

Form 5500 Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Annual Return/Report of Employee Benefit Plan This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code). <p style="text-align: center;">▶ Complete all entries in accordance with the instructions to the Form 5500.</p>	OMB Nos. 1210-0110 1210-0089 2017 This Form is Open to Public Inspection
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Part I	Annual Report Identification Information
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>	
A	This return/report is for: <div style="display: flex; justify-content: space-between;"> <div> ☐ a multiemployer plan </div> <div> ☐ a multiple-employer plan (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) </div> </div>
	☒ a single-employer plan <div style="margin-left: 150px;">☐ a DFE (specify) _____</div>
B	This return/report is: <div style="display: flex; justify-content: space-between;"> <div> ☐ the first return/report ☐ an amended return/report </div> <div> ☐ the final return/report ☐ a short plan year return/report (less than 12 months) </div> </div>
C	If the plan is a collectively-bargained plan, check here. ▶ ☐
D	Check box if filing under: <div style="display: flex; justify-content: space-between;"> <div> ☒ Form 5558 ☐ special extension (enter description) </div> <div> ☐ automatic extension </div> <div> ☐ the DFVC program </div> </div>

Part II	Basic Plan Information —enter all requested information		
1a	Name of plan <u>LAKE MICHIGAN CREDIT UNION 401(K) PLAN</u>	1b	Three-digit plan number (PN) ▶ <u>002</u>
		1c	Effective date of plan <u>02/01/1997</u>
2a	Plan sponsor's name (employer, if for a single-employer plan) Mailing address (include room, apt., suite no. and street, or P.O. Box) City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions) <u>LAKE MICHIGAN CREDIT UNION</u> <u>PO BOX 2848</u> <u>GRAND RAPIDS, MI 49501-2848</u>	2b	Employer Identification Number (EIN) <u>38-1215360</u>
		2c	Plan Sponsor's telephone number <u>616-242-9790</u>
		2d	Business code (see instructions) <u>522130</u>

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

SIGN HERE	Filed with authorized/valid electronic signature.	09/14/2018	NORA L SWART
	Signature of plan administrator	Date	Enter name of individual signing as plan administrator
SIGN HERE			
	Signature of employer/plan sponsor	Date	Enter name of individual signing as employer or plan sponsor
SIGN HERE			
	Signature of DFE	Date	Enter name of individual signing as DFE

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2017)
v. 170203

3a Plan administrator's name and address ☒ Same as Plan Sponsor	3b Administrator's EIN 3c Administrator's telephone number <div style="background-color: #cccccc; height: 40px; width: 100%;"></div>
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN 4d PN
5 Total number of participants at the beginning of the plan year	5 1121
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d).	
a(1) Total number of active participants at the beginning of the plan year	6a(1) 939
a(2) Total number of active participants at the end of the plan year	6a(2) 995
b Retired or separated participants receiving benefits	6b 24
c Other retired or separated participants entitled to future benefits	6c 153
d Subtotal. Add lines 6a(2) , 6b , and 6c	6d 1172
e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits.	6e 2
f Total. Add lines 6d and 6e	6f 1174
g Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item)	6g 935
h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested	6h 55
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item).....	7
8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions: 2F 2G 2J 2K 2T 3D 3H	
b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:	

9a Plan funding arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor	9b Plan benefit arrangement (check all that apply) (1) ☒ Insurance (2) ☐ Code section 412(e)(3) insurance contracts (3) ☒ Trust (4) ☐ General assets of the sponsor
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10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1)** ☒ **R** (Retirement Plan Information)
- (2)** ☐ **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3)** ☐ **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary

b General Schedules

- (1)** ☒ **H** (Financial Information)
- (2)** ☐ **I** (Financial Information – Small Plan)
- (3)** ☒ 1 **A** (Insurance Information)
- (4)** ☒ **C** (Service Provider Information)
- (5)** ☐ **D** (DFE/Participating Plan Information)
- (6)** ☐ **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) ☐ Yes ☐ No

11c Enter the Receipt Confirmation Code for the 2017 Form M-1 annual report. If the plan was not required to file the 2017 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

SCHEDULE A (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Insurance Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500. ▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
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For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017		
A Name of plan LAKE MICHIGAN CREDIT UNION 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 LAKE MICHIGAN CREDIT UNION	D Employer Identification Number (EIN) 38-1215360	

Part I	Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.
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1 Coverage Information:

(a) Name of insurance carrier CMFG LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
39-0230590	62626	021-1243-3	1174	01/01/2017	12/31/2017

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid

3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).
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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information

Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end **4** 3951299**5** Current value of plan's interest under this contract in separate accounts at year end **5****6** Contracts With Allocated Funds:**a** State the basis of premium rates ▶**b** Premiums paid to carrier **6b****c** Premiums due but unpaid at the end of the year **6c****d** If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
Specify nature of costs ▶**e** Type of contract: (1) ☐ individual policies (2) ☐ group deferred annuity(3) ☐ other (specify) ▶**f** If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶ ☐**7** Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)**a** Type of contract: (1) ☐ deposit administration (2) ☐ immediate participation guarantee(3) ☒ guaranteed investment (4) ☐ other ▶**b** Balance at the end of the previous year **7b** 3334505**c** Additions: (1) Contributions deposited during the year **7c(1)** 290977
(2) Dividends and credits **7c(2)** 0
(3) Interest credited during the year **7c(3)** 105582
(4) Transferred from separate account **7c(4)** 1299376
(5) Other (specify below) **7c(5)**(6) Total additions **7c(6)** 1695935**d** Total of balance and additions (add lines **7b** and **7c(6)**). **7d** 5030440**e** Deductions:(1) Disbursed from fund to pay benefits or purchase annuities during year **7e(1)** 462595
(2) Administration charge made by carrier **7e(2)** 276
(3) Transferred to separate account **7e(3)** 616270
(4) Other (specify below) **7e(4)**(5) Total deductions **7e(5)** 1079141**f** Balance at the end of the current year (subtract line **7e(5)** from line **7d**). **7f** 3951299

Part III Welfare Benefit Contract Information

If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** ☐ Health (other than dental or vision)
 b ☐ Dental
 c ☐ Vision
 d ☐ Life insurance
e ☐ Temporary disability (accident and sickness)
 f ☐ Long-term disability
 g ☐ Supplemental unemployment
 h ☐ Prescription drug
i ☐ Stop loss (large deductible)
 j ☐ HMO contract
 k ☐ PPO contract
 l ☐ Indemnity contract
m ☐ Other (specify) ▶

