



Homestead
Advisers | Funds

Employer-Sponsored Savings Program

Help Reduce Financial Stress.
Improve Workplace Safety.



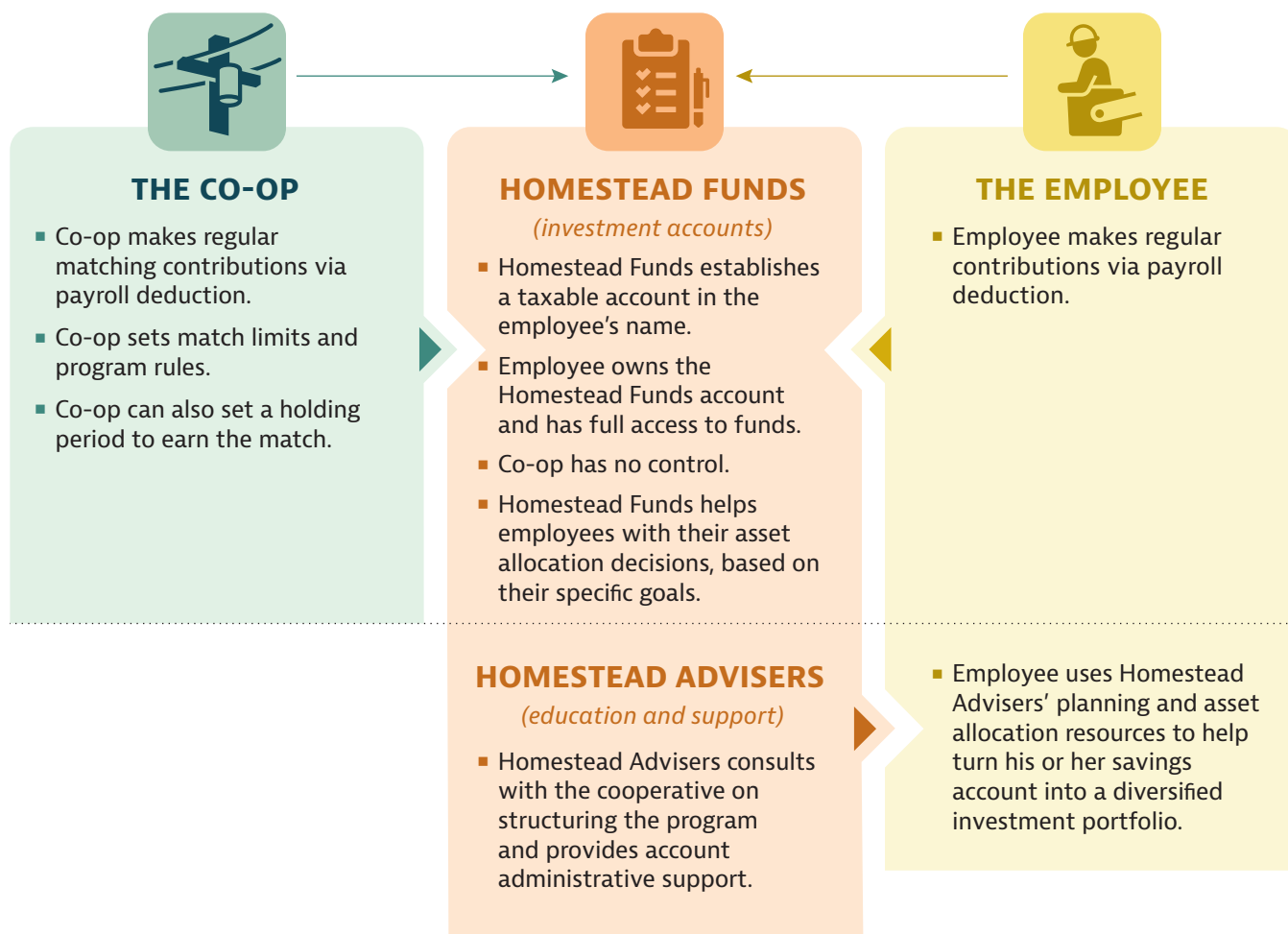
Employer-Sponsored Savings Plan Advantages: Three Critical Areas Cooperatives Face in a Challenging Labor Market

- Workforce challenges: Attracting, retaining and rewarding employees
- The financial safety of their workforce
- Establishing a long-term financial investment program besides retirement savings

By utilizing Homestead Advisers' Employer-Sponsored Savings Program, cooperatives are addressing all three challenges in one simple program.

