



TIMOTHY PLAN



# SAI STATEMENT OF ADDITIONAL INFORMATION

January 30, 2018

TIMOTHY PLAN FAMILY OF FUNDS

<b>Aggressive Growth</b> SHARE CLASS TICKER SYMBOL Class A TAAGX Class C TCAGX	<b>International</b> SHARE CLASS TICKER SYMBOL Class A TPIAX Class C TPIX	<b>Large/Mid Cap Growth</b> SHARE CLASS TICKER SYMBOL Class A TLGAX Class C TLGCX	<b>Small Cap Value</b> SHARE CLASS TICKER SYMBOL Class A TPLNX Class C TSVCX
<b>Large/Mid Cap Value</b> SHARE CLASS TICKER SYMBOL Class A TLVAX Class C TLVCX	<b>Fixed Income</b> SHARE CLASS TICKER SYMBOL Class A TFIAX Class C TFCX	<b>High Yield Bond</b> SHARE CLASS TICKER SYMBOL Class A TPHAX Class C TPHCX	<b>Israel Common Values</b> SHARE CLASS TICKER SYMBOL Class A TPAIX Class C TPCIX
<b>Defensive Strategies</b> SHARE CLASS TICKER SYMBOL Class A TPDAX Class C TPDCX	<b>Emerging Markets</b> SHARE CLASS TICKER SYMBOL Class A TPEMX Class C TPECX	<b>Growth &amp; Income</b> SHARE CLASS TICKER SYMBOL Class A TGIAX Class C TGCIX	
<b>Strategic Growth</b> SHARE CLASS TICKER SYMBOL Class A TSGAX Class C TSGCX	<b>Conservative Growth</b> SHARE CLASS TICKER SYMBOL Class A TCGAX Class C TCVCX		

**CLASS A & C: THIS SAI PERTAINS ONLY TO CLASS A & CLASS C SHARES OF THE ABOVE FUNDS.**

**THE FUNDS ARE DISTRIBUTED THROUGH:** Timothy Partners, Ltd., 1055 Maitland Center Commons, Maitland, Florida 32751

*This Statement of Additional Information (“SAI”) is not a prospectus. It is an additional disclosure document supplementing The Timothy Plan Class A and Class C Shares Prospectus, which contains information concerning the Timothy Plan Aggressive Growth Fund (“Aggressive Growth Fund”), the Timothy Plan Large/Mid Cap Growth Fund (“Large/Mid Cap Growth Fund”), the Timothy Plan Small Cap Value Fund (“Small Cap Value Fund”), the Timothy Plan Large/Mid Cap Value Fund (“Large/Mid Cap Value Fund”), the Timothy Plan International Fund*

*(“International Fund”), the Timothy Plan Fixed Income Fund (“Fixed Income Fund”), the Timothy Plan High Yield Bond Fund (“High Yield Bond Fund”), the Timothy Plan Defensive Strategies Fund (“Defensive Strategies Fund”), the Timothy Plan Israel Common Values Fund (“Israel Common Values Fund”), the Timothy Plan Emerging Markets Fund (“Emerging Markets Fund”) and the Timothy Plan Growth & Income Fund (“Growth & Income Fund”) (collectively, the “Traditional Funds”); as well as the Timothy Plan Strategic Growth Fund (“Strategic Growth Fund”) and the Timothy Plan Conservative Growth Fund (“Conservative Growth Fund”) (collectively, the “Asset Allocation Funds”), dated January 30, 2018.*

*The Timothy Plan (the “Trust”) is registered with the Securities and Exchange Commission as an open-end management investment company.*

*Each of the Traditional Funds currently offers three classes of shares: Class A, Class C and Class I. Each of the Asset Allocation Funds currently offers two classes of shares: Class A and Class C. This SAI relates only to Class A and Class C shares of the above funds. Class I shares are covered in a separate SAI.*

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COPIES OF THIS SAI AND/OR THE PROSPECTUS TO WHICH IT RELATES MAY BE OBTAINED FROM THE TRUST WITHOUT CHARGE BY WRITING THE TRUST AT 1055 MAITLAND CENTER COMMONS, MAITLAND, FL 32751 OR BY CALLING THE TRUST AT (800) 846-7526. RETAIN THIS SAI FOR FUTURE REFERENCE.

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## Section 1 | General Information

### Fund History

The Timothy Plan (the “Trust”) was organized as a Delaware business trust on December 16, 1993, and is a mutual fund company of the type known as, and registered with the Securities and Exchange Commission as, an open-end management investment company. It is authorized to create an unlimited number of series of shares (each a “Fund”) and an unlimited number of share classes within each series. A mutual fund permits an investor to pool his or her assets with those of others in order to achieve economies of scale, take advantage of professional money managers and enjoy other advantages traditionally reserved for large investors. This SAI pertains to Class A and Class C Shares of the following thirteen series of the Trust:

**Aggressive Growth Fund,  
Large/Mid Cap Growth Fund,  
Small Cap Value Fund,  
Large/Mid Cap Value Fund,  
International Fund,  
Fixed Income Fund,  
High Yield Bond Fund,  
Defensive Strategies Fund,  
Israel Common Values Fund,  
Emerging Markets Fund, and  
Growth & Income Fund**  
*(collectively, the “Traditional Funds”), and*

**Strategic Growth Fund, and  
Conservative Growth Fund**  
*(collectively, the “Asset Allocation Funds”).*

The shares of each series are fully paid and non-assessable. They are entitled to such dividends and distributions as may be paid with respect to the shares and shall be entitled to such sums on liquidation as shall be determined. Other than these rights, they have no preference as to conversion, exchange, dividends, retirement or other features and have no preemption rights. There are three Classes of shares currently offered by the Trust: Class A shares are offered with a front-end sales charge and ongoing service/distribution fees; Class C shares are offered with a contingent deferred sales charge that ends after the first year and ongoing service and distribution fees and Class I shares, which are offered without any sales charges or ongoing service/distribution fees. This SAI relates only to Class A and Class C shares of the Funds. Class I shares are offered in a different prospectus and SAI.

Shareholder meetings will not be held unless required by federal or state law.

## Section 2 | Investments and Risks

### Investment Strategies and Risks

Each Fund seeks to achieve its objectives by making investments selected in accordance with that Fund’s investment restrictions and policies. Each Fund will vary its investment strategy as described in the applicable prospectus to achieve its objectives. Each Fund’s particular investment strategies and risks are described in the prospectus, and those discussions are incorporated herein by reference. This SAI contains further information concerning the techniques and operations of the Funds, the securities in which they may invest, and the policies they will follow.

### TRADITIONAL FUNDS

The Traditional Funds offer three classes of shares (Class A, Class C and Class I) that invest in the same portfolio of securities. Class A and Class C shares differ with respect to sales structure and 12b-1 Plan expenses. This SAI pertains only to Class A and Class C shares of the Funds. Class I shares are covered under a different SAI.

Each Fund has its own investment objectives and policies, and each invests in its own portfolio of securities. Each Fund seeks to achieve its stated objectives by investing in securities issued by companies which, in the opinion of the Funds’ Investment Managers, conduct business in accordance with the stated philosophy and principles of the Funds. The following information supplements the information provided in the prospectus.

## **COMMON STOCK**

Common stock is defined as shares of a corporation that entitle the holder to a pro rata share of the profits of the corporation, if any, without a preference over any other shareholder or class of shareholders, including holders of the corporation's preferred stock and other senior equity. Common stock usually carries with it the right to vote, and frequently, an exclusive right to do so. Holders of common stock also have the right to participate in the remaining assets of the corporation after all other claims, including those of debt securities and preferred stock, are paid.

## **PREFERRED STOCK**

Generally, preferred stock receives dividends prior to distributions on common stock and usually has a priority of claim over common stockholders if the issuer of the stock is liquidated. Unlike common stock, preferred stock does not usually have voting rights; preferred stock, in some instances, is convertible into common stock. In order to be payable, dividends on preferred stock must be declared by the issuer's Board of Directors. Dividends on the typical preferred stock are cumulative, causing dividends to accrue even if not declared by the Board of Directors. There is, however, no assurance that dividends will be declared by the Board of Directors of issuers of the preferred stocks in which the Funds invest.

## **CONVERTIBLE SECURITIES**

Traditional convertible securities include corporate bonds, notes and preferred stocks that may be converted into or exchanged for common stock, and other securities that also provide an opportunity for equity participation. These securities are generally convertible either at a stated price or a stated rate (that is, for a specific number of shares of common stock or other security). As with other fixed income securities, the price of a convertible security to some extent varies inversely with interest rates. While providing a fixed income stream (generally higher in yield than the income derivable from a common stock but lower than that afforded by a non-convertible debt security), a convertible security also affords the investor an opportunity, through its conversion feature, to participate in the capital appreciation of the common stock into which it is convertible. As the market price of the underlying common stock declines, convertible securities tend to trade increasingly on a yield basis and so may not experience market value declines to the same extent as the underlying common stock. When the market price of the underlying common stock increases, the price of a convertible security tends to rise as a reflection of the value of the underlying common stock. To obtain such a higher yield, the Funds may be required to pay for a convertible security an amount in excess of the value of the underlying common stock. Common stock acquired by a Fund upon conversion of a convertible security will generally be held for so long as the Fund's Advisor or the Fund's Investment Manager anticipates such stock will provide the Fund with opportunities that are consistent with the Fund's investment objectives and policies.

## **INVESTMENT GRADE BONDS**

Investment Grade Bonds are public and privately issued debt securities that generally carry a rating of BBB and above by Standard & Poor's, or similar ratings by other recognized rating agencies. Because they are considered investment grade, they generally carry lower coupon rates than non-investment grade ("high yield" or "junk") bonds.

## **WARRANTS**

A warrant is an instrument issued by a corporation which gives the holder the right to subscribe to a specified amount of the issuer's capital stock at a set price for a specified period of time.

## **AMERICAN DEPOSITARY RECEIPTS**

American Depositary Receipts ("ADRs") are receipts typically issued by a U.S. bank or trust company which evidence ownership of underlying securities issued by a foreign corporation. The Funds may purchase ADRs whether they are "sponsored" or "unsponsored." "Sponsored" ADRs are issued jointly by the issuer of the underlying security and a depository. "Unsponsored" ADRs are issued without participation of the issuer of the deposited security. Holders of unsponsored ADRs generally bear all the costs of such facilities. The depository of an unsponsored facility frequently is under no obligation to distribute shareholder communications received from the issuer of the deposited security or to pass through voting rights to the holders of such receipts in respect to the deposited securities. Therefore, there may not be a correlation between information concerning the issuer of the security and the market value of an unsponsored ADR. ADRs may result in a withholding tax by the foreign country of source, which will have the effect of reducing the income distributable to shareholders. Because each Fund, except the International Fund, Israel Common Values Fund, and Emerging Markets Fund some of which are heavily invested in ADRs, will not invest more than 50% of the value of its total assets in stock or securities issued by foreign corporations, it will be unable to pass through the foreign taxes that the Fund pays (or is deemed to pay) to shareholders under the Internal Revenue Code of 1986, as amended (the "Code").

## **REAL ESTATE INVESTMENT TRUSTS**

Real Estate Investment Trusts (“REITs”) are liquid, dividend-paying means of participating in the real estate market. REITs invest in different kinds of real estate or real estate related assets, including shopping centers, office buildings, and hotels, or mortgages secured by real estate. Some REITs are hybrid, investing in both the actual real estate and real estate-backed mortgages.

## **COMMODITY EXCHANGE TRADED FUNDS**

Commodity Exchange Traded Funds (“ETFs”) are very similar to a mutual fund, but have very little management. A commodity ETF has a set plan for investment in a group of commodities that may be readjusted periodically by the Fund manager. Most commodity ETFs were created to mirror the returns of commodities by investing in the commodity futures markets. They are all buy-side futures contracts based on the amount of funds they receive from investors. Some commodity ETFs focus on commodity sectors and only buy futures contracts in that area – oil, agriculture or gold. Some focus on a more diversified basket of commodities. ETFs trade like stocks, can be purchased or sold at any time during market hours, and unlike futures contracts which are highly leveraged, ETFs cannot lose more than the initial investment.

## **TREASURY INFLATION-PROTECTED SECURITIES**

Treasury Inflation-Protected Securities (TIPS) are special types of Treasury notes or bonds that offer protection from inflation. Like other Treasuries, TIPS pay interest every six months and pay the principal when the security matures. Unlike conventional governments, TIPS coupon payments and underlying principal are automatically increased to compensate for inflation as measured by the consumer price index (CPI). When a TIPS matures, you are paid the adjusted principal or original principal, whichever is greater. The rate is applied to the adjusted principal; so, like the principal, interest payments rise with inflation and fall with deflation. Consequently, the real rate of return, which represents the growth of purchasing power, is guaranteed. Because of their safety, TIPS offer a low return.

## **HIGH YIELD BONDS**

High Yield Bonds are public and privately issued debt securities that are rated below investment grade (such as “BB” or lower by Standard & Poor’s Ratings Services and/or Ba or lower by Moody’s Investors Services, Inc.) or deemed to be below investment grade by the Fund’s Investment Manager. These types of securities are commonly referred to as “junk” bonds. Because these securities are below investment grade, they carry higher coupon rates and are subject to greater credit risk.

## **TEMPORARY DEFENSIVE MEASURES**

The Investment Manager(s) of each Traditional and Asset Allocation Fund may take temporary defensive actions when it is determined to be in the best interests of the applicable Fund’s shareholders. Such defensive actions may include, but not be limited to, increasing the percentage of the Fund invested in cash and cash equivalents, investing more heavily in a particular sector, and investing without regard to capitalization rates. When a Fund takes a temporary defensive position, it will not be investing according to its investment objective, and at such times, the performance of the Fund will be different than it would have been if it had invested strictly according to its objectives.

## **ADDITIONAL CONSIDERATIONS FOR SHAREHOLDERS OF THE DEFENSIVE STRATEGIES FUND**

The Defensive Strategies Fund is not a diversified fund as defined by the Investment Company Act of 1940. The Defensive Strategies Fund is a non-diversified fund. As a non-diversified fund, the Defensive Strategies Fund may invest up to 25% of its total assets under management in any single issue, and up to 50% of its assets under management in just two issues. However, the remaining fifty percent of the Fund’s assets must adhere to the diversification requirements of the other Timothy Plan Traditional Funds, meaning that the remaining 50% of the Fund’s assets will be diversified, meaning not over 5% will be invested in any one company’s shares or issuer’s units of ownership.

## **ADDITIONAL CONSIDERATIONS FOR SHAREHOLDERS OF THE ASSET ALLOCATION FUNDS**

Depending on an Asset Allocation Fund’s percentage ownership in an underlying Traditional Fund both before and after a redemption, an Asset Allocation Fund’s redemption of shares of such Traditional Fund may cause the Asset Allocation Fund to be treated as not receiving capital gain income on the amount by which the distribution exceeds the Asset Allocation Fund’s tax basis in the shares of the underlying Traditional Fund, but instead to be treated as receiving a dividend taxable as ordinary income on the full amounts of the distribution. This could cause shareholders of the Asset Allocation Fund to recognize higher amounts of ordinary income than if the shareholders had held the shares of the underlying Traditional Funds directly.

### **Fund Policies**

In addition to those set forth in the current applicable prospectus, the Traditional Funds (except for the Defensive Strategies Fund) have adopted the investment restrictions set forth below, which are fundamental policies of each Fund, and which cannot be changed without the approval of a majority of the outstanding voting securities of each Fund. As provided in the Investment Company Act of 1940, as

amended (the “1940 Act”), a “vote of a majority of the outstanding voting securities” means the affirmative vote of the lesser of (i) more than 50% of the outstanding shares, or (ii) 67% or more of the shares present at a meeting if more than 50% of the outstanding shares are represented at the meeting in person or by proxy.



**These investment restrictions provide that each Traditional Fund (except for the Defensive Strategies Fund) will not:**

1. issue senior securities;
2. engage in the underwriting of securities except insofar as the Fund may be deemed an underwriter under the Securities Act of 1933 (the “1933 Act”) in disposing of a portfolio security;
3. purchase or sell real estate or interests therein, although the Funds may each purchase debt instruments or securities of issuers which engage in real estate operations;
4. invest for the purpose of exercising control or management of another company;
5. purchase oil, gas or other mineral leases, rights or royalty contracts or exploration or development programs, except that the Funds may each invest in the debt instruments or securities of companies which invest in or sponsor such programs;
6. invest more than 25% of the value of the Fund’s total assets in one particular industry, except for temporary defensive purposes;
7. make purchases of securities on “margin”, or make short sales of securities, provided that each Fund may enter into futures contracts and related options and make initial and variation margin deposits in connection therewith;
8. invest in securities of any open-end investment company, except that each Fund may purchase securities of money market mutual funds, but such investments in money market mutual funds may be made only in accordance with the limitations imposed by the 1940 Act and the rules thereunder, as amended. But in no event may a Fund purchase more than 10% of the voting securities, or more than 10% of any class of securities, of another investment company. For purposes of this restriction, all outstanding fixed income securities of an issuer are considered a single class. (The Asset Allocation Funds are not subject to this restriction.);
9. except for the Defensive Strategies Fund, as to 75% of a Fund’s total assets, invest more than 5% of its assets in the securities of any one issuer. (This limitation does not apply to cash and cash items, or obligations issued or guaranteed by the U.S. Government, its agencies or instrumentalities.);
10. purchase or sell commodities or commodity futures contracts, other than those related to stock indexes;
11. make loans of money or securities, except (i) by purchase of fixed income securities in which a Fund may invest consistent with its investment objective and policies; or (ii) by investment in repurchase agreements;
12. invest in securities of any company if any officer or trustee of the Funds or the Funds’ Advisor owns more than 0.5% of the outstanding securities of such company and such officers and trustees, in the aggregate, own more than 5% of the outstanding securities of such company;
13. borrow money, except that each Fund may borrow from banks (i) for temporary or emergency purposes in an amount not exceeding the Fund’s assets or (ii) to meet redemption requests that might otherwise require the untimely disposition of portfolio securities, in an amount not to exceed 33% of the value of the Fund’s total assets (including the amount borrowed) at the time the borrowing is made; and whenever borrowings by a Fund, including reverse repurchase agreements, exceed 5% of the value of a Fund’s total assets, the Fund will not purchase any securities. Interest paid on borrowing will reduce net income;
14. pledge, mortgage, hypothecate, or otherwise encumber its assets, except in an amount up to 33% of the value of its net assets, but only to secure borrowing for temporary or emergency purposes, such as to effect redemptions; or
15. purchase the securities of any issuer, if, as a result, more than 10% of the value of a Fund’s net assets would be invested in securities that are subject to legal or contractual restrictions on resale (“restricted securities”), in securities for which there is no readily available market quotations (“illiquid securities”), or in repurchase agreements maturing in more than 7 days, if all such securities would constitute more than 10% of a Fund’s net assets.

In addition to those set forth in the current applicable prospectus, the Defensive Strategies Fund has adopted the investment restrictions set forth below, which are fundamental policies of that Fund, and which cannot be changed without the approval of a majority of the outstanding voting securities of the Fund. As provided in the Investment Company Act of 1940, as amended (the “1940 Act”), a “vote of a majority of the outstanding voting securities” means the affirmative vote of the lesser of (i) more than 50% of the outstanding shares, or (ii) 67% or more of the shares present at a meeting if more than 50% of the outstanding shares are represented at the meeting in person or by proxy.

