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|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|
| <b>Form 5500-SF</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br>Pension Benefit Guaranty Corporation | <b>Short Form Annual Return/Report of Small Employee Benefit Plan</b><br><br>This form is required to be filed 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).<br><br><b>► Complete all entries in accordance with the instructions to the Form 5500-SF.</b> | OMB Nos. 1210-0110<br>1210-0089<br><br><b>2018</b><br><br><b>This Form is Open to Public Inspection</b> |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------|

|                                                                                                          |                                                                |                                                                                                                                                                                                     |
|----------------------------------------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Part I Annual Report Identification Information</b>                                                   |                                                                |                                                                                                                                                                                                     |
| For calendar plan year 2018 or fiscal plan year beginning <u>01/01/2018</u> and ending <u>12/31/2018</u> |                                                                |                                                                                                                                                                                                     |
| <b>A</b> This return/report is for:                                                                      | <input checked="" type="checkbox"/> a single-employer plan     | <input type="checkbox"/> a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) |
|                                                                                                          | <input type="checkbox"/> a one-participant plan                | <input type="checkbox"/> a foreign plan                                                                                                                                                             |
| <b>B</b> This return/report is                                                                           | <input type="checkbox"/> the first return/report               | <input type="checkbox"/> the final return/report                                                                                                                                                    |
|                                                                                                          | <input type="checkbox"/> an amended return/report              | <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                                      |
| <b>C</b> Check box if filing under:                                                                      | <input checked="" type="checkbox"/> Form 5558                  | <input type="checkbox"/> automatic extension                                                                                                                                                        |
|                                                                                                          | <input type="checkbox"/> special extension (enter description) | <input type="checkbox"/> DFVC program                                                                                                                                                               |

|                                                                                                                                                                                                                                                                                                                                                                                  |                                                |                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|---------------------|
| <b>Part II Basic Plan Information</b> —enter all requested information                                                                                                                                                                                                                                                                                                           |                                                |                     |
| <b>1a</b> Name of plan<br><u>DIVERSIFIED MEMBERS CREDIT UNION EMPLOYEES RETIREMENT PLAN</u>                                                                                                                                                                                                                                                                                      | <b>1b</b> Three-digit plan number (PN) ►       | <u>001</u>          |
|                                                                                                                                                                                                                                                                                                                                                                                  | <b>1c</b> Effective date of plan               | <u>04/01/1964</u>   |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br><u>DIVERSIFIED MEMBERS CREDIT UNION</u><br><br><u>1480 E. JEFFERSON AVENUE</u><br><u>DETROIT, MI 48207-3199</u> | <b>2b</b> Employer Identification Number (EIN) | <u>38-0480170</u>   |
|                                                                                                                                                                                                                                                                                                                                                                                  | <b>2c</b> Sponsor's telephone number           | <u>313-568-5000</u> |
|                                                                                                                                                                                                                                                                                                                                                                                  | <b>2d</b> Business code (see instructions)     | <u>522130</u>       |
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.                                                                                                                                                                                                                                                                        | <b>3b</b> Administrator's EIN                  |                     |
|                                                                                                                                                                                                                                                                                                                                                                                  | <b>3c</b> Administrator's telephone number     |                     |
| <b>4</b> 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.<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                                           | <b>4b</b> EIN                                  |                     |
|                                                                                                                                                                                                                                                                                                                                                                                  | <b>4d</b> PN                                   |                     |
| <b>5a</b> Total number of participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                                   | <b>5a</b>                                      | <u>88</u>           |
| <b>b</b> Total number of participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                          | <b>5b</b>                                      | <u>86</u>           |
| <b>c</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                                  | <b>5c</b>                                      |                     |
| <b>d(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                          | <b>5d(1)</b>                                   | <u>30</u>           |
| <b>d(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                                                | <b>5d(2)</b>                                   | <u>28</u>           |
| <b>e</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                                       | <b>5e</b>                                      | <u>0</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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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. | 10/10/2019 | KATHIE TREMBATH                                              |
|           | 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 |

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ..... ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ..... ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.**
- c** 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 4154553. (See instructions.)

**Part III Financial Information**

| <b>7 Plan Assets and Liabilities</b>                                                                 |              | <b>(a) Beginning of Year</b> | <b>(b) End of Year</b> |
|------------------------------------------------------------------------------------------------------|--------------|------------------------------|------------------------|
| <b>a</b> Total plan assets .....                                                                     | <b>7a</b>    | 16957912                     | 22375151               |
| <b>b</b> Total plan liabilities .....                                                                | <b>7b</b>    |                              |                        |
| <b>c</b> Net plan assets (subtract line 7b from line 7a) .....                                       | <b>7c</b>    | 16957912                     | 22375151               |
| <b>8 Income, Expenses, and Transfers for this Plan Year</b>                                          |              | <b>(a) Amount</b>            | <b>(b) Total</b>       |
| <b>a</b> Contributions received or receivable from:                                                  |              |                              |                        |
| <b>(1)</b> Employers .....                                                                           | <b>8a(1)</b> | 5780000                      |                        |
| <b>(2)</b> Participants .....                                                                        | <b>8a(2)</b> | 52779                        |                        |
| <b>(3)</b> Others (including rollovers) .....                                                        | <b>8a(3)</b> | 0                            |                        |
| <b>b</b> Other income (loss) .....                                                                   | <b>8b</b>    | 727474                       |                        |
| <b>c</b> Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) .....                                  | <b>8c</b>    |                              | 6560253                |
| <b>d</b> Benefits paid (including direct rollovers and insurance premiums to provide benefits) ..... | <b>8d</b>    | 1075935                      |                        |
| <b>e</b> Certain deemed and/or corrective distributions (see instructions) .....                     | <b>8e</b>    |                              |                        |
| <b>f</b> Administrative service providers (salaries, fees, commissions) .....                        | <b>8f</b>    | 67079                        |                        |
| <b>g</b> Other expenses .....                                                                        | <b>8g</b>    |                              |                        |
| <b>h</b> Total expenses (add lines 8d, 8e, 8f, and 8g) .....                                         | <b>8h</b>    |                              | 1143014                |
| <b>i</b> Net income (loss) (subtract line 8h from line 8c) .....                                     | <b>8i</b>    |                              | 5417239                |
| <b>j</b> Transfers to (from) the plan (see instructions) .....                                       | <b>8j</b>    | 0                            |                        |

**Part IV Plan Characteristics**

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions:  
1A
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

**Part V Compliance Questions**

| <b>10 During the plan year:</b>                                                                                                                                                                                                           |            | <b>Yes</b>                          | <b>No</b>                           | <b>Amount</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|-------------------------------------|-------------------------------------|---------------|
| <b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program) .....                       | <b>10a</b> |                                     | <input checked="" type="checkbox"/> |               |
| <b>b</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) .....                                                                                                      | <b>10b</b> |                                     | <input checked="" type="checkbox"/> |               |
| <b>c</b> Was the plan covered by a fidelity bond? .....                                                                                                                                                                                   | <b>10c</b> | <input checked="" type="checkbox"/> |                                     | 5000000       |
| <b>d</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                   | <b>10d</b> |                                     | <input checked="" type="checkbox"/> |               |
| <b>e</b> Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.) ..... | <b>10e</b> |                                     | <input checked="" type="checkbox"/> |               |
| <b>f</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                        | <b>10f</b> |                                     | <input checked="" type="checkbox"/> |               |
| <b>g</b> Did the plan have any participant loans? (If "Yes," enter amount as of year-end.) .....                                                                                                                                          | <b>10g</b> |                                     | <input checked="" type="checkbox"/> |               |
| <b>h</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                              | <b>10h</b> |                                     |                                     |               |
| <b>i</b> If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 .....                                                       | <b>10i</b> |                                     |                                     |               |

**Part VI Pension Funding Compliance**

**11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) ☒ Yes ☐ No

**11a** Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40..... **11a** 0

**12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ☐ Yes ☒ No  
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)

**a** 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 letter ruling granting the waiver. .... Month ..... Day ..... Year .....

