

RELIGIOUS COMMUNITIES TRUST

The Religious Communities Trust ("RCT" or "Trust") offers qualified investors an opportunity to invest in portfolios ("Funds") holding fixed income securities. Investment in any RCT Fund is restricted to Roman Catholic Organizations listed in The Official Catholic Directory.

This Disclosure Statement is not on file with, and has not been reviewed by, the Securities and Exchange Commission. The RCT requested, and was issued, a "no action" letter in 1975. Accordingly, the RCT is not registered under the Investment Company Act of 1940 and the Securities Act of 1933. It has received a Letter of Determination from the Internal Revenue Service qualifying the Trust for tax exemption. In addition, the RCT is exempt from registration under the securities laws of most states.

This Disclosure Statement sets forth concise information about the RCT that an eligible Roman Catholic Organization ought to know before investing. Investors should read and retain this Disclosure Statement for future reference. Additional information is available in a "Statement of Additional Information" which may be obtained without charge by written request directed to Religious Communities Trust, 20 North Wacker Drive, Suite 2000, Chicago, Illinois 60606-3002.

IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION, TO THE CONTRARY IS A CRIMINAL OFFENSE.

The RCT offers a choice of investment portfolios comprised largely of fixed income securities and is limited to accepting investments exclusively from Roman Catholic Organizations listed in The Official Catholic Directory. RCT currently offers, and will continue to offer, the Flex Cash Fund ("FCF")¹, the Short Bond Fund ("SBF"), and the Intermediate Diversified Bond Fund ("IDBF"). This Disclosure Statement contains information about the Trust and the Funds that a prospective investor should know before investing and should be retained for future reference.

RCT is an Illinois trust, operated not-for-profit. A Board of Trustees, currently consisting of eight persons, governs the Trust. The Trust is exempt from registration under the Investment Company Act of 1940 and the Securities Act of 1933. It has received a Letter of Determination from the Internal Revenue Service qualifying the Trust for tax-exempt status.

Investment Objectives. RCT is an open-end investment trust. The Trust currently offers a choice of three Funds, which are separate investment portfolios. The investments of all of the Funds will adhere to the Christian Brothers Investment Services, Inc. Statement on Socially Responsible Investing, as endorsed by the Trustees of RCT. The Flex Cash Fund, formerly the Money Market Fund, invests in high quality short-term money instruments in a portfolio with a weighted average maturity of less than 90 days consistent with its specific objective of seeking optimal current income consistent with preservation of capital. The Short Bond Fund ("SBF") seeks maximum current income to the extent consistent with preservation of capital; its portfolio effective duration will be similar to that of its benchmark, the Merrill Lynch 1-3 Year Treasury Index, generally one to two years. The Intermediate Diversified Bond Fund ("IDBF") seeks current income and long-term capital appreciation; its portfolio effective duration will be similar to its benchmark, Barclays Capital Aggregate Bond Index (formerly the Lehman Aggregate Index), generally from four to six years. Both the SBF and the IDBF invest primarily in fixed income obligations issued by the U.S. Government or its agencies, obligations issued by corporations, mortgage-backed and asset-backed securities.

Investment Manager and Trust Administrator. Christian Brothers Investment Services, Inc. ("CBIS") has been retained by the Trustees of RCT to serve as the investment manager and Trust Administrator for the Funds and provides the Funds with continuous professional investment supervision. The Board of Trustees of RCT has been paid an annual fee to provide investment management and trust administration services. Since January 1, 2003, such annual fees have been set at:

For the Flex Cash Fund	0.50 of 1%
For the SBF	0.30 of 1%
For the IDBF, Class A shares	0.50 of 1%
For the IDBF, Class B shares	0.35 of 1% (see p. 10)

The fee percentages are applied on a per annum basis; the fee amount is determined daily based on the daily net asset value of each Fund. From those annual fees, the Board of Trustees pays CBIS 98.0% of the fee so collected.

¹ Prior to July 1, 2006, the RCT Flex Cash Fund was known as the Money Market Fund.

Investment and Withdrawals. Investment by qualified Organizations ("Participating Organizations") may be made at any time and in any amount. Amounts so invested plus accrued income may be withdrawn, in whole or in part, by means of a request to withdraw in proper form. Withdrawals from the Flex Cash Fund may be made by a Participating Organization negotiating a check payable by the respective Fund; withdrawal from all Funds may be made by using one of the Trust's expedited withdrawal procedures.

Dividends (Income). On each business day, the net investment income of each Fund is declared. Income is credited pro rata at frequent intervals to each Participating Organization's Account.

General Information and Capital. The Trust is organized as a trust under the laws of Illinois. Each Fund maintains an account for each investor in such Fund, to which account the following are debited or credited as appropriate: (a) All contributions to and withdrawals from such account made by each Participating Organization; and (b) All Trust Management Fees calculated and accrued daily and paid monthly from the portfolios of the Funds; and (c) All other amounts credited or charged to each such account as provided in RCT's Trust Agreement (the "Trust Agreement"). Contributions to and withdrawals from a Participating Organization's account may be made only in cash. Generally a Participating Organization may make contributions to, and withdrawals from, an account at any time, except that the right to make withdrawals may be limited by the Trustees from time to time as to time and/or amount. The Trust is not required to hold, and has not held, annual meetings.