**These investment restrictions provide that the Defensive Strategies Fund will not:**

1. engage in borrowing except as permitted by the 1940 Act, any rules and regulations promulgated thereunder or interpretations of the SEC or its staff;
2. issue senior securities. This limitation is not applicable to activities that may be deemed to involve the issuance or sale of a senior security by the Fund, provided that the Fund's engagement in such activities is consistent with or permitted by the 1940 Act, the rules and regulations promulgated thereunder or interpretations of the SEC or its staff;
3. purchase or sell commodities unless acquired as a result of ownership of securities or other investments to the extent permitted under the 1940 Act and the regulations of any other agency with authority over the Fund. This limitation does not preclude the

Fund from purchasing or selling options or futures contracts, from investing in securities or other instruments backed by commodities or from investing in companies that are engaged in a commodities business or have a significant portion of their assets in commodities. This limitation does not preclude the Fund from purchasing and selling gold and other precious metals in amounts not to exceed ten percent (10%) of the Fund's net assets, in the aggregate, as measured at the time of purchase;

4. invest more than 25% of its total assets in a particular industry or group of industries. This limitation is not applicable to investments in obligations issued or guaranteed by the U.S. government, its agencies and instrumentalities or repurchase agreements with respect thereto, or investments in other investment companies;
5. purchase or sell real estate directly. This limitation is not applicable to investments in marketable securities which are secured by or represent interests in real estate. This limitation does not preclude the Fund from holding or selling real estate acquired as a result of the Fund's ownership of securities or other instruments, investing in mortgage-related securities or investing in companies engaged in the real estate business or that have a significant portion of their assets in real estate (including real estate investment trusts);
6. act as underwriter of securities issued by other persons. This limitation is not applicable to the extent that, in connection with the disposition of portfolio securities (including restricted securities), the Fund may be deemed an underwriter under certain federal securities laws or in connection with investments in other investment companies; or
7. make loans to other persons, except (a) by loaning portfolio securities, (b) by engaging in repurchase agreements, (c) by purchasing non-publicly offered debt securities, (d) by purchasing commercial paper, or (e) by entering into any other lending arrangement permitted by the 1940 Act, any rules and regulations promulgated thereunder or interpretation of the SEC or its staff. For purposes of this limitation, the term "loans" shall not include the purchase of a portion of an issue of publicly distributed bonds, debentures or other debt securities.

Except for the restriction on investing in illiquid securities, which applies under all circumstances to all of the Traditional Funds, so long as percentage restrictions are observed by a Fund at the time it purchases any security, changes in values of particular Fund assets or the assets of the Fund as a whole will not cause a violation of any of the foregoing restrictions.

**Each of the Asset Allocation Funds may not:**

1. purchase or sell physical commodities unless acquired as a result of ownership of securities or other instruments (except this shall not prevent the Fund from purchasing or selling options or futures contracts or from investing in securities or other instruments backed by physical commodities);
2. purchase or sell real estate including limited partnership interests, although it may purchase and sell securities of companies that deal in real estate and may purchase and sell securities that are secured by interests in real estate;
3. make loans to any person, except loans of portfolio securities to the extent that no more than 33 1/3% of its total assets would be lent to other parties, but this limitation does not apply to purchases of debt securities or repurchase agreements;
4. purchase more than 10% of any class of the outstanding voting securities of any issuer (except other investment companies as defined in the 1940 Act), and purchase securities of an issuer (except obligations of the U.S. government and its agencies and instrumentalities and securities of other investment companies as defined in the 1940 Act) if, as a result, with respect to 75% of its total assets, more than 5% of the Fund's total assets, at market value, would be invested in the securities of issuer;
5. issue senior securities (as defined in the 1940 Act) except as permitted by rule, regulation or order of the Securities and Exchange Commission;
6. borrow, except from banks for temporary or emergency (not leveraging) purposes including the meeting of redemption requests that might otherwise require the untimely disposition of securities in an aggregate amount not exceeding 30% of the value of the Fund's total assets (including the amount borrowed) at the time the borrowing is made; and whenever borrowings by a Fund, including reverse repurchase agreements, exceed 5% of the value of a Fund's total assets, the Fund will not purchase any securities;
7. underwrite securities issued by others, except to the extent that the Fund may be considered an underwriter within the meaning of the 1933 Act in the disposition of restricted securities;
8. write or acquire options or interests in oil, gas or other mineral exploration or development programs; and
9. concentrate its investments in any one sector or industry.

## Portfolio Turnover

It is not the policy of any of the Funds to purchase or sell securities for short-term trading purposes, but the Funds may sell securities to recognize gains or avoid potential for loss. A Fund will, however, sell any portfolio security (without regard to the time it has been held) when the Investment Manager believes that market conditions, credit-worthiness factors or general economic conditions warrant such a step. The Asset Allocation Funds invest the majority of their assets in certain of the Traditional Funds, and adjust the ratio of such investments regularly. As a result, portfolio turnover for the Asset Allocation Funds could be substantial and could cause the Traditional Funds to also experience higher portfolio turnover. The portfolio turnover rates for each Fund for the fiscal periods ended September 30, 2015, 2016 and 2017 are set forth in the table below:

	2015	2016	2017
Aggressive Growth Fund	144%	124%	151%
International Fund	30%	28%	42%
Large/Mid Cap Growth Fund	73%	71%	76%
Small Cap Value Fund	30%	73%	57%
Large/Mid Cap Value Fund	11%	45%	39%
Fixed Income Fund	28%	40%	43%
High Yield Bond Fund	39%	27%	45%
Defensive Strategies Fund	42%	58%	51%
Israel Common Values Fund	24%	38%	10%
Emerging Markets Fund	37%	24%	31%
Growth & Income Fund	75%	45%	118%*
Strategic Growth Fund	24%	37%	36%
Conservative Growth Fund	25%	27%	27%

\* James Investment Research has refined their stock selection methodology, which has increased portfolio turnover, while maintaining the underlying principles of the stock selection parameters.

High portfolio turnover rates (annual rates in excess of 100%) involve additional transaction costs (such as brokerage commissions) which are borne by the Funds, and may result in adverse tax effects to Fund shareholders. (See “Dividends, Distributions and Taxes” in the Class A and Class C shares prospectus.)

## Disclosure of Portfolio Holdings

The following discussion sets forth the Trust’s policies and procedures with respect to the disclosure of Fund portfolio holdings.

## FUND SERVICE PROVIDERS

Fund service providers include the following: Fund Transfer and Accounting Agent, Fund Administrator, Independent Registered Public Accounting Firm, Compliance Consulting Firm, Principal Underwriter and Custodian. The Trust has entered into arrangements with certain third party service providers for services that require these groups to have access to each Fund’s portfolio on a real time basis. For example, the Trust’s fund accounting agent is responsible for maintaining the accounting records of each Fund, which includes maintaining a current record of the portfolio holdings of each Fund. The Trust also undergoes an annual audit which requires the Trust’s independent registered public accounting firm to review each Fund’s portfolio. In addition to the fund accounting agent, the Trust’s custodian also maintains an up-to-date list of each Fund’s portfolio holdings. The Trust’s compliance consulting firm must also have access to each Fund’s portfolio information in order to verify compliance with the Federal Securities laws. Each of these parties is contractually and/or ethically prohibited from sharing any Fund’s portfolio holdings information with any third party unless specifically authorized by the Trust’s President, Secretary or Treasurer.

The Board of Trustees monitors the services provided by each of the service providers to ensure each is complying with the contractual terms or expectation of the arrangement. If the Board of Trustees is unsatisfied with any of these service providers, the Board may terminate them accordingly. Each of the entities which provide one or more of the services discussed above has adopted a code of ethics which requires that any person associated with such entity (1) maintains the confidentiality of all Trust information obtained by such person, and (2) does not use such person’s knowledge of Trust activities for their own personal benefit. The Trust relies on the compliance departments of each entity to enforce its code.

## RATING AND RANKING ORGANIZATIONS

The Trust may from time to time provide the entire portfolio holdings of each Fund to various rating and ranking organizations, such as Morningstar, Inc., Lipper, Inc., Standard & Poor's Ratings Group, Bloomberg L.P., and Thomson Financial Research. The Trust has obtained assurances from all such parties that any information provided to them will be held in strict confidence and that such information shall not be used for the personal benefit of the recipient.

The Trust's management has determined that these groups provide investors with a valuable service and, therefore, are willing to provide them with portfolio information. You should be aware that the Trust does not pay them or receive any compensation from them for providing this information.

## **DISCLOSURE TO OTHER PARTIES**

The Trust is also required under law to file a listing of the portfolio holdings of each Fund with the Securities and Exchange Commission on a quarterly basis. The Trust prohibits the disclosure of portfolio information to any third party other than those described above until and unless such information has been filed with the Commission or posted to the Trust's web site, as discussed above. The Trust further prohibits any person affiliated with the Trust from entering into any ongoing arrangement with any person other than those described above to receive portfolio holdings information relating to a Fund.

## **REVIEW**

The Board of Trustees reviews these policies not less than annually and receives periodic attestations from affiliated persons that these policies are being adhered to. The Trust's President, Secretary and Treasurer are authorized, subject to subsequent Board review, to make exceptions to the above-described policies.

## **Section 3 | Management of the Fund**

### **Investment Advisor**

The Trust has entered into advisory agreements with Timothy Partners, Ltd. ("TPL" or the "Advisor"), for the provision of investment advisory services on behalf of the Trust to each Fund (collectively referred to as the "Advisory Agreement"), subject to the supervision and direction of the Trust's Board of Trustees. The latest continuance of the Advisory Agreement with Timothy Partners, Ltd. was approved by the Trustees, including a majority of the Trustees who are not interested persons of the Trust or any person who is a party to the Agreement, at an in-person meeting held on February 17, 2017. More complete factors considered by the Trust's Board of Trustees in renewing the investment advisory agreement are available in the Trust's audited annual report dated September 30, 2017.

The Advisory Agreement may be renewed after its initial two year term only so long as such renewal and continuance are specifically approved at least annually by the Board of Trustees or by vote of a majority of the outstanding voting securities of the applicable Fund, and only if the terms of the renewal thereof have been approved by the vote of a majority of the Trustees of the Trust who are not parties thereto or interested persons of any such party, cast in person at a meeting called for the purpose of voting on such approval. The Advisory Agreement will terminate automatically in the event of its assignment.

## INVESTMENT ADVISORY FEES

The following table sets forth the investment advisory fees paid to TPL for the fiscal periods ended September 30, 2015, 2016 and 2017:

	2015	2016	2017
<b>Aggressive Growth Fund</b>			
Fees Payable to TPL	\$ 204,083	\$ 191,075	\$ 220,714
Amount (Reimbursed) Recouped by TPL	\$ (24,010)	\$ (22,479)	\$ (25,966)
<b>International Fund</b>			
Fees Payable to TPL	\$ 621,040	\$ 733,787	\$ 824,867
Amount (Reimbursed) Recouped by TPL	\$ (31,052)	\$ (36,689)	\$ (41,243)
<b>Large/Mid Cap Growth Fund</b>			
Fees Payable to TPL	\$ 569,437	\$ 533,369	\$ 617,664
Amount (Reimbursed) Recouped by TPL	\$ (33,496)	\$ (31,375)	\$ (36,333)
<b>Small Cap Value Fund</b>			
Fees Payable to TPL	\$ 760,092	\$ 785,011	\$1,083,226
Amount (Reimbursed) Recouped by TPL	\$ (44,711)	\$ (46,177)	\$ (63,719)
<b>Large/Mid Cap Value Fund</b>			
Fees Payable to TPL	\$1,432,752	\$1,454,338	\$1,657,100
Amount (Reimbursed) Recouped by TPL	\$ (84,280)	\$ (85,549)	\$ (155,727)
<b>Fixed Income Fund</b>			
Fees Payable to TPL	\$ 460,523	\$ 516,566	\$ 553,591
Amount (Reimbursed) Recouped by TPL	\$ (154,495)	\$ (172,189)	\$ (184,531)
<b>High Yield Bond Fund</b>			
Fees Payable to TPL	\$ 268,105	\$ 285,913	\$ 329,126
Amount (Reimbursed) Recouped by TPL	\$ (22,342)	\$ (23,826)	\$ 27,427
<b>Defensive Strategies Fund</b>			
Fees Payable to TPL	\$ 431,709	\$ 496,801	\$ 393,491
Amount (Reimbursed) Recouped by TPL	\$ (35,976)	\$ (41,400)	\$ (32,791)
<b>Israel Common Values Fund</b>			
Fees Payable to TPL	\$ 165,892	\$ 184,335	\$ 326,028
Amount (Reimbursed) Recouped by TPL	—	—	—
<b>Emerging Markets Fund</b>			
Fees Payable to TPL	\$ 127,697	\$ 93,062	\$ 175,578
Amount (Reimbursed) Recouped by TPL	\$ (5,321)	\$ (3,878)	\$ (7,316)
<b>Growth &amp; Income Fund</b>			
Fees Payable to TPL	\$ 272,501	\$ 308,316	\$ 320,979
Amount (Reimbursed) Recouped by TPL	\$ (16,029)	\$ (18,136)	\$ (18,881)
<b>Strategic Growth Fund</b>			
Fees Payable to TPL	\$ 292,267	\$ 263,792	\$ 253,694
Amount (Reimbursed) Recouped by TPL	—	—	—
<b>Conservative Growth Fund</b>			
Fees Payable to TPL	\$ 386,999	\$ 356,592	\$ 352,262
Amount (Reimbursed) Recouped by TPL	—	—	—

TPL, with the prior approval of the Board of Trustees and shareholders of the applicable Fund, may engage the services of other investment advisory firms (“Investment Managers”) to provide portfolio management services to a Fund. The following section provides information relating to the Funds’ current Investment Managers.

### Investment Managers

#### CHARTWELL INVESTMENT PARTNERS

Pursuant to an Investment Sub-Advisory Agreement between TPL, the Trust and Chartwell Investment Partners, (“Chartwell”) dated January 1, 2008, Chartwell serves as Investment Manager to the Large/Mid Cap Growth Fund and the Aggressive Growth Fund. As Investment Manager, Chartwell provides advice and assistance to TPL in the selection of appropriate investments for the Large/Mid Cap Growth Fund and the Aggressive Growth Fund respectively, subject to the supervision and direction of the Funds’ Board of Trustees. As compensation for its services, Chartwell receives from TPL an annual fee at a rate equal to 0.42% of the first \$10 million

in assets of each Fund; 0.40% of the next \$5 million in assets; 0.35% of the next \$10 million in assets; and 0.25% of assets over \$25 million. As of December 31, 2017, Chartwell managed approximately \$8.3 billion in client assets.

On February 17, 2017 the Board met to consider, among other matters, retaining Chartwell as Investment Manager for the Large/Mid Cap Growth Fund and Aggressive Growth Fund and after full consideration, renewed the Agreement for an additional year. A discussion of the Board's considerations in renewing the agreement is provided in the Trust's audited annual report, dated September 30, 2017.



## Large/Mid Cap Growth Fund & Aggressive Growth Fund

The following members of Chartwell make up the portfolio management team for the Large/Mid Cap Growth Fund and Aggressive Growth Fund:

**Mr. Frank L. Sustersic, CFA**, is a Managing Partner and Senior Portfolio Manager. Mr. Sustersic earned a Bachelor of Science degree in Economics from The University of Pennsylvania and holds a Chartered Financial Analyst designation. From 2014 to February 2016, Mr. Sustersic worked as a Portfolio Manager at Lazard Asset Management. Prior to that, he worked as a Portfolio Manager at Turner Investments from 1994 to March 2014. In addition, Mr. Sustersic worked as a Portfolio Manager at First Fidelity Bank Corporation from 1989 to April 1994. Mr. Sustersic is a member of the CFA Institute and the CFA Society of Philadelphia. Mr. Sustersic participates in the investment decision process during meetings in which the team determines the allocation of securities held in the portfolio. He has authority to direct trading activity on the Funds, and he is also responsible for representing the Funds to investors.

**Mr. Peter M. Schofield, CFA**, is a Senior Portfolio Manager. Mr. Schofield earned a bachelor's degree in History from the University of Pennsylvania. He holds the Chartered Financial Analyst designation. From 2005 to 2010, he was Co-Chief Investment Officer at Knott Capital. From 1996 to 2005 he was a Portfolio Manager at Sovereign Asset Management. Prior to Sovereign Asset Management, he was a portfolio manager at Geewax, Terker & Company. Mr. Schofield is a member of the CFA Institute and the CFA Society of Philadelphia. Mr. Schofield serves as a Senior Portfolio Manager on Chartwell's Large Cap Value Investing Team.

Each team member has a number of other Chartwell professionals supporting their efforts. The members of the Chartwell investment teams average in excess of 20 years' experience in the investment field.

### Other Information Relating to Chartwell

The following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of December 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)
<b>Chartwell Investment Partners:</b>						
Peter M. Schofield	1 (\$331)	N/A	13 (\$424)	N/A	N/A	N/A
Frank L. Sustersic	1 (\$11)	1 (\$1.6)	7 (\$377)	N/A	N/A	N/A

The compensation paid to a Chartwell portfolio manager and analyst consists of base salary, annual bonus, and an annual profit-sharing contribution to the firm's retirement plan.

A portfolio manager's and analyst's base salary is determined by Chartwell's Compensation Committee and is reviewed at least annually. A portfolio manager's and analyst's experience, historical performance, and role in firm or product team management are the primary considerations in determining the base salary. Industry benchmarking is utilized by the Compensation Committee on an annual basis.

Annual bonuses are determined by the Compensation Committee based on a number of factors. The primary factor is a performance-based compensation schedule that is applied to all accounts managed by a portfolio manager within a particular investment product, and is not specific to any one account. The bonus is calibrated based on the gross composite performance of such accounts versus the appropriate benchmark and peer group rankings. Portfolio construction, sector and security weighting, and performance are reviewed by the Compliance Committee and Compensation Committee to prevent a manager from taking undue risks. Additional factors used to determine the annual bonus include the portfolio manager's contribution as an analyst, product team management, and contribution to the strategic planning and development of the investment group as well as the firm. For employee retention purposes, if an individual employee's annual bonus exceeds \$50,000 for a given year, an amount equal to 25% of the bonus is deferred and paid 3 years after the initial paydate.

Chartwell also provides a profit sharing and 401(k) plan for all employees. The annual profit sharing contribution and/or matching contribution from Chartwell is discretionary and based solely on the profitability of the firm.



As of December 31, 2017, the Portfolio Managers listed below held a beneficial interest in the following Timothy Plan Funds:

<u>Name of Person</u>	<u>Dollar Range of Equity Securities in each Fund</u>	<u>Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager</u>
Peter M. Schofield	None	None
Frank L. Sustersic	None	None

### **EAGLE GLOBAL ADVISERS, LLC**

Pursuant to an Investment Sub-Advisory Agreement between TPL, the Trust and Eagle Global Advisers, LLC (“Eagle”), dated April 18, 2007, Eagle serves as Investment Manager to the International Fund. As such, Eagle provides advice and assistance to TPL in the selection of appropriate investments for the International Fund, subject to the supervision and direction of the Funds’ Board of Trustees. As compensation for its services, Eagle receives from TPL an annual fee at a rate equal to 0.60% of the first \$100 million in assets of the Fund; and 0.50% of assets over \$100 million. As of December 31, 2017, Eagle managed approximately \$4.0 billion in client assets.

Pursuant to an Investment Sub-Advisory Agreement between TPL, the Trust and Eagle Global Advisers, LLC (“Eagle”), dated October 27, 2011, Eagle serves as Investment Manager to the Israel Common Values Fund. As such, Eagle provides advice and assistance to TPL in the selection of appropriate investments for the Israel Common Values Fund, subject to the supervision and direction of the Funds’ Board of Trustees. As compensation for its services, Eagle receives from TPL an annual fee at a rate equal to 0.60% of the first \$50 million in assets of the Fund; and 0.50% of assets over \$50 million.

On February 17, 2017, the Board met to consider, among other matters, retaining Eagle as Investment Manager for the International Fund and Israel Common Values Fund and after full consideration, renewed the agreements for an additional year. A discussion of the Board’s considerations in ratifying the agreements are provided in the Trust’s audited annual report, dated September 30, 2017.

### **International Fund & Israel Common Values Fund**

Eagle utilizes the team approach to portfolio management for the International Fund and the Israel Common Values Fund. Team members have specific regional and sector responsibilities but have an equal vote in the investment decision-making process. The Eagle Team Members for each Fund are:

**Mr. Edward R. Allen III, Ph.D., CFA**, Senior Partner. Mr. Allen is a portfolio manager and serves as a member of the International investment committee. Prior to founding Eagle, Mr. Allen was employed by Eagle Management & Trust Company. Before entering the investment advisory business, he served as an assistant professor of economics at the University of Houston. He earned a Bachelor’s degree in engineering from Princeton University and a Ph.D. in economics from the University of Chicago. Mr. Allen holds the Chartered Financial Analyst designation and is also a member of the American Finance Association, the CFA Institute, and the FA Society of Houston.

