

State Farm Bond Fund

Class R-1, R-2 and R-3 Shares
as of September 30, 2016



Investment Strategy

Investment Objective:

Seeks to realize over a period of years the highest yield consistent with investing in investment-grade bonds.

Investment Strategy:

The Bond Fund invests primarily in investment-grade bonds, including U.S. corporate bonds, U.S. government bonds and mortgage-backed securities. Under normal circumstances, the Bond Fund invests at least 80% of its assets plus any borrowings in investment grade bonds or in bonds that are not rated, but that the Manager has determined to be of comparable quality. A bond is investment grade if Moody's Investors Service, Inc. ("Moody's") or S&P have rated the bond in one of their respective four highest rating categories. Non-investment grade bonds are commonly referred to as "junk bonds".

The Bond Fund may invest in the following instruments:

- **Corporate debt securities:** investment grade securities issued by domestic and foreign corporations and to a limited extent (up to 20% of its assets), in lower-rated securities;
- **U.S. Government debt securities:** securities issued or guaranteed by the U.S. Government or its agencies or instrumentalities;
- **Foreign government debt securities:** investment grade securities issued or guaranteed by a foreign government or its agencies or instrumentalities, payable in U.S. dollars;
- **Asset backed and mortgage backed securities:** investment grade securities backed by mortgages, consumer loans and other assets;
- **Other issuer debt securities:** the Fund may invest up to 20% of its assets in investment grade debt securities and preferred stocks that are convertible into common stock as well as non-convertible preferred stocks or securities.

Who May Want to Invest?

- Those seeking income.
- Those seeking higher potential returns than money market funds.

Portfolio Management:

Since 1968, State Farm Investment Management Corporation (SFIMC) has managed mutual funds made available only to State Farm employees and Agents. These same services became available to the public in 2001. SFIMC manages \$21.8 billion in assets as of September 30, 2016.

For more information, visit your registered State Farm agent or call our Mutual Funds Response Center at 800.447.4930.

Investing in the Fund

Initial Investment-without AIP*	\$1,000 per Fund
Initial Investment-AIP*	\$1,000 per Fund
Subsequent investments	\$50 per Fund
Capital Gains Distribution	Annually
Dividend Distribution	Monthly

* AIP stands for Automatic Investment Plan

Total Annual Operating Expenses

	Gross	Net ²
Class R-1	0.97%	0.97%
Class R-2	0.77%	0.77%
Class R-3	0.47%	0.47%

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

² State Farm Investment Management Corp., the investment advisor for each fund, has voluntarily agreed to reimburse each fund for certain annual operating expenses. This agreement may be eliminated at any time.

Fund Facts

	Class R-1	Class R-2	Class R-3
Inception Date	9/13/2004	9/13/2004	9/13/2004
Symbol	SRBOX	SRBTX	SRBHX
CUSIP	85-6852249	85-6852231	85-6852223
Net Assets (Mil)	\$3.89	\$10.92	\$2.16
Morningstar Category: Intermediate-Term Bond			
Total Number of Securities: 704			
Average Life (as of September 30, 2016): 5.69 Years			
Modified Duration* (as of September 30, 2016): 5.20 Years			
Annual Portfolio Turnover (as of December 31, 2015): 9%			

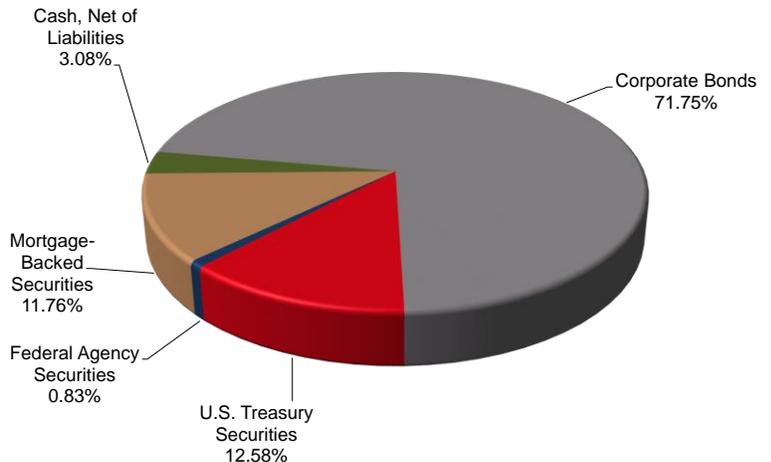
* Modified Duration - A measure of the price sensitivity to interest rate movements. The portfolio's Modified Duration is the average (cash-weighted) term-to-maturity based on the present value of the future cash flows using the Net Yield.

All information is provided for informational purposes only and should not be deemed as recommendations to buy the securities mentioned above.