9 Experience-rated contracts:

a Premiums: (1) Amount received	9a(1)		
(2) Increase (decrease) in amount due but unpaid	9a(2)		
(3) Increase (decrease) in unearned premium reserve	9a(3)		
(4) Earned ((1) + (2) - (3))		9a(4)	0
b Benefit charges (1) Claims paid	9b(1)		
(2) Increase (decrease) in claim reserves	9b(2)		
(3) Incurred claims (add (1) and (2))		9b(3)	0
(4) Claims charged		9b(4)	
c Remainder of premium: (1) Retention charges (on an accrual basis) --			
(A) Commissions	9c(1)(A)		
(B) Administrative service or other fees	9c(1)(B)		
(C) Other specific acquisition costs	9c(1)(C)		
(D) Other expenses	9c(1)(D)		
(E) Taxes	9c(1)(E)		
(F) Charges for risks or other contingencies	9c(1)(F)		
(G) Other retention charges	9c(1)(G)		
(H) Total retention		9c(1)(H)	0
(2) Dividends or retroactive rate refunds. (These amounts were ☐ paid in cash, or ☐ credited.)		9c(2)	
d Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
(2) Claim reserves		9d(2)	
(3) Other reserves		9d(3)	
e Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a Total premiums or subscription charges paid to carrier	10a	
b If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? ☐ Yes ☒ No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110
		2017
		This Form is Open to Public Inspection.

For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017		
A Name of plan LAKE MICHIGAN CREDIT UNION 401(K) PLAN	B Three-digit plan number (PN) ▶	002
C Plan sponsor's name as shown on line 2a of Form 5500 LAKE MICHIGAN CREDIT UNION	D Employer Identification Number (EIN) 38-1215360	

Part I	Service Provider Information (see instructions)
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You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

- a** Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions).. ☐ Yes ☒ No
- b** If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation
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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

CMFG LIFE INSURANCE COMPANY

39-0230590

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
15 17 37 38	NONE	88245	Yes ☒ No ☐	Yes ☒ No ☐	0	Yes ☒ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes ☐ No ☐	Yes ☐ No ☐		Yes ☐ No ☐

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
CMFG LIFE INSURANCE COMPANY	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
JENSEN INVESTMENT MANAGEMENT, INC 5300 MEADOWS ROAD LAKE OSWEGO, OR 97035-8234 93-1086448	SUB-TA FEES 10 BASIS POINTS FOR JENSEN QUALITY GROWTH FUND REIMBURSED TO THE PLAN AS REVENUE SHARE REBATE	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
CMFG LIFE INSURANCE COMPANY	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
DODGE & COX 94-1441976	SUB-TA FEES 8 BASIS POINTS FOR DODGE AND COX INCOME FUND REIMBURSED TO THE PLAN AS REVENUE SHARE REBATE	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
CMFG LIFE INSURANCE COMPANY	60	0
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
HARBOR FUNDS 111 SOUTH WACKER DRIVE 34TH FLOOR CHICAGO, IL 60606	SUB-TA FEES 10 BASIS POINTS FOR CAPITAL APPRECIATION FUND (I) AND INTERNATIONAL FUND (I) REIMBURSED TO THE PLAN AS REVENUE SHARE REBATE	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ► File as an attachment to Form 5500.	OMB No. 1210-0110 2017 This Form is Open to Public Inspection
For calendar plan year 2017 or fiscal plan year beginning <u>01/01/2017</u> and ending <u>12/31/2017</u>		
A Name of plan <u>LAKE MICHIGAN CREDIT UNION 401(K) PLAN</u>	B Three-digit plan number (PN) ►	<u>002</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>LAKE MICHIGAN CREDIT UNION</u>	D Employer Identification Number (EIN) <u>38-1215360</u>	

Part I	Asset and Liability Statement		(a) Beginning of Year	(b) End of Year
1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.				
	Assets			
a	Total noninterest-bearing cash	1a	48471	0
b	Receivables (less allowance for doubtful accounts):			
	(1) Employer contributions	1b(1)	751	0
	(2) Participant contributions	1b(2)	2551	0
	(3) Other.....	1b(3)		
c	General investments:			
	(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)		
	(2) U.S. Government securities.....	1c(2)		
	(3) Corporate debt instruments (other than employer securities):			
	(A) Preferred	1c(3)(A)		
	(B) All other.....	1c(3)(B)		
	(4) Corporate stocks (other than employer securities):			
	(A) Preferred	1c(4)(A)		
	(B) Common	1c(4)(B)		
	(5) Partnership/joint venture interests	1c(5)		
	(6) Real estate (other than employer real property)	1c(6)		
	(7) Loans (other than to participants)	1c(7)		
	(8) Participant loans	1c(8)	0	0
	(9) Value of interest in common/collective trusts.....	1c(9)	0	0
	(10) Value of interest in pooled separate accounts.....	1c(10)		
	(11) Value of interest in master trust investment accounts	1c(11)		
	(12) Value of interest in 103-12 investment entities	1c(12)		
	(13) Value of interest in registered investment companies (e.g., mutual funds).....	1c(13)	20430366	27373214
	(14) Value of funds held in insurance company general account (unallocated contracts).....	1c(14)	3332141	3951299
	(15) Other	1c(15)		

		(a) Beginning of Year	(b) End of Year
1d	Employer-related investments:		
(1)	Employer securities	1d(1)	
(2)	Employer real property	1d(2)	
e	Buildings and other property used in plan operation	1e	
f	Total assets (add all amounts in lines 1a through 1e)	1f	23814280 31324513
Liabilities			
g	Benefit claims payable	1g	
h	Operating payables	1h	
i	Acquisition indebtedness	1i	
j	Other liabilities	1j	
k	Total liabilities (add all amounts in lines 1g through 1j)	1k	0 0
Net Assets			
l	Net assets (subtract line 1k from line 1f)	1l	23814280 31324513

