MAIN STREET *Activism*

and WALL STREET *Advocacy*

JEFFERY W. PERKINS

Strange Bedfellows?

Do you know the adage, "slow and steady wins the race"? Well, it played out again recently when PNC Bank announced a policy change in its financing of companies engaged in mountaintop removal coal mining operations.

This big win followed nearly five years of public campaigning by Earth Quaker Action Team (often known by its acronym, EQAT) and other nonprofits, as well as years of quiet, persistent shareholder advocacy by a coalition of socially responsible investors, including my organization, Friends Fiduciary Corporation.

Earth Quaker Action Team organized and engaged in direct actions that ranged from sitting-in at bank branches to writing personal letters to board members. A fair amount has been written about this important and successful campaign, and I applaud Earth Quaker Action Team's deliberate, creative, and Quaker-inspired approach toward nonviolent direct action.

As executive director for Friends Fiduciary, I am also keenly aware of the role socially responsible investors played behind closed doors in this overall effort and the company's actions in response.

In my view both street activism and shareholder advocacy are important and represent different but potentially complementary strategies for change. Together they create compelling pressure on a company to do the right thing. Friends Fiduciary

Jeffery W. Perkins is executive director of Friends Fiduciary Corporation, a Quaker nonprofit providing cost effective, professional, socially responsible investment services to Quaker meetings, churches, and organizations. He serves on the board of the Interfaith Center on Corporate Responsibility and is a member of Chestnut Hill Meeting in Philadelphia, Pa.

believes that doing the right thing for the environment and society is also doing the right thing for a strong, sustainable business!

Friends Fiduciary manages $340 million in investments for 330 Quaker meetings, churches, schools, and organizations. We seek to provide outstanding returns at low cost while rigorously screening so that we invest in companies compatible with Quaker values. Friends Fiduciary is also vigorous in shareholder advocacy and known as "the national Quaker voice" on business policy issues to support Quaker values and long-term company and shareholder interests.

In 2011, Friends Fiduciary joined with peer socially responsible investors to begin a dialogue with PNC Bank to raise concerns about its mountaintop removal financing. While these dialogues were cordial and moderately constructive, their lack of progress led to our co-filing a shareholder resolution in 2012 with other investors. Friends Fiduciary helped ensure that mountaintop removal mining remained front and center in the engagements with PNC management.

As dialogue continued over the next three years, the shareholder group broadened its concern to include the company's exposure to climate risk in its lending, investing, and financing. By broadening the resolution to the total impact of the bank's financing of high-emitting businesses, we as shareholders were expressing concern about climate risk from a financing perspective. Investors were saying to the bank, as owners, we believe it is important that the bank strategically assess and anticipate potential climate risk in order to manage and mitigate it in its lending portfolio and operations. We believe this is important for long term sustainability of companies, and that those companies with sustainable operations will be advantaged and more successful over time. This should result in increased shareholder value.

As a strategy, shareholder advocacy requires a delicate balance between working with, cajoling, and sometimes pressuring companies to consider changing their practices. As a long term investor, Friends Fiduciary is able to tell company management in an engagement that our interests are aligned with the company. As long-term investors—as owners of the company—we want them to succeed. All of our efforts are in the context of building long-term shareholder value.

By encouraging companies like PNC Bank to consider sustainability of their operations, to evaluate potential reputational risks, and to assess climate risk in operations and portfolios, we are encouraging them to think beyond the current earnings quarter. Unfortunately Wall Street has become increasingly short-term focused—looking to quarterly earnings to reward and punish companies in the trading markets.

As long-term investors, Friends Fiduciary is interested in long-term shareholder value, which is what yields strong returns for our constituent investors. This type of relationship between shareholder advocate and company management works best when built on mutual respect and trust. As such, this is a very different strategy and requires different tactics than Main Street activism; and yet we believe it is critically important for substantive change on issues like climate change. That said, the levers for change in the corporate sector are limited, and I think most would agree that the governmental sector must show leadership and take bold action to address climate change.

As a strategy, shareholder advocacy requires a delicate balance between working with, cajoling, and sometimes pressuring companies to consider changing their practices.

As a result of investor efforts—as well as the efforts of groups like Earth Quaker Action Team—PNC Bank, along with changing its mountaintop removal policy, also publicly committed to enhancing its financing due diligence to include an environmental assessment at the borrower level; considering how environmental events might impact its financing portfolio; and hiring an environmental and social risk officer to focus on these issues.

