UNITED CHURCH OF CHRIST CORNERSTONE FUND, INC.®

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OFFERING CIRCULAR
$60,000,000
TERM NOTES, FLEXIBLE DEMAND NOTES, FLEXIBLE DEMAND PLUS NOTES, AND CHURCH BUILDER BONUS -60 MONTH NOTES

We are offering up to $60,000,000 of Term Notes, Flexible Demand Notes, Flexible Demand Plus Notes, and Church Builder Bonus-60 Month Notes (collectively, the "**Notes**"). The Notes are unsecured debt obligations of the United Church of Christ Cornerstone Fund, Inc. ("**Cornerstone Fund**"). We will pay interest on the Notes at the rates set forth on the accompanying interest rate sheet ("**Rate Sheet**"). We may adjust the rates of interest we pay on the Notes from time to time. The terms, interest rates, and minimum investment available as of the date we delivered this Offering Circular are reflected on the Rate Sheet attached to the Application to Purchase accompanying this Offering Circular. Certain Notes are also available as investments for Individual Retirement Accounts and the applicable interest rate for such Notes will be stated on the Rate Sheet accompanying the Application to Purchase.

Instrument	Maturity	Minimum Investment
Flexible Demand Notes	Demand	$50
Flexible Demand Plus Notes	Demand	$50
Term Notes	6, 12, 24, 36 or 60 months	$500
Church Builder Bonus-60 Month Notes	60 months	$10,000

With the exception of the Flexible Demand Notes, Flexible Demand Plus Notes, and Church Builder Bonus Notes, interest rates paid are tiered based upon the amount of the investment and will be reflected in the accompanying Rate Sheet. The Church Builder Bonus-60 Month Note is a special investment program incorporating a gift to a United Church of Christ entity. See "DESCRIPTION OF THE NOTES – CHURCH BUILDER BONUS" on page 24 for details.

In order for you to purchase any Notes, prior to your receiving an Offering Circular, you must be a member of, a contributor to (including an investor), or participant in the United Church of Christ ("UCC") or the Cornerstone Fund or in any program, activity, or organization which constitutes a part of the UCC or the Cornerstone Fund, or in other Protestant church organizations which have a programmatic relationship or are religiously aligned with the UCC or the Cornerstone Fund, or such other persons or entities having a reasonable association or affiliation with the Limited Class, as further defined on page 26.

There are no underwriters or outside selling agents involved with this offering, and no commissions or underwriting expense will be paid. We will receive 100% of the proceeds of the sale of the Notes, out of which we must pay all related expenses of the offering, which we estimate will be approximately $120,000 per year.

Your purchase of Notes is subject to certain risks. You could lose some or all of your investment. Please read the "Risk Factors" beginning on page 3

The date of this Offering Circular is April 30, 2017.

*** Not FDIC or SIPC Insured** *** Not a Bank Deposit** *** No UCC Guarantee**

You are encouraged to consider the concept of investment diversification when determining whether to invest in the Notes and the amount of Notes that would be appropriate for you in relation to your overall investment portfolio and personal financial needs.

You are dependent on our financial condition for repayment of the Notes. Our Notes are not insured by the Federal Deposit Insurance Corporation or any other governmental agency. The Notes are not guaranteed by the United Church of Christ or any church, conference, institution or agency of the United Church of Christ.

You should read this Offering Circular, which contains important information about the Cornerstone Fund, before deciding whether to invest, and retain it for future reference. In making an investment decision, you should rely on your own examination of the Cornerstone

Fund and the terms of the offering, including the merits and risks involved. You should rely only on the information provided in this Offering Circular. We have not authorized anyone to provide you with any other or different information.

THESE SECURITIES MAY EITHER BE REGISTERED OR EXEMPT FROM REGISTRATION IN THE VARIOUS STATES OR JURISDICTIONS IN WHICH THEY ARE OFFERED OR SOLD BY THE ISSUER. THIS OFFERING CIRCULAR ("OFFERING CIRCULAR") HAS BEEN FILED WITH THE SECURITIES ADMINISTRATORS IN SUCH STATES OR JURISDICTIONS THAT REQUIRE IT FOR REGISTRATION OR EXEMPTION.

THESE SECURITIES ARE ISSUED PURSUANT TO A CLAIM OF EXEMPTION FROM REGISTRATION UNDER SECTION 3(A)(4) OF THE SECURITIES ACT OF 1933, AS AMENDED. A REGISTRATION STATEMENT RELATING TO THESE SECURITIES HAS NOT BEEN FILED WITH THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION.

THIS OFFERING CIRCULAR SETS FORTH CONCISELY INFORMATION ABOUT THE SECURITIES THAT YOU SHOULD KNOW BEFORE INVESTING, AND SHOULD BE RETAINED FOR FUTURE REFERENCE.

THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT DETERMINED THE ACCURACY, ADEQUACY, TRUTHFULNESS, OR COMPLETENESS OF THIS DOCUMENT AND HAVE NOT PASSED UPON THE MERIT OR VALUE OF THE SECURITIES, OR APPROVED, DISAPPROVED OR ENDORSED THE OFFERING. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

STATE SPECIFIC INFORMATION

Please read the information applicable to specific states below. This information will apply to you if you are a resident of one of those states. We are or may be qualified to offer and sell our Notes in the following states. However, these states require the following special disclosures, which you should read if you live in one of these states:

California Residents: If you are a resident of California, your Term Notes will not be automatically renewed at maturity. We will notify you approximately thirty (30) days before your Term Note matures, at which time you will have the opportunity to send in the Term Note for repayment or notify us of your intention to renew the Term Note for an additional like term or reinvest the principal balance of the Term Note in another form of Term Note that is available at that time. If you do not affirmatively elect to renew or reinvest, the principal balance of the Term Note will be paid to you upon your sending the Term Note to us for payment. If the Term Note is not sent to us for repayment or if you do not elect to renew or reinvest, on and after the maturity date, the Term Note will be treated and earn interest as a Future Demand Note until we receive the Term Note from you for payment or you elect to renew or reinvest. California residents will only be able to renew their Term Notes or reinvest in other Term Notes if we hold a current registration permit in California. We cannot assure you that such permits will be issued in the future.

