



## **Part 2A of Form ADV: *Firm Brochure***

### **Everence Trust Company**

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This brochure provides information about the qualifications and business practices of Everence Trust Company. If you have any questions about the contents of this brochure, contact Philip R. Zimmerman, Chief Compliance Officer, at (800) 348-7468 or (574) 533-9511. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Everence Trust Company also is available on the SEC's website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). You can search this site by a unique identifying number, known as a CRD number. Our firm's CRD number is 113179.

**This Brochure was prepared on March 28, 2018**

## **Item 2      Material Changes**

The following changes were made to the brochure:

- Item 4 – the amount of managed assets has been updated
- Item 10 – Everence Securities, Inc. is no longer listed as an affiliate since it was dissolved on July 1, 2017.

<b>Item 3</b>	<b>Table of Contents</b>	<b>Page</b>
Item 1	Cover Page.....	1
Item 2	Material Changes .....	2
Item 3	Table of Contents .....	3
Item 4	Advisory Business .....	4
Item 5	Fees and Compensation .....	7
Item 6	Performance-Based Fees and Side-By-Side Management.....	11
Item 7	Types of Clients .....	11
Item 8	Methods of Analysis, Investment Strategies and Risk of Loss .....	11
Item 9	Disciplinary Information .....	12
Item 10	Other Financial Industry Activities and Affiliations .....	12
Item 11	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	14
Item 12	Brokerage Practices .....	16
Item 13	Review of Accounts .....	17
Item 14	Client Referrals and Other Compensation.....	18
Item 15	Custody.....	19
Item 16	Investment Discretion.....	19
Item 17	Voting Client Securities .....	19
Item 18	Financial Information .....	20

## Item 4      Advisory Business

Everence Trust Company (Everence, the firm, our, we) is a SEC-registered investment adviser with its principal place of business located in Indiana. Our firm provides investment advice and portfolio management services on a continuing basis, including the appropriate allocation of managed assets which will provide proper diversification and help to meet the client's stated investment objectives. Everence Trust Company began conducting business in 2001. The firm's sole owner is Everence Holdings, Inc.

Everence Trust Company offers the following advisory services to our clients.

### INVESTMENT SUPERVISORY SERVICES ("ISS")

#### Individual Portfolio Management

Our firm provides continuous and non-continuous advice to a client regarding the investment of client funds based on the individual needs of the client. Through personal discussions in which goals and objectives based on a client's particular circumstances are established, we develop a client's personal investment policy and create and manage a portfolio based on that policy. During our data-gathering process, we determine the client's individual objectives, time horizons, risk tolerance, and liquidity needs. As appropriate, we also review and discuss a client's prior investment history, as well as family composition and background.

We generally manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Our investment recommendations are not limited to any specific product or service offered by a broker-dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships investing in real estate
- Mortgage-backed and asset-backed securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

### Model Portfolio Management

Our firm provides continuous and non-continuous portfolio management services to clients using model asset allocation portfolios. Each model portfolio is designed to meet a particular investment goal relating to an expected level of volatility and associated return potential. The **fixed income model** is expected to have the lowest volatility and lowest return potential. Other models offered, with progressively increased levels of volatility and return potential are **ultra conservative**, **conservative**, **moderate conservative**, **moderate**, **moderate aggressive** and **aggressive**.

We generally manage these advisory accounts on a discretionary basis. Account supervision is guided by the client's stated objectives (i.e., maximum capital appreciation, growth, income, or growth and income), as well as tax considerations.

Through personal discussions with the client in which the client's goals and objectives are established, we determine if the model portfolio is suitable to the client's circumstances, time frame and risk tolerance. Once we determine the suitability of the portfolio, the portfolio is managed based on the portfolio's goal, rather than on each client's individual needs.

Our investment recommendations are not limited to any specific product or service offered by a broker dealer or insurance company and will generally include advice regarding the following securities:

- Exchange-listed securities
- Securities traded over-the-counter
- Corporate debt securities (other than commercial paper)
- Certificates of deposit
- Municipal securities
- Variable life insurance
- Variable annuities
- Mutual fund shares
- United States governmental securities
- Interests in partnerships investing in real estate
- Mortgage-backed and asset-backed securities

Because some types of investments involve certain additional degrees of risk, they will only be implemented/recommended when consistent with the client's stated investment objectives, tolerance for risk, liquidity and suitability.

To ensure that our initial determination of an appropriate portfolio remains suitable and that the account continues to be managed in a manner consistent with the client's financial circumstances, we will:

1. generate an account statement quarterly which may be either mailed or made available electronically to each Model Portfolio Management Services client requesting any updated information regarding changes in the client's financial situation and investment objectives;
2. at least annually, review each Model Portfolio Management Services account to assure it is still being managed according to client objectives;

3. be reasonably available to consult with the client; and
4. maintain client suitability information in each client's file.