The Employer-Sponsored Savings Program is a low-cost way for co-ops to reward employees while encouraging them to save and create an investment program for life's events. The co-op provides the motivation, by supplementing saved funds up to a level the co-op is comfortable supporting. Homestead Funds provides the investment vehicles and educational resources to help employees start or continue saving and select an appropriate mix of Homestead Funds.

HOW THE PROGRAM WORKS



IMPORTANT NOTE: An Employer-Sponsored Savings Program invested in Homestead Funds is not a qualified plan and has no relation to any retirement plans that may be offered by the cooperative.

Building Blocks for Success

The program is simple to set up with a few defined steps for all parties:

YOUR CO-OP	HOMESTEAD
▪ Determines the terms of the program, such as match amounts and account verification requirements (see the checklist on page 4)	▪ Assists the co-op with setting program terms that can be successfully implemented
	▪ With the co-op's permission, hosts an all-employee initial rollout meeting to speak about the program, educate on the importance of savings and walk through the steps to open accounts online
▪ Informs employees, promotes the program internally, and provides Homestead Funds with a list of names and email addresses for employees who want to participate	▪ Contacts participating employees and provides them with Homestead Funds information and instructions on opening an account
▪ If the co-op wants to receive account balances, enters into a confidentiality agreement with Homestead Funds	▪ Obtains the consent of employees and monitors the employees' consent to share information if the co-op wants to verify account balances and/or redemption activity annually
▪ Sets up employee payroll deductions using Homestead Funds' instructions	▪ Provides employee account balances and/or redemptions to co-op annually, if necessary
▪ Submits regular match through payroll deduction	▪ Communicates to employees about additional educational resources to help build a diversified portfolio

Once program details are determined, we recommend that cooperatives review them with their legal counsel and tax advisors, as Homestead Funds does not offer legal or tax advice. In our experience, it takes approximately two to three months to implement the program.

Confidentiality

Co-ops often ask us how the program handles confidentiality, as it may be necessary to share employees' Homestead Funds account information with their co-ops, depending on program terms.

- Employees will need to agree to allow Homestead Funds to share their information with the co-op by completing Homestead Funds' Consent to Disclosure document.
- Your cooperative will need to enter into a confidentiality agreement with Homestead Funds related to any employee information we share with you.

Get the Ball Rolling

Use this checklist to help you ask the important questions and gather the necessary information as you plan.

CO-OP CHECKLIST

- ☐ Do you want to require a minimum contribution amount from employees?
- ☐ How much do you want the cooperative match to be — and up to what limit?
- ☐ Do you want to provide additional incentives for "super savers"?
- ☐ How often do you want to provide the cooperative match? Quarterly? Annually? Another frequency?
- ☐ Do you want to require employees to maintain a minimum balance in order to receive a match? If so, do you want Homestead Funds to provide information related to employee balances and/or redemption information periodically?

CUSTOMIZE TO SUIT YOUR NEEDS

Your cooperative has extensive ability to customize program terms to suit its objectives. Here are just a few simple examples to illustrate possible program designs.

CO-OP A	CO-OP B	CO-OP C
Employee contributes \$20/pay period with no redemptions.	Employee contributes \$10/pay period with no redemptions.	Employee contributes \$10/pay period.
Co-op adds \$50/quarter.	Co-op adds \$300 in one annual contribution.	- If the employee has redemptions of: 0% — he or she receives the full employer contribution amount of \$300 annually - More than 0% but less than 10% — he or she receives a partial employer contribution amount of \$200 annually - More than 10% but less than 20% — he or she receives a partial contribution amount of \$100 annually
By end of year, employee will have \$720 invested in his or her chosen Homestead Funds.*	By end of year, employee will have \$560 invested in his or her chosen Homestead Funds.*	With employee permission, Homestead Funds provides the co-op with verification of balances and activity.

