



DISCLOSURE STATEMENT UNITED CHURCH FUNDS, INC. GIFT ANNUITY FUND

TO: DONORS CREATING GIFT ANNUITY AGREEMENTS

Pursuant to the Philanthropy Protection Act of 1995, United Church Funds hereby advises you of the following:

United Church Funds, Inc. ("United Church Funds"), located at 475 Riverside Drive, New York, New York 10115, is an Associated Ministry of the United Church of Christ, which, amongst its charitable purposes, is designated to receive and manage charitable funds. UCF is the issuer of the charitable gift annuity agreements and remains contractually responsible for all required annuity payments. UCF has retained State Street Investment Management to provide investment management and administrative services for the charitable gift annuity program. As such, the interests of the beneficiaries of the charitable gift annuities represent general liabilities of UCF. By entering into a Charitable Gift Annuity Agreement ("CGA"), you are simultaneously making a charitable gift, not a commercial investment, and are also providing for fixed payments for life, or a term of years, to yourself and/or another person ("life income beneficiaries"). The fact that you are making a charitable gift may entitle you to income, gift, and estate tax deductions. Your gift will be commingled with other such gifts for investment purposes.

The Fund includes only assets contributed by donors into the Fund, in exchange for the issuance of charitable gift annuities, or assets set aside and restricted by UCF to be used to better assure that contracted payments are made to the life income beneficiaries.

The total assets of the Fund as of December 31, 2025, were \$6,170,639.27. The value of the Fund is subject to fluctuation depending upon certain factors including, but not limited to, investment results, new assets contributed to the Fund and contracted withdrawals from the Fund on the termination of a charitable gift annuity contract. Investment results will depend not only on common stock, bond and cash equivalent returns over various periods of time, but also on the investment advisor's ability to anticipate annually the relative risk and performance of each asset class. While the investment advisors to UCF have substantial experience in this area, history suggests that an active asset allocation strategy is extremely difficult to implement on a consistent basis.



The Fund is organized as a segregated account with the Fund invested primarily in units of participation in one or more of UCF's Common Investment Funds. The assets of the Common Investment Funds are held in custody of The Bank of New York Mellon. As of December 31, 2025, the Fund was invested 86% in the UCF Balanced Fund (the separate reserve account noted above is invested 100% in the UCF Balanced Fund) with cash, life insurance policies, donated securities waiting sale, and cash equivalents comprising the other 14%. The UCF Balanced Fund is comprised of units of the UCF Fixed Income and UCF Total Equity Funds, and pursues a middle-of-the-road approach that emphasizes stock for higher capital appreciation potential, while maintaining a significant fixed income component to temper market volatility. As of December 31, 2025, the target allocation of the UCF Balanced Fund was 40% UCF Fixed Income, 60% UCF Total Equity Fund. Investments of the UCF Balanced Fund are made pursuant to guidelines established by the Investment Committee of the UCF, which include parameters requiring exclusion of investment in securities of entities considered unsuitable because of environmental, social or governance ("ESG") concerns. The Fund's investment objectives as set forth above are subject to change at any time.

Reports setting forth calendar year-end valuations of the Fund will be provided to Donors as requested.

The earnings of the Fund are reinvested, and the only withdrawals from the Fund are for: 1) the contracted payments to the charitable gift annuity annuitants, 2) contracted payments to the charitable organization named in the charitable gift annuity contract upon the conclusion of the contracted annuity payments, and 3) management, administrative and custodial fees. The Fund may retain the services of professional investment managers or advisors who may be compensated out of the assets of the Fund. Other fees and charges, including custodial charges and administration fees may also be paid with the assets of the Fund. Further fee information is available upon request.

Payouts on gift annuity contracts established with UCF are calculated using actuarial (mortality) tables promulgated by the Internal Revenue Service and do not exceed the maximum suggested by the American Council on Gift Annuities. These rates are most likely less than commercial annuity rates, with the difference being a gift to the named remainder beneficiary or beneficiaries. The payout percentage assumes that the Donor and the remainder beneficiary or beneficiaries of a gift annuity contract will each receive approximately fifty (50%) percent of the original gift amount if the Donor dies exactly on the date expected under those actuarial tables. Depending upon actual investment performance, as discussed above, and the Donor's age on his or her date of death, the Donor and/or the remainder beneficiary or beneficiaries may each receive less than, or more than, the anticipated 50% to each, and it is possible that the entirety of the gift



annuity assets relative to that specific contract may be exhausted prior to the Donor's date of death if the Donor is blessed to out-live his or her actuarial life expectancy. In all cases, UCF is contractually bound to make the required payments to the life income beneficiaries. Annuity payments are not insured or guaranteed by any governmental entity but are a general obligation of UCF, backed by all of UCF's unrestricted net assets.

The Fund is exempt from the registration requirements of the federal securities laws, pursuant to an exemption for collective investment funds maintained by charitable organizations.

Historical investment return information is available upon request.

In order to defray the expenses of administering the Fund, each Donor will be required to name UCF as at least a ten percent (10%) remainder beneficiary of the gift annuity contract.

Each Donor is advised to consult his or her own advisor(s) regarding the risks, tax treatment and other aspects of contributing to UCF in return for the issuance of a CGA.