**If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.**

**b** Enter the minimum required contribution for this plan year ..... **12b**

**c** Enter the amount contributed by the employer to the plan for this plan year ..... **12c**

**d** Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) ..... **12d**

**e** Will the minimum funding amount reported on line 12d be met by the funding deadline? ☐ Yes ☐ No ☐ N/A

**Part VII Plan Terminations and Transfers of Assets**

**13a** Has a resolution to terminate the plan been adopted in any plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year ..... **13a**

**b** Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No

**c** 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.)

| <b>13c(1)</b> Name of plan(s): | <b>13c(2)</b> EIN(s) | <b>13c(3)</b> PN(s) |
|--------------------------------|----------------------|---------------------|
|                                |                      |                     |

|                                                                                                                                                                                                                      |                                                                                                                                                                                                                                                                                                                              |                                                                                           |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <b>SCHEDULE SB<br/>(Form 5500)</b><br><br>Department of the Treasury<br>Internal Revenue Service<br><br>Department of Labor<br>Employee Benefits Security Administration<br><br>Pension Benefit Guaranty Corporation | <b>Single-Employer Defined Benefit Plan<br/>Actuarial Information</b><br><br>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).<br><br>▶ <b>File as an attachment to Form 5500 or 5500-SF.</b> | OMB No. 1210-0110<br><br><b>2018</b><br><br><b>This Form is Open to Public Inspection</b> |
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For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018

▶ **Round off amounts to nearest dollar.**  
▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br><u>DIVERSIFIED MEMBERS CREDIT UNION EMPLOYEES RETIREMENT PLAN</u>                                                | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br><u>DIVERSIFIED MEMBERS CREDIT UNION</u>                       | <b>D</b> Employer Identification Number (EIN)<br><u>38-0480170</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500 |

|                                                                                                                                                                                                                 |                                                                               |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------|
| <b>Part I</b>                                                                                                                                                                                                   | <b>Basic Information</b>                                                      |
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>                                                                                                                               |                                                                               |
| <b>2</b> Assets:                                                                                                                                                                                                |                                                                               |
| <b>a</b> Market value.....                                                                                                                                                                                      | <b>2a</b> <u>16957912</u>                                                     |
| <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b> <u>16957912</u>                                                     |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                             |                                                                               |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                                     | (1) Number of participants (2) Vested Funding Target (3) Total Funding Target |
| <b>b</b> For terminated vested participants .....                                                                                                                                                               | <u>41</u> <u>13537248</u> <u>13537248</u>                                     |
| <b>c</b> For active participants .....                                                                                                                                                                          | <u>17</u> <u>1816968</u> <u>1816968</u>                                       |
| <b>d</b> Total .....                                                                                                                                                                                            | <u>30</u> <u>2473098</u> <u>2631975</u>                                       |
|                                                                                                                                                                                                                 | <u>88</u> <u>17827314</u> <u>17986191</u>                                     |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                           |                                                                               |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                                                                     |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                                                                     |
| <b>5</b> Effective interest rate .....                                                                                                                                                                          | <b>5</b> <u>5.70 %</u>                                                        |
| <b>6</b> Target normal cost .....                                                                                                                                                                               | <b>6</b> <u>196780</u>                                                        |

**Statement by Enrolled Actuary**  
To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                                                                    |                                        |
|--------------------------------------------------------------------|----------------------------------------|
| <b>SIGN HERE</b>                                                   |                                        |
| <u>CHRISTIAN R. VEENSTRA</u>                                       | <u>10/09/2019</u>                      |
| Signature of actuary                                               | Date                                   |
| <u>WATKINS, ROSS &amp; CO.</u>                                     | <u>17-05668</u>                        |
| Type or print name of actuary                                      | Most recent enrollment number          |
| <u>200 OTTAWA, N.W., SUITE 600<br/>GRAND RAPIDS, MI 49503-2426</u> | <u>616-456-9696</u>                    |
| Firm name                                                          | Telephone number (including area code) |
| <u></u>                                                            |                                        |
| Address of the firm                                                |                                        |

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                      | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                             | 0                     | 0                      |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                          |                       |                        |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                                | 0                     | 0                      |
| <b>10</b> Interest on line 9 using prior year's actual return of <u>3.43</u> % .....                                                                                 | 0                     | 0                      |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                       |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                      |                       | 736731                 |
| <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.91</u> % ..... |                       | 43541                  |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                 |                       | 0                      |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                        |                       | 780272                 |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                      |                       | 0                      |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                                    | 0                     | 0                      |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                         | 0                     | 0                      |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |        |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|--------|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | 94.28% |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | 94.28% |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | 94.67% |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                        | <b>17</b> | %      |

**Part IV Contributions and Liquidity Shortfalls****18** Contributions made to the plan for the plan year by employer(s) and employees:

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 01/29/2018               | 110000                            | 3768                            | 07/30/2018               | 110000                            | 3995                            |
| 02/24/2018               | 110000                            | 3994                            | 08/31/2018               | 110000                            | 4083                            |
| 03/23/2018               | 110000                            | 4438                            | 09/26/2018               | 110000                            | 4678                            |
| 04/20/2018               | 110000                            | 3861                            | 10/31/2018               | 110000                            | 5782                            |
| 05/29/2018               | 110000                            | 5911                            | 11/30/2018               | 110000                            | 3946                            |
| 07/12/2018               | 110000                            | 3922                            | 01/14/2019               | 110000                            | 4401                            |
| <b>Totals ▶</b>          |                                   |                                 | <b>18(b)</b>             | 5780000                           | <b>18(c)</b> 52779              |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |         |
|-------------------------------------------------------------------------------------------------------------------------|------------|---------|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                    | <b>19a</b> | 0       |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> | 0       |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> | 5391967 |

**20** Quarterly contributions and liquidity shortfalls:

- a** Did the plan have a "funding shortfall" for the prior year? ☒ Yes ☐ No
- b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ☒ Yes ☐ No
- c** If line 20a is "Yes," see instructions and complete the following table as applicable:

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
| 0                                                          | 0       | 0       | 0       |

**Part II Beginning of Year Carryover and Prefunding Balances**

|                                                                                                                                                                | (a) Carryover balance | (b) Prefunding balance |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------|------------------------|
| <b>7</b> Balance at beginning of prior year after applicable adjustments (line 13 from prior year) .....                                                       |                       |                        |
| <b>8</b> Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                    |                       |                        |
| <b>9</b> Amount remaining (line 7 minus line 8) .....                                                                                                          |                       |                        |
| <b>10</b> Interest on line 9 using prior year's actual return of _____ % .....                                                                                 |                       |                        |
| <b>11</b> Prior year's excess contributions to be added to prefunding balance:                                                                                 |                       |                        |
| <b>a</b> Present value of excess contributions (line 38a from prior year) .....                                                                                |                       |                        |
| <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of _____ % ..... |                       |                        |
| <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                           |                       |                        |
| <b>c</b> Total available at beginning of current plan year to add to prefunding balance .....                                                                  |                       |                        |
| <b>d</b> Portion of (c) to be added to prefunding balance .....                                                                                                |                       |                        |
| <b>12</b> Other reductions in balances due to elections or deemed elections .....                                                                              |                       |                        |
| <b>13</b> Balance at beginning of current year (line 9 + line 10 + line 11d – line 12) .....                                                                   |                       |                        |

**Part III Funding Percentages**

|                                                                                                                                                                            |           |   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>14</b> Funding target attainment percentage .....                                                                                                                       | <b>14</b> | % |
| <b>15</b> Adjusted funding target attainment percentage .....                                                                                                              | <b>15</b> | % |
| <b>16</b> Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b> | % |
| <b>17</b> If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                        | <b>17</b> | % |