## **PENSION CONSULTING SERVICES**

We also provide several advisory services separately or in combination. While the primary clients for these services will be pension, profit sharing and 401(k) plans, we offer these services, where appropriate, to individuals and trusts, estates and charitable organizations. Pension Consulting Services are comprised of four distinct services. Clients may choose to use any or all of these services.

***Investment Policy Statement Preparation (hereinafter referred to as "IPS"):*** We will meet with the client (in person or over the telephone) to determine an appropriate investment strategy that reflects the plan sponsor's stated investment objectives for management of the overall plan. Our firm then prepares a written IPS detailing those needs and goals, including an encompassing policy under which these goals are to be achieved. The IPS also lists the criteria for selection of investment vehicles as well as the procedures and timing interval for monitoring of investment performance.

***Selection of Investment Vehicles:*** We assist plan sponsors in constructing appropriate asset allocation models. We will then review various mutual funds (both index and managed) to determine which investments are appropriate to implement the client's IPS. The number of investments to be recommended will be determined by the client, based on the IPS.

***Monitoring of Investment Performance:*** We monitor client investments continually based on the procedures and timing intervals delineated in the Investment Policy Statement. Although our firm is not involved in any way in the purchase or sale of these investments, we supervise the client's portfolio and will make recommendations to the client as market factors and the client's needs dictate.

***Employee Communications:*** For pension, profit sharing and 401(k) plan clients with individual plan participants exercising control over assets in their own account ("self-directed plans"), we may also provide quarterly educational support and investment workshops designed for the plan participants. The nature of the topics to be covered will be determined by us and the client under the guidelines established in ERISA Section 404(c). The educational support and investment workshops will NOT provide plan participants with individualized, tailored investment advice or individualized, tailored asset allocation recommendations.

## **FINANCIAL PLANNING**

We provide financial planning services. Financial planning is a comprehensive evaluation of a client's current and future financial state by using currently known variables to predict future cash flows, asset values and withdrawal plans. Through the financial planning process, all questions, information and analysis are considered as they impact and are impacted by the entire financial and life situation of the client. Clients purchasing this service may receive a written report which provides the client with a detailed financial plan designed to assist the client achieve his or her financial goals and objectives.

In general, the financial plan can address any or all of the following areas:

- **PERSONAL:** We review family records, budgeting, personal liability, estate information and financial goals.

- **TAX & CASH FLOW:** We analyze the client's income tax and spending and planning for past, current and future years; then illustrate the impact of various investments on the client's current income tax and future tax liability. We do not give specific tax advice.
- **INVESTMENTS:** We analyze investment alternatives and their effect on the client's portfolio.
- **INSURANCE:** We review existing policies to ensure proper coverage for life, health, disability, long-term care, liability, home and automobile.
- **RETIREMENT:** We analyze current strategies and investment plans to help the client achieve his or her retirement goals.
- **DEATH & DISABILITY:** We review the client's cash needs at death, income needs of surviving dependents, estate planning and disability income.
- **ESTATE:** We assist the client in assessing and developing long-term strategies, including as appropriate, living trusts, wills, review estate tax, powers of attorney, asset protection plans, nursing homes, Medicaid and elder law.

We gather required information through in-depth personal interviews. Information gathered includes the client's current financial status, tax status, future goals, returns objectives and attitudes towards risk. We carefully review documents supplied by the client and prepare a written report. Should the client choose to implement the recommendations contained in the plan, we suggest the client work closely with his/her attorney, accountant, insurance agent, and/or stockbroker. Implementation of financial plan recommendations is entirely at the client's discretion.

We also provide general non-securities advice on topics that may include tax and budgetary planning, estate planning and business planning.

Representatives of Everence Trust Company may be registered as representatives of a broker-dealer and/or as insurance agents/brokers of various insurance companies, recommendations made in financial plans are limited to only those products offered through these companies.

## **EDUCATIONAL SEMINARS/WORKSHOPS**

We provide educational seminars on investing, financial and/or retirement planning through qualified and appropriately licensed representatives. These seminars may be made available to the general public or may be designated for targeted markets. We generally do not charge any fees for these educational seminars. We may promote products and services at these seminars through duly licensed representatives.

## **AMOUNT OF MANAGED ASSETS**

As of **12/31/2017**, we were actively managing **\$1,662,441,000** of clients' assets on a discretionary basis plus **\$493,000** of clients' assets on a non-discretionary basis.

## **Item 5 Fees and Compensation**

### **INVESTMENT SUPERVISORY SERVICES ("ISS")**

#### *Individual Portfolio Management Fees*

Our annual fees for Investment Supervisory Services are based upon a percentage of assets under management and generally range from **1.50% to .30%**. Accounts are generally debited in arrears monthly, based upon the average daily market value in the account.

