Pension Boards – United Church of Christ

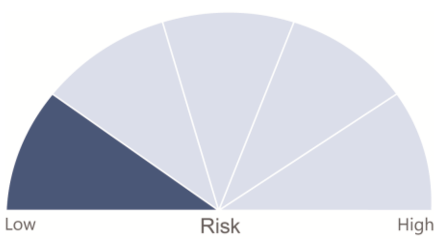
Stable Value Fund
Q4 2016

Fund Characteristics[1]

Assets:	$189.5 mm
Yield:	1.86%
Duration:	1.69 years
Average Credit Quality[2]:	AA
Market-to-Book Ratio:	100.84%[3]
Portfolio Turnover Ratio:	50.77%[4]

Objectives of the Fund[5]

The objective of the Stable Value Fund ("Fund") is to preserve your principal investment and generate a stable rate of return.



Fee Disclosures

Net Annual Expense Ratio: 0.233%
(As of 12/31/15)

The expense ratio includes the stable value management fee of 6.5 basis points (bps) for the discretionary manager of the Fund. The expense ratio also includes the underlying product fees associated with synthetic wrap contracts of 16.8 bps, which are embedded in those contracts' crediting rates.

For a $1,000 investment in the Fund, this would equate to a $2.33 charge each year.

Contact Information

The Stable Value Fund is not a mutual fund; therefore it does not have a ticker symbol or CUSIP. It is a separately managed account solely for the benefit of United Church of Christ employees, and only participants of the Pension Board plan can invest in the Fund. If you would like more information about the Fund, contact Standish toll free at 877-499-4136 or your benefits administration department.

Performance Results (%)

As of December 31, 2016	Quarter	1-Yr	3-Yrs	5-Yrs	10-Yrs
Stable Value Fund[6]	0.45%	1.84%	1.92%	2.13%	2.87%
Standish "Wrapped" 1-5 Yr Corp/Gov't Index[7]	0.49%	2.01%	1.98%	2.09%	2.90%
BofA ML US 3-Month Treasury Bill Index[8]	0.08%	0.33%	0.14%	0.12%	0.80%

Performance for all periods longer than one year is annualized. Past performance is not indicative of future results.

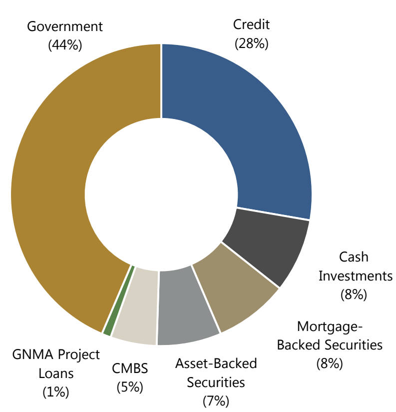
Portfolio Diversification

Diversification helps to reduce portfolio risk by decreasing sector and company-specific exposure. Fund assets are managed in an effort to diversify across many fixed income asset sectors and, within those sectors, to diversify among multiple issuers. However, diversification does not ensure a profit or guarantee against a loss.

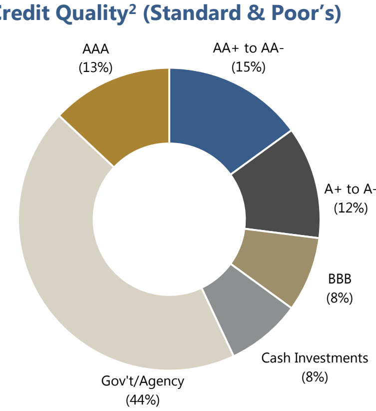
Portfolio Guideline Standards

The Pension Boards-United Church of Christ works with Standish Mellon Asset Management Company LLC (Standish) to develop and maintain strict guideline standards for the Stable Value Fund. The financial health of every institution considered as an investment issuer for the Fund is analyzed to help maintain these standards.

Sector Diversification



Credit Quality[2] (Standard & Poor's)



Fund Manager

The Pension Boards-United Church of Christ selected Standish, a registered investment advisory firm, to sub-advise the management of assets in the Stable Value Fund solely for the participants of The Annuity Fund-United Church of Christ. Located in San Francisco, Standish's stable value team manages nearly $19.3 billion[9] in stable value assets. Headquartered in Boston, Standish is one of the nation's largest asset managers specializing in fixed income securities.