**Mr. Thomas N. Hunt III, CFA, CPA**, Senior Partner. Mr. Hunt is a portfolio manager and serves as a member of the International investment committee. Prior to founding Eagle, Mr. Hunt was employed by Eagle Management & Trust Company. Mr. Hunt also worked for the public accounting firm of Ernst & Young. He earned a Bachelor’s degree in accounting from the University of Texas and an MBA from the Harvard Business School. Mr. Hunt holds the Chartered Financial Analyst and Certified Public Accountant designations and is also a member of the CFA Institute, the CFA Society of Houston, and the Texas Society of Certified Public Accountants.

**Mr. Steven S. Russo**, Senior Partner. Mr. Russo is a portfolio manager and serves as a member of the International investment committee. Prior to founding Eagle, Mr. Russo was employed by Eagle Management & Trust Company and Criterion Investment Management Company. Mr. Russo earned a Bachelor’s degree in finance from the University of Texas and an MBA from Rice University. Mr. Russo also serves as a Board Member of the M.A. Wright Fund at Rice University’s Jones School of Management.

**Mr. John F. Gualy, CFA**, Partner. Mr. Gualy serves as a portfolio manager and oversees Eagle’s trading operations, and is also a member of the firm’s investment committees. Prior to founding Eagle, Mr. Gualy was employed by Eagle Management & Trust Company and as director of research for Continental Interinvest. He earned a Bachelor’s degree in economics from the University of Texas and an MBA from Rice University. Mr. Gualy holds the Chartered Financial Analyst designation, is a member of the CFA Institute and is a former President and Director of the CFA Society of Houston. He also serves as an Adjunct Professor at Rice University’s Jones Graduate School of Business teaching an MBA class on Stock Analysis. Mr. Gualy is a native of Colombia and is fluent in Spanish.



Each of the team members is a founding partner of the company and has been with the firm since its inception in 1996.

### Other Information Relating to Eagle

The following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of December 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)
<b>Eagle Global Advisors, LLC:</b>						
Edward R. Allen, III	3 (\$838.2)	0 (\$0)	399 (\$1,114.9)	N/A	0 (\$0)	0 (\$0)
Thomas N. Hunt, III	3 (\$838.2)	0 (\$0)	399 (\$1,114.9)	N/A	0 (\$0)	0 (\$0)
Steven S. Russo	3 (\$838.2)	0 (\$0)	399 (\$1,114.9)	N/A	0 (\$0)	0 (\$0)
John F. Gualy	2 (\$143.9)	0 (\$0)	399 (\$1,114.9)	N/A	0 (\$0)	0 (\$0)

Each team member is a partner and an equity owner of the firm. Compensation of Eagle partners has two primary components: (1) a base salary and (2) profit participation based on firm ownership. Compensation of Eagle Partners is reviewed primarily on an annual basis. Profit participations are typically paid near or just after year-end.

Eagle compensates its partners based primarily on the scale and complexity of their portfolio responsibilities. The performance of portfolio managers is evaluated primarily based on success in achieving portfolio objectives for managed funds and accounts. Eagle seeks to compensate partners commensurate with their responsibilities and performance competitively with other firms within the investment management industry. This is reflected in partners' salaries. Salaries and profit participation are also influenced by the operating performance of Eagle. While the salaries of Eagle's partners are comparatively fixed, profit participation may fluctuate substantially from year to year, based on changes in financial performance of the firm.

As of December 31, 2017, the Portfolio Managers listed below held a beneficial interest in the following Timothy Plan Funds:

Name of Person	Dollar Range of Equity Securities in each Fund	Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager
Edward R. Allen, III	None	None
Thomas N. Hunt, III	None	None
Steven S. Russo	None	None
John F. Gualy	None	None

### WESTWOOD MANAGEMENT CORP.

Pursuant to Investment Sub-Advisory Agreements between TPL, the Trust and Westwood Management Corp., ("Westwood") dated February 28, 2005, and January 1, 2006, Westwood serves as Investment Manager to the Large/Mid Cap Value Fund and the Small Cap Value Fund. As such Westwood provides advice and assistance to TPL in the selection of appropriate investments for the Large/Mid Cap Value Fund and the Small Cap Value Fund respectively, subject to the supervision and direction of the Funds' Board of Trustees. As compensation for its services, Westwood receives from TPL an annual fee at a rate equal to 0.42% of the first \$10 million in assets of each Fund; 0.40% of the next \$5 million in assets; 0.35% of the next \$10 million in assets; and 0.25% of assets over \$25 million. As of December 31, 2017, Westwood Management Corp. managed approximately \$19.3 billion in client assets.

On February 17, 2017, the Board met to consider, among other matters, retaining Westwood as sub-investment Advisor for the Large/Mid Cap Value Fund and the Small Cap Value Fund, and after full consideration, renewed the agreements for an additional year. A discussion of the Board's considerations in renewing the agreements is available in the Trust's audited annual report dated September 30, 2017.

## **Large/Mid Cap Value Fund & Small Cap Value Fund**

Westwood utilizes a team of portfolio managers who are responsible for the day-to-day recommendations regarding the investment of the Large/Mid Cap Value Fund's portfolio.

**Mr. Mark R. Freeman, CFA**, has served as Chief Investment Officer for Westwood since February 2012. Prior to this appointment, he served Westwood as Co-Chief Investment Officer from 2010 to February 2012, Senior Vice President from 2006 to 2010, and as Vice President from 2000 to 2006. Mr. Freeman has served on the portfolio team for the Timothy Plan Large/Mid Cap Value Fund since Westwood assumed responsibility for its management.

**Mr. Scott D. Lawson, CFA**, has served as Vice President and Senior Research Analyst since joining Westwood in 2003. Mr. Lawson has served on the portfolio team for the Timothy Plan Large/Mid Cap Value Fund since Westwood assumed responsibility for its management.

**Mr. Matthew R. Lockridge**, has served as Senior Vice President and Research Analyst for Westwood since March 2015. Prior to this appointment, he served Westwood as Vice President and Research Analyst from 2010 to 2015. Mr. Lockridge has served on the portfolio team for the Timothy Plan Large/Mid Cap Value Fund since December 2012 and on the Timothy Plan Small Cap Value Fund since December 2010.

**Dr. Varun V. Singh, PhD, CFA**, has served as Vice President and Senior Research Analyst for Westwood since March 2016. Prior to this appointment, he served Westwood as Vice President and Research Analyst from 2012 to 2016. Dr. Singh has served on the portfolio team for the Timothy Plan Large/Mid Cap Value Fund since April 2013.

## **Small Cap Value Fund**

Westwood utilizes a team of portfolio managers who are responsible for the day-to-day recommendations regarding the investment of the Small Cap Value Fund's portfolio. In addition to Mr. Matthew Lockridge listed above, the other team members include Mr. William Costello and Mr. Frederic Rowsey.

**Mr. William E. Costello, CFA**, has served as Senior Vice President and Senior Research Analyst since joining Westwood in July 2010. Mr. Costello has served on the portfolio team for the Timothy Plan Small Cap Value Fund since December 2010.

**Mr. Frederic G. Rowsey, CFA**, has served as Associate Vice President and Research Analyst for Westwood since March 2015. Prior to this appointment, he served Westwood as a Research Analyst from 2013 to 2015, and as a Research Associate from 2010 to 2013. Mr. Rowsey has served on the portfolio team for the Timothy Plan Small Cap Value Fund since December 2013.

## Other Information Relating to Westwood

The following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of October 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)
<b>Westwood Management Corp:</b>						
Mark R. Freeman, CFA	8 \$4,016.88	15 \$1,487.83	53 \$3,202.10	N/A	N/A	N/A
Scott D. Lawson, CFA	6 \$1,329.74	8 \$804.31	42 \$1,819.21	N/A	N/A	N/A
Matthew R. Lockridge	8 \$1,609.13	14 \$1,053.83	50 \$2,733.24	N/A	N/A	N/A
Varun V. Singh, PhD, CFA	6 \$1,329.74	8 \$804.31	32 \$1,816.91	N/A	N/A	N/A
William E. Costello, CFA	1 \$234.56	3 \$120.32	17 \$752.71	N/A	N/A	N/A
Frederic G. Rowsey, CFA	1 \$234.56	3 \$120.32	14 \$751.00	N/A	N/A	N/A

Westwood's compensation package includes base salary, cash bonus, and equity-based incentive compensation as well as a full benefits package for all employees, including those involved in the product. Westwood annually reviews all forms of compensation for all employees of the company. Base salary levels are maintained at levels that the compensation committee deems to be commensurate with similar companies in the asset management industry. In determining incentive compensation and annual merit-based salary increases, components of this evaluation are based in major part upon the portfolio performance, individual stock recommendations, and individual buy and sell recommendations.

As of December 31, 2017, the Portfolio Managers listed below held a beneficial interest in the following Timothy Plan Funds:

Name of Person	Dollar Range of Equity Securities in each Fund	Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager
Mark R. Freeman, CFA	None	None
Scott D. Lawson, CFA	None	None
Matthew R. Lockridge	None	None
Varun V. Singh, PhD, CFA	None	None
William E. Costello, CFA	None	None
Frederic G. Rowsey, CFA	None	None

## DELAWARE INVESTMENTS FUND ADVISERS

Pursuant to the Investment Sub-Advisory Agreement between TPL, the Trust and Delaware Investments Fund Advisers, a series of Macquarie Investment Management Business Trust ("DIFA") dated August 6, 2010, DIFA assumed responsibility as the Investment Manager to the REIT sleeve of the Defensive Strategies Fund. As Investment Manager, DIFA provides advice and assistance to TPL in the selection of appropriate investments for the Fund's REIT sleeve, subject to the supervision and direction of the Funds' Board of Trustees. As compensation for its services, DIFA receives from TPL an annual fee at a rate equal to 0.42% of the first \$10 million in assets in the REITs portion of the Fund; 0.40% of the next \$5 million in assets; 0.35% of the next \$10 million in assets; and 0.25% of assets over \$25 million. As of December 31, 2017, DIFA and its affiliates within Macquarie Investment Management managed approximately \$253.03 billion in client assets.

On February 17, 2017, the Board met to consider, among other matters, retaining DIFA as Investment Manager for the REIT Sleeve of the Defensive Strategies Fund, and after full consideration, renewed the agreement for an additional year. A discussion of the Board's considerations in renewing the agreement is available in the Trust's audited annual report dated September 30, 2017.

## Defensive Strategies | REIT Sleeve

The Team members managing the REIT sleeve are as follows:

**Mr. Babak “Bob” Zenouzi** Senior Vice President, Chief Investment Officer – Real Estate Securities and Income Solutions (RESIS)



Bob Zenouzi is the lead manager for the real estate securities and income solutions (RESIS) group at Macquarie Investment Management (MIM), which includes the former Delaware Investments, which includes the team, its process, and its institutional and retail products, which he created during his prior time with the firm. He also focuses on opportunities in Japan, Singapore, and Malaysia for the firm's global REIT product. He is also a member of the firm's asset allocation committee, which is responsible for building and managing multi-asset class portfolios. He rejoined MIM, which includes the former Delaware Investments in May 2006 as senior portfolio manager and head of real estate securities. In his first term with the firm, he spent seven years as an analyst and portfolio manager, leaving in 1999 to work at Chartwell Investment Partners, where from 1999 to 2006 he was a partner and senior portfolio manager on Chartwell's Small-Cap Value portfolio. He began his career with The Boston Company, where he held several positions in accounting and financial analysis. Mr. Zenouzi earned a master's degree in finance from Boston College and a bachelor's degree in finance from Babson College. He is a member of the National Association of Real Estate Investment Trusts and the Urban Land Institute.

**Mr. Damon J. Andres, CFA, Vice President, Senior Portfolio Manager**

Damon J. Andres, who joined Macquarie Investment Management ("MIM"), which includes the former Delaware Investments in 1994 as an analyst, currently serves as a portfolio manager for the firm's real estate securities and income solutions (RESIS) group. From 1991 to 1994, he performed investment-consulting services as a consulting associate with Cambridge Associates. Andres earned a bachelor's degree in business administration with an emphasis in finance and accounting from the University of Richmond.

**Mr. Scott P. Hastings, CFA, CPA, Vice President, Portfolio Manager**

Scott P. Hastings currently serves as a portfolio manager for the firm's real estate securities and income solutions (RESIS) group, a role he assumed in July 2016. Previously, he was a senior equity analyst for the RESIS group, where he performed fundamental bottom-up stock research across several subsectors of the domestic REIT universe, and focused on opportunities in Canada, Europe, the United Kingdom, and Australia for the firm's global REIT effort. Hastings joined Macquarie Investment Management (MIM), which includes the former Delaware Investments in 2004 as an analyst for the firm's RESIS group. Prior to joining the firm, he was a senior auditor with Deloitte & Touche. Hastings earned a bachelor's degree from Providence College and an MBA from Vanderbilt University. He is a member of the American Institute of Certified Public Accountants and the CFA Society of Philadelphia.

**Other Information Relating to Delaware Investments Fund Advisers**

following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of December 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)
<b>Macquarie Advisers:</b>						
Babak Zenouzi	14 (\$2,951)	3 (\$177.9)	3 (\$515.6)	N/A	2 (\$119.2)	N/A
Damon Andres	8 (\$1,974)	1 (\$58.6)	3 (\$515.6)	N/A	N/A	N/A
Scott Hastings	5 (\$857)	3 (\$177.9)	3 (\$515.6)	N/A	2 (\$119.2)	N/A

Investment professionals are compensated with a combination of a base salary, a short-term incentive bonus (which may include various objective and subjective components), and long-term equity. Key operating principles of the total compensation plan are to compensate professionals in direct relation to performance in their respective realms of responsibility and the overall business success of the team and to reflect total cash compensation that is closely aligned to the competitive market.

As of December 31, 2017, the Portfolio Managers listed below held a beneficial interest in the following Timothy Plan Funds:

Name of Person	Dollar Range of Equity Securities in each Fund	Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager
Babak Zenouzi	None	None
Damon Andres	None	None

Scott Hastings

None

None

## CORECOMMODITY MANAGEMENT, LLC

Pursuant to an Investment Sub-Advisory Agreement between TPL, the Trust and CoreCommodity Management, LLC (“CORE”), (formerly Jefferies Asset Management, LLC), dated September 27, 2011, CORE assumed responsibility as the Investment Manager to the commodities-based sleeve of the Defensive Strategies Fund. As Investment Manager, CORE provides advice and assistance to TPL in the selection of appropriate investments for the Fund’s commodities-based sleeve, subject to the supervision and direction of the Funds’ Board of Trustees. As compensation for its services to the Fund, CORE receives from TPL an annual fee at a rate equal to 0.40% of the Fund’s average daily assets up to \$25 million, and 0.35% of average daily net assets over \$25 million. As of December 31, 2017, CORE managed approximately \$4.7 billion in client assets (measured at agreed upon notional amount for managed accounts, net asset value for pooled vehicles and does not include anticipated subscriptions or redemptions in a subsequent period).

### Defensive Strategies | Commodities Sleeve

Mr. Adam C. De Chiara serves as the Fund’s commodities-based Portfolio Manager and is responsible for all investment decisions for the Fund.

**Mr. Adam De Chiara** is a Co-Founder of CORE and the Portfolio Manager of the CORE Commodity Programs. Mr. De Chiara began his commodity career in 1991 at Goldman Sachs where he was responsible for trading the Goldman Sachs Commodity Index (“GSCI”). In 1994, Mr. De Chiara founded the commodity index group at AIG, where he designed and launched the Dow Jones—AIG Commodity Index. In 2003, Mr. De Chiara co-founded the commodities group at Jefferies. Mr. De Chiara received a BA from Harvard University and a JD from Harvard Law School.

### Other Information Relating to CoreCommodity Management, LLC

The following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of December 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)
<b>CoreCommodity Management, LLC:</b>						
Adam De Chiara	4 (\$409)	4 (\$1,637)	10 (\$1,473)	N/A	4 (\$1,540)*	13 (\$1,239)

\* Investors in certain private funds have the option of selecting a performance fee.

The portfolio manager’s total compensation consists of base salary and cash bonus. Base salaries are determined by considering experience and expertise and may be reviewed for adjustment annually. The portfolio manager is eligible to receive bonuses, which may be significantly more than his base salary, upon attaining certain performance objectives based on measures of individual, group or department success. These goals are specific to the portfolio manager. Achievement of these goals is an important, but not exclusive, element of the bonus decision process, and, absent a contractual agreement, bonuses are determined at the discretion of CORE. Likewise, while the portfolio manager may manage accounts that have a performance or outperformance fee component, absent a contractual arrangement, bonuses are determined at the discretion of CORE. Certain portfolio managers may also have employment contracts, which may guarantee severance payments in the event of involuntary termination. However, given that Mr. De Chiara also serves as a co-President of CORE, his compensation is heavily influenced by the overall performance and reputation of CORE rather than being triggered by the performance of any one program or client account. The portfolio manager may also participate in benefit plans and programs available generally to all employees. He also receives, indirectly, compensation from CORE’s affiliate, Core Commodity Indexes, LLC which acts as an index sponsor to certain indexes.

As of December 31, 2017, the Portfolio Managers listed below held a beneficial interest in the following Timothy Plan Funds:

Name of Person	Dollar Range of Equity Securities in each Fund	Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager
Adam De Chiara	None	None

## **BARROW, HANLEY, MEWHINNEY AND STRAUSS, LLC**

Pursuant to an Investment Sub-Advisory Agreement between TPL, the Trust and Barrow, Hanley, Mewhinney and Strauss, LLC (“BHMS”), dated July 1, 2004 (the “BHMS Sub-Advisory Agreement”), BHMS provides advice and assistance to TPL in the selection of appropriate investments for the Fixed-Income Fund. Pursuant to amendments to the Agreement dated May 1, 2007, and November 1, 2009, BHMS provides such advice to the High Yield Bond Fund and to the Debt Instrument Sector of the Defensive Strategies Fund, respectively, subject to the supervision and direction of the Funds’ Board of Trustees. As compensation for its services with respect to the Fixed-Income Fund and High Yield Bond Fund, BHMS receives from TPL an annual fee at a rate equal to 0.25% of the average net assets of each Fund. As compensation for its services with respect to the Defensive Strategies Fund, BHMS receives from TPL an annual fee at a rate equal to 0.15% of the average net assets in the Debt Instrument Sector of the Fund. As of December 31, 2017, BHMS managed approximately \$91.7 billion in client assets.

On February 17, 2017, the Board met to consider, among other matters, retaining BHMS as sub-investment Advisor for the Fixed Income Fund, High Yield Bond Fund, and Defensive Strategies Fund Debt Instrument Sector and after full consideration, renewed the agreement for an additional year. A discussion of the Board’s considerations in renewing the agreement is available in the Trust’s audited annual report dated September 30, 2017.

### **Fixed Income Fund & High Yield Bond Fund**

BHMS employs a team concept in the management of the Timothy Plan Funds. Team members are assigned specific sector responsibilities, but enjoy equal responsibilities in the investment process. The members have equal say in the actual management. The other members of the team are David R. Hardin, Mark C. Luchsinger, Scott McDonald, Deborah A. Petruzzelli and Erik A. Olson.

**Mr. David R. Hardin** also has over 35 years as a portfolio manager/analyst. He joined BHMS in 1987, and is a generalist in credit research. He also serves as the lead portfolio manager for our Intermediate and Short Maturity strategies and manages our municipal portfolios.

**Mr. J. Scott McDonald, CFA**, joined BHMS in 1995. He currently serves as the lead portfolio manager for our Long Duration strategies, specializing in corporate and government bonds. He is also a generalist in investment grade fixed income credit research.

**Mr. Mark C. Luchsinger, CFA**, joined BHMS in 1997. He currently serves as a portfolio manager/analyst, specializing in investment grade and high yield corporate bond strategies and is the lead portfolio manager for our Core and Core Plus strategies.

**Ms. Deborah A. Petruzzelli** joined BHMS in 2003. She serves as our structured securities portfolio manager for mortgage-backed, asset-backed, and commercial mortgage-backed securities.

**Mr. Erik A. Olson** joined BHMS in 2001. He serves as a portfolio manager/analyst on our high yield strategies and as a senior analyst in credit research.

**Mr. Rahul Bapna, CFA**, joined BHMS in 2012. He serves as a portfolio manager/analyst on our intermediate and short maturity strategies and as a senior analyst in credit research.