Shares in the Funds ("Trust Units") are purchased and redeemed at net asset value, with no sales or redemption charges, commissions, or underwriting discounts. All net investment income of each Fund may be reinvested in additional Trust Units of such Fund.

The address of RCT is 20 North Wacker Drive, Suite 2000, Chicago, Illinois 60606-3002, and the telephone number is (877) 550-2247.

SUMMARY OF EXPENSES

Shareholder Transaction Expenses - None. The following table illustrates all expenses and fees that an investor in the Flex Cash Fund (“FCF”), the SBF, and the IDBF portfolios will incur. The expenses set forth below are for the fiscal year ended December 31, 2010.

<u>Annual Fund Operating Expenses</u>	<u>FCF</u>	<u>SBF</u>	<u>IDBF-A</u>	<u>IDBF-B</u>
Management Fees	0.50%	0.30%	0.50%	0.35%
12b-1 Fees ²	0.00%	0.00%	0.00%	0.00%
Other Expenses	0.15%	0.03%	0.03%	0.03%
Expense Waiver ³	<u>(.16%)</u>	<u>0.00%</u>	<u>0.00%</u>	<u>0.00%</u>
Total Operating Expenses	0.49%	0.33%	0.53%	0.38%

Example. The following example illustrates the expenses an investor would pay on a \$10,000 investment over various time periods assuming a 5% annual rate of return:

	<u>1 year</u>	<u>3 years</u>	<u>5 years</u>	<u>10 years</u>
FCF ⁴	50.10	157.18	274.10	615.67
SBF	33.77	106.11	185.35	418.37
IDBF (Cl. A)	54.18	169.91	269.18	664.54
IDBF (Cl. B)	38.88	122.09	213.16	480.22

This example should not be considered a representation of past or future expenses or performance. Actual expenses may be greater or lesser than those shown.

² By agreement with the Trustees, the Trust Administrator is responsible for communications with potential Participating Organizations. The Trust Administrator does not receive a separate fee for such services.

³ The Trustees and CBIS have agreed to temporarily and voluntarily waive a portion of the Flex Cash Fund’s Management Fee in order for the fund to maintain a positive yield. The Trustees and CBIS may request reimbursement from the Fund to recapture the waived fees. For the year ended December 31, 2010 the total amount of the waived management fee was \$380,863.

⁴ Reflects the effect of the waiver of the Flex Cash Fund Management Fee.

CONDENSED FINANCIAL INFORMATION

(for a Unit outstanding throughout the year)

The following Condensed Financial Information of the Funds is for the five years ending December 31, 2010. The Condensed Financial Information set forth below should be read in conjunction with the financial statements and related notes included in the Fund's Annual Financial Statements.

FLEX CASH FUND

Selected data for a share outstanding throughout each calendar year is as follows:

	2010	2009	2008	2007	2006
Net asset value, beginning of year	\$1.00	\$1.00	\$1.00	\$1.00	\$1.00
Net investment income	0.01	0.01	0.02	0.04	0.04
Total from investment operations	0.01	0.01	0.02	0.04	0.04
Distributions from net investment income	(0.01)	(0.01)	(0.02)	(0.04)	(0.04)
Net asset value, end of year	1.00	1.00	\$1.00	\$1.00	\$1.00
Total return	0.02%	0.15%	2.18%	4.56%	4.28%
Ratios to average net assets:					
Expenses, net of waivers*	0.49%	0.63%	--	--	--
Expenses, before waivers	0.65%	0.74%	0.70%	0.70%	0.69%
Net investment income	0.03%	0.16%	2.17%	4.46%	4.18%
Net assets, end of year (in millions)	\$217.6	\$264.2	\$320.2	\$323.1	\$295.1

**The Trustees and CBIS may request reimbursement from the Fund to recapture the waived fees. For the year ended December 31, 2009 and 2010 the total amount of the waived management fee was \$330,668 and \$380,863.*

SHORT BOND FUND

Selected data for a share outstanding throughout each calendar year is as follows:

	2010	2009	2008	2007	2006
Net asset value, beginning of year	\$11.14	\$10.79	\$11.05	\$10.91	\$10.90
Net investment income	0.33	0.44	0.48	0.50	0.46
Net realized and unrealized gain (loss)	0.04	0.35	(0.26)	0.14	0.01
Total from investment operations	0.37	0.79	0.22	0.64	0.47
Distributions from net investment income	(0.33)	(0.44)	(0.48)	(0.50)	(0.46)
Net asset value, end of year	\$11.18	\$11.14	\$10.79	\$11.05	\$10.91
Total return	3.34%	7.44%	1.95%	6.05%	4.37%
Portfolio turnover rate	32.56%	40.52%	72.93%	83.04%	103.82%
Ratios to average net assets:					
Expenses	0.33%	0.34%	0.34%	0.34%	0.33%
Net investment income	2.94%	4.01%	4.32%	4.58%	3.83%
Net assets, end of year (in millions)	\$176.1	\$150.3	\$94.9	\$90.5	\$93.4

INTERMEDIATE DIVERSIFIED BOND FUND – Class A

Selected data for a share outstanding throughout each calendar year is as follows:

	2010	2009	2008	2007	2006
Net asset value, beginning of year	\$12.41	\$11.01	\$11.84	\$11.65	\$11.71
Net investment income	0.42	0.57	0.60	0.57	0.55
Net realized and unrealized gain (loss)	0.46	1.40	(0.83)	0.19	(0.06)
Total from investment operations	0.88	1.97	(0.23)	0.76	0.49
Distributions from net investment income	(0.42)	(0.57)	(0.60)	(0.57)	(0.55)
Net asset value, end of year	\$12.87	\$12.41	\$11.01	\$11.84	\$11.65
Total return	7.20%	18.40%	(2.03%)	6.74%	4.28%
Portfolio Turnover Rate	351.08%	383.94%	226.84%	131.67%	145.18%
Ratios to average net assets:					
Expenses	0.53%	0.52%	0.52%	0.51%	0.52%
Net investment income	3.32%	4.92%	5.18%	4.94%	4.71%
Net assets, end of year (in millions)	\$338.9	\$314.4	\$302.5	\$366.9	\$384.0

INTERMEDIATE DIVERSIFIED BOND FUND – Class B

Selected data for a share outstanding throughout each calendar year is as follows:

	2010	2009	2008	2007	2006
Net asset value, beginning of year	\$12.41	\$11.01	\$11.83	\$11.64	\$11.70
Net investment income	0.44	0.59	0.61	0.59	0.56
Net realized and unrealized gain (loss)	0.45	1.40	(0.82)	0.19	(0.06)
Total from investment operations	0.89	1.99	(0.21)	0.78	0.50
Distributions from net investment income	(0.44)	(0.59)	(0.61)	(0.59)	(0.56)
Net asset value, end of year	\$12.86	\$12.41	\$11.01	\$11.83	\$11.64
Total return	7.27%	18.58%	(1.80%)	6.91%	4.43%
Portfolio Turnover Rate	351.08%	383.94%	226.84%	131.67%	145.18%
Ratios to average net assets:					
Expenses	0.38%	0.37%	0.37%	0.36%	0.37%
Net investment income	3.47%	5.02%	5.35%	5.09%	4.85%
Net assets, end of year (in millions)	\$458.4	\$415.2	\$346.0	\$302.6	\$217.7

Fund assets for the current RCT Funds at the end of the respective periods have been (000's omitted):

	<u>2010</u>	<u>2009</u>	<u>2008</u>	<u>2007</u>	<u>2006</u>
Flex Cash Fund	217,661	264,219	320,162	323,056	295,101
Short Bond Fund	176,108	150,285	94,910	90,506	93,359
Intermediate Diversified Bond Fund					
Class A	338,870	314,369	302,452	366,873	384,036
Class B	454,442	415,239	346,022	302,622	217,651

INVESTMENT OBJECTIVES AND POLICIES

The Funds operate in a manner similar to open-end mutual funds, and are designed to provide their shareholders with professional management of short-term and intermediate-term investment dollars. The Funds will take reasonable risks in seeking to achieve their investment objectives as described below. There is no assurance that the Funds will be successful in meeting their objectives, as inherent risks (such as fluctuating market conditions) exist in the ownership of all securities. Please see the "Special Considerations" sections for each Fund for a discussion of the risks involved in an investment in the Funds.

Quality and Concentration Limitations: In June 2001 and again in December 2002, the Trustees revised the general investment policies to permit all portfolios to invest in fixed income corporate securities investment grade⁵ at the time of such investment. In June 2005, the Trustees approved using the Lehman Brothers (now Barclays Capital Aggregate Bond Index) process for assigning credit quality ratings. The process became effective July 1, 2005. The Barclays Capital Aggregate Bond Index process utilizes Fitch ratings as a third agency rating, along with ratings by Standard & Poors and Moody's. A rating of "BBB" or higher two of the three rating agencies satisfies the investment-grade criteria under the Barclays Capital Aggregate Bond Index process. These revisions permit investment in, without limitation applicable to the percentage concentration in any portfolio, and retention of securities rated "BBB" or higher. The July 1, 2005 change described, slightly eased the criteria for investment grade eligibility. Before 1997 these policies required that corporate securities acquired for RCT portfolios be rated "A" or higher. No portfolio may include obligations of any one issuer (excluding Governments or Agencies) in excess of 5% of the net asset value of the portfolio. Bond issues that met investment-grade criteria at the time acquired may be retained, though downgraded below investment grade thereafter. Effective July 1, 2007, the Trustees approved permitting the IDBF sub-advisers to invest in corporate securities rated below investment-grade at the time acquired. Effective December 2, 2011, the Trustees approved permitting the SBF sub-advisers to invest in corporate securities rated below investment grade at the time acquired. No RCT Fund may be comprised of more than 10% of such below investment-grade issues, whether resulting from downgrade or credit rating at the time of purchase. The investment policies of the Trust may be revised from time to time by vote of the Trustees.

⁵A Standard & Poor's rating of "BBB" or better, a Moody's rating of "Baa" or better, and a Fitch rating of BBB- or better is considered investment grade.