The annualized fee for Investment Supervisory Services is charged as a percentage of assets under management, according to one of the following schedules:

<b>BLENDED RATE PORTFOLIO FEE SCHEDULE</b>	
<u>Market Value of Assets</u>	<u>Blended Rate</u>
First \$100,000	1.50%
\$100,001 to \$250,000	.90%
\$250,001 to \$500,000	.80%
\$500,001 to \$750,000	.70%
\$750,000 to \$1,000,000	.60%
\$1,000,001 to \$1,500,000	.50%
\$1,500,001 to \$2,000,000	.40%
\$2,000,001 to \$3,000,000	.30%
<p>Quotes for accounts over \$3,000,000 are available on request.</p> <p>The percentage shown for each range of Managed Asset value will apply only to assets in that range.</p> <p><b>EXAMPLE:</b> If Managed Assets in the Account are \$500,000.00, charging 1.50% on assets of \$0.00 - \$100,000 plus 0.90% on assets of \$100,001.00 - \$250,000.00 plus 0.80% on assets of \$250,001.00 - \$500,000.00, the sum of which will result in an Investment Advisory Fee of \$4,850.00 or 0.97% per annum</p>	

**OR**

<b>TIERED RATE PORTFOLIO FEE SCHEDULE</b>	
<u>Market Value of Assets</u>	<u>Tiered Rate</u>
First \$100,000	1.50%
Balance to \$250,000	1.25%
Balance to \$500,000	1.00%
Balance to \$750,000	.90%
Balance to \$1,000,000	.80%
Balance to \$1,500,000	.70%
Balance to \$2,000,000	.60%
Balance to \$3,000,000	.50%
<p>Quotes for accounts over \$3,000,000 are available on request.</p> <p>The percentage for the highest range of Managed Asset value achieved applies to all Managed Assets, not just Managed Assets in within that range.</p> <p><b>EXAMPLE:</b> If Managed Assets in the Account reach \$500,000.00, fees will be assessed at a rate of 1.00% per annum on \$500,000.00.</p>	

A minimum of **\$50,000** of assets under management is generally required for this service. This account size may be negotiable under certain circumstances. Everence Trust Company may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.



***Limited Negotiability of Advisory Fees:*** Although Everence Trust Company has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to employees in accordance with approved board policy.

#### *Model Portfolio Management Fees*

Our annual fees for Model Portfolio Management Services are based upon a percentage of assets under management and generally range from **1.50% to .30%**. Accounts are generally debited in arrears monthly, based upon the average daily market value in the account.

The annualized fee for Model Portfolio Management Services will be charged as a percentage of assets under management, according to either the ***Blended Rate Portfolio Fee Schedule*** or ***Tiered Rate Portfolio Fee Schedule*** shown on page 8.

A minimum of **\$50,000** of assets under management is generally required for this service. This account size may be negotiable under certain circumstances. Everence Trust Company may group certain related client accounts for the purposes of achieving the minimum account size and determining the annualized fee.

***Limited Negotiability of Advisory Fees:*** Although Everence Trust Company has established the aforementioned fee schedule(s), we retain the discretion to negotiate alternative fees on a client-by-client basis. Client facts, circumstances and needs are considered in determining the fee schedule. These include the complexity of the client, assets to be placed under management, anticipated future additional assets; related accounts; portfolio style, account composition, reports, among other factors. The specific annual fee schedule is identified in the contract between the adviser and each client.

We may group certain related client accounts for the purposes of achieving the minimum account size requirements and determining the annualized fee.

Discounts, not generally available to our advisory clients, may be offered to family members and friends of associated persons of our firm.

#### **PENSION CONSULTING FEES**

Everence Trust Company's Pension Consulting fee is determined based on the nature of the services being provided and the complexity of each client's circumstances. All fees are agreed upon prior to entering into a contract with any client.

#### **FINANCIAL PLANNING FEES**

Everence Trust Company's Financial Planning fee is determined based on the following three factors: the nature of the services being provided, the complexity of each client's circumstances, and the length of time it will take to provide the financial plan for the specific client. All fees are agreed upon prior to entering into a contract with any client.

We may request a retainer upon completion of our initial fact-finding session with the client; however, advance payment will never exceed **\$500** for work that will not be completed within six months. The balance is due upon completion of the plan.

## **GENERAL INFORMATION**

Termination of the Advisory Relationship: A client agreement may be canceled at any time, by either party, for any reason upon receipt of 30 days written notice, or without penalty within five business days of its execution.