Kentucky Residents: These securities are issued pursuant to a claim of exemption from registration under Section KRS 292.400(9) of the Kentucky Securities Act.

Automatic renewal at maturity as described in this Offering Circular is not available for Kentucky. We will notify each Kentucky investor approximately thirty (30) days before their note matures, by means that evidences delivery, at which time the investor shall have the opportunity to request repayment or notice us of an intention to renew the investment or use the proceeds to invest in another note. Renewal is not automatic, but may occur only upon affirmative action of the investor. If the investor does not indicate an intention to renew or redeem the note, the proceeds of the note will be treated and will earn interest as if they are invested upon maturity in a flexible demand note. Any renewal or reinvestment can only be made if there is an effective exemption in Kentucky at the time of renewal or reinvestment.

Louisiana: The Demand Notes and the Flexible Demand Plus Notes are not being offered and cannot be sold in Louisiana.

Missouri Residents: The Notes have not been registered under the Missouri Uniform Securities Act of 2003 because they are exempt from registration by Section 409.2-201(7)(B), RSMo Cum. Supp. 2003. In making an investment decision, you must rely on your own examination of our organization and the terms of the offering, including the merits and risks involved. The Notes have not been recommended by any federal or states securities commission or regulatory authority. Furthermore, these authorities have not confirmed the accuracy or determined the adequacy of this Offering Circular. It is illegal for anyone to tell you otherwise.

New York Residents: The Attorney General for the State of New York has not passed on or endorsed the merits of this offering. Any representation to the contrary is unlawful.

North Carolina Residents: **IN MAKING AN INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE**

Pennsylvania Residents: The amount of Notes being registered and offered and sold in Pennsylvania is limited to $4,000,000 during each registration period.

EVERY PENNSYLVANIA PURCHASER OF THE NOTES HAS THE RIGHT TO WITHDRAW FROM THE PURCHASE AS PROVIDED BY SECTION 207(M) OF THE PENNSYLVANIA SECURITIES ACT OF 1972. IF YOU ACCEPT AN OFFER TO PURCHASE THE NOTES, YOU MAY ELECT WITHIN TWO BUSINESS DAYS AFTER THE FIRST TIME YOU RECEIVE THIS OFFERING CIRCULAR TO WITHDRAW FROM YOUR PURCHASE AND RECEIVE A FULL REFUND OF ALL MONIES PAID BY YOU. YOUR WITHDRAWAL WILL BE WITHOUT ANY FURTHER LIABILITY TO ANY PERSON. TO ACCOMPLISH THIS WITHDRAWAL, YOU NEED ONLY SEND A LETTER, TELEGRAM OR FACSIMILE TRANSMISSION TO US INDICATING YOUR INTENTION TO WITHDRAW. SUCH LETTER OR TELEGRAM SHOULD BE SENT AND POSTMARKED PRIOR TO THE END OF THE SECOND BUSINESS DAY MENTIONED ABOVE. IF YOU ARE SENDING A LETTER, IT IS PRUDENT TO SEND IT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, TO ENSURE THAT IT IS RECEIVED AND ALSO TO EVIDENCE THE TIME IT WAS MAILED. SHOULD YOU MAKE THE REQUEST ORALLY, YOU SHOULD ASK FOR WRITTEN CONFIRMATION THAT YOUR REQUEST HAS BEEN RECEIVED.

The By-Laws of the Cornerstone Fund provide for certain indemnification of its officers and directors. It is the position of the Department of Banking and Securities that indemnification in connection with violations of securities laws is against public policy and void.

A registration statement in connection with this offering has been filed in the offices of the Pennsylvania Department of Banking and Securities, Corporation Finance Office, 17 N 2nd St., Suite 1300, Harrisburg, Pennsylvania, 17101. The registration statement contains information and documents not included in this Offering Circular. The documents and additional information are available for your inspection at the Harrisburg, Pennsylvania offices of the Department during normal business hours which are Monday through Friday, 8:30 a.m. to 5:00 p.m., Telephone number: (717) 787-8059.

South Carolina Residents: We are not offering and cannot sell our Demand Notes and Flexible Demand Plus Notes to residents of South Carolina. If we do not pay principal or interest on your Note for a period of 90 days from the date of lawful demand by you, other than by clerical error or administrative oversight, it will be an event of default, unless you waive the default or we lawfully contest the payment. A default on your Note will constitute a default on all of our Notes of the same class issued to other South Carolina Investors under this Offering Circular. Upon default, South Carolina Investors shall have the right to obtain the names and addresses of all South Carolina Investors of Notes in default and by a vote of 25% of these Investors, to declare all defaulted Notes in South Carolina due and payable in full.

Tennessee Residents: **IN MAKING AN INVESTMENT DECISION INVESTORS MUST RELY ON THEIR OWN EXAMINATION OF THE ISSUER AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THESE SECURITIES HAVE NOT BEEN RECOMMENDED BY ANY FEDERAL OR STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE. THESE SECURITIES ARE SUBJECT TO RESTRICTIONS ON TRANSFERABILITY AND RESALE AND MAY NOT BE TRANSFERRED OR RESOLD EXCEPT AS PERMITTED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND THE APPLICABLE STATE SECURITIES LAWS, PURSUANT TO REGISTRATION OR EXEMPTION THEREFROM. INVESTORS SHOULD BE AWARE THAT THEY MAY BE REQUIRED TO BEAR THE FINANCIAL RISK OF THIS INVESTMENT FOR AN INDEFINITE PERIOD OF TIME.**

Washington Residents: As a prospective purchaser, you are entitled to review financial statements of our organization which are included in this Offering Circular. Receipt of a Notice of Exemption by the Washington Administrator of Securities does not mean that the Administrator has approved or recommended the Notes or that the Administrator has determined that this Offering Circular is accurate or complete. It is illegal for anyone to tell you otherwise. The return of your funds to you at the time of maturity of your Note is dependent upon our financial condition.