From an investor perspective these follow-ons are critical. With coal use declining and coal operations suffering, financing of coal operations has been declining as a percent of PNC Bank's loan portfolio over the past several years due to market forces. However, these commitments to change the way the bank is assessing and managing

climate risk are much more likely to have a broader potential impact in terms of signaling to bank borrowers that climate risk is a significant business concern and worthy of careful assessment and management.

Friends Fiduciary's investment practices, including shareholder advocacy, seek to represent broadly held Quaker values and concerns. The environment is one of those concerns. As a small organization with limited resources but significant Quaker moral force, we have focused our shareholder advocacy around this issue on two business sectors which we believe have a leveraging opportunity: banking and insurance. Both of these industries serve other businesses and as a result of their financing and underwriting policies and requirements can potentially influence thousands of other businesses.

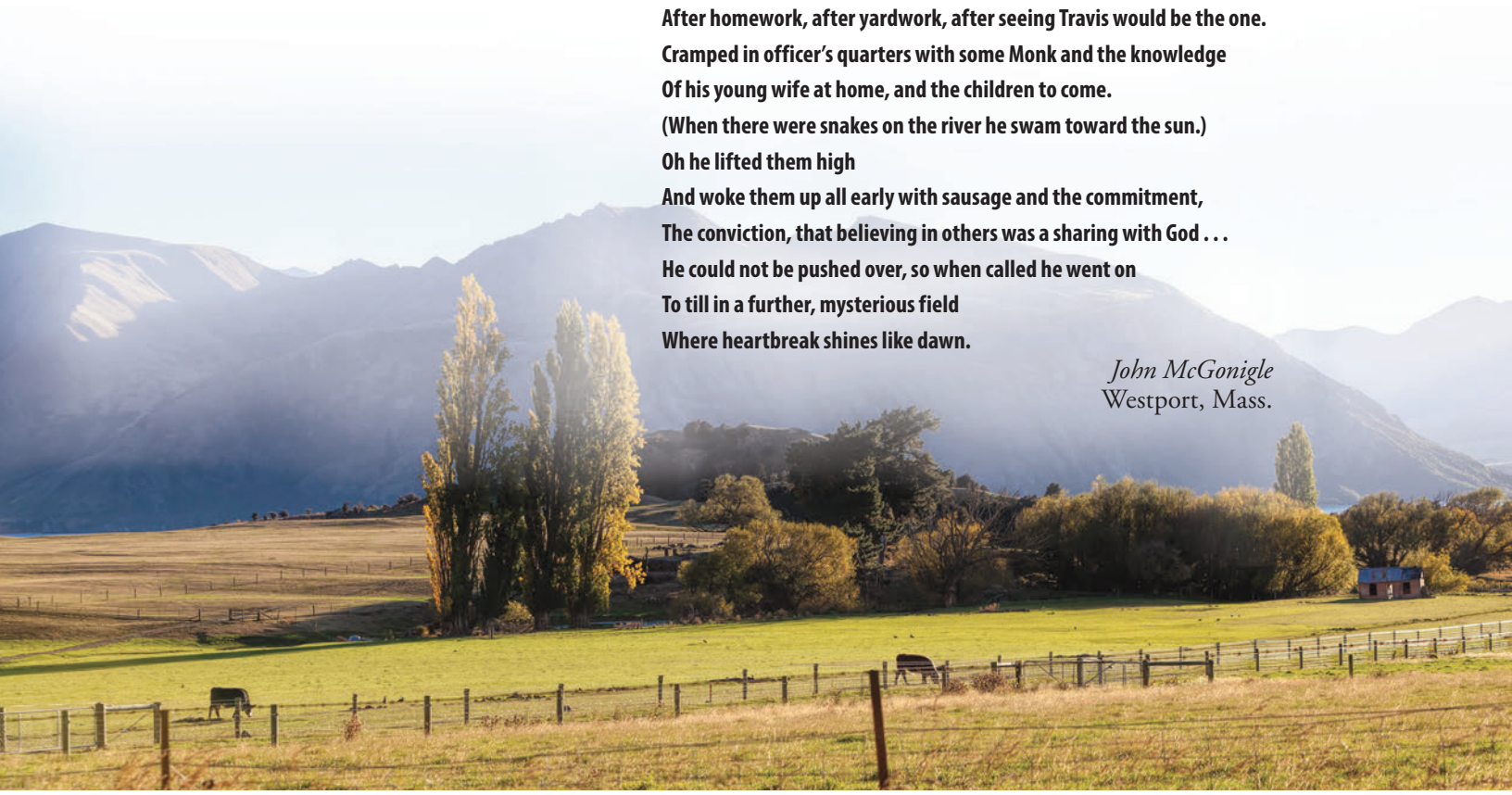
Friends Fiduciary believes that changes like those at PNC Bank are a small but important step for the broader business world to begin transitioning to a lower carbon economy. We will continue to work with peer investors and PNC management to ensure that the public commitments are kept and that the promised changes become operational. This is part of our work on behalf of our Quaker constituent investors. We believe this patient, persistent, and strategic approach, while slow to yield results at times, will help us win the race for excellent investment returns and a better world.