Flex Cash Fund ("FCF"). The FCF seeks to provide Participating Organizations safety, liquidity and stability of capital and, consistent therewith, to provide current income. The policy of the Trust, through July 2001, was to pursue the FCF's objective by investing exclusively in next-business-day repurchase agreements. Beginning in August 2001, the FCF adopted a policy of investing in high-quality, short-term cash and debt obligations having a weighted average maturity of 90 days or less. In June 2009, the FCF adopted a temporary policy to extend the average maturity of the Fund from 90 to 180 days in response to the low levels of cash market yields due to Federal Reserve Policy. In December 2011, the Trustees approved the lowering of the average maturity of the Fund from 180 to 90 days. As a result, the FCF may invest in a portfolio of securities having such weighted average maturity, and may include securities having a credit rating from Standard & Poors, Moody's and Fitch Investment Services in one of the two highest short-term rating categories, i.e. investment grade. These may include U.S. Treasury notes, bonds, bills and other securities issued or guaranteed by the U.S. Government, its agencies or instrumentalities, in debt obligations of banks, bank holding companies, savings and loan associations and U.S. corporations, and in dollar-denominated debt obligations of foreign institutions and corporations, supranational and sovereign issuers, asset-backed and mortgage-backed securities, repurchase agreements, and money market securities such as certificates of deposit, time deposits, bankers acceptances and Eurodollar securities.

The FCF intends to meet the needs of Participating Organizations with the aim of providing liquidity and income through cash management services. This portfolio seeks to maintain a stable net asset value of \$1.00 per unit, although under certain circumstances this may not be possible. The FCF will take reasonable risks in seeking to achieve its investment objective. However, there is no assurance the FCF will be able to maintain a stable net asset value of \$1.00 per share, nor can there be assurance that the FCF will be successful in meeting its objectives in that inherent risks exist in the ownership of all securities.

Suitability. The Trustees of RCT believe that an investment in the FCF is suitable for investors who are seeking current income and who are reluctant to accept significant stock or bond market risk. The FCF may be appropriate for investors seeking liquidity and concerned about stability of principal.

Special Considerations. In addition to the risk associated with market fluctuations, certain additional risks should be considered in connection with FCF's investment objective and policies. To the extent the investment manager invests in securities with limited marketability, the FCF might not be able to dispose of some or all of holdings in these securities at then current market prices. Circumstances could also exist (to satisfy redemptions, for example) when portfolio securities would have to be sold by the FCF at prices lower than it expected to realize. The FCF itself is not backed or guaranteed by the U.S. government.

Short Bond Fund ("SBF"). The investment objective of the SBF is to seek a high level of current income consistent with preservation of capital by investing primarily in a

diversified portfolio of securities issued by the U.S. government, its agencies and instrumentalities, fixed income obligations of corporations, mortgage-backed and asset-backed securities. Under normal market conditions, the SBF seeks to maintain an effective duration within 20% of the Merrill Lynch 1-3 year Treasury Index.

Depending on market conditions, the SBF may invest a substantial portion of its assets in mortgage-backed debt securities issued by the Government National Mortgage Association (“GNMA”), the Federal National Mortgage Association (“FNMA”), and the Federal Home Loan Mortgage Corporation (“FHLMC”); the SBF may also invest in other types of U.S. government securities, including collateralized mortgage obligations (“CMO’s”) issued by U.S. government agencies or instrumentalities thereof, and may also invest in other mortgage-backed and asset-backed securities, as well as enter into repurchase agreements covering the securities described.

U.S. government securities are generally viewed as being among the safest of debt securities with respect to the timely payment of principal and interest (though not with respect to any premium paid on purchase), but generally return a lower rate of interest than corporate debt securities. Both government and corporate obligations are subject to market risk like other debt securities, e.g., the current market value of such securities typically declines when market interest rates rise. Therefore the SBF's Trust Units can be expected to fluctuate in value.

The frequency of portfolio transactions and the SBF's turnover rate will vary from year to year depending upon market conditions and purchase and redemption patterns of the SBF's shareholders. Typically funds with higher turnover tend to generate higher transaction costs.

While the SBF will normally invest its assets in accordance with its investment objective, the SBF reserves the right to, and may, temporarily invest up to 100% of its assets in cash equivalents and high quality short-term debt securities or hold cash when a temporary defensive posture in the market is appropriate. The constraints on portfolio effective duration are designed to help minimize the extent of fluctuation in the value of the SBF's Trust Units. The SBF will be concentrated on securities whose prices are anticipated to be relatively less sensitive to changes in broad-based interest rates. To further reduce the risk of market fluctuations, the SBF intends to diversify its investments. However, none of these measures will eliminate risk.

Portfolio securities may have limited marketability or may be widely and publicly traded. The SBF does not intend to concentrate its investments in any particular type of debt obligations of the U.S. government or its agencies.

Suitability. The SBF may be appropriate for investors seeking above-average returns while minimizing their exposure to principal fluctuations. The Trustees of RCT believe that an investment in the SBF is an appropriate choice for enhancing return on excess cash balances, as well as providing a suitable low-volatility component of a diversified investment strategy for long-term funds, especially retirement or endowment funds. It is

anticipated that the value of the SBF's Trust Units may fluctuate. At redemption, the Trust Units of a Participating Organization may be worth more or less than the amount paid for them. Accordingly, an investment in the SBF is appropriate for investors who have little need to call upon principal. An investment in the SBF is not suitable for entities unable to afford the risks described herein. An investment in the SBF can be considered a component of a long-term balanced investment program. In no event should an investment in the SBF be viewed as a complete investment program.