Mutual Fund Fees: All fees paid to Everence Trust Company for investment advisory services are separate and distinct from the fees and expenses charged by mutual funds and/or ETFs to their shareholders. These fees and expenses are described in each fund's prospectus. These fees will generally include a management fee, other fund expenses, and a possible distribution fee. If the fund also imposes sales charges, a client may pay an initial or deferred sales charge. A client could invest in a mutual fund directly, without our services. In that case, the client would not receive the services provided by our firm which are designed, among other things, to assist the client in determining which mutual fund or funds are most appropriate to each client's financial condition and objectives. Accordingly, the client should review both the fees charged by the funds and our fees to fully understand the total amount of fees to be paid by the client and to thereby evaluate the advisory services being provided.

Wrap Fee Programs and Separately Managed Account Fees: Clients participating in separately managed account programs may be charged various program fees in addition to the advisory fee charged by our firm. Such fees may include the investment advisory fees of the independent advisers, which may be charged as part of a wrap fee arrangement. In a wrap fee arrangement, clients pay a single fee for advisory, brokerage and custodial services. Client's portfolio transactions may be executed without commission charge in a wrap fee arrangement. In evaluating such an arrangement, the client should also consider that, depending upon the level of the wrap fee charged by the broker-dealer, the amount of portfolio activity in the client's account, and other factors, the wrap fee may or may not exceed the aggregate cost of such services if they were to be provided separately. We will review with clients any separate program fees that may be charged to clients.

Additional Fees and Expenses: In addition to our advisory fees, clients are also responsible for the fees and expenses charged by custodians and imposed by broker dealers, including, but not limited to, any transaction charges imposed by a broker dealer with which an independent investment manager effects transactions for the client's account(s). Please refer to the "Brokerage Practices" section (Item 12) of this Form ADV for additional information.

Grandfathering of Minimum Account Requirements: Pre-existing advisory clients are subject to Everence Trust Company's minimum account requirements and advisory fees in effect at the time the client entered into the advisory relationship. Therefore, our firm's minimum account requirements will differ among clients.

ERISA Accounts: Everence Trust Company is deemed to be a fiduciary to advisory clients that are employee benefit plans or individual retirement accounts (IRAs) pursuant to the Employee Retirement Income and Securities Act ("ERISA"), and regulations under the Internal Revenue Code of 1986 (the "Code"), respectively. As such, our firm is subject to specific duties and obligations under ERISA and the Internal Revenue Code that include among other things, restrictions concerning certain forms of compensation. To avoid engaging in prohibited transactions, Everence Trust Company may only charge fees for investment advice about products for which our firm and/or our related persons do not receive any commissions or 12b-1 fees, or conversely, investment advice about products for

which our firm and/or our related persons receive commissions or 12b-1 fees, however, only when such fees are used to offset Everence Trust Company's advisory fees.

Advisory Fees in General: Clients should note that similar advisory services may (or may not) be available from other registered (or unregistered) investment advisers for similar or lower fees.

Limited Prepayment of Fees: Under no circumstances do we require or solicit payment of fees in excess of \$3,000 more than six months in advance of services rendered.

## **Item 6 Performance-Based Fees and Side-By-Side Management**

Everence Trust Company does not charge performance-based fees.

## **Item 7 Types of Clients**

Everence Trust Company provides advisory services to the following types of clients:

- Individuals (other than high net worth individuals)
- High net worth individuals
- Pension and profit sharing plans (other than plan participants)
- Charitable organizations
- Corporations or other businesses not listed above
- Insurance Companies
- Trusts and estates

As previously disclosed in Item 5, our firm has established certain initial minimum account requirements, based on the nature of the service(s) being provided. For a more detailed understanding of those requirements, please review the disclosures provided in each applicable service.

## **Item 8 Methods of Analysis, Investment Strategies and Risk of Loss**

### **METHODS OF ANALYSIS**

We use the following methods of analysis in formulating our investment advice and/or managing client assets:

Fundamental analysis. We attempt to measure the intrinsic value of a security by looking at economic and financial factors (including the overall economy, industry conditions, and the financial condition and management of the company itself) to determine if the company is underpriced (indicating it may be a good time to buy) or overpriced (indicating it may be time to sell).

Fundamental analysis does not attempt to anticipate market movements. This presents a potential risk, as the price of a security can move up or down along with the overall market regardless of the economic and financial factors considered in evaluating the stock.

Technical analysis. We analyze past market movements and apply that analysis to the present in an attempt to recognize recurring patterns of investor behavior and potentially predict future price movement.

Technical analysis does not consider the underlying financial condition of a company. This presents a risk in that a poorly-managed or financially unsound company may underperform regardless of market movement.

Asset allocation. Rather than focusing primarily on securities selection, we attempt to identify an appropriate ratio of securities, fixed income, and cash suitable to the client's investment goals and risk tolerance.

A risk of asset allocation is that the client may not participate in sharp increases in a particular security, industry or market sector. Another risk is that the ratio of securities, fixed income, and cash will change over time due to stock and market movements and, if not corrected, will no longer be appropriate for the client's goals.