At PNC Bank, Main Street activism and Wall Street advocacy seem to have worked together to win the day. Strange bedfellows? Not at all. ❑

In Memoriam: Richard G. Bowie

He woke all up to the cow's returning
Home in the evening to be milked (not the dawn)
And if there were anywhere fences they were already mended
By the man who worked alongside others like a plow.
"If there's a job to be done, you would do best to believe in it"
He said half to himself, but I heard him nonetheless
Speak of winter days in Yarmouth when the fire hoses froze,
All morning with Ben Stockholm before the sun had risen,
And going after rebounds like his mother after chickens,
After homework, after yardwork, after seeing Travis would be the one.
Cramped in officer's quarters with some Monk and the knowledge
Of his young wife at home, and the children to come.
(When there were snakes on the river he swam toward the sun.)
Oh he lifted them high
And woke them up all early with sausage and the commitment,
The conviction, that believing in others was a sharing with God . . .
He could not be pushed over, so when called he went on
To till in a further, mysterious field
Where heartbreak shines like dawn.

John McGonigle
Westport, Mass.



Friends Fiduciary SRI E-Bulletin

July 6, 2015

Dear Friends,

Friends Fiduciary is dedicated to reflecting Quaker values in investment management through active ownership in the companies we hold. This is done through voting proxies, dialogues with company management and filing shareholder resolutions. In addition we strategically engage on a broad range of issues and policies from our unique perspective as long term Quaker values based investors. Below is a brief synopsis of recent activities.

Please forward this email to your meeting clerk and Peace and Social Concerns Committee clerk and encourage them to subscribe directly to future SRI E-Bulletins by contacting us at info@friendsfiduciary.org.

FFC Urges World Bank to Strengthen Protections for Indigenous Peoples' Rights

July 6, 2015

Friends Fiduciary has joined a global investor coalition representing US$125 billion in assets, responding to the World Bank's request for comments on proposed amendments to their Environmental and Social Safeguards Framework. The coalition would like to see that framework conform to existing international human rights agreements, namely the UN Declaration on the Rights of Indigenous Peoples and the Guiding Principles on Business and Human Rights.

Friends Fiduciary and others in the coalition believe that the World Bank should be strengthening the requirements that Indigenous communities support new projects on or near their territories

rather than weakening those requirements, which is what the current draft framework appears to do. Further, the new standard should not allow countries to "opt out" of the Indigenous Peoples policy requirements.

If the World Bank offers countries that violate the UN Declaration on the Rights of Indigenous Peoples weaker lending criteria, it could effectively subsidize greater instability in the business environments within these countries and therefore the viability of its investments. The Indigenous Rights Risk Report by the First Peoples Worldwide identified a correlation between investment risk and the strength of a country's legal protections for Indigenous Peoples.

At Friends Fiduciary believe that companies that respect the rights of, and work to build good relations with, Indigenous Peoples will prosper over time. The World Bank should be encouraging these business practices rather than undermining them with a weaker Environmental and Social Safeguards Framework for its lending programs.
Click Here for Letter

FFC Calls on Nestlé to Improve Supply Chain Sustainability

June 25, 2015

Friends Fiduciary has joined a global investor group representing $334 billion in assets, asking that Nestlé's corporates management attend to environmental, social, and governance issues in their operations in order to protect investor capital over the long term.

Future cocoa production depends on ecological sustainability and fair treatment of workers who grow and harvest the cocoa. In their communication, investors thank Nestlé, and other companies in the sector, for their efforts to prevent child labor, assist farmer organization and training, develop Key Progress Indicators (KPIs) for sustainability in cocoa production, and implement independent verification in parts of the cocoa supply chain.

Despite these efforts, investors are concerned whether improvements in these areas will increase the attractiveness of cocoa farming as occupation for the next generation of farmers.

