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by Kathryn Ross
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April 3, 2019

VIA EMAIL

cela@fec.gov

Federal Election Commission
Office of Complaints Examination
& Legal Administration
Attn: Kathryn Ross, Paralegal

RE: MUR 7584

Dear Sir/Madam:

I represent M Financial Holdings Incorporated ("M Financial") in connection with the above-referenced matter. This response addresses both the letter addressed to Westley V. Thompson, the CEO of M Financial, and the letter addressed to Kevin Kukar, who is the Treasurer of M Financial.

The underlying complaint from Mr. Gary Hirschcron is factually inaccurate on several fundamental points. First, as described in greater detail below, the "M Political Advocacy Committee" is neither a Political Action Committee nor a legal entity, but is rather an informal advisory body within M Financial; as such, there is no treasurer of M Political Advocacy Committee. Second, as also explained below, Mr. Hirschcron does not receive any compensation from M Financial based on his former employment. M Financial did not make, nor did it compel any employee or any other person to make, contributions to a political action committee or to any candidate for political office.

M Financial is a privately-held Delaware corporation doing business as M Financial Group, headquartered in Portland, Oregon. M Financial and its subsidiaries provide marketing support services to a network of approximately 150 independently owned and operated firms throughout the country that are engaged in marketing and sales of life insurance and other financial services and products, referred to as Member Firms. M Financial earns revenue from insurance carriers whose products are sold by M Financial Member Firms, as well as other sources.

M Financial is owned and governed by its Member Firms: Member Firms (or their owners) are the stockholders of M Financial. M Financial is governed by a board of directors (the Board) comprised primarily of owners of Member Firms. M Financial also has established a number of advisory committees comprised of representatives of its Member Firms to advise and make recommendations to the Board on a variety of aspects of its business. The M Political Advocacy

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Committee (the Advocacy Committee), which was formed in January 2019, is one such committee.

The structure and purpose of the Advocacy Committee is described in Exhibit 1, which sets forth the recommendations of a Board task force to create such a committee. As described in Exhibit 1, the Advocacy Committee was formed to monitor the effectiveness of the legislative advocacy efforts of the organizations that M Financial makes contributions to, and to report back to the Board on those legislative advocacy efforts. The Advocacy Committee does not directly engage in legislative advocacy activities, and does not make financial contributions to any candidates for political office. The Advocacy Committee does not have any assets of its own, or receive or accept monetary or other contributions. It is solely an advisory body to the Board of M Financial, to assist the Board in making decisions about corporate contributions to industry groups that engage in legislative advocacy on matters affecting M Financial and its Member Firms. Such groups include the American Association of Life Underwriters (AALU), American Council of Life Insurers (ACLI), Financial Services Institute (FSI), and National Association of Pension Advisors (NAPA).

M Financial distributes its net profits annually to its stockholders, in the form of dividends, and to its current and former Member Firms, through its Incentive Compensation Plan. In 2018, M Financial made a substantial financial commitment to AALU. That corporate contribution, like any corporate expense, reduced the net profits of the corporation that are available for distribution to its stockholders and to Incentive Compensation Plan participants. These facts are attested to by Kevin Kukar, Treasurer of M Financial, in his Affidavit attached as Exhibit 2.

A copy of the M Financial Incentive Compensation Plan is attached as Exhibit 3. As described in the Incentive Compensation Plan, the Plan is a vehicle for distributing the net cash profits of M Financial to its Member Firms. The Board has discretion to determine the amount of the corporation's net profits available for distribution, and how those amounts are allocated among Incentive Compensation Plan participants. In 2019, the Board determined to allocate the reduction in the amount of the 2018 Plan Year Incentive Compensation Plan payments resulting from the commitments to fund AALU's political advocacy efforts equally among all Incentive Compensation Plan participants.

Contrary to Mr. Hirschcron's assertions, the incentive compensation payments he receives under the Incentive Compensation Plan are not based on insurance sales he made as an employee of M Financial, and are not a form of employee compensation. The Incentive Compensation Plan is not an employee compensation plan. As described in the Affidavit of M Financial's corporate Secretary David Schutt, attached hereto as Exhibit 4, Gary Hirschcron earned incentive compensation under the Incentive Compensation Plan related to insurance sales he made during the years 1987-1995, while he was affiliated with Management Compensation Group, Northwest (MCG), a Member Firm of M Financial in which he had an ownership interest. In 2000 MCG was acquired by M Financial. As a result of the acquisition of MCG, Mr. Hirschcron became an employee of M Financial. However, Mr. Hirschcron did not earn compensation under the M Financial Incentive Compensation Plan as an employee of M Financial. Mr. Hirschcron earned

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incentive compensation under the Incentive Compensation Plan solely based on his insurance sales made during 1987-1995 while an owner and/or employee of MCG, prior to the acquisition of MCG by M Financial.