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EXHIBITS

SUMMARY OF THE OFFERING

We provide this summary for your convenience. Since it is only a summary, you must read it together with the more complete statements and information in this Offering Circular ("Offering Circular"), including the audited financial statements. Any person or entity investing or considering investing in the Cornerstone Fund is referred to as an "Investor" in this Offering Circular. See "Definitions" on page 32.

1. **Cornerstone Fund**. The Cornerstone Fund is an Indiana nonprofit corporation, with its principal offices located in Cleveland, Ohio. We are identified through our common religious faith with the United Church of Christ denomination. See "INTRODUCTION" and "HISTORY AND OPERATIONS."

2. **Description of Notes**. We are offering unsecured debt securities in the form of Flexible Demand Notes and Flexible Demand Plus Notes ("Demand Notes") and 6 Month, 12 Month, 24 Month, 36 Month, 60 Month, and Church Builder Bonus-60 Month Notes ("Term Notes"), and together with the Demand Notes (the "Notes"). The present terms and minimum investment available at any particular time are shown in the Application to Purchase. Available interest rates are shown on the Rate Sheet that accompanies the Application to Purchase. Terms and interest rates are subject to change without notice. Demand Notes have an adjustable interest rate, adjustable quarterly with 15 days prior notice to you. On the Term Notes, interest rates will vary depending upon the term of investment. We compound interest semiannually and retain and credit it to your account unless you elect to receive interest payments. At maturity, we automatically renew Term Notes for additional terms equal to the original terms (or for the closest terms being offered at the time), unless, prior to the original or any renewal term, you send us the Note along with a written request for payment. We will send you Notice of Maturity at least 30 days prior to maturity of each Term Note. You will receive a copy of the latest Offering Circular at that time, unless you already have received one. In the case of automatic extension of existing Notes upon maturity, the new extension interest rate may be less than the interest rate on the original Term Note. Generally, you cannot redeem your Term Notes prior to maturity. When early redemption is allowed, normally there is an early redemption penalty. We also offer our Demand Notes and Term Notes as investments for Individual Retirement Accounts. See "DESCRIPTION OF THE NOTES − IRA Investments."

3. **Risk Factors**. Your purchase of our Notes is subject to certain described risks. See "RISK FACTORS," which you are urged to read carefully.

4. **Use of Proceeds**. We add the proceeds of the sale of our Notes to our general funds. We primarily use the proceeds to make loans to Church Organizations (as defined herein) to finance capital improvement projects. We may also use proceeds to pay interest on outstanding Notes, repay outstanding Notes as they mature or are redeemed, and cover our overall operating expenses. No underwriters or independent selling agents are participating in this offering and we pay no underwriting discounts or commissions in connection with the sale of the Notes. See "USE OF PROCEEDS."

5. **Management**. We are managed by our 15-member board of directors ("Board of Directors") that meets regularly two times a year. The followings executive officers are responsible for our day-to-day operations:

Maria C. Coyne, President and Chief Executive Officer
Charles R. Hollingsworth, Vice President Sales & Marketing, Chief Lending Officer
Kathy L. Houston, Vice President, Chief Financial Officer/Chief Operating Officer
Elizabeth F. Walker, Secretary
Daniel D. Dubree, Treasurer
Thomas E. Dipko, Assistant Treasurer
See "MANAGEMENT."

6. **Financing the Cornerstone Fund's Activities**. Our primary sources of funds are principal and interest payments received on our loans to Church Organizations, interest earned on our Invested Funds (as defined herein) and cash receipts from the sale of our Notes. See "FINANCING THE CORNERSTONE FUND'S ACTIVITIES."

7. **The Cornerstone Fund's Lending Activities**. We use the proceeds from the sale of our Notes to make loans to Church Organizations. These loans generally are secured by first mortgages and are predominantly for the construction, repair or renovation of churches, parsonages and related facilities and to improve accessibility and the refinancing of existing indebtedness. Normally, these loans have less stringent lending criteria than commercial lenders and are at or below prevailing commercial loan rates. We also make loans pursuant to our "Related Investment Plan," whereby members of a local borrowing congregation invest in our Notes as investment support for the loan. Loans generally are either fixed rate or adjustable rate loans made with payments based on up to 30 year amortization. See "THE CORNERSTONE FUND'S LENDING ACTIVITIES."

8. **The Purchase of Notes**. To purchase one or more of the Notes, you should complete and sign the Application to Purchase and send it to us along with your payment. For information concerning present terms and interest rates available, you may call us at 216-736-3829 or 888-822-3863 or visit our website at www.cornerstonefund.org. Information contained in or that can be accessed through our website is not a part of this Offering Circular.

9. **Selected Financial Information**. The following summarizes selected financial information for the fiscal year ending December 31, 2016.

	As of December 31, 2016
Cash and Invested Funds	$21,550,284
Total Outstanding Loans	58,606,832
Unsecured Loans – Amount	0
Unsecured Loans - % of Total Loans	0%
Loan Delinquencies* as a % of Total Loans	7.52%
Total Assets	80,785,644
Outstanding Notes Payable	70,915,975
Notes Redeemed During Year	20,841,722
Unrestricted Net Assets	8,902,360

	Year Ended December 31, 2016
Revenues, including net depreciation of investments	$2,957,203
Expenses	3,102,268
Decrease in Unrestricted Net Assets before Contribution	(145,065)
Contribution to National Basic Support**	0
Decrease in Unrestricted Net Assets	$(145,065)

* Loans on which principal and/or interest were delinquent for 90 days or more.