### **Defensive Strategies | Debt Instrument Sector**

**Mr. David R. Hardin** has over 25 years of experience as a portfolio manager. He joined BHMS in 1987, and is a generalist in credit research. He also serves as the lead portfolio manager for our Intermediate and Short Maturity strategies and manages our municipal portfolios.

**Mr. Scott McDonald, CFA**, joined BHMS in 1995. He currently serves as the lead portfolio manager for our Long Duration strategies, specializing in corporate and government bonds. He is also a generalist in investment grade fixed income credit research.

**Mr. Mark C. Luchsinger, CFA**, joined BHMS in 1997. He currently serves as a portfolio manager/analyst, specializing in investment grade and high yield corporate bond strategies and is the lead portfolio manager for our Core and Core Plus strategies.

**Mr. Erik A. Olson** joined BHMS in 2001. He serves as a co-portfolio manager on our high yield strategies and as a senior analyst in credit research.

**Mr. Rahul Bapna, CFA**, joined BHMS in 2012. He serves as a portfolio manager/analyst on our intermediate and short maturity strategies and as a senior analyst in credit research.

### Other Information Relating to BHMS

The following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of December 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)	Registered Investment Companies (\$mils)	Other Pooled Investment Vehicles (\$mils)	Other Accounts (\$mils)
<b>Barrow, Hanley, Mewhinney &amp; Strauss, LLC:</b>						
David R. Hardin	5 (\$361.5)	3 (\$474.1)	138 (\$11,472.6)	N/A	N/A	1 (\$836.0)
J. Scott McDonald	5 (\$361.5)	3 (\$474.1)	138 (\$11,472.6)	N/A	N/A	1 (\$836.0)
Mark C. Luchsinger	5 (\$361.5)	3 (\$474.1)	138 (\$11,472.6)	N/A	N/A	1 (\$836.0)
Deborah A. Petruzzelli	5 (\$361.5)	3 (\$474.1)	138 (\$11,472.6)	N/A	N/A	1 (\$836.0)
Erik A. Olson	1 (\$47.8)	1 (\$109.7)		N/A	N/A	N/A

In addition to base salary, all portfolio managers and analysts share in a bonus pool that is distributed semi-annually. The amount of bonus compensation is based on quantitative and qualitative factors. Analysts and portfolio managers are rated on their value added to the team-oriented investment process. Compensation is not tied to a published or private benchmark. It is important to understand that contributions to the overall investment process may include not recommending securities in an analyst's sector if there are no compelling opportunities among the industries covered by that analyst.

Also, all of our fixed income portfolio managers are managing directors of the firm and receive, on a quarterly basis, a share of the firm's profits, which are, to a great extent, related to the performance of the entire investment team. In addition, many of our key employees, including all portfolio managers and the majority of our analysts, have economic ownership in BHMS through a limited partnership that owns a 24.9% equity interest in BHMS LLC.

The compensation of portfolio managers is not directly tied to growth in assets and portfolio managers are not compensated for bringing in new business. Of course, growth in assets from the appreciation of existing assets and/or growth in new assets will increase revenues and profit. The consistent, long-term growth in assets at any investment firm is to a great extent, dependent upon the success of the portfolio management team. The compensation of the portfolio management team at BHMS will increase over time, if and when assets continue to grow.

As of December 31, 2017, the Portfolio Managers listed below held a beneficial interest in the following Timothy Plan Funds:

Name of Person	Dollar Range of Equity Securities in each Fund	Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager
David R. Hardin	None	None
J. Scott McDonald	None	None
Mark C. Luchsinger	None	None
Deborah A. Petruzzelli	None	None
Erik A. Olson	None	None

### BRANDES INVESTMENT PARTNERS, LP

Pursuant to an Investment Sub-Advisory Agreement between TPL, the Trust and Brandes Investment Partners, LP ("Brandes") dated November 30, 2012, Brandes serves as Investment Manager to the Emerging Markets Fund. As Investment Manager, Brandes provides advice and assistance to TPL in the selection of appropriate investments for the Emerging Markets Fund, subject to the supervision and direction of the Fund's Board of Trustees. As compensation for its services, Brandes receives from TPL an annual fee at a rate equal to 0.75% of assets of the Fund. As of December 31, 2017, Brandes managed approximately \$31.2 billion in client assets.

On February 17, 2017, the Board met to consider, among other matters, retaining Brandes as Investment Manager for the Emerging Markets Fund and after full consideration, renewed the agreement for an additional year. A discussion of the Board's considerations in renewing the agreement is available in the Trust's audited annual report, dated September 30, 2017.

The following members of Brandes make up the portfolio management team for the Emerging Markets Fund:

**Mr. Douglas C. Edman, CFA**, a limited partner of the firm's parent company is a Senior Analyst on the Basic Materials Research Team. In addition, he is a voting member of the Emerging Markets Investment Committee. Before joining Brandes, Mr. Edman worked for Goldman Sachs as a Credit Analyst where he managed the credit rating agency relationships and commercial paper programs for clients in the energy and telecommunications industries. He also worked for Chevron as a Project Engineer and was responsible for the design and construction of oil field processing facilities. Mr. Edman earned his MBA in finance from the Wharton Business School at the University of Pennsylvania. He graduated from the University of Southern California with a BS in chemical engineering. Mr. Edman is a member of the CFA Society of San Diego and has over 20 years of investment experience.

**Mr. Christopher J. Garrett, CFA**, is a member of the firm's Emerging Markets Investment Committee, and also develops and services relationships with institutional consultants and clients. Additionally, he is a Non-Executive Director of Brandes Investment Partners (Asia) Pte. Ltd. ("Brandes Asia"), which is headquartered in Singapore and is an affiliate of Brandes Investment Partners, L.P. Mr. Garrett previously served as Chief Executive Officer and Institutional Portfolio Manager for Brandes Asia. Prior to joining Brandes, he was a Portfolio Manager/Analyst with DuPont Capital Management and worked as a Corporate Loan Officer with both City National Bank and Interstate Bank of California. He earned his MBA from Columbia University's Columbia Business School and his BS in finance from Arizona State University. Mr. Garrett has over 20 years of finance and investment experience.

**Mr. Louis Y. Lau, CFA**, a limited partner of the firm's parent company is a Senior Analyst on the Financial Institutions Research Team. In addition, he is a voting member of the Emerging Markets Investment Committee. He also serves as a Product Coordinator for the Emerging Markets Portfolio. Before joining Brandes, Mr. Lau worked in investment banking and equity capital markets for Goldman Sachs. He earned his MBA with honors in finance and accounting from the Wharton School at the University of Pennsylvania. He served as Director of Research and Portfolio Manager of the Wharton Investment Management Fund, a U.S. small-cap value fund. Mr. Lau earned his BBA in finance with merit from the National University of Singapore and attended the University of Michigan (Ann Arbor) and New York University. He has 19 years of finance and investment experience.

**Mr. Gerardo Zamorano, CFA**, a limited partner of the firm's parent company, leads the firm's research efforts in the telecommunications sector. He is also a member of the Emerging Markets Investment Committee. Before joining Brandes, Mr. Zamorano worked for the International Finance Corporation, part of the World Bank Group, as an Assistant Investment Officer in the Latin America Department. He graduated magna cum laude, earning his BSE from the Wharton School of Business of the University of Pennsylvania and his MBA from the Kellogg Graduate School of Management of Northwestern University. He has over 20 years of investment experience.

**Mr. Mauricio Abadia** is an Analyst on the Utilities Research Team and a member of the firm's Emerging Markets Investment Committee. He is responsible for fundamental research on companies in the global electric, gas and diversified utilities sectors. Before joining Brandes, he worked as a Senior Consultant in the valuations and project finance practice with Deloitte in Latin America. Mr. Abadia earned his MBA with honors from the Haas School of Business at the University of California, Berkeley and his BS in systems engineering with distinction from the University of Virginia. He has 11 years of finance and investment experience.

## Other Information Relating to Brandes

The following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of December 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies	Other Pooled Investment Vehicles	Other Accounts	Registered Investment Companies	Other Pooled Investment Vehicles	Other Accounts
	(\$mils)	(\$mils)	(\$mils)	(\$mils)	(\$mils)	(\$mils)
<b>Brandes Investment Partners, L.P.:</b>						
Doug Edman, CFA	3 (\$1,988)	7 (\$1,594)	424 (\$2,885)	N/A	N/A	2 (\$561)
Chris Garrett, CFA	3 (\$1,988)	7 (\$1,594)	424 (\$2,885)	N/A	N/A	2 (\$561)
Louis Lau, CFA	3 (\$1,988)	7 (\$1,594)	424 (\$2,885)	N/A	N/A	2 (\$561)
Mauricio Abadia	3 (\$1,988)	7 (\$1,594)	424 (\$2,885)	N/A	N/A	2 (\$561)
Gerardo Zamorano, CFA	4 (\$2,022)	9 (\$1,918)	424 (\$2,885)	N/A	N/A	2 (\$561)





As of December 31, 2017, the Advisor’s compensation structure for Analysts and Investment Committee consists of: competitive base salaries and benefits, annual discretionary bonus plan, participation in profit sharing and 401(k) plans; potential for participation in the firm’s phantom equity program and potential for participation in the firm’s Limited Partnership.

In regard to base salary and bonus compensation levels, the firm annually reviews industry compensation practices for peer organizations to help ensure that Analysts and Investment Committee members are competitively compensated. The annual discretionary bonus plan is a meaningful component of total compensation for these individuals. Bonus amounts are based on performance, experience, and tenure—depending on these factors, bonuses typically range anywhere from 0.5x to 2.0x base salary, or possibly more in rare instances. Individual performance is closely examined when making decisions on bonuses and changes in base salary, as are the firm’s overall business results. There is no difference between the method used to determine the compensation of the Investment Committee members with respect to the Fund and the other accounts managed by the Investment Committee members.

As of December 31, 2017, the Investment Committee Members listed below held a beneficial interest in the following Timothy Plan Funds:

Name of Person	Dollar Range of Equity Securities in each Fund	Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager
Doug Edman, CFA	None	None
Chris Garrett, CFA	None	None
Louis Lau, CFA	None	None
Mauricio Abadia	None	None
Gerardo Zamorano, CFA	None	None

#### **JAMES INVESTMENT RESEARCH, INC.**

Pursuant to an Investment Sub-Advisory Agreement between TPL, the Trust and James Investment Research, Inc., (“James”) dated October 1, 2013; James serves as Investment Manager to the Growth & Income Fund. As Investment Manager, James provides advice and assistance to TPL in the selection of appropriate investments for the Fund, subject to the supervision and direction of the Fund’s Board of Trustees. As compensation for its services, James receives from TPL an annual fee at a rate equal to 0.42% of the first \$10 million in assets of the Fund; 0.40% of the next \$5 million in assets; 0.35% of the next \$10 million in assets; and 0.25% of assets over \$25 million. As of December 31, 2017, James managed approximately \$5.0 billion in client assets.

On February 17, 2017 the Board met to consider, among other matters, retaining James as Investment Manager for the Fund and after full consideration, renewed the agreement for an additional year. A discussion of the Board’s considerations in entering into the agreement is provided in the Trust’s annual report, dated September 30, 2017.

#### **Growth & Income Fund**

The following members of the James investment committee make up the portfolio management team for the Growth & Income Fund; however Dr. Frank James now serves as a Senior Advisor to the Sub-Advisor’s Investment Committee and is not responsible for the day-to-day management of the Fund’s portfolio of securities:

**Dr. Frank James, PhD**, is the Founder and Chairman of James Investment Research, Inc. and Senior Advisor to the investment committee. Dr. James earned his Ph.D. from Rensselaer Polytechnic Institute in 1967. Dr. James was formerly in charge of the graduate management program and a professor of Management and Statistics at the Air Force Institute of Technology. In 2016, Dr. James began serving in an advisory role to the Advisor, transitioning from his previous role as a portfolio manager.

**Mr. Barry R. James, CFA, CIC**, is President and Chief Executive Officer of James Investment Research, Inc. and a portfolio manager. Prior to September 2007, Mr. James was Executive Vice President of James. He is President of the James Advantage Funds. He received his undergraduate degree from The United States Air Force Academy and his Master’s Degree from Boston University. He joined James in its beginning years before a tour of duty as an officer with the United States Air Force. He returned to James in 1986. Mr. James currently oversees the management of James Investment Research, Inc.

**Ms. Ann M. Shaw, CFP**, joined James Investment Research, Inc. in 1978 and is the Chief Operating Officer and a portfolio manager. She is involved in security analysis and client service. Ms. Shaw received her Bachelor’s Degree from Capital University.

**Mr. Thomas L. Mangan, CMFC**, joined James Investment Research, Inc. in 1994 and is a Senior Vice President and a portfolio manager. Prior to September 2006, Mr. Mangan was Vice President of James. Mr. Mangan is also Secretary and Chief Financial Officer of the James Advantage Funds. He is a graduate of The Ohio State University and earned his MBA from The University of Notre Dame in 1974. Mr. Mangan has over 40 years of experience in trading and portfolio management including positions in

New York, London and Chicago. He is a CMFC and has been an adjunct professor in the Finance Department at Wright State University since 2000.

**Mr. David W. James, CFA**, joined James Investment Research, Inc. in 1981 and is the Director of Research and a portfolio manager. Prior to September 2006, Mr. James was Vice President of James. His responsibilities include research projects and statistical analysis. Mr. James has taken courses in computer science and statistics at Florida State University and Wright State University.

**Mr. R. Brian Culpepper, CMFC**, joined James Investment Research, Inc. in 1995, and is a portfolio manager. Mr. Culpepper is involved in equity research. He is a graduate of Wright State University in Dayton, Ohio where he earned a double Bachelor of Science degree in Management Information Systems and Management in 1995 and an MBA in 2005 and is a CMFC.

**Mr. Brian Shepardson, CFA, CIC**, joined James Investment Research, Inc. in 1999 and is a First Vice President and portfolio manager. He is involved in equity and fixed income research. Mr. Shepardson obtained his BBA from the University of Cincinnati in 1996 and holds a CFA charter.

**Mr. Trent D. Dysert, CFA**, joined James Investment Research, Inc. in 2006 and is a portfolio manager. Mr. Dysert is involved in market and equity research. He is a graduate of the University of Dayton and earned a Bachelor of Science degree in Finance. Mr. Dysert holds a CFA charter. Prior to joining James Investment Research, Inc., Mr. Dysert worked at Ameriprise Financial.

**Mr. Matthew G. Watson, CFA, CPA**, joined James Investment Research, Inc. in 2007 and was promoted to a portfolio manager in July 2014. Mr. Watson supports the operations and research functions. In 2007 he graduated from Wright State University in Dayton, Ohio where he earned a double Bachelor of Science degree in Accounting and Finance. Mr. Watson also completed The Master of Accountancy program at Wright State University. Matt holds the Chartered Financial Analyst (CFA) designation.

Each team member has a number of other James professionals supporting their efforts. The members of the James investment team average in excess of 20 years of experience in the investment field.

#### Other Information Relating to James

The following table presents information relating to the persons responsible for managing Fund assets, the number and types of other accounts managed by such persons, and how such persons are compensated for managing such accounts. The information is current as of December 31, 2017.

Name of Sub-Advisor and Portfolio Manager	Number of Other Accounts Managed And Assets by Account Type			Number of Accounts and Assets for Which Advisory Fee is Performance-Based		
	Registered Investment Companies	Other Pooled Investment Vehicles	Other Accounts	Registered Investment Companies	Other Pooled Investment Vehicles	Other Accounts
	(\$mils)	(\$mils)	(\$mils)	(\$mils)	(\$mils)	(\$mils)
<b>James Investment Research, Inc.:</b>						
Dr. Frank James, Ph.D. <sup>1</sup>	0 (\$0)	0 (\$0)	0 (\$0)	0 (\$0)	0 (\$0)	0 (\$0)
David W. James, CFA	6 (\$3,073)	0 (\$0)	27 (\$161.1)	0 (\$0)	0 (\$0)	0 (\$0)
Barry R. James, CFA, CIC	6 (\$3,073)	0 (\$0)	44 (\$267.8)	0 (\$0)	0 (\$0)	0 (\$0)
R. Brian Culpepper, CMFC	6 (\$3,073)	1 (\$1)	49 (\$726.9)	0 (\$0)	0 (\$0)	0 (\$0)
Ann M. Shaw, CFP	6 (\$3,073)	0 (\$0)	56 (\$207.3)	0 (\$0)	0 (\$0)	0 (\$0)
Brian Shepardson, CFA, CIC	6 (\$3,073)	0 (\$0)	48 (\$350.2)	0 (\$0)	0 (\$0)	0 (\$0)
Thomas L. Mangan, CMFC	6 (\$3,073)	0 (\$0)	80 (\$914.2)	0 (\$0)	0 (\$0)	0 (\$0)
Trent D. Dysert, CFA	6 (\$3,073)	1 (\$2.3)	24 (\$50.04)	0 (\$0)	0 (\$0)	0 (\$0)
Matthew G. Watson, CFA, CPA	6 (\$3,073)	0 (\$0)	46 (\$112.8)	0 (\$0)	0 (\$0)	0 (\$0)

<sup>1</sup> Dr. James now serves as a Senior Advisor to the James Investment Committee and is not responsible for the day-to-day management of the Fund's portfolio of securities.

All portfolio managers are compensated in the following manner:

**Salary:** Determined at employment and periodically adjusted.

**Profit Sharing:** The net, pre-tax profits of James are shared with all its employees based on a formula. Dr. Frank James does not share in this bonus as he is the sole owner of the Sub-Advisor.

**Portfolio Manager's Bonus:** An additional portion of the profits of James is awarded to portfolio managers. This is based on the value of the assets under management by that portfolio manager, the number of accounts managed and length of service with James; the longer the tenure, the greater the compensation.

**Other Bonuses:** James may give additional bonuses at its sole discretion or upon the advice of its Board of Directors.

A material conflict might arise in the management of the Fund versus the management of other accounts if the dollar value of smaller capitalization stock transactions were to grow to be so large as to cause significant price movements as portfolio managers acquire and liquidate positions. This conflict may arise because many of James' individually managed portfolios follow the same strategies as the Fund and hold the same securities. James uses limits in executing larger transactions and has adopted policies and procedures, such as aggregating mutual fund trades with private client transactions and average pricing to ensure that no fund or client has an advantage over other funds or clients.

As of December 31, 2017, the Investment Committee Members listed below held a beneficial interest in the following Timothy Plan Funds:

Name of Person	Dollar Range of Equity Securities in each Fund	Aggregate Dollar Range of Equity Securities in all Funds Held By Portfolio Manager
Dr. Frank James, Ph.D.	\$100,001 - \$500,000	\$100,001 - \$500,000
David W. James, CFA	None	None
Barry R. James, CFA, CIC	\$50,001 - \$100,000	\$50,001 - \$100,000
R. Brian Culpepper, CMFC	None	None
Ann M. Shaw, CFP	None	None
Brian Shepardson, CFA, CIC	None	None
Thomas L. Mangan, CMFC	None	None
Trent D. Dysert, CFA	None	None
Matthew G. Watson, CFA, CPA	None	None

\* Assets for Dr. Frank James include both personal investments and James Investment Research, Inc.'s corporate assets. Employees' retirement assets, not reflected above, are also invested in the Fund; therefore all investment committee members have a beneficial interest.