Therefore, FFC and other investors are encouraging Nestlé to set specific goals and report on their progress in the area of farmer incomes, access to school for children in cocoa-producing communities, and strengthened child labor remediation. We are also seeking specific KPIs for companies and the industry with transparent reporting. This will allow managers, investors, and other stakeholders to make a fair assessment of the work Nestlé, and the industry, has done and future progress.

As part of the investor coalition, FFC believes that a sustainable cocoa supply chain with decent living conditions for cocoa farmers is possible both at the individual company and industry levels. We would like to see increased efforts in this area and believe that Nestlé has the potential to lead the industry in supporting the well-being of cocoa farming, thereby protecting capital returns over the long term.
Click Here for Letter

Friends Fiduciary urges SEC to Improve Carbon Asset Risk Disclosure by Oil and Gas Companies

June 11, 2015

Disclosing potential carbon asset risks will inform investors and potential investors of risks they may undertake when investing in businesses that extract and sell fossil fuels. "Carbon asset risks" include carbon-reducing regulation, growth of renewable energy, and weakening oil demand. Additionally, change in climate and weather can cause physical risk to companies' infrastructure. Some fossil fuel reserves and infrastructure are at risk of becoming stranded assets due to competition and environmental regulations. The investors' letter to the SEC notes that these risks constitute 'known trends' under SEC rules, and therefore companies must disclose them.

The energy industry has made and continues to make substantial capital investments in carbon intensive projects such as Arctic Drilling, ultra-deep-water drilling, and oil sands projects. Fully disclosing risks to investors may impact the economics of the industry and result in increased scrutiny for such capital investments and the expected return on investment.

The industry will likely expend more than $1 trillion on high-cost, carbon intensive exploration and development in the coming decade even though these projects assume a 30% rise in oil prices to be profitable.

Investors noted that Chevron, ExxonMobil and Canadian Natural Resources failed to fully disclose carbon asset risks and asked the SEC to notify the companies in "comment letters". These companies do not disclose carbon asset risks or do so inadequately. While FFC does not hold these oil majors, we believe that failure to disclose this information allows the industry to hide its true level of risk, stymies effective public policy towards sustainable alternatives and impedes investment capital from flowing to effective low-carbon energy production. According to Ceres, a national organization working with companies and investors around climate change, taking effective action to stop global warming will require more than $1 trillion in clean energy investments per year in the coming decades.
Click Here for Letter

Friends Fiduciary call to action in garment-worker safety

May 26, 2015

Friends Fiduciary Corporation (FFC) is part of an Interfaith Coalition on Corporate Responsibility (ICCR) effort calling for improved safety standards for garment factories in Bangladesh.

Two years ago, the Rana Plaza building outside Dhaka, Bangladesh collapsed, killing more than 1,100 garment workers. The event is considered one of the worst workplace disasters in history. In response, corporations and workers created the Alliance for Bangladesh Worker Safety and the Bangladesh Accord for Building Safety. More than 200 companies, sourcing from 1,600 factories, have signed the Accord.

In order to address issues such as sprinklers and construction defects, factories will need to secure appropriate financing and make agreements with suppliers. Clothing brands will need to ensure that their suppliers obtain resources to do so, through the use of loans, pre-payment for orders, business incentives, or other means. The investor coalition is asking companies to disclose the results of inspections and fully address defects that are revealed.

FFC and the ICCR have further asked that companies disclose progress on establishing worker/management Occupational Safety and Health committees, with workers electing representatives to the committees. Bangladeshi labor laws now require companies to establish

these committees. The committees can build capacity to detect and remediate safety issues before they cause further harm to workers. Clothing brands must communicate their support for these committees to suppliers to ensure this key component of remediation is operational.

In order to implement the safety infrastructure requirements to avoid future disasters the investor coalition is calling for greater transparency in the remediation efforts and the funding available to make the necessary changes. The coalition is also asking companies which source clothing made in Bangladesh to donate to the Rana Plaza Donors Trust Fund in order to allow the fund to provide relief to workers and their families affected by the disaster.
Click Here for Letters

FFC Asks Managers to Assess Climate Risk in Investments

March 19, 2015

Friends Fiduciary has asked its money managers to assess how their investments could affect climate change and to evaluate climate risk in the investment process. The letter, from Richard Kent, Chief Investment Officer, asks managers to "understand the strategies our companies are using to manage climate risk." While Friends Fiduciary has not chosen to divest from fossil fuels in its Consolidated Fund, its Environmental Social and Governance screening criteria favors companies with better track records on these factors.