** Contribution to National Basic Support of Our Church's Wider Mission. This is based on a percentage of increase in unrestricted net assets as determined by the Board of Directors at its sole discretion, and as a matter of policy no such contribution would be made to the extent that it would have in any adverse financial impact on the Cornerstone Fund.

See "SUMMARY OF OPERATIONS AND SELECTED FINANCIAL INFORMATION" and "FINANCIAL STATEMENTS".

RISK FACTORS

1. **Notes are Unsecured Obligations**. The Notes are unsecured obligations of the Cornerstone Fund. You must depend solely upon our financial condition and operations for principal repayments and interest payments on the Notes. We believe that we have taken all necessary legal steps to insure that our debts and liabilities are independent of the financial structure of the United Church of Christ or any Church Organizations; thus, those other entities will have no legal obligations to repay the principal or interest on the Notes. Neither the United Church of Christ nor any Church Organizations has guaranteed the Notes or any loans we have made. Our Notes are not certificates of deposit or deposit accounts with a bank, savings and loan association, credit union or other financial institution regulated by federal or state authorities. Our Notes are not insured by FDIC or SIPC or any other government agency.

2. **Market Risk**. The Notes are subject to investment risks, including possible loss of the entire principal amount invested.

3. **Limit on Senior or Secured Debt**. We currently have no outstanding senior or secured debt and all of the Notes and anticipated future offerings of Notes will be of equal rank with all of our other Notes. It is our policy that, if we do create any senior or secured indebtedness, the amount will not exceed 10% of our tangible assets as of the date of issuance or incurrence of the obligation. Any senior or secured indebtedness would rank senior to the Notes to the extent collateral is pledged to secure it.

4. **No Sinking Fund or Trust Indenture**. We have not established any sinking fund or trust indenture to provide for repayment of the Notes. No trustee monitors our affairs on your behalf, no agreement provides for joint action by investors in the event we default on the Notes and you do not have the other protections a trust indenture would provide. The lack of a sinking fund or trust indenture may adversely affect our ability to repay the principal and interest on the Notes when due.

5. **Liability for Claims Against the United Church of Christ or Church Organizations**. We should not be liable for claims made against the United Church of Christ or Church Organizations. Although we believe that we have taken all necessary legal steps to establish the Cornerstone Fund as a separate legal entity apart from the United Church of Christ or any Church Organization, it is possible that in the event of claims against the United Church of Christ or any Church Organization, the claimants might contend that we are also liable. Such claims, if upheld by the courts, could negatively affect our financial condition and ability to repay Notes.

6. **No Market Exists and Transferability is Limited and Restricted**. There is no market for the Notes and it is highly unlikely that a market will develop. The Notes are not transferable without our consent. In addition, conditions on transfer of the Notes may be imposed under the securities laws of certain states. Therefore, you should view the purchase of a Note as an investment for its full term.

7. **No Right to Redeem Prior to Maturity**. We are not legally obligated to redeem your Note prior to its maturity. When early redemption is allowed, normally there is a penalty. Furthermore, ability to redeem your Term Note is subject to the availability of funds. See "DESCRIPTION OF NOTES − Early Redemption and Penalty" on page 24.

8. **Redemption of Notes**. We have the right to redeem (i.e., prepay) any outstanding Note or Investment Balance (as defined herein) prior to the expiration of its term with your consent. There can be no assurance that you will be able to reinvest your redemption proceeds in other securities having terms (and associated risks) as favorable as the redeemed Notes, which may result in a decline of income for you.

9. **Invested Funds Subject to Market Risks**. Our assets invested in readily marketable securities are subject to various market risks which may result in losses if the market values of our investments decline and could have an adverse impact upon our liquidity and our ability to repay our Notes.

10. **Invested Funds-Specific Risks**:

Money Market Risk. Although a money market fund is designed to be a relatively low risk investment, it is not free of risk. Despite the short maturities and high credit quality of a money market fund's investments, increases in interest rates and deteriorations in the credit quality of the instruments the money market fund has purchased may reduce the money market fund's yield and can cause the price of a money market security to decrease. In addition, a money market fund is subject to the risk that the value of an investment may be eroded over time by inflation.

Debt Securities Risk. The issuers of debt instruments in which we may invest may default on their obligations to pay principal or interest when due. This non-payment would result in a reduction of income to us, a reduction in the value of a debt instrument experiencing nonpayment and, potentially, a decrease in our profitability and our ability to pay interest and principal due on Notes. To the extent that the credit rating assigned to a security in our investment portfolio is downgraded, the market price and liquidity of that security may be adversely affected. When market interest rates rise, the market value of debt instruments generally will fall.

11. **Term Notes Automatically Renewed**. We automatically renew Term Notes at maturity (except for investors in certain states as noted above) for an additional like term unless within 30 days after the end of the term, you send the Term Note and a written request for payment to our office. We will send you a notice of maturity, however, 30 days prior to the maturity date. You will receive a copy of the latest Offering Circular at that time, unless you already have received one. In the case of automatic extension of existing Term Notes upon maturity, the new extension interest rate may be less than the interest rate on the original Note. The new interest rate will be the applicable interest rate for the term of Term Note being extended at the time of the extension.

12. **Importance of Substantial Number of Notes Being Extended or Reinvested at Maturity**. A substantial portion of our outstanding Notes will mature in one year or less. For the last three years, however, an average of approximately 85% of our maturing Notes have been extended or reinvested in other Notes. If demands for repayment upon maturity of our outstanding Notes exceed prior experience and if the availability of funds from sources other than operating income is reduced, it may have an adverse effect on our financial condition and our ability to repay maturing Notes. If prevailing interest rates rise significantly, demands for repayment at maturity may exceed historical averages. Interest rates are at or near historical lows. In 2017, $31,876,265 of Term Notes will mature. In addition, as of December 31, 2016, there were $5,002,601 of Demand Notes that could be called for redemption during 2017.