Special Considerations. See, "Special Considerations", SBF, IDBF.

Intermediate Diversified Bond Fund ("IDBF"). The IDBF's investment objective is to achieve current income and long-term capital appreciation through investments primarily in U.S. government securities, securities issued by U.S. government agencies, fixed income obligations of corporations and mortgage-backed securities. The IDBF's strategy will generally be to combine economic and fundamental research to capture inefficiencies in the valuation of market sectors and individual securities. It is anticipated that, under normal market conditions, the portfolio will have an effective duration of four to six years. The IDBF portfolio is expected to have a dollar-weighted quality portfolio rating of at least "A" or its equivalent.

The effective duration of the IDBF portfolio may be adjusted in response to expected changes in interest rates. During periods of rising interest rates, the effective duration of the portfolio may be shortened in order to reduce the effect of bond price declines on the IDBF's net asset value. When interest rates are falling, the effective duration may be lengthened. Generally, a longer effective duration of the portfolio will result in higher yield and greater price volatility; conversely, a shorter effective duration, generally produces a lower yield and lesser price volatility.

Depending on market conditions, the IDBF may invest a substantial portion of its assets in mortgage-backed debt securities and asset-backed securities. The IDBF may also invest in other types of U.S. government securities, including securities issued by U.S. government agencies or instrumentalities thereof, and including collateralized mortgage obligations ("CMO's). The IDBF also anticipates entering into repurchase agreements covering the foregoing securities.

U.S. government securities are generally viewed as being among the safest of debt securities with respect to the timely payment of principal and interest (but not with respect to any premium paid on purchase), but generally bear a lower rate of interest than corporate debt securities. However, they are subject to market risk like other debt securities, and therefore the IDBF's Trust Units can be expected to fluctuate in value.

The IDBF may temporarily invest up to 100% of its assets in cash equivalents and high quality short-term debt securities or hold cash when a temporary defensive posture in the market is appropriate. The IDBF will take reasonable risks in seeking to achieve its investment objective. There is no assurance that the IDBF will be successful in meeting its objective because inherent risks, such as fluctuating market conditions, exist in the

ownership of all securities. To reduce the extent of market fluctuations, the IDBF intends to diversify its investments. This diversification will not eliminate risk.

Portfolio securities may have limited marketability or may be widely and publicly traded. Investments by the IDBF may be in existing as well as new issues of securities and may be subject to wide fluctuations in market value. The IDBF does not intend to concentrate its investments in any particular industry.

Portfolio securities may have limited marketability or may be widely and publicly traded. Investments by the IDBF may be in existing as well as new issues of securities and may be subject to wide fluctuations in market value. The IDBF does not intend to concentrate its investments in any particular industry.

Class A and Class B Shares (IDBF Only). Effective January 1, 2003 the IDBF made available two classes of Trust Units, Class A shares and Class B shares. Class A shares represent ownership interest of participants who have \$10 million or less in assets invested in the IDBF; Class B shares represent ownership interest of participants who have more than \$10 million in assets so invested. There is presently a differential in the management fee charged to Class A shares (0.5 of 1% p.a.) and Class B shares (0.35 of 1% p.a.). Such differential has been determined by agreement of the Trustees and the Trust Administrator, and may be adjusted from time to time by amending such agreement. Organizations that are structurally or operationally closely related, for example, those that have consolidated their financial and investment decision-making processes under a single group of individuals (e.g. board, committee, council) who constitute a discrete serviceable entity, as determined by the Trust Administrator, are deemed "Related Investors". The assets of Related Investors are aggregated in order to determine eligibility for ownership of Class B shares. The Trust Administrator determines eligibility for treatment as "Related Investors", subject to review by the Trustees. The net asset value of both classes of IDBF Units is determined as described herein; see "Determination of Net Asset Value". There is no difference in the manner by which the NAV is determined for IDBF accounts holding Class A shares from accounts holding Class B shares. It is CBIS' practice to cause the exchange of Class B Shares for Class A Shares only when an account or accounts fall below the minimum due to withdrawals, however CBIS reserves the right to cause such an exchange in any case where the account or accounts are below the minimum (for whatever reason) for more than 60 days. Generally, determinations regarding eligibility for Class B Shares will be made monthly, as of the last business day of the month.

Suitability. The Trustees of RCT believe that an investment in the IDBF is a suitable component of a diversified investment strategy for long-term funds, especially retirement or endowment funds. The IDBF is designed for investors whose primary goal is a level of current income higher than is generally provided by a money market fund or a bond fund with an average portfolio maturity of five years or less and who can accept the generally greater price volatility associated with investments in longer term bonds. At redemption, the Trust Units of a Participating Organization may be worth more or less than the amount paid for them. Therefore, the IDBF is appropriate for investors who have little need to call upon

principal. An investment in the IDBF is not suitable for entities that cannot afford the risks described herein. An investment in the IDBF can be considered a long-term component of a balanced investment program. In no event should an investment in the IDBF be viewed as a complete investment program.