This letter clearly communicates to all of FFC's managers the importance of these concerns for FFC and its constituent investors and further elevates these concerns within the traditional investment arena. Executive Director, Jeff Perkins, states that "when we engage with companies in shareholder advocacy we're asking them how they are assessing climate risk in their operations, supply chains and invested assets - we're asking our managers to do the same as part of their investment selection process."
Click Here for Letter

If you have any questions about Friends Fiduciary or its shareholder advocacy work, please contact us at info@friendsfiduciary.org or at (215) 241-7272, or visit our website: www.friendsfiduciary.org.

Sincerely,
Jeff Perkins

Jeffery W. Perkins
Executive Director
Friends Fiduciary Corporation
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FRIENDS FIDUCIARY

CORPORATION

CONSOLIDATED FUND

Total Net Assets, June 30, 2015	$299.62 MM
Unit Value, June 30, 2015	$48.53
Semi-Annual Standard Distributions	June and December
Standard Distribution Per Unit, Jun. 2015	$0.98
Standard Distribution Per Unit, Dec. 2015	$1.02
Standard Distribution Rate 2015	4.50%
Standard Distribution Rate 2016	4.25%

For more information on Friends Fiduciary, the Consolidated Fund and other investment options, please visit our website at www.friendsfiduciary.org

FUND INFORMATION

Fund Type ..... Balanced

Inception Date 1975

Investment Management Expense,

5-Year Average 0.36%

Total Operating Expense,

5-Year Average 0.75%

Investment Style.....Growth and Income

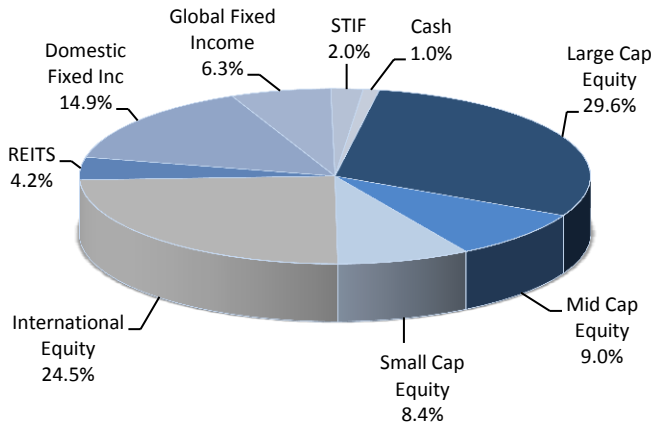
Target Asset Mix:

Equity 70%, Fixed Income 25%, REITs 5%

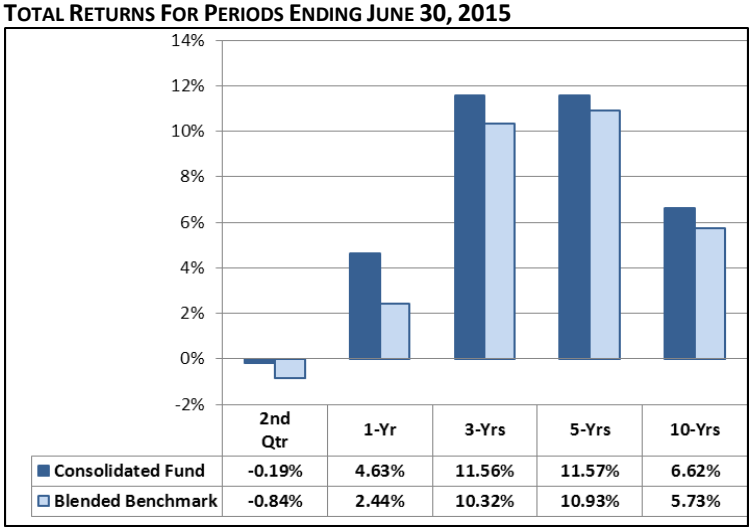
FUND OVERVIEW

The Consolidated Fund is a diversified, co-mingled fund with allocations to equities, fixed income and real estate investment trusts (REITs). Its primary objective is to provide stable current income and long-term growth consistent with protecting principal investments against inflation over time. The Fund has a standard income distribution policy based on the fund's total return. This means that a portion of the distribution is attributable to actual dividends and interest earned and a portion comes from capital gains. Standard income distributions are calculated using a rolling three-year average of unit value and paid out semi-annually. Standard distribution rates in 2014 and 2015 are 4.50%; the FFC Board of Directors has approved a reduction in the standard distribution rate effective with the 2016 distributions at which time the standard rate will decrease from the current level of 4.5% to 4.25% in 2016 and 4.00% in 2017.