**Part IV Contributions and Liquidity Shortfalls**

| (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
|--------------------------|-----------------------------------|---------------------------------|--------------------------|-----------------------------------|---------------------------------|
| 09/13/2019               | 4460000                           | 0                               |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
|                          |                                   |                                 |                          |                                   |                                 |
| <b>Totals ►</b>          |                                   |                                 | <b>18(b)</b>             |                                   | <b>18(c)</b>                    |

**19** Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:

|                                                                                                                         |            |  |
|-------------------------------------------------------------------------------------------------------------------------|------------|--|
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years .....                    | <b>19a</b> |  |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                      | <b>19b</b> |  |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date ..... | <b>19c</b> |  |

**20** Quarterly contributions and liquidity shortfalls:

**a** Did the plan have a "funding shortfall" for the prior year? ..... ☐ Yes ☐ No

**b** If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... ☐ Yes ☐ No

**c** If line 20a is "Yes," see instructions and complete the following table as applicable:

| Liquidity shortfall as of end of quarter of this plan year |         |         |         |
|------------------------------------------------------------|---------|---------|---------|
| (1) 1st                                                    | (2) 2nd | (3) 3rd | (4) 4th |
|                                                            |         |         |         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                 |                       |                                                |                                                           |                                                     |
|-------------------------------------------------|-----------------------|------------------------------------------------|-----------------------------------------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                        |                       |                                                |                                                           |                                                     |
| <b>a</b> Segment rates:                         | 1st segment:<br>3.92% | 2nd segment:<br>5.52%                          | 3rd segment:<br>6.29%                                     | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code) .....    |                       |                                                |                                                           | <b>21b</b> 0                                        |
| <b>22</b> Weighted average retirement age ..... |                       |                                                |                                                           | <b>22</b> 59                                        |
| <b>23</b> Mortality table(s) (see instructions) | Prior regulation:     | <input type="checkbox"/> Prescribed - combined | <input checked="" type="checkbox"/> Prescribed - separate | <input type="checkbox"/> Substitute                 |
|                                                 | Current regulation:   | <input type="checkbox"/> Prescribed - combined | <input type="checkbox"/> Prescribed - separate            | <input type="checkbox"/> Substitute                 |

**Part VI Miscellaneous Items**

|                                                                                                                                                                        |                                         |                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|----------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      | <input type="checkbox"/> Yes            | <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ....                            | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No            |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment .....                                   | <b>27</b>                               |                                        |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                      |           |   |
|--------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                            | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a) ..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                    | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6) .....                                                                                                                                           | <b>31a</b>          | 196780             |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 0                  |               |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance |                    | Installment   |
| <b>a</b> Net shortfall amortization installment .....                                                                                                                                | 1028279             |                    | 293424        |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   |                    | 0             |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33) .....                                                         | <b>34</b>           | 490204             |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement .....                                                                                                               | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35) .....                                                                                                                  | <b>36</b>           | 490204             |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c) .....                                                  | <b>37</b>           | 5391967            |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 4901763            |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37) .....                                                                      | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  | <b>40</b>           | 0                  |               |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                  |                                                                                                                         |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:  |                                                                                                                         |
| <b>a</b> Schedule elected .....                                                  | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made ..... | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |

## ADDITIONAL INFORMATION

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Line 26 – Schedule of Active Participant Data

EIN/PN: 38-0480170/001

### Participant Age and Service Data

| Age     | Under 1 | 1 – 4 | 5 – 9 | 10 – 14 | 15 - 19 | 20 - 24 | 25 - 29 | 30 – 34 | 35 – 39 | 40 & up | Total |
|---------|---------|-------|-------|---------|---------|---------|---------|---------|---------|---------|-------|
| 0 – 24  |         |       |       |         |         |         |         |         |         |         |       |
| 25 – 29 |         | 1     |       |         |         |         |         |         |         |         | 1     |
| 30 – 34 |         | 2     | 2     |         |         |         |         |         |         |         | 4     |
| 35 – 39 |         |       | 2     |         |         |         |         |         |         |         | 2     |
| 40 – 44 |         | 3     | 3     |         |         |         |         |         |         |         | 6     |
| 45 – 49 |         |       | 1     | 2       |         |         |         |         |         |         | 3     |
| 50 – 54 |         | 1     | 2     | 1       |         |         | 1       |         |         |         | 5     |
| 55 – 59 |         | 2     | 1     | 1       |         |         |         |         |         |         | 4     |
| 60 – 64 |         |       | 3     | 1       |         |         | 1       |         |         |         | 5     |
| 65 – 69 |         |       |       |         |         |         |         |         |         |         |       |
| 70 & Up |         |       |       |         |         |         |         |         |         |         |       |

## ACTUARIAL COST METHODS AND ASSUMPTIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Schedule of Actuarial Assumptions and Methods

EIN/PN: 38-0480170/001

**Traditional Unit Credit Cost Method** – The actuarial cost method used to calculate the minimum required contribution is the traditional unit credit cost method. The normal cost is the sum of all the individual normal costs for each participant. The individual normal cost is the present value of the benefit expected to be earned during the year being valued. For non-active participants, the normal cost is zero. The actuarial accrued liability is the sum of the individual accrued liabilities for all participants. The individual accrued liability is the present value of the accrued benefit as of the valuation date. The unfunded liability is equal to the actuarial accrued liability less the valuation assets, and is referred to as the “shortfall”.

**Projected Unit Credit Cost Method** – The projected unit credit cost method is used for computing pension liabilities used in FASB ASC 715 pension accounting and in the calculation of the maximum deductible contribution. Under this method, the normal cost is the sum of the individual normal costs for all participants. The individual normal cost is the present value of the benefit expected to be earned during the year being valued, assuming the benefit as of the beginning of the year and as of the end of the year are calculated with final average salary. For a non-active participant, the normal cost is zero. The actuarial accrued liability is the sum of the individual accrued liabilities for all plan participants. The individual accrued liability is the present value of the accrued benefit based on service as of the valuation date, calculated using final average salary. For non-active participants, the individual accrued liability is the present value of their benefit. The unfunded liability is equal to the actuarial accrued liability less the valuation assets.

**Actuarial Valuation Asset Method** Market value of assets.

## ACTUARIAL COST METHODS AND ASSUMPTIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Schedule of Actuarial Assumptions and Methods

EIN/PN: 38-0480170/001

### Mandated Discount Rates – Adjusted Under MAP-21 / HATFA

|                                             | Current Year | Prior Year |
|---------------------------------------------|--------------|------------|
| Segment 1 – Payments within 5 years         | 3.92%        | 4.16%      |
| Segment 2 – Payments between 5 and 20 years | 5.52%        | 5.72%      |
| Segment 3 – Payments after 20 years         | 6.29%        | 6.48%      |
| Effective Rate                              | 5.70%        | 5.91%      |

### Mandated Discount Rates – IRC §430 Unadjusted Rates

|                                             | Current Year | Prior Year |
|---------------------------------------------|--------------|------------|
| Segment 1 – Payments within 5 years         | 1.81%        | 1.57%      |
| Segment 2 – Payments between 5 and 20 years | 3.68%        | 3.77%      |
| Segment 3 – Payments after 20 years         | 4.53%        | 4.73%      |
| Effective Rate                              | 3.96%        | 4.09%      |

**Salary Scale** – 5.0% per year was assumed; salaries at normal retirement age expressed as a percent of the salary at sample ages are as follows:

| Age | Increase Rate |
|-----|---------------|
| 20  | 899%          |
| 25  | 704%          |
| 30  | 552%          |
| 35  | 432%          |
| 40  | 339%          |
| 45  | 265%          |
| 50  | 208%          |
| 55  | 163%          |
| 60  | 128%          |
| 65  | 100%          |

Rationale - Experience along with the salary rate increases provided by the plan sponsor for the valuation year