Special Considerations. If the IDBF were to assume substantial positions in particular securities with limited marketability, such concentration in the IDBF could have an adverse effect upon the liquidity and marketability of such securities, and the IDBF might not be able to dispose of its holding in these securities at then current market prices. See also, "Special Considerations", SBF, IDBF.

Special Considerations, SBF, IDBF. Neither the SBF nor the IDBF is a money market fund. The value of each Fund's portfolio can be expected to fall when prevailing interest rates rise and to increase when such interest rates fall. Sub-advisors of the SBF or IDBF may purchase or sell exchange-traded U.S. Treasury Bond futures contracts to manage/control overall portfolio duration in a cost-effective manner. The authorization to purchase or sell such futures contracts is limited to the purpose of management of risks related to yield curve movements and risks related to duration of bond portfolio maturities. Zero coupon bonds, (i.e., discount debt obligations that do not make periodic interest payments) may be subject to greater market fluctuations in periods of changing interest rates than debt securities that pay interest currently. In addition to the risk associated with market fluctuations, certain additional risks should be considered in connection with the investment objectives and policies of the SBF and the IDBF. The emphasis on capital preservation may at times result in any or all of these portfolios providing lesser yield and total return opportunity than other funds invested in longer-term or lower quality bonds or other debt securities. Circumstances could also exist (to satisfy redemptions, for example) when portfolio securities would have to be sold by any or all of these portfolios at prices lower than it expected to realize. Further, no RCT portfolio is backed by the U.S. government. The value and yield of the Trust Units of the SBF and the IDBF will vary from day to day based on, among other things, interest rates, market conditions, political and economic news and the liquidity, quality and maturity of its portfolio securities.

Special Considerations, All Portfolios: RCT will not be responsible for any account losses caused by fraud if the Trustees, or CBIS acting in behalf of RCT, reasonably believe that the person transacting business on an account is authorized to do so. Each Participant is urged to take precautions to protect itself from fraud by keeping its account information private, and by immediately reviewing any account statements that RCT/CBIS send to the Participating Organization. It is important that the Participating Organization contact CBIS immediately about any transactions such Organization believes to be unauthorized.

LENDING PORTFOLIO SECURITIES

The Trust may, and does, lend portfolio securities to select member firms of the Financial Industry Regulatory Authority (FINRA) and registered securities clearing corporations, in accordance with the Securities Exchange Act of 1934 and in accordance with the following policies and procedures:

1. The borrower of the securities must deposit cash or collateral with the Funds in an amount equal to a minimum of 100% of the market value of the securities loaned.
2. The Funds will receive, as collateral, government securities or cash, and earn a fee based on the market value of the securities loaned.
3. If the value of the deposit drops below the required minimum on any day, the borrower is called upon to post additional collateral.
4. If the additional collateral is not provided, the loan becomes due and the Funds may use the collateral or its cash to replace the securities by purchase in the open market, charging any loss to the borrower.
5. These loans may be terminated by the Funds at any time on notice of five (5) days in accordance with New York Stock Exchange rules.
6. The Funds receive any dividends and interest paid on the loaned securities.

Loans of portfolio securities by the Funds will be authorized only to the extent that such activity is in accordance with applicable rules and regulations, including those of the New York Stock Exchange, Inc. and the National Association of Securities Dealers, Inc. The borrowers may not be affiliated, directly or indirectly, with the Funds. A negotiated portion of the income earned on loans of portfolio securities is paid as a fee to the Lending Agent or other person who arranged the loan. RCT may temporarily suspend securities lending; it may be resumed at the discretion of the trustees at any time.

PARTICIPATING ORGANIZATION'S TRUST ACCOUNT BALANCE

Qualified organizations desiring to become Participating Organizations in the RCT must establish a Master Account with the Trust Administrator as agent for the RCT. Each Master Account may function as a stand-alone or may function as a main account with sub-accounts attached.

The net balance in each Participating Organization's account on any business day is the difference between the monies theretofore deposited to a Fund by the Participating Organization less the monies theretofore withdrawn, adjusted as follows. Adjustments, generally made on the last business day of each month, are made by adding earnings on the

assets of the Fund allocated to the account, and/or subtracting charges on such assets. The market value of each Fund is the aggregate market value of all of its investments plus collected but uninvested funds minus expenses, including the investment management and trust administration services fee, custodial expenses and certain banking expenses, accrued by the Fund during such period. Investments in Trust Units may be made, under conditions to be established from time to time by CBIS, by the Participant transferring marketable securities to RCT in payment for such Trust Units.

INVESTMENTS BY PARTICIPATING ORGANIZATIONS

Investments are made by mailing or otherwise delivering deposits to a lock box established by the RCT, P.O. Box 75237, Chicago, IL 60675-5237. Investments may also be made by wire deposits to The Northern Trust Company, 50 S. LaSalle Street, Chicago, Illinois, 60675, or by direct deposits. Investments in each RCT Fund will only be accepted upon confirmation that the Participating Organization has received and read the offering materials (including the Trust Agreement) and has accepted the terms and conditions for investment set forth for each program in the offering materials.