## SUB-ADVISOR FEES

The following table sets forth the fees paid to each Sub-Advisor by TPL for the fiscal years ended September 30, 2015, 2016 and 2017:

Investment Manager	2015	2016	2017
Chartwell Investment Partners – Aggressive Growth	\$ 93,398	\$ 89,961	\$ 99,067
Chartwell Investment Partners – Large/Mid Cap Growth	\$201,981	\$191,300	\$216,031
Eagle Global Advisers – International	\$372,624	\$449,979	\$494,613
Eagle Global Advisers – Israel Common Values	\$ 99,535	\$117,865	\$195,528
Macquarie Investment Management (formerly Delaware Investment Fund Advisors) – Defensive Strategies REITs Sleeve	\$ 73,164	\$ 61,178	\$ 58,838
Barrow, Hanley, Mewhinney and Strauss – Defensive Strategies Debt Instrument Sector	\$ 29,792	\$ 37,347	\$ 32,295
Barrow, Hanley, Mewhinney and Strauss – Fixed Income	\$191,885	\$227,587	\$230,497
Barrow Hanley, Mewhinney and Strauss – High Yield Bond	\$111,711	\$122,701	\$137,051
Westwood Management Corp. – Large/Mid Cap Value	\$455,898	\$472,117	\$521,547
Westwood Management Corp. – Small Cap Value	\$258,056	\$282,300	\$352,873
Brandes Investment Partners, LP – Emerging Markets	\$ 79,811	\$ 63,356	\$109,684
James Investment Research – Growth & Income	\$114,647	\$129,834	\$128,812
CoreCommodity Management – Defensive Strategies Commodities Sleeve	\$ 61,177	\$ 54,194	\$ 54,257

## Officers and Trustees of the Trust

The Trustees and principal executive officers of the Trust and their principal occupations for the past five years are listed as follows:

### INTERESTED TRUSTEES

<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Arthur D. Ally*</b> 1055 Maitland Center Commons Maitland, FL Born: 1942	Chairman and President	Indefinite; Trustee and President since 1994	13
	<u>Principal Occupation During Past 5 Years</u> President and controlling shareholder of Covenant Funds, Inc. (“CFI”), a holding company. President and general partner of Timothy Partners, Ltd. (“TPL”), the investment Advisor and principal underwriter to each Fund. CFI is also the managing general partner of TPL.		<u>Other Directorships Held by Trustee</u> None
<b>Joseph E. Boatwright**</b> 1055 Maitland Center Commons Maitland, FL Born: 1930	Trustee, Secretary	Indefinite; Trustee and Secretary since 1995	13
	<u>Principal Occupation During Past 5 Years</u> Retired Minister. Currently serves as a consultant to the Greater Orlando Baptist Association. Served as Senior Pastor to Aloma Baptist Church from 1970-1996.		<u>Other Directorships Held by Trustee</u> None
<b>Mathew D. Staver**</b> 1055 Maitland Center Commons Maitland, FL Born: 1956	Trustee	Indefinite; Trustee since 2000	13
	<u>Principal Occupation During Past 5 Years</u> Attorney specializing in free speech, appellate practice and religious liberty constitutional law. Founder of Liberty Counsel, a religious civil liberties education and legal defense organization. Host of two radio programs devoted to religious freedom issues. Editor of a monthly newsletter devoted to religious liberty topics. Mr. Staver has argued before the United States Supreme Court and has published numerous legal articles.		<u>Other Directorships Held by Trustee</u> None
<b>Charles E. Nelson***</b> 1055 Maitland Center Commons Maitland, FL Born: 1934	Trustee	Indefinite; Trustee since 2000	13
	<u>Principal Occupation During Past 5 Years</u> Certified Public Accountant, semi-retired. Former non-profit industry accounting officer. Former financial executive with commercial bank. Former partner national accounting firm.		<u>Other Directorships Held by Trustee</u> None

\* Mr. Ally is an “interested” Trustee, as that term is defined in the 1940 Act, because of his positions with and financial interests in CFI and TPL.

\*\* Messrs. Boatwright and Staver are “interested” Trustees, as that term is defined in the 1940 Act, because each has a limited partnership interest in TPL.

\*\*\* Mr. Nelson is an “interested” Trustee, as that term is defined in the 1940 Act, because he is employed by an affiliate of the Advisor.

## INDEPENDENT TRUSTEES

<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Kenneth Blackwell</b> 1055 Maitland Center Commons Maitland, FL Born: 1948	Trustee	Indefinite; Trustee since 2011	13
	<u>Principal Occupation During Past 5 Years</u> Currently serving as an independent consultant or Fellow with the Family Research Council and the American Civil Rights Union, and is a Visiting Professor at Liberty University, Lynchburg, VA. Former Secretary of State for the State of Ohio.		<u>Other Directorships Held by Trustee</u> None

<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Richard W. Copeland</b> 1055 Maitland Center Commons Maitland, FL Born: 1947	Trustee	Indefinite; Trustee since 2005	13
	<u>Principal Occupation During Past 5 Years</u> Associate Professor Stetson University for past 40 years. Retired Principal of Copeland & Covert, Attorneys at Law; specializing in tax and estate planning. B.A. from Mississippi College, JD from University of Florida and LLM Taxation from University of Miami.		<u>Other Directorships Held by Trustee</u> None

<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Deborah Honeycutt</b> 1055 Maitland Center Commons Maitland, FL Born: 1947	Trustee	Indefinite; Trustee since 2010	13
	<u>Principal Occupation During Past 5 Years</u> Dr. Honeycutt is a licensed physician currently serving as Medical Director of Clayton State University Health Services in Morrow, GA, CEO of Minority Health Services in Atlanta, and as a volunteer at Good Shepherd Clinic. Dr. Honeycutt received her B.A. and M.D. at the University of Illinois.		<u>Other Directorships Held by Trustee</u> None

<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Bill Johnson</b> 1055 Maitland Center Commons Maitland, FL Born: 1946	Trustee	Indefinite; Trustee since 2005	13
	<u>Principal Occupation During Past 5 Years</u> President (and Founder) of American Decency Association, Fremont, MI since 1999. Previously served as Michigan State Director for American Family Association (1987-1999). Previously a public school teacher for 18 years. B.S. from Michigan State University and a Masters of Religious Education from Grand Rapids Baptist Seminary.		<u>Other Directorships Held by Trustee</u> None

<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>John C. Mulder</b> 1055 Maitland Center Commons Maitland, FL	Trustee	Indefinite; Trustee since 2005	13
	<u>Principal Occupation During Past 5 Years</u>		<u>Other Directorships Held by Trustee</u>

**Born: 1950**

President of WaterStone (formerly the Christian Community Foundation and National Foundation) since 2001. Prior: 22 years of executive experience for a group of banks and a trust company. B.A. in Economics from Wheaton College and MBA from University of Chicago.

None

<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Scott Preissler, Ph.D.</b> <b>1055 Maitland Center Commons Maitland, FL</b> <b>Born: 1960</b>	Trustee	Indefinite; Trustee since 2004	13
	<u>Principal Occupation During Past 5 Years</u> Director of Steward Leadership and Professor in Residence at Shorter University. Former Chairman of Stewardship Studies at Southwestern Baptist Theological Seminary, Ft. Worth, TX. Also serves as Founder and Chairman of the International Center for Biblical Stewardship.		Other Directorships <u>Held by Trustee</u> None
<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Alan M. Ross</b> <b>1055 Maitland Center Commons Maitland, FL</b> <b>Born: 1951</b>	Trustee, Vice Chairman	Indefinite; Trustee since 2004	13
	<u>Principal Occupation During Past 5 Years</u> Founder and CEO of Corporate Development Institute which he founded in 2000. Previously he served as President and CEO of Fellowship of Companies for Christ and has authored three books: Beyond World Class, Unconditional Excellence, Breaking Through to Prosperity.		Other Directorships <u>Held by Trustee</u> None
<u>Name, Age and Address</u>	<u>Position(s) Held With Trust</u>	<u>Term of Office and Length of Time Served</u>	<u>Number of Portfolios in Fund Complex Overseen by Trustee</u>
<b>Patrice Tsague</b> <b>1055 Maitland Center Commons Maitland, FL</b> <b>Born: 1973</b>	Trustee	Indefinite; Trustee since 2011	13
	<u>Principal Occupation During Past 5 Years</u> President and Chief Servant Officer of the Nehemiah Project International Ministries Inc. since 1999.		Other Directorships <u>Held by Trustee</u> None

#### **ADDITIONAL INFORMATION ABOUT THE TRUSTEES**

The Board of Trustees believes that each Trustee's experience, qualifications, attributes or skills on an individual basis and in combination with those of the other Trustees lead to the conclusion that the Trustees possess the requisite experience, qualifications, attributes and skills to serve on the Board. The Board of Trustees believes that the Trustees' ability to review critically, evaluate, question and discuss information provided to them; to interact effectively with the Advisor, other service providers, legal counsel and independent public accountants; and to exercise effective business judgment in the performance of their duties as Trustees, support this conclusion. The Board of Trustees has also considered the contributions that each Trustee can make to the Board and the Trust.

As described in the table above, the Independent Trustees have served as such for a considerable period of time which has provided them with knowledge of the business and operation of the Funds and the Trust. In addition, the following specific experience, qualifications, attributes and/or skills apply as to each Trustee:

**Arthur Ally** served as a financial professional for nearly twenty years prior to establishing Timothy Partners, Ltd, the advisor and distributor of the Timothy Plan Funds. Mr. Ally has a degree in accounting and economics and has earned numerous professional designations.



**Joseph Boatwright** served as senior pastor of Aloma Baptist Church in Winter Park, Florida, for over twenty-five years. Pastor Boatwright brings a unique understanding of the scriptures to the Board, which serves well in the attempt to oversee the moral agenda of the Funds.

**Mat Staver** Served as Dean of Liberty University School of Law and the founder and chairperson of Liberty Counsel. Mr. Staver has argued before the United States Supreme Court and brings his extensive legal background to the Board.

**Charles Nelson** is a former audit partner in a national accounting firm. Mr. Nelson holds an MBA and is a Certified Public Accountant. He is a former college instructor, and brings a combination of business, financial and accounting skills to the Board.

**Richard Copeland** is an attorney who specialized in estate planning and probate. Mr. Copeland received an LLM in taxation from the University of Miami, and has extensive experience in the taxation arena. He is also a professor in the College of Business Administration at Stetson University.

**Deborah Honeycutt** is a physician practicing in the Atlanta, GA area. Dr. Honeycutt has experience in managing and directing health clinics and as a family medical practitioner. She brings extensive business experience, as well as experience in the health care sector, to the Board.

**Bill Johnson** has been in the ministry front lines in the fight against pornography. Mr. Johnson brings a keen knowledge of the various forms of pornography, as well as hands-on experience running a non-profit organization.

**John Mulder** is the executive director of Waterstone, a charitable remainder trust custodian that serves persons across the United States. Mr. Mulder brings proficiency in taxation as well as the skills he has acquired in managing a national organization.

**Scott Preissler, PhD** is a former executive director of a worldwide ministry, and currently serves as Director of Steward Leadership and Professor in Residence at Shorter University. Dr. Preissler brings extensive organizational and public service experience to the Board.

**Alan Ross** is an entrepreneur specializing in corporate turn-around ventures. Mr. Ross offers the Board the wealth of knowledge he has gained in his experiences as a manager/owner of numerous companies.

**Kenneth Blackwell** brings his vast experience and unique perspective gained as the former mayor of Cincinnati, Ohio, and also served as former Secretary of State for Ohio. Mr. Blackwell was an overseas ambassador, author, and celebrated business entrepreneur.

**Patrice Tsague** brings a unique combined perspective from his career that includes counseling for international entrepreneurship and development of organizational techniques and avenues for businesses.

References to the experience, qualifications, attributes or skills of the Trustees are pursuant to requirements of the Securities and Exchange Commission and do not constitute indicating that the Board or any Trustee has special expertise or experience, and shall not impose any greater responsibility or liability on such Trustee or on the Board by reason thereof.

## **BOARD STRUCTURE**

The Board of Trustees is responsible for overseeing the management and operations of the Trust and the Funds. The Board consists of eight Independent Trustees and four Trustees who are interested persons of the Trust. Arthur D. Ally, who is an interested person of the Trust, serves as Chair of the Board, Mr. Alan Ross serves as Vice-Chair of the Board, and the Lead Independent Trustee. Mr. Ross works with Mr. Ally to set the agendas for the Board and Committee meetings, chair meetings of the Independent Trustees, and generally serves as a liaison between the Independent Trustees and the Trust's management between Board meetings.

The Board of Trustees has two standing committees: the Audit Committee and the Pricing Committee. Both Committees are chaired by an Independent Trustee, and consist of Messrs. Ross, Mulder and Copeland, with Mr. Ross as chair. The members of the Committees are not "interested" persons of the Trust (as defined in the 1940 Act). The primary responsibilities of the Trust's Audit Committee are, as set forth in its charter, to make recommendations to the Board as to: the engagement or discharge of the Trust's independent auditors (including the audit fees charged by auditors); the supervision of investigations into matters relating to audit matters; the review with the independent auditors of the results of audits; and addressing any other matters regarding audits. The Audit Committee met two times during the last fiscal year. The Pricing Committee was established in November, 2013. The Committee will be called upon in the event a security requires a fair pricing analysis to establish the applicable Fund's net asset value.

The Board holds four regular meetings each year to consider and act upon matters involving the Trust and the Funds. The Board also may hold special meetings to address matters arising between regular meetings. The Independent Trustees also regularly meet outside the presence of management and are advised by legal counsel. These meetings may take place in person or by telephone. Through

the Audit Committee, the Independent Trustees consider and address important matters involving the Funds, including those presenting conflicts or potential conflicts of interest for Trust management. The Board of Trustees has determined that its committee structure helps ensure that the Funds have effective and independent governance and oversight. Given the Advisor's sponsorship of the Trust, that investors have selected the Advisor to provide overall management to the Funds, and Mr. Ally's senior leadership role within the Advisor, the Board elected him Chairman. The Board reviews its structure regularly and believes that its leadership structure, including having at least two thirds Independent Trustees, coupled with the responsibilities undertaken by Mr. Ally as Chair, Mr. Ross as Vice-Chair and Lead Independent Trustee, is appropriate and in the best interests of the Trust, given its specific characteristics. The Board of Trustees also believes its leadership structure facilitates the orderly and efficient flow of information to the Independent Trustees from Fund management.

## **BOARD OVERSIGHT OF RISK**

An integral part of the Board's overall responsibility for overseeing the management and operations of the Trust is the Board's oversight of the risk management of the Trust's investment programs and business affairs. The Funds are subject to a number of risks, such as investment risk, credit risk, valuation risk, operational risk, and legal, compliance and regulatory risk. The Trust, the Advisor and the other service providers have implemented various processes, procedures and controls to identify risks to the Funds, to lessen the probability of their occurrence and to mitigate any adverse effect should they occur. Different processes, procedures and controls are employed with respect to different types of risks. These systems include those that are embedded in the conduct of the regular operations of the Board and in the regular responsibilities of the officers of the Trust and the other service providers.

The Board of Trustees exercises oversight of the risk management process through the Board itself and through the Audit Committee. In addition to adopting, and periodically reviewing, policies and procedures designed to address risks to the Funds, the Board of Trustees requires management of the Advisor and the Trust, including the Trust's Chief Compliance Officer ("CCO"), to report to the Board and the Audit Committee on a variety of matters, including matters relating to risk management, at regular and special meetings. The Board and the Audit Committee receive regular reports from the Trust's independent public accountants on internal control and financial reporting matters. On at least an annual basis, the Independent Trustees meet separately with the Funds' CCO outside the presence of management, to discuss issues related to compliance. Furthermore, the Board receives a quarterly report from the Funds' CCO regarding the operation of the compliance policies and procedures of the Trust and its primary service providers. The Board also receives quarterly reports from the Advisor on the investments and securities trading of the Funds, including their investment performance, as well as reports regarding the valuation of the Funds' securities. In addition, in its annual review of the Funds' advisory agreements, the Board reviews information provided by the Advisor relating to its operational capabilities, financial condition and resources. The Board also conducts an annual self-evaluation that includes a review of its effectiveness in overseeing the number of Funds in the Trust and the effectiveness of its committee structure.

The Board recognizes that it is not possible to identify all of the risks that may affect a Fund or to develop processes, procedures and controls to eliminate or mitigate every occurrence or effect. The Board may, at any time and in its discretion, change the manner in which it conducts its risk oversight role.

## TRUSTEE OWNERSHIP

The following table sets forth information about the Trustees and the dollar range of shares of the Timothy Plan Family of Funds owned by each Trustee. Trustees, for their services to the Funds, may purchase Class A shares at Net Asset Value; commissions normally charged on A share purchases are waived. As of December 31, 2017, the Trustees owned the following dollar ranges of Fund shares.

Name of Person	Dollar Range of Equity Securities each Fund	Aggregate Dollar Range of Equity Securities in all Funds overseen by Director in the Timothy Plan Family of Funds
<b>Interested Trustees</b>		
Arthur D. Ally	None	
Joseph E. Boatwright		Over \$100,000
	Conservative Growth	\$50,001 - \$100,000
	Fixed Income	\$10,001 - \$50,000
	Small Cap Value	\$10,001 - \$50,000
	Defensive Strategies	\$50,001 - \$100,000
	Growth & Income	\$50,001 - \$100,000
	Strategic Growth	\$50,001 - \$100,000
Mathew D. Staver		Over \$100,000
	Conservative Growth	\$1 - \$10,000
	Growth & Income	\$10,001 - \$50,000
	Defensive Strategies	\$50,001 - \$100,000
	Israel Common Values	\$10,001 - \$50,000
	Strategic Growth	\$50,001 - \$100,000
	Small Cap	Over \$100,000
Charles E. Nelson	None	None
<b>Independent Trustees</b>		
Kenneth Blackwell	None	None
Richard W. Copeland	None	None
Deborah Honeycutt	None	None
Bill Johnson		Over \$100,000
	Conservative Growth	\$1 - \$10,000
	Defensive Strategies	\$1 - \$10,000
	Fixed Income	\$1 - \$10,000
	Growth & Income	\$1 - \$10,000
	International	\$50,001 - \$100,000
	Large/Mid Cap Value	\$1 - \$10,000
John C. Mulder		Over \$100,000
	Conservative Growth	\$50,001 - 100,000
	Fixed Income	\$10,001 - \$50,000
	International	\$10,001 - \$50,000
	Large/Mid Cap Value	\$1 - \$10,000
	Small Cap Value	\$1 - \$10,000
Scott Preissler, Ph.D.	None	None
Alan M. Ross	None	None
Patrice Tsague		\$10,001 - \$50,000
	International	\$1 - \$10,000
	Large/Mid Cap Value	\$1 - \$10,000
	Strategic Growth	\$1 - \$10,000

## Compensation

Compensation was paid by the Trust to the Trustees during the past calendar year as set forth in the table below.

<u>Name of Person, Position</u>	<u>Aggregate Compensation from Funds</u>	<u>Pension or Retirement Benefits Accrued As Part of Funds Expenses</u>	<u>Estimated Annual Benefits Upon Retirement</u>	<u>Total Compensation From Fund and Fund Complex Paid to Directors</u>
<b>Interested Trustees</b>				
Arthur D. Ally, Chairman	\$ 0	\$ 0	\$ 0	\$ 0
Joseph E. Boatwright, Secretary	\$ 0	\$ 0	\$ 0	\$ 0
Mathew D. Staver	\$ 0	\$ 0	\$ 0	\$ 0
Charles E. Nelson*	\$ 4,000	\$ 0	\$ 0	\$ 4,000
<b>Independent Trustees</b>				
Kenneth Blackwell	\$ 4,000	\$ 0	\$ 0	\$ 4,000
Richard W. Copeland	\$ 4,000	\$ 0	\$ 0	\$ 4,000
Deborah Honeycutt	\$ 3,000	\$ 0	\$ 0	\$ 3,000
Bill Johnson	\$ 4,000	\$ 0	\$ 0	\$ 4,000
John C. Mulder	\$ 4,000	\$ 0	\$ 0	\$ 4,000
Scott Preissler, Ph.D.	\$ 4,000	\$ 0	\$ 0	\$ 4,000
Alan M. Ross	\$ 4,000	\$ 0	\$ 0	\$ 4,000
Patrice Tsague	\$ 4,000	\$ 0	\$ 0	\$ 4,000

\* Charles E. Nelson served as an Independent Trustee until subsequently accepting a position with a Company that is affiliated with the Advisor.

## Code of Ethics

The Trust, the Advisor, the investment managers and the Funds' underwriter have each adopted a Code of Ethics under Rule 17j-1 of the Investment Company Act of 1940. The personnel subject to the Code are permitted to invest in securities; however, the Advisor's, Trust's and underwriter's employees are prohibited from purchasing securities that are held by the Funds. You may obtain a copy of the Code of Ethics from the Securities and Exchange Commission. Pursuant to Section 406 of the Sarbanes-Oxley Act of 2002, the Trustees amended the Codes of Ethics to accommodate the requirements of Section 406. The amended Codes of Ethics adopted by the Trust, TPL, and each Sub-Advisor, have each been reviewed and ratified by the Board of Trustees.