**Cost of Living Adjustments** – 2% per year (simple interest).

Rationale - retirement provisions of the plan

## ACTUARIAL COST METHODS AND ASSUMPTIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Schedule of Actuarial Assumptions and Methods

EIN/PN: 38-0480170/001

**Retirement Rates** – Upon either attaining age 55 with five years vesting service, or any age prior with 30 years vesting service, active participants are expected to retire according to the following schedule:

| Age | Percent Retiring (%) |
|-----|----------------------|
| 55  | 10                   |
| 56  | 11                   |
| 57  | 11                   |
| 58  | 12                   |
| 59  | 14                   |
| 60  | 100                  |

Rationale - The rates were chosen based on this plan's historical experience and the expectations inherent in the retirement provisions of the plan

**Termination Rates** – Crocker-Sarason-Straight T-2 after 5 years of service; 5 select periods (less than 1 year, 15%; 1 year, 10%; 2 years, 8%; 3 years, 7%; 4 years, 6%:

| Age | Ultimate Sample Rates |
|-----|-----------------------|
| 20  | .0544                 |
| 25  | .0529                 |
| 30  | .0507                 |
| 35  | .0470                 |
| 40  | .0350                 |
| 45  | .0177                 |
| 50  | .0040                 |
| 55  | .0000                 |
| 60  | .0000                 |

Rationale - The rates were chosen based on this plan's historical experience, industry standards, and future expectations advised by the plan sponsor

**Pre-retirement Mortality Rates** – As prescribed by law, based on the RP-2000 Mortality table, adjusted for mortality improvement using Projection Scale AA (for non-annuitants, the projection is through the year of valuation with a further projection period of 15 years)

**Post-retirement Mortality** – As prescribed by law, based on the RP-2000 Mortality table, adjusted for mortality improvement using Projection Scale AA (for annuitants, the projection is through the year of valuation with a further projection period of 7 years)

## ACTUARIAL COST METHODS AND ASSUMPTIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Schedule of Actuarial Assumptions and Methods

EIN/PN: 38-0480170/001

**Rates of Disablement** – Society of Actuaries study of long term disability rates, 1968-1972; sample rates are as follows:

| Age | Unisex rates |
|-----|--------------|
| 20  | 0.0008       |
| 25  | 0.0008       |
| 30  | 0.0008       |
| 35  | 0.0008       |
| 40  | 0.0020       |
| 45  | 0.0027       |
| 50  | 0.0049       |
| 55  | 0.0089       |
| 60  | 0.0141       |

Rationale – Low expectation of disability is consistent with reported incidence for remaining covered lives

**Post-Disablement Mortality** – Post-retirement mortality with a ten year set forward was assumed in the valuation

Rationale – Low expectation of disability

**Administrative Expenses** – None

Rationale – Non-investment related expenses are paid by the plan sponsor

**Percent Married** – 87% of males and 77% of females were assumed to be married.

Rationale – Consistent with experience.

**Age of Spouse** - The female spouse is assumed to be 3 years younger than the male spouse.

Rationale – Consistent with experience.

**Probability of Payment Form** –

|          |      |
|----------|------|
| Annuity  | 100% |
| Lump Sum | 0%   |

Rationale – This assumption was chosen because participants have chosen the annuity payment option upon retirement; no lump sum payment available other than a return of employee contributions for non-vested terminated participants.

## ACTUARIAL COST METHODS AND ASSUMPTIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Schedule of Actuarial Assumptions and Methods

EIN/PN: 38-0480170/001

### Data collection:

**Date and form of data** – All personnel and asset data was prepared by the plan sponsor or a representative and was generally relied upon as being correct and complete without audit by Watkins Ross

### Changes in Assumptions Since Prior Valuation

- **Discount Rates** – Changed as prescribed by law
- **Mortality Rates** – Changed as prescribed by law (opt out of new mortality tables for 2018)
- **Other** – (List the assumption that was changed and comment on changes and the rationale for the change.

**Form 5500-SF**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security Administration  
Pension Benefit Guaranty Corporation**Short Form Annual Return/Report of Small Employee  
Benefit Plan**

This form is required to be filed 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).

▶ **Complete all entries in accordance with the instructions to the Form 5500-SF.**OMB Nos. 1210-0110  
1210-0089**2018****This Form is Open to  
Public Inspection****Part I Annual Report Identification Information**

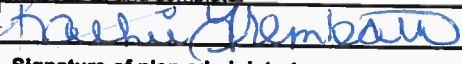
|                                                           |                                                                |                                                                                                                                                                                                     |                                       |            |
|-----------------------------------------------------------|----------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------|------------|
| For calendar plan year 2018 or fiscal plan year beginning |                                                                | 01/01/2018                                                                                                                                                                                          | and ending                            | 12/31/2018 |
| <b>A</b> This return/report is for:                       | <input checked="" type="checkbox"/> a single-employer plan     | <input type="checkbox"/> a multiple-employer plan (not multiemployer) (Filers checking this box must attach a list of participating employer information in accordance with the form instructions.) |                                       |            |
|                                                           | <input type="checkbox"/> a one-participant plan                | <input type="checkbox"/> a foreign plan                                                                                                                                                             |                                       |            |
| <b>B</b> This return/report is                            | <input type="checkbox"/> the first return/report               | <input type="checkbox"/> the final return/report                                                                                                                                                    |                                       |            |
|                                                           | <input type="checkbox"/> an amended return/report              | <input type="checkbox"/> a short plan year return/report (less than 12 months)                                                                                                                      |                                       |            |
|                                                           |                                                                |                                                                                                                                                                                                     |                                       |            |
| <b>C</b> Check box if filing under:                       | <input checked="" type="checkbox"/> Form 5558                  | <input type="checkbox"/> automatic extension                                                                                                                                                        | <input type="checkbox"/> DFVC program |            |
|                                                           | <input type="checkbox"/> special extension (enter description) |                                                                                                                                                                                                     |                                       |            |
|                                                           |                                                                |                                                                                                                                                                                                     |                                       |            |

**Part II Basic Plan Information—enter all requested information**

|                                                                                                                                                                                                                                                                                                                                                                |                                                |              |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------|--------------|
| <b>1a</b> Name of plan<br>DIVERSIFIED MEMBERS CREDIT UNION EMPLOYEES RETIREMENT PLAN                                                                                                                                                                                                                                                                           | <b>1b</b> Three-digit plan number (PN) ▶       | 001          |
| <b>2a</b> Plan sponsor's name (employer, if for a single-employer plan)<br>Mailing address (include room, apt., suite no. and street, or P.O. Box)<br>City or town, state or province, country, and ZIP or foreign postal code (if foreign, see instructions)<br>DIVERSIFIED MEMBERS CREDIT UNION<br><br>1480 E. JEFFERSON AVENUE<br><br>DETROIT MI 48207-3199 | <b>1c</b> Effective date of plan               | 04/01/1964   |
|                                                                                                                                                                                                                                                                                                                                                                | <b>2b</b> Employer Identification Number (EIN) | 38-0480170   |
|                                                                                                                                                                                                                                                                                                                                                                | <b>2c</b> Sponsor's telephone number           | 313-568-5000 |
|                                                                                                                                                                                                                                                                                                                                                                | <b>2d</b> Business code (see instructions)     | 522130       |
| <b>3a</b> Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor.                                                                                                                                                                                                                                                      | <b>3b</b> Administrator's EIN                  |              |
|                                                                                                                                                                                                                                                                                                                                                                | <b>3c</b> Administrator's telephone number     |              |
| <b>4</b> 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.<br><b>a</b> Sponsor's name<br><b>c</b> Plan Name                                                                         | <b>4b</b> EIN                                  |              |
|                                                                                                                                                                                                                                                                                                                                                                | <b>4d</b> PN                                   |              |
| <b>5a</b> Total number of participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                                 | <b>5a</b>                                      | 88           |
| <b>b</b> Total number of participants at the end of the plan year .....                                                                                                                                                                                                                                                                                        | <b>5b</b>                                      | 86           |
| <b>c</b> Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) .....                                                                                                                                                                                                                | <b>5c</b>                                      |              |
| <b>d(1)</b> Total number of active participants at the beginning of the plan year .....                                                                                                                                                                                                                                                                        | <b>5d(1)</b>                                   | 30           |
| <b>d(2)</b> Total number of active participants at the end of the plan year .....                                                                                                                                                                                                                                                                              | <b>5d(2)</b>                                   | 28           |
| <b>e</b> Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested .....                                                                                                                                                                                                                     | <b>5e</b>                                      | 0            |