Trust Units of all portfolios may be purchased at net asset value (without sales charge) through ALPS Fund Services, Inc., the transfer agent for the RCT funds., located at PO Box 2338, Denver, CO 80201-4838. CBIS Financial Services, Inc., a wholly owned subsidiary of CBIS, serves as the broker-dealer with respect to the purchase of Trust Units but receives no commission for acting in this capacity.

There is no minimum initial or subsequent investment requirement for purchases of Trust Units of any RCT portfolios.⁶ Each portfolio will establish an "Open Account" for each Participating Organization under which all Trust Units initially or subsequently purchased will be held on deposit rather than issued in certificate form.

For Flex Cash Fund accounts, income will be automatically reinvested in additional Trust Units of the portfolio at net asset value and such Trust Units will automatically be credited to a Participating Organization's account. For SBF and IDBF accounts, income will also be automatically reinvested in additional Trust Units at net asset value and such Trust Units will automatically be credited to a Participating Organization's account, unless the Participating Organization directs the Trust Administrator in writing to make periodic distributions of such income to the Participating Organization.

⁶ Except for Participants purchasing Class B shares in the IDBF; see p. 11.

REDEMPTIONS BY PARTICIPATING ORGANIZATIONS

Flex Cash Fund: A Participating Organization in the Flex Cash Fund may withdraw funds at any time and in any amount by writing a check against the Fund. The investment account balance will be reduced when the payee negotiates such check. Funds may also be withdrawn by wire transfer (at the Participating Organization's direction), or by use of the RCT Cash Resource Card used to obtain cash directly from an Automated Teller Machine ("ATM"), or to make purchases from retailers or other vendors displaying the Visa logo. Participating Organizations have the option to open a Zero Balance Checking Account ("ZBA"), i.e. the checking account balance is maintained at zero in order that all funds may be eligible for earnings in the Participating Organization's investment account. When a check is presented for payment, the exact amount for which the check is written is automatically transferred from the Participating Organization's investment account to its checking account to cover the check. A monthly \$7.50 fee is assessed for each ZBA account. A Participating Organization pays the cost to imprint checks, which may be ordered through the Trust Administrator. A Participating Organization is also subject to bank charges for certain account activity. All other bank charges made in respect to these checking accounts are charged against the interest earned by the Fund and reduce the earnings ultimately credited to the accounts of Participating Organizations of the Fund. (See, "Condensed Financial Information"). The RCT may, under special circumstances, temporarily suspend redemptions. (See below).

Short Bond Fund or Intermediate Diversified Bond Fund: Participating Organizations may redeem all or part of their SBF or IDBF Trust Units by written notice. To expedite processing of all redemptions, it is recommended that such requests and all related documents be transmitted by facsimile and mailed directly to ALPS Fund Services, Inc., the transfer agent for the RCT Funds., located at PO Box 2338, Denver, CO 80201-4838. CBIS Financial Services, Inc., a wholly owned subsidiary of CBIS, serves as the broker-dealer with respect to the redemptions of Trust Units but receives no commission for acting in this capacity. The RCT reserves the right not to mail redemption proceeds for any SBF or IDBF Units until checks (including certified checks or cashier's checks) received in payment for such Trust Units have cleared. The value of SBF or IDBF Trust Units on redemption may be more or less than the investor's cost, depending on the net asset value of the Trust Units at the time of redemption. The redemption price will be the next NAV for the particular RCT Fund determined after a valid written redemption request is received by CBIS. A Participating Organization may request in writing that redemption occur on a specific date; if CBIS accepts such request in writing, the redemption price will be the NAV determined on such date. Generally, redemption proceeds will be sent within seven (7) days following receipt of a valid redemption request. In unusual circumstances, in order to protect the interests of the remaining Participating Organizations, or to accommodate a request by a particular Participating Organization where such request does not adversely affect the interests of the remaining Participants, RCT reserves the right to pay part or all of the redemption proceeds in marketable securities instead of cash. In such cases CBIS, in its discretion will determine the securities to be delivered in the redemption. If the Participating Organization thereafter converts the securities to cash, it might incur brokerage or other transaction costs. RCT may temporarily suspend the right of redemption for any

funds, **including the Flex Cash Fund**, in circumstances making disposal of portfolio securities or determination of the value of net assets of such Fund not reasonably practicable.

DETERMINATION OF NET ASSET VALUE

The net asset value ("NAV") of each Fund's Trust Units is determined by the trust administrator as of the close of each business day. For the FCF, securities are priced on an amortized cost basis, i.e., the valuation of a security at its original cost basis plus the constant amortization of premium or discount to its maturity. The impact of price changes due to changes in interest rates is not reflected by this pricing method. Periodically the trust administrator verifies this valuation by calculating the market value of the FCF's securities and compares this to their amortized cost values. The portfolio value, so determined, is divided by the number of Trust Units outstanding. The FCF portfolio seeks to maintain a net asset value of \$1.00 per Trust Unit. There can be no guarantee that it will achieve its objective or that it will maintain a net asset value of \$1.00 per Trust Unit, but the FCF has maintained a \$1.00 net asset value per Trust Unit since its inception.

