

# **M FUND, INC.**

## **PROSPECTUS**

**May 1, 2020**

**M International Equity Fund (MBEQX)**

**M Large Cap Growth Fund (MTCGX)**

**M Capital Appreciation Fund (MFCPX)**

**M Large Cap Value Fund (MBOVX)**

M Fund, Inc. (the “Corporation”) is a mutual fund group that currently offers shares in the four Funds listed above (each a “Fund” and collectively, the “Funds”). The Funds are available through the purchase of variable life insurance policies and variable annuity policies issued by certain insurance companies. This prospectus should be read along with the prospectus for the applicable insurance or annuity policies. As with all mutual funds, the Securities and Exchange Commission (the “SEC”) has not approved or disapproved any of the shares of the Corporation as an investment or determined whether this prospectus is accurate or complete. Anyone who tells you otherwise is committing a crime.

Beginning in February 2021, as permitted by regulations adopted by the SEC, the insurance company that offers your variable annuity or variable life insurance contract has the option to no longer send you paper copies of the portfolios’ shareholder reports by mail, unless you specifically request paper copies of the reports from the insurance company or your financial intermediary. Instead, the insurance company may choose to make the reports available on a website, and the insurance company will notify you by mail each time a report is posted and provide you with a website link to access the report. Instructions for requesting paper copies will be provided by your insurance company.

If you already elected to receive shareholder reports electronically (“e-delivery”), you will not be affected by this change and you need not take any action. If your insurance company offers electronic delivery, you may elect to receive shareholder reports and other communications from the insurance company electronically by following the instructions provided by the insurance company.

You may elect to receive all future reports in paper free of charge from the insurance company. You can inform the insurance company or your financial intermediary that you wish to continue receiving paper copies of your shareholder reports by following the instructions provided by the insurance company or by contacting your financial intermediary. That election will apply to all portfolios available under your contract with the insurance company.

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## FUND SUMMARIES

### M INTERNATIONAL EQUITY FUND

#### Investment Objective

The Fund seeks long-term capital appreciation.

#### Fund Fees and Expenses

The fees and expenses reflected in the table below do not include the fees and charges associated with variable annuities or variable life insurance plans. Fees and charges for life insurance and annuity products typically include a sales load and/or a surrender charge and other charges for insurance benefits. If those fees and charges were included, the costs shown below would be higher.

The following table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

#### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investments)

Management Fees	0.38%
Distribution (12b-1) Fee	None
Other Expenses	0.21%
Acquired Fund Fees and Expenses	0.09%
Total Annual Fund Operating Expenses	0.68%
Expense Reimbursement <sup>1</sup>	(0.05)%
<b>Total Annual Fund Operating Expenses After Expense Reimbursement</b>	<b>0.63%</b>

<sup>1</sup> For the period from May 1, 2020 to April 30, 2021, M Financial Investment Advisers, Inc. (the “Adviser”) has contractually agreed to reimburse the Fund for certain operating expenses (other than advisory fees, brokerage or other portfolio transaction expenses or expenses for litigation, indemnification, taxes or other extraordinary expenses) to the extent that such expenses exceed 0.25% of the Fund’s annualized average daily net assets. The Adviser may elect to recapture any amounts waived or reimbursed earlier in the fiscal year, subject to certain conditions, including that repayment does not cause operating expenses to exceed 0.25%.

#### Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem or hold all of your shares at the end of those periods. The example also assumes that your investment has a hypothetical 5% return each year and that the Fund’s operating expenses remain the same and the expense limitation remains in place only for the time period indicated above. These expense examples do not reflect the fees and charges imposed by the applicable insurance company. If those fees and charges were included, the costs shown

below would be higher. Although your actual costs (and returns) may be higher or lower, based on these assumptions your costs would be:

<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
\$64	\$213	\$374	\$842

### **Portfolio Turnover**

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or “turns over” its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund’s performance. During the most recent fiscal year, the Fund’s portfolio turnover rate was 13% of the average value of its portfolio. The portfolio turnover rate for the M International Equity Fund for the fiscal year ended December 31, 2018 was significantly higher than the portfolio turnover rate for the fiscal year ended December 31, 2019 as a result of a change in the Fund’s sub-adviser in 2018 and corresponding higher than usual trading activity.

### **Principal Investment Strategies**

The Fund seeks to achieve its investment objective through exposure to a broad and diverse group of securities of non-U.S. companies in countries with developed and emerging markets with a greater emphasis on small capitalization, value, and/or high profitability companies as compared to their representation in the Non-U.S. Universe. For purposes of the Fund, Dimensional Fund Advisors LP (“Dimensional”) defines the Non-U.S. Universe as a market capitalization weighted portfolio of non-U.S. companies in developed and emerging markets that have been authorized for investment as approved markets by Dimensional’s Investment Committee. The Fund may pursue its investment objective by investing its assets directly and/or indirectly in the Emerging Markets Core Equity Portfolio of DFA Investment Dimensions Group Inc. (the “Underlying Fund”). The Underlying Fund purchases a broad and diverse group of securities associated with emerging markets, which may include frontier markets (emerging market countries in an earlier stage of development), with a greater emphasis on small capitalization, value, and/or high profitability companies. As of the date of this prospectus, it is anticipated that a significant portion of the Fund’s assets will be invested indirectly through the Underlying Fund.

The Fund’s increased exposure to small capitalization, value, and/or high profitability companies may be achieved by decreasing the allocation of the Fund’s assets to the largest growth and/or low profitability companies relative to their weight in the Non-U.S. Universe, which would result in a greater weight allocation to small capitalization, value, and/or high profitability companies. Dimensional considers an equity issuer to be a growth company primarily because it has a high price in relation to its book value. Securities are considered value stocks primarily because a company’s shares have a low price in relation to their book value. In assessing growth and value, Dimensional may consider additional factors such as price to cash flow or price to earnings ratios. In assessing profitability, Dimensional may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. The criteria Dimensional uses for assessing growth, value, or profitability are subject to change from time to time. Dimensional determines company size on a country or region-specific basis and based primarily on market capitalization. Dimensional may adjust the representation in the Fund of an eligible company, or exclude a company, after considering such factors as free float, momentum, trading strategies, liquidity, size, value, profitability, investment characteristics, and other factors that Dimensional determines to be appropriate. In assessing a company’s investment characteristics, Dimensional may consider ratios such as recent changes in assets or book value scaled by assets or book value. The criteria Dimensional uses for assessing a company’s investment characteristics are subject to change from time to time.

The Fund will normally invest at least 80% of its total assets in equity securities of issuers located in at least three countries other than the United States. These countries may include, but are not limited to, the nations of Western Europe, North and South America, Australia, Africa and Asia. This strategy is not fundamental (it may be changed without shareholder approval), but should the Fund decide to change this strategy, it will provide shareholders with at least 60 days' notice. The Fund may invest up to 40% of its total assets in emerging markets.

The Fund may gain exposure to companies associated with approved markets by purchasing equity securities in the form of depositary receipts, which may be listed or traded outside the issuer's domicile country. The Fund may purchase or sell futures contracts and options on futures contracts for foreign or U.S. equity securities and indices, to adjust market exposure based on actual or expected cash inflows to or outflows from the Fund. The Fund does not intend to sell futures contracts to establish short positions in individual securities or to use derivatives for purposes of speculation or leveraging investment returns.

## **Principal Investment Risks**

As with any mutual fund, there is no guarantee that the Fund will achieve its goal. The Fund's share price will fluctuate, which means you could lose money on your investment in the Fund. The Fund's investment performance could be worse than other investments due to the following risks:

**Fund of Funds Risk.** The investment performance of the Fund is affected by the investment performance of the Underlying Fund in which the Fund invests. The ability of the Fund to achieve its investment objective depends on the ability of the Underlying Fund to meet its investment objective and on Dimensional's decisions regarding the allocation of the Fund's assets to the Underlying Fund. The Fund may allocate assets to the Underlying Fund or asset class that underperforms other funds or asset classes. There can be no assurance that the investment objective of the Fund or the Underlying Fund will be achieved. When the Fund invests in the Underlying Fund, investors are exposed to a proportionate share of the expenses of the Underlying Fund in addition to the expenses of the Fund. Through its investments in the Underlying Fund, the Fund is subject to the risks of the Underlying Fund's investments. The principal risks of the Fund's and the Underlying Fund's investments are described below.

**Market Risk.** Investments in common stocks are subject to stock market risk. Stock prices in general may decline over short or even extended periods, regardless of the success or failure of a particular company's operations. Stock markets tend to run in cycles, with periods when stock prices generally go up and periods when they generally go down. Common stock prices tend to go up and down more than those of bonds.

**Value Investment Risk.** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Fund to at times underperform equity funds that use other investment strategies.

**Profitability Investment Risk.** High relative profitability stocks may perform differently from the market as a whole and following a profitability-oriented strategy may cause the Fund to at times underperform equity funds that use other investment strategies.

**Small and Medium Capitalization Companies' Risk.** The Fund may invest in small and medium capitalization companies, which tend to be more vulnerable to adverse developments than larger companies. These companies may have limited product lines, markets, or financial resources, or may depend on a limited management group. They may be recently organized, without proven records of success. Their securities may trade infrequently and in limited volumes. As a result, the prices of these securities may fluctuate more than prices of securities of larger, more widely traded companies and the Fund may experience difficulty in establishing or closing out positions in these securities at prevailing market prices. Also, there may be less publicly available information about small and medium capitalization companies or less market interest in their securities as compared to larger companies, and it may take longer for the prices of the securities to reflect the full value of their issuers' earnings potential or assets.

**Foreign Securities and Currencies Risk.** Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities may also be exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar). The Fund does not hedge foreign security risk or foreign currency risk.

**Economic and Market Events Risk.** Certain economic and market events in the U.S. and many foreign economies over the past years, including the European sovereign debt and banking crises, the decision of the United Kingdom to leave the European Union, the institution of tariffs or other trade barriers and rising U.S. interest rates, has resulted, and may continue to result, in an unusually high degree of volatility in the financial markets, both domestic and foreign, and in the net asset values of many mutual funds, including to some extent the Fund. Financial markets have been affected by governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; S&P Global Ratings', a business unit of Standard & Poor's Financial Services LLC ("S&P") downgrade of U.S. long-term sovereign debt; unpredictability of U.S. legislation on healthcare, tax reform and infrastructure; economic stimulus by the Japanese central bank; volatility in oil prices; social, political, and economic instability in Europe; persistently low or negative interest rates; securities overvaluation; dramatic changes in currency exchange rates; and China's economic slowdown. In addition, increased investment in passive investment vehicles may affect the value of the Fund's holdings. Conditions in the U.S. and many foreign economies have resulted, and may continue to result, in fixed income instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for borrowers to obtain financing on attractive terms, if at all. In some cases, traditional market participants have been less willing to make a market in some types of debt instruments, which has affected the liquidity of those instruments. As a result, the values of many types of debt securities, including, but not limited to, mortgage-backed, asset-backed, and corporate debt securities, have declined. During times of market turmoil, investors may look to the safety of securities issued or backed by the U.S. Treasury, causing the prices of these securities to rise and their yields to decline. The reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations.

**Emerging Markets Risk.** Numerous emerging market countries have a history of, and continue to experience serious, and potentially continuing, economic and political problems. Stock markets in many emerging market countries are relatively small, expensive to trade in and generally have higher risks than those in developed markets. Securities in emerging markets also may be less liquid than those in developed markets and foreigners are often limited in their ability to invest in, and withdraw assets from, these markets. Additional restrictions may be imposed under other conditions. Frontier market countries (emerging market countries in an earlier stage of development) generally have smaller economies or less developed capital markets and, as a result, the risks of investing in emerging market countries are magnified in frontier market countries.

**Liquidity Risk.** Liquidity risk exists when investments are difficult to sell as the result of low trading volume, lack of market makers, and/or legal restrictions. Illiquid securities may prevent the Fund from entering into security transactions at advantageous times or prices, potentially reducing the return of the Fund's portfolio. Investments in smaller market capitalizations and over-the-counter markets have greater exposure to liquidity risk.

**Management Risk.** The Fund is subject to management risk because it is actively managed. Management risk is the chance that security selection or focus on securities in a particular style, market sector or group of companies will cause the Fund to incur losses or underperform relative to its benchmarks or other investments with similar investment objectives. The sub-adviser will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that these will produce the desired results.

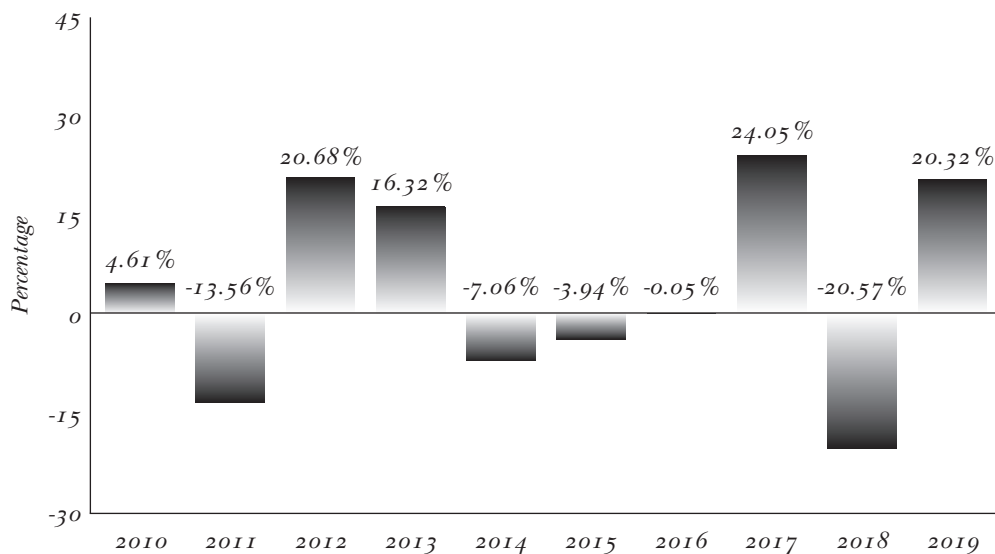
**Derivatives Risk.** Derivatives are instruments, such as futures, and options thereon, and foreign currency forward contracts, whose value is derived from that of other assets, rates or indices. The use of derivatives for non-hedging purposes may be considered to carry more risk than other types of investments. When the Fund uses derivatives, the Fund will be directly exposed to the risks of those derivatives. Derivative instruments are subject to a number of risks including counterparty and credit risk (the risk that the derivative counterparty will not fulfill its contractual obligations, whether because of bankruptcy or other default), settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty), interest rate risk (the risk that certain derivatives are more sensitive to interest rate changes and market price fluctuations than other securities), liquidity risk, market risk, and management risk, as well as the risk of improper valuation. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index, and the Fund could lose more than the principal amount invested.