**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, if applicable, a Schedule SB or Schedule MB completed and signed by an enrolled actuary, 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<br>HERE |  | 10-10-19 | KATHIE TREMBATH                                              |
|              | Signature of plan administrator                                                     | Date     | Enter name of individual signing as plan administrator       |
| SIGN<br>HERE |                                                                                     |          |                                                              |
|              | Signature of employer/plan sponsor                                                  | Date     | Enter name of individual signing as employer or plan sponsor |

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

Form 5500-SF (2018)  
v.171027

- 6a** Were all of the plan's assets during the plan year invested in eligible assets? (See instructions.) ..... ☒ Yes ☐ No
- b** Are you claiming a waiver of the annual examination and report of an independent qualified public accountant (IQPA) under 29 CFR 2520.104-46? (See instructions on waiver eligibility and conditions.) ..... ☒ Yes ☐ No
- If you answered "No" to either line 6a or line 6b, the plan cannot use Form 5500-SF and must instead use Form 5500.
- c** 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 4154553. (See instructions.)

**Part III Financial Information**

| <b>7 Plan Assets and Liabilities</b>                                                                 |              | <b>(a) Beginning of Year</b> | <b>(b) End of Year</b> |
|------------------------------------------------------------------------------------------------------|--------------|------------------------------|------------------------|
| <b>a</b> Total plan assets .....                                                                     | <b>7a</b>    | 16,957,912                   | 22,375,151             |
| <b>b</b> Total plan liabilities .....                                                                | <b>7b</b>    |                              |                        |
| <b>c</b> Net plan assets (subtract line 7b from line 7a) .....                                       | <b>7c</b>    | 16,957,912                   | 22,375,151             |
| <b>8 Income, Expenses, and Transfers for this Plan Year</b>                                          |              | <b>(a) Amount</b>            | <b>(b) Total</b>       |
| <b>a</b> Contributions received or receivable from:                                                  |              |                              |                        |
| (1) Employers .....                                                                                  | <b>8a(1)</b> | 5,780,000                    |                        |
| (2) Participants .....                                                                               | <b>8a(2)</b> | 52,779                       |                        |
| (3) Others (including rollovers) .....                                                               | <b>8a(3)</b> | 0                            |                        |
| <b>b</b> Other income (loss) .....                                                                   | <b>8b</b>    | 727,474                      |                        |
| <b>c</b> Total income (add lines 8a(1), 8a(2), 8a(3), and 8b) .....                                  | <b>8c</b>    |                              | 6,560,253              |
| <b>d</b> Benefits paid (including direct rollovers and insurance premiums to provide benefits) ..... | <b>8d</b>    | 1,075,935                    |                        |
| <b>e</b> Certain deemed and/or corrective distributions (see instructions) ...                       | <b>8e</b>    |                              |                        |
| <b>f</b> Administrative service providers (salaries, fees, commissions) .....                        | <b>8f</b>    | 67,079                       |                        |
| <b>g</b> Other expenses .....                                                                        | <b>8g</b>    |                              |                        |
| <b>h</b> Total expenses (add lines 8d, 8e, 8f, and 8g) .....                                         | <b>8h</b>    |                              | 1,143,014              |
| <b>i</b> Net income (loss) (subtract line 8h from line 8c) .....                                     | <b>8i</b>    |                              | 5,417,239              |
| <b>j</b> Transfers to (from) the plan (see instructions) .....                                       | <b>8j</b>    | 0                            |                        |

**Part IV Plan Characteristics**

- 9a** If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristic Codes in the instructions: 1A
- b** If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristic Codes in the instructions:

**Part V Compliance Questions**

| <b>10 During the plan year:</b>                                                                                                                                                                                                           |            | <b>Yes</b> | <b>No</b> | <b>Amount</b> |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|------------|-----------|---------------|
| <b>a</b> Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? (See instructions and DOL's Voluntary Fiduciary Correction Program) .....                       | <b>10a</b> |            | X         |               |
| <b>b</b> Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 10a.) .....                                                                                                      | <b>10b</b> |            | X         |               |
| <b>c</b> Was the plan covered by a fidelity bond? .....                                                                                                                                                                                   | <b>10c</b> | X          |           | 5,000,000     |
| <b>d</b> Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty? .....                                                                                                   | <b>10d</b> |            | X         |               |
| <b>e</b> Were any fees or commissions paid to any brokers, agents, or other persons by an insurance carrier, insurance service, or other organization that provides some or all of the benefits under the plan? (See instructions.) ..... | <b>10e</b> |            | X         |               |
| <b>f</b> Has the plan failed to provide any benefit when due under the plan? .....                                                                                                                                                        | <b>10f</b> |            | X         |               |
| <b>g</b> Did the plan have any participant loans? (If "Yes," enter amount as of year-end.) .....                                                                                                                                          | <b>10g</b> |            | X         |               |
| <b>h</b> If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.) .....                                                                                                              | <b>10h</b> |            |           |               |
| <b>i</b> If 10h was answered "Yes," check the box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3 .....                                                       | <b>10i</b> |            |           |               |

**Part VI Pension Funding Compliance**

**11** Is this a defined benefit plan subject to minimum funding requirements? (If "Yes," see instructions and complete Schedule SB (Form 5500) and line 11a below) ☒ Yes ☐ No

**11a** Enter the unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 **11a** 0

**12** Is this a defined contribution plan subject to the minimum funding requirements of section 412 of the Code or section 302 of ERISA? ☐ Yes ☒ No  
(If "Yes," complete line 12a or lines 12b, 12c, 12d, and 12e below, as applicable.)

**a** 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 letter ruling granting the waiver. Month Day Year

If you completed line 12a, complete lines 3, 9, and 10 of Schedule MB (Form 5500), and skip to line 13.

**b** Enter the minimum required contribution for this plan year **12b**

**c** Enter the amount contributed by the employer to the plan for this plan year **12c**

**d** Subtract the amount in line 12c from the amount in line 12b. Enter the result (enter a minus sign to the left of a negative amount) **12d**

**e** Will the minimum funding amount reported on line 12d be met by the funding deadline? ☐ Yes ☐ No ☐ N/A

**Part VII Plan Terminations and Transfers of Assets**

**13a** Has a resolution to terminate the plan been adopted in any plan year? ☐ Yes ☒ No

If "Yes," enter the amount of any plan assets that reverted to the employer this year **13a**

**b** Were all the plan assets distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC? ☐ Yes ☒ No

**c** 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.

**13c(1)** Name of plan(s):

**13c(2)** EIN(s)

**13c(3)** PN(s)

|  |  |  |
|--|--|--|
|  |  |  |
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**SCHEDULE SB  
(Form 5500)**Department of the Treasury  
Internal Revenue ServiceDepartment of Labor  
Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

**Single-Employer Defined Benefit Plan  
Actuarial Information**

This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6059 of the Internal Revenue Code (the Code).

▶ **File as an attachment to Form 5500 or 5500-SF.**

OMB No. 1210-0110

**2018****This Form is Open to Public  
Inspection**For calendar plan year 2018 or fiscal plan year beginning 01/01/2018 and ending 12/31/2018▶ **Round off amounts to nearest dollar.**▶ **Caution:** A penalty of \$1,000 will be assessed for late filing of this report unless reasonable cause is established.