13. **Competition with Other Institutions**. Other institutions may offer notes or other securities with a higher rate of return and/or notes or other securities that provide greater security and less risk than our Notes. Our Notes are not insured by the Federal Deposit Insurance Corporation or any other governmental agency or private insurance company. Also, in many instances, we compete with commercial lenders with respect to loans to churches.

14. **Changes in Securities Laws – Sales of Notes could be Curtailed**. Changes in federal and state laws, rules or regulations regarding the sale of debt securities of religious, charitable or other nonprofit organizations may make it more difficult and costly for us to offer and sell our Notes in the future. If this occurs, it could result in a decrease in the amount of Notes sold by us which could affect our ability to meet our obligations. If we do not continue to qualify our Notes in any particular state, you, along with other Investors in that state, may not be able to reinvest at maturity. Further, while we strive to comply with all applicable laws, if we find that we have not done so in all cases, it is possible that we may be subject to future regulatory actions, which could include fines, orders or the institution of repurchase offers.

15. **No Tax Benefits and Interest Taxable**. There are no income tax benefits with respect to your investment in the Notes. Interest paid or payable to you will be taxable to you as ordinary income regardless of whether interest is paid or retained and compounded. Investors may be deemed to receive additional taxable interest under Section 7872, and all investors should consult their tax advisors regarding the special income tax rules applicable to loans and investments. At this time, investors with investments greater than $250,000 in the aggregate with Cornerstone Fund particularly should be aware of the possibility of being taxed on imputed income if loans are

made at below-market interest rates. However, that limit may be subject to change, so all investors should consult their tax advisors on this matter.

16. **Loans to Church Organizations**. Our loans are made primarily to Church Organizations, including local churches. The ability of local churches to repay their loans will depend primarily upon the number of members or other participants and the contributions the churches receive, both of which may fluctuate for any number of reasons, including but not limited to the strength of the economy, the economic conditions of major employers and population shifts in the region where the Church Organization is located. Loans are not personally guaranteed by Church Organization members. There is no readily available market for the loans we make, and therefore it is unlikely we would be able to resell our loans if we need additional liquidity. In addition, a declining commercial real estate market could depress the value of our loan collateral or delay or limit our ability to dispose of the loan collateral and increase the possibility of a loss following a foreclosure. Furthermore, real property values may decline due to general and local economic conditions, increases in operating expenses, changes in zoning laws, casualty or condemnation losses, regulatory limitations on rents, changes in neighborhoods and in demographics, increases in market interest rates, or other factors. Factors such as these may adversely affect the value of property financed. Furthermore, church property which serves as collateral for a loan is a “special purpose” property, which may have a more limited number of prospective purchasers than other commercial properties. Therefore, if the property needs to be sold to satisfy a loan in default, the proceeds may not necessarily be sufficient to satisfy the full amount of the loan. In addition, with respect to real property secured loans, although we require normal lender protections, such as title insurance or an opinion of counsel as to the validity of title and adequate fire and extended coverage insurance naming us as mortgagee, we do not normally obtain independent appraisals as to the value of real property securing the loans we make.

17. **Lending Criteria and Enforcement Are More Lenient**. Our lending criteria used in determining whether a loan should be made to a church borrower may be more lenient than the criteria used by commercial lenders. Further, in view of the relationship we have with our borrowers, we have been willing, in certain instances in the past, to accommodate late payments to an extent greater than a commercial lender may be willing to do. We may continue to do so in the future. Thus, many of our loans involve a higher risk of loss than loans made by commercial lenders.

18. **Loan Delinquencies**. At December 31, 2016, we had two loans that were delinquent for over 90 days having an aggregate principal balance of $4,406,028, which represents 7.52% of the aggregate principal balance of all loans. No loans were charged off during the years 2016, 2015 and 2014. The allowance for loan losses was $0 as of December 31, 2016.

19. **Creditor Remedies**. Our remedies as a creditor upon default by any of our borrowers will be subject to various laws, regulations and legal principles that provide protections to borrowers. Our legal and contractual remedies, including those specified in our loan agreements and collateral documents, typically require judicial actions, which are often subject to discretion and delay. Under existing laws (including, without limitation, the Federal Bankruptcy Code), the remedies specified by our loan agreements and collateral documents may not be readily available or may be limited. A court may refuse to order the specific performance of the covenants contained in the loan agreements and collateral documents. In addition, the laws of a particular jurisdiction may change or make it impractical or impossible to enforce specific covenants in the loan agreements and collateral documents.

20. **Line of Credit**. We currently have a revolving line of credit in the amount of $5,000,000 with KeyBank NA. The extent to which this line of credit becomes unavailable or substantially decreased may have an adverse effect on our ability to make loans as timely as desirable or to make timely payments of principal and interest on our Notes. See Footnote 5 to the Financial Statements as to previous lines of credit as of December 31, 2016. As of December 31, 2016, we did not have outstanding monies owed under our line of credit.

21. **No Loan Loss Reserve**. Based on the historical performance of our loan portfolio, the fact that no loans have been charged off since we began operations in 1993, and management’s review of the current loan portfolio, as of December 31, 2016, we did not maintain any loan loss reserve.

22. **Dependence on Funds Received for Repayment**. We rely upon the principal and interest received on our outstanding loans, as well as interest earned on our Invested Funds to fund the repayment of principal and payment of interest on our Notes. Depending on our cash flow at any particular time, we may have to use funds received from the sale of new Notes and our lines of credit to pay such principal and interest on our Notes which may have an effect on our ability to maintain a positive financial position. In addition, if we have insufficient liquid assets to repay your Note either when it matures or within 30 days of your notice of demand or redemption, you will not be repaid unless and until we have sufficient cash to do so.