**Cyber Security Risk.** The Fund's and its service providers' use of internet, technology and information systems may expose the Fund to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or fund assets, or cause the Fund and/or its service providers to suffer data corruption or lose operational functionality.

## **Performance**

The following information may give some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year for each of the last ten calendar years and by showing how the Fund's average annual total returns compare with those of a broad measure of market performance (*i.e.* MSCI All Country World ex U.S. Index). The performance prior to June 17, 2011 and December 12, 2018 reflects the performance results obtained under two different successive sub-advisers that used different investment strategies. Had the current sub-adviser and investment strategies been in place during the periods shown, the performance results may have been different. The performance information shown here does not reflect fees that are paid by the insurance company separate accounts that invest in the Fund. Inclusion of those fees would reduce the total return figures for all periods. The Fund's past performance does not necessarily indicate how the Fund will perform in the future.

### Calendar Year Total Returns



*Highest quarterly return:* 14.11% (for the quarter ended 03/31/2012)

*Lowest quarterly return:* (22.89)% (for the quarter ended 09/30/2011)

The table below shows the Fund's average annual total returns for the periods indicated and how those returns compare to those of the MSCI All Country World ex U.S. Index. You cannot invest directly in an index. The Index is calculated on a total return basis and reflects no deduction for fees, expenses or taxes.

#### Average Annual Total Returns (for the periods ended December 31, 2019)

	<u>One Year</u>	<u>Five Years</u>	<u>Ten Years</u>
M International Equity Fund.....	20.32%	2.62%	2.99%
MSCI All Country World ex U.S. Index .....	21.51%	5.51%	4.97%

(reflects no deduction for fees, expenses or taxes)



## Fund Management

M Financial Investment Advisers, Inc. is the investment adviser for the Fund and Dimensional is the sub-adviser for the Fund.

The Fund is managed by a team of investment professionals from Dimensional. The following persons are responsible for coordinating the day-to-day management of the Fund's portfolio:

<b>Portfolio Manager</b>	<b>Since</b>	<b>Title</b>
Jed S. Fogdall	December 2018	Head of Global Portfolio Management, Chair of Investment Committee, Vice President and Senior Portfolio Manager of Dimensional
Mary T. Phillips, CFA	December 2018	Deputy Head of Portfolio Management, North America, Member of the Investment Committee, Vice President and Senior Portfolio Manager of Dimensional
Bhanu P. Singh	December 2018	Vice President and Senior Portfolio Manager of Dimensional
William B. Collins-Dean, CFA	December 2018	Vice President and Senior Portfolio Manager of Dimensional

## Other Important Information

For important information about Purchase and Redemption of Fund Shares, Tax Information and Payments to Insurance Companies and their Affiliates, please turn to page 26 of this prospectus.

## M LARGE CAP GROWTH FUND

### Investment Objective

The Fund seeks long-term capital appreciation.

### Fund Fees and Expenses

The fees and expenses reflected in the table below do not include the fees and charges associated with variable annuities or variable life insurance plans. Fees and charges for life insurance and annuity products typically include a sales load and/or a surrender charge and other charges for insurance benefits. If those fees and charges were included, the costs shown below would be higher.

The following table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investments)

Management Fees	0.59%
Distribution (12b-1) Fee	None
Other Expenses	0.18%
<b>Total Annual Fund Operating Expenses</b>	<b>0.77%</b>

### Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem or hold all of your shares at the end of those periods. The example also assumes that your investment has a hypothetical 5% return each year and that the Fund's operating expenses remain the same. These expense examples do not reflect the fees and charges imposed by the applicable insurance company. If those fees and charges were included, the costs shown below would be higher. Although your actual costs (and returns) may be higher or lower, based on these assumptions your costs would be:

<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
\$79	\$246	\$428	\$954

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 22% of the average value of its portfolio.

### Principal Investment Strategies

The Fund will normally invest at least 80% of its total assets in domestic equity securities of U.S. large capitalization securities. Domestic equity securities, as determined by DSM Capital Partners LLC ("DSM"), the Fund's sub-adviser, in its discretion, include, but are not limited to common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. Shares of foreign domiciled issuers that primarily trade on a U.S. exchange are generally considered by DSM to be domestic equity securities. Also, as determined by DSM,

issuers that issue domestic equity securities may be domiciled and/or headquartered anywhere in the world. The Fund may generally invest up to 20% of its assets in equity securities of foreign issuers, including American Depositary Receipts and similar securities. DSM defines “large cap” as capitalizations of \$10 billion or more. The Fund will generally contain 25 to 35 equity securities.

This strategy to invest at least 80% of its total assets in domestic equity securities of U.S. large capitalization securities is not fundamental (it may be changed without shareholder approval), but should the Fund decide to change this strategy, it will provide shareholders with at least 60 days’ notice.

DSM uses a “bottom-up,” idea-driven approach and focuses on a long-term (*e.g.*, three-year minimum) investment horizon.

DSM seeks to invest in growing businesses with solid fundamentals, attractive profitability and successful management. Candidate companies will typically have projected revenue and earnings growth in excess of 10% and will often have higher returns on equity and assets than average S&P 500 companies. Generally, these businesses will be generating free cash flow and will have financial returns that are stable or rising, driven by improving business fundamentals, all as determined by DSM.

In its stock valuation work, DSM focuses primarily on P/E ratios. P/E is the ratio of a company’s share price to its per-share earnings. DSM will generally only buy a stock that it believes has a forward four-quarter P/E ratio that will rise over the next three years. To accomplish this, a target P/E ratio that DSM believes is reasonable and rational and is reflective of a fair valued stock three years from now is selected. DSM will typically buy when the company’s stock clears two hurdles: 1. it must have attractive fundamental business characteristics that translate into a reasonably predictable and growing stream of earnings and 2. it must have a P/E on forward four quarters earnings that is normally 8% to 10% below the target P/E three years from the calculation point. In order to determine a target P/E, DSM takes into consideration a number of qualitative and quantitative factors. Among the qualitative factors are barriers to entry, number of competitors, economic cyclicalities, customer loyalty, price competition, global reach, government involvement and management quality. Among the quantitative factors are historic revenue and EPS growth, projected revenue and EPS growth, margins, return on assets, return on equity, capital expenditures relative to net income and the historic range of P/E over the last five years. Once a target P/E has been agreed upon, it may occasionally be adjusted.

## **Principal Investment Risks**

As with any mutual fund, there is no guarantee that the Fund will achieve its goals. The Fund’s share price will fluctuate, which means you could lose money on your investment in the Fund. The Fund’s investment performance could be worse than other investments. The principal investment risks of the Fund include:

**Large-Capitalization Investing Risk.** Large-capitalization stocks as a group could fall out of favor with the market, causing the Fund to underperform investments that focus on small- or medium-capitalization stocks. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

**Market Risk.** Investments in common stocks are subject to stock market risk. Stock prices in general may decline over short or even extended periods, regardless of the success or failure of a particular company’s operations. Stock markets tend to run in cycles, with periods when stock prices generally go up and periods when they generally go down. Common stock prices tend to go up and down more than those of bonds.

**Growth Securities Risk.** The Fund invests in growth securities, which may be more volatile than other types of investments, may perform differently than the market as a whole and may underperform when compared to securities with different investment parameters. Under certain market conditions, growth securities have performed

better during the later stages of economic recovery. Therefore, growth securities may go in and out of favor over time.

**Preferred Stock Risk.** Preferred stocks are subject not only to issuer-specific and market risks generally applicable to equity securities, but also risks associated with fixed-income securities, such as interest rate risk. A company's preferred stock, which may pay fixed or variable rates of return, generally pays dividends only after the company makes required payments to creditors, including vendors, depositors, counterparties, holders of its bonds and other fixed-income securities. As a result, the value of a company's preferred stock will react more strongly than bonds and other debt to actual or perceived changes in the company's financial condition or prospects. Preferred stock may be less liquid than many other types of securities, such as common stock, and generally has limited or no voting rights. In addition, preferred stock is subject to the risks that a company may defer or not pay dividends, and, in certain situations, may call or redeem its preferred stock or convert it to common stock. An issuer may decide to call its outstanding preferred stock in various environments based on its assessment of the relative cost of capital across the company's capital structure.

**Convertible Securities Risk.** The market price of a convertible security generally tends to behave like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest, principal or dividends when due, and their market value may change based on changes in the issuer's credit rating or the market's perception of the issuer's creditworthiness. Because a convertible security derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock, including the potential for increased volatility in the price of the convertible security.

**Rights and Warrants Risk.** Rights and warrants involve the risk that a Fund could lose the purchase price of such instruments if the right to subscribe to additional shares is not exercised prior to the warrant's expiration. Also, the purchase of warrants or rights involves the risk that the effective price paid for the warrant or right added to the subscription price of the related security may exceed the subscribed security's market price, such as when there is no movement in the level of the underlying security.

**Liquidity Risk.** Liquidity risk exists when investments are difficult to sell as the result of low trading volume, lack of market makers, and/or legal restrictions. Illiquid securities may prevent the Fund from entering into security transactions at advantageous times or prices, potentially reducing the return of the Fund's portfolio. Investments in smaller market capitalizations and over-the-counter markets have greater exposure to liquidity risk.

**Investing in a Small Number of Securities Risk.** As a result of the relatively small number of securities held by the Fund, there may be more risk because changes in the value of a single security or the impact of a single economic, political or regulatory occurrence may have a greater adverse impact on the strategy's performance.

**Management Risk.** The Fund is subject to management risk because it is actively managed. Management risk is the chance that security selection or focus on securities in a particular style, market sector or group of companies will cause the Fund to incur losses or underperform relative to its benchmarks or other investments with similar investment objectives. The sub-adviser will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that these will produce the desired results.

**Cyber Security Risk.** The Fund's and its service providers' use of internet, technology and information systems may expose the Fund to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or fund assets, or cause the Fund and/or its service providers to suffer data corruption or lose operational functionality.

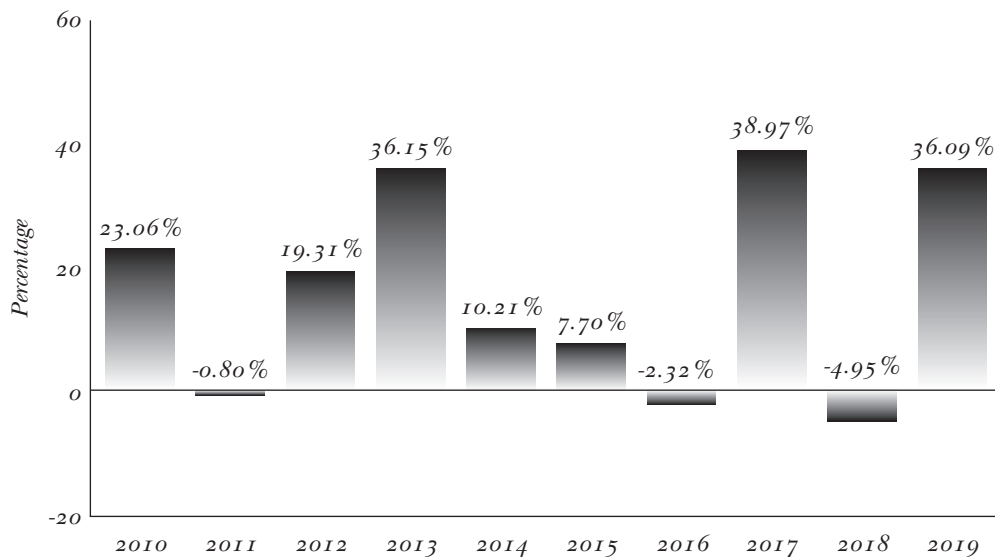
**Foreign Securities and Currencies Risk.** Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities may also be exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar). The Fund does not hedge foreign security risk or foreign currency risk.

**Economic and Market Events Risk.** Certain economic and market events in the U.S. and many foreign economies over the past years, including the European sovereign debt and banking crises, the decision of the United Kingdom to leave the European Union, the institution of tariffs or other trade barriers and rising U.S. interest rates, has resulted, and may continue to result, in an unusually high degree of volatility in the financial markets, both domestic and foreign, and in the net asset values of many mutual funds, including to some extent the Fund. Financial markets have been affected by governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; S&P Global Ratings', a business unit of Standard & Poor's Financial Services LLC ("S&P") downgrade of U.S. long-term sovereign debt; unpredictability of U.S. legislation on healthcare, tax reform and infrastructure; economic stimulus by the Japanese central bank; volatility in oil prices; social, political, and economic instability in Europe; persistently low or negative interest rates; securities overvaluation; dramatic changes in currency exchange rates; and China's economic slowdown. In addition, increased investment in passive investment vehicles may affect the value of the Fund's holdings. Conditions in the U.S. and many foreign economies have resulted, and may continue to result, in fixed income instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for borrowers to obtain financing on attractive terms, if at all. In some cases, traditional market participants have been less willing to make a market in some types of debt instruments, which has affected the liquidity of those instruments. As a result, the values of many types of debt securities, including, but not limited to, mortgage-backed, asset-backed, and corporate debt securities, have declined. During times of market turmoil, investors may look to the safety of securities issued or backed by the U.S. Treasury, causing the prices of these securities to rise and their yields to decline. The reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations.

## **Performance**

The following information may give some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year for each of the last ten calendar years and by showing how the Fund's average annual total returns compare with those of a broad measure of market performance (*i.e.*, the Russell 1000 Growth Index). The performance information shown here does not reflect fees that are paid by the insurance company separate accounts that invest in the Fund. Inclusion of those fees would reduce the total return figures for all periods. The Fund's past performance does not necessarily indicate how the Fund will perform in the future.

### Calendar Year Total Returns



*Highest quarterly return: 18.42% (for the quarter ended 03/31/2019)*

*Lowest quarterly return: (14.34)% (for the quarter ended 09/30/2011)*

The table below shows the Fund's average annual total returns for the periods indicated and how those returns compare to those of the Russell 1000 Growth Index. You cannot invest directly in an index. The Index is calculated on a total return basis and reflects no deduction for fees, expenses or taxes.

#### Average Annual Total Returns (for the periods ended December 31, 2019)

	<u>One Year</u>	<u>Five Years</u>	<u>Ten Years</u>
M Large Cap Growth Fund . . . . .	36.09%	13.59%	15.25%
Russell 1000 Growth Index . . . . . (reflects no deduction for fees, expenses or taxes)	36.39%	14.63%	15.22%

## Fund Management

M Financial Investment Advisers, Inc. is the investment adviser for the Fund and DSM is the sub-adviser for the Fund.