1 Based on book value.
2 External managers may be used as part of the overall investment strategy; their credit rating methodology and data may be used to calculate the average credit quality of their portion of the portfolio and/or of the overall portfolio.
3 Measures total market value of the Fund's assets relative to book value.
4 The portfolio turnover ratio is an estimate of the annual turnover of the underlying assets held in the Fund. The ratio is calculated as a weighted average of the annual asset turnover of the products held in the Fund as of December 31, 2015. Additional information about the calculation is available upon request.
5 There is no assurance these objectives will be met.
6 Returns are shown after the deduction of investment management and wrap fees. Individual participant returns may vary slightly. Past performance is no guarantee of future results. Inception of the Fund is October 1, 2004.
7 The Standish "Wrapped" 1-5 Yr Corp/Gov't Index is a measure created and calculated by Standish, is not sponsored, licensed or endorsed by BofA Merrill Lynch, and is not available for direct investment. The performance of the Standish "Wrapped" 1-5 Yr Corp/Gov't Index does not reflect actual performance, but represents an assumed rate of return had the BofA ML 1-5 Year Corp/Gov't Index been wrapped for book value returns. The Standish index assumes a 12 basis point annual book value wrap fee from inception to June 30, 2004; 10 basis points from then until December 31, 2008; 15 basis points from then until December 31, 2011; and 20 basis points thereafter. These wrap fee assumptions are Standish's view of the industry's average during these points in time. The Crediting Rate formula applied: CR = (((1+YTM) * ((MV/BV)^(1/D)))-1, where CR is equal to the book value crediting reset rate, YTM is the market yield to maturity of the underlying asset(s), MV is the market value of the underlying asset(s), BV is the book value of the synthetic wrap contract and D is the duration of the underlying asset(s).
8 The BofA ML US 3-Month Treasury Bill Index is comprised of a single issue purchased at the beginning of the month and held for a full month. At the end of the month that issue is sold and rolled into a newly selected issue. The issue selected at each month-end rebalancing is the outstanding Treasury Bill that matures closest to, but not beyond, three months from the rebalancing date. To qualify for selection, an issue must have settled on or before the month-end rebalancing date. While the index will often hold the Treasury Bill issued at the most recent 3-month auction, it is also possible for a seasoned 6-month Bill to be selected.
9 As of December 31, 2016. Includes assets managed by Standish personnel acting in their capacity as officers of The Bank of New York Mellon, another subsidiary of The Bank of New York Mellon Corporation.

Market Commentary

Interest rates moved significantly higher throughout the last eight weeks of the quarter driven largely by two distinct events – the outcome of the presidential election in early November and the decision by the Federal Reserve to increase the target Federal Funds rate in mid-December. With only the second increase in the Federal Funds rate over the last 10 years, the range is now targeted between 0.50% and 0.75%. By quarter-end the two-year US Treasury note yield increased 43 basis points to 1.19% while the five-year US Treasury note yield increased 78 basis points to 1.93%. Longer dated interest rates increased a bit more as the ten-year US Treasury note yield gained 85 basis points to 2.45%.

The US economy continued its consistent growth as third quarter Gross Domestic Product (GDP) increased at a rapid annualized rate of 3.5%. The core Consumer Price Index (CPI) increased at an annual rate of 2.1% in November—consistent with the prior month and generally in line with the Federal Reserve's long-range target. Employment remained steady, with December's payroll growth of 156,000 jobs marking the 75th consecutive month of employment growth. The overall unemployment rate at the end of the year was 4.7%.

With a new presidential administration in January, the capital markets anticipate greater fiscal stimulus, less regulatory burden on businesses and gradually lower tax rates. In total, it suggests modestly stronger future economic growth and a higher probability for an increase in inflationary pressure. In the current environment the Federal Reserve anticipates a gradual pace of future interest rate increases that would be consistent with two or three Federal Fund rate increases during 2017.

Investment Strategy

The Fund pursues its objective by investing primarily in a diversified portfolio of fixed-income instruments which may include traditional guaranteed investment contracts ("GICs") (obligations of creditworthy life insurance companies), separate account GICs, synthetic GICs (high-quality debt securities including mortgage-backed, commercial mortgage-backed, asset-backed and corporate securities held by the Fund within contracts that are intended to minimize market volatility), variable rate GICs, repurchase agreements, US treasury and agency securities, and cash and cash equivalents, including certificates of deposit and money market instruments. The Fund may also invest in a collective fund or group trust (including but not limited to one maintained by the account's/fund's investment manager or its affiliate) that invests in such fixed income instruments, and the terms of such collective fund or group trust are hereby incorporated by reference in the Fund and shall be part of the Fund. A portion of the Fund may be invested in one or more money market funds. Such an investment may include units of a fixed income fund that are held by the Fund as part of a synthetic GIC.

Additional Disclosures

The information provided in this presentation does not constitute individual investment advice for a participant or investor, is only informational in nature, and should not be used by a participant or investor as a primary basis for making an investment decision.

The Fund may compare its return to a benchmark index. Any indices are trademarks used for comparative purposes only. None of the owners of the trademarks sponsor, endorse, sell or promote the Fund, or make any representation regarding the advisability of investing in the products or strategies described. Redistribution of this information may be prohibited by the terms of the Fund's and/or the Fund Manager's licensing agreement with the index provider.

