren in Christ Foundation, Inc. ("Foundation") **Agreement** specified below. I understand that the initial variable interest rate specified in the Prospectus is the initial rate as of the date of the Prospectus, and that the Foundation may adjust the variable interest rate upward or downward from time to time. The actual initial interest rate will be the prevailing rate at the time of sale. The minimum purchase amount for an **Agreement** is \$5.00. Accounts with a minimum balance of \$2,000.00 on the last day of each month qualify for the Special TAP rate. The minimum balance requirement does not apply to individuals age 65 and over or to churches.

AGREEMENT OPTIONS

Total Principal Invested

Regular TAP

\$ _____

Special TAP – 65 & Over/Churches

\$ _____

- Interest on a **Regular TAP Agreement** will be accumulated in the purchaser's account and posted thereto on the last day of each month. Statements will be mailed quarterly on all accounts.
- Interest on **Special TAP Agreement** may be accumulated or paid at the investor's request. I/We elect to have interest on the Special TAP Agreement as follows: **(complete one)**
 - Accumulated monthly to the Special TAP. Interest credited on the last day of each month.
 - Pay interest monthly or quarterly **(select one)** by check mailed to the address above.
 - Pay interest monthly or quarterly **(select one)** to my bank account by Electronic Funds Transfer. If you do not have an existing bank account on file or desire interest to be paid to a new bank account, please complete the EFT Authorization Form. For a copy, please contact the Foundation.

PLEASE TURN TO THE OTHER SIDE 

MINISTRY

	Reduced Rates	Total Principal Invested
Regular TAP	0.00%	\$ _____
Special TAP – 65 & Over/Churches	0.00%	\$ _____

- I elect to take a zero interest rate on the agreement selected here so that the church, ministry or institution suggested below may benefit. I understand that I may change to the regular plan (current variable interest rate) upon written notice to the Foundation thirty (30) days prior to the first day of the month in which the increased rate is to be effective. In making the following designation, I understand that the Foundation has the final decision regarding distribution of any benefit from the reduced interest rate.

Suggested beneficiary of reduced interest rate: _____

PART III

- With respect to the ultimate disposition of my account: (check one)
Upon written notice to the Foundation, this choice may be changed at any time prior to death.
- At my death, the account balance of the **Agreement** shall become the sole property of the Brethren in Christ Foundation, Inc.
- At my death, the Brethren in Christ Foundation, Inc. shall pay the proceeds of the **Agreement** to the person(s) listed on my Beneficiary Designation Form or, if none, to the person(s) legally entitled to said proceeds.

PART IV

I hereby acknowledge receipt of the current Prospectus of the Brethren in Christ Foundation, Inc., and of the financial statements reproduced therein, and further represent the I/we meet the limited class of investor requirements presented in the Prospectus. I HEREBY AGREE THAT THIS PURCHASE IS FOR INVESTMENT ONLY, MAY NOT BE TRANSFERRED EXCEPT AS PERMITTED BY THE FOUNDATION AND ANY TRANSFER MUST BE PURSUANT TO EITHER AN EFFECTIVE REGISTRATION OR AN EXEMPTION THEREFROM UNDER APPLICABLE STATE SECURITIES LAWS. In accordance with the terms set forth in this Application above, and as set forth in the Foundation's Prospectus, I hereby execute this Purchase Application.

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CONSENT TO ELECTRONIC DELIVERY OF PROSPECTUS AND FINANCIAL STATEMENTS

By opting to be notified by email when the Brethren in Christ Foundation, Inc.'s (the "Foundation") annual Prospectus and Financial Statements are ready to view online, you will allow the Foundation to save money used for printing and apply it towards the Foundation's other ministries.

To receive notification that these documents are available online, please complete and sign this form:

Account Holder Name:

Email:

Address:

Phone Number:

You may withdraw your consent at any time by giving notice to the Foundation in writing or by telephone at the following:

**Brethren in Christ Foundation, Inc.
431 Grantham Road
Mechanicsburg, PA 17055
Phone (717) 796-4788
info@bicfoundation.org**

You also may request a paper copy of the Foundation's Prospectus and Financial Statements which will be provided without charge. If your e-mail address changes, you must provide us with the new address as soon as possible after the change by giving us notice by e-mail or mail to the address shown above.

In lieu of receiving a mailed copy of the Foundation's annual Prospectus and Audited Financial Statements, I consent to the Foundation notifying me when the Foundation's annual Prospectus and Financial Statements are available for review on the Foundation's website, and consider the email delivered to the email address listed above as acknowledgement of their delivery. I understand that I may revoke my consent for electronic notification by contacting the Foundation.

Signature: _____

Date: _____

Print Name: _____