The Fund is managed by a team of investment professionals from DSM. The following persons are primarily responsible for the day-to-day management of the Fund's portfolio:

<b>Portfolio Manager</b>	<b>Since</b>	<b>Title</b>
Daniel Strickberger	October 2009	Co-Managing Partner and Chief Investment Officer
Justin Burk, CFA	October 2009	Portfolio Manager/Research Analyst
David McVey, CFA	October 2009	Portfolio Manager/Research Analyst
Steve Tish, CFA	October 2009	Portfolio Manager/Research Analyst
Eric Woodworth, CFA	October 2009	Portfolio Manager/Research Analyst
Pinaki Kar	October 2009	Portfolio Manager/Research Analyst
Kenneth Yang, CFA	April 2014	Portfolio Manager/Research Analyst
Hannah Chiang	April 2015	Portfolio Manager/Research Analyst
Takamune Fujikawa	May 2018	Portfolio Manager/Research Analyst

## Other Important Information

For important information about Purchase and Redemption of Fund Shares, Tax Information and Payments to Insurance Companies and their Affiliates, please turn to page 26 of this prospectus.

## M CAPITAL APPRECIATION FUND

### Investment Objective

The Fund seeks long-term capital appreciation.

### Fund Fees and Expenses

The fees and expenses reflected in the table below do not include the fees and charges associated with variable annuities or variable life insurance plans. Fees and charges for life insurance and annuity products typically include a sales load and/or a surrender charge and other charges for insurance benefits. If those fees and charges were included, the costs shown below would be higher.

The following table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investments)

Management Fees	0.90%
Distribution (12b-1) Fee	None
Other Expenses	0.20%
<b>Total Annual Fund Operating Expenses</b>	<b>1.10%</b>

### Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem or hold all of your shares at the end of those periods. The example also assumes that your investment has a hypothetical 5% return each year and that the Fund's operating expenses remain the same. These expense examples do not reflect the fees and charges imposed by the applicable insurance company. If those fees and charges were included, the costs shown below would be higher. Although your actual costs (and returns) may be higher or lower, based on these assumptions your costs would be:

<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
\$112	\$350	\$606	\$1,340

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 20% of the average value of its portfolio.

### Principal Investment Strategies

The Fund principally invests in common stock of U.S. companies of all sizes, with emphasis on stocks of companies with capitalizations that are consistent with the capitalizations of those companies found in the Russell 2500® Index. As of March 31, 2020, the market capitalization range of companies in the Russell 2500® Index was between approximately \$3.3 billion and \$24.5 billion. The Fund may invest up to 15% of the value of its total assets in equity securities of foreign issuers.



The Fund's sub-adviser, Frontier Capital Management Company, LLC ("Frontier") seeks long-term capital appreciation by employing a Growth-At-A-Reasonable-Price approach to identify, in its view, the best risk/reward investment ideas in the U.S. small- and mid-capitalization equity universe. Frontier purchases companies that, in its view, have above-average earnings growth potential and are available at reasonable valuations. Frontier's philosophy combines rigorous bottom-up fundamental analysis with a proven investment process.

Frontier may sell stocks for a number of reasons, including when price objectives are reached, fundamental conditions have changed so that future earnings progress is likely to be adversely affected, or a stock is fully invested and an attractive, new opportunity causes the sale of a current holding with less appreciation potential. Frontier does not sell stocks solely on changes to a company's market capitalization.

## **Principal Investment Risks**

As with any mutual fund, there is no guarantee that the Fund will achieve its goals. The Fund's share price will fluctuate which, means you could lose money on your investment in the Fund. The Fund's investment performance could be worse than other investments. The principal investment risks of the Fund include:

**Small and Medium Capitalization Companies' Risk.** The Fund may invest in small and medium capitalization companies, which tend to be more vulnerable to adverse developments than larger companies. These companies may have limited product lines, markets, or financial resources, or may depend on a limited management group. They may be recently organized, without proven records of success. Their securities may trade infrequently and in limited volumes. As a result, the prices of these securities may fluctuate more than prices of securities of larger, more widely traded companies and the Fund may experience difficulty in establishing or closing out positions in these securities at prevailing market prices. Also, there may be less publicly available information about small and medium capitalization companies or less market interest in their securities as compared to larger companies, and it may take longer for the prices of the securities to reflect the full value of their issuers' earnings potential or assets.

**Foreign Securities and Currencies Risk.** Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets. Investors holding these securities may also be exposed to foreign currency risk (the possibility that foreign currency will fluctuate in value against the U.S. dollar or that a foreign government will convert, or be forced to convert, its currency to another currency, changing its value against the U.S. dollar). The Fund does not hedge foreign security risk or foreign currency risk.

**Economic and Market Events Risk.** Certain economic and market events in the U.S. and many foreign economies over the past years, including the European sovereign debt and banking crises, the decision of the United Kingdom to leave the European Union, the institution of tariffs or other trade barriers and rising U.S. interest rates, has resulted, and may continue to result, in an unusually high degree of volatility in the financial markets, both domestic and foreign, and in the net asset values of many mutual funds, including to some extent the Fund. Financial markets have been affected by governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; S&P's downgrade of U.S. long-term sovereign debt; unpredictability of U.S. legislation on healthcare, tax reform and infrastructure; economic stimulus by the Japanese central bank; volatility in oil prices; social, political, and economic instability in Europe; persistently low or negative interest rates; securities overvaluation; dramatic changes in currency exchange rates; and China's economic slowdown. In addition, increased investment in passive investment vehicles may affect the value of the Fund's holdings. Conditions in the U.S. and many foreign economies have resulted, and may continue to result, in fixed income instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for borrowers to obtain financing on attractive terms, if at all. In some cases, traditional market participants have been less willing to make a market in some types of debt instruments, which has affected

the liquidity of those instruments. As a result, the values of many types of debt securities, including, but not limited to, mortgage-backed, asset-backed, and corporate debt securities, have declined. During times of market turmoil, investors may look to the safety of securities issued or backed by the U.S. Treasury, causing the prices of these securities to rise and their yields to decline. The reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations.

**Market Risk.** Investments in common stocks are subject to stock market risk. Stock prices in general may decline over short or even extended periods, regardless of the success or failure of a particular company's operations. Stock markets tend to run in cycles, with periods when stock prices generally go up and periods when they generally go down. Common stock prices tend to go up and down more than those of bonds.

**Growth Securities Risk.** The Fund invests in growth securities, which may be more volatile than other types of investments, may perform differently than the market as a whole and may underperform when compared to securities with different investment parameters. Under certain market conditions, growth securities have performed better during the later stages of economic recovery. Therefore, growth securities may go in and out of favor over time.

**Liquidity Risk.** Liquidity risk exists when investments are difficult to sell as the result of low trading volume, lack of market makers, and/or legal restrictions. Illiquid securities may prevent the Fund from entering into security transactions at advantageous times or prices, potentially reducing the return of the Fund's portfolio. Investments in smaller market capitalizations and over-the-counter markets have greater exposure to liquidity risk.

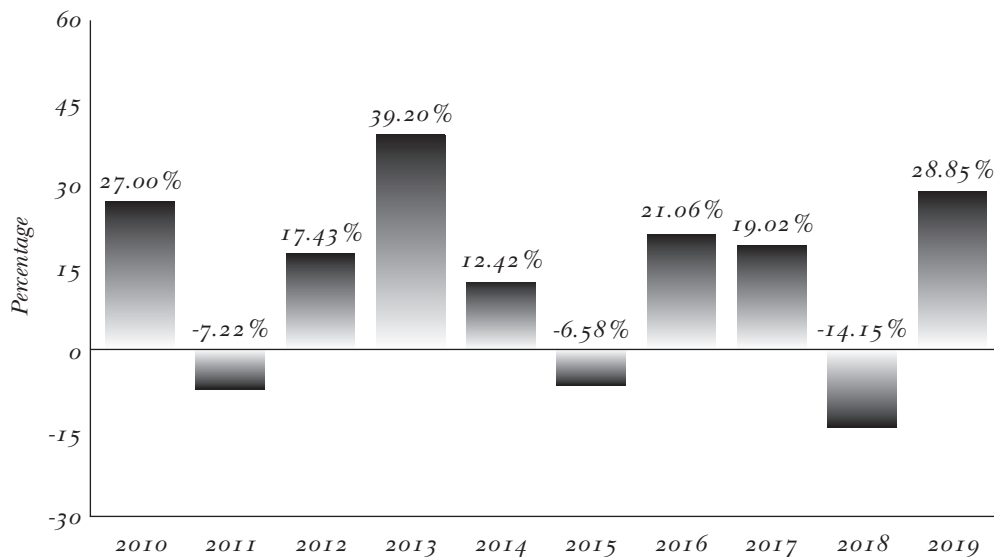
**Management Risk.** The Fund is subject to management risk because it is actively managed. Management risk is the chance that security selection or focus on securities in a particular style, market sector or group of companies will cause the Fund to incur losses or underperform relative to its benchmarks or other investments with similar investment objectives. The sub-adviser will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that these will produce the desired results.

**Cyber Security Risk.** The Fund's and its service providers' use of internet, technology and information systems may expose the Fund to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or fund assets, or cause the Fund and/or its service providers to suffer data corruption or lose operational functionality.

## **Performance**

The following information may give some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year for each of the last ten calendar years and by showing how the Fund's average annual total returns compare with those of a broad measure of market performance (*i.e.*, the Russell 2500 Index). The performance information shown here does not reflect fees that are paid by the insurance company separate accounts that invest in the Fund. Inclusion of those fees would reduce the total return figures for all periods. The Fund's past performance does not necessarily indicate how the Fund will perform in the future.

### Calendar Year Total Returns



*Highest quarterly return:* 18.61% (for the quarter ended 12/31/2010)

*Lowest quarterly return:* (21.47)% (for the quarter ended 09/30/2011)

The table below shows the Fund's average annual total returns for the periods indicated and how those returns compare to those of the Russell 2500 Index. You cannot invest directly in an index. The Index is calculated on a total return basis and reflects no deduction for fees, expenses or taxes.

#### Average Annual Total Returns (for the periods ended December 31, 2019)

	<u>One Year</u>	<u>Five Years</u>	<u>Ten Years</u>
M Capital Appreciation Fund . . . . .	28.85%	8.29%	12.42%
Russell 2500 Index . . . . . (reflects no deduction for fees, expenses or taxes)	27.77%	8.93%	12.58%

## **Fund Management**

M Financial Investment Advisers, Inc. is the investment adviser for the Fund and Frontier is the sub-adviser for the Fund.

The following people are primarily responsible for the day-to-day management of the Fund's portfolio:

<b>Portfolio Manager</b>	<b>Since</b>	<b>Title</b>
Michael A. Cavarretta, CFA	January 1996	Portfolio Manager and Chairman
Andrew B. Bennett, CFA	December 2013	Portfolio Manager
Peter G. Kuechle	April 2018	Portfolio Manager

## **Other Important Information**

For important information about Purchase and Redemption of Fund Shares, Tax Information and Payments to Insurance Companies and their Affiliates, please turn to page 26 of this prospectus.

## M LARGE CAP VALUE FUND

### Investment Objective

The Fund seeks long-term capital appreciation.

### Fund Fees and Expenses

The fees and expenses reflected in the table below do not include the fees and charges associated with variable annuities or variable life insurance plans. Fees and charges for life insurance and annuity products typically include a sales load and/or a surrender charge and other charges for insurance benefits. If those fees and charges were included, the costs shown below would be higher.

The following table describes the fees and expenses that you may pay if you buy and hold shares of the Fund.

### Annual Fund Operating Expenses

(expenses that you pay each year as a percentage of the value of your investments)

Management Fees	0.43%
Distribution (12b-1) Fee	None
Other Expenses	0.25%
<b>Total Annual Fund Operating Expenses</b>	<b>0.68%</b>

### Example

This example is intended to help you compare the cost of investing in the Fund with the cost of investing in other mutual funds. The example assumes that you invest \$10,000 in the Fund for the time periods indicated and then redeem or hold all of your shares at the end of those periods. The example also assumes that your investment has a hypothetical 5% return each year and that the Fund's operating expenses remain the same. These expense examples do not reflect the fees and charges imposed by the applicable insurance company. If those fees and charges were included, the costs shown below would be higher. Although your actual costs (and returns) may be higher or lower, based on these assumptions your costs would be:

<b>1 year</b>	<b>3 years</b>	<b>5 years</b>	<b>10 years</b>
\$69	\$218	\$379	\$847

### Portfolio Turnover

The Fund pays transaction costs, such as commissions, when it buys and sells securities (or "turns over" its portfolio). A higher portfolio turnover rate may indicate higher transaction costs. These costs, which are not reflected in annual fund operating expenses or in the example, affect the Fund's performance. During the most recent fiscal year, the Fund's portfolio turnover rate was 107% of the average value of its portfolio.

### Principal Investment Strategies

The Fund normally invests at least 80% of its net assets, plus the amount of borrowings for investment purposes, if any, in issuers domiciled, or having their principal activities, in the United States, at the time of investment or other instruments with similar economic characteristics. In addition, the Fund normally invests at least 80% of its net assets in equity securities of large capitalization companies. Brandywine Global Investment Management, LLC ("Brandywine"), the Fund's sub-adviser, defines "large capitalization" companies as those companies with market

capitalizations similar to companies in the Russell 1000® Index (the “Index”). As of March 31, 2020, the market capitalization range of companies in the Russell 1000® Index was between approximately \$73 million and \$1.2 trillion. This strategy is not fundamental (it may be changed without shareholder approval), but should the Fund decide to change this strategy, it will provide shareholders with at least 60 days’ notice.

The Fund invests primarily in equity securities that, in Brandywine’s opinion, are undervalued or out of favor. Brandywine invests in securities that meet its value criteria, primarily price-to-earnings, price-to-book, price momentum and share change and quality, based on both quantitative and fundamental analysis. The Fund expects to hold approximately 175-250 stocks under normal market conditions.

Brandywine bases portfolio price targets on quantitative criteria determined in its sell process. Brandywine’s systems update these quantitatively determined buy and sell limits on a daily basis. Buy candidates must have a price that qualifies the stock as a value such that the price-to-earnings ratio is in the lower 40% of its universe or the price-to-book is in the lower 25% of its universe at time of purchase. Additionally, the current price compared to the price nine months ago must place it above the lower quartile of other universe stocks when ranked by nine month price momentum and the change in shares outstanding over the past year must place it below the upper quartile.

Sell candidates will have a price that when compared to earnings and book place the stock above the median on a price-to-earnings basis and above the 40th percentile on a price-to-book basis. If a stock’s price declines relative to the universe such that it falls to the lower 10% of stocks as ranked on nine month price momentum or the company issues sufficient shares to rank among the top 10% largest issuers (as a percentage of shares outstanding) in the year, the holding will be a sell candidate. Additionally, a stock will be sold if the capitalization falls 20% below the minimum purchase capitalization criteria.

Brandywine may modify buy and sell trigger points and decisions only due to tracking error considerations, trading opportunities or limitations such as position, industry or sector size. Brandywine does not violate its buy and sell rules based on analyst affinity for the stock. Its investment process requires disciplined buy and sell decisions rules with carefully outlined exceptions.