23. **Environmental Risks**. There is potential environmental liability associated with the loans we make. We do not typically conduct an environmental audit before approving a loan. If environmental pollution or other contamination is found on or near property securing a loan, our security for the loan could be impaired. If we are deemed to have participated in management of the property at issue, fail to conduct all appropriate inquiry prior to a foreclosure, or do not fall within certain statutory safe harbors following a foreclosure, we could be subject to lender liability for these same things. In addition, changes in environmental regulations could require the borrower to incur substantial unexpected expenses to comply with such regulations, and this could impair both the value of the collateral and the borrower's ability to repay us and thereby our ability to repay our Notes.

24. **Construction Loan Risks.** Some of our borrowers will be subject to risks associated with construction and may use our loans to construct new facilities or to improve existing facilities. If any of the following risks related to construction and improvement occur, it could have a material adverse effect on a borrower's ability to repay its loan by increasing construction costs or delaying or preventing completion of a project and would adversely affect our ability to repay the Notes: the borrower and its contractor may not sign a fixed-price construction contract; completion may be delayed due to, among other things, shortages of materials, strikes, acts of nature, delays in obtaining necessary building permits or architectural certificates, environmental regulations, or fuel or energy shortages; effects of economic slowdowns; service interruptions; or legal challenges due to environmental or operational or other mishaps; or the contractor may not post a completion bond.

25. **No Firm Underwriting Commitment for This Offering**. We are offering the Notes directly and without a firm underwriting commitment. No assurance can be given as to the principal amount of Notes that will be sold and whether the proceeds will be sufficient to accomplish the purposes of the offering.

26. **Dependence upon Technology and Related Services**. The majority of our business records are stored and processed electronically, including records of our loans receivable, Notes payable, and most other business records. We rely to a certain extent upon third party vendors for providing hardware, software, and services for processing, storing and delivering information. Our electronic records include confidential customer information and proprietary information of our organization. Electronic processing, storage and delivery has inherent risks such as the potential for hardware failure, virus or malware infection, input or programming errors, inability to access data when needed, permanent loss of data, unauthorized access to data or theft of data. While we and our vendors take measures to protect against these risks, it is possible that these measures will not be 100% effective and that there may be other risks, that have not been identified because they are different or unknown, that may emerge in the future. If we were to experience large scale data inaccuracy, inability to access data for an extended time period, permanent loss of data, data breach, failure of our vendors to perform as contracted, or other significant issues regarding data it could adversely affect all aspects of our operations. In addition, if you elect to use our website and related Online Services, Electronic Delivery services, or similar mobile services that may be offered in the future, we can offer no assurances and make no warranty as to their accuracy and availability, and such use is subject to the terms, conditions and limitations set forth in applicable usage agreements.

27. **Current Economic Volatility**. Given the volatility of current economic conditions, the values of our assets and liabilities could change, resulting in future adjustments in asset values, the allowance for loan losses, or net assets.

28. **Economic Slowdown Risk**. During a period of economic slowdown or recession, our borrowers may experience increased difficulty in making timely payments of principal and interest on our loans, particularly if the period is prolonged. This could result in a need to restructure some loans to provide more flexible payment terms to

our borrowers or to rely upon the collateral for repayment, which may not be sufficient to satisfy all amounts owed. This could also result in a need to provide for loan losses, which would negatively impact our profitability.

29. **Interest Rate Risk**. In general, interest rates are subject to significant fluctuations depending upon various economic and market factors over which we have no control and which could affect our ability to repay the Notes. Interest rate fluctuations will adversely affect our profitability if we are unable to maintain a sufficient spread between the interest rates we pay on our Notes and borrowed funds and the interest rates we receive on our outstanding loans and investments. In particular, rapid changes in interest rates can significantly and adversely affect our profitability. Generally, interest rates are at or near historically low levels.

30. **Right to Change our Policies and Procedures**. At various points in this Offering Circular we describe our policies, such as our loan guideline or investment policies. These descriptions are intended to help you understand our current operations. We have had different policies in the past and we may change our policies in the future. If we change our policies or procedures, including our loan guidelines or investment policies, there may be an adverse impact on our ability to repay your Note.

FORWARD LOOKING STATEMENTS

This Offering Circular contains forward-looking statements about our plans, strategies, objectives, goals, and expectations. These forward-looking statements are identifiable by words or phrases indicating that we "expect," "anticipate," "project," "plan," "believe," or "intend" that a particular event may or will occur in the future or similarly stated expectations. These forward-looking statements are subject to many factors, including the risk factors above, which could cause actual results to differ materially from the stated expectations. We undertake no obligation to update or revise any forward-looking statements to reflect developments or information obtained after the date of this Offering Circular.

INTRODUCTION

General

The Cornerstone Fund is an Indiana nonprofit corporation, incorporated on September 22, 1993. We are affiliated structurally with the United Church of Christ through a common religious purpose. The local churches, Associations, Conferences, national organizations, colleges and seminaries or other affiliated organizations of the United Church of Christ are sometimes hereinafter collectively referred to as "Church Organizations." Our executive offices are located at 700 Prospect Avenue, Cleveland, Ohio 44115-1100.

Purpose of the Cornerstone Fund

Local Church Ministries (a Covenanted Ministry of the United Church of Christ) ("Local Church Ministries") and its predecessor organizations historically have been the principal organizations responsible for the church extension functions of the United Church of Christ. In furtherance of this purpose, the Cornerstone Fund was incorporated. It has instituted a program of selling Notes, the proceeds of which are used primarily for loans to Church Organizations to finance their capital improvement projects, including church buildings and related structures.