The underlying factual predicates asserted in Mr. Hirschkron's FEC complaint are simply wrong. M Financial requests that FEC staff issue a recommendation finding no reason to believe that any possible violation of the Act has been shown. This file should be closed without further action.

Please contact me if you require further information about this matter.

Very truly yours,



Darcy Norville

Enc.

Copy: Mr. Westley V. Thompson
Mr. Kevin Kukar
Mr. David Schutt



MFH Board Task Force

Recommendations:

Governance Structure for Overseeing M Financial Group's Political Advocacy

Form the M Political Advocacy Committee (MPAC) to serve as the governance liaison between M and our advocacy partners: American Association of Life Underwriters (AALU), American Council of Life Insurers (ACLI), Financial Services Institute (FSI), and National Association of Pension Advisors (NAPA).

- The MPAC will include:
 - One MFH Board member (Chair; appointed)
 - One current member of the AALU Board from the M community (appointed)
 - Three at-large members elected from the M community (three-year staggered terms)
 - One member of the M leadership team (appointed)
 - Committee diversity (gender, race, geography, specializations) will be a priority

- For AALU, the MPAC will:
 - Establish, monitor, and report on KPIs (TBD), which may include AALU objectives and progress and M engagement activity (relationships, fundraising, etc.)
 - Provide reports to the MFH Board and Member Firms twice annually
 - Oversee AALU services and support provided to Member Firms
 - Review AALU financials, strategic framework, and advocacy priorities
 - Identify and develop Member Firm Principals to serve on AALU Board/committees
 - Engage Member Firm facilitators, in concert with AALU, to mobilize members of the M community on key industry and political initiatives and activities

- For ACLI, the MPAC will:
 - Establish, monitor, and report on KPIs (TBD)
 - Work with our carriers on ACLI issues
 - Provide reports on ACLI activity and progress to the MFH Board annually and the M community periodically

- For FSI, the MPAC will:
 - Establish, monitor, and report on KPIs (TBD)
 - Provide reports on FSI activity and progress to the MFH Board annually and the M community periodically

- For NAPA, the MPAC will:
 - Coordinate periodic updates on regulatory and political issues impacting retirement planning
 - Oversee NAPA services and support provided to Member Firms
 - Provide input to NAPA for educating members of Congress and their staff to help shape regulatory initiatives

- The MPAC will also be responsible for the development of other advocacy partners

FEC MUR 7584 - Exhibit 2**FEDERAL ELECTION COMMISSION****RE: MUR 7584****Declaration of Kevin Kukar**

I, Kevin Kukar, am the Corporate Treasurer of M Financial Holdings Incorporated (M Financial). I make this declaration based on personal knowledge in support of our letter in response to the complaint in the above-referenced matter (the Response Letter).

1. The M Political Advocacy Committee (the Advocacy Committee) is an advisory committee to the M Financial Board of Directors. The Advocacy Committee is not a political action committee, or a separate legal entity. The Advocacy Committee does not have a treasurer. Exhibit 1 to the Response Letter is a true and accurate copy of the Charter for the Advocacy Committee approved by the M Financial Board of Directors.
2. The Advocacy Committee does not have or hold assets and does not receive monies or make financial contributions. The Advocacy Committee advises the Board of Directors of M Financial regarding corporate contributions to trade organizations that engage in legislative advocacy efforts on behalf of the life insurance and financial services industries.
3. For 2019, M Financial has budgeted to make financial contributions to trade organizations, including the American Association of Life Underwriters (AALU), American Council of Life Insurers (ACLI), and Financial Services Institute (FSI) totaling approximately \$1.4 million. That amount includes a commitment to AALU for a membership fee of over \$1 million that covers membership for all of M Financial's Member Firms.
4. M Financial distributes its net cash profits to its stockholders in the form of dividends, and to its current and former Member Firms through its Incentive Compensation Plan. Exhibit 3 to the Response Letter is a true and accurate copy of the Incentive Compensation Plan (without the schedules and appendices that contain detailed formulas for calculating awards under the Plan).
5. M Financial's corporate contributions to AALU and other trade organizations reduce the amount of the corporation's net profits available to distribute to participants in the M Financial Incentive Compensation Plan. At its February 11, 2019 meeting, the M Financial Board of Directors adopted a resolution to allocate the reduction in Incentive Compensation Plan payments resulting from the commitment to fund AALU's political advocacy efforts equally among all Incentive Compensation Plan participants.