If a security experiences a severe fundamental deterioration event that is not captured in the price change, share change or valuation rules, Brandywine will initiate a sell. The rank order of the most common occurrences are price momentum, valuation expansion into the sell range, share issuance or fundamental deterioration.

## **Principal Investment Risks**

As with any mutual fund, there is no guarantee that the Fund will achieve its goals. The Fund’s share price will fluctuate, which means you could lose money on your investment in the Fund. The Fund’s investment performance could be worse than other investments. The principal investment risks of the Fund include:

**Economic and Market Events Risk.** Certain economic and market events in the U.S. and many foreign economies over the past years, including the European sovereign debt and banking crises, the decision of the United Kingdom to leave the European Union, the institution of tariffs or other trade barriers and rising U.S. interest rates, has resulted, and may continue to result, in an unusually high degree of volatility in the financial markets, both domestic and foreign, and in the net asset values of many mutual funds, including to some extent the Fund. Financial markets have been affected by governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; S&P’s downgrade of U.S. long-term sovereign debt; unpredictability of U.S. legislation on healthcare, tax reform and infrastructure; economic stimulus by the Japanese central bank; volatility in oil prices; social, political, and economic instability in Europe; persistently low or negative interest rates; securities overvaluation; dramatic changes in currency exchange rates; and China’s economic slowdown. In addition, increased investment in passive investment vehicles may affect the value of the Fund’s holdings. Conditions

in the U.S. and many foreign economies have resulted, and may continue to result, in fixed income instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for borrowers to obtain financing on attractive terms, if at all. In some cases, traditional market participants have been less willing to make a market in some types of debt instruments, which has affected the liquidity of those instruments. As a result, the values of many types of debt securities, including, but not limited to, mortgage-backed, asset-backed, and corporate debt securities, have declined. During times of market turmoil, investors may look to the safety of securities issued or backed by the U.S. Treasury, causing the prices of these securities to rise and their yields to decline. The reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations.

**Large-Capitalization Investing Risk.** Large-capitalization stocks as a group could fall out of favor with the market, causing the Fund to underperform investments that focus on small- or medium-capitalization stocks. Larger, more established companies may be slow to respond to challenges and may grow more slowly than smaller companies.

**Market Risk.** Investments in common stocks are subject to stock market risk. Stock prices in general may decline over short or even extended periods, regardless of the success or failure of a particular company's operations. Stock markets tend to run in cycles, with periods when stock prices generally go up and periods when they generally go down. Common stock prices tend to go up and down more than those of bonds.

**Value Investment Risk.** Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause the Fund to at times underperform equity funds that use other investment strategies.

**Liquidity Risk.** Liquidity risk exists when investments are difficult to sell as the result of low trading volume, lack of market makers, and/or legal restrictions. Illiquid securities may prevent the Fund from entering into security transactions at advantageous times or prices, potentially reducing the return of the Fund's portfolio. Investments in smaller market capitalizations and over-the-counter markets have greater exposure to liquidity risk.

**Management Risk.** The Fund is subject to management risk because it is actively managed. Management risk is the chance that security selection or focus on securities in a particular style, market sector or group of companies will cause the Fund to incur losses or underperform relative to its benchmarks or other investments with similar investment objectives. The sub-adviser will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there can be no guarantee that these will produce the desired results.

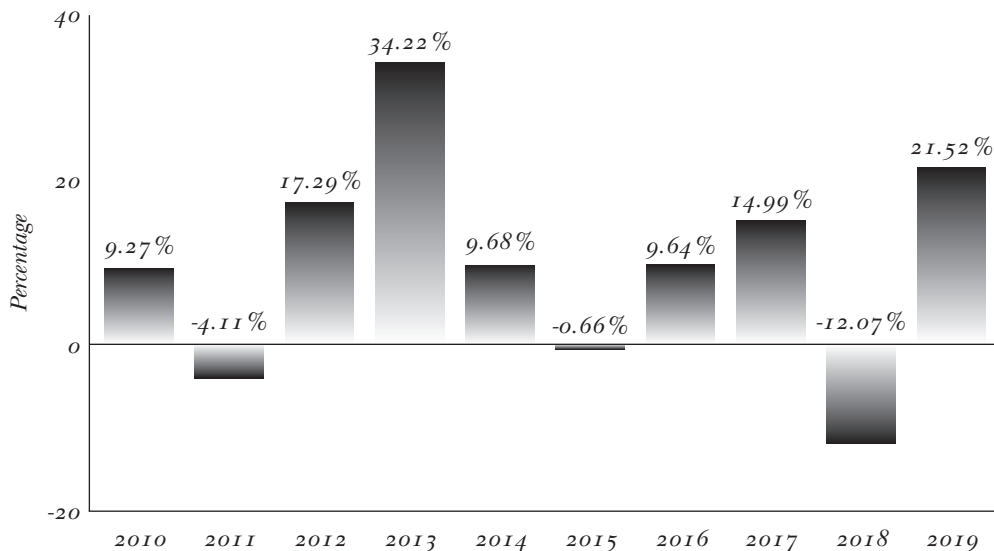
**Cyber Security Risk.** The Fund's and its service providers' use of internet, technology and information systems may expose the Fund to potential risks linked to cyber security breaches of those technological or information systems. Cyber security breaches, amongst other things, could allow an unauthorized party to gain access to proprietary information, customer data, or fund assets, or cause the Fund and/or its service providers to suffer data corruption or lose operational functionality.

## **Performance**

The following information may give some indication of the risks of investing in the Fund by showing changes in the Fund's performance from year to year since for each of the last ten calendar years and by showing how the Fund's average annual total returns compare with those of a broad measure of market performance (*i.e.*, Russell 1000 Value Index). The performance prior to May 1, 2013 and December 31, 2019 reflects the performance results

obtained under two different successive sub-advisers that used different investment strategies. Had the current sub-adviser and investment strategies been in place during that period, the performance results may have been different. The performance information shown here does not reflect fees that are paid by the insurance company separate accounts that invest in the Fund. Inclusion of those fees would reduce the total return figures for all periods. The Fund's past performance does not necessarily indicate how the Fund will perform in the future.

### Calendar Year Total Returns



Highest quarterly return: 13.13% (for the quarter ended 12/31/2010)  
 Lowest quarterly return: (16.87)% (for the quarter ended 09/30/2011)

The table below shows the Fund's average annual total returns for the periods indicated and how those returns compare to those of the Russell 1000 Value Index. You cannot invest directly in an index. The Index is calculated on a total return basis and reflects no deduction for fees, expenses or taxes.

#### Average Annual Total Returns (for the periods ended December 31, 2019)

	<u>One Year</u>	<u>Five Years</u>	<u>Ten Years</u>
M Large Cap Value Fund . . . . .	21.52%	6.00%	9.25%
Russell 1000 Value Index . . . . . (reflects no deduction for fees, expenses or taxes)	26.54%	8.29%	11.80%



## **Fund Management**

M Financial Investment Advisers, Inc. is the investment adviser for the Fund and Brandywine is the sub-adviser for the Fund.

The Fund is managed by a team of portfolio managers, who are primarily responsible for the day-to-day management of the Fund's portfolio. The team is led by:

<b>Portfolio Managers</b>	<b>Since</b>	<b>Title</b>
Joseph J. Kirby	May 2020	Portfolio Manager
Henry F. Otto	May 2020	Managing Director and Portfolio Manager
Steven M. Tonkovich	May 2020	Managing Director and Portfolio Manager

## **Other Important Information**

For important information about Purchase and Redemption of Fund Shares, Tax Information and Payments to Insurance Companies and their Affiliates, please turn to page 26 of this prospectus.

## **PURCHASING FUND SHARES**

The Funds are available through the purchase of variable life insurance policies and variable annuity policies issued by certain insurance companies. Those insurance companies may offer other portfolios in addition to offering the Funds. You cannot buy shares of the Funds directly. You can invest indirectly in the Funds through your purchase of a variable annuity or variable life insurance contract. You should read this prospectus and the prospectus of the variable annuity or variable life insurance contract carefully before you choose your investment options.

The variable annuity and variable life insurance contracts are issued by separate accounts of various insurance companies. The insurance companies buy Fund shares for their separate accounts based on the instructions that they receive from the contract owners.

## **REDEEMING FUND SHARES**

To meet various obligations under the variable annuity or variable life insurance contracts, the insurance company separate accounts may redeem Fund shares to generate cash. For example, a separate account may redeem Fund shares and use the proceeds to pay a contract owner who requested a partial withdrawal or who canceled a contract. Proceeds from the redemption are usually sent to the separate account on the next business day. The Funds may suspend redemptions of shares or postpone payment dates when the New York Stock Exchange (“NYSE”) is closed (other than weekends or holidays), when trading on the NYSE is restricted, or as otherwise permitted by the SEC.

## **TAX INFORMATION**

Each Fund expects to qualify for taxation as a regulated investment company under subchapter M of chapter 1 of the Internal Revenue Code of 1986 for each taxable year. To qualify for taxation as a regulated investment company, each Fund must satisfy certain source-of-income, asset-diversification, and annual distribution requirements. Provided that a Fund satisfies the requirements to be taxed as a regulated investment company for each taxable year, such Fund will not be subject to corporate-level U.S. federal income tax on its income and capital gains that it timely distributes to its shareholders. Each Fund intends to distribute to its shareholders substantially all of its income and capital gains, if any, on an annual basis. Under current law, owners of variable life insurance contracts and variable annuity contracts who are indirectly invested in a Fund generally are not subject to U.S. federal income tax on Fund earnings or distributions or on gains realized upon the sale or redemption of Fund shares until amounts are withdrawn from their contracts. Please refer to the prospectus for the variable annuity or variable life insurance contract for tax information regarding those products.

## **PAYMENTS TO INSURANCE COMPANIES AND THEIR AFFILIATES**

The Funds are not sold directly to the general public but instead are offered as an underlying investment option for variable insurance contracts. The Funds and their related companies currently do not, but may, make payments to the sponsoring insurance company (or its affiliates) for distribution and/or other services. Such payments, if any, may be a factor that the insurance company considers in including the Funds as an underlying investment option in the variable insurance contract. The prospectus (or other offering document) for your variable insurance contract may contain additional information about these payments.

## INVESTMENT STRATEGIES

### M INTERNATIONAL EQUITY FUND

#### Investment Objective

The Fund seeks long-term capital appreciation. The Fund's investment objective may be changed by a vote of the Board of Directors of the Corporation without shareholder approval, but should the Fund decide to change this goal, it will provide shareholders with at least 30 days' notice.

#### Principal Investment Strategies

The Fund seeks to achieve its investment objective through exposure to a broad and diverse group of securities of non-U.S. companies in countries with developed and emerging markets with a greater emphasis on small capitalization, value, and/or high profitability companies as compared to their representation in the Non-U.S. Universe. For purposes of the Fund, Dimensional defines the Non-U.S. Universe as a market capitalization weighted portfolio of non-U.S. companies in developed and emerging markets, which may include frontier markets, that have been authorized for investment as "Approved Markets" by Dimensional's Investment Committee. The Fund may pursue its investment objective by investing its assets directly and/or indirectly in the Underlying Fund, which is also managed by the sub-adviser. For more information on the investment objective and strategies of the Underlying Fund please see below.

The increased exposure to small capitalization, value, and/or high profitability companies for the Fund may be achieved by decreasing the allocation of the Fund's assets to the largest growth and/or low profitability companies relative to their weight in the Non-U.S. Universe, which would result in a greater weight allocation to small capitalization, value, and/or high profitability companies. Dimensional considers an equity issuer to be a growth company primarily because it has a high price in relation to its book value. Securities are considered value stocks primarily because a company's shares have a low price in relation to their book value. In assessing growth and value, Dimensional may consider additional factors, such as price-to-cash-flow or price-to-earnings ratios. In assessing profitability, Dimensional may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. The criteria Dimensional uses for assessing growth, value, or profitability are subject to change from time to time. Dimensional determines company size on a country or region-specific basis and based primarily on market capitalization. In addition, Dimensional may consider a small capitalization company's investment characteristics with respect to other eligible companies when making investment decisions and may exclude a small capitalization company when Dimensional determines it to be appropriate. In assessing a company's investment characteristics, Dimensional may consider ratios such as recent changes in assets or book value scaled by assets or book value. The criteria Dimensional uses for assessing a company's investment characteristics are subject to change from time to time. Under normal circumstances, the Fund will seek to limit such exclusion to no more than 5% of the eligible small capitalization universe in each country in which the Fund invests.

Dimensional may adjust the representation in the Fund of an eligible company, or exclude a company, after considering such factors as free float, momentum, trading strategies, liquidity, size, value, profitability, investment characteristics, and other factors that Dimensional determines to be appropriate.

In determining which emerging market countries are eligible markets for the Fund, Dimensional may consider various factors, including, without limitation, the data, analysis, and classification of countries published or disseminated by the International Bank for Reconstruction and Development (commonly known as the World Bank), the International Finance Corporation, FTSE International, and MSCI. Approved Markets may not include all such emerging markets. In determining whether to approve emerging markets for investment, Dimensional may take into account, among other things, market liquidity, relative availability of investor information, government regulation, including fiscal and foreign exchange repatriation rules and the availability of other access to these markets for the Fund.

In general, securities will not be purchased or sold based on the prospects for the economy, the securities markets or the individual issuers whose shares are eligible for purchase. Securities which have depreciated in value since their acquisition will not be sold solely because prospects for the issuer are not considered attractive or due to an expected or realized decline in securities prices in general. Securities generally will not be sold solely to realize short-term profits, but when circumstances warrant, they may be sold without regard to the length of time held. Securities, including those eligible for purchase, may be disposed of, however, at any time when, in Dimensional's judgment, circumstances warrant their sale, including but not limited to tender offers, mergers and similar transactions, or bids made for block purchases at opportune prices. Generally, securities will be purchased with the expectation that they will be held for longer than one year and will be held until such time as they are no longer considered an appropriate holding in light of the investment policy of the Fund.

In attempting to respond to adverse market, economic, political, or other conditions, the Fund may, from time to time, invest its assets in a temporary defensive manner that is inconsistent with the Fund's principal investment strategies. In these circumstances, the Fund may be unable to achieve its investment objective.

### **Other Investment Strategies**

Although the following are not principal investment strategies, the Fund may also:

- invest in exchange-traded funds for purposes of gaining exposure to the equity markets, including the United States, while maintaining liquidity;
- keep a portion of assets in cash or cash equivalents pending investment or for liquidity purposes;
- lend its portfolio securities; and
- engage in relatively active trading.