Nationwide Offerings

We anticipate that during 2017 we will offer and sell our Notes to Investors in a number of states, and we may offer and sell our Notes in additional states in the future as part of a continuous offering process. The total amount of $60,000,000 in Notes to be sold in this offering is not a limitation on the amount of Notes we may sell in this and other offerings we may conduct at any time. Our Notes are unsecured obligations having the same priority to our assets as all our outstanding Notes.

The maturity terms, interest rates and minimum investments for the Notes we currently are offering are set forth in the “Application to Purchase” and “Rate Sheet” which accompany this Offering Circular. At our option, we may not make some of our Notes available for purchase from time to time. The terms of the Notes offered in the various states may vary slightly from time to time. See “DESCRIPTION OF THE NOTES.”

HISTORY AND OPERATIONS

United Church of Christ

The United Church of Christ stems from four historic religious denominations: the Congregational Churches, the Christian Church, the German Reformed Churches and the Evangelical Synod. The United Church of Christ is a volitional association of its members, operating on a principle of decentralized administration. In 2013, the United Church of Christ's current structure was implemented. This structure creates three distinct operating settings for the activities of the United Church of Christ: congregational, conference and national. These operating settings, however, create no authoritarian structure. The United Church of Christ has no central body to administer the operations of all three settings, and the operating entities in each setting are bound through their common religious beliefs and objectives.

In the congregational setting, the United Church of Christ has local churches throughout the United States, most of which are not-for-profit corporations. In most cases, these local churches form groups, known as Associations, to work and minister together. These Associations grant or certify the standing of churches and ministers.

In the conference setting, the United Church of Christ is composed of 38 Conferences in total: 37 geographic Conferences, many of which encompass a single state, and one (1) ethnic non-geographic Conference. Each of the Conferences is a separate, not-for-profit corporation. Generally, the purpose of the Conferences is to develop new local churches, help find suitable pastors and aid pastors and local churches.

In the national setting, the United Church of Christ's main legislative body is the General Synod, a representative body of the United Church of Christ that meets every two years. All members of the United Church of Christ may attend such meetings and discuss the issues presented, but only the voting delegates elected by the 38 conferences and the directors of the United Church of Christ Board elected by the delegates to the General Synod may vote upon the issues presented. The General Synod generally receives reports on the work of the denomination and considers issues concerning the denomination and its religious purposes and objectives.

The elected General Minister and President is the spiritual leader and pastor, the Minister of the United Church of Christ and the presiding administrative officer of the General Synod and its United Church of Christ Board. The United Church of Christ Board meets twice a year and acts on behalf of the General Synod between its biennial meetings.

Local Church Ministries

Local Church Ministries is one of the ministries of the United Church of Christ that operate in the national setting. Local Church Ministries establishes and maintains assigned mission work of the United Church of Christ in the United States.

Cornerstone Fund

The Cornerstone Fund was incorporated in Indiana on September 22, 1993, primarily to continue the activities of a portion of the Church Building Revolving Loan Fund. We are presently exempt from taxation under Section 501(c)(3) of the Internal Revenue Code and are organized and operated exclusively for religious, educational, benevolent and charitable purposes. No part of our net earnings inures to the benefit of any person or individual. As a nonprofit corporation, we do not have any shareholders.

Property and Equipment

We own no real estate or real estate improvements. We own a portion of our office furniture and other equipment.

RELATED PARTY TRANSACTIONS

Over the past three years, we have made loans to many Church organizations. Some of these loans may have been made to churches whose members, officers or clergy included persons who at the time were our officers or directors or officers or directors of Local Church Ministries. In all instances we made these loans, if any, under the same terms and at the prevailing interest rate we charge to our other borrowers.

We paid personnel expenses of $1,060,056, common services fees of $140,731 and office space expense of $56,130 in 2016 to service organizations related to the United Church of Christ. In addition, certain affiliated organizations, as well as directors and employees of the Cornerstone Fund and affiliated organizations, of the United Church of Christ have purchased our Notes totaling $14,696,121. We have Notes that are held by certain affiliates of the United Church of Christ. See Notes to the Financial Statements, Note 8, as to details of these transactions with related parties.

USE OF PROCEEDS

We add the proceeds received from the sale of the Notes to our general funds, and the proceeds are primarily used to make loans to Church Organizations to finance capital improvement projects, including the construction of new church facilities and the remodeling of existing church facilities throughout the United States. See “HISTORY AND OPERATIONS.” We may also use proceeds to pay interest on outstanding Notes, repay outstanding Notes as they mature or are redeemed, and cover our overall operating expenses. During the year ended December 31, 2016, we advanced $8,570,022 in loan funds. However, in the normal course of our operations, we are continuously making loan commitments based upon the availability of funds. We have not, in advance, committed all or any portion of the proceeds of this offering for any specific loans. At December 31, 2016, we had loan commitments or unfunded portions of existing loans totaling $21,771,278, as to which monies probably will be advanced during 2017. We also have had many indications of additional interest in loans from various Church Organizations and we anticipate that a significant number of additional loan commitments will be issued in 2017 as the proceeds of the sale of our Notes are received.

No underwriters or brokers are participating in this offering and we pay no underwriting discounts or sales commissions in connection with the sale of the Notes. Sales of the Notes will be effected solely through certain of our officers and employees. We will pay all expenses of this offering from the proceeds of the offering, including printing, mailing, attorneys’ fees, accountants’ fees, and securities registration fees which are estimated to be $120,000 annually.

We cannot assure you that the proceeds from the sale of our Notes will be used for capital improvement projects in your state or any other area of the United States, except to the extent that Investors participate in our Related Investment Plan. See “DESCRIPTION OF THE NOTES” and “THE CORNERSTONE FUND’S LENDING ACTIVITIES − Loan Policies.”