Risks for all forms of analysis. Our securities analysis methods rely on the assumption that the companies whose securities we purchase and sell, the rating agencies that review these securities, and other publicly-available sources of information about these securities, are providing accurate and unbiased data. While we are alert to indications that data may be incorrect, there is always a risk that our analysis may be compromised by inaccurate or misleading information.

## **INVESTMENT STRATEGIES**

We use the following strategy(ies) in managing client accounts, provided that such strategy(ies) are appropriate to the needs of the client and consistent with the client's investment objectives, risk tolerance, and time horizons, among other considerations:

Long-term purchases. We purchase securities with the idea of holding them in the client's account for a year or longer. Typically we employ this strategy when:

- we believe the securities to be currently undervalued, and/or
- we want exposure to a particular asset class over time, regardless of the current projection for this class.

A risk in a long-term purchase strategy is that by holding the security for this length of time, we may not take advantage of short-term gains that could be profitable to a client. Moreover, if our predictions are incorrect, a security may decline sharply in value before we make the decision to sell.

## **RISK OF LOSS**

Securities investments are not guaranteed and you may lose money on your investments. We ask that you work with us to help us understand your tolerance for risk.

## **Item 9 Disciplinary Information**

We are required to disclose any legal or disciplinary events that are material to a client's or prospective client's evaluation of our advisory business or the integrity of our management.

Our firm and our management personnel have no reportable disciplinary events to disclose.

## **Item 10 Other Financial Industry Activities and Affiliations**

Certain management and supervised personnel of Everence Trust Company are separately licensed as registered representatives of ProEquities, Inc., an unaffiliated broker-dealer. These individuals, in their separate capacity, can effect securities transactions for which they will receive separate, yet customary compensation.

Everence Trust Company has arrangements that are material to its advisory business or its clients with the following **affiliates**:

1. **Everence Holdings, Inc.**, a corporation organized under the laws of Indiana, is the sole stockholder of all outstanding stock of Everence Trust Company.
2. **Everence Capital Management**, an investment advisor registered with the SEC, is the investment advisor to Praxis Mutual Funds and may provide indirect services to institutional clients of Everence Trust Company.
3. **MMA Distribution, Inc., dba Everence Financial Advisors**, provides financial planning services through its relationship with ProEquities, Inc.
4. **Everence Insurance Company** is an insurance company offering insurance products and services.
5. **Everence Association, Inc.**, a fraternal benefit society.

Members of our firm's management may be separately licensed as investment adviser representatives of ProEquities, Inc., an unaffiliated investment advisor. In that capacity, this individual provides advisory services through ProEquities. The advisory services delivered by ProEquities are distinct from those provided by our firm and are provided for separate compensation. ProEquities advisory services may be recommended to our clients for whom it is appropriate. There are no referral fee arrangements between our firm and ProEquities. However, a conflict of interest is created by this arrangement to the extent that this individual recommends that an Everence Trust Company client open a ProEquities account through which this individual will receive additional compensation. No Everence Trust Company client is obligated to use ProEquities or its services. Clients choosing to implement Everence Trust Company's recommendations through ProEquities advisory services should refer to ProEquities Firm Brochure or other disclosure document for details regarding that firm's services and fees.

As required, any affiliated investment advisers are specifically disclosed in Section 7.A. on Schedule D of Form ADV, Part 1. (Part 1 of our Form ADV can be accessed by following the directions provided on the Cover Page of this Firm Brochure.)

While Everence Trust Company and these individuals endeavor at all times to put the interest of the clients first as part of our fiduciary duty, clients should be aware that the receipt of additional compensation itself creates a conflict of interest, and may affect the judgment of these individuals when making recommendations.

We are associated with Everence Federal Credit Union, a national credit union chartered under the National Credit Union Association (NCUA) that offers a broad spectrum of banking products and financial services to consumers, small businesses and commercial clients.

Management personnel of our firm, in their individual capacities, are agents for various insurance companies. As such, these individuals are able to receive separate, yet customary commission compensation resulting from implementing product transactions on behalf of advisory clients. Clients, however, are not under any obligation to engage these individuals when considering implementation of advisory recommendations. The implementation of any or all recommendations is solely at the discretion of the client.