Declaration of Kevin Kukar

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6. I have read the Response Letter and affirm that the statements made therein are true to the best of my knowledge and belief.
7. I declare that the above statements are true to the best of my knowledge and belief, and are made under oath and subject to penalty of perjury.

DATED this 3rd day of April, 2019



Kevin Kukar, Corporate Treasurer



M Financial Group™

MFH Incentive Compensation Plan

(Amended and Restated as of December 6, 2018)

FEC MUR 7584 - Exhibit 3

February 2019

ARTICLE I - INTRODUCTION

1.1 Purpose

The purpose of the M Financial Holdings Incorporated Incentive Compensation Plan (the "Plan") is to focus Member Firms of M Financial Holdings Incorporated ("Company"), dba M Financial Group, which become Participants in the Plan on achieving financial and strategic objectives of the Company; attract and retain top quality Member Firms; and provide Participants with an opportunity to earn incentive compensation commensurate with Member Firm contributions.

1.2 Effective Date; Plan Year

The effective date of the amended and restated Plan as set forth herein is December 6, 2018. The original effective date of the Plan was January 1, 1996, subject to consummation of the Recapitalization of the Company to convert the Class A Common Stock and Class B Common Stock of the Company into a new single class of common stock ("Recapitalization"). The Plan Year is the calendar year.

This amended and restated Plan supersedes and replaces the Plan, as previously amended and restated as of December 7, 2017, and shall be effective beginning with the 2018 Plan Year.

1.3 Administration

The Board of Directors of the Company ("Board of Directors" or "Board") shall be responsible for the administration of the Plan in accordance with its terms. All decisions and determinations by the Board of Directors in connection with administration of the Plan must be made by a Super-Majority Vote of the Board of Directors, except for actions which require a different vote under the express terms of the Plan.

- A) A "Super-Majority Vote of the Board of Directors" means the affirmative vote of not less than two-thirds of the full membership of the Board of Directors at a meeting duly called at which a quorum is present. Members of the Board of Directors who have a direct or indirect interest in the subject matter of the vote may be counted in determining whether a quorum is present and may be counted in determining whether the necessary Super-Majority Vote has occurred.

ARTICLE II - ELIGIBILITY

2.1 Participation

Persons and firms eligible to participate in the Plan shall be designated as Class A Participants and Class B Participants (collectively the "Participants"). Certain persons and firms are both Class A and Class B Participants.

A) Class A Participants

Class A Participants are identified on a Schedule 1 which shall be similar in form and substance to Schedule 1 hereto. Where applicable, the percentage interests of Class A Participants are set forth on Schedule 1 hereto. These percentage interests may vary for different time periods. The initial Class A Participants shall include all holders of Class A Common Stock of the Company on the effective date of the Recapitalization. The Member Firm shall be the Class A Participant for new business written after January 1, 1996. The Board of Directors may admit new Member Firms as additional Class A Participants. As of the 2007 Plan Year, a Participant shall be eligible to receive incentive compensation as a Class A Participant for any new business which is written after it ceases to be a Member Firm, but only with management's prior written approval. Such approval is solely intended to be given to a departing Member Firm as a method to ease transition.

B) Class B Participants

The Class B Participants shall include all holders of Class B Common Stock of the Company on the effective date of the Recapitalization. The percentage interests of Class B Participants are set forth on Schedule 2 hereto.

Notwithstanding any other provision of this Plan, no Participant shall be eligible to receive shares of common stock ("stock") of the Company hereunder unless the Participant has an effective Stockholders' Agreement (as amended and/or restated from time to time) with the Company.

2.2 Notice of Participation and Annual Statements

Each Participant shall receive written notice of eligibility for participation in the Plan and annual statements for each Plan Year.