### **Investments in the Underlying Fund: Investment Objective, Strategies, and Policies of the Underlying Fund**

The investment objective of the Underlying Fund is to achieve long-term capital appreciation. The Underlying Fund purchases a broad and diverse group of securities associated with emerging markets, which may include frontier markets (emerging market countries in an earlier stage of development) in Approved Markets with a greater emphasis on small capitalization, value, and/or high profitability companies. The Underlying Fund's increased exposure to small capitalization, value, and/or high profitability companies may be achieved by decreasing the allocation of the Underlying Fund's assets to the largest growth or low profitability companies, which would result in a greater weight allocation to small capitalization, value, and/or high profitability companies. In assessing growth and value, Dimensional may consider additional factors such as price to cash flow or price to earnings ratios. In assessing profitability, Dimensional may consider different ratios, such as that of earnings or profits from operations relative to book value or assets. The criteria Dimensional uses for assessing growth, value, or profitability are subject to change from time to time. Dimensional may also adjust the representation in the Underlying Fund of an eligible company, or exclude a company, after considering such factors as free float, momentum, trading strategies, liquidity, size, value, profitability, investment characteristics and other factors that Dimensional determines to be appropriate, given market conditions. In assessing a company's investment characteristics, Dimensional may consider ratios such as recent changes in assets or book value scaled by assets or book value. The criteria Dimensional uses for assessing a company's investment characteristics are subject to change from time to time. Under normal circumstances, the Underlying Fund will seek to limit such exclusion to no more than 5% of the eligible small capitalization universe in each country in which the Underlying Fund invests. The Underlying Fund may purchase or sell futures contracts and options on futures contracts for Approved Market or other equity market securities and indices, including those of the United States, to adjust market exposure based on actual or expected cash inflows to or outflows from the Underlying Fund. The Underlying Fund does not intend to sell futures contracts to establish short positions in

individual securities or to use derivatives for purposes of speculation or leveraging investment returns. The Underlying Fund may invest in China A-shares (equity securities of companies listed in China) that are accessible through the Shanghai-Hong Kong Stock Connect program or the Shenzhen-Hong Kong Stock Connect program. The Underlying Fund may lend its portfolio securities to generate additional income.

## **M LARGE CAP GROWTH FUND**

### **Investment Objective**

The Fund seeks long-term capital appreciation. The Fund's investment objective may be changed by a vote of the Board of Directors of the Corporation without shareholder approval, but should the Fund decide to change this goal, it will provide shareholders with at least 30 days' notice.

### **Principal Investment Strategies**

The Fund will normally invest at least 80% of its total assets in domestic equity securities of U.S. large capitalization securities. Domestic equity securities, as determined by DSM Capital Partners LLC ("DSM"), the Fund's sub-adviser, in its discretion, include, but are not limited to common stocks, preferred stocks, securities convertible into common stocks, rights and warrants. Shares of foreign domiciled issuers that primarily trade on a U.S. exchange are generally considered by DSM to be domestic equity securities. Also, as determined by DSM, issuers that issue domestic equity securities may be domiciled and/or headquartered anywhere in the world. The Fund may generally invest up to 20% of its assets in equity securities of foreign issuers, including American Depositary Receipts and similar securities. DSM defines "large cap" as capitalizations of \$10 billion or more. The Fund will generally contain 25 to 35 equity securities. This strategy to invest at least 80% of its total assets in domestic equity securities of U.S. large capitalization securities is not fundamental (it may be changed without shareholder approval), but should the Fund decide to change this strategy, it will provide shareholders with at least 60 days' notice.

DSM uses a "bottom-up," idea-driven approach and focuses on a long-term (*e.g.*, three-year minimum) investment horizon.

DSM seeks to invest in growing businesses with solid fundamentals, attractive profitability and successful management. Candidate companies will typically have projected revenue and earnings growth in excess of 10% and will often have higher returns on equity and assets than average S&P 500 companies. Generally, these businesses will be generating free cash flow and will have financial returns that are stable or rising, driven by improving business fundamentals, all as determined by DSM.

In its stock valuation work, DSM focuses primarily on P/E ratios. P/E is the ratio of a company's share price to its per-share earnings. DSM will generally only buy a stock that it believes has a forward four-quarter P/E ratio that will rise over the next three years. To accomplish this, a target P/E ratio that DSM believes is reasonable and rational and is reflective of a fair valued stock three years from now is selected. DSM will typically buy when the company's stock clears two hurdles: 1. it must have attractive fundamental business characteristics that translate into a reasonably predictable and growing stream of earnings and 2. it must have a P/E on forward four quarters earnings that is normally 8% to 10% below the target P/E three years from the calculation point. In order to determine a target P/E, DSM takes into consideration a number of qualitative and quantitative factors. Among the qualitative factors are barriers to entry, number of competitors, economic cyclicity, customer loyalty, price competition, global reach, government involvement and management quality. Among the quantitative factors are historic revenue and EPS growth, projected revenue and EPS growth, margins, return on assets, return on equity, capital expenditures relative to net income and the historic range of P/E over the last five years. Once a target P/E has been agreed upon, it may occasionally be adjusted.

## **Other Investment Strategies**

Although the following are not principal investment strategies, the Fund may also:

- invest in companies with market capitalizations below \$10 billion;
- keep a portion of assets in cash or cash equivalents pending investment or for liquidity purposes;
- lend its portfolio securities; and
- engage in relatively active trading.

The Fund may depart from its normal strategies by taking temporary defensive positions in response to adverse market, economic, political or other conditions. When the Fund takes a temporary defensive position, it will invest all or a substantial portion of its assets in U.S. or Foreign Government securities, money market funds or securities, or other debt instruments. During these times, the Fund may not achieve its investment objective.

## **M CAPITAL APPRECIATION FUND**

### **Investment Objective**

The Fund seeks long-term capital appreciation. The Fund's investment objective may be changed by a vote of the Board of Directors of the Corporation without shareholder approval, but should the Fund decide to change this goal, it will provide shareholders with at least 30 days' notice.

### **Principal Investment Strategies**

The Fund principally invests in common stock of U.S. companies of all sizes, with emphasis on stocks of companies with capitalizations that are consistent with the capitalizations of those companies found in the Russell 2500<sup>®</sup> Index. As of March 31, 2020, the market capitalization range of companies in the Russell 2500<sup>®</sup> Index was between approximately \$3.3 billion and \$24.5 billion. The Fund may invest up to 15% of the value of its total assets in equity securities of foreign issuers.

Frontier, the Fund's sub-adviser, seeks long-term capital appreciation by employing a Growth-At-A-Reasonable-Price approach to identify, in its view, the best risk/reward investment ideas in the U.S. small- and mid-capitalization equity universe. Frontier purchases companies that, in its view, have above-average earnings growth potential and are available at reasonable valuations. Frontier's philosophy combines rigorous bottom-up fundamental analysis with a proven investment process.

Frontier may sell stocks for a number of reasons, including when price objectives are reached, fundamental conditions have changed so that future earnings progress is likely to be adversely affected, or a stock is fully invested and an attractive, new opportunity causes the sale of a current holding with less appreciation potential. Frontier does not sell stocks solely on changes to a company's market capitalization.

### **Other Investment Strategies**

Although the following are not principal investment strategies, the Fund may:

- invest in companies with market capitalizations of \$500 million or less;
- invest in recently organized companies;
- keep a portion of assets in cash or cash equivalents pending investment or for liquidity purposes; and
- lend its portfolio securities.

The Fund may depart from its normal strategies by taking temporary defensive positions in response to adverse market, economic, political or other conditions. When the Fund takes a temporary defensive position, it will invest all or a substantial portion of its assets in U.S. Government securities, money market funds or securities, or other debt instruments. During these times, the Fund may not achieve its investment objective.

## **M LARGE CAP VALUE FUND**

### **Investment Objective**

The Fund seeks long-term capital appreciation. The Fund's investment objective may be changed by a vote of the Board of Directors of the Corporation without shareholder approval, but should the Fund decide to change this goal, it will provide shareholders with at least 30 days' notice.

### **Principal Investment Strategies**

The Fund normally invests at least 80% of its net assets, plus the amount of borrowings for investment purposes, if any, in issuers domiciled, or having their principal activities, in the United States, at the time of investment or other instruments with similar economic characteristics. In addition, the Fund normally invests at least 80% of its net assets in equity securities of large capitalization companies. Brandywine, the Fund's sub-adviser, defines "large capitalization" companies as those companies with market capitalizations similar to companies in the Russell 1000® Index (the "Index"). The size of the companies in the Index changes with market conditions and the composition of the Index. As of March 31, 2020, the market capitalization range of companies in the Russell 1000® Index was between approximately \$73 million and \$1.2 trillion. This strategy is not fundamental (it may be changed without shareholder approval), but should the Fund decide to change this strategy, it will provide shareholders with at least 60 days' notice.

The Fund invests primarily in equity securities that, in Brandywine's opinion, are undervalued or out of favor. Brandywine invests in securities that meet its value criteria, primarily price-to-earnings, price-to-book, price momentum and share change and quality, based on both quantitative and fundamental analysis. The Fund expects to hold approximately 175-250 stocks under normal market conditions.

Brandywine bases portfolio price targets on quantitative criteria determined in its sell process. Brandywine's systems update these quantitatively determined buy and sell limits on a daily basis. Buy candidates must have a price that qualifies the stock as a value such that the price-to-earnings ratio is in the lower 40% of its universe or the price-to-book is in the lower 25% of its universe at time of purchase. Additionally, the current price compared to the price nine months ago must place it above the lower quartile of other universe stocks when ranked by nine month price momentum and the change in shares outstanding over the past year must place it below the upper quartile.

Sell candidates will have a price that when compared to earnings and book place the stock above the median on a price-to-earnings basis and above the 40th percentile on a price-to-book basis. If a stock's price declines relative to the universe such that it falls to the lower 10% of stocks as ranked on nine month price momentum or the company issues sufficient shares to rank among the top 10% largest issuers (as a percentage of shares outstanding) in the year, the holding will be a sell candidate. Additionally, a stock will be sold if the capitalization falls 20% below the minimum purchase capitalization criteria.

Brandywine may modify buy and sell trigger points and decisions only due to tracking error considerations, trading opportunities or limitations such as position, industry or sector size. Brandywine does not violate its buy and sell rules based on analyst affinity for the stock. Its investment process requires disciplined buy and sell decisions rules with carefully outlined exceptions.

If a security experiences a severe fundamental deterioration event that is not captured in the price change, share change or valuation rules, Brandywine will initiate a sell. The rank order of the most common occurrences are price momentum, valuation expansion into the sell range, share issuance or fundamental deterioration.

### **Other Investment Strategies**

Although the following are not principal investment strategies, the Fund may also:

- keep a portion of assets in cash or cash equivalents pending investment or liquidity needs;
- lend its portfolio securities; and
- engage in relatively active trading.

The Fund may depart from its normal strategies by taking temporary defensive positions in response to adverse market, economic, political or other conditions. When the Fund takes a temporary defensive position, it will invest all or a substantial portion of its assets in U.S. Government securities, money market funds or securities, or other debt instruments. During these times, the Fund may not achieve its investment objective.

### **SECURITY TYPES**

*Equity Securities.* Equity securities include:

- common stocks;
- preferred stocks;
- securities convertible into common stocks; and
- equity and index linked notes.

*American Depositary Receipts (ADRs), European Depositary Receipts (EDRs), International Depositary Receipts (IDRs) and Global Depositary Receipts (GDRs).* ADRs, EDRs, IDRs and GDRs are securities that represent an ownership interest in a foreign security. ADRs are generally issued by a U.S. bank or trust company evidencing ownership of underlying securities issued by a foreign issuer. EDRs, IDRs and GDRs are European, international and global receipts, respectively, evidencing a similar arrangement. ADRs, EDRs, IDRs and GDRs may be sponsored (issued with the cooperation of the issuer whose stock underlies the receipt) by the issuer or be unsponsored (issued without the involvement of the issuer whose stock underlies the receipt). The issuers of unsponsored ADRs, EDRs, IDRs and GDRs are not required to disclose certain material information to the holders of such securities, as are issuers of sponsored securities.

*Foreign Issuer.* A foreign issuer is one that is organized under the laws of a foreign country and is:

- unlisted or listed primarily on a non-U.S. exchange; or
- listed on a U.S. exchange or over-the-counter as a sponsored or unsponsored ADR.

*Emerging Market Securities.* Emerging market securities are issued by a company that:

- has its principal trading market for its stock in a country other than those currently listed as a “developed market” by Morgan Stanley Capital International;
- is organized under the laws of, and with a principal office in, an emerging market country;
- has its principal activities located in an emerging market country; or
- derives at least 50% of its revenues or profits from operations within an emerging market country.



## PRINCIPAL RISKS OF INVESTING IN THE FUNDS

Risk	M International Equity Fund	M Large Cap Growth Fund	M Capital Appreciation Fund	M Large Cap Value Fund
Convertible Securities Risk		•		
Cybersecurity Risk	•	•	•	•
Derivatives Risk	•			
Economic and Market Events Risk	•	•	•	•
Emerging Markets Risk	•			
Foreign Securities and Currencies Risk	•	•	•	
Fund of Funds Risk	•			
Growth Securities Risk		•	•	
Investing in a Small Number of Securities Risk		•		
Large Company Stock Risk		•		•
Liquidity Risk	•	•	•	•
Management Risk	•	•	•	•
Market Risk	•	•	•	•
Preferred Stock Risk		•		
Profitability Investment Risk	•			
Rights and Warrants Risk		•		
Small and Medium Capitalization Companies' Risk	•		•	
Value Investment Risk	•			•

## NON-PRINCIPAL RISKS OF INVESTING IN THE FUNDS

Risk	M International Equity Fund	M Large Cap Growth Fund	M Capital Appreciation Fund	M Large Cap Value Fund
Recently Organized Companies and IPOs			•	
Securities Lending	•	•	•	•

*Convertible Securities Risk.* The market price of a convertible security generally tends to behave like that of a regular debt security; that is, if market interest rates rise, the value of a convertible security usually falls. In addition, convertible securities are subject to the risk that the issuer will not be able to pay interest, principal or dividends when due, and their market value may change based on changes in the issuer’s credit rating or the market’s perception of the issuer’s creditworthiness. Because a convertible security derives a portion of its value from the common stock into which it may be converted, a convertible security is also subject to the same types of market and issuer risks that apply to the underlying common stock, including the potential for increased volatility in the price of the convertible security.

*Cybersecurity Risk.* Intentional cybersecurity breaches include: unauthorized access to systems, networks or devices (such as through “hacking” activity), infection from computer viruses or other malicious software code, and attacks that shut down, disable, slow, or otherwise disrupt operations, business processes, or website access or functionality. In addition, unintentional incidents can occur, such as the inadvertent release of confidential information (possibly resulting in the violation of applicable privacy laws). A cybersecurity breach could result in the loss or theft of customer data or funds, the inability to access electronic systems (“denial of services”), loss or theft of proprietary information or corporate data, physical damage to a computer or network system, or costs associated with system repairs. Such incidents could cause a Fund, the Adviser, or other service providers to incur regulatory penalties, reputational damage, litigation expenses, additional compliance costs, or significant financial loss. In addition, such incidents could affect issuers in which a Fund invests, and thereby cause the Fund’s investments to lose value.

