Dear Friends,

This is your third quarter update with important news and information about Friends Fiduciary and your account with us.

2019 Third Quarter Commentary and Performance Summary:
Trade tensions between the US and its trading partners and slowing global demand dominated investor sentiment in the third quarter and resulted in higher stock market volatility. The peak of investor anxiety hit in August as the US announced another round of tariffs on $122 billion worth of Chinese goods sending the S&P 500 down -1.6% for the month. Prompted by a bearish outlook, the Federal Reserve Bank lowered its overnight lending rate (aka Fed Funds Rate) twice in 3Q from 2.5% to 2.0%. A primary indicator of domestic activity reported in September by the Institute for Supply Management signaled contraction in the manufacturing industry; however, the stock market rebounded as trade rhetoric eased and on reports of lower unemployment and positive consumer spending. European growth is slowing led by export weakness in Germany and uncertainty over the UK’s plan to leave the European Union (EU), but most economists believe the EU will avoid recession. Although corporations have reduced capital spending plans until there is clarity on trade talks with China, US personal consumption remains a bright spot with low unemployment and modest wage gains creating a positive backdrop for spending patterns. During periods of economic cross-currents and geopolitical uncertainty, it is typical to see stock market sectors rotate in and out of favor. Maintaining diversification across asset classes (large, mid, small cap) and styles (growth and value) gives us the opportunity to participate in the better performing sectors while reducing the impact of declining market moves.

Following declines in August, the Quaker Growth & Income, Quaker Green, and Quaker Index Funds rebounded in September finishing the third quarter on a positive note, and only slightly below their beginning values. As we saw in the prior quarter, the Short Term Investment Fund posted incrementally higher unit values throughout the third quarter.

<table>
<thead>
<tr>
<th>Unit Values*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Quaker Growth &amp; Income</td>
</tr>
<tr>
<td>June 30, 2019</td>
</tr>
<tr>
<td>July 31, 2019</td>
</tr>
<tr>
<td>August 31, 2019</td>
</tr>
<tr>
<td>September 30, 2019</td>
</tr>
</tbody>
</table>

* Unit values are as of the last business day of the month and presented net of fees. Quaker Growth & Income Fund and Quaker Green Fund unit values are also net of an accrual factor for the semi-annual distributions.

[Continued on reverse]
New Office Address:
We are settled into our new office; as a reminder our new address is:

1700 Market Street, Suite 1535
Philadelphia, PA 19103
Phone: 215-241-7272
Fax: 215-241-7871

Stock Gift Processing:
Did you know that FFC will receive and liquidate stock gifts from your members and donors for free when the proceeds are added to your account at FFC? As a service to our constituents we offer free or low cost stock gift processing brokerage services that save you time and money. When stock gift proceeds are paid out, FFC charges a nominal base fee of $25; for the current fee schedule visit the Charitable Services page of our website.

It is important to notify Friends Fiduciary when you expect a stock gift from one of your donors. When stock is transferred into our account, the identifying information can vary and sometimes we are unable to match shares with a donor if we have not been previously notified. If you have any questions or are expecting a stock gift please contact Tim McElroy at tmcelroy@friendsfiduciary.org or 215-241-7272.

QuakerSpeak:
Friends Fiduciary was pleased to sponsor a second QuakerSpeak video called “Investing in the Future of Quakers.” The video features Friends talking about the importance of supporting monthly, quarterly and yearly meetings and churches as well as Quaker organizations. The video was sponsored by our Planned Giving Program as part of Friends Fiduciary’s effort to support the sustainability of Friends institutions through encouraging charitable giving. We encourage Friends to share the video within your monthly meetings. The video is posted on our website, www.FriendsFiduciary.org, and also at www.QuakerSpeak.org.

For additional, hands-on support in creating or reviving a culture of giving within your monthly meeting or church, contact Mimi Blackwell, Planned Giving Manager. Mimi can be reached at 215-241-7272 and by email at mblackwell@friendsfiduciary.org.

If you have any questions about your statement, account, or Friends Fiduciary, please don’t hesitate to contact us at info@friendsfiduciary.org or 215-241-7272.

Sincerely,

Jeff Perkins
Executive Director