2.3 Provisional Member Firms

Provisional Member Firms shall not become Participants in the Incentive Compensation Plan until they are admitted as Member Firms. Amounts of incentive compensation which would be allocated to a Provisional Member Firm if it were a Member Firm will be held in a suspense account until it is either admitted or fails to be admitted as a Member Firm. A Provisional Member Firm which is admitted as a Member Firm will be entitled to payment of amounts held in its suspense account within two and one-half months after the end of the Plan Year in which it is admitted as a Member Firm. If a Provisional Member Firm fails to be admitted as a Member Firm, amounts held in its suspense account will then be released to the incentive compensation pool for such Plan Year, unless the Board determines otherwise.

ARTICLE III - ALLOCATION AND PAYMENT OF INCENTIVE COMPENSATION

3.1 Incentive Compensation Pool

There will be an incentive compensation pool for each Plan Year. The incentive compensation pool will consist of the net cash profits before incentive compensation and before income taxes of the Company (calculated in accordance with cash accounting principles, consistently applied), adjusted by the following amounts:

- A) Reduction for return on investment for Stockholders of the Company determined by the Board of Directors.
- B) Adjusted for actual income taxes paid or estimated to be paid (hereafter described as "taxes paid") by the Company for the Plan Year.
- C) Adjustments determined by the Board of Directors to reflect:
 - i) Extraordinary gains or losses,
 - ii) Extraordinary events, such as changes in the structure or ownership of the Company,
 - iii) Changes in accounting rules or accounting methods or practices of the Company,
 - iv) Changes in financing methods, major capital commitments or reserves to meet capital requirements,
 - v) Material acquisitions or divestitures,
 - vi) Payments required by settlements or judgments in legal proceedings, and
 - vii) Receipt of cash from debt, use of cash for debt repayment and reserves established for future debt repayments.
- D) Any other adjustments approved by the Board of Directors.

3.2 Allocations

Annual allocations of incentive compensation to Participants for each Plan Year shall be made and paid within two and one-half months (i.e., by the 15th day of the third month) following the end of the Plan Year in accordance with the "Allocation Guidelines for Incentive Compensation Plan" which are set forth in Appendix A hereto ("Allocation Guidelines"). Special allocations of incentive compensation to Participants upon a Value Realizing Event (as defined in Appendix B) shall be made in accordance with the "Allocation Guidelines for Value Realizing Event" which are set forth in Appendix B hereto ("VRE Guidelines"). The Allocation Guidelines and VRE Guidelines are referred to together as the "Operative Rules."

3.3 Payments

Payments of incentive compensation to Participants may be made in cash, shares of common stock of the Company or any asset of value in such manner as the Board of Directors may determine from time to time in its sole discretion.

3.4 Interest

Interest shall be credited on any amounts of incentive compensation which are allocated to Participants after such amounts remain unpaid for more than one year following the end of the year in which such amounts were earned. Interest shall be credited on such amounts at the same rate as the rate of return on investment for Stockholders for the applicable Plan Year without taking into account any increase or decrease in the dividend which is attributable to the M Benefit Solutions line of business (the "ROI Dividend"). Interest will be paid in the same form as payments in Paragraph 3.3 above. Except as provided above or as may otherwise be determined by the Board, no interest shall be credited on any other amounts of incentive compensation which are allocated and paid to Participants.

3.5 M Benefit Solutions

- A) The Incentive Compensation Plan (including Appendix A and Appendix B thereto) shall treat the acquisition of Management Compensation Group, Northwest, LLC dba M Benefit Solutions ("M Benefit Solutions") for all purposes of the Plan as provided for herein, notwithstanding any other provision of the Plan (including Appendix A and Appendix B thereto) to the contrary. M Benefit Solutions shall be treated for all purposes of the Plan as an entirely separate business or separate line of business which is not covered by or subject to the Plan. Accordingly, any annual net cash profits from M Benefit Solutions will not be allocated pursuant to Appendix A to the Plan, and any gain realized from a partial or complete sale or other disposition of M Benefit Solutions will not be allocated pursuant to Appendix A or Appendix B to the Plan. Likewise, any amount which is allocable to present value of future profits or goodwill of M Benefit Solutions upon a partial or complete sale or other value realizing event (VRE) of the Company will not be allocated pursuant to Appendix A or Appendix B to the Plan. Any such profits or gains will belong to the Stockholders of the Company, except as otherwise expressly set forth herein.
- B) Any net cash profits or gains realized by M Benefit Solutions may be distributed to Stockholders of the Company or may be retained by the Company, as the Board of Directors may determine from time to time in its sole discretion. Any such distribution of net profits realized by M Benefit Solutions shall be in addition to the return on investment ("ROI") for Stockholders of the Company under Article III of the Plan.
- C) Any losses of M Benefit Solutions may either (i) be applied to reduce the ROI for Stockholders of the Company under Article III of the Plan, or (ii) be financed in the same manner as is provided under Article VIII of Appendix A to the Plan for financing losses from lines of business which are subject to the Plan, or (iii) be treated under any combination of (i) and (ii) above, as the Board of Directors may determine from time to time in its sole discretion. The Board of Directors shall not be required to treat losses of M Benefit Solutions in the same manner for each Incentive Compensation Plan Year, but shall be free to treat such losses in whatever manner it deems appropriate for any Incentive Compensation Plan Year.
- D) M Benefit Solutions shall continue to be entitled to participate in the Incentive Compensation Plan in the same manner as if it were not owned by the Company. Any allocations and distributions which are made to M Benefit Solutions pursuant to the Incentive Compensation Plan shall belong to M Benefit Solutions as if it were an entirely separate business and shall not be subject to reallocation or further allocation under the Plan.
- E) M Benefit Solutions shall be subject to the provisions of Articles III, VI, VIII and X of Appendix A to the Plan which expressly refer to M Benefit Solutions.

