

State Farm® Municipal Bond Fund

as of December 31, 2020



Investment Strategy

Investment Objective:

Seeks as high a rate of income exempt from federal income taxes as is consistent with prudent investment management.

Investment Strategy:

The Fund normally invests so that either (1) at least 80% of the Fund's net investment income is exempt from regular federal income tax or (2) at least 80% of the Fund's net assets are invested in securities that produce income exempt from regular federal income tax. The Fund invests primarily in a diversified selection of municipal bonds (for example, general obligation bonds of a state or bonds financing a specific project) with maturities of one to seventeen years, although from time to time State Farm Investment Management Corp. (the "Manager"), investment adviser to the Fund, may purchase issues with longer maturities. A majority of the Fund's investments are in issues with maturities longer than five years. Dividends from the Fund largely will be exempt from federal income tax and, at the present time, the Fund does not intend to purchase municipal obligations that are subject to federal alternative minimum tax unless these bonds provide greater potential for return on an after-tax basis than other alternatives.

The Fund normally invests at least 70% of its total assets in municipal bonds rated A or better by Moody's Investors Service, Inc. ("Moody's") or Standard & Poor's Corporation ("S&P"), meaning that up to 30% of the Fund's total assets may be invested in medium and lower-quality bonds. The Manager frequently will hold individual municipal bonds within the Fund for a long period of time, possibly until the bond matures or until it is called. The Fund may sell a bond when the proportion of bonds with longer maturities is reduced in anticipation of a bond market decline (a result of rising interest rates), or increased in anticipation of a bond market rise (resulting from a decline in interest rates). The Manager may also sell a bond for the Fund to affect the average maturity of municipal bonds within the Fund or if the bond's credit risk increases significantly.

Who May Want to Invest:

Those seeking to reduce taxes on their investment income. This is not an appropriate investment for a tax-deferred account like an IRA or 401(k) plan.

Portfolio Management:

Managed by State Farm Investment Management Corp., which has over 30 years experience managing investment company assets and is responsible for \$9.7 billion in assets (Associates' Funds Trust) as of September 30, 2020. For more information, contact our Mutual Funds Response Center at 1.800.447.0740.

Per Share Dividends Paid Monthly³

Dec 2020	0.01757	Jun 2020	0.02061
Nov 2020	0.01891	May 2020	0.01777
Oct 2020	0.01778	Apr 2020	0.01947
Sep 2020	0.01863	Mar 2020	0.02018
Aug 2020	0.01847	Feb 2020	0.01873
Jul 2020	0.01863	Jan 2020	0.01920

Investing in the Fund

To open an account by check	\$250
To open an account by payroll deduction	\$50
Subsequent investments by check, ACH or AIP	\$50
Subsequent investments by payroll deduction	\$50

Total Annual Operating Expenses

	Gross	Net
Municipal Bond Fund	0.16%	N/A

Note: Additional fees may apply to certain accounts with balances less than \$5,000.

Modified Duration/Maturity

	State Farm Municipal Bond Fund	BBgBarc 7-Year Municipal Bond Index
Modified Duration	4.26%	4.73%
Average Maturity	8.69 yrs.	7.00 yrs.
SEC 30 Day Yield ⁴	1.78%	n/a

Fund Facts

Inception Date	11/1/1977
Symbol	SFBDX
CUSIP	85-6851100
Net Assets (Mil)	\$740.56
Number of Securities	503
Morningstar Category	Muni National Intermediate

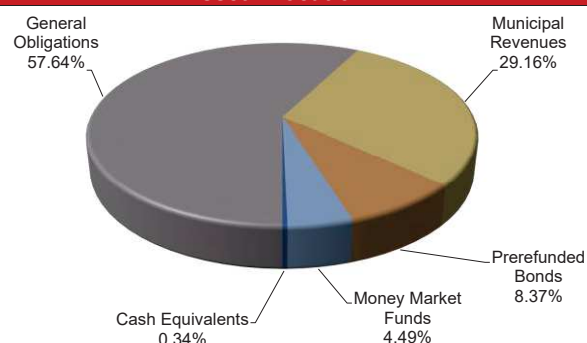
The total returns are the average compounded rate of change in value during a period of investment, including the value of shares acquired through reinvestment of all dividends and of all capital gain distributions for the period. These figures are based on an investment at the beginning of the period through the end of the period and reflect all applicable fees and charges.