HOLDINGS BY ASSET CLASS – JUNE 30, 2015



TOTAL RETURNS FOR PERIODS ENDING JUNE 30, 2015



	2nd Qtr	1-Yr	3-Yrs	5-Yrs	10-Yrs
Consolidated Fund	-0.19%	4.63%	11.56%	11.57%	6.62%
Blended Benchmark	-0.84%	2.44%	10.32%	10.93%	5.73%

Blended Benchmark: 28% S&P 500, 9% Russell Mid Cap, 8% Russell 2000, 25% MSCI ACWI ex-US (All Country World Index ex-US), 25% Barclays Aggregate Bond Index and 5% FTSE NAREIT Index.

No predictions are made for the future. Past returns do not guarantee future results.

CALENDAR YEAR RETURNS	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
Consolidated Fund	8.70	18.56	11.97	1.07	13.30	21.48	-26.34	3.83	14.83	7.02
Blended Benchmark	7.49	16.39	12.28	1.65	12.28	18.50	-26.51	3.35	14.79	5.19

Socially Responsible Investing

Quaker testimonies and values guide Friends Fiduciary's investment activities in three primary ways:

We actively screen out companies that do not meet our SRI restrictions.

We vote shareholder proxies to communicate our Quaker values on environmental, financial, social and governance issues.

We join other institutional and faith-based investors in shareholder resolutions and company dialogues to encourage reforms.

We co-file shareholder resolutions and offer our Quaker views on important business issues in widely distributed op-ed pages.

We actively collaborate with other like-minded institutional investors on a wide range of ESG (environmental, social, governance) issues seeking to improve corporate disclosures and encourage just and sustainable business practices.

About Friends Fiduciary

Friends Fiduciary Corporation (FFC) is a Quaker non-profit organization providing cost effective, professional, socially responsible investment management services exclusively to Quaker meetings, churches, schools and organizations.

FFC manages over $340 Million for 330 constituents across the country. Friends Fiduciary is a manager of managers, selecting best in class investment managers who implement Quaker socially responsible investment criteria for specific asset classes.

We are the most active Quaker organization engaging in shareholder and policy advocacy and the Quaker voice on important business issues. We believe our Quaker values support long term company and shareholder value.

Why Friends Fiduciary?

We deliver…

- Excellent investment returns
- Professional investment management
- A disciplined Quaker SRI approach
- Excellent customer service

…at cost

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FRIENDS FIDUCIARY
CORPORATION

QUAKER GREEN FUND

FUND INFORMATION

Fund Type.....Balanced
Inception Date.....December 31, 2013

Minimum Initial Investment.....None
Minimum Withdrawal.....None
Total Expense Ratio.....0.90%

FUND OVERVIEW

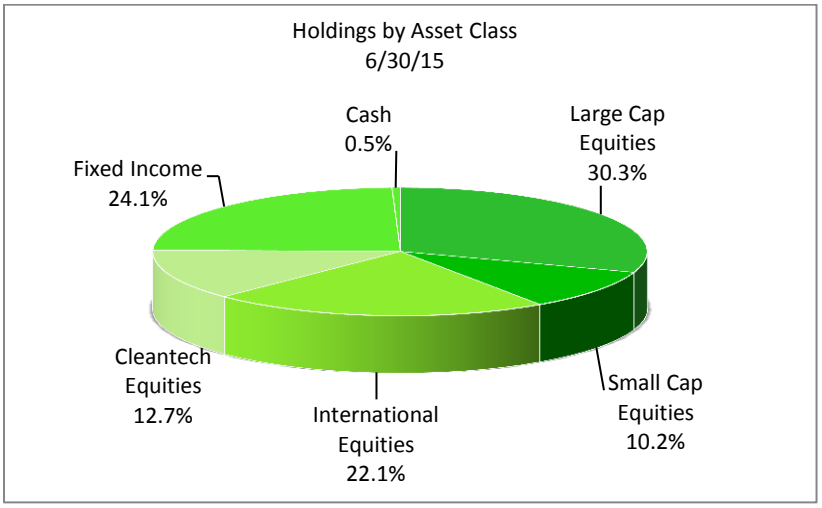
Quaker Green Fund (QGF) is a balanced and diversified fund which is "fossil fuel free" and specifically designed for Friends meetings, churches, and organizations. The fund excludes investments in fossil fuel companies.[1] In addition to being "fossil fuel free," the Quaker Green Fund includes a component dedicated to a new "cleantech" category. These investments will fall within nine positive environmental themes. Areas include advancements in sustainable use of agricultural resources, alternative and renewable energy, efficient transport, energy conservation, water conservation and filtration, low carbon finance, and cutting-edge clean technologies. This approach provides exposure to the interconnected segments of clean energy and clean technology while providing diversification to manage the overall profile of risk and volatility.