*Excludes any market fluctuations or redemptions, based on a 26-pay-period cycle.

BUILDING FINANCIAL SAFETY: A COOPERATIVE RESPONSIBILITY



Financial Stress: A Growing Concern

Money is one of the biggest sources of stress for many Americans. A survey found that over 50% of respondents have financial anxiety three or more days a week.¹

With so much anxiety about money, people seem to be struggling to set up even the most basic financial protections and plans. The Federal Reserve recently reported that 37% of Americans could not come up with \$400 in an emergency.² Living without a safety net doesn't just affect these individuals and their families — it can impact their employers as well.

Stressed Out

Employees who are stressed by money:

- Can be distracted at work and potentially more susceptible to mishaps, including personal injury
- Could choose to leave their jobs to search for better financial opportunities
- May borrow from their 401(k)s and rely more heavily on expensive credit card debt

Many cooperative leaders want to be a part of the solution. Working with those leaders, Homestead Funds has come up with a way to make that easy.

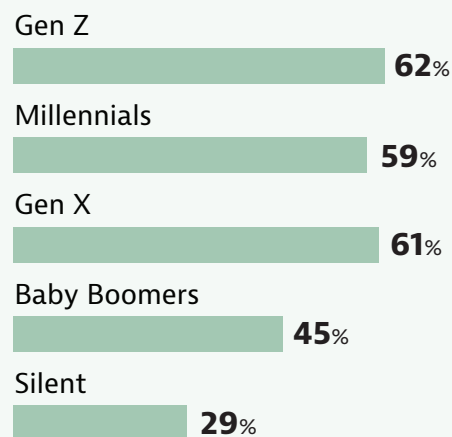
How Often Do You Feel Stressed or Anxious About Your Personal Finances?¹

Over 50% of all respondents have anxiety more than three days a week



Generational Stress Differences

The financial challenges experienced by each generation tend to be reflective of their life stage and economic circumstances.



¹ Motley Fool, "2024 Financial Stress, Anxiety, and Mental Health Survey"

² The Federal Reserve, Report on the Economic Well-Being of U.S. Households in 2022. Published May 2023.

Creating a Long-Term Plan

Building a savings account can be a satisfying first step for your employees, but it shouldn't be the last one. It's a jumping off point for investors to begin planning for the big events in life — retirement, home purchases, education and other major purchases.

Co-op employees who invest with Homestead Funds can count on our assistance to help them make the most of their savings and planning for those major milestones.

- Homestead Funds will provide employees with instructions to set up online accounts and have representatives available by phone to answer questions.
- Homestead Funds provides education on investment options and services online or (with the co-op's permission) through meetings, both in person and via webinars.
- Our website includes simple, easy-to-understand answers to common investment questions and tools that help investors build off of their initial investment toward a diversified portfolio that is geared toward achieving the employee's specific financial goals.



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Ready to implement your Employer-Sponsored Savings Program?

Call **800.258.3030, option 3.**

Asset allocation and diversification do not guarantee a profit or protect against losses. They are methods used to help manage investment risk. Investing in mutual funds involves risk, including the possible loss of principal. **Past performance does not guarantee future results.** Investing in any mutual fund, including the Homestead Funds, involves risk, including the possible loss of principal. *An investment in a mutual fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency.*

Before investing in any Homestead Fund, you should carefully consider the fund's investment objectives, risks, charges and expenses before investing. The prospectus contains this and other information about each of the Homestead Funds and should be read carefully before investing. To obtain a prospectus, call 800.258.3030 or visit homesteadadvisers.com.

As a money market fund, the Daily Income Fund has limited potential for income production. You could lose money by investing in the Fund. Although the 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 bank account and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The Fund's sponsor is not required to reimburse the Fund for losses, and you should not expect that the sponsor will provide financial support to the Fund at any time, including during periods of market stress.

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