ARTICLE IV - GENERAL

4.1 Authority of the Board of Directors

All decisions concerning eligibility to participate in the Plan and determinations on allocations and payments of incentive compensation will be subject to the final approval of the Board of Directors. The Board of Directors will have the authority to interpret the provisions of the Plan and the Operative Rules and to adopt other necessary rules and regulations. In making any decisions or determinations under the Plan, the Board of Directors will be entitled to rely on opinions, reports, statements, or advice of officers of the Company, counsel, public accountants, and other experts or third parties, as circumstances may warrant. All decisions, determinations and other actions by the Board of Directors with respect to the Plan, Operative Rules and any other rules and regulations thereunder must be made by a Super-Majority Vote of the Board of Directors, unless a different vote is required under a specific provision of the Operative Rules.

4.2 Responsibility

To the maximum extent allowable by law, no member of the Board of Directors or employee of the Company or any of its subsidiaries will be liable to any person for any action taken or omitted in connection with the administration of the Plan. The Company agrees to defend, indemnify and hold each member of the Board of Directors and employee of the Company or any of its subsidiaries harmless, to the maximum extent allowable by law, from any and all damages, losses or costs (including reasonable attorneys' fees) which occur by reason of, arise out of, or are incidental to implementation or administration of the Plan.

4.3 Member Firm Rights

Participation in the Plan does not give a Member Firm the right to be retained as a Member Firm, nor any right or claim to any benefit under the Plan, unless such right or claim has specifically accrued under the terms of the Plan.

4.4 Interests Not Transferable

The interests of a Participant under the Plan may not be assigned, alienated, transferred or encumbered, and any attempt to do so will be invalid.

4.5 Funding Not Required

Nothing contained in the Plan will be deemed to require the Company to deposit, invest or set aside amounts for the payment of incentive compensation, nor will the Plan be deemed to give any Participant any ownership, security or other rights in any assets of the Company. Participants will have only such rights, if any, to benefits as are set forth in the Plan and will be considered as unsecured creditors of the Company with respect to any such benefits.

4.6 Withholding of Tax

The Company will deduct from amounts paid under the Plan any taxes required by law to be withheld.

4.7 Appendix of Common Terms

There is hereby incorporated herein by this reference, to the same extent as if fully set forth herein, the Appendix of Common Terms, as amended and restated on December 17, 2009 and from time to time thereafter ("Appendix of Common Terms"), which contains terms and conditions applicable to this Plan and other agreements specified therein.

4.8 Resolution of Disputes

A) The Board shall establish an Incentive Compensation Plan Committee ("Committee"). The Committee shall be made up of six (6) representatives. The Chairperson of the Committee shall be a member of the Board and shall be appointed by the Board. Two additional Board members shall be appointed by the Board to the Committee. The remaining three (3) members of the Committee shall be made up of Principals of Member Firms who are not members of the Board. These three (3) Member Firm representatives shall be elected by the Member Firms. At each election of the Incentive Compensation Plan Committee members, each Member Firm entitled to vote at such election shall have one vote for each Committee position to be elected. The candidate or candidates receiving a plurality of the votes shall be elected to the Committee. Elected Member Firm representatives on the Committee shall serve for a three-year term, which terms shall be staggered such that one elected position shall become open for election each year, with a maximum of two consecutive terms on the Committee, unless the Board otherwise determines.