Risk Spectrum



Composition of Assets



Credit Quality Breakdown¹

	State Farm Bond Fund	Barclays U.S. Aggregate Bond Index
Aaa*	26.90%	70.46%
Aa1-Aa3	9.68%	4.90%
A1-A3	38.59%	10.84%
Baa1-Baa3	21.27%	13.80%
Ba1-Ba3	0.87%	0.00%
B1	0.20%	0.00%
NR	0.00%	0.00%
Other short term investments***	2.49%	0.00%
Total	100.00%	100.00%

¹ Ratings reflect issuer specific ratings by Moody's Investor Service, Inc. Percentages are based on total investments as of September 30, 2016. The selection of Moody's for rating information was based on Moody's having more consistently rated the greatest percentage of the Fund's securities compared to Standard & Poor's rating information.

* Includes Government securities and U.S. Treasuries representing 25.32% of the total investments.

***Money Market Fund representing 2.49% of the total investments.

State Farm Bond Fund



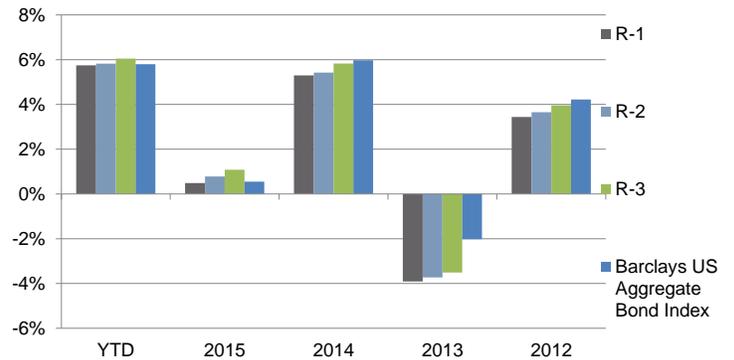
Class R-1, R-2 and R-3 Shares
as of September 30, 2016

Average Annual Total Returns

	YTD	1-Year	3-Year	5-Year	10-Year
Class R-1	5.75%	5.16%	3.68%	2.35%	4.21%
Class R-2	5.82%	5.28%	3.86%	2.54%	4.41%
Class R-3	6.05%	5.68%	4.20%	2.84%	4.73%
Benchmark: Barclays U.S. Aggregate Bond Index³	5.80%	5.19%	4.03%	3.08%	4.79%

³ The Barclays U.S. Aggregate Bond Index represents debt securities in the U.S. investment grade fixed rate bond market.

NAV Calendar Year Returns*



* These figures reflect the value of shares acquired through reinvestment of all dividends and of all capital gain distributions for the period. If sales charges were included, returns would be lower than indicated. The performance for other share classes will vary.

Dividend Distribution (\$)

	R-1	R-2	R-3
YTD	0.16759	0.18468	0.21058
2015	0.24700	0.26933	0.30355
2014	0.24928	0.27142	0.30555
2013	0.35699	0.37970	0.41416
2012	0.26810	0.29142	0.32698
2011	0.30377	0.32620	0.36057
2010	0.03259	0.34798	0.38202
2009	0.40059	0.42162	0.45393
2008	0.43278	0.45318	0.48493

SEC Yield⁴

	R-1	R-2	R-3
Sep-16	1.01%	1.20%	1.50%

⁴ The 30-day SEC yield is calculated based on the standardized formula set forth by the Securities and Exchange Commission for bond funds. The yield is calculated by dividing the net investment income per share earned during the period by the maximum offering price per share on the last day of the period. Subsidized yield figures reflect the dividends and interest earned during the 30-day period, after the deduction of the fund's expenses and includes any applicable waiver or reimbursement. Unsubsidized yield reflects what the SEC yield would be if the investment company were not waiving a portion of the Fund's expense ratio.

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 800.447.4930.

Total returns are the compounded rate of change in value from beginning to end of an investment period. They include max sales charge and applicable fees. NAV Total Return does not include Class A or B sales charges.

It is not possible to invest directly in an index. Investing involves risk, including potential for loss. Asset allocation does not assure a profit or protect against loss. Bonds are subject to interest rate risk and may decline in value due to an increase in interest rates. Net Asset Value (NAV) is calculated by adding all of the assets of a Fund, subtracting the Fund's liabilities, then dividing by the number of outstanding shares.

Class R-1, R-2, and R-3 shares may only be purchased for certain qualified retirement plans as set forth in the prospectus. There is no assurance that the fund will achieve its investment objective.

Foreign investments involve greater risks than U.S. investments, including political and economic risks and the risk of currency fluctuations.

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

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 (800-447-4930) for a prospectus or summary prospectus containing this and other information. Read it carefully.



NOT FDIC
INSURED

• MAY LOSE VALUE
• NO BANK GUARANTEE