The fund adheres to FFC's Quaker-values investment guidelines and participates in FFC's shareholder advocacy work. It is intended for investors with a greater than five year investment horizon. QGF includes a mix of stocks and bonds and has a semi-annual distribution. Investors may make additions or withdraws at any time.

The 2014 standard distribution rate for the Quaker Green Fund is 3.5%. This standard distribution rate is reviewed annually by the FFC Board of Directors.

The rate depends upon long term capital market returns, volatility and inflation and reflects the unique asset allocation of this new fund. It is intended as a distribution level that balances current distributions with preservation of principal over time. Because each constituent has different financial circumstances and needs, the Quaker Green Fund standard distribution rate is intended only as a guideline for constituent investors. Constituents may, and some do, take more or less than the announced standard distribution rate.

Total Net Assets, June 30, 2015	$15.80 MM
Unit Value, June 30, 2015	$36.81
Semi-Annual Distributions	June and December
Standard Distribution per Unit, Jun. 2015	$0.62
Standard Distribution per Unit, Dec. 2015	$0.63
Standard Distribution Rate 2015	3.50%
Standard Distribution Rate 2016	3.50%
Top Five Cleantech Holdings	Sector/Theme
Sunedison, Inc.	Renewable Energy
Acuity Brands, Inc.	Clean Tech/Efficiency
Zumtobel Group AG	Clean Tech/Efficiency
Hannon Armstrong	Environmental Fin.
Sunpower Corp.	Renewable Energy



INVESTMENT RETURNS	2Q15	YTD	1 Year	Since Inception*
Total Fund	0.61%	3.49%	4.61%	6.54%
Blended Benchmark[1]	-0.12%	2.37%	2.48%	5.19%

[1] Blended Benchmark: 30.0% S&P 500 Index, 10.0% Russell 2000 Index, 22.5% MSCI EAFE Index, 12.5% MSCI World Index, 25.0% Barclays Agg Index.
*Inception Date: December 31, 2013

[1] As defined by the Carbon Tracker Top 200 Fossil Fuel Companies list and consistent with 350.org's current divestment goals.

Investment Philosophy & Guidelines

Friends Fiduciary embraces the widely held desire that investments should be made in businesses that serve a beneficial purpose to society. A unifying and consistent belief of Friends over the years is the importance and value of the peace testimony. Consequently, we avoid investing in manufacturers of weapons or weapons components. We also exclude companies that are engaged in the production of alcohol, tobacco or firearms and those that operate gambling casinos, lotteries or for-profit prisons.

We give additional in-depth consideration to corporate social track records on labor, environmental, social and governance issues. We exclude companies whose primary business is the mining and/or production of coal. For companies engaged in electricity production, we exclude those that rely on coal fired plants and/or nuclear for a significant proportion of their fuel mix, and for companies engaged in the exploration, production, refining and/or transportation of oil and gas products, we select companies that perform well against their industry and peers when evaluated on EPA and other ESG criteria. In the evaluation of companies in the areas of human and labor rights we avoid companies that rank poorly against EEOC (Equal Employment Opportunity Commission), OSHA (Occupational Safety and Health Administration) data and other factors.

Socially Responsible Investing

- Quaker testimonies and values guide Friends Fiduciary's investment activities in three primary ways:
- We actively screen out companies that do not meet our SRI restrictions.
- We vote shareholder proxies to communicate our Quaker values on environmental, financial, social and governance issues.
- We join other institutional and faith-based investors in shareholder resolutions and company dialogues to encourage reforms.
- We share our unique Quaker business perspective on important policy issues.

We actively collaborate with other like-minded institutional investors on a wide range of ESG (environmental, social, governance) issues seeking to improve corporate disclosures and encourage just and sustainable business practices.