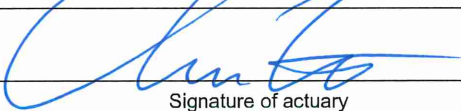
|                                                                                                                                           |                                                                                                                                                         |
|-------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>A</b> Name of plan<br>DIVERSIFIED MEMBERS CREDIT UNION EMPLOYEES RETIREMENT PLAN                                                       | <b>B</b> Three-digit plan number (PN) ▶ <u>001</u>                                                                                                      |
| <b>C</b> Plan sponsor's name as shown on line 2a of Form 5500 or 5500-SF<br>DIVERSIFIED MEMBERS CREDIT UNION                              | <b>D</b> Employer Identification Number (EIN)<br><u>38-0480170</u>                                                                                      |
| <b>E</b> Type of plan: <input checked="" type="checkbox"/> Single <input type="checkbox"/> Multiple-A <input type="checkbox"/> Multiple-B | <b>F</b> Prior year plan size: <input checked="" type="checkbox"/> 100 or fewer <input type="checkbox"/> 101-500 <input type="checkbox"/> More than 500 |

**Part I Basic Information**

|                                                                                                                                                                                                                 |                            |                           |                          |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|---------------------------|--------------------------|
| <b>1</b> Enter the valuation date: Month <u>01</u> Day <u>01</u> Year <u>2018</u>                                                                                                                               |                            |                           |                          |
| <b>2</b> Assets:                                                                                                                                                                                                |                            |                           |                          |
| <b>a</b> Market value.....                                                                                                                                                                                      | <b>2a</b>                  | <u>16,957,912</u>         |                          |
| <b>b</b> Actuarial value .....                                                                                                                                                                                  | <b>2b</b>                  | <u>16,957,912</u>         |                          |
| <b>3</b> Funding target/participant count breakdown                                                                                                                                                             | (1) Number of participants | (2) Vested Funding Target | (3) Total Funding Target |
| <b>a</b> For retired participants and beneficiaries receiving payment .....                                                                                                                                     | <u>41</u>                  | <u>13,537,248</u>         | <u>13,537,248</u>        |
| <b>b</b> For terminated vested participants .....                                                                                                                                                               | <u>17</u>                  | <u>1,816,968</u>          | <u>1,816,968</u>         |
| <b>c</b> For active participants .....                                                                                                                                                                          | <u>30</u>                  | <u>2,473,098</u>          | <u>2,631,975</u>         |
| <b>d</b> Total .....                                                                                                                                                                                            | <u>88</u>                  | <u>17,827,314</u>         | <u>17,986,191</u>        |
| <b>4</b> If the plan is in at-risk status, check the box and complete lines (a) and (b)..... <input type="checkbox"/>                                                                                           |                            |                           |                          |
| <b>a</b> Funding target disregarding prescribed at-risk assumptions .....                                                                                                                                       | <b>4a</b>                  |                           |                          |
| <b>b</b> Funding target reflecting at-risk assumptions, but disregarding transition rule for plans that have been in at-risk status for fewer than five consecutive years and disregarding loading factor ..... | <b>4b</b>                  |                           |                          |
| <b>5</b> Effective interest rate .....                                                                                                                                                                          | <b>5</b>                   | <u>5.70%</u>              |                          |
| <b>6</b> Target normal cost .....                                                                                                                                                                               | <b>6</b>                   | <u>196,780</u>            |                          |

**Statement by Enrolled Actuary**

To the best of my knowledge, the information supplied in this schedule and accompanying schedules, statements and attachments, if any, is complete and accurate. Each prescribed assumption was applied in accordance with applicable law and regulations. In my opinion, each other assumption is reasonable (taking into account the experience of the plan and reasonable expectations) and such other assumptions, in combination, offer my best estimate of anticipated experience under the plan.

|                               |                                                                                     |                                                      |
|-------------------------------|-------------------------------------------------------------------------------------|------------------------------------------------------|
| <b>SIGN HERE</b>              |  | <u>10-9-2019</u>                                     |
| CHRISTIAN R. VEENSTRA         |                                                                                     | Date<br><u>1705668</u>                               |
| Type or print name of actuary |                                                                                     | Most recent enrollment number<br><u>616-456-9696</u> |
| WATKINS, ROSS & CO.           |                                                                                     | Telephone number (including area code)               |
| Firm name                     |                                                                                     |                                                      |
| 200 OTTAWA, N.W., SUITE 600   |                                                                                     |                                                      |
| GRAND RAPIDS MI 49503-2426    |                                                                                     |                                                      |
| Address of the firm           |                                                                                     |                                                      |

If the actuary has not fully reflected any regulation or ruling promulgated under the statute in completing this schedule, check the box and see instructions ☐

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

Schedule SB (Form 5500) 2018  
v. 171027

| <b>Part II</b> |                                                                                                                                                                     | <b>Beginning of Year Carryover and Prefunding Balances</b> |                        |
|----------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------|------------------------|
|                |                                                                                                                                                                     | (a) Carryover balance                                      | (b) Prefunding balance |
| <b>7</b>       | Balance at beginning of prior year after applicable adjustments (line 13 from prior year).....                                                                      | 0                                                          | 0                      |
| <b>8</b>       | Portion elected for use to offset prior year's funding requirement (line 35 from prior year) .....                                                                  |                                                            |                        |
| <b>9</b>       | Amount remaining (line 7 minus line 8).....                                                                                                                         | 0                                                          | 0                      |
| <b>10</b>      | Interest on line 9 using prior year's actual return of <u>3.43%</u> .....                                                                                           | 0                                                          | 0                      |
| <b>11</b>      | Prior year's excess contributions to be added to prefunding balance:                                                                                                |                                                            |                        |
|                | <b>a</b> Present value of excess contributions (line 38a from prior year).....                                                                                      |                                                            | 736,731                |
|                | <b>b(1)</b> Interest on the excess, if any, of line 38a over line 38b from prior year Schedule SB, using prior year's effective interest rate of <u>5.91%</u> ..... |                                                            | 43,541                 |
|                | <b>b(2)</b> Interest on line 38b from prior year Schedule SB, using prior year's actual return .....                                                                |                                                            | 0                      |
|                | <b>c</b> Total available at beginning of current plan year to add to prefunding balance.....                                                                        |                                                            | 780,272                |
|                | <b>d</b> Portion of (c) to be added to prefunding balance.....                                                                                                      |                                                            | 0                      |
| <b>12</b>      | Other reductions in balances due to elections or deemed elections .....                                                                                             | 0                                                          | 0                      |
| <b>13</b>      | Balance at beginning of current year (line 9 + line 10 + line 11d – line 12).....                                                                                   | 0                                                          | 0                      |

| <b>Part III</b> |                                                                                                                                                                  | <b>Funding Percentages</b> |        |
|-----------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------|--------|
| <b>14</b>       | Funding target attainment percentage .....                                                                                                                       | <b>14</b>                  | 94.28% |
| <b>15</b>       | Adjusted funding target attainment percentage.....                                                                                                               | <b>15</b>                  | 94.28% |
| <b>16</b>       | Prior year's funding percentage for purposes of determining whether carryover/prefunding balances may be used to reduce current year's funding requirement ..... | <b>16</b>                  | 94.67% |
| <b>17</b>       | If the current value of the assets of the plan is less than 70 percent of the funding target, enter such percentage. ....                                        | <b>17</b>                  | %      |