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

		(a) Amount	(b) Total
a	Contributions:		
(1)	Received or receivable in cash from: (A) Employers	2a(1)(A)	1157229
	(B) Participants	2a(1)(B)	3539563
	(C) Others (including rollovers)	2a(1)(C)	608184
(2)	Noncash contributions	2a(2)	
(3)	Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)	5304976
b	Earnings on investments:		
(1)	Interest:		
	(A) Interest-bearing cash (including money market accounts and certificates of deposit)	2b(1)(A)	
	(B) U.S. Government securities	2b(1)(B)	
	(C) Corporate debt instruments	2b(1)(C)	
	(D) Loans (other than to participants)	2b(1)(D)	
	(E) Participant loans	2b(1)(E)	0
	(F) Other	2b(1)(F)	105582
	(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)	105582
(2)	Dividends: (A) Preferred stock	2b(2)(A)	
	(B) Common stock	2b(2)(B)	
	(C) Registered investment company shares (e.g. mutual funds)	2b(2)(C)	598204
	(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)	598204
(3)	Rents	2b(3)	
(4)	Net gain (loss) on sale of assets: (A) Aggregate proceeds	2b(4)(A)	
	(B) Aggregate carrying amount (see instructions)	2b(4)(B)	
	(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result	2b(4)(C)	0
(5)	Unrealized appreciation (depreciation) of assets: (A) Real estate	2b(5)(A)	
	(B) Other	2b(5)(B)	
	(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)	0

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds).....	2b(10)		3361718
c Other income	2c		
d Total income. Add all income amounts in column (b) and enter total.....	2d		9370480

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers.....	2e(1)	1772002	
(2) To insurance carriers for the provision of benefits	2e(2)		
(3) Other	2e(3)		
(4) Total benefit payments. Add lines 2e(1) through (3).....	2e(4)		1772002
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions).....	2g		
h Interest expense.....	2h		
i Administrative expenses: (1) Professional fees	2i(1)		
(2) Contract administrator fees	2i(2)	88245	
(3) Investment advisory and management fees	2i(3)		
(4) Other	2i(4)		
(5) Total administrative expenses. Add lines 2i(1) through (4).....	2i(5)		88245
j Total expenses. Add all expense amounts in column (b) and enter total.....	2j		1860247

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		7510233
l Transfers of assets:			
(1) To this plan.....	2l(1)		
(2) From this plan	2l(2)		

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) ☐ Unqualified (2) ☐ Qualified (3) ☒ Disclaimer (4) ☐ Adverse

b Did the accountant perform a limited scope audit pursuant to 29 CFR 2520.103-8 and/or 103-12(d)?

☒ Yes ☐ No

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: MONROE, SWEERIS & TROMP, PLC

(2) EIN: 38-2621598

d The opinion of an independent qualified public accountant is **not attached** because:

(1) ☐ This form is filed for a CCT, PSA, or MTIA. (2) ☐ It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l.

During the plan year:

a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.).....

b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)

	Yes	No	Amount
4a		X	
4b		X	

		Yes	No	Amount
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)	4c		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)	4d		X	
e Was this plan covered by a fidelity bond?	4e	X		11000000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?	4f		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?	4g		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?	4h		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	4i	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked, and see instructions for format requirements.)	4j		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?	4k		X	
l Has the plan failed to provide any benefit when due under the plan?	4l		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)	4m		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.	4n			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? ☐ Yes ☒ No
 If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c If the plan is a defined benefit plan, is it covered under the PBGC insurance program (See ERISA section 4021.)? ☐ Yes ☐ No ☐ Not determined
 If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____. (See instructions.)

<div>SCHEDULE R (Form 5500) Department of the Treasury Internal Revenue Service Department of Labor Employee Benefits Security Administration Pension Benefit Guaranty Corporation</div>	<div>Retirement Plan Information</div> <div>This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code).</div> <div>▶ File as an attachment to Form 5500.</div>	<div>OMB No. 1210-0110</div> <div>2017</div> <div>This Form is Open to Public Inspection.</div>
For calendar plan year 2017 or fiscal plan year beginning 01/01/2017 and ending 12/31/2017		
A Name of plan LAKE MICHIGAN CREDIT UNION 401(K) PLAN		B Three-digit plan number (PN) ▶ 002
C Plan sponsor's name as shown on line 2a of Form 5500 LAKE MICHIGAN CREDIT UNION		D Employer Identification Number (EIN) 38-1215360
Part I	Distributions	
All references to distributions relate only to payments of benefits during the plan year.		
1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions		1 0
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): 75-3182674 39-0230590		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year		3
Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)	
4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)? Yes No N/A If the plan is a defined benefit plan, go to line 8.		
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month Day Year If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.		
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)		6a
b Enter the amount contributed by the employer to the plan for this plan year		6b
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount)		6c
If you completed line 6c, skip lines 8 and 9.		
7 Will the minimum funding amount reported on line 6c be met by the funding deadline? Yes No N/A		
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change? Yes No N/A		
Part III	Amendments	
9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box. Increase Decrease Both No		
Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.	
10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan? Yes No		
11 a Does the ESOP hold any preferred stock? Yes No		
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.) Yes No		
12 Does the ESOP hold any stock that is not readily tradable on an established securities market? Yes No		
For Paperwork Reduction Act Notice, see the Instructions for Form 5500.		
Schedule R (Form 5500) 2017 v. 170203		

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that contributed more than 5% of total contributions to the plan during the plan year (measured in dollars). See instructions. *Complete as many entries as needed to report all applicable employers.*

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

a Name of contributing employer

b EIN

c Dollar amount contributed by employer

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box ☐ and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box ☐ and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: ☐ Hourly ☐ Weekly ☐ Unit of production ☐ Other (specify): _____

- 14** Enter the number of participants on whose behalf no contributions were made by an employer as an employer of the participant for:

a The current year	14a	
b The plan year immediately preceding the current plan year	14b	
c The second preceding plan year	14c	

- 15** Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

- 16** Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers	16b	

- 17** If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment. ☐

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

- 18** If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment ☐

- 19** If the total number of participants is 1,000 or more, complete lines (a) through (c)

- a** Enter the percentage of plan assets held as:
 Stock: _____% Investment-Grade Debt: _____% High-Yield Debt: _____% Real Estate: _____% Other: _____%
- b** Provide the average duration of the combined investment-grade and high-yield debt:
☐ 0-3 years ☐ 3-6 years ☐ 6-9 years ☐ 9-12 years ☐ 12-15 years ☐ 15-18 years ☐ 18-21 years ☐ 21 years or more
- c** What duration measure was used to calculate line 19(b)?
☐ Effective duration ☐ Macaulay duration ☐ Modified duration ☐ Other (specify): _____

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2017 AND 2016
AND FOR THE YEAR ENDED DECEMBER 31, 2017

LAKE MICHIGAN CREDIT UNION
401(K) RETIREMENT PLAN

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MONROE, SWEERIS & TROMP P.L.C.