Clients should be aware that the receipt of additional compensation by Everence Trust Company and its management persons or employees creates a conflict of interest that may impair the objectivity of our firm and these individuals when making advisory recommendations. Everence Trust Company endeavors at all times to put the interest of its clients first as part of our fiduciary duty as a registered investment adviser; we take the following steps to address this conflict:

- we disclose to clients the existence of all material conflicts of interest, including the potential for our firm and our employees to earn compensation from advisory clients in addition to our firm's advisory fees;
- we disclose to clients that they are not obligated to purchase recommended investment products from our employees or affiliated companies;
- we collect, maintain and document accurate, complete and relevant client background information, including the client's financial goals, objectives and risk tolerance;
- our firm's management conducts regular reviews of each client account to verify that all recommendations made to a client are suitable to the client's needs and circumstances;
- we require that our employees seek prior approval of any outside employment activity so that we may ensure that any conflicts of interests in such activities are properly addressed;
- we periodically monitor these outside employment activities to verify that any conflicts of interest continue to be properly addressed by our firm; and
- we educate our employees regarding the responsibilities of a fiduciary, including the need for having a reasonable and independent basis for the investment advice provided to clients.

## **Item 11 Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

Our firm has adopted a Code of Ethics which sets forth high ethical standards of business conduct that we require of our employees, including compliance with applicable federal securities laws.

Everence Trust Company and our personnel owe a duty of loyalty, fairness and good faith towards our clients, and have an obligation to adhere not only to the specific provisions of the Code of Ethics but to the general principles that guide the Code.

A copy of our Code of Ethics is available to our advisory clients and prospective clients. You may request a copy by email sent to [linda.brock@everence.com](mailto:linda.brock@everence.com), or by calling us at (574) 533-9511.

### **GENERAL**

1. *Fiduciary Standards.* All supervised persons of the Company must place client interests first and foremost. Accordingly, all supervised persons with the Company are prohibited from engaging in, or recommending, any securities transaction which places their own interests above that of the clients. Similarly, all supervised persons are prohibited from recommending any securities transaction, with certain exceptions (see *Prohibited Purchases and Sales*) to any client without disclosing his or her interest, if any, in such security or its issuer has a significant interest.

All supervised persons are prohibited from divulging information about any client and about the Company that is confidential, unless it is properly within his or her duties to do so.

All supervised persons are prohibited from engaging in any securities transaction, for their own benefit or the benefit of others, including all clients, while in possession of material, non-public information concerning such securities.

All supervised persons are prohibited from communicating material, non-public information concerning any security to others unless it is properly within his or her duties to do so.

2. Compliance with Federal Securities Laws. All supervised persons of the Company shall be familiar with and knowledgeable of applicable Federal securities laws. All supervised persons shall conduct their professional and personal investment activities and responsibilities in compliance with all applicable Federal securities laws and regulations.
3. Reporting. Any supervised person who is aware of any violation of this Code of Ethics including, without limitation must report such violation or event to the Company's Chief Compliance Officer who shall be responsible for investigating such event and taking appropriate action.
4. Acknowledgements. Each year all supervised persons must sign an acknowledgement stating he/she has received and reviewed and will comply with the Company's Code of Ethics. New employees who are supervised persons must read and sign the acknowledgement within 30 days of commencement of employment.

#### **PROHIBITED PURCHASES AND SALES**

1. No access person shall purchase or sell, directly or indirectly, any security which to her or his actual knowledge at the time of such purchase or sale:
  - a. is being considered for purchase or sale by a client; or
  - b. is being purchased or sold by a client.
2. No access person shall reveal to any other person (except in the normal course of his or her duties on behalf of a client) any information regarding securities transactions by a client or securities being considered for purchase or sale by a client.
3. No access person shall recommend any securities transaction by a client without having disclosed to the Chief Compliance Officer his or her interest, if any, in such securities or the issuer thereof, including without limitation (a) his or her direct or indirect beneficial ownership of any securities of such issuer, (b) any contemplated transaction by such person in such securities, (c) any position with such issuer or its affiliates, and (d) any present or proposed business relationship between such issuer or its affiliates, on the one hand, and such person or any party in which such person has a significant interest, on the other; provided, however, that in the event the interest of such access person in such securities or issuer is not material to his or her personal net worth and any contemplated transaction by such person in such securities cannot reasonably be expected to have a material adverse effect on any such transaction by a client or on the market for the securities generally, such access person shall not be required to disclose his or her interest in the securities or issuer thereof in connection with any such recommendation.
4. No advisory person shall purchase any security, other than a municipal security, in an initial public offering.
5. No advisory person shall purchase any privately placed security without the prior approval of the Chief Compliance Officer.
6. No advisory person shall purchase or sell a security within a time period of five business days prior to or after the date on which a client purchases or sells that same security.

7. All access persons shall obtain the approval of the Chief Compliance Officer prior to purchasing or selling a security.