*Derivatives Risk.* Derivatives are instruments, such as futures, and options thereon, and foreign currency forward contracts, whose value is derived from that of other assets, rates or indices. The use of derivatives for non-hedging purposes may be considered to carry more risk than other types of investments. When the M International Equity Fund uses derivatives, the Fund will be directly exposed to the risks of those derivatives. Derivative instruments are subject to a number of risks including counterparty and credit risk (the risk that the derivative counterparty will not fulfill its contractual obligations, whether because of bankruptcy or other default), settlement risk (the risk faced when one party to a transaction has performed its obligations under a contract but has not yet received value from its counterparty), interest rate risk (the risk that certain derivatives are more sensitive to interest rate changes and market price fluctuations than other securities), liquidity risk, market risk, and management risk, as well as the risk of improper valuation. Changes in the value of a derivative may not correlate perfectly with the underlying asset, rate or index, and the M International Equity Fund could lose more than the principal amount invested.

*Economic and Market Events Risk.* Certain economic and market events in the U.S. and many foreign economies over the past years, including the European sovereign debt and banking crises, the decision of the United Kingdom to leave the European Union, the institution of tariffs or other trade barriers and rising U.S. interest rates, has resulted, and may continue to result, in an unusually high degree of volatility in the financial markets, both domestic and foreign, and in the net asset values of many mutual funds, including to some extent the Funds'. Financial markets have been affected by governmental efforts to limit short selling and high frequency trading; measures to address U.S. federal and state budget deficits; Standard & Poor's Ratings Services' downgrade of U.S. long-term sovereign debt; unpredictability of U.S. legislation on healthcare, tax reform and infrastructure; economic stimulus by the Japanese central bank; volatility in oil prices; social, political, and economic instability in Europe; persistently low or negative interest rates; securities overvaluation; dramatic changes in currency exchange rates; and China's economic slowdown. In addition, increased investment in passive investment vehicles may affect the value of the Funds' holdings. Conditions in the U.S. and many foreign economies have resulted, and may continue to result, in fixed income instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for borrowers to obtain financing on attractive terms, if at all. In some cases, traditional market participants have been less willing to make a market in some types of debt instruments, which has affected the liquidity of those instruments. As a result, the values of many types of debt securities, including, but not limited to, mortgage-backed, asset-backed, and corporate debt securities, have declined. During times of market turmoil, investors may look to the safety of securities issued or backed by the U.S. Treasury, causing the prices of these securities to rise and their yields to decline.

The reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. In response to the global financial crisis, the U.S. and other governments and the Federal Reserve and certain foreign central banks have taken steps to support financial markets. Where economic conditions are recovering, they are nevertheless perceived as still fragile. Withdrawal of government support, changes in political parties, failure of efforts in response to the crisis, or investor perception that such efforts are not succeeding, could adversely impact the value and liquidity of certain securities. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations, including changes in tax laws. In particular, the impact of U.S. financial regulation legislation, and the potential reversal of such legislation, on the markets and the practical implications for market participants may not be fully known for some time. In addition, political events within the U.S. and abroad, such as the upcoming U.S. Presidential election and further geopolitical instability in Europe, may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. High public debt in the U.S. and other countries creates ongoing systemic and market risks and policymaking uncertainty. Although the U.S. government has honored its credit obligations, it remains possible that the United States could default on its obligations. While it is impossible to predict the consequences of such an unprecedented event, it is likely that a default by the United States would be highly disruptive to the United States and global securities markets and could significantly impair the value of a Fund's investments. Uncertainty surrounding changes in imports or exports, changes in governmental or European Union regulations on trade, changes in the strength of the U.S. dollar, the exchange rate of the euro or other foreign currencies, the default or threat of default by an European Union member country on its sovereign debt, and/or an economic recession in an European Union member country may have a significant adverse effect on the economies of European Union member countries and their trading partners. There is continuing uncertainty around the future of the United Kingdom following its exit from the European Union on January 31, 2020 (commonly referred to as "Brexit"). The United Kingdom Government is now focused on the nature of the United Kingdom's future relationship with the European Union. There remains significant market uncertainty regarding Brexit's ramifications, and the range, potential outcomes and implications of possible political,

regulatory, economic, and market outcomes in the European Union and beyond are difficult to predict. If other countries leave the European Union or the European Union dissolves, the world's securities markets likely will be significantly disrupted. Brexit may cause greater market volatility and illiquidity, currency fluctuations, deterioration in economic activity, a decrease in business confidence, and increased likelihood of a recession in the United Kingdom.

There is also a greater risk in China than in many other countries of currency fluctuations, currency nonconvertibility, interest rate fluctuations and higher rates of inflation as a result of internal social unrest or conflicts with other countries. Export growth continues to be a major driver of China's rapid economic growth. Reduction in spending on Chinese products and services, institution of tariffs or other trade barriers, or a downturn in any of the economies of China's key trading partners may have an adverse impact on the Chinese economy.

Periods of market volatility may continue to occur in response to pandemics or other events outside of a Fund's control. These types of events could adversely affect a Fund's performance. For example, in December 2019, a novel strain of coronavirus surfaced in Wuhan, China and has now been detected globally (including in the United States). The coronavirus pandemic has resulted in the temporary closure of many corporate offices, retail stores, and manufacturing facilities and factories globally, as well as border closings, quarantines, cancellations, disruptions to supply chains and customer activity, and general concern and uncertainty. As the potential impact on global markets from the coronavirus is difficult to predict, the extent to which the coronavirus may negatively affect a Fund's performance or the duration of any potential business disruption is uncertain. Any potential impact to performance will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of the coronavirus and the actions taken by authorities and other entities to contain the coronavirus or treat its impact, all of which are beyond control of the Funds. Some economists and major investment banks have expressed concern that the continued spread of the virus globally could lead to a world-wide economic downturn or a prolonged recession. Additionally, the coronavirus outbreak may exacerbate other pre-existing political, social and economic risks in certain countries. The impact of the outbreak may be short term or may last for an extended period of time. These potential impacts, while uncertain, could adversely affect a Fund's performance.

*Emerging Markets Risk.* Investments in emerging markets can involve unique risks in addition to and greater than those generally associated with investing in developed markets. The securities markets of emerging countries are generally smaller, less developed, less liquid and more volatile than the securities markets of developed markets. The risks of investing in emerging markets include greater political and economic uncertainties than in developed markets; the risk of the imposition of economic sanctions against a country; the risk of nationalization of industries and expropriation of assets; currency transfer restrictions; and risks that governments may substantially restrict foreign investing in their capital markets. Emerging market countries may experience high levels of inflation and currency devaluation and have a more limited number of potential buyers for investments. Emerging markets may have different securities clearance and settlement procedures. In certain securities markets, settlements may not keep pace with the volume of securities transactions. If this occurs, settlement may be delayed and the Funds' assets may be uninvested and may not be earning returns. A Fund also may miss investment opportunities or not be able to sell an investment because of these delays.

*Foreign Securities and Currencies Risk.* Investing in securities of foreign issuers poses unique risks such as fluctuation in currency exchange rates, market illiquidity, price volatility, high trading costs, difficulties in settlement, regulations on stock exchanges, limits on foreign ownership, possibility of expropriation or nationalization, confiscatory taxation, less stringent accounting, reporting and disclosure requirements and other considerations. Foreign securities may have more frequent and larger price changes than domestic securities.

Investments that are denominated in currencies other than the U.S. dollar are subject to currency exchange risk. Because the value of the U.S. dollar against other currencies will vary, a decline in the exchange rate would reduce the value of certain portfolio investments. Forward foreign currency exchange contracts, which involve an obligation

to purchase or sell a specific currency at a future date at a specified price, may be used in an attempt to protect against currency exchange risk. The M International Equity Fund, the M Large Cap Growth Fund and the M Capital Appreciation Fund do not hedge foreign currency risk. Foreign securities prices may decline or fluctuate because of: (a) economic or political actions of foreign governments, and/or (b) less regulated or liquid securities markets.

*Fund of Funds Risk.* The investment performance of the M International Equity Fund is affected by the investment performance of the Underlying Fund in which the M International Equity Fund invests. The ability of the M International Equity Fund to achieve its investment objective depends on the ability of the Underlying Fund to meet its investment objective and on Dimensional's decisions regarding the allocation of the M International Equity Fund's assets to the Underlying Fund. The M International Equity Fund may allocate assets to the Underlying Fund or asset class that underperforms other funds or asset classes. There can be no assurance that the investment objective of the M International Equity Fund or the Underlying Fund will be achieved. When the M International Equity Fund invests in the Underlying Fund, investors are exposed to a proportionate share of the expenses of the Underlying Fund in addition to the expenses of the M International Equity Fund. Through its investment in the Underlying Fund, the M International Equity Fund is subject to the risks of the Underlying Fund's investments.

*Growth Securities Risk.* The M Capital Appreciation Fund and the M Large Cap Growth Fund invest in growth securities, which may be more volatile than other types of investments, may perform differently than the market as a whole and may underperform when compared to securities with different investment parameters. Under certain market conditions, growth securities have performed better during the later stages of economic recovery. Therefore, growth securities may go in and out of favor over time.

*Investing in a Small Number of Securities Risk.* As a result of the relatively small number of securities held by the Fund, there may be more risk because changes in the value of a single security or the impact of a single economic, political or regulatory occurrence may have a greater adverse impact on the strategy's performance.

*Large Company Stock Risk.* Larger, more established companies may be unable to respond quickly to competitive challenges, such as changes in technology and consumer tastes. Many larger companies also may not be able to attain the high growth rate of successful smaller companies, especially during extended periods of economic expansion.

*Liquidity Risk.* Liquidity risk exists when investments are difficult to sell as the result of low trading volume, lack of market makers, and/or legal restrictions. Illiquid securities may prevent a Fund from entering into security transactions at advantageous times or prices, potentially reducing the return of a Fund's portfolio. Investments in smaller market capitalizations and over-the-counter markets have greater exposure to liquidity risk.

*Management Risk.* The Funds are subject to management risk because they are actively managed. Management risk is the chance that security selection or focus on securities in a particular style, market sector or group of companies will cause a Fund to incur losses or underperform relative to its benchmarks or other investments with similar investment objectives. A sub-adviser will apply its investment techniques and risk analyses in making investment decisions for a Fund, but there can be no guarantee that these will produce the desired results.

*Market Risk.* A Fund that invests in common stocks is subject to stock market risk. Stock prices in general may decline over short or even extended periods, regardless of the success or failure of a particular company's operations. Stock markets tend to run in cycles, with periods when stock prices generally go up and periods when they generally go down. Common stock prices tend to go up and down more than those of bonds.

*Preferred Stock Risk.* Preferred stocks are subject not only to issuer-specific and market risks generally applicable to equity securities, but also risks associated with fixed-income securities, such as interest rate risk. A company's preferred stock, which may pay fixed or variable rates of return, generally pays dividends only after the company makes required payments to creditors, including vendors, depositors, counterparties, holders of its bonds

and other fixed-income securities. As a result, the value of a company's preferred stock will react more strongly than bonds and other debt to actual or perceived changes in the company's financial condition or prospects. Preferred stock may be less liquid than many other types of securities, such as common stock, and generally has limited or no voting rights. In addition, preferred stock is subject to the risks that a company may defer or not pay dividends, and, in certain situations, may call or redeem its preferred stock or convert it to common stock. An issuer may decide to call its outstanding preferred stock in various environments based on its assessment of the relative cost of capital across the company's capital structure.

*Profitability Investment Risk.* High relative profitability stocks may perform differently from the market as a whole and following a profitability-oriented strategy may cause a Fund to at times underperform equity funds that use other investment strategies.

*Recently Organized Companies and IPOs Risk.* Investments in recently organized companies and in many initial public offerings ("IPOs") have the same risks as small company investments, but to a greater degree, including the risk of significant price fluctuations over short periods of time.

*Rights and Warrants Risk.* Rights and warrants involve the risk that a Fund could lose the purchase price of such instruments if the right to subscribe to additional shares is not exercised prior to the warrant's expiration. Also, the purchase of warrants or rights involves the risk that the effective price paid for the warrant or right added to the subscription price of the related security may exceed the subscribed security's market price, such as when there is no movement in the level of the underlying security.

*Securities Lending Risk.* Securities lending typically involves counterparty risk, including the risk that a borrower may not provide additional collateral when required or return the loaned securities in a timely manner. This risk could be greater for securities of foreign issuers. In the Funds' securities lending program, the counterparty risk related to borrowers not providing additional collateral or returning loaned securities in a timely manner is borne by the securities lending agent, which has indemnified the Fund against losses resulting from these risks. However, a Fund may lose money from lending securities (or the amounts earned from securities lending may be limited) if, for example, the value or return of its investments of the cash collateral declines below the amount owed to a borrower. Cash received as collateral through loan transactions is invested in a money market fund.

*Small and Medium Capitalization Companies' Risk.* The Funds may invest in small and medium capitalization companies, which tend to be more vulnerable to adverse developments than larger companies. These companies may have limited product lines, markets, or financial resources, or may depend on a limited management group. They may be recently organized, without proven records of success. Their securities may trade infrequently and in limited volumes. As a result, the prices of these securities may fluctuate more than prices of securities of larger, more widely traded companies and the Funds may experience difficulty in establishing or closing out positions in these securities at prevailing market prices. Also, there may be less publicly available information about small and medium capitalization companies or less market interest in their securities as compared to larger companies, and it may take longer for the prices of the securities to reflect the full value of their issuers' earnings potential or assets.

*Value Investment Risk.* Value stocks may perform differently from the market as a whole and following a value-oriented investment strategy may cause value oriented funds to at times underperform equity funds that use other investment strategies.

## MANAGEMENT OF THE FUNDS

### Investment Adviser

The Adviser, located at 1125 NW Couch Street, Suite 900, Portland, Oregon 97209, is the investment adviser to the Funds. The Adviser has been registered as an investment adviser under the Investment Advisers Act of 1940,

as amended (the “Advisers Act”) since November 1995. As of December 31, 2019, the Adviser had approximately \$688 million in assets under management, all of which were the assets of the Corporation.

The Adviser began managing the Funds at its commencement of operations on January 4, 1996.

The Adviser is responsible for providing (or arranging for the provision of) overall business management and administrative services necessary for the Corporation’s operations. In this regard, the Adviser has selected sub-advisers who have shown good investment performance in their areas of expertise to manage the day-to-day portfolio management of the Funds. The Corporation’s Board of Directors supervises the Adviser’s management of the sub-advisers. The Corporation has received an exemptive order from the SEC that allows the Adviser, under certain circumstances, to change a sub-adviser, or change the terms of a sub-advisory contract, without shareholder approval. The Adviser has the ultimate responsibility to oversee the sub-advisers and to recommend to the Board of Directors their hiring, termination and replacement. The Adviser also supervises the various other service providers to the Corporation, including the Corporation’s custodian, transfer agent, administration agent and accounting services agent. In addition, the Adviser is responsible for ensuring the Corporation’s compliance with applicable legal requirements and for ensuring that the Funds’ investment objectives, policies and restrictions are followed.

