



C/O BFDS
P.O. BOX 219486
KANSAS CITY, MO 64121-9486

2016 Estimated Distributions

Homestead Funds will be paying income and/or capital gains distributions at the end of December. We are providing you with information regarding the expected distribution dates and estimated rates for your planning purposes. **The rates reflected below are estimates that were calculated as of December 13, 2016 and are subject to change based on tax adjustments, market movements, fund cash flows, ongoing portfolio transactions and other factors between now and the anticipated distribution date.** Homestead Funds makes no guarantees with regard to such information. The exact amount to be paid will be determined on the distribution date. Homestead Funds does not offer legal or tax advice. Consult an attorney or qualified tax professional if you have questions about your specific legal or tax situation.

Daily Income Fund, Short-Term Bond Fund and Short-Term Government Securities Fund accrue ordinary income dividends daily and distribute them on the last business day of the month. For other funds paying distributions, the following dates will apply:

	Ordinary Income	Short-Term Gains	Long-Term Gains
Record Date	December 29, 2016	December 29, 2016	December 29, 2016
Distribution Date	December 30, 2016	December 30, 2016	December 30, 2016
Payable Date	December 30, 2016	December 30, 2016	December 30, 2016

Record Date – The date on which you must be a shareholder of the fund in order to be eligible for a distribution.

Distribution Date – Known as the ex-date, the date for which there will be a decline in the net asset value per share. If you have selected reinvestment, the distributions will be reinvested as additional shares into the fund at the day’s closing price.

Payable Date – If you have not selected reinvestment, the distributions will be paid on this date.

Fund Name	Ordinary Income Dividend	Short-Term Gain Dividend	Long-Term Gain Dividend
Daily Income Fund	Daily	None	None
Short Term Government Securities	Daily	\$0.0100	\$0.0100
Short Term Bond Fund	Daily	None	\$0.0100
Value Fund	\$0.7000	None	\$3.4000
Small Company Stock Fund	\$0.1400	None	\$1.0000
Stock Index Fund	\$0.2500	None	None
Growth Fund	None	None	\$0.0400
International Equity Fund	\$0.0700	None	None

Investing in mutual funds involves risk, including the possible loss of principal.

Investors are advised to consider fund objectives, risks, charges and expenses before investing. The prospectus contains this and other information and should be read carefully before you invest. To obtain a prospectus, call 800.258.3030 or visit homesteadfunds.com.