



Fees Applicable To R-3 Class Shares of State Farm Mutual Funds® and Retirement and Savings Plans

Notice to Shareowners Investing in R-3 Class Shares

Prior to purchasing R-3 class shares for any investment in an additional State Farm® Mutual Fund (i.e., a “subsequent fund position”), or purchasing R-3 class shares in a State Farm Mutual Fund that you previously purchased for your account and then fully redeemed (i.e., a “fully redeemed fund position”) you must receive a State Farm Mutual Fund Trust Class R-1, R-2, R-3 Shares Prospectus, the Fees Applicable to R-3 Class Shares of State Farm Mutual Funds and Retirement and Savings Plans document, and the Information on Appropriate Investments for Retirement and Savings Plans document.

The information below describes the fees and expenses you would pay if you buy and hold R-3 class shares of the State Farm Mutual Funds. These R-3 class shares are available for purchase by Registered State Farm Agents, Sales Leaders (SLs) and certain family members (spouses, lineal ascendants, lineal descendants, lineal descendants’ spouses, siblings, and siblings’ spouses) for qualified retirement plans other than State Farm 401(k) Savings Plan.

Generally, there are two types of fund fees and expenses that apply: (1) shareholder transaction expenses, which are paid directly from your investment, and (2) operating expenses of the fund, which include management fees and other expenses. In addition, administration fees for qualified retirement plans, which may be paid by the employer or passed through to the participant, will be payable to Ascensus based on the fee schedule established by Ascensus. Participants may request information from their Plan Administrator about any Ascensus administration fees that will be passed through to the participants’ accounts.

1. Shareholder Transaction Expenses – For All Funds (fees paid directly from your investment)

Maximum sales charge (load) imposed on purchases	None
Maximum deferred sales charge (load)	None
Maximum sales charge (load) imposed on reinvested dividends	None
Redemption fee	None
Exchange fee	None
Maximum account fee	None

2. Operating Expenses (charged to the Funds)

The operating expenses of the funds include management fees and shareholder services fees (each of which is a specified percentage of the assets of the funds) and other expenses, such as registration fees paid to state regulators, custodial fees, and auditors’ fees, which may vary from year to year. The following information provides (1) a further explanation of the management fees, (2) an estimate of the total annual fund operating expenses for each fund, and (3) a listing of the expected maximum percentages for the annual operating expenses of each fund.

Management Fees

Management fees will be paid by each of the funds to State Farm Investment Management Corp. ("SFIMC"). As an investment adviser, SFIMC continuously furnishes an investment program for the funds (other than the Equity Fund, the Small/Mid Cap Equity Fund, the International Equity Fund, the three equity index funds, and the LifePath® Funds), is responsible for managing the investments of such funds, and deciding whether to buy, sell, or hold any particular security. In carrying out its obligations to manage the investment and reinvestment of the assets of these Funds, SFIMC performs research and obtains and evaluates pertinent economic, statistical, and financial data relevant to the investment policies of these funds. As investment adviser to the Equity Fund, Small/Mid Cap Equity Fund, International Equity Fund, S&P 500® Index Fund, Small Cap Index Fund, International Index Fund and the LifePath Funds, SFIMC monitors the performance of the sub-advisers to these Funds. SFIMC has engaged BlackRock Fund Advisors (BFA) as the investment sub-adviser for the S&P 500 Index Fund, Small Cap Index Fund, International Index Fund and the LifePath Funds. SFIMC has engaged Bridgeway Capital Management, Inc. (Bridgeway) and Westwood

Management Corp. (Westwood) as co-investment sub-advisers to the Equity Fund. SFIMC has engaged Marsico Capital Management, LLC (Marsico) and Northern Cross, LLC (Northern Cross) as co-investment sub-advisers to the International Equity Fund. SFIMC has engaged Bridgeway as investment sub-adviser to the Small/Mid Cap Equity Fund. BFA, Westwood, Marsico, Northern Cross and Bridgeway provide day-to-day management for these Funds, including managing the Fund's investments, determining which securities or other investments to buy and sell, selecting brokers and dealers to effect transactions and negotiating commissions. SFIMC pays BFA, Westwood, Marsico, Northern Cross and Bridgeway investment sub-advisory fees.

The management fee for each fund is based upon average daily net assets, is accrued daily and is paid to SFIMC monthly at the annual rates for each of the Funds.