Any dispute or controversy arising out of or relating to this Plan shall first be referred to the Committee for discussion and resolution. Each party shall bear its own costs in connection with such discussions. Any such dispute or controversy which is not able to be resolved by the Committee and approved by the Board shall be resolved pursuant to subparagraph B below.

B) Any dispute or controversy arising out of or relating to this Plan which is not resolved pursuant to subparagraph A above shall be determined and settled pursuant to the provisions for resolution of disputes which are contained in Section 8 of the Appendix of Common Terms.

4.9 Consent to Terms of Plan

Each Participant in the Plan, by such participation, assents to all of the terms and conditions of this Plan and consents to all future amendments to the Plan which are made in accordance with Article VI of the Plan.

ARTICLE V - BENEFICIARY DESIGNATION**5.1 Beneficiary Designation**

A Participant who is an individual may designate a beneficiary or beneficiaries to receive, in the event of the Participant's death, all or part of the amounts to be distributed to the Participant under the Plan following the Participant's death. A designation of a beneficiary may be replaced by a new designation or may be revoked by the Participant at any time. A designation or revocation shall be on a form to be provided for such purpose and shall be signed by the Participant and delivered to the Company prior to the Participant's death. Any amount that is distributable to a deceased Participant and is not subject to such a designation shall be distributed to the Participant's estate. If there shall be any question as to the legal right of any beneficiary to receive a distribution under the Plan, the amount in question may be paid to the estate of the Participant, in which event the Company shall have no further liability to anyone with respect to such amount.

ARTICLE VI - AMENDMENT OR TERMINATION**6.1 Amendment or Termination**

This Plan and Operative Rules may be amended or terminated by a Super-Majority Vote of the Board of Directors, unless a different vote is specifically required in the Operative Rules to amend a specific provision. However, no change may be made in the Plan or Operative Rules, unless required by law, that adversely affects incentive compensation which has been previously earned and allocated to Participants pursuant to Paragraph 3.2 of the Plan; but the Company may make adjustments to future incentive compensation payments to correct for past administrative or computational errors which resulted in payments to Participants which were greater or less than the amounts which should have been paid to them in prior years. In the case of termination of the Plan, the Board of Directors in its discretion may authorize the early distribution of payments under the Plan, if it deems it advisable under the circumstances. No approval by Stockholders of the Company, Member Firms or Participants in the Plan shall be required to amend or terminate the Plan or Operative Rules, except when such approval is expressly required by the terms of a particular Operative Rule under the Plan. All Participants in the Plan shall receive written notification of any amendments or termination of the Plan or Operative Rules.

FEDERAL ELECTION COMMISSION**RE: MUR 7584****Declaration of David Schutt**

I, David Schutt, am the Corporate Secretary of M Financial Holdings Incorporated (M Financial). I make this declaration based on personal knowledge in support of our letter in response to the complaint in the above-referenced matter (the Response Letter).

1. As Corporate Secretary I am responsible for maintenance of corporate records, including minutes of meetings of the Board of Directors and its committees. I am also responsible for maintenance of stockholder records, Marketing Agreements between M Financial and Member Firms, and records relating to Member Firms' participation in the M Financial Incentive Compensation Plan
2. I have reviewed the corporate records relating to Gary Hirschcron's participation in the M Financial Incentive Compensation Plan. Gary Hirschcron earned incentive compensation under the Incentive Compensation Plan related to insurance sales he made during the years 1987-1995, while he was affiliated with Management Compensation Group, Northwest (MCG), a Member Firm of M Financial in which he previously had an ownership interest.
3. In 2000 MCG was acquired by M Financial. As a result of the acquisition of MCG, Mr. Hirschcron became an employee of M Financial. Mr. Hirschcron did not earn compensation under the M Financial Incentive Compensation Plan as an employee of M Financial. Mr. Hirschcron earned incentive compensation under the Incentive Compensation Plan solely based on his insurance sales made during the years 1987-1995 while he was an owner and/or employee of MCG, prior to the acquisition of MCG by M Financial.
4. I have read the Response Letter and affirm that the statements made therein are true to the best of my knowledge and belief.
5. I declare that the above statements are true to the best of my knowledge and belief, and are made under oath and subject to penalty of perjury.

DATED this 3rd day of April, 2019



David Schutt, Corporate Secretary