Average Annual Total Returns

	YTD	1-Year	3-Year	5-Year	10-Year
Municipal Bond Fund	5.44%	5.44%	4.30%	3.41%	3.94%
Benchmark: Bloomberg Barclays 7-Year Municipal Bond Index ¹	5.11%	5.11%	4.48%	3.47%	3.97%

Investment return and principal value will fluctuate and your investment, when redeemed, may be worth more or less than its original cost. Past performance is no guarantee of future results. Recent performance may be less than the figures shown. Obtain total returns current to the most recent month-end by calling our Mutual Funds Response Center at 800.447.0740

Asset Allocation



Effective Maturity Comparison

	State Farm Municipal Bond Fund	BBgBarc 7-Year Municipal Bond Index
0-6 Years	31.33%	0.00%
6-12 Years	36.44%	100.00%
12-22 Years	32.23%	0.00%
22+ Years	0.00%	0.00%
Total	100.00%	100.00%

Credit Quality Breakdown²

	State Farm Municipal Bond Fund	BBgBarc 7-Year Municipal Bond Index
AAA/Aaa	9.17%	17.39%
AA/Aa	64.36%	53.68%
A	19.67%	21.54%
Baa1/BBB or lower	1.09%	7.39%
NR (Not Rated)	1.21%	0.00%
Short Term Investments*	4.50%	0.00%
Total	100.00%	100.00%

State Farm[®] Municipal Bond Fund

as of December 31, 2020



¹ The Bloomberg Barclays 7-Year Municipal Bond Index is an unmanaged index comprised of investment grade municipal bonds with maturities of six to eight years. It is not possible to invest directly in an index.

² Reflects the lower of Moody's or S&P issuer specific ratings. Percentages are based on Total Investments as of December 31, 2020.

³ Per share dividends began paying on a monthly basis effective April 1, 2007.

⁴ The SEC Yield is not the fund's distribution yield. The fund's distribution yield can be found on www.morningstar.com.

* Represents investment in the JPMorgan Money Market Fund.

There is no assurance that the fund will achieve its investment objective. An investment should be made with an understanding of the risks that an investment in debt securities entails. These include the risk that the financial condition of the issuers of the securities in the portfolio, or the condition of the bond market in general, may decline. Fund shares, when redeemed, may be worth more or less than their original cost. Varying economic and market conditions may affect the value of, and yields on, the debt securities the fund holds. There may also be changes in the issuer's ability to make timely interest and principal payments. The market prices of debt securities generally move inversely to changes in the interest rates, making the fund subject to interest rate risk. Interest rate risk is the risk that bonds, including those issued by the U.S. Government, will decline in value because of changes in interest rates. Therefore, the fund's net asset value can be expected to rise when interest rates decline and decline when interest rates rise.

Income may be subject to state and local taxes and (if applicable) the Alternative Minimum Tax.

Bonds are subject to interest rate risk and may decline in value due to an increase in interest rates.

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

You could lose money by investing in a Money Market Fund. Although a Money Market Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the Fund is not a deposit of a bank and is not insured or guaranteed by the Federal Deposit Insurance Corporation ("FDIC") or any other government agency. The Fund's sponsor has no legal obligation to provide financial support to the Fund, and you should not expect that the sponsor will provide financial support to the Fund at any time. Before investing in State Farm Associate Funds, consider the funds' investment objectives, risks, charges and expenses. Contact State Farm VP Management Corp (800-447-0740) for a prospectus or summary prospectus containing this and other information. Read it carefully.



NOT FDIC INSURED	• MAY LOSE VALUE • NO BANK GUARANTEE
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