| <b>Part IV</b>                                                                           |                                   | <b>Contributions and Liquidity Shortfalls</b> |                          |                                   |                                 |
|------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------------------|--------------------------|-----------------------------------|---------------------------------|
| <b>18</b> Contributions made to the plan for the plan year by employer(s) and employees: |                                   |                                               |                          |                                   |                                 |
| (a) Date<br>(MM-DD-YYYY)                                                                 | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees               | (a) Date<br>(MM-DD-YYYY) | (b) Amount paid by<br>employer(s) | (c) Amount paid by<br>employees |
| 01/29/2018                                                                               | 110,000                           | 3,768                                         |                          |                                   |                                 |
| 02/24/2018                                                                               | 110,000                           | 3,994                                         |                          |                                   |                                 |
| 03/23/2018                                                                               | 110,000                           | 4,438                                         |                          |                                   |                                 |
| 04/20/2018                                                                               | 110,000                           | 3,861                                         |                          |                                   |                                 |
| 05/29/2018                                                                               | 110,000                           | 5,911                                         |                          |                                   |                                 |
| 07/12/2018                                                                               | 110,000                           | 3,922                                         |                          |                                   |                                 |
| 07/30/2018                                                                               | 110,000                           | 3,995                                         |                          |                                   |                                 |
| 08/31/2018                                                                               | 110,000                           | 4,083                                         |                          |                                   |                                 |
| 09/26/2018                                                                               | 110,000                           | 4,678                                         |                          |                                   |                                 |
| 10/31/2018                                                                               | 110,000                           | 5,782                                         |                          |                                   |                                 |
| 11/30/2018                                                                               | 110,000                           | 3,946                                         |                          |                                   |                                 |
| 01/14/2019                                                                               | 110,000                           | 4,401                                         |                          |                                   |                                 |
| 09/13/2019                                                                               | 4,460,000                         | 0                                             |                          |                                   |                                 |
|                                                                                          |                                   |                                               | <b>Totals ▶</b>          | <b>18(b)</b>                      | 5,780,000                       |
|                                                                                          |                                   |                                               |                          | <b>18(c)</b>                      | 52,779                          |

|                                                                                                                                                                                             |            |         |           |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|---------|-----------|
| <b>19</b> Discounted employer contributions – see instructions for small plan with a valuation date after the beginning of the year:                                                        |            |         |           |
| <b>a</b> Contributions allocated toward unpaid minimum required contributions from prior years.....                                                                                         | <b>19a</b> |         | 0         |
| <b>b</b> Contributions made to avoid restrictions adjusted to valuation date .....                                                                                                          | <b>19b</b> |         | 0         |
| <b>c</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date.....                                                                      | <b>19c</b> |         | 5,391,967 |
| <b>20</b> Quarterly contributions and liquidity shortfalls:                                                                                                                                 |            |         |           |
| <b>a</b> Did the plan have a "funding shortfall" for the prior year? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No                                              |            |         |           |
| <b>b</b> If line 20a is "Yes," were required quarterly installments for the current year made in a timely manner? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |            |         |           |
| <b>c</b> If line 20a is "Yes," see instructions and complete the following table as applicable:                                                                                             |            |         |           |
| Liquidity shortfall as of end of quarter of this plan year                                                                                                                                  |            |         |           |
| (1) 1st                                                                                                                                                                                     | (2) 2nd    | (3) 3rd | (4) 4th   |
| 0                                                                                                                                                                                           | 0          | 0       | 0         |

**Part V Assumptions Used to Determine Funding Target and Target Normal Cost**

|                                                 |                        |                                                                                                                                                    |                                                     |
|-------------------------------------------------|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------|
| <b>21</b> Discount rate:                        |                        |                                                                                                                                                    |                                                     |
| <b>a</b> Segment rates:                         | 1st segment:<br>3.92 % | 2nd segment:<br>5.52 %                                                                                                                             | 3rd segment:<br>6.29 %                              |
|                                                 |                        |                                                                                                                                                    | <input type="checkbox"/> N/A, full yield curve used |
| <b>b</b> Applicable month (enter code).....     |                        |                                                                                                                                                    | <b>21b</b> 0                                        |
| <b>22</b> Weighted average retirement age ..... |                        |                                                                                                                                                    | <b>22</b> 59                                        |
| <b>23</b> Mortality table(s) (see instructions) | Prior regulation:      | <input type="checkbox"/> Prescribed - combined<br><input checked="" type="checkbox"/> Prescribed - separate<br><input type="checkbox"/> Substitute |                                                     |
|                                                 | Current regulation:    | <input type="checkbox"/> Prescribed - combined<br><input type="checkbox"/> Prescribed - separate<br><input type="checkbox"/> Substitute            |                                                     |

**Part VI Miscellaneous Items**

|                                                                                                                                                                        |                                                                     |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|
| <b>24</b> Has a change been made in the non-prescribed actuarial assumptions for the current plan year? If "Yes," see instructions regarding required attachment. .... | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>25</b> Has a method change been made for the current plan year? If "Yes," see instructions regarding required attachment. ....                                      | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No |
| <b>26</b> Is the plan required to provide a Schedule of Active Participants? If "Yes," see instructions regarding required attachment. ....                            | <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |
| <b>27</b> If the plan is subject to alternative funding rules, enter applicable code and see instructions regarding attachment .....                                   | <b>27</b>                                                           |

**Part VII Reconciliation of Unpaid Minimum Required Contributions For Prior Years**

|                                                                                                                                     |           |   |
|-------------------------------------------------------------------------------------------------------------------------------------|-----------|---|
| <b>28</b> Unpaid minimum required contributions for all prior years .....                                                           | <b>28</b> | 0 |
| <b>29</b> Discounted employer contributions allocated toward unpaid minimum required contributions from prior years (line 19a)..... | <b>29</b> | 0 |
| <b>30</b> Remaining amount of unpaid minimum required contributions (line 28 minus line 29) .....                                   | <b>30</b> | 0 |

**Part VIII Minimum Required Contribution For Current Year**

|                                                                                                                                                                                      |                     |                    |               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|--------------------|---------------|
| <b>31</b> Target normal cost and excess assets (see instructions):                                                                                                                   |                     |                    |               |
| <b>a</b> Target normal cost (line 6).....                                                                                                                                            | <b>31a</b>          | 196,780            |               |
| <b>b</b> Excess assets, if applicable, but not greater than line 31a .....                                                                                                           | <b>31b</b>          | 0                  |               |
| <b>32</b> Amortization installments:                                                                                                                                                 | Outstanding Balance |                    | Installment   |
| <b>a</b> Net shortfall amortization installment.....                                                                                                                                 | 1,028,279           |                    | 293,424       |
| <b>b</b> Waiver amortization installment .....                                                                                                                                       | 0                   |                    | 0             |
| <b>33</b> If a waiver has been approved for this plan year, enter the date of the ruling letter granting the approval (Month _____ Day _____ Year _____) and the waived amount ..... | <b>33</b>           |                    |               |
| <b>34</b> Total funding requirement before reflecting carryover/prefunding balances (lines 31a - 31b + 32a + 32b - 33)....                                                           | <b>34</b>           | 490,204            |               |
|                                                                                                                                                                                      | Carryover balance   | Prefunding balance | Total balance |
| <b>35</b> Balances elected for use to offset funding requirement.....                                                                                                                | 0                   | 0                  | 0             |
| <b>36</b> Additional cash requirement (line 34 minus line 35).....                                                                                                                   | <b>36</b>           | 490,204            |               |
| <b>37</b> Contributions allocated toward minimum required contribution for current year adjusted to valuation date (line 19c).....                                                   | <b>37</b>           | 5,391,967          |               |
| <b>38</b> Present value of excess contributions for current year (see instructions)                                                                                                  |                     |                    |               |
| <b>a</b> Total (excess, if any, of line 37 over line 36) .....                                                                                                                       | <b>38a</b>          | 4,901,763          |               |
| <b>b</b> Portion included in line 38a attributable to use of prefunding and funding standard carryover balances .....                                                                | <b>38b</b>          | 0                  |               |
| <b>39</b> Unpaid minimum required contribution for current year (excess, if any, of line 36 over line 37).....                                                                       | <b>39</b>           | 0                  |               |
| <b>40</b> Unpaid minimum required contributions for all years .....                                                                                                                  | <b>40</b>           | 0                  |               |