## Proxy Voting Policies

The Board of Trustees of the Trust has approved proxy voting procedures for the Trust. These procedures set forth guidelines and procedures for the voting of proxies relating to securities held by the Funds. Records of the Funds' proxy voting records are maintained and are available for inspection. The Board is responsible for overseeing the implementation of the procedures. Copies of the proxy voting procedures have been filed with the Securities and Exchange Commission, which may be reviewed and copied at the SEC's Public Reference Room in Washington, DC. The procedures are also available on the SEC's EDGAR database at the SEC's web site ([www.sec.gov](http://www.sec.gov)). Copies of the procedures can be obtained, after paying a duplicating fee, by electronic request ([publicinvest@sec.gov](mailto:publicinvest@sec.gov)) or by writing the SEC's Public Reference Section, Washington, DC 20549-0102. A copy will also be sent to you, free of charge, at your request by writing to the Trust at Gemini Fund Services, LLC, 17605 Wright Street, Suite 2, Omaha, NE 68130, or calling toll free at 1-800-662-0201. A summary of the Trust's Proxy Voting Procedures is also attached to this SAI as Appendix A.

## Section 4 | Control Persons and Principal Holders of Securities

A principal shareholder is any person who owns (either of record or beneficially) 5% or more of the outstanding shares of a Fund. A control person is one who owns either directly or indirectly, more than 25% of the voting securities of a Fund or acknowledges the existence of such control. As of January 17, 2018, the following persons of record owned 5% or more of the outstanding shares of a Class of a Fund, or of the total outstanding shares of a Fund.

## HOLDERS OF MORE THAN 5% OF EACH FUND'S SHARES

Name of Shareholder	Name of Fund in which Shares Held	Share Class Owned	% Ownership of Share Class
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr, Ste. 302 Milwaukee, WI 53212-3958	Israel Common Values Fund	Class A	14.62%
Trust Company of America P.O. Box 6503 Englewood, CO 80155-6503	Israel Common Values Fund	Class A	13.91%
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr, Ste. 302 Milwaukee, WI 53212-3958	Emerging Markets Fund	Class A	44.49%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Emerging Markets Fund	Class C	9.60%
NFS LLC FEBO 623 Buffington Street, Houston, TX 77060	Emerging Markets Fund	Class C	6.79%
NFS LLC FEBO Omnibus 1555 N RiverCenter Drive, Ste 302, Milwaukee, WI 53212-3958	Aggressive Growth Fund	Class A	27.17%
Charles Schwab & Co. 101 Montgomery Street San Francisco, CA 94104	Defensive Strategies Fund	Class A	5.64%
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr, Ste. 302, Milwaukee, WI 53212-3958	Defensive Strategies Fund	Class A	34.34%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Defensive Strategies Fund	Class C	13.46%
Constellation Trust Co. 308 W Due West Avenue, Madison, TN 37115	Defensive Strategies Fund	Class C	5.87%
NFS LLC FEBO Omnibus 1555 N RiverCenter Drive, Ste 302, Milwaukee, WI 53212-3958	Fixed Income Fund	Class A	29.12%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Fixed Income Fund	Class C	6.61%
Trust Company of America P.O. Box 6503, Englewood, CO 80155-6503	High Yield Bond Fund	Class A	18.87%
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr. Ste.202, Milwaukee, WI 53212-3958	High Yield Bond Fund	Class A	16.36%
Trust Company of America P.O. Box 6503 Englewood, CO 80155-6503	High Yield Bond Fund	Class A	5.36%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	High Yield Bond Fund	Class C	6.23%
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr. Ste. 302, Milwaukee, WI 53212-3958	International Fund	Class A	26.28%
Merrill Lynch Pierce Fenner 4800 Deer Lake Dr. East, Jacksonville, FL 32246	International Fund	Class C	7.35%
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr. Ste. 302, Milwaukee, WI 53212-3958	Large/Mid Cap Growth Fund	Class A	16.09%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Large/Mid Cap Growth Fund	Class A	7.19%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Large/Mid Cap Growth Fund	Class C	5.93%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Large/Mid Cap Value Fund	Class A	6.46%
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr. Ste. 302, Milwaukee, WI 53212-3958	Large/Mid Cap Value Fund	Class A	7.77%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Large/Mid Cap Value Fund	Class C	8.34%
Merrill Lynch Pierce Fenner 4800 Deer Lake Dr. East, Jacksonville, FL 32246	Large/Mid Cap Value Fund	Class C	5.24%
NFS LLC FEBO Omnibus 1555 N Rivercenter Dr. Ste. 302, Milwaukee, WI 53212-3958	Small Cap Value Fund	Class A	6.71%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Small Cap Value Fund	Class C	11.82%

Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Conservative Growth Fund	Class A	5.08%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Conservative Growth Fund	Class C	5.10%
National Association, Omnibus 1555 N Rivercenter Dr. Ste. 302, Milwaukee, WI 53212-3958	Growth & Income Fund	Class A	42.05%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Growth & Income Fund	Class C	6.99%
Pershing LLC 1 Pershing Plaza, Jersey City, NJ 07399-0002	Strategic Growth Fund	Class C	6.89%



For the purposes of ownership, “control” means the beneficial ownership, either directly or through one or more controlled companies, of more than 25% of the voting securities of a company. A controlling ownership may be detrimental to the other shareholders of the company.

**MANAGEMENT OWNERSHIP**

As of January 16, 2018, the Trustees and Officers, as a group, owned less than 1% of each class of each Fund.

## Section 5 | Investment Advisory and Other Services

### Principal Underwriter

Timothy Partners, Ltd. (“TPL”), 1055 Maitland Center Commons, Maitland, FL 32751, acts as the principal underwriter (the “Underwriter”) of the Funds’ shares for the purpose of facilitating the notice filing of shares of the Funds under state securities laws and to assist in sales of shares pursuant to a written underwriting agreement (the “Underwriting Agreement”) approved by the Funds’ Trustees. TPL is not compensated for serving as principal underwriter to the Funds.

In that regard, TPL has agreed at its own expense to qualify as a broker/dealer under all applicable federal or state laws in those states which the Funds shall from time to time identify to TPL as states in which it wishes to offer its shares for sale, in order that state notice filings may be maintained by the Funds.

TPL is a broker/dealer registered with the U.S. Securities and Exchange Commission and is a member in good standing of the Financial Industry Regulatory Authority.

The Funds shall continue to bear the expense of all filing or registration fees incurred in connection with the notice filing of shares under state securities laws.

The Underwriting Agreement may be terminated by either party upon 60 days’ prior written notice to the other party.

Arthur D. Ally is President, Chairman and Trustee of the Trust. Mr. Ally is also President of Timothy Partners, Ltd. Mr. Ally had over eighteen years of experience in the investment industry prior to becoming president of Timothy Plan, having worked for Prudential Bache, Shearson Lehman Brothers and Investment Management & Research. Some or all of these firms may be utilized by an investment manager to execute portfolio trades for a Fund. Neither Mr. Ally nor any affiliated person of the Trust will receive any benefit from such transactions.

### Transfer/Fund Accounting Agent/Administrator

Gemini Fund Services, LLC, 17605 Wright Street, Suite 2, Omaha, NE 68130 serves as transfer agent, fund accounting agent and administrator to the Trust pursuant to a written agreement dated August 8, 2011. For the services rendered to the Funds by the Administrator, the Funds pay the Administrator the greater of an annual minimum fee or an asset based fee, which scales downward based upon net assets for fund administration, fund accounting and transfer agency services.

For the 13 Funds of the Trust for the fiscal periods ended September 30, 2015, 2016 and 2017, the Funds paid the following fees for transfer agency, fund accounting and administration:

Service	2015	2016	2017
Administration Fees	\$1,741,827	\$1,719,093	\$1,880,815

### Rule 12b-1 Plans

#### DISTRIBUTION PLANS

The Trust has adopted a plan pursuant to Rule 12b-1 under the 1940 Act (collectively, the “Plans”) for each Class offered by a Fund up to a maximum of 1.00% for Class C shares and 0.25% for Class A shares (of which, up to 0.25% may be service fees to be paid by each respective class of shares to TPL, dealers and others, for providing personal service and/or maintaining shareholder accounts) per annum of its average daily net assets for expenses incurred by the Underwriter in the distribution of the Timothy Plan Funds’ shares. The fees are paid on a monthly basis, based on a Fund’s average daily net assets attributable to such class of shares.

Pursuant to the Plans, TPL, as underwriter, is paid a fee each month (up to the maximum of 1.00% for Class C shares per annum of average net assets of each Timothy Plan Fund) for expenses incurred in the distribution and promotion of the shares, including but not limited to, printing of prospectuses and reports used for sales purposes, preparation and printing of sales literature and related expenses, advertisements, and other distribution-related expenses as well as any distribution or service fees paid to securities dealers or others who have executed a dealer agreement with the underwriter. Any expense of distribution in excess of 1.00% for Class C shares per annum will be borne by TPL without any additional payments by the Funds. You should be aware that it is possible that Plan accruals will exceed the actual expenditures by TPL for eligible services. Accordingly, such fees are not strictly tied to the provision of such services.

The Plans also provide that to the extent that the Funds, TPL, the investment managers, or other parties on behalf of the Funds, TPL, or the investment managers make payments that are deemed to be payments for the financing of any activity primarily intended to result in the sale of shares issued by the Funds within the context of Rule 12b-1, such payments shall be deemed to be made pursuant to the Plans.

The Board of Trustees has determined that a consistent cash flow resulting from the sale of new shares is necessary and appropriate to meet redemptions and to take advantage of buying opportunities without having to make unwarranted liquidations of portfolio securities. The Board therefore believes that it will likely benefit the Funds to have moneys available for the direct distribution activities of TPL in promoting the sale of the Funds' shares, and to avoid any uncertainties as to whether other payments constitute distribution expenses on behalf of the Funds. The Trustees, including the non-interested Trustees, have concluded that in the exercise of their reasonable business judgment and in light of their fiduciary duties, there is a reasonable likelihood that the Plans will benefit the Funds and their shareholders.

The Plans have been approved by the Board of Trustees, including all of the Trustees who are non-interested persons as defined in the 1940 Act. The Plans must be renewed annually by the Board of Trustees, including a majority of the Trustees who are non-interested persons of the Funds and who have no direct or indirect financial interest in the operation of the Plans. The votes must be cast in person at a meeting called for that purpose. It is also required that the selection and nomination of such Trustees be done by the non-interested Trustees. The Plans and any related agreements may be terminated at any time, without any penalty: 1) by vote of a majority of the non-interested Trustees on not more than 60 days' written notice, 2) by the Underwriter on not more than 60 days' written notice, 3) by vote of a majority of a Fund's outstanding shares, on 60 days' written notice, and 4) automatically by any act that terminates the Underwriting Agreement with TPL. TPL or any dealer or other firm may also terminate their respective agreements at any time upon written notice.

The Plans and any related agreement may not be amended to increase materially the amounts to be spent for distribution expenses without approval by a majority of a Fund's outstanding shares, and all material amendments to the Plans or any related agreements shall be approved by a vote of the non-interested Trustees, cast in person at a meeting called for the purpose of voting on any such amendment.

TPL is required to report in writing to the Board of Trustees of the Funds, at least quarterly, on the amounts and purpose of any payment made under the Plans, as well as to furnish the Board with such other information as may reasonably be requested in order to enable the Board to make an informed determination of whether the Plans should be continued.

The following are the principal types of activities for which payments were made, and the amounts for each, for fiscal year ended September 30, 2017.

<u>Expense Type</u>	<u>Amount Paid</u>
Advertising	\$ 449,630
Printing and Postage	\$ 91,976
Compensation to Broker-Dealers	\$2,229,551
Other Expenses	\$1,715,806

For the fiscal year ended September 30, 2017, TPL was compensated for distribution and service-related expenses by the Funds as follows:

	<u>Class A</u>	<u>Class C</u>
Aggressive Growth Fund	\$ 55,212	\$ 32,795
International Fund	\$174,966	\$ 41,609
Large/Mid Cap Growth Fund	\$154,670	\$ 85,829
Small Cap Value Fund	\$259,325	\$117,170
Large/Mid Cap Value Fund	\$400,691	\$222,179
Fixed Income Fund	\$202,936	\$ 96,556
High Yield Bond Fund	\$114,748	\$ 32,995
Israel Common Values Fund	\$ 63,265	\$ 61,551
Defensive Strategies Fund	\$140,664	\$ 78,678
Emerging Markets Fund	\$ 29,476	\$ 16,764
Growth & Income Fund	\$ 82,025	\$ 30,082
Strategic Growth Fund	\$ 0	\$ 52,577
Conservative Growth Fund	\$ 0	\$ 78,169



## **Other Service Providers**

### **INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The firm of Cohen & Company, Ltd., 1350 Euclid Avenue, Suite 800, Cleveland, OH 44115, has been selected as the independent registered public accounting firm for the Funds for the fiscal year ending September 30, 2018. Cohen & Company, Ltd. performs an annual audit of the Funds' financial statements and provides financial, tax, and accounting consulting services as requested.

## **Service Agreements**

### **CUSTODIAN**

US Bank, 425 Walnut Street, Cincinnati, Ohio 45202, is custodian of the Funds' investments. The custodian acts as the Funds' depository, safe-keeps its portfolio securities, collects all income and other payments with respect thereto, disburses funds at the Funds' request and maintains records in connection with its duties. For its custodial services the bank receives, in addition to certain per transaction fees, the greater of \$225 per month per fund or (annualized) 1.20 basis points (.00012) for the first \$75 million in assets, 1.0 basis point (.00010) on the next \$100 million in assets, and 0.75 basis point (.000075) on all amounts over \$175 million in assets.

## **Section 6 | Brokerage Allocation**

### **Brokerage Transactions**

The Funds' Advisor and/or investment Sub-Advisors, when effecting the purchases and sales of portfolio securities for the account of a Fund, will seek execution of trades either (i) at the most favorable and competitive rate of commission charged by any broker, dealer or member of an exchange, or (ii) at a higher rate of commission charges if reasonable in relation to brokerage and research services provided to the Fund or the investment manager by such member, broker, or dealer. Such services may include, but are not limited to, any one or more of the following: information on the availability of securities for purchase or sale, statistical or factual information, or opinions pertaining to investments. The Advisor and each Sub-Advisor are prohibited from considering brokerage allocation to dealers in consideration of a dealers' distribution efforts of Portfolio or Fund shares. The Trust has adopted policies and procedures to detect and prohibit brokerage allocation based on broker/dealer Fund share sales.

TPL, through the investment managers, is responsible for making the Funds' portfolio decisions subject to instructions described in the applicable prospectus. The Board of Trustees may, however, impose limitations on the allocation of portfolio brokerage.

Securities held by one Fund may also be held by another Fund or other accounts for which TPL or the investment manager serves as an Advisor, or held by TPL or the investment manager for their own accounts. If purchases or sales of securities for a Fund or other entities for which they act as investment Advisor or for their advisory clients arise for consideration at or about the same time, transactions in such securities will be made, insofar as feasible, for the respective entities and clients in a manner deemed equitable to all. To the extent that transactions on behalf of more than one client of TPL or the investment manager during the same period may increase the demand for securities being purchased or the supply of securities being sold, there may be an adverse effect on price.

On occasions when TPL or an investment manager deems the purchase or sale of a security to be in the best interests of one or more Funds or other accounts, they may to the extent permitted by applicable laws and regulations, but will not be obligated to, aggregate the securities to be sold or purchased for the Fund with those to be sold or purchased for the other Fund or accounts in order to obtain favorable execution and lower brokerage commissions. In that event, allocation of the securities purchased or sold, as well as the expenses incurred in the transaction, will be made by an investment manager in the manner it considers to be most equitable and consistent with its fiduciary obligations to the Funds and to such other accounts. In some cases this procedure may adversely affect the size of the position obtainable for a Fund.

The Board of Trustees of the Trust regularly reviews the brokerage placement practices of the investment managers on behalf of the Funds, and reviews the prices and commissions, if any, paid by the Funds to determine if they were reasonable.

## Commissions

The chart below shows the brokerage fees and commissions paid by the Funds for the fiscal years ending September 30, 2015, 2016 and 2017.

	2015	2016	2017
Aggressive Growth Fund	\$ 266	N/A	\$ 264
International Fund	\$ 4,569	\$62,694	\$35,039
Large/Mid Cap Growth Fund	\$ 294	N/A	\$ 30
Small Cap Value Fund	\$ 76	\$ 194	\$ 2,422
Large/Mid Cap Value Fund	N/A	\$ 80	\$ 178
Fixed Income Fund	N/A	N/A	N/A
High Yield Bond Fund	N/A	N/A	\$N/A
Defensive Strategies Fund	\$16,004	\$13,444	\$24,331
Israel Common Values Fund	\$ 6,480	\$10,786	\$30,698
Emerging Markets Fund	\$13,096	\$ 6,760	\$16,495
Growth & Income	\$ 3,983	N/A	\$ 252
Strategic Growth Fund	N/A	N/A	N/A
Conservative Growth Fund	N/A	N/A	N/A

## Section 7 | Purchase, Redemption, and Pricing of Shares

### Purchase of Shares

The shares of the Timothy Plan Funds are continuously offered by the distributor. Orders will not be considered complete until receipt by the distributor of a completed account application form, and receipt by the custodian of payment for the shares purchased. Once both are received, such orders will be confirmed at the next determined net asset value per share (based upon valuation procedures described in the prospectus), plus the applicable sales load for Class A shares, as of the close of business of the business day on which the completed order is received, normally 4 p.m. Eastern time. Completed orders received by the Funds after 4 p.m. will be confirmed at the next business day's price.

### TAX-DEFERRED RETIREMENT PLANS

Shares of the Timothy Plan Funds are available to all types of tax-deferred retirement plans such as individual retirement accounts ("IRAs"), employer-sponsored defined contribution plans (including 401(k) plans) and tax-sheltered custodial accounts described in Section 403(b) of the Internal Revenue Code. Qualified investors benefit from the tax-free compounding of income dividends and capital gains distributions. The Timothy Plan Funds sponsor IRAs. Subject to certain income restrictions, individuals, who are active participants in an employer maintained retirement plan, are eligible to contribute on a deductible basis to an IRA account. All individuals who have earned income may make nondeductible IRA contributions to the extent that they are not eligible for a deductible contribution. Income earned by an IRA account will continue to be tax deferred.

A special IRA program is available for employers under which the employers may establish IRA accounts for their employees in lieu of establishing tax qualified retirement plans. Known as SEP-IRAs (Simplified Employee Pension-IRA), they free the employer of many of the record keeping requirements of establishing and maintaining a tax qualified retirement plan trust.

If you are entitled to receive a distribution from a qualified retirement plan, you may rollover all or part of that distribution into a Timothy Plan Fund IRA. Your rollover contribution is not subject to the limits on annual IRA contributions. You can continue to defer federal income taxes on your contribution and on any income that is earned on that contribution.

The Timothy Plan Funds may be utilized as investment vehicles for employer sponsored and administered 403(b) retirement plans, by schools, hospitals, and certain other tax-exempt organizations or associations. 403(b) contributions, to the extent they satisfy the Plan Document requirements and do not exceed applicable limitations, are excludable from the gross income of the employee for federal income tax purposes.

The Timothy Plan Funds also offer Roth IRAs. While contributions to a Roth IRA are not currently deductible, the amounts within the accounts accumulate tax-free and qualified distributions will not be included in a shareholder's taxable income. The contribution limit for 2016, 2017 and 2018 is \$5,500 annually in aggregate with contributions to traditional IRAs. Certain catch-up provisions and income phase-outs apply.

In all these plans, distributions of net investment income and capital gains will be automatically reinvested.

All the foregoing retirement plan options require special plan documents. Please call the Timothy Plan at (800) TIM-PLAN (800-846-7526) to obtain information regarding the establishment of retirement plan accounts. In the case of IRAs and 403(b) Plans, Constellation Trust acts as the plan custodian. The Fund custodian, Constellation Trust, charges \$10.00 per social security number and account type in connection with plan establishment and maintenance, of which \$5.00 is remitted to the Fund underwriter, Timothy Partners, Ltd. These IRA fees are detailed in the plan documents; you should consult your employer's plan document for details of the expenses incurred by 403(b) accounts. You should consult with your attorney or other tax advisor for specific advice prior to establishing a plan.