Certified Public Accountants and Consultants

August 24, 2018

INDEPENDENT AUDITOR'S REPORT

Plan Administrator
Lake Michigan Credit Union 401(k) Plan
Grand Rapids, Michigan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Lake Michigan Credit Union 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by Matrix Trust Company, custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2017 and 2016, and for the year ended December 31, 2017, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter – Supplemental Schedule

The supplemental schedule of Assets Held at End of Year as of December 31, 2017 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

INDEPENDENT AUDITORS REPORT (CONTINUED)

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mohr, Sweeney & Thompson

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2017	2016
ASSETS:		
Cash	\$ -	\$ 48,471
Investments at fair value:		
Mutual funds	27,373,214	20,430,366
Guaranteed investment contract	3,951,299	3,332,141
TOTAL INVESTMENTS	31,324,513	23,762,507
Receivables:		
Employer contributions	-	751
Participant contributions	-	2,551
TOTAL RECEIVABLES	-	3,302
NET ASSETS AVAILABLE FOR BENEFITS	\$ 31,324,513	\$ 23,814,280

See accompanying notes to financial statements.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2017

ADDITIONS:

Contributions:	
Employee	\$ 3,539,563
Employer	1,157,229
Rollover	<u>608,184</u>
Total contributions	<u>5,304,976</u>
Investment income:	
Interest and dividend income	703,786
Net appreciation in fair value of investments	<u>3,361,718</u>
Total investment income	<u>4,065,504</u>
TOTAL ADDITIONS	<u>9,370,480</u>

DEDUCTIONS:

Benefit payments	1,772,002
Administrative Expenses	<u>88,245</u>
TOTAL DEDUCTIONS	<u>1,860,247</u>

NET INCREASE	7,510,233
---------------------	-----------

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	<u>23,814,280</u>
End of year	<u><u>\$ 31,324,513</u></u>

See accompanying notes to financial statements.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Lake Michigan Credit Union 401(k) Plan (Plan) provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of Lake Michigan Credit Union, the Plan sponsor and its wholly owned entities. The Plan was established in February 1997 under Section 401(k) of the Internal Revenue Code. Employees become eligible to participate in the Plan on the first day of the calendar quarter following six months of service and attaining age 18. Upon participation in the Plan, an employee is eligible to receive a discretionary matching contribution. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

As of January 1, 2016, the Plan was restated to bring the Plan into compliance with the Pension Protection Act of 2006 and other legislative and regulatory changes.

Contributions

Participants may elect to make contributions to the Plan through payroll deductions from each participant's compensation, as defined, subject to statutory limitations. Participants that meet certain criteria are eligible to make catch-up contributions to the Plan. The Plan also allows participants to transfer funds from other employer qualified plans into the Plan.

The Company provides a discretionary match in the amount of 50% of the first 6% of eligible compensation deferred by a participant.

Plan Operations

The Company has appointed CUNA Mutual Fiduciary Consultants to act as Trustee, Matrix Trust Company to act as custodian and the Company to act as Plan administrator. The Custodian is responsible for holding the investment assets of the Plan, executing investment transactions and making distributions to participants. The Trustee interprets and communicates the provisions of the Plan and ensures that all government and participant reporting requirements are fulfilled.

Note 1 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

Participant Accounts

Each participant's account is credited with the participant's contributions and Company matching contributions as well as Plan earnings. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

The Plan allows a participant to self-direct all investment transactions associated with separate investment fund options made available by the employer for this purpose, as listed in the accompanying Schedule of Assets Held at End of Year.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in employer discretionary contribution accounts is based on years of continuous service, as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	20%
2	40%
3	60%
4	80%
5 or more	100%

A participant also becomes fully vested at the time of the participant's death, if the participant becomes disabled while employed, or upon attainment of normal retirement age.

Note 1 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

Payment of Benefits

On termination of service a participant may elect to receive a lump sum amount equal to the value of the participant's vested interest in his or her account or installment payments. In-service withdrawals are permitted upon attaining age 59½ and in cases of financial hardship.

Forfeited Accounts

At December 31, 2017 and 2016, forfeited nonvested accounts totaled \$742 and \$-0-. These accounts will be used to reduce future employer contributions and pay plan expenses. During 2017, employer contributions were reduced by \$67,725 from forfeited non-vested accounts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance 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 changes therein, and disclosure of contingent assets and liabilities. While management believes it has consistently applied its best judgment in those areas requiring estimates, actual results could differ from those estimates.

Note 2 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payments of Benefits

Benefits are recorded when paid.

Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Certain administrative expenses are paid from participants when participants initiate related transactions. Expenses that are paid by the Company are excluded from these financial statements. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

For the year ended December 31, 2017, plan management has evaluated subsequent events for potential recognition and disclosure through August 24, 2018, the date the financial statements were available to be issued.

Note 2 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Adoption of New Accounting Standards

During 2015, the Financial Accounting Standards Board (FASB) issued ASU No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. This update permits a reporting entity, as a practical expedient, to measure the fair value of certain investments using the net asset value per share of the investment. Further, under the amendments in this Update, investments for which fair value is measured at net asset value per share (or its equivalent) using the practical expedient should not be categorized in the fair value hierarchy. This standard was effective for fiscal years beginning after December 15, 2016 with early adoption permitted. A reporting entity should apply the amendments retrospectively to all periods presented. The Plan elected to early adopt this standard, and the impact affected the Statement of Net Assets and certain footnote disclosures.

NOTE 3 - FAIR VALUE MEASUREMENTS AND DISCLOSURES

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB 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 Plan 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.

Note 3 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 3 - FAIR VALUE MEASUREMENTS AND DISCLOSURES
(CONTINUED)

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

The 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The mutual funds have been valued using unadjusted quoted prices for identical assets in active markets that the Plan has the ability to access. Using unadjusted quoted prices for identical investments in an active market is defined as a level 1 measurement method.