**Part IX Pension Funding Relief Under Pension Relief Act of 2010 (See Instructions)**

|                                                                                  |                                                                                                                         |
|----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <b>41</b> If an election was made to use PRA 2010 funding relief for this plan:  |                                                                                                                         |
| <b>a</b> Schedule elected .....                                                  | <input type="checkbox"/> 2 plus 7 years <input type="checkbox"/> 15 years                                               |
| <b>b</b> Eligible plan year(s) for which the election in line 41a was made ..... | <input type="checkbox"/> 2008 <input type="checkbox"/> 2009 <input type="checkbox"/> 2010 <input type="checkbox"/> 2011 |

Diversified Members Credit Union Employees Retirement Plan  
EIN/PN: 38-0480170/001

Attachment to Schedule SB, line 22 - Description of Weighted Average Retirement Age

| Age | Rate | Weight                                             | Weighted Age |
|-----|------|----------------------------------------------------|--------------|
| 55  | .1   | .1                                                 | 5.50         |
| 56  | .11  | $(1 - .1) * .11$                                   | 5.54         |
| 57  | .11  | $(1 - .1)(1 - .11) * .11$                          | 5.02         |
| 58  | .12  | $(1 - .1)(1 - .11)(1 - .11) * .12$                 | 4.96         |
| 59  | .14  | $(1 - .1)(1 - .11)(1 - .11)(1 - .12) * .14$        | 5.18         |
| 60  | 1    | $(1 - .1)(1 - .11)(1 - .11)(1 - .12)(1 - .14) * 1$ | 32.37        |
|     |      |                                                    | 58.58        |
|     |      | Rounded to nearest whole age =                     | 59           |

## SUMMARY OF PLAN PROVISIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Summary of Plan Provisions

EIN/PN: 38-0480170/001

|                                                              |                                                                                                                                                                                                                                                                                     |
|--------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Plan name</b>                                             | Diversified Members Credit Union Employees Retirement Plan                                                                                                                                                                                                                          |
| <b>Plan documents:</b>                                       |                                                                                                                                                                                                                                                                                     |
| <b>Drafted by</b>                                            | Edward C. Hammond, Clark Hill PLC                                                                                                                                                                                                                                                   |
| <b>Latest determination letter</b>                           | October 12, 2016                                                                                                                                                                                                                                                                    |
| <b>Plan effective date</b>                                   | April 1, 1964                                                                                                                                                                                                                                                                       |
| <b>Most recent amendment effective date (execution date)</b> | First Amendment effective March 1, 2016, except as otherwise indicated (March 7, 2016)                                                                                                                                                                                              |
| <b>Eligibility provisions:</b>                               |                                                                                                                                                                                                                                                                                     |
| Participation                                                | Prior to January 1, 2007, employment with the company. Prior to February 10, 2015, one (1) year of service with 1,000 or more hours of service. On and after February 10, 2015 age 21 requirement was added. Employees hired after February 9, 2015 are not allowed to participate. |
| Normal retirement                                            | Age 60 with 5 years of vesting service                                                                                                                                                                                                                                              |
| Unreduced early retirement                                   | 30 years of vesting service                                                                                                                                                                                                                                                         |
| Reduced early retirement                                     | Age 55 with 5 years of vesting service, or 25 years of service at any age                                                                                                                                                                                                           |
| Late retirement                                              | Retirement after normal retirement age                                                                                                                                                                                                                                              |
| Vesting schedule                                             | 100% after 5 years of vested service; mandatory contributions plus earnings thereon shall at all times be 100% vested                                                                                                                                                               |
| Disability                                                   | Termination of employment by reason of total and permanent disability before attaining age 60 but after completing 10 or more years of vesting service                                                                                                                              |
| <b>Pre-retirement death:</b>                                 |                                                                                                                                                                                                                                                                                     |
| Annuity to surviving spouse                                  | Death after becoming eligible for a non-forfeitable benefit                                                                                                                                                                                                                         |

## SUMMARY OF PLAN PROVISIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Summary of Plan Provisions

EIN/PN: 38-0480170/001

### Post-retirement death:

Lump sum

Death prior to receiving return of contributions

### Benefit amounts:

Normal retirement:

1.42% of Final Average Compensation multiplied by Benefit Accrual Service plus the actuarial equivalent benefit provided by the Participant's Accumulated Employee contributions

Minimum benefit

1.8% of Final Average Compensation multiplied by Benefit Accrual Service for employees who were Participants prior to January 1, 1989

Maximum benefit

IRC Section 415 limits

Reduced early retirement

Deferred normal retirement pension reduced by  $\frac{1}{2}$  of 1% (.005) for each month in the period between the early retirement date and the normal retirement date

Late retirement

Greater of (1) actual defined benefit formula computation and (2) actuarial equivalent of the normal retirement benefit

Vested termination

Accrued benefit payable at normal retirement date

Disability

Accrued normal retirement benefit payable immediately

### Pre-retirement death:

Annuity to spouse

100% of the benefit that would have been payable to the participant at the participant's early retirement age under the Joint and 100% Survivor form of payment, had the participant terminated employment the date before death occurred

### Post-retirement death:

Lump sum

A single sum equal to the Participant's remaining Accumulated Employee Contributions

## SUMMARY OF PLAN PROVISIONS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Part V – Summary of Plan Provisions

EIN/PN: 38-0480170/001

### Definitions:

|                                      |                                                                                                                                                                 |
|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accrued benefit                      | An amount equal to the normal retirement benefit calculated using the final average compensation and benefit accrual service at the date of determination       |
| Actuarial equivalence:               |                                                                                                                                                                 |
| General                              | Unisex blend of 80% male rates and 20% female rates from the 1971 Group Annuity Mortality Table projected to 1984 with 7% annual interest                       |
| Accumulated employee contributions   | Total of amounts contributed to the plan with 4% interest                                                                                                       |
| Employee contributions               | 3% of employee gross compensation per aggregate period; after January 1, 2008, 0% of employee aggregate compensation upon attainment of 30 years of service     |
| Final average compensation           | Monthly average of a Participant's total compensations during the period of sixty (60) consecutive months in which the Participant's compensations were highest |
| Entry dates                          | Date of employment. Effective January 1, 2007, January 1 or July 1 coincident with or next following eligibility                                                |
| Benefit accrual service              | 1.0 year if worked at least 1,000 hours; actual hours divided by 1,000, rounded to nearest 1/12, in year of hire, year of retirement and year of death          |
| Unreduced payment form               | Single-Life annuity                                                                                                                                             |
| Optional payment forms               | Contingent annuitant                                                                                                                                            |
| <b>Changes since prior valuation</b> | Employee contributions are 3% of gross compensation (including bonuses)                                                                                         |

### Other qualified retirement plans:

| <u>Plan Name</u>                             | <u>Plan Number</u> | <u>Status</u> |
|----------------------------------------------|--------------------|---------------|
| Diversified Members Credit Union 401(k) Plan | 002                | Active        |

## DEVELOPMENT OF RESULTS

Diversified Members Credit Union Employees Retirement Plan  
Schedule SB, Line 32 – Schedule of Amortization Bases

EIN/PN: 38-0480170/001

### Shortfall Amortization Charge

| Date Established | Present Value of Remaining Balance (\$) | Remaining Period (Years) | Amortization Installment (\$) |
|------------------|-----------------------------------------|--------------------------|-------------------------------|
| 01/01/2014       | 372,057                                 | 3                        | 128,817                       |
| 01/01/2015       | 696,293                                 | 4                        | 184,238                       |
| 01/01/2016       | (156,054)                               | 5                        | (33,656)                      |
| 01/01/2017       | (224,224)                               | 6                        | (41,514)                      |
| 01/01/2018       | 340,207                                 | 7                        | 55,539                        |
| <b>TOTAL</b>     | <b>1,028,279</b>                        |                          | <b>293,424</b>                |