## **DEALER TRANSACTION FEES**

Dealers may charge their customers a processing or service fee in connection with the purchase or redemption of Fund shares. The amount and applicability of such a fee is determined and disclosed to its customers by each individual dealer. Processing or service fees typically are in addition to the sales and other charges described in the prospectus and this statement of additional information. Your dealer will provide you with specific information about any processing or service fees you will be charged.

## **Redemption of Shares**

The redemption price will be based upon the net asset value per share (subject to any applicable CDSC for Class C shares) next determined after receipt of the redemption request, provided it has been submitted in the manner described below. The redemption price may be more or less than your cost, depending upon the net asset value per Class at the time of redemption. Shares of the Timothy Plan Funds may be redeemed through certain brokers, financial institutions or service organizations, banks and bank trust departments, who may charge a transaction fee or other fee for their services at the time of redemption. Such fees would not otherwise be charged if the shares were purchased directly from the Timothy Plan Funds.

Payment for shares tendered for redemption is made by check within seven days after tender in proper form, except that the Funds reserve the right to suspend the right of redemption, or to postpone the date of payment upon redemption beyond seven days: (i) for any period during which the New York Stock Exchange is restricted, (ii) for any period during which an emergency exists as determined by the U.S. Securities and Exchange Commission as a result of which disposal of securities owned by the Funds is not reasonably predictable or it is not reasonably practicable for the Funds fairly to determine the value of its net assets, or (iii) for such other periods as the U.S. Securities and Exchange Commission may by order permit for the protection of shareholders of the Funds.

Pursuant to the Trust's Agreement and Declaration of Trust, payment for shares redeemed may be made either in cash or in-kind, or partly in cash and partly in-kind. However, the Trust has elected, pursuant to Rule 18f-1 under the 1940 Act, to redeem its shares solely in cash up to the lesser of \$250,000 or 1% of the net asset value of the Fund, during any 90-day period for any one shareholder. Payments in excess of this limit will also be made wholly in cash unless the Board of Trustees believes that economic conditions exist which would make such a practice detrimental to the best interests of the Fund. Any portfolio securities paid or distributed in-kind would be valued as described under "Other Purchase Information" in the applicable prospectus. In the event that an in-kind distribution is made, a shareholder may incur additional expenses, such as the payment of brokerage commissions, on the sale or other disposition of the securities received from the Funds.

In-kind payments need not constitute a cross-section of a Fund's portfolio. Where a shareholder has requested redemption of all or a part of the shareholder's investment, and where a Fund completes such redemption in-kind, that Fund will not recognize gain or loss for federal tax purposes, on the securities used to complete the redemption. The shareholder will recognize gain or loss equal to the difference between the fair market value of the securities received and the shareholder's basis in the Fund shares redeemed.

## **Net Asset Value**

Shares of each Class of the Funds are offered at the public offering price for each Class. The public offering price is each Class's next calculated net asset value ("NAV"), plus the applicable sales charge, if any. NAV per share of each Class is calculated by adding the value of each Fund's investments, cash and other assets, subtracting liabilities of the Class, and then dividing the result by the number of shares of the Class outstanding. Each Fund generally determines the total value of each Class of its shares by using market prices for

the securities comprising its portfolio. Securities for which quotations are not available and any other assets are valued at fair market value as determined in good faith by the Fund's Investment Manager, in conformity with guidelines adopted by and subject to the review and supervision of the Board of Trustees. Each Fund's per share NAV of each Class and public offering price is computed on all days on which the New York Stock Exchange ("NYSE") is open for business, at the close of regular trading hours on the NYSE, currently 4:00 p.m. Eastern Time. In the event that the NYSE closes early, the NAV will be determined as of the time of closing.



## **Fair Value Pricing**

The Board of Trustees has delegated to the Advisor and/or Investment Managers, under the oversight of the Board of Trustees Pricing Committee, responsibility for determining the value of Fund portfolio securities under certain circumstances. Under such circumstances and under the Pricing Committee's oversight, the Advisor or Investment Manager will use its best efforts to arrive at the fair value of a security held by the Fund under all reasonably ascertainable facts and circumstances. The Advisor must prepare a report for the Board not less than quarterly containing a complete listing of any securities for which fair value pricing was employed and detailing the specific reasons for such fair value pricing. The Trust has adopted written policies and procedures to guide the Pricing Committee, Advisor and Investment Managers with respect to the circumstances under which, and the methods to be used, in fair valuing securities.

Except for the Israel Common Values, International Fund and Emerging Markets Funds, which have a higher probability of Fair Value Pricing, the Funds generally invest the vast majority of their assets in frequently traded exchange listed securities of domestic issuers with relatively liquid markets and calculate their NAV as of the time those exchanges close. Except for the Israel Common Values, International Fund and Emerging Markets Funds, the Funds typically do not invest in securities on foreign exchanges or in illiquid or restricted securities. Accordingly, except for those Funds, there may be very limited circumstances under which any Fund would hold securities that would need to be fair value priced. Examples of when it would be likely that a Fund security would require fair value pricing include but are not limited to: if the exchange on which a portfolio security traded were to close early; if trading in a particular security were to be halted on an exchange and did not resume trading prior to calculation of NAV; if a significant event that materially affected the value of a security were to occur after the securities' exchange had closed but before the Fund's NAV had been calculated; and if a security that had a significant exposure to foreign operations was subject to a material event or occurrence in a foreign jurisdiction in which the company had significant operations; or in the event that the Fixed Income or High Yield Bond Funds were to invest in certain types of bonds that had limited marketability, such as "church bonds".

When a security is fair value priced, it means that the Advisor or Investment Manager is calculating the value of that security on a day and under circumstances where reliable pricing information from normal sources is not available or is otherwise limited. Accordingly, there is always the possibility that the Advisor's or Investment Manager's calculations concerning security value could be wrong, and as a result, the Fund's NAV on that day could be higher or lower, depending on how the security was valued, than would otherwise be the case.

When a security is Evaluated Priced, it means the Advisor and Investment Manager are relying on a nationally recognized company that provides daily pricing of international and domestic securities. Accordingly, there is the possibility that the pricing firm's calculations or pricing techniques could be wrong, and as a result the Fund's NAV on that day could be higher or lower, depending on how the security was valued, than would otherwise be the case.

## **Section 8 | Taxation of the Fund**

### **Taxation**

The Timothy Plan Funds intend to qualify each year as a regulated investment company under Subchapter M of the Internal Revenue Code of 1986, as amended (the "Code").

In order to so qualify, a Fund must, among other things, (i) derive at least 90% of its gross income from dividends, interest, payments with respect to certain securities loans, gains from the sale of securities or foreign currencies, or other income (including but not limited to gains from options, futures or forward contracts) derived with respect to its business of investing in such stock, securities or currencies; (ii) distribute at least 98.2% of its dividends, interest and certain other taxable income each year; and (iii) at the end of each fiscal quarter maintain at least 50% of the value of its total assets in cash, government securities, securities of other regulated investment companies, and other securities of issuers which represent, with respect to each issuer, no more than 5% of the value of a Fund's total assets and 10% of the outstanding voting securities of such issuer, and with no more than 25% of its assets invested in the securities (other than those of the government or other regulated investment companies) of any one issuer or of two or more issuers which a Fund controls and which are engaged in the same, similar or related trades and businesses.

To the extent each Fund qualifies for treatment as a regulated investment company, it will not be subject to federal income tax on income and net capital gains paid to shareholders in the form of dividends or capital gains distributions.

An excise tax at the rate of 4% will be imposed on the excess, if any, of each Fund's "required distributions" over actual distributions in any calendar year. Generally, the "required distribution" is 98% of a Fund's ordinary income for the calendar year plus 98.2% of its capital gain net income recognized during the one-year period ending on October 31 plus undistributed amounts from prior years. Each Fund intends to make distributions sufficient to avoid imposition of the excise tax. Distributions declared by a Fund during October, November or December to shareholders of record during such month and paid by January 31 of the following year will be taxable to shareholders in the calendar year in which they are declared, rather than the calendar year in which they are received.



If shares of a Fund are purchased within 30 days before or after redeeming other shares of the Fund at a loss, all or a portion of that loss will not be deductible and will increase the basis of the newly purchased shares.

Shareholders will be subject to federal income taxes on distributions made by a Fund whether received in cash or additional shares of the Fund. Distributions of net investment income and net short-term capital gains, if any, will be taxable to shareholders as ordinary income. Distributions of net long-term capital gains, if any, will be taxable to shareholders as long-term capital gains, without regard to how long a shareholder has held shares of the Fund. A loss on the sale of shares held for six months or less will be treated as a long-term capital loss to the extent of any long-term capital gain dividend paid to the shareholder with respect to such shares. A redemption of a Fund's shares will result in a taxable gain or loss to the redeeming shareholder, depending on whether the redemption proceeds are more or less than the shareholder's adjusted basis for the redeemed shares (which normally includes any sales charge paid on Class A shares). An exchange of shares of any Fund for shares of another Fund generally will have similar tax consequences. However, special rules apply when a shareholder disposes of Class A shares of a Fund through a redemption or exchange within 90 days after purchase thereof and subsequently reacquires Class A shares of that Fund or of another Timothy Plan Fund without paying a sales charge due to the 90-day reinstatement or exchange privileges. In these cases, any gain on the disposition of the original Class A shares will be increased, or loss decreased, by the amount of the sales charge paid when those shares were acquired, and that amount will increase the basis of the shares subsequently acquired. In addition, if shares of a Fund are purchased (whether pursuant to the reinstatement privilege or otherwise) within 30 days before or after redeeming other shares of that Fund (regardless of class) at a loss, all or a portion of that loss will not be deductible and will increase the basis of the newly purchased shares. Dividends eligible for designation under the dividends received deduction and paid by a Fund may qualify in part for the 70% dividends received deduction for corporations provided, however, that those shares have been held for at least 45 days.

The Trust will notify shareholders each year of the amount of dividends and distributions, including the amount of any distribution of long-term capital gains, and the portion of its dividends which may qualify for the 70% deduction.

By law, each Fund must withhold a percentage of your taxable distributions and proceeds ("back-up withholding") if you do not provide your correct social security or taxpayer identification number, or if the IRS instructs the Fund to do so. The withholding provision generally does not apply to nonresident aliens. Ordinarily, distributions and redemption proceeds earned by a Fund's shareholders are not subject to withholding of federal income tax. However, if a shareholder fails to furnish a tax identification number or social security number, or certify under penalties of perjury that such number is correct, the Fund may be required to withhold federal income tax from all dividend, capital gain and/or redemption payments to such shareholder. Dividends and capital gain distributions may also be subject to back-up withholding if a shareholder fails to certify under penalties of perjury that such shareholder is not subject to back-up withholding due to the underreporting of certain income. These certifications are contained in the purchase application enclosed with the Prospectus.

The foregoing is a general and abbreviated summary of the applicable provisions of the Code and Treasury regulations currently in effect. For the complete provisions, reference should be made to the pertinent Code sections and regulations. The Code and regulations are subject to change by legislative or administrative action at any time, and retroactively.

Each class of shares of the Timothy Plan Funds will share proportionately in the investment income and expenses of that Fund, except that each class will incur different distribution expenses.

Dividends and distributions also may be subject to state and local taxes.

Shareholders are urged to consult their tax advisors regarding specific questions as to federal, state and local taxes.

## **Section 9 | Calculation of Performance Data**

### **Performance**

Performance information for the shares of the Timothy Plan Funds will vary due to the effect of expense ratios on the performance calculations.

Current yield and total return may be quoted in advertisements, shareholder reports or other communications to shareholders. Yield is the ratio of income per share derived from a Fund's investments to a current maximum offering price expressed in terms of percent. The yield is quoted on the basis of earnings after expenses have been deducted. Total return is the total of all income and capital gains paid to shareholders, assuming reinvestment of all distributions, plus (or minus) the change in the value of the original investment, expressed as a percentage of the purchase price. Occasionally, a Fund may include their distribution rates in advertisements. The distribution rate is the amount of distributions per share made by a Fund over a 12-month period divided by the current maximum offering price.

U.S. Securities and Exchange Commission (“Commission”) rules require the use of standardized performance quotations or, alternatively, that every non-standardized performance quotation furnished by a Fund be accompanied by certain standardized performance information computed as required by the Commission. Current yield and total return quotations used by a Fund are based on the standardized methods of computing performance mandated by the Commission. An explanation of those and other methods used by the Funds to compute or express performance follows.

## AVERAGE ANNUAL TOTAL RETURN QUOTATION

As the following formula indicates, the average annual total return is determined by multiplying a hypothetical initial purchase order of \$1,000 by the average annual compound rate of return (including capital appreciation/depreciation and dividends and distributions paid and reinvested) for the stated period less any fees charged to all shareholder accounts and annualizing the result. The calculation assumes the maximum sales load is deducted from the initial \$1,000 purchase order and that all dividends and distributions are reinvested at the net asset value on the reinvestment dates during the period. The quotation assumes the account was completely redeemed at the end of each one, five and ten-year period and assumes the deduction of all applicable charges and fees. According to the Commission formula:

$$P(1+T)^n = ERV$$

**WHERE :**

- P = a hypothetical initial payment of \$1,000.
- T = average annual total return.
- n = number of years.
- ERV = ending redeemable value of a hypothetical \$1,000 payment made at the beginning of the one, five or ten-year periods, determined at the end of the one, five or ten-year periods (or fractional portion thereof).

The advertised after-tax returns for a class of a fund are calculated by equaling an initial amount invested in a class of a fund to the ending value, according to the following formulas:

### After Taxes on Distributions

$$P(1+T)^n = ATV_D$$

### After Taxes on Distributions and Redemptions

$$P(1+T)^n - ATV_{DR}$$

**WHERE :**

- P = a hypothetical initial payment of \$1,000.
- T = average annual return (after taxes on distributions or after taxes on distributions and redemptions as applicable,
- n = number of years.
- ATV<sub>D</sub> = ending value of a hypothetical \$1,000 payment made at the beginning of the one, five or ten-year periods at the end of the one, five or ten-year periods (or fractional portion), after taxes on redemption.
- ATV<sub>DR</sub> = ending value of a hypothetical \$1,000 payment made at the beginning of the one, five or ten-year periods at the end of the one, five or ten-year periods (or financial portion) after taxes on fund distributions and redemption.

Based on these formulas, annualized total returns were as follows for the periods and Funds indicated:

	Average Annual Returns (as of 12/31/2017)				Inception Date
	1-Year	5-Year	10-Year	Since Inception	
<b>Aggressive Growth - Class A</b>					<b>Oct 05, 00</b>
Pre-Tax	12.53%	8.74%	4.87%	1.99%	
Pre-Liquidation After-Tax	12.53%	7.13%	4.08%	1.33%	
Post-Liquidation After-Tax	7.09%	6.70%	3.78%	1.51%	
<b>Aggressive Growth - Class C</b>					<b>Feb 03, 04</b>
Pre-Tax	17.09%	9.15%	4.67%	5.47%	
Pre-Liquidation After-Tax	17.09%	7.31%	3.78%	4.53%	
Post-Liquidation After-Tax	9.67%	7.04%	3.61%	4.41%	
<b>International - Class A</b>					<b>May 03, 07</b>
Pre-Tax	16.90%	5.99%	(0.08)%	0.86%	
Pre-Liquidation After-Tax	16.16%	5.64%	(0.50)%	0.45%	
Post-Liquidation After-Tax	9.89%	4.62%	(0.21)%	0.51%	
<b>International - Class C</b>					<b>May 03, 07</b>
Pre-Tax	21.68%	6.40%	(0.26)%	0.63%	
Pre-Liquidation After-Tax	21.10%	6.20%	(0.53)%	0.37%	
Post-Liquidation After-Tax	12.52%	4.98%	(0.30)%	0.39%	
<b>Large/Mid Cap Growth - Class A</b>					<b>Oct 05, 00</b>
Pre-Tax	10.53%	11.00%	6.55%	2.13%	
Pre-Liquidation After-Tax	9.88%	8.98%	5.36%	1.36%	
Post-Liquidation After-Tax	6.50%	8.21%	4.97%	1.49%	
<b>Large/Mid Cap Growth - Class C</b>					<b>Feb 03, 04</b>
Pre-Tax	15.05%	11.41%	6.37%	5.68%	
Pre-Liquidation After-Tax	14.23%	9.08%	5.02%	4.58%	
Post-Liquidation After-Tax	9.20%	8.49%	4.80%	4.38%	
<b>Small Cap Value - Class A</b>					<b>Mar 24, 94</b>
Pre-Tax	6.84%	14.20%	8.34%	7.81%	
Pre-Liquidation After-Tax	4.64%	11.45%	6.99%	6.58%	
Post-Liquidation After-Tax	5.58%	10.66%	6.42%	6.25%	
<b>Small Cap Value - Class C</b>					<b>Feb 02, 04</b>
Pre-Tax	11.19%	14.66%	8.14%	7.72%	
Pre-Liquidation After-Tax	8.14%	11.26%	6.49%	5.77%	
Post-Liquidation After-Tax	8.70%	10.91%	6.19%	5.77%	
<b>Large/Mid Cap Value - Class A</b>					<b>Jul 14, 99</b>
Pre-Tax	11.07%	11.56%	5.67%	7.32%	
Pre-Liquidation After-Tax	9.39%	9.69%	4.68%	6.44%	
Post-Liquidation After-Tax	7.65%	8.92%	4.34%	5.97%	
<b>Large/Mid Cap Value - Class C</b>					<b>Feb 03, 04</b>
Pre-Tax	15.69%	12.01%	5.48%	8.24%	
Pre-Liquidation After-Tax	13.59%	9.85%	4.39%	7.01%	
Post-Liquidation After-Tax	10.60%	9.27%	4.20%	6.63%	
<b>Fixed Income - Class A</b>					<b>Jul 14, 99</b>
Pre-Tax	(2.87)%	(0.23)%	2.10%	3.11%	
Pre-Liquidation After-Tax	(3.55)%	(1.08)%	1.14%	1.88%	
Post-Liquidation After-Tax	(1.63)%	(0.55)%	1.23%	1.92%	
<b>Fixed Income - Class C</b>					<b>Feb 03, 04</b>
Pre-Tax	(0.08)%	(0.07)%	1.92%	2.04%	
Pre-Liquidation After-Tax	(0.48)%	(0.63)%	1.22%	1.19%	
Post-Liquidation After-Tax	(0.05)%	(0.30)%	1.21%	1.25%	
<b>High Yield Bond - Class A</b>					<b>May 07, 07</b>
Pre-Tax	1.43%	2.86%	4.85%	4.45%	
Pre-Liquidation After-Tax	(0.11)%	0.96%	2.67%	2.28%	
Post-Liquidation After-Tax	0.80%	1.28%	2.77%	2.45%	