The expense ratio and performance include any internally charged and accrued fees and expenses of the Fund. They may include external management fees that are charged to the Fund. In addition, the Fund's expense ratio and performance may not reflect external fees and expenses borne by the Plan that reduce the Plan participant's investment in the Fund (e.g., externally negotiated fees, custodial expenses, legal expenses, accounting expenses, transfer agent expenses, recordkeeping fees, administrative fees, separate account expenses, etc.). It is the Plan's obligation under Rule 404a-5 to incorporate the impact of those fees and expenses and report the results to Plan participants.

The expense ratio and performance information herein has been presented by Standish at the request of The Pension Boards - United Church of Christ Plan. Please note that this presentation alone does not comply with all of the disclosure requirements for an ERISA "section 404(c) plan," as described in the Department of Labor regulations under section 404(c), nor does it contain all of the disclosure required by Rule 404a-5. Plan sponsors subject to those regulations will need to provide the plan participants with additional information.

Summary of Principal Risks

The Fund is not a deposit of, and is not insured or guaranteed by, any bank, financial institution, the FDIC or any other governmental agency, and participants may lose money. Also, a Fund unit's principal value and investment return will fluctuate, so that when a unit is redeemed, it may be worth more or less than the original investment.

The Fund's performance data represents past performance and should not be considered indicative of how the Fund will perform in the future. You should not assume that future investment decisions will be profitable or will equal past investment performance. The Fund does not promise or guarantee that it's performance will achieve a participant's objective or retirement needs. Fund portfolio statistics and asset allocations change over time.

Participants should consult their financial adviser to determine their investment risk and tolerance, and to evaluate if the Fund is suitable for their retirement needs.

Depending on the Fund's investment allocations, the Fund is exposed to varying degrees of the following principal investment risks, each of which may adversely affect the Fund's unit value, its performance and the ability to achieve its investment objective:

Asset-backed securities risk. General downturns in the economy could cause the value of asset-backed securities to fall. In addition, asset-backed securities present certain risks that are not presented by mortgage-backed securities. Primarily, these securities may provide the Fund with a less effective security interest in the related collateral than do mortgage-backed securities. Therefore, there is the possibility that recoveries on the underlying collateral may not, in some cases, be available to support payments on these securities.

Call risk. Some bonds give the issuer the option to call, or redeem, the bonds before their maturity date. If an issuer "calls" its bond during a time of declining interest rates, the Fund might have to reinvest the proceeds in an investment offering a lower yield, and therefore might not benefit from any increase in value as a result of declining interest rates. During periods of market illiquidity or rising interest rates, prices of "callable" issues are subject to increased price fluctuation.

Counterparty risk. The risk that counterparties in a repurchase agreement could fail to honor the terms of its agreement.

Credit risk. Failure of an issuer to make timely interest or principal payments, or a decline or perception of a decline in the credit quality of a security, can cause the security's price to fall, potentially lowering the value of your investment. Although the Fund invests only in high quality debt securities, any of the Fund's holdings could have its credit rating downgraded or could default. The credit quality of the securities held by the Fund can change rapidly in certain market environments, and the default of a single holding could have the potential to cause significant deterioration of the value of your investment.

Stable Value Fund

Additional Disclosures

GICs. GICs are general obligations of the issuing company and may or may not be backed by insurance or a guaranty provided by a third party. If the issuer defaults, remedies generally available to creditors should be available to the Fund. However, applicable insurance and bank regulations may affect remedies available to holders of GICs. In addition, if bankruptcy or insolvency proceedings are commenced with respect to the issuer, realization on a GIC may be delayed or limited. Synthetic GICs seek to provide certain protections from the credit risk associated with a traditional GIC instrument. However, synthetic GICs may be subject to other types of risks, including cash flow risk and interest rate risk. Variable Rate GICs have interest rates that fluctuate at designated intervals based on a designated index.

Government securities risk. Not all obligations of the US government, its agencies and instrumentalities are backed by the full faith and credit of the US Treasury. Some obligations are backed only by the credit of the issuing agency or instrumentality, and in some cases there may be some risk of default by the issuer. Any guarantee by the US government or its agencies or instrumentalities of a security held by the Fund does not apply to the market value of such security. A security backed by the US Treasury or the full faith and credit of the United States is guaranteed only as to the timely payment of interest and principal when held to maturity. In addition, because many types of US government securities trade actively outside the United States, their prices may rise and fall as changes in global economic conditions affect the demand for these securities.

Indexing strategy risk. The Fund may use an indexing strategy for a portion of its assets by investing in underlying collective investment funds that seek to track the investments or performance of an index. It does not attempt to manage market volatility, use defensive strategies or reduce the effects of any long-term periods of poor index performance. The correlation between Fund and index performance may be affected by the Fund's expenses and use of sampling techniques, changes in securities markets, changes in the composition of the index and the timing of purchases and sales.