Each Fund pays the Adviser a fee for its services. The Adviser retains 0.15% of the average daily net assets of each Fund. The Adviser pays the balance of the fee it receives from each Fund to the applicable sub-adviser.

The advisory fee of the M International Equity Fund is 0.15% on all assets plus (and only with respect to Fund assets which are not invested in a mutual fund that is advised by the Fund’s sub-adviser) 0.32% on the first \$100 million and 0.27% on the amounts thereafter. The advisory fee of the M Large Cap Growth Fund is 0.65% of the first \$50 million, 0.60% of the next \$50 million and 0.55% on the amounts thereafter. The advisory fee of the M Capital Appreciation Fund is 0.90%. The advisory fee of the M Large Cap Value Fund is 0.43%.

The aggregate fee paid to the Adviser by each Fund, other than the M Large Cap Value Fund, for the year ended December 31, 2019 is shown in the table below. The aggregate fee paid to the Adviser by the M Large Cap Value Fund reflects the aggregate fee paid as of May 1, 2020:

<u>Fund</u>	<u>Fee to the Adviser (as a % of average daily net assets)</u>
M International Equity Fund . . . . .	0.38%
M Large Cap Growth Fund. . . . .	0.59%
M Capital Appreciation Fund . . . . .	0.90%
M Large Cap Value Fund . . . . .	0.43%

A discussion of the basis for the Board of Directors’ approvals of the advisory and sub-advisory contracts (except the sub-advisory agreement with Brandywine) for the Funds, for the period ended March 31, 2020, is available in the Funds’ semi-annual report to shareholders for the period ended June 30, 2019. A discussion of the basis for the Board of Directors’ approvals of the advisory and sub-advisory contracts for the Funds (including the sub-advisory agreement with Brandywine), for the period ending March 31, 2021, will be available in the Funds’ semi-annual report to shareholders for the period ended June 30, 2020.

### **Expense Limitation Agreement**

Pursuant to an Expense Limitation Agreement dated May 1, 2020, the Adviser has contractually agreed to reimburse the Funds for certain operating expenses (other than advisory fees, brokerage or other portfolio transaction expenses or expenses for litigation, indemnification, taxes or other extraordinary expenses) to the extent that such expenses exceed 0.25% of a Fund’s annualized average daily net assets. The Expense Limitation Agreement with respect to the Funds will remain in effect until April 30, 2021, at which time it may be continued, modified or eliminated and net expenses will be adjusted as necessary.

Under the Investment Advisory Agreement, the Adviser may elect to recapture any amounts waived or reimbursed earlier in the fiscal year, subject to certain conditions, including that repayment does not cause operating expenses to exceed 0.25%.

### **Sub-Advisers**

The sub-advisers make the day-to-day decisions regarding buying and selling specific securities for a Fund. Each sub-adviser manages the investments held by the Fund it serves according to the applicable investment objective and strategies. Additional information regarding portfolio manager compensation, other accounts managed by each portfolio manager and each manager's ownership of securities of funds they manage may be found in the Corporation's Statement of Additional Information.

#### **Dimensional Fund Advisors, LP (Dimensional)**

6300 Bee Cave Road, Building One, Austin, Texas 78746

#### *Sub-Adviser to the M International Equity Fund*

Dimensional has been engaged in the business of providing investment management services since May 1981. Dimensional is currently organized as a Delaware limited partnership and is controlled and operated by its general partner, Dimensional Holdings Inc., a Delaware corporation. As of December 31, 2019, assets under management for all Dimensional affiliated advisors totaled approximately \$609 billion. Dimensional has managed the M International Equity Fund since December 12, 2018.

In accordance with the team approach used to manage the M International Equity Fund, the portfolio managers and portfolio traders implement the policies and procedures established by Dimensional's Investment Committee. The portfolio managers and portfolio traders also make daily investment decisions regarding the Fund based on the parameters established by the Investment Committee. The individuals below coordinate the efforts of all other portfolio managers and/or trading personnel with respect to the day-to-day management of the Fund.

- Jed S. Fogdall is the Head of Global Portfolio Management, Chair of the Investment Committee, Vice President and Senior Portfolio Manager of Dimensional. Mr. Fogdall has an MBA from the University of California, Los Angeles and a BS from Purdue University. Mr. Fogdall joined Dimensional as a portfolio manager in 2004.
- Mary T. Phillips, CFA is a Deputy Head of Portfolio Management, North America, member of the Investment Committee, Vice President and Senior Portfolio Manager of Dimensional. Ms. Phillips holds an MBA from the University of Chicago Booth School of Business and a BA from the University of Puget Sound. Ms. Phillips joined Dimensional in 2012 and has been a portfolio manager since 2014.
- Bhanu P. Singh is a Vice President and Senior Portfolio Manager of Dimensional. Mr. Singh received his MBA from the University of Chicago Booth School of Business and his BA from the University of California, Los Angeles. Mr. Singh joined Dimensional originally in 2003 and has been a portfolio manager since 2012.
- William B. Collins-Dean, CFA is a Vice President and Senior Portfolio Manager of Dimensional. Mr. Collins-Dean holds an MBA from the University of Chicago and BS from Wake Forest University. Mr. Collins-Dean joined Dimensional in 2014 and has been a portfolio manager since 2016.



**DSM Capital Partners LLC (DSM)**

7111 Fairway Drive, Suite 350, Palm Beach Gardens, Florida 33418

*Sub-Adviser to the M Large Cap Growth Fund*

DSM has been registered as an investment adviser with the SEC since 2001. As of December 31, 2019, DSM managed approximately \$7.8 billion of assets. DSM has managed the M Large Cap Growth Fund since October 12, 2009.

A team of investment professionals manages the M Large Cap Growth Fund, including DSM's Co-Founding Principal, Daniel Strickberger. Other members of the team include portfolio manager/research analysts Justin Burk, CFA, David McVey, CFA, Steve Tish, CFA, Eric Woodworth, CFA, Pinaki Kar, Hannah Chiang, Kenneth Yang, CFA and Takamune Fujikawa, CFA.

- Daniel Strickberger co-founded DSM in February 2001 and has served as a co-Managing Partner since that time.
- David McVey and Eric Woodworth joined DSM in 2001 as portfolio managers/research analysts.
- Justin Burk joined DSM in 2002 as a portfolio manager/research analyst.
- Steve Tish joined DSM in 2007 as a portfolio manager/research analyst.
- Pinaki Kar joined DSM in 2008 as a portfolio manager/research analyst.
- Kenneth Yang joined DSM in 2011 as a portfolio manager/research analyst.
- Hannah Chiang joined DSM in 2015 as a portfolio manager/research analyst.
- Takamune Fujikawa joined DSM in May 2018 as a portfolio manager/research analyst.

**Frontier Capital Management Company, LLC (Frontier)**

99 Summer Street, Boston, Massachusetts 02110

*Sub-Adviser to the M Capital Appreciation Fund*

Frontier has been registered as an investment adviser with the SEC since 1981. As of December 31, 2019, Frontier managed approximately \$13.8 billion of assets. Frontier has managed the M Capital Appreciation Fund since January 5, 1996.

Michael A. Cavarretta, CFA, Andrew B. Bennett, CFA and Peter G. Kuechle are responsible for the day-to-day management of the M Capital Appreciation Fund.

- Mr. Cavarretta has been a portfolio manager of the Fund since its inception on January 5, 1996. Mr. Cavarretta is Chairman of Frontier and holds a B.S. from the University of Maine and an M.B.A. from Harvard Business School. He joined Frontier in 1988 and has served as a portfolio manager for Frontier's capital appreciation portfolios since 1991.
- Andrew B. Bennett, CFA, has also been a portfolio manager of the Fund since December 31, 2013. Mr. Bennett holds a B.A. from Wheaton College. He joined Frontier in 2003 as an equity research analyst. He assumed portfolio management responsibilities for Frontier's capital appreciation portfolios in 2010.
- Peter G. Kuechle has also been a portfolio manager of the Fund since April 1, 2018. Mr. Kuechle holds a B.A. from Dartmouth College and an M.B.A. from Harvard Business School. He joined Frontier in 2002 as an equity research analyst. He assumed portfolio management responsibilities for Frontier's capital appreciation portfolios in April 2018.

## **Brandywine Global Investment Management, LLC (Brandywine)**

1735 Market Street, Suite 1800, Philadelphia, Pennsylvania 19103

### *Sub-Adviser to the M Large Cap Value Fund*

Brandywine has been registered as an investment adviser with the SEC since 1986. As of December 31, 2019, Brandywine managed approximately \$76.2 billion of assets. Brandywine has managed the M Large Cap Value Fund since May 1, 2020.

A team of investment professionals manages the Fund. The team is led by the following investment professionals:

- Joseph J. Kirby (Portfolio Manager) is the lead portfolio manager for the Diversified Large Cap Value Equity strategy. He joined the firm in 1994.
- Henry F. Otto (Managing Director and Portfolio Manager) is the founder and co-lead portfolio manager of the Diversified Value Equity strategies. He is a member of the firm's Executive Board. He joined the firm in 1988.
- Steven M. Tonkovich (Managing Director and Portfolio Manager) is co-lead portfolio manager of the Diversified Value Equity strategies. He is a member of the firm's Executive Board. He joined the firm in 1989.

### **Similar Funds**

The Funds are not available for purchase directly by the general public and are not the same as other mutual fund portfolios with very similar or nearly identical names that are sold directly to the public. However, the investment objectives and policies of certain Funds may be very similar to the investment objectives and policies of other mutual fund portfolios that are managed by the sub-advisers. Nevertheless, the investment performance and results of each Fund may be lower, or higher, than the investment results of such other publicly available portfolios. There can be no assurance, and no representation is made, that the investment results of any of the Funds will be comparable to the investment results of any other mutual fund portfolio, even if the other portfolio is also managed by the Fund's sub-adviser, has the same investment objectives and policies and has a very similar name.

### **Conflicts of Interest**

Certain conflicts of interest may exist between the interests of the variable annuity contract owners, variable life insurance policy owners and plan participants. The Corporation does not currently believe that ownership by each such type of entity will cause any disadvantage to owners of any of such entities. However, the Board of Directors of the Corporation monitors the Funds to identify any conflicts of interest that may cause such a disadvantage and that cannot be reconciled. If such situations arise, the Board of Directors will decide at that time what action should be taken in response to the conflicts.

### **Portfolio Holdings Disclosure**

The Corporation has adopted policies and procedures that govern the disclosure of the Funds' portfolio holdings. Disclosure of the complete holdings of each Fund is required to be made quarterly within 60 days of the end of the Fund's fiscal quarter in the Annual Report and Semi-Annual Report to Fund shareholders on Form N-CSR and in Form N-PORT, with every third month made available to the public by the SEC 60 days after the end of the Funds' fiscal quarter. You can find SEC filings on the SEC's website, [www.sec.gov](http://www.sec.gov). Each Fund will also make the quarterly holdings reports available on the Corporation's website at [www.mfin.com](http://www.mfin.com). Once you reach the website, click on the M Funds link at the bottom of the web page. Then, click on the "Quarterly Holding Report" link. The Corporation's policies and procedures regarding website disclosure of the Funds' portfolio holdings, as well as the Corporation's

other policies and procedures relating to disclosure of the Funds' portfolio holdings, are described in the Statement of Additional Information.

### **Performance Data**

The performance data shown above in this prospectus (and elsewhere) reflects the Adviser's agreement to cap certain Fund operating expenses to the extent that they exceeded 0.25% of the Fund's daily net assets as well as a voluntary waiver by AJO, LP, the M Large Cap Value Fund's previous sub-adviser, and corresponding waiver by the Adviser to lower certain expenses of the M Large Cap Value Fund. If this expense cap had not been in effect, the performance results for those Funds that had operating expenses that exceeded 0.25% of the Fund's daily net assets would have been less favorable for those years. In addition, if the waiver had not been in place for M Large Cap Value Fund, the Fund's performance results would have been less favorable.

## **INVESTING WITH M FUND, INC.**

### **Choosing the Appropriate Funds to Match Your Goals**

Investing well requires a plan. We recommend that you meet with your financial adviser to plan a strategy that will best meet your financial goals. Your financial adviser can help you buy a variable annuity or variable life insurance contract that will allow you to choose the Funds.

### **Purchasing Shares**

The Funds are generally available through the purchase of variable life insurance policies and variable annuity policies issued by certain insurance companies. Those insurance companies may offer other portfolios in addition to offering the Funds. You cannot buy shares of the Funds directly. You can invest indirectly in the Funds through your purchase of a variable annuity or variable life insurance contract. You should read this prospectus and the prospectus of the variable annuity or variable life insurance contract carefully before you choose your investment options.

The variable annuity and variable life insurance contracts are issued by separate accounts of various insurance companies. The insurance companies buy Fund shares for their separate accounts based on the instructions that they receive from the contract owners.

### **Market Timing**

Programmed, large, frequent or short-term transfers among the Funds or between a Fund and other investment options can cause risk with adverse effects for other contract owners (and beneficiaries and underlying fund portfolios). These risks and harmful effects include: (1) dilution of the interest of long-term investors in a Fund if purchases or transfers into or out of a Fund are made at values that do not reflect an accurate value for the Fund's underlying portfolio securities (some "market timers" attempt to do this through methods known as "time-zone arbitrage" and "liquidity arbitrage"); (2) an adverse effect on portfolio management, such as impeding a sub-adviser's ability to sustain an investment objective, causing the Fund to maintain a higher level of cash than would otherwise be the case, or causing the Fund to liquidate investments prematurely (or otherwise at an inopportune time) to pay withdrawals or transfers out of the Fund; and (3) increased brokerage and administrative expenses. These costs are borne by all contract owners invested in the Fund, not just those making transfers. Therefore, the Corporation reserves the right to reject any transfer or purchase order if, in the Corporation's judgment, the Fund or other investors would potentially be adversely affected.

The Board of Directors has determined that it is not necessary for the Funds to have any specific policies and procedures regarding frequent transfers because each of the Participating Insurance Companies has its own policies

and procedures regarding its contract owner's transfer activity. Each Participating Insurance Company has supplied and certified that it has established procedures to monitor and deter market-timing activity. The Adviser does not have, nor has it had, written agreements that provide for market timing.

### **Redeeming Shares**

To meet various obligations under the variable annuity or variable life insurance contracts, the insurance company separate accounts may redeem Fund shares to generate cash. For example, a separate account may redeem Fund shares and use the proceeds to pay a contract owner who requested a partial withdrawal or who canceled a contract. Proceeds from the redemption are usually sent to the separate account on the next business day. Under stressed market conditions, as well as for other temporary or emergency purposes, the Funds reserve the right to enter into agreements in order to establish a line of credit or other borrowing arrangements should the Funds deem that stressful conditions may require such action in order to assist in meeting timely redemption requests. The Funds may suspend redemption of shares or postpone payment dates when the New York Stock Exchange ("NYSE") is closed (other than weekends or holidays), when trading on the NYSE is restricted, or as otherwise permitted by the SEC, for more than seven days.