The guaranteed investment contract is an annuity contract with a guarantee of principal protection with a set rate of return, backed by a life insurance company. It is valued at the net asset value of units of the investment contract. The net asset value is used as a practical expedient to estimate fair value. In order to ensure all investments categorized in the fair value hierarchy are classified using a consistent approach, these investments are not categorized in the fair value hierarchy.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016:

Description of <u>Plan Investments</u>	Assets at Fair Value as of December 31, 2017			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	<u>\$27,373,214</u>	<u>\$27,373,214</u>	<u>\$ -</u>	<u>\$ -</u>
Total assets in the fair value hierarchy	<u>27,373,214</u>	<u>27,373,214</u>	<u>-</u>	<u>-</u>
Investments measured at net asset value ^(a)	<u>3,951,299</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments at fair value	<u>\$31,324,513</u>	<u>\$27,373,214</u>	<u>\$ -</u>	<u>\$ -</u>

Note 3 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 3 - FAIR VALUE MEASUREMENTS AND DISCLOSURES
(CONTINUED)

Description of Plan Investments	Assets at Fair Value as of December 31, 2016			
	Total	Level 1	Level 2	Level 3
Mutual funds	\$20,430,366	\$20,430,366	\$ -	\$ -
Total assets in the fair value hierarchy	20,430,366	20,430,366	-	-
Investments measured at net asset value ^(a)	3,332,141	-	-	-
Investments at fair value	\$23,762,507	\$20,430,366	\$ -	\$ -

^(a)In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

NOTE 4 - RELATED-PARTY TRANSACTIONS

Certain Plan investments are shares of guaranteed investment contracts managed by CUNA Mutual Group. CUNA Mutual Group is the Trustee defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Certain fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. The Plan made direct payments to the custodian and investment advisors of \$88,245 which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 5 - TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their employer contributions.

NOTE 6 - INCOME TAX STATUS

The volume submitter plan used by the Plan obtained an opinion letter dated April 2, 2012, in which the Internal Revenue Service stated that the prototype plan was designed in accordance with the applicable sections of the Internal Revenue Code. Although the Plan has been amended since receiving the prototype opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2015.

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 8 - INFORMATION CERTIFIED BY THE PLAN'S CUSTODIAN

All investment information disclosed in the accompanying financial statements and supplemental schedule, including investments held at December 31, 2017 and 2016, and the net appreciation in fair value of investments and interest and dividends for the year ended December 31, 2017, were obtained or derived from information supplied to the plan administrator and certified as complete and accurate by the custodian.

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LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 002
DECEMBER 31, 2017

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	Dodge & Cox	Dodge & Cox Income Fund 50,593 shares		\$ 696,154
*	Allianz Asset Management of America L.P.	PIMCO Real Return 9,405 shares		104,015
*	Vanguard Funds	Vanguard Total BD MKT Index 12,682 shares		136,327
*	Vanguard Funds	Vanguard 500 Index Fund 11,738 shares		2,897,740
*	Vanguard Funds	Vanguard Extended Market Index Fund 19,577 shares		1,659,388
*	Vanguard Funds	Vanguard FTSE All-World 26,473 shares		899,020
*	Vanguard Funds	Vanguard REIT Index Fund 2,700 shares		317,442

Schedule of Assets Held at End of Year continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 002
DECEMBER 31, 2017
(CONTINUED)

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	BlackRock	Lifepath Index Retirement Portfolio 10,043 shares		\$ 123,021
*	BlackRock	Lifepath Index 2020 Portfolio 160,016 shares		2,036,845
*	BlackRock	Lifepath Index 2025 Portfolio 8,353 shares		111,181
*	BlackRock	Lifepath Index 2030 Portfolio 367,881 shares		5,006,859
*	BlackRock	Lifepath Index 2035 Portfolio 9,449 shares		132,941
*	BlackRock	Lifepath Index 2040 Portfolio 403,188 shares		5,801,868
*	BlackRock	Lifepath Index 2045 Portfolio 39,508 shares		583,138

Schedule of Assets Held at End of Year continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 001
DECEMBER 31, 2017
(CONTINUED)

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	BlackRock	Lifepath Index 2050 Portfolio 193,700 shares		\$ 2,903,560
*	BlackRock	Lifepath Index 2055 Portfolio 9,816 shares		149,984
*	BlackRock	BlackRock LifePath Index 2060 K 6,505 shares		87,876
*	Jensen Investment Management	Jensen Portfolio 40,362 shares		1,883,421
*	JP Morgan Chase & Co.	JPMorgan Equity Income 35,125 shares		611,219
*	Dimensional Fund Advisors LP (US)	DFA US Small Cap Portfolio 18,090 shares		649,726
*	Harbor Capital Advisors, Inc.	Harbor International FD 8,613 shares		581,489

Schedule of Assets Held at End of Year continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 002
DECEMBER 31, 2017
(CONTINUED)

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	CUNA Mutual Group	CUNA Mutual Guaranteed Acct 343,382 shares		\$ 3,951,299
		TOTAL ASSETS HELD AT END OF YEAR		\$ 31,324,513

* Indicates party-in-interest

¹ Not required for participant-directed investments

The data on the Schedule of Assets Held at End of Year is based on information that has been certified as complete and accurate by Matrix Trust Company, as custodian.

Schedule H, Line 4i
Schedule of Assets (Held At End of Year)

Name of Plan:

► **Lake Michigan Credit Union**

Employer Identification Number:► 38-1215360

For plan year (beginning/ending):► 01/01/2017 - 12/31/2017

Plan number:► 002

(a)	(b) Identity of issue, borrower, lessor, or similar party	(c) Description of investment including maturity date, rate of interest, collateral, par or maturity value	(d) Cost	(e) Current value
*	CUNA Mutual Guaranteed Acct	Value Of Int. In Ins Co. General Acct.	N/A	3,951,299
	BlackRock Lifepath 2020 K	Value Of Int. In Reg. Invest Co.	N/A	2,037,000
	BlackRock Lifepath 2025 K	Value Of Int. In Reg. Invest Co.	N/A	111,181
	BlackRock Lifepath 2030 K	Value Of Int. In Reg. Invest Co.	N/A	5,006,859
	BlackRock Lifepath 2035 K	Value Of Int. In Reg. Invest Co.	N/A	132,941
	BlackRock Lifepath 2040 K	Value Of Int. In Reg. Invest Co.	N/A	5,801,868
	BlackRock Lifepath 2045 K	Value Of Int. In Reg. Invest Co.	N/A	583,138
	BlackRock Lifepath 2050 K	Value Of Int. In Reg. Invest Co.	N/A	2,903,564
	BlackRock Lifepath 2055 K	Value Of Int. In Reg. Invest Co.	N/A	149,984
	BlackRock Lifepath Index 2060 K	Value Of Int. In Reg. Invest Co.	N/A	87,880
	BlackRock Lifepath Ret K	Value Of Int. In Reg. Invest Co.	N/A	123,021
	DFA US Small Cap I	Value Of Int. In Reg. Invest Co.	N/A	650,156
	Dodge & Cox Income Fund	Value Of Int. In Reg. Invest Co.	N/A	696,245
	Van FTSE All-Wld ex-US (Adm)	Value Of Int. In Reg. Invest Co.	N/A	899,020
	Harbor International Instl	Value Of Int. In Reg. Invest Co.	N/A	581,516
	Jensen Quality Growth I	Value Of Int. In Reg. Invest Co.	N/A	1,883,301
	JPMorgan Equity Income R6	Value Of Int. In Reg. Invest Co.	N/A	611,173
	PIMCO Real Return Fund (I)	Value Of Int. In Reg. Invest Co.	N/A	104,027
	Van 500Idx Adm	Value Of Int. In Reg. Invest Co.	N/A	2,897,197
	Vanguard REIT Index Adm	Value Of Int. In Reg. Invest Co.	N/A	317,442
	Vanguard Extnd Mrkt Idx Adm	Value Of Int. In Reg. Invest Co.	N/A	1,659,372
	Van TotBndMktIdx Adm	Value Of Int. In Reg. Invest Co.	N/A	136,327
	Total			31,324,513

*Party in interest as defined by Erisa

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
FINANCIAL STATEMENTS
AS OF DECEMBER 31, 2017 AND 2016
AND FOR THE YEAR ENDED DECEMBER 31, 2017

LAKE MICHIGAN CREDIT UNION
401(K) RETIREMENT PLAN

	<u>Page</u>
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Financial Statements:	
Statements of Net Assets Available for Benefits - December 31, 2017 and 2016	6
Statement of Changes in Net Assets Available for Benefits - Year Ended December 31, 2017	7
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Supplemental Schedule:	
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MONROE, SWEERIS & TROMP P.L.C.

Certified Public Accountants and Consultants

August 24, 2018

INDEPENDENT AUDITOR'S REPORT

Plan Administrator
Lake Michigan Credit Union 401(k) Plan
Grand Rapids, Michigan

Report on the Financial Statements

We were engaged to audit the accompanying financial statements of Lake Michigan Credit Union 401(k) Plan, which comprise the statements of net assets available for benefits as of December 31, 2017 and 2016, and the related statement of changes in net assets available for benefits for the year ended December 31, 2017, and the related notes to the financial statements.

Management's Responsibility 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; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on conducting the audits in accordance with auditing standards generally accepted in the United States of America. Because of the matter described in the Basis for Disclaimer of Opinion paragraph however, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion.

INDEPENDENT AUDITOR'S REPORT (CONTINUED)

Basis for Disclaimer of Opinion

As permitted by 29 CFR 2520.103-8 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the plan administrator instructed us not to perform, and we did not perform, any auditing procedures with respect to the information summarized in Note 8, which was certified by Matrix Trust Company, custodian of the Plan, except for comparing such information with the related information included in the financial statements. We have been informed by the plan administrator that the custodian holds the Plan's investment assets and executes investment transactions. The plan administrator has obtained a certification from the custodian as of December 31, 2017 and 2016, and for the year ended December 31, 2017, that the information provided to the plan administrator by the custodian is complete and accurate.

Disclaimer of Opinion

Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion. Accordingly, we do not express an opinion on these financial statements.

Other Matter – Supplemental Schedule

The supplemental schedule of Assets Held at End of Year as of December 31, 2017 is required by the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 and is presented for the purpose of additional analysis and is not a required part of the financial statements. Because of the significance of the matter described in the Basis for Disclaimer of Opinion paragraph, we do not express an opinion on the supplemental schedule referred to above.

INDEPENDENT AUDITORS REPORT (CONTINUED)

Report on Form and Content in Compliance With DOL Rules and Regulations

The form and content of the information included in the financial statements and supplemental schedule, other than that derived from the information certified by the Custodian, have been audited by us in accordance with auditing standards generally accepted in the United States of America and, in our opinion, are presented in compliance with the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974.

Mohr, Sweeney & Thompson

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS

	December 31,	
	2017	2016
ASSETS:		
Cash	\$ -	\$ 48,471
Investments at fair value:		
Mutual funds	27,373,214	20,430,366
Guaranteed investment contract	3,951,299	3,332,141
TOTAL INVESTMENTS	31,324,513	23,762,507
Receivables:		
Employer contributions	-	751
Participant contributions	-	2,551
TOTAL RECEIVABLES	-	3,302
NET ASSETS AVAILABLE FOR BENEFITS	\$ 31,324,513	\$ 23,814,280

See accompanying notes to financial statements.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
YEAR ENDED DECEMBER 31, 2017

ADDITIONS:

Contributions:	
Employee	\$ 3,539,563
Employer	1,157,229
Rollover	<u>608,184</u>
Total contributions	<u>5,304,976</u>
Investment income:	
Interest and dividend income	703,786
Net appreciation in fair value of investments	<u>3,361,718</u>
Total investment income	<u>4,065,504</u>
TOTAL ADDITIONS	<u>9,370,480</u>

DEDUCTIONS:

Benefit payments	1,772,002
Administrative Expenses	<u>88,245</u>
TOTAL DEDUCTIONS	<u>1,860,247</u>

NET INCREASE 7,510,233

NET ASSETS AVAILABLE FOR BENEFITS:

Beginning of year	<u>23,814,280</u>
End of year	<u><u>\$ 31,324,513</u></u>

See accompanying notes to financial statements.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS

NOTE 1 - DESCRIPTION OF THE PLAN

The following description of the Lake Michigan Credit Union 401(k) Plan (Plan) provides only general information. Participants should refer to the Summary Plan Description for a more complete description of the Plan's provisions.