About Friends Fiduciary

Friends Fiduciary Corporation (FFC) and its predecessor organizations have been serving the Religious Society of Friends since 1898. FFC is a not-for-profit Pennsylvania corporation whose purpose is to provide Friends organizations with high-quality financial services on a cost-effective basis. Our investment philosophy is grounded in the beliefs of the Religious Society of Friends, among them the testimonies of peace, simplicity, integrity and justice.

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FRIENDS FIDUCIARY

CORPORATION

SHORT TERM INVESTMENT FUND

Total Net Assets, June 30, 2015	$11.23 MM
Unit Value, June 30, 2015	$10.14
BOND CHARACTERISTICS *(as of 6/30/15)*	
Yield to Maturity	1.2%
Current Yield	3.8%
Average Coupon	4.2%
Duration	1.9 Years
Average Maturity	2.0 Years
BOND CREDIT QUALITY *(as of 6/30/15)*	
AAA	20.7%
AA	25.5%
A	53.8%
BBB and below	0.0%

FUND INFORMATION

Fund Type..... Short Term Fixed Income

Inception Date..... April 2012

Minimum Initial Investment..... $25,000

Initial Investments under $25,000 will be considered on a case-by-case basis.

Minimum Withdrawal.....$5,000

Total Expense Ratio.....0.49%

FUND OBJECTIVE

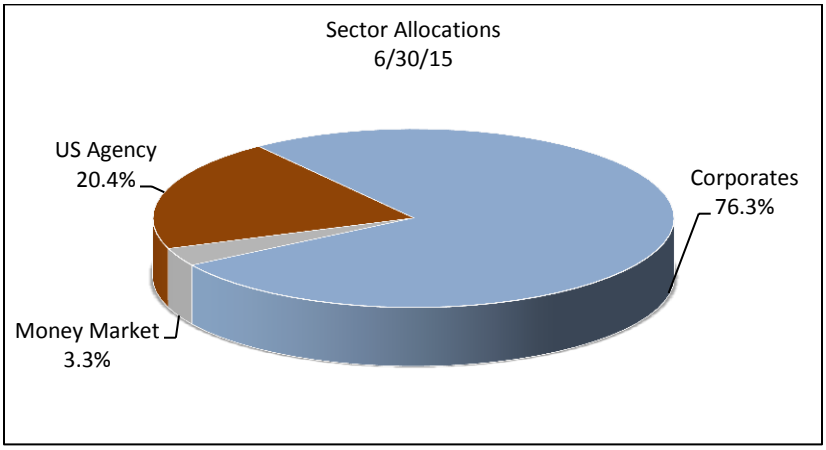
Managed in a manner consistent with Quaker values, the Short Term Investment Fund's (STIF) objective is to achieve investment returns in excess of those available from money markets and other short term funds. The fund seeks to preserve capital through investment in only high quality short term bonds and other short term instruments.

FUND MANAGEMENT

STIF is designed for consistent, low volatility performance with an emphasis on low risk, high credit quality and liquidity. It is diversified across principal sectors of the domestic bond market; US Treasury, Agency, Corporates and Mortgages. Value is added through sector rotation and security selection. Daily liquidity is maintained through an allocation to money market funds. The investment approach balances fundamental qualitative and quantitative analysis. The fund captures additional yield by diversifying beyond ultra-short money market instruments. Coupon income and bond maturities are reinvested in short term, relatively higher yielding securities.

INVESTOR PROFILE

The fund is well suited for investors needing liquidity in a one to five year time frame. This may include reserves or funds needed for capital projects.



INVESTMENT RETURNS	2Q15	1 Yr	3 Yrs	Since Inception*
Short Term Investment Fd	0.09%	0.94%	1.02%	0.96%
Blended Benchmark[1]	0.12%	0.71%	0.53%	0.50%
Lipper Money Mkt Fund	0.00%	0.01%	0.01%	0.01%

[1] Blended Benchmark: 80% B of A Merrill Lynch 1-3 Year US Treasury & Agency Index, 20% Lipper Money Market Index.

*Inception Date: April 30, 2012

RISKS

The fund's value is subject to the price movement of the overall bond market and/or specific holdings. The unit price and yield will vary with changes in interest rates and bond market conditions. If interest rates rise significantly from current levels, bond returns will decline and may turn negative in the short term. Mortgage related securities tend to become more sensitive to interest rate changes as interest rates rise, increasing volatility. There is also the possibility that fund holdings may have their credit ratings downgraded or, in extreme cases, suffer a default.

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