### **Pricing of Fund Shares**

Each Fund's share price, also called net asset value per share ("NAV"), is determined as of the close of regular trading, normally 4:00 p.m. Eastern time, on each day when the NYSE is open. The NYSE is scheduled to be open Monday through Friday throughout the year, except for certain federal and other holidays. Each Fund calculates its NAV by dividing the total value of its assets, less its liabilities, by the number of its shares outstanding.

The value of each Fund's securities and assets is based on their market values. Certain exceptions follow:

- Short-term debt securities that mature in 60 days or less are valued by the amortized cost method, which approximates market value.
- Investments for which market quotations are not readily available are valued at their fair value as determined by a Pricing Committee appointed by the Board of Directors. Market quotations may not be readily available or may not be representative of market values for many reasons including: (a) significant time delays between (i) the time of the close of the exchange, or market in which the security is traded and (ii) the time of the Fund's NAV calculation; or (b) an event that would affect the value of a security has occurred since the closing price was established on the foreign exchange or market and prior to the Fund's NAV calculation. In addition, prices for portfolio securities may not be available when no quotations are available from brokers, which indicates that there is a thin market in the security. Use of fair value pricing with respect to a security could cause a Fund's NAV to differ significantly from the NAV that would have been calculated using the last market closing value for that security (which could be stale, or affected by a subsequent significant event). If a security valuation issue arises, the Pricing Committee shall be convened to consider all the appropriate factors relevant to establishing the value of the security in question. In determining the fair value of a security, the Pricing Committee is authorized to rely on information and recommendations provided by third parties, including, principally, the sub-adviser that manages the Fund as well as information provided by independent pricing agents. Fair value determinations made by the Pricing Committee, including the factors considered and the valuation methodology recommended by the sub-adviser managing the Fund, are documented and reported to the Board of Directors and submitted for ratification at the next scheduled Board meeting.
- Securities mainly traded on a non-U.S. exchange are generally valued according to the latest closing values on that exchange prior to the closing of the NYSE. However, if a significant event occurs after the time that the closing value on the non-U.S. exchange was determined, the value of the security may be determined based on its fair value, as determined by the Pricing Committee. In such circumstances, the Board of Directors

has approved the use of an independent fair value service for securities of foreign issuers, which may provide fair value. The use of fair value pricing may cause the value of the security on the books of the Fund to be significantly different from the closing value on the non-U.S. exchange and may affect the calculation of a Fund's NAV. A significant event may include corporate actions, earnings announcements and significant fluctuations in domestic or foreign stock or bond markets.

- Because portfolio securities that are primarily listed on non-U.S. exchanges may trade on weekends or other days when a Fund does not price its shares, the value of a Fund's portfolio securities may change on days when shareholders will not be able to buy or sell shares.

### **DISTRIBUTIONS AND TAXES**

Each of the Funds intends to distribute to its shareholders substantially all of its income and capital gains, if any, on an annual basis. Because you do not own shares of the Funds directly, your tax situation is not likely to be affected by a Fund's distributions. The separate accounts in which you own a variable annuity or variable life insurance contract, as the owner of the Fund's shares, may be affected. Please refer to the prospectus for the variable annuity or variable life insurance contract for tax information regarding those products.

## FINANCIAL HIGHLIGHTS

The following selected financial highlights are derived from the Corporation's audited financial statements included in the Corporation's Annual Report to Shareholders. The financial highlights tables are intended to help you understand each Fund's financial performance for the past five years. Certain information reflects results for a single Fund share. The total returns in the table represent the rate that an investor would have earned or lost on an investment in the Fund (assuming reinvestment of all dividends and distributions). These total return figures do not reflect any fees or charges deducted from the insurance company separate account or from the variable annuity or life insurance policies, which, if reflected, would result in lower total return figures.

The Corporation's financial statements and report of BBD, LLP, independent registered public accounting firm, included in the Annual Report to Shareholders for the Corporation's fiscal year ended December 31, 2019 are incorporated by reference into the Statement of Additional Information. The following data should be read in conjunction with such financial statements, related notes and other financial information contained in the Annual Report. The Annual Report contains additional performance information about the Funds and is available, as described below. The Annual Report and the Statement of Additional Information are available upon request.

# M Fund, Inc.

## FINANCIAL HIGHLIGHTS

### (FOR A SHARE OUTSTANDING THROUGHOUT EACH YEAR)

#### M International Equity Fund

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
<b>Net asset value, beginning of year</b> .....	\$ 10.60	\$ 13.58	\$ 11.12	\$ 11.26	\$ 11.93
<b>Income from investment operations:</b>					
Net investment income‡ .....	0.27	0.19	0.17	0.17	0.19
Net realized and unrealized gain (loss) on investments .....	1.88	(2.99)	2.50	(0.18)	(0.66)
Total from investment operations .....	2.15	(2.80)	2.67	(0.01)	(0.47)
<b>Less distributions to shareholders:</b>					
From net investment income .....	(0.30)	(0.18)	(0.21)	(0.13)	(0.20)
From return of capital .....	(0.03)	—	—	—	—
Total distributions .....	(0.33)	(0.18)	(0.21)	(0.13)	(0.20)
<b>Net asset value, end of year</b> .....	<u>\$ 12.42</u>	<u>\$ 10.60</u>	<u>\$ 13.58</u>	<u>\$ 11.12</u>	<u>\$ 11.26</u>
<b>Total Return+</b> .....	20.32%	(20.57)%	24.05%	(0.05)%	(3.94)%
<b>Ratios/Supplemental Data:</b>					
Net assets, end of year (000's) .....	\$195,973	\$169,923	\$244,167	\$193,909	\$228,015
Net expenses to average daily net assets .....	0.63%•	0.92%•	0.90%	0.94%	0.95%
Net investment income to average daily net assets .....	2.34%	1.50%	1.33%	1.51%	1.51%
Without the waiver/reimbursement of expenses by the adviser, the ratios of net expenses and net investment income to average daily net assets would have been:					
Expenses .....	0.68%•	0.98%•	N/A	0.97%	0.96%
Net investment income .....	2.30%	1.43%	N/A	1.48%	1.50%
Portfolio turnover rate .....	13%	117%?	10%	20%	27%

‡ Calculation based on average shares outstanding.

+ Does not reflect additional fees charged by separate accounts or variable insurance contracts that an investor in the Fund may pay. If these additional fees were reflected, performance would have been lower.

• In addition to the fees and expenses which the Fund bears directly, it also indirectly bears a pro-rata share of the fees and expenses of the underlying fund in which it invests. Such indirect expenses are not included in the above expense ratios.

? The increase in portfolio turnover rate during the year was primarily attributable to portfolio adjustments made in response to a change in the Fund's sub-adviser.

# M Fund, Inc.

## FINANCIAL HIGHLIGHTS

### (FOR A SHARE OUTSTANDING THROUGHOUT EACH YEAR)

#### M Large Cap Growth Fund

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
<b>Net asset value, beginning of year</b> .....	\$ 22.85	\$ 27.01	\$ 19.97	\$ 21.66	\$ 23.95
<b>Income from investment operations:</b>					
Net investment loss‡ .....	(0.07)	(0.03)	(0.05)	(0.05)	(0.05)
Net realized and unrealized gain (loss) on investments .....	8.31	(1.12)	7.83	(0.45)	1.96
Total from investment operations .....	8.24	(1.15)	7.78	(0.50)	1.91
<b>Less distributions to shareholders:</b>					
From net investment income .....	—	—	—	—	(0.01)
From net realized capital gains .....	(1.76)	(3.01)	(0.74)	(1.19)	(4.19)
Total distributions .....	(1.76)	(3.01)	(0.74)	(1.19)	(4.20)
<b>Net asset value, end of year</b> .....	<u>\$ 29.33</u>	<u>\$ 22.85</u>	<u>\$ 27.01</u>	<u>\$ 19.97</u>	<u>\$ 21.66</u>
<b>Total Return+</b> .....	36.09%	(4.95)%	38.97%	(2.32)%	7.70%
<b>Ratios/Supplemental Data:</b>					
Net assets, end of year (000's) .....	\$210,615	\$168,222	\$193,379	\$157,766	\$180,624
Net expenses to average daily net assets .....	0.77%	0.75%	0.73%	0.78%	0.76%
Net investment loss to average daily net assets .....	(0.25)%	(0.11)%	(0.20)%	(0.26)%	(0.20)%
Portfolio turnover rate .....	22%	34%	49%	36%	69%

‡ Calculation based on average shares outstanding.

+ Does not reflect additional fees charged by separate accounts or variable insurance contracts that an investor in the Fund may pay. If these additional fees were reflected, performance would have been lower.



# M Fund, Inc.

## FINANCIAL HIGHLIGHTS

### (FOR A SHARE OUTSTANDING THROUGHOUT EACH YEAR)

#### M Capital Appreciation Fund

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
<b>Net asset value, beginning of year</b> .....	\$ 21.14	\$ 31.24	\$ 29.28	\$ 25.15	\$ 30.22
<b>Income from investment operations:</b>					
Net investment loss‡ .....	(0.04)	(0.05)	(0.01)	(0.09)	(0.10)
Net realized and unrealized gain (loss) on investments .....	6.11	(4.23)	5.55	5.38	(1.77)
Total from investment operations .....	6.07	(4.28)	5.54	5.29	(1.87)
<b>Less distributions to shareholders:</b>					
From net investment income .....	—	(0.09)	—	—	—
From net realized capital gains .....	(2.16)	(5.73)	(3.58)	(1.16)	(3.20)
Total distributions .....	(2.16)	(5.82)	(3.58)	(1.16)	(3.20)
<b>Net asset value, end of year</b> .....	<u>\$ 25.05</u>	<u>\$ 21.14</u>	<u>\$ 31.24</u>	<u>\$ 29.28</u>	<u>\$ 25.15</u>
<b>Total Return+</b> .....	28.85%	(14.15)%	19.02%	21.06%	(6.58)%
<b>Ratios/Supplemental Data:</b>					
Net assets, end of year (000's) .....	\$181,375	\$156,007	\$209,284	\$197,217	\$182,298
Net expenses to average daily net assets .....	1.10%	1.07%	1.05%	1.08%	1.07%
Net investment loss to average daily net assets .....	(0.15)%	(0.15)%	(0.04)%	(0.35)%	(0.34)%
Portfolio turnover rate .....	20%	26%	20%	19%	23%

‡ Calculation based on average shares outstanding.

+ Does not reflect additional fees charged by separate accounts or variable insurance contracts that an investor in the Fund may pay. If these additional fees were reflected, performance would have been lower.

# M Fund, Inc.

## FINANCIAL HIGHLIGHTS

### (FOR A SHARE OUTSTANDING THROUGHOUT EACH YEAR)

#### M Large Cap Value Fund

	Year Ended December 31, 2019	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2016	Year Ended December 31, 2015
<b>Net asset value, beginning of year</b> .....	\$ 11.06	\$ 13.93	\$ 12.89	\$ 11.96	\$ 13.36
<b>Income from investment operations:</b>					
Net investment income <sup>‡</sup> .....	0.22	0.20	0.21	0.22	0.18
Net realized and unrealized gain (loss) on investments .....	2.16	(1.88)	1.73	0.94	(0.24)
Total from investment operations .....	2.38	(1.68)	1.94	1.16	(0.06)
<b>Less distributions to shareholders:</b>					
From net investment income .....	(0.22)	(0.20)	(0.21)	(0.23)	(0.17)
From return of capital .....	—	—	—	—	(0.01)
From net realized capital gains .....	(0.42)	(0.99)	(0.69)	—	(1.16)
Total distributions .....	(0.64)	(1.19)	(0.90)	(0.23)	(1.34)
<b>Net asset value, end of year</b> .....	<u>\$ 12.80</u>	<u>\$ 11.06</u>	<u>\$ 13.93</u>	<u>\$ 12.89</u>	<u>\$ 11.96</u>
<b>Total Return</b> <sup>+</sup> .....	21.52%	(12.07)%	14.99%	9.73%#	(0.66)%
<b>Ratios/Supplemental Data:</b>					
Net assets, end of year (000's) .....	\$ 99,890	\$ 85,437	\$ 99,501	\$ 91,189	\$ 95,170
Net expenses to average daily net assets .....	0.68%	0.64%	0.64%	0.68%	0.69%
Net investment income to average daily net assets .....	1.73%	1.47%	1.57%	1.85%	1.32%
Without the waiver/reimbursement of expenses by the adviser, the ratios of net expenses and net investment income to average daily net assets would have been:					
Expenses .....	0.69%	0.66%	0.64%	0.68%	N/A
Net investment income .....	1.72%	1.45%	1.56%	1.85%	N/A
Portfolio turnover rate .....	107%	82%	75%	54%	66%

<sup>‡</sup> Calculation based on average shares outstanding.

<sup>+</sup> Does not reflect additional fees charged by separate accounts or variable insurance contracts that an investor in the Fund may pay. If these additional fees were reflected, performance would have been lower.

<sup>#</sup> Includes adjustments in accordance with accounting principles generally accepted in the United States and consequently, the net asset value for financial reporting purposes and the returns based upon those net asset values may differ from the net asset values and returns for shareholder processing.



## **For More Information**

For investors who want more information about the Funds, the following documents are available free upon request.

**Statement of Additional Information (“SAI”):** The SAI provides additional information about the Funds and is legally a part of this prospectus. It is incorporated herein by reference.

**Annual/Semi-Annual Reports:** The Corporation’s annual and semi-annual reports to shareholders provide additional information about the Funds’ investments. In the annual report, you will find a discussion of the market conditions and investment strategies that significantly affected the Funds’ performance during the Corporation’s last fiscal year.

You can get free copies of the SAI, the annual and semi-annual reports, other information and answers to your questions about the Funds by contacting your financial adviser, or by writing to or calling the Corporation at:

M Fund, Inc.  
M Financial Plaza  
1125 NW Couch Street, Suite 900  
Portland, Oregon 97209  
(888) 736-2878

Additionally, you may also obtain copies of the SAI and the annual and semi-annual reports on the Internet at: <http://www.mfin.com>.

You can also view the SAI, the annual and semi-annual reports and other information on the EDGAR database on the SEC’s Internet site at <http://www.sec.gov>. You can obtain copies of this information, after paying a duplicating fee, by electronic request at the following E-mail address: [publicinfo@sec.gov](mailto:publicinfo@sec.gov).

### **M FUND, INC.**

**M International Equity Fund**

**M Large Cap Growth Fund**

**M Capital Appreciation Fund**

**M Large Cap Value Fund**