### **EXEMPTED TRANSACTIONS**

The prohibitions, the disclosure requirements and the approval requirements of this Code shall not apply to:

1. Purchases or sales affected in any account over which the access person or advisory person has no direct or indirect influence or control.
2. Purchases or sales which are non-volitional on the part of the access person, the advisory person or the client.
3. Purchases or sales with respect to transactions effected pursuant to an automatic investment plan. "Automatic Investment Plan" is defined as a program in which regular periodic purchases (or withdrawals) are made automatically in (or from) investment accounts in accordance with a predetermined schedule and allocation. An automatic investment plan includes a dividend reinvestment plan.
4. Purchases effected upon the exercise of rights issued by an issuer pro rata to all holders of a class of its securities, to the extent such rights were acquired from such issuer, and sales of such rights so acquired.
5. Purchases or sales which are inconsequential to a client because they would be very unlikely to affect a highly liquid market, or because they clearly are not related economically to the securities to be purchased, sold or held by a client.

### **REPORTING**

1. We have established procedures for the maintenance of all required books and records.
2. We maintain a list of all reportable securities holdings for our firm and anyone associated with this advisory practice that has access to advisory recommendations ("access person"). These holdings are reviewed on a regular basis by our firm's Chief Compliance Officer or his/her designee.

### **SANCTIONS**

Upon discovering a violation of this Code, the Company or the Board of Directors for the Company may impose such sanctions, as it deems appropriate, including, censure or suspension or termination of the violator's relationship with the client or with the Company.

As disclosed in the preceding section of this Brochure (Item 10), supervised persons of our firm are separately registered as securities representatives of a broker-dealer, investment adviser representatives of another registered investment adviser, and/or licensed as an insurance agent of various insurance companies. Please refer to Item 10 for a detailed explanation of these relationships and important conflict of interest disclosures.

## **Item 12 Brokerage Practices**

Everence Trust Company has the authority to determine, without obtaining specific client consent, the securities, and the amounts of securities, to be bought and sold within an account, the broker or dealer to be used, and the commission rates to be paid. In selecting brokers, it retains the right to impose its ethical investment guidelines, which clients



receive. The primary criteria for selecting brokers are the products, research and services the adviser receives. Broker's fees are comparable to other regional institutions. Everence Trust Company does not engage in any soft dollar arrangements.

We may aggregate our affiliate's trades with client transactions where possible and when compliant with our duty to seek best execution for our clients. In these instances, participating clients will receive an average share price and transaction costs will be shared equally and on a pro-rata basis. In the instances where there is a partial fill of a particular batched order, we will allocate all purchases pro-rata, with each account paying the average price. Our affiliates' accounts may be included in the pro-rata allocation.

Everence Trust Company's investment managers aggregate client orders for reasons including:

1. when investment managers deem a particular security is appropriate for multiple clients;
2. in order to obtain best execution for its clients, so long as doing so is consistent with the terms of company's advisory agreement with each client for which trades are being aggregated.

Typically, we are able to obtain lower commission rates on large share count trades versus small share count trades. When aggregating client orders, no advisory clients will be favored over any other client. For example, all clients will receive the average share price of all of company's transactions of that security on that business day and will share transaction costs (e.g. commissions, SEC fees) pro rata based on each client's participation in the bunched transaction.

If the order is completely filled, shares will be allocated in accordance with the previously prepared Portfolio Adjustment spreadsheet. Participating client accounts will receive the average share price of all of the company's transactions of that security on that business day and will share transaction costs (e.g. commissions, SEC fees) pro rata based on each client's participation in the aggregated transaction.

If the order is only partially filled, shares will be allocated on a pro rata based on the Portfolio Adjustment spreadsheet, unless the pro rata amount allocated to an individual account is considered an uneconomic lot size, which we define as fewer than 25 shares. In such cases, these accounts may not participate in that day's allocation or may be completely filled before larger accounts are given their pro rata amount.

Funds and securities of clients whose orders are aggregated will be deposited with one or more banks or broker-dealers, and neither the clients' cash nor their securities will be held collectively any longer than is necessary to settle the purchase or sale in question on a delivery versus payment basis; cash or securities held collectively for clients will be delivered out of the custodian bank or broker-dealer as soon as practicable following the settlement of the aggregated trade.

## **Item 13 Review of Accounts**

### **INVESTMENT SUPERVISORY SERVICES ("ISS")**

#### Individual Portfolio Management

Reviews: While the underlying securities within Individual Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of each client's stated investment objectives and

guidelines. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by an investment manager or an assistant investment manager.

Reports: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings.

#### Model Portfolio Management Service

Reviews: While the underlying securities within Model Portfolio Management Services accounts are continually monitored, these accounts are reviewed at least quarterly. Accounts are reviewed in the context of the investment objectives and guidelines of each model portfolio as well as any investment restrictions provided by the client. More frequent reviews may be triggered by material changes in variables such as the client's individual circumstances, or the market, political or economic environment.

These accounts are reviewed by an investment manager or an assistant investment manager.