General

The Plan is a defined contribution plan covering substantially all employees of Lake Michigan Credit Union, the Plan sponsor and its wholly owned entities. The Plan was established in February 1997 under Section 401(k) of the Internal Revenue Code. Employees become eligible to participate in the Plan on the first day of the calendar quarter following six months of service and attaining age 18. Upon participation in the Plan, an employee is eligible to receive a discretionary matching contribution. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA).

As of January 1, 2016, the Plan was restated to bring the Plan into compliance with the Pension Protection Act of 2006 and other legislative and regulatory changes.

Contributions

Participants may elect to make contributions to the Plan through payroll deductions from each participant's compensation, as defined, subject to statutory limitations. Participants that meet certain criteria are eligible to make catch-up contributions to the Plan. The Plan also allows participants to transfer funds from other employer qualified plans into the Plan.

The Company provides a discretionary match in the amount of 50% of the first 6% of eligible compensation deferred by a participant.

Plan Operations

The Company has appointed CUNA Mutual Fiduciary Consultants to act as Trustee, Matrix Trust Company to act as custodian and the Company to act as Plan administrator. The Custodian is responsible for holding the investment assets of the Plan, executing investment transactions and making distributions to participants. The Trustee interprets and communicates the provisions of the Plan and ensures that all government and participant reporting requirements are fulfilled.

Note 1 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

Participant Accounts

Each participant's account is credited with the participant's contributions and Company matching contributions as well as Plan earnings. Allocations are based on participant earnings, account balances, or specific participant transactions, as defined. The benefit to which a participant is entitled is the benefit that can be provided from the participant's vested account.

The Plan allows a participant to self-direct all investment transactions associated with separate investment fund options made available by the employer for this purpose, as listed in the accompanying Schedule of Assets Held at End of Year.

Vesting

Participants are immediately vested in their voluntary contributions plus actual earnings thereon. Vesting in employer discretionary contribution accounts is based on years of continuous service, as follows:

<u>Years of Service</u>	<u>Vesting Percentage</u>
1	20%
2	40%
3	60%
4	80%
5 or more	100%

A participant also becomes fully vested at the time of the participant's death, if the participant becomes disabled while employed, or upon attainment of normal retirement age.

Note 1 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 1 - DESCRIPTION OF THE PLAN (CONTINUED)

Payment of Benefits

On termination of service a participant may elect to receive a lump sum amount equal to the value of the participant's vested interest in his or her account or installment payments. In-service withdrawals are permitted upon attaining age 59½ and in cases of financial hardship.

Forfeited Accounts

At December 31, 2017 and 2016, forfeited nonvested accounts totaled \$742 and \$-0-. These accounts will be used to reduce future employer contributions and pay plan expenses. During 2017, employer contributions were reduced by \$67,725 from forfeited non-vested accounts.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The financial statements of the Plan are prepared on the accrual basis of accounting.

Use of Estimates

The preparation of financial statements in accordance 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 changes therein, and disclosure of contingent assets and liabilities. While management believes it has consistently applied its best judgment in those areas requiring estimates, actual results could differ from those estimates.

Note 2 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Investment Valuation and Income Recognition

Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. See Note 3 for discussion of fair value measurements.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date. Net appreciation or depreciation includes the Plan's gains and losses on investments bought and sold as well as held during the year.

Payments of Benefits

Benefits are recorded when paid.

Expenses

Certain expenses of maintaining the Plan are paid by the Plan, unless otherwise paid by the Company. Certain administrative expenses are paid from participants when participants initiate related transactions. Expenses that are paid by the Company are excluded from these financial statements. Investment related expenses are included in net appreciation of fair value of investments.

Subsequent Events

For the year ended December 31, 2017, plan management has evaluated subsequent events for potential recognition and disclosure through August 24, 2018, the date the financial statements were available to be issued.

Note 2 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES
(CONTINUED)

Adoption of New Accounting Standards

During 2015, the Financial Accounting Standards Board (FASB) issued ASU No. 2015-07, *Fair Value Measurement (Topic 820): Disclosures for Investments in Certain Entities That Calculate Net Asset Value per Share (or Its Equivalent)*. This update permits a reporting entity, as a practical expedient, to measure the fair value of certain investments using the net asset value per share of the investment. Further, under the amendments in this Update, investments for which fair value is measured at net asset value per share (or its equivalent) using the practical expedient should not be categorized in the fair value hierarchy. This standard was effective for fiscal years beginning after December 15, 2016 with early adoption permitted. A reporting entity should apply the amendments retrospectively to all periods presented. The Plan elected to early adopt this standard, and the impact affected the Statement of Net Assets and certain footnote disclosures.

NOTE 3 - FAIR VALUE MEASUREMENTS AND DISCLOSURES

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (level 3). The three levels of the fair value hierarchy under FASB 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 Plan 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.

Note 3 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 3 - FAIR VALUE MEASUREMENTS AND DISCLOSURES
(CONTINUED)

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

The 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 maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

The mutual funds have been valued using unadjusted quoted prices for identical assets in active markets that the Plan has the ability to access. Using unadjusted quoted prices for identical investments in an active market is defined as a level 1 measurement method.

The guaranteed investment contract is an annuity contract with a guarantee of principal protection with a set rate of return, backed by a life insurance company. It is valued at the net asset value of units of the investment contract. The net asset value is used as a practical expedient to estimate fair value. In order to ensure all investments categorized in the fair value hierarchy are classified using a consistent approach, these investments are not categorized in the fair value hierarchy.

The following table sets forth by level, within the fair value hierarchy, the Plan's assets at fair value as of December 31, 2017 and 2016:

Description of <u>Plan Investments</u>	Assets at Fair Value as of December 31, 2017			
	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>
Mutual funds	<u>\$27,373,214</u>	<u>\$27,373,214</u>	<u>\$ -</u>	<u>\$ -</u>
Total assets in the fair value hierarchy	<u>27,373,214</u>	<u>27,373,214</u>	<u>-</u>	<u>-</u>
Investments measured at net asset value ^(a)	<u>3,951,299</u>	<u>-</u>	<u>-</u>	<u>-</u>
Investments at fair value	<u>\$31,324,513</u>	<u>\$27,373,214</u>	<u>\$ -</u>	<u>\$ -</u>

Note 3 continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 3 - FAIR VALUE MEASUREMENTS AND DISCLOSURES
(CONTINUED)

Description of Plan Investments	Assets at Fair Value as of December 31, 2016			
	Total	Level 1	Level 2	Level 3
Mutual funds	\$20,430,366	\$20,430,366	\$ -	\$ -
Total assets in the fair value hierarchy	20,430,366	20,430,366	-	-
Investments measured at net asset value ^(a)	3,332,141	-	-	-
Investments at fair value	\$23,762,507	\$20,430,366	\$ -	\$ -

^(a)In accordance with Subtopic 820-10, certain investments that were measured at net asset value per share (or its equivalent) have not been classified in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the line items presented in the statement of net assets available for benefits.