Annual Fund Operating Expenses - expenses that are deducted from the Fund assets (as a percentage of average net assets)

FUND	Management Fees	12b-1 Distribution Fees	Other Expenses	Acquired Fund Fees and Expenses	Total Annual Fund Operating Expenses
Equity Fund	0.60%	None	0.37%	None	0.97%
Small/Mid Cap Equity Fund	0.51%	None	0.41%	0.04%	0.96%
International Equity Fund	0.78%	None	0.54%	None	1.32%
S&P 500 Index Fund	0.11%	None	0.37%	None	0.48%
Small Cap Index Fund	0.12%	None	0.43%	None	0.55%
International Index Fund	0.14%	None	0.53%	None	0.67%
Equity and Bond Fund	None	None	0.07%	0.70%	0.77%
Bond Fund	0.10%	None	0.37%	None	0.47%
Money Market Fund	0.10%	None	0.39%	None	0.49%
State Farm LifePath® Retirement Fund ¹	0.27%	None	0.34%	0.11%	0.72%
State Farm LifePath 2020® Fund ¹	0.27%	None	0.34%	0.12%	0.73%
State Farm LifePath 2030® Fund ¹	0.27%	None	0.34%	0.14%	0.75%
State Farm LifePath 2040® Fund ¹	0.27%	None	0.34%	0.16%	0.77%

¹LifePath®, LifePath 2020®, LifePath2030®, and LifePath 2040® are all registered trademarks of BlackRock Institutional Trust Company, N.A.

SFIMC has agreed not to receive a management fee for performing services for the Equity and Bond Fund. However, SFIMC receives fees for managing the underlying funds in which the Equity and Bond Fund invests. The Equity and Bond Fund attempts to maintain approximately 60% of its net assets in shares of the State Farm Equity Fund and 40% of its net assets in shares of the State Farm Bond Fund.

Maximum Expense Percentages

SFIMC will reimburse each fund, if and to the extent, the fund's total annual operating expenses exceed the following percentages of the fund's average net assets, excluding Acquired Fund Fees and Expenses:

Fund	Aggregate Expenses after Expense Reimbursement
Equity Fund	1.02%
Small/Mid Cap Equity Fund	0.93%
International Equity Fund	1.32%
S&P 500 Index Fund	0.53%
Small Cap Index Fund	0.55%
International Index Fund	0.67%
Equity and Bond Fund	0.07%
Bond Fund	0.52%
Money Market Fund	0.52%
State Farm LifePath Retirement Fund	0.69%
State Farm LifePath 2020 Fund	0.69%
State Farm LifePath 2030 Fund	0.69%
State Farm LifePath 2040 Fund	0.69%

LifePath Funds are target-date portfolios whose investment objectives are adjusted over time to be more conservative as the target date (date the investor plans to start withdrawing their funds) approaches. The principal value of the fund(s) is not guaranteed at any time, including at the target date.

An investment in the Money Market Fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Fund seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Fund.

Before investing, consider the funds' investment objectives, risks, charges and expenses. Contact State Farm VP Management Corp (1-800-447-4930) for a prospectus or summary prospectus containing this and other information. Read it carefully.

Ascensus provides record keeping and administrative services for retail 401(k) retirement plans offered by State Farm Investment Management Corp.

State Farm VP Management Corp. is a separate entity from BlackRock Fund Advisors (BFA), the sub-adviser to the State Farm S&P 500 Index Fund, the State Farm Small Cap Index Fund, the State Farm International Index Fund and the State Farm LifePath Funds.

State Farm VP Management Corp. is a separate entity from Bridgeway Capital Management, Inc., the sub-adviser for the State Farm Equity Fund, the State Farm Equity and Bond Fund and the State Farm Small/Mid Cap Equity Fund.

State Farm VP Management Corp. is a separate entity from Marsico Capital Management, LLC, the sub-adviser for the State Farm International Equity Fund.

State Farm VP Management Corp. is a separate entity from Northern Cross, LLC, the sub-adviser for the State Farm International Equity Fund.

State Farm VP Management Corp. is a separate entity from Westwood Management Corp., the sub-adviser for the State Farm Equity Fund and the State Farm Equity and Bond Fund.

Neither State Farm nor its agents provide tax or legal advice.