	Average Annual Returns (as of 12/31/2017)				Inception Date
	1-Year	5-Year	10-Year	Since Inception	
<b>High Yield Bond - Class C</b>					<b>May 07, 07</b>
Pre-Tax	4.43%	3.02%	4.63%	4.21%	
Pre-Liquidation After-Tax	3.20%	1.48%	2.79%	2.39%	
Post-Liquidation After-Tax	2.50%	1.58%	2.78%	2.45%	
<b>Defensive Strategies - Class A</b>					<b>Nov 04, 09</b>
Pre-Tax	(1.55)%	(1.11)%	N/A	2.85%	
Pre-Liquidation After-Tax	(1.58)%	(1.26)%	N/A	2.39%	
Post-Liquidation After-Tax	(0.85)%	(0.89)%	N/A	2.12%	
<b>Defensive Strategies - Class C</b>					<b>Nov 04, 09</b>
Pre-Tax	2.32%	(0.75)%	N/A	2.82%	
Pre-Liquidation After-Tax	2.32%	(0.79)%	N/A	2.43%	
Post-Liquidation After-Tax	1.32%	(0.58)%	N/A	2.14%	
<b>Israel Common Values - Class A</b>					<b>Oct 11, 11</b>
Pre-Tax	20.06%	7.88%	N/A	7.70%	
Pre-Liquidation After-Tax	19.68%	7.29%	N/A	7.22%	
Post-Liquidation After-Tax	11.66%	5.96%	N/A	5.91%	
<b>Israel Common Values - Class C</b>					<b>Oct 11, 11</b>
Pre-Tax	25.13%	8.27%	N/A	7.85%	
Pre-Liquidation After-Tax	24.88%	7.75%	N/A	7.42%	
Post-Liquidation After-Tax	14.42%	6.30%	N/A	6.05%	
<b>Emerging Markets - Class A</b>					<b>Dec 03, 12</b>
Pre-Tax	17.54%	0.33%	N/A	0.92%	
Pre-Liquidation After-Tax	17.35%	(0.30)%	N/A	0.29%	
Post-Liquidation After-Tax	10.07%	0.11%	N/A	0.56%	
<b>Emerging Markets - Class C</b>					<b>Dec 03, 12</b>
Pre-Tax	22.44%	0.71%	N/A	1.31%	
Pre-Liquidation After-Tax	22.38%	0.15%	N/A	0.75%	
Post-Liquidation After-Tax	12.75%	0.42%	N/A	0.88%	
<b>Growth &amp; Income - Class A</b>					<b>Oct 01, 13</b>
Pre-Tax	0.45%	N/A	N/A	2.05%	
Pre-Liquidation After-Tax	(0.14)%	N/A	N/A	1.89%	
Post-Liquidation After-Tax	0.73%	N/A	N/A	1.57%	
<b>Growth &amp; Income - Class C</b>					<b>Oct 01, 13</b>
Pre-Tax	4.51%	N/A	N/A	2.64%	
Pre-Liquidation After-Tax	3.89%	N/A	N/A	2.50%	
Post-Liquidation After-Tax	3.05%	N/A	N/A	2.03%	
<b>Strategic Growth - Class A</b>					<b>Oct 05, 00</b>
Pre-Tax	5.40%	4.52%	1.59%	1.67%	
Pre-Liquidation After-Tax	5.40%	4.38%	1.27%	1.28%	
Post-Liquidation After-Tax	3.06%	3.45%	1.12%	1.29%	
<b>Strategic Growth - Class C</b>					<b>Feb 03, 04</b>
Pre-Tax	9.68%	4.94%	1.38%	3.15%	
Pre-Liquidation After-Tax	9.68%	4.88%	1.15%	2.75%	
Post-Liquidation After-Tax	5.48%	3.82%	1.01%	2.55%	
<b>Conservative Growth - Class A</b>					<b>Oct 05, 00</b>
Pre-Tax	2.38%	2.94%	1.96%	2.80%	
Pre-Liquidation After-Tax	2.31%	2.34%	1.41%	2.23%	
Post-Liquidation After-Tax	1.41%	2.17%	1.39%	2.16%	
<b>Conservative Growth - Class C</b>					<b>Feb 03, 04</b>
Pre-Tax	6.50%	3.34%	1.79%	3.18%	
Pre-Liquidation After-Tax	6.41%	2.85%	1.36%	2.59%	
Post-Liquidation After-Tax	3.75%	2.55%	1.32%	2.52%	

## YIELD QUOTATION

A fund's "yield" is determined in accordance with the method defined by the Securities and Exchange Commission. A yield quotation is based on a 30 day (or one month) period and is computed by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period, according to the following formula:

$$\text{Yield} = 2[(a-b/cd+1)^6 - 1]$$

- W H E R E :**
- a = dividends and interest earned during the period
  - b = expenses accrued for the period (net of reimbursements)
  - c = the average daily number of shares outstanding during the period that were entitled to receive dividends
  - d = the maximum offering price per share on the last day of the period

Solely for the purpose of computing yield, dividend income is recognized by accruing 1/360 of the stated dividend rate of the security each day that a fund owns the security. Generally, interest earned (for the purpose of "a" above) on debt obligations is computed by reference to the yield to maturity of each obligation held based on the market value of the obligation (including actual accrued interest) at the close of business on the last business day prior to the start of the 30-day (or one month) period for which yield is being calculated, or, with respect to obligations purchased during the month, the purchase price (plus actual accrued interest). With respect to the treatment of discount and premium on mortgage or other receivable-backed obligations which are expected to be subject to monthly paydowns of principal and interest, gain or loss attributable to actual monthly paydowns is accounted for as an increase or decrease to interest income during the period and discount or premium on the remaining security is not amortized.

## Section 10 | Financial Statements

The Trust's financial statements, including the notes thereto, dated September 30, 2017, which have been audited by Cohen & Company, Ltd., Independent Registered Public Accounting Firm, are incorporated by reference from the Timothy Plan's 2017 Annual Report to Shareholders.

## Appendix A | Proxy Voting Policy

### Preface

Timothy Partners, Ltd. ("Advisor") is registered with the Securities and Exchange Commission as an investment Advisor under the Investment Advisors Act of 1940, as amended ("Advisors Act"). Pursuant to an advisory agreement between Advisor and The Timothy Plan (the "Trust"), Advisor manages the assets of the Timothy Plan Funds (the "Funds"). As the investment Advisor to the Funds, Advisor is responsible for voting all proxies related to securities held in the Funds' investment portfolios. Because the Funds' Sub-Advisors, under the close scrutiny of the Advisor, perform economic and management analyses of the companies in which the Funds are invested, Advisor looks to the Funds' Sub-Advisors to vote proxies, and each Sub-Advisors' proxy policies and procedures are incorporated herein by specific reference.

Advisor, consistent with its fiduciary duties and pursuant to Rule 206(4)-6 under the Advisors Act, has designed this proxy voting policy (the "Policy") to reflect its commitment to vote all proxies, when called upon to vote by a Sub-Advisor who perceives a potential conflict or for any other reason, in a manner consistent with the best interests of the Funds' shareholders. Sub-Advisors, and Advisor, consistent with their duty of care, will monitor corporate actions for those issuers whose securities are called upon to vote. Consistent with its duty of loyalty, Advisor will, in all cases, vote, or cause Sub-Advisors to vote, to promote the Funds' shareholders' best interests. In determining how to vote proxies, Advisor and Sub-Advisors shall initially review each Proxy subject to perform an analysis of the impact each issue may have pursuant to the moral considerations set forth in the Prospectus, and shall vote in a manner not inconsistent with those moral considerations. Further, Advisor and Sub-Advisors will not subordinate the economic interest of the Funds' shareholders to their own interests or to that of any other entity or interested party.

### Key Proxy Voting Issues

All votes shall initially be reviewed subject to an analysis of the impact each issue may have pursuant to the moral considerations set forth in the Prospectus. Subsequent to the moral analysis, all votes shall be on a company-by-company basis, and each issue shall be considered in the context of the company under review, and the various economic impacts such issues may have on the Funds' stated investment objectives. Advisor will give great weight to the views of management if and only if the issues involved will not have a negative impact on the Funds' shareholder values. In all other cases, Advisor will engage in an independent analysis of the impact that the proposed action will have on shareholder values.



## 1. Board of Trustees

Electing directors is one of the most important rights of stock ownership that company shareholders can exercise. Advisor believes that company directors should act in the long-term best interests of the company's shareholders and the company as a whole. Generally, subsequent to the moral considerations addressed above, when called upon by a Sub-Advisor to vote, Advisor will vote in favor of director nominees that have expressed and/or demonstrated a commitment to the interest of the company's shareholders. Advisor will consider the following factors in deciding how to vote proxies relating to director elections:

- i. In re-electing incumbent directors, the long-term performance of the company relative to its peers – Advisor will not vote to re-elect a board if the company has had consistent poor performance relative to its peers in the industry, unless the board has taken or is attempting to take steps to improve the company's performance.
- ii. Whether the slate of director nominees promotes a majority of independent directors on the full board – Advisor believes that it is in the best interest of all company shareholders to have, as a majority, directors that are independent of management.
- iii. A director nominee's attendance at less than 75% of required meetings – Frequent non-attendance at board meetings will be grounds for voting against re-election.
- iv. Existence of any prior SEC violations and/or other criminal offenses – Advisor will not vote in favor of a director nominee who, to Advisor's actual knowledge, is the subject of SEC or other criminal enforcement actions.

Advisor believes that it is in the shareholders' best interests to have bright and experienced directors serving on a company's board. To this end, Advisor believes that companies should be allowed to establish director compensation packages that attract and retain desirable directors. Advisor will consider whether proposals relating to director compensation are reasonable in relation to the company's performance and resources. Advisor will vote in favor of proposals that seek to impose reasonable limits on director compensation.

In all other issues that may arise relating to the Board of Directors, Advisor will vote against all proposals that benefit directors at the expense of shareholders, and in favor of all proposals that do not unreasonably abrogate the rights of shareholders. As previously stated, each issue will be analyzed on an issue-by-issue basis.

## 2. Corporate Governance

Corporate governance issues may include, but are not limited to, the following: (i) corporate defenses, (ii) corporate restructuring proposals, (iii) proposals affecting the capital structure of a company, (iv) proposals regarding executive compensation, or (v) proposals regarding the independent auditors of the company. When called upon by a Sub-Advisor to vote:

- i. **Corporate Defenses** | Although Advisor will review each proposal on a case-by-case basis, Advisor will generally vote against management proposals that (a) seek to insulate management from all threats of change in control, (b) provide the board with veto power against all takeover bids, (c) allow management or the board of the company to buy shares from particular shareholders at a premium at the expense of the majority of shareholders, or (d) allow management to increase or decrease the size of the board at its own discretion. Advisor will only vote in favor of those proposals that do not unreasonably discriminate against a majority of shareholders, or greatly alter the balance of power between shareholders, on one side, and management and the board, on the other.
- ii. **Corporate Restructuring** | These may include mergers and acquisitions, spin-offs, asset sales, leveraged buy-outs and/or liquidations. In determining the vote on these types of proposals, Advisor will consider the following factors: (a) whether the proposed action represents the best means of enhancing shareholder values, (b) whether the company's long-term prospects will be positively affected by the proposal, (c) how the proposed action will impact corporate governance and/or shareholder rights, (d) how the proposed deal was negotiated, (e) whether all shareholders receive equal/fair treatment under the terms of the proposed action, and/or (f) whether shareholders could realize greater value through alternative means.
- iii. **Capital Structure** | Proposals affecting the capital structure of a company may have significant impact on shareholder value, particularly when they involve the issuance of additional stock. As such, Advisor will vote in favor of proposals to increase the authorized or outstanding stock of the company only when management provides persuasive business justification for the increase, such as to fund acquisitions, recapitalization or debt restructuring. Advisor will vote against proposals that unreasonably dilute shareholder value or create classes of stock with unequal voting rights if, over time, such action may lead to a concentration of voting power in the hands of few insiders.

- iv. **Executive Compensation** | Advisor believes executives should be compensated at a reasonable rate and that companies should be free to offer attractive compensation packages that encourage high performance in executives because, over time, it will increase shareholder values. Advisor also believes however, that executive compensation should, to some extent, be tied to the performance of the company. Therefore, Advisor will vote in favor of proposals that provide challenging performance objectives to company executives, and which serve to motivate executives to better performance. Advisor will vote against all proposals that offer unreasonable benefits to executives whose past performance has been less than satisfactory.

Advisor will vote against shareholder proposals that summarily restrict executive compensation without regard to the company's performance, and in favor of shareholder proposals that seek additional disclosures on executive compensation.

- v. **Independent Registered Public Accountants** | The engagement, retention and termination of a Company's independent auditors must be approved by the Company's audit committee, which typically includes only those independent directors who are not affiliated with or compensated by the Company, except for directors' fees. In reliance on the audit committee's recommendation, Advisor generally will vote to ratify the employment or retention of a Company's independent auditors unless Advisor is aware that the auditor is not independent or that the auditor has, in the past, rendered an opinion that was neither accurate nor indicative of the Company's financial position.

### 3. Shareholder Rights

State law provides shareholders of a company with various rights, including, but not limited to, cumulative voting, appraisal rights, the ability to call special meetings, the ability to vote by written consent and the ability to amend the charter or bylaws of the company. When called upon by a Sub-Advisor to vote, Advisor will carefully analyze all proposals relating to shareholder rights and will vote against proposals that seek to eliminate existing shareholder rights or restrict the ability of shareholders to act in a reasonable manner to protect their interest in the company. In all cases, Advisor will vote in favor of proposals that best represent the long-term financial interest of Fund shareholders.

### 4. Social and Environmental Issues

When called upon by a Sub-Advisor to vote, in determining how to vote proxies in this category, Advisor will consider the following factors:

- Whether the proposal creates a stated position that could affect the company's reputation and/or operations, or leave it vulnerable to boycotts and other negative consumer responses;
- The percentage of assets of the company that will be devoted to implementing the proposal;
- Whether the issue is more properly dealt with through other means, such as through governmental action;
- Whether the company has already dealt with the issue in some other appropriate way; and
- What other companies have done in response to the issue.

While Advisor generally supports shareholder proposals that seek to create good corporate citizenship, Advisor will vote against proposals that would tie up a large percentage of the assets of the company. Advisor believes that such proposals are inconsistent with its duty to seek long-term value for Fund shareholders. Advisor will also evaluate all proposals seeking to bring to an end certain corporate actions to determine whether the proposals adversely affect the ability of the company to remain profitable. Advisor will vote in favor of proposals that enhance or do not negatively impact long-term shareholder values.

## Proxy Voting Procedures

### 1. The Proxy Voting Officer

Advisor hereby appoints Mr. Terry Covert as the person responsible for voting all proxies relating to securities held in the Funds' accounts (the "Proxy Voting Officer") when called upon by a Sub-Advisor to vote. The Proxy Voting Officer shall take all reasonable efforts to monitor corporate actions, obtain all information sufficient to allow an informed vote on the matter, and ensure that all proxy votes are cast in a timely fashion and in a manner consistent with this Policy.

If, in the Proxy Voting Officer's reasonable belief, it is in the best interest of the Fund shareholders to cast a particular vote in a manner that is contrary to this policy, the Advisor shall submit a request for a waiver to the Board of Trustees of the Trust (the "Board"), stating the facts and reasons for the Proxy Voting Officer's belief. The Proxy Voting Officer shall proceed to vote the proxy in accordance with the decision of the Board.

In addition, if, in the Proxy Voting Officer's reasonable belief, it is in the best interest of the Fund shareholders to abstain from voting on a particular proxy solicitation, the Proxy Voting Officer shall make a record summarizing the reasons for the Proxy Voting Officer's belief and shall present this summary to the Board along with other reports required in Section 3 below.

## **2. Conflict of Interest Transactions**

The Proxy Voting Officer shall submit to the Trust's Board of Trustees all proxies solicitations that, in the Proxy Voting Officer's reasonable belief, present a conflict between the interests of the Fund shareholders on one hand, and those of an Advisor or any of its affiliated persons/entities (each, an "Advisory Entity"). Conflict of interest transactions include, but are not limited to, situations where:

1. an Advisory Entity has a business or personal relationship with the participant of a proxy contest such as members of the issuer's management or the soliciting shareholder(s);
2. an Advisory Entity provides advisory, brokerage, underwriting, insurance or banking or other services to the issuer whose management is soliciting proxies;
3. an Advisory Entity has a personal or business relationship with a candidate for directorship; or
4. an Advisory Entity manages a pension plan or administers an employee benefit plan, or intends to pursue an opportunity to do so.

In all such cases, the materials submitted to the Board shall include the name of the affiliated party whose interests in the transaction are believed to be contrary to the interests of the Funds, a brief description of the conflict, and any other information in the Proxy Voting Officer's possession that would enable the Board to make an informed decision on the matter. The Proxy Voting Officer shall vote the proxy in accordance with the direction of the Board.

## **3. Report to the Board of Trustees**

The Proxy Voting Officer shall, from reports received from Sub-Advisors and votes cast when called upon by a Sub-Advisor to vote, compile and present to the Board of Trustees an annual report of all proxy solicitations received by the Funds, including for each proxy solicitation, (i) the name of the issuer; (ii) the exchange ticker symbol for the security; (iii) the CUSIP number; (iv) the shareholder meeting date; (v) a brief identification of the matter voted on; (vi) whether the matter was proposed by the management or by a security holder; (vii) whether the Proxy Voting Officer cast its vote on the matter and if not, an explanation of why no vote was cast; (viii) how the vote was cast (i.e., for or against the proposal); (ix) whether the vote was cast for or against management; and (x) whether the vote was consistent with this Policy, and if inconsistent, an explanation of why the vote was cast in such manner. The report shall also include a summary of all transactions which, in the Proxy Voting Officer's reasonable opinion, presented a potential conflict of interest, and a brief explanation of how each conflict was resolved.

## **4. Responding to Fund Shareholders' Request for Proxy Voting Disclosure**

Consistent with this Policy, Sub-Advisors shall submit to Timothy Partners, Ltd. a complete proxy voting record to be filed with the Securities and Exchange Commission on an annual basis for each period ending June 30<sup>th</sup> on SEC Form N-PX. In addition, the Proxy Voting Officer shall make the Fund's proxy voting record available to any Fund shareholder who may wish to review such record through The Timothy Plan website. The Timothy Plan website shall notify shareholders of the Fund that the Fund's proxy voting record and a copy of this Policy is available, without charge, to the shareholders by calling the Trust's toll-free number as listed in its current prospectus. Timothy Partners shall respond to all shareholder requests for records within three business days of such request by first-class mail or other means designed to ensure prompt delivery.

## **Record Keeping**

In connection with this Policy, the Proxy Voting Officer, when called upon by a Sub-Advisor to vote, shall maintain a record of the following:

1. copies of all proxy solicitations received by the Fund, including a brief summary of the name of the issuer of the portfolio security, the exchange ticker symbol for the security, the CUSIP number, and the shareholder meeting date;
2. a reconciliation of the proxy solicitations received and number of shares held by the Fund in the company;
3. the analysis undertaken to ensure that the vote cast is consistent with this Policy;
4. copies, if any, of all waiver requests submitted to the Board and the Board's final determination relating thereto;
5. copies, if any, of all documents submitted to the Board relating to conflict of interest transactions and the Board's final determination relating thereto;
6. copies of any other documents created or used by the Proxy Voting Officer in determining how to vote the proxy;

7. copies of all votes cast;
8. copies of all quarterly summaries presented to the Board; and
9. copies of all shareholder requests for the Fund's proxy voting record and responses thereto.

All records required to be maintained under this Policy shall be maintained in the manner and for such period as is consistent with other records required to be maintained by Advisor pursuant to Rule 204-2 of the Advisors Act. Copies shall be provided to Timothy Partners, Ltd. promptly upon request.

### **Summary**

Timothy Partners, Ltd. (the “Advisor”) is registered with the Securities and Exchange Commission as an Investment Advisor under the Investment Advisors Act of 1940, as amended (the “Advisors Act”). Pursuant to an advisory agreement between Advisor and The Timothy Plan (the “Trust”), the Advisor manages the assets of The Timothy Plan Family of Funds (the “Funds”). As the Investment Advisor to the Funds, Advisor is responsible for voting all proxies related to securities held in their investment portfolios. With the approval of the Board of Trustees of the Trust (the “Board”), the Advisor has delegated day-to-day money management responsibilities for certain of the Funds to Sub-Advisors. Because a Fund’s Sub-Advisor, under the close scrutiny of the Advisor, monitors and reviews the companies in which the Fund invests, the Advisor has delegated its authority to vote proxies to the Fund’s Sub-Advisor. Each Sub-Advisor’s proxy voting policies and procedures have been reviewed by the Advisor and the Board.

Advisor, consistent with its fiduciary duties and pursuant to Rule 206(4)-6 under the Advisors Act, will vote, or cause the Funds’ Sub-Advisors to vote, proxies in a manner that promotes the shareholders’ best interests. In determining how to vote proxies, Advisor and the Sub-Advisors shall review each proxy proposal, analyze the impact each proposal may have on the moral considerations set forth in the Funds’ Prospectus, and shall vote in a manner not inconsistent with those moral considerations. Advisor and the Sub-Advisors will not subordinate the economic interests of the Funds’ shareholders to their own interests or to that of any other entity or interested party. In the event that a conflict of interest arises between Advisor or a Sub-Advisor and a Fund, a complete description of the conflict will be presented to the Board, and the proxy will be voted as directed by the Board.

A copy of Advisor’s Proxy Voting Policies and Procedures may be obtained by calling The Timothy Plan at 1-800-846-7526 or may be viewed on line at [www.timothyplan.com](http://www.timothyplan.com). A copy also may be obtained from Fund documents filed with the SEC at its website [www.sec.gov](http://www.sec.gov). A record of the actual proxy votes cast by each Fund also is available upon request made to The Timothy Plan either by phone or by contacting Timothy Plan on its website.



## TIMOTHY PLAN

*Investing with Biblical Principles*

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