NOTE 4 - RELATED-PARTY TRANSACTIONS

Certain Plan investments are shares of guaranteed investment contracts managed by CUNA Mutual Group. CUNA Mutual Group is the Trustee defined by the Plan and, therefore, these transactions qualify as party-in-interest transactions. Certain fees incurred by the Plan for the investment management services are included in net appreciation in fair value of the investment, as they are paid through revenue sharing, rather than a direct payment. The Plan made direct payments to the custodian and investment advisors of \$88,245 which was not covered by revenue sharing. The Plan Sponsor pays directly any other fees related to the Plan's operations.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 5 - TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to discontinue its contributions at any time and to terminate the Plan subject to the provisions of ERISA. In the event of Plan termination, participants would become 100 percent vested in their employer contributions.

NOTE 6 - INCOME TAX STATUS

The volume submitter plan used by the Plan obtained an opinion letter dated April 2, 2012, in which the Internal Revenue Service stated that the prototype plan was designed in accordance with the applicable sections of the Internal Revenue Code. Although the Plan has been amended since receiving the prototype opinion letter, the Plan administrator and the Plan's tax counsel believe that the Plan is designed and is currently being operated in compliance with the applicable requirements of the Internal Revenue Code and, therefore, believe that the Plan is qualified and the related trust is tax-exempt.

Accounting principles generally accepted in the United States of America require Plan management to evaluate tax positions taken by the Plan and recognize a tax liability (or asset) if the Plan has taken an uncertain position that more likely than not would not be sustained upon examination by the Internal Revenue Service. The Plan is subject to routine audits by taxing jurisdictions; however, there are currently no audits for any tax periods in progress. The Plan administrator believes it is no longer subject to income tax examinations for years prior to 2015.

NOTE 7 - RISKS AND UNCERTAINTIES

The Plan invests in various investment securities. Investment securities are exposed to various risks such as interest rate, market and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participants' account balances and the amounts reported in the Statements of Net Assets Available for Benefits.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
NOTES TO FINANCIAL STATEMENTS
(CONTINUED)

NOTE 8 - INFORMATION CERTIFIED BY THE PLAN'S CUSTODIAN

All investment information disclosed in the accompanying financial statements and supplemental schedule, including investments held at December 31, 2017 and 2016, and the net appreciation in fair value of investments and interest and dividends for the year ended December 31, 2017, were obtained or derived from information supplied to the plan administrator and certified as complete and accurate by the custodian.

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LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 002
DECEMBER 31, 2017

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	Dodge & Cox	Dodge & Cox Income Fund 50,593 shares		\$ 696,154
*	Allianz Asset Management of America L.P.	PIMCO Real Return 9,405 shares		104,015
*	Vanguard Funds	Vanguard Total BD MKT Index 12,682 shares		136,327
*	Vanguard Funds	Vanguard 500 Index Fund 11,738 shares		2,897,740
*	Vanguard Funds	Vanguard Extended Market Index Fund 19,577 shares		1,659,388
*	Vanguard Funds	Vanguard FTSE All-World 26,473 shares		899,020
*	Vanguard Funds	Vanguard REIT Index Fund 2,700 shares		317,442

Schedule of Assets Held at End of Year continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 002
DECEMBER 31, 2017
(CONTINUED)

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	BlackRock	Lifepath Index Retirement Portfolio 10,043 shares		\$ 123,021
*	BlackRock	Lifepath Index 2020 Portfolio 160,016 shares		2,036,845
*	BlackRock	Lifepath Index 2025 Portfolio 8,353 shares		111,181
*	BlackRock	Lifepath Index 2030 Portfolio 367,881 shares		5,006,859
*	BlackRock	Lifepath Index 2035 Portfolio 9,449 shares		132,941
*	BlackRock	Lifepath Index 2040 Portfolio 403,188 shares		5,801,868
*	BlackRock	Lifepath Index 2045 Portfolio 39,508 shares		583,138

Schedule of Assets Held at End of Year continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 001
DECEMBER 31, 2017
(CONTINUED)

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	BlackRock	Lifepath Index 2050 Portfolio 193,700 shares		\$ 2,903,560
*	BlackRock	Lifepath Index 2055 Portfolio 9,816 shares		149,984
*	BlackRock	BlackRock LifePath Index 2060 K 6,505 shares		87,876
*	Jensen Investment Management	Jensen Portfolio 40,362 shares		1,883,421
*	JP Morgan Chase & Co.	JPMorgan Equity Income 35,125 shares		611,219
*	Dimensional Fund Advisors LP (US)	DFA US Small Cap Portfolio 18,090 shares		649,726
*	Harbor Capital Advisors, Inc.	Harbor International FD 8,613 shares		581,489

Schedule of Assets Held at End of Year continued on next page.

LAKE MICHIGAN CREDIT UNION 401(K) PLAN
SCHEDULE H, LINE 4i - SCHEDULE OF ASSETS HELD AT END OF YEAR
EIN 38-1215360 PN 002
DECEMBER 31, 2017
(CONTINUED)

(a)	(b)	(c)	(d)	(e)
	Identity of Issue Borrower, Lessor or Similar Party	Description of Investment, Including Maturity Date, Rate of Interest, Collateral, Par Or Maturity Value	Cost ¹	Current Value
*	CUNA Mutual Group	CUNA Mutual Guaranteed Acct 343,382 shares		\$ 3,951,299
		TOTAL ASSETS HELD AT END OF YEAR		\$ 31,324,513

* Indicates party-in-interest

¹ Not required for participant-directed investments

The data on the Schedule of Assets Held at End of Year is based on information that has been certified as complete and accurate by Matrix Trust Company, as custodian.