For the SBF and the IDBF, the NAV is determined by dividing the total market value of the portfolio's investments and other assets on that day, less any liabilities, by the number of Trust Units outstanding. The securities in which each portfolio invests will be valued based upon their market value. Price information on each listed security is taken from the exchange where the security is primarily traded. Most fixed income securities are not traded on exchanges; they are traded among dealers. The trust administrator prices such issues by relying on third-party pricing services or other recognized pricing sources. The value of other assets for which no reliable quotations are readily available (including any restricted securities) are valued as determined in good faith by the investment adviser pursuant to the Trustees' guidelines. Securities may be valued on the basis of prices provided by pricing services, when such prices are believed by the Trust Administrator to reflect fair market value. The securities in which the SBF and IDBF invest fluctuate daily, causing the NAV of the SBF and IDBF and the returns to fluctuate. At any given time, the NAV of Trust Units in these portfolios may be greater than or less than such values were at the time the Participating Organization made its investment.

ORGANIZATION, DIRECTION, LEGAL STATUS

The Religious Communities Trust was formed in 1975 as an Illinois trust, to be operated not for profit. It is governed by a board of trustees, presently comprised of ten persons. The board of trustees meets in regular session twice annually and in special session as deemed necessary. At the date of this Disclosure Statement, the Trustees are:

Mr. Robert G. Doerfler, President, (2008 – present)
Diocese of Colorado Springs, 228 N. Cascade Avenue, Colorado Springs, CO 80903

Mr. Garrett Kop, CPA, Vice President and Treasurer,
6542 Glen Drive, Huntington Beach, California 92647

Sister Patricia McGowan, SSS, Secretary
Sisters of Social Service, 4316 Lanai Rd., Encino, California 91436

Sister Carol Marie Kelber, CSJ (President 1994-2001)
1504 Hastings Drive, Manteca, California 95336

Brother Louis DeThomasis, FSC,
Rome Service Centre
Via Aurelia, 476
0165 Roma - ITALIA

Ms. Nancy L. Severns, CPA,
Controller, Archdiocese of Seattle,
710 9th Avenue, Seattle, Washington 98104

Rev. Dariusz Garbaciak, SVD,
1985 Waukegan Road, P.O. Box 6067, Techny, IL 60082-6067

Ms. Gayle A. Lampkowski, CPA,
Sisters of St. Francis
6832 Convent Blvd., Sylvania, OH 43560

Mr. Steven D. Timmel
The Diocese of Buffalo
795 Main Street
Buffalo, NY 14203

INVESTMENT MANAGEMENT, TRUST ADMINISTRATION AND PARTICIPANT SERVICES

Christian Brothers Investment Services, Inc. ("CBIS"), 20 North Wacker Drive, Suite 2000, Chicago, Illinois 60606-3002 is the investment adviser of the Funds and provides the Funds with continuous professional investment supervision, provided by its own staff and by sub-advisors approved by the RCT Board of Trustees. A wholly owned subsidiary of CBIS, CBIS Financial Services, Inc., is a registered broker-dealer. It is registered as an investment advisor with the Securities and Exchange Commission under the Investment Advisors Act of 1940.

Br. Louis De Thomasis, FSC, who is one of the three founders of the Religious Communities Trust, has been engaged by CBIS to promote a recently formed Irish investment company. This company, CBIS Global Funds plc, offers investment products. It has been formed under Irish law and is based in Dublin, Ireland. Br. DeThomasis' office is in Rome, Italy. He has continued active participation in the management of RCT, and has

attended, and intends to continue to personally attend, the semi-annual meetings of the RCT Board of Trustees.

Responsibility for overall management of the Fund rests with the Board of Trustees. Professional investment supervision is provided by CBIS under an investment management agreement with RCT. CBIS serves as primary administrator to the Trust to provide information and services for existing and potential Participating Organizations. The investment agreement provides that CBIS shall provide the Fund with investment advice, management of Fund assets, administration of the Fund, and marketing of RCT services. For the services and facilities so furnished, the Fund pays CBIS an annual investment management fee, payable monthly, of the following percentages of combined average daily net assets of all Funds:

FCF	0.490 of 1% ;
SBF	0.294 of 1%;
IDBF	0.490 of 1%. (Class A)
	0.343 of 1% (Class B)

CBIS may recommend to the Trustees the retention of sub-advisors. Dodge and Cox Investment Managers of San Francisco, California, Jennison Associates of Boston Massachusetts and Reams Asset Management of Columbus, Indiana each act as a sub-advisor to the Intermediate Diversified Bond Fund. Wellington Asset Management Co. of Boston, Massachusetts is the sub-advisor to the Flex Cash Fund, and Longfellow Investment Management Company of Boston, Massachusetts as the sub-advisor of the Short Bond Fund. Fees payable to sub-advisors are paid by CBIS.

RCT annually retains an independent public accounting firm to provide an audit of each Fund for the year ending December 31. The Trustees appoint such auditor annually at their regular meeting held in November or December. Crowe Horwath LLP and its predecessor Crowe Chizek and Company LLC prepared the audits for the years ending December 31, 2006 through 2010. Each Participant in the FCF, SBF and IDBF as of April 1, 2011 has received, or will receive a 2010 Audited Financial Report from the Trust Administrator for each Fund in which it was a Participant. Copies of such Report are included with the Statement of Additional Information, which may be obtained without charge by written request directed to Religious Communities Trust, 20 North Wacker Drive, Suite 2000, Chicago, Illinois 60606-3002.