Reports: In addition to the monthly statements and confirmations of transactions that clients receive from their broker-dealer, we provide quarterly reports summarizing account performance, balances and holdings. These reports will also remind the client to notify us if there have been changes in the client's financial situation or investment objectives and whether the client wishes to impose investment restrictions or modify existing restrictions.

### **PENSION CONSULTING SERVICES**

Reviews: Everence Trust Company will review the client's investment policy statement whenever the client advises us of a change in circumstances regarding the needs of the plan. We will also review the investment options of the plan according to the agreed upon time intervals established in the investment policy statement. Such reviews will generally occur quarterly.

These accounts are reviewed by an investment manager or an assistant investment manager.

Reports: These client accounts will receive reports as contracted for at the inception of the advisory relationship

### **FINANCIAL PLANNING SERVICES**

Reviews: While reviews may occur at different stages depending on the nature and terms of the specific engagement, typically no formal reviews will be conducted for Financial Planning clients unless otherwise contracted for.

Reports: Financial Planning clients will receive a completed financial plan depending on the nature and terms of the specific engagement. Additional reports will not typically be provided unless otherwise contracted for.

## **Item 14 Client Referrals and Other Compensation**

It is Everence Trust Company's policy not to engage solicitors or to pay non-related persons for referring potential clients to our firm.

It is Everence Trust Company's policy not to accept or allow our related persons to accept any form of compensation, including cash, sales awards or other prizes, from a non-client in conjunction with the advisory services we provide to our clients.

Everence Trust Company may directly or indirectly compensate a related Everence representative for a client referral. In any such case, Rule 206(4)-3 is strictly observed.

## **Item 15 Custody**

We previously disclosed in the "Fees and Compensation" section (Item 5) of this Brochure that our firm directly debits advisory fees from client accounts.

We provide account statements to our clients on a quarterly basis. We urge our clients to carefully review the information provided on these statements to ensure that all account transactions, holdings and values are correct and current.

## **Item 16 Investment Discretion**

Clients may hire us to provide discretionary asset management services, in which case we place trades in a client's account without contacting the client prior to each trade to obtain the client's permission.

Our discretionary authority includes the ability to do the following without contacting the client:

- determine the security to buy or sell; and/or
- determine the amount of the security to buy or sell

Clients give us discretionary authority when they sign a discretionary agreement with our firm, and may limit this authority by giving us written instructions. Clients may also change/amend such limitations by once again providing us with written instructions.

## **Item 17 Voting Client Securities**

Everence Trust Company recognizes its legal and fiduciary responsibilities to vote proxies on behalf of clients and customers in a manner that is reasonably believed to be consistent with the client expectations and as set forth in established Stewardship Investing Core Values.

We vote proxies for all client accounts; however, clients always have the right to vote their own proxies. Clients can exercise this right by instructing us in writing to redirect proxies to the client or a designated proxy voting agent.

The Company has contracted with a third party proxy service as its research and proxy-voting agent for all proxies. In addition, the Company has established proxy voting guidelines consistent with established Stewardship Investing Core Values with which the service is required to comply in performing its proxy voting duties on behalf of the Company. The Company's proxy voting guidelines are available for inspection upon request or can be accessed the Everence's web site [www.everence.com](http://www.everence.com) at Praxis Funds Proxy Voting.

Clients may obtain a copy of our complete proxy voting policies and procedures by contacting Todd Holsopple by calling (574) 533-9511, by e-mail at [Todd.Holsopple@everence.com](mailto:Todd.Holsopple@everence.com) or in writing at the address shown on the front of this brochure. Clients may request, in writing, information on how proxies for his/her shares were voted. We will promptly provide requested information to the client.

We will not provide legal advice to clients involving any class action legal proceeding. However, we do file "Proofs of Claim" on behalf of clients in class action settlements in the absence of alternative instructions from the client. If desired, clients may direct us to transmit copies of class action notices to the client or a designated third party. Upon receipt of such directions, we will make commercially reasonable efforts to forward such notices in a timely manner.

With respect to ERISA accounts, we will vote proxies unless the plan documents specifically reserve the plan sponsor's right to vote proxies. To direct us to vote a proxy in a particular manner, clients should contact Todd Holsopple by e-mail at [Todd.Holsopple@everence.com](mailto:Todd.Holsopple@everence.com) or by telephone or in writing at the number or address shown on the front of this brochure.

## **Item 18 Financial Information**

Under no circumstances do we require or solicit payment of fees in excess of \$3,000 per client more than six months in advance of services rendered. Therefore, we are not required to include a financial statement.

As an advisory firm that maintains discretionary authority for client accounts and/or is deemed to have custody, we are also required to disclose any financial condition that is reasonably likely to impair our ability to meet our contractual obligations. Everence Trust Company has no additional financial circumstances to report.

Everence Trust Company has not been the subject of a bankruptcy petition at any time during the past ten years.