Interest rate risk. Prices of bonds, including mortgage-related and other debt securities, tend to move inversely with changes in interest rates. Typically, a rise in rates will adversely affect bond prices and, accordingly, the value of your account. The longer the effective maturity and duration of the Fund's portfolio, the more the value of your investment is likely to react to interest rates. Mortgage-related securities can have a different interest rate sensitivity than other bonds, however, because of prepayments and other factors. The longer the effective maturity and duration of the Fund's portfolio, the more the value of your investment is likely to react to interest rates.

Issuer risk. The value of a security may decline for a number of reasons which directly relate to the issuer, such as management performance, financial leverage and reduced demand for the issuer's products or services.

Liquidity risk. When there is little or no active trading market for specific types of securities, it can become more difficult to sell the securities at or near their perceived value. In such a market, the value of such securities and the value of your investment may fall dramatically, even during periods of declining interest rates. Liquidity risk also exists when a particular derivative instrument is difficult to purchase or sell. If a derivative transaction is particularly large or if the relevant market is illiquid (as is the case with many privately negotiated derivatives), it may not be possible to initiate a transaction or liquidate a position at an advantageous time or price.

Market and credit risk. Ginnie Maes and other securities backed by the full faith and credit of the United States are guaranteed only as to the timely payment of interest and principal when held to maturity. The market prices for such securities are not guaranteed and will fluctuate. Privately issued mortgage-related securities also are subject to credit risks associated with the underlying mortgage properties. These securities may be more volatile and less liquid than more traditional, government backed debt securities.

Market risk. The market value of a security may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. A security's market value also may decline because of factors that affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry.

Prepayment and extension risk. When interest rates fall, the principal on mortgage-backed and certain asset-backed securities may be prepaid. The loss of higher yielding underlying mortgages and the reinvestment of proceeds at lower interest rates can reduce the Fund's potential price gain in response to falling interest rates and reduce the value of your investment. When interest rates rise, the effective duration of the Fund's mortgage-related and other asset-backed securities may lengthen due to a drop in prepayments of the underlying mortgages or other assets. This is known as extension risk and would increase the Fund's sensitivity to rising interest rates and its potential for price declines.

Sector risk. A substantial part of the Fund's investments may be issued or wrapped by insurance companies or companies with similar characteristics. As a result, the Fund will be more susceptible to any economic, business, political or other developments that generally affect these entities. Developments affecting insurance companies or companies with similar characteristics might include changes in interest rates, changes in economic cycle affecting credit losses, adverse claims experience, regulatory changes and industry consolidation.

US Treasury securities risk. A security backed by the US Treasury or the full faith and credit of the United States is guaranteed only as to the timely payment of interest and principal when held to maturity, but the market prices for such securities are not guaranteed and will fluctuate. Because US Treasury securities trade actively outside the United States, their prices may rise and fall as changes in global economic conditions affect the demand for these securities.

Additional Risks. As a separate account, the Fund and its units are not registered under federal and state securities laws in reliance upon applicable exemptions. Because the Fund is not a mutual fund, it is governed by different regulations, restrictions and disclosure requirements. The Fund is intended to be a long-term investment vehicle rather than a means of speculating on short-term market movements that may be disruptive to the management of the Fund.

As a general rule, GICs and similar instruments are not assignable or transferable without the permission of the issuing insurance companies. For this reason, an active secondary market in GICs and similar instruments does not currently exist nor is an active secondary market expected to develop. In addition, GICs can generally be redeemed before maturity only at a substantial discount or penalty. As a result, GICs and similar instruments are usually considered to be illiquid investments. Accordingly, the Fund's governing instrument sets forth certain restrictions and conditions that may apply to withdrawals from the Fund.

Fees and expenses are only one of several factors that participants and beneficiaries should consider when making investment decisions. The cumulative effect of fees and expenses can substantially reduce the growth of a participant's retirement account; participants can visit the Department of Labor's Employee Benefit Security Administration's Web site @ www.dol.gov/ebsa for an example demonstrating the long-term effect of fees and expenses.

There are no restrictions on plan participant directed purchases, redemptions or transfers.

The comments provided herein are a general market overview and do not constitute investment advice, are not predictive of any future market performance, are not provided as a sales or advertising communication, and do not represent an offer to sell or a solicitation of an offer to buy any security. These views are current as of the date of this communication and are subject to rapid change as economic and market conditions dictate. Though these views may be informed by information from publicly available sources that we believe to be accurate, neither Standish nor The Bank of New York Mellon can make any representation as to the accuracy of such sources nor the completeness of such information. There can be no guarantee that the Fund's objective will be achieved, and current investments are subject to potential loss if the issuing institutions suffer insolvency. Portfolio composition is subject to change, and past performance is no indication of future performance.