THE CORNERSTONE FUND’S LENDING ACTIVITIES

General

We use the proceeds from the sale of Notes primarily to make loans to Church Organizations. We generally make first mortgage secured loans at interest rates generally equivalent to or slightly lower than prevailing commercial rates. As of December 31, 2016, the average of all outstanding balances on loans is approximately $229,831. These secured, interest-bearing loans are made predominantly for the construction of churches, parsonages and related facilities and the refinancing of such obligations. In a few instances, some loans may be secured by personal property or guaranteed by certain Church Organizations.

At December 31, 2016, the aggregate principal balance of interest-bearing, secured loans was $58,606,832, earning a weighted average interest rate of 4.80%.

Of our loans at December 31, 2016, we had:

Type of loan	Aggregate Principal Balance	Percentage of Total Loans
Secured loans	$58,606,832	100%
Unsecured loans	$0	0%

We also make loans to Church Organizations pursuant to our Related Investment Plan. Under the Related Investment Plan, if a local church requests funds for a capital project, the church may earn an interest rebate annually of up to 1%, depending upon the extent to which the members of or participants in the church purchase Notes. The terms and interest rates of these Notes will be negotiated. The negotiated terms and rates of the Notes sold under the Related Investment Plan may not be the same as Notes sold to other Investors.

Loan Policies

Amounts loaned, interest rates, availability of funds, payment schedules and other loan terms are determined at the time loan applications are approved by our officers, Finance Committee or Board of Directors, as applicable depending upon the loan amount, and are subject to change from time to time.

We are currently making interest-bearing loans at rates adjustable every one year, three years or five years, with terms and payment amortization up to 30 years. We also offer a fixed rate five year term loan. At maturity or extended maturity, this type of loan is normally automatically extended for additional five year terms, unless we demand payment in full upon 60 days prior written notice to the borrower. We refinance or extend loans after maturity on the basis of our then prevailing rates and policies.

Other than our Unsecured Revolving Line of Credit loan and our Unsecured Bridge loan, we normally require a loan to value of 75% or less on church owned property, including property being purchased. We hold first mortgages or first trust deeds as security until the loan is repaid. On loans of $1,000,000 or more, the Cornerstone Fund will require a loan to value of 75% or less on church owned property and, at the borrower’s expense, a brokers price opinion or independent appraisal. The Cornerstone Fund does not otherwise obtain independent appraisals as to the value of real property securing the loans it makes. At closing, the borrower pays all closing costs, including recording fees and mortgagee title insurance costs.

Pursuant to general guidelines, the amount of any loan, or the aggregate amount of all loans, to any one borrower will not exceed $1,000,000 or 15% of the aggregate principal balance of all outstanding loans of the Cornerstone Fund as of the date of final loan approval, whichever is greater. Further, the amount of any loan, or the aggregate amount of all loans, to any one borrower will not exceed an amount that is equal to 75% of the fair market value of the security for the loan or loans, as of the date of final loan approval and pursuant to reasonable valuation standards determined by our Board of Directors from time to time. These guidelines may be exceeded from time to time provided such exceptions are approved by our Board of Directors. We generally have a minimum loan requirement of $10,000.

We offer a Revolving Line of Credit loan with a maximum loan amount of $100,000. These loans are secured by a first mortgage on all church property or a second mortgage if the Cornerstone Fund holds the first mortgage. The term of the line of credit is five years. The interest rate changes as the base index changes. The base index is three month LIBOR.

We offer an Unsecured Revolving Line of Credit loan with a maximum loan amount of $50,000. The term of the line of credit is five years. The interest rate changes as the base index changes. The base index is six month LIBOR.

The aggregate principal amount of all Unsecured Revolving Line of Credit loans is not to exceed 5% of the outstanding balance of all loans at the time the Unsecured Revolving Line of Credit loan is approved.

We offer a Bridge loan with a maximum loan amount of $250,000. These loans are secured by a first mortgage on all church property or a second mortgage if the Cornerstone Fund holds the first mortgage. The term of the bridge loan is one year. The interest rate changes as the base index changes. The base index is three month LIBOR.

We also offer an Unsecured Bridge loan with a maximum loan amount of $100,000. The term of the bridge loan is one year. The interest rate changes as the base index changes. The base index is six month LIBOR. The aggregate principal amount of all Unsecured Bridge loans is not to exceed 5% of the outstanding balance of all loans at the time the Unsecured Bridge loan is approved.

In addition, with respect to real property secured loans, we require normal lender protections, such as title insurance or an opinion of counsel as to the validity of title and adequate fire and extended coverage insurance naming us as mortgagee. The Cornerstone Fund generally makes personal contact with the leadership of the various church borrowers prior to issuing any commitment in order to discuss and accumulate pertinent information, including the church and its past and present membership contributions. We have adopted loan evaluation guidelines that include generally applied loan to value and debt service ratios in an effort to determine a prudent amount of indebtedness for the borrower and to realistically evaluate the congregation's ability to repay. Presently, the maximum loan amount is not to exceed 75% of the value of the security and the annualized debt service on the loan should not exceed 33% of the borrower's annual budget.

Interest rates are determined at the time of commitment and/or funding.

Single advance loans bear interest at the approved rate. If disbursement of the loan is not requested within 60 days of approval, these loans initially bear interest at the loan rate prevailing at the time funds are advanced. Multiple advance loans (construction loans) initially bear interest at the approved rate. If at least 10% of the amount committed is not disbursed within 60 days of loan approval, the initial interest rate is the interest rate prevailing at the time at least 10% is disbursed.

Our Board of Directors determines the loan policies that are subject to being changed at any time. Thus, we cannot assure you that the loan policies, amounts of loan funds available and interest rates offered will not be changed periodically.

Major Loans

At December 31, 2016 we had 255 loans outstanding having an aggregate principal balance of $58,606,832, of which there were 12 loans which when fully funded will have a principal balance in excess of $1,000,000. At December 31, 2016, we had 2 loan commitments which would result in a loan having a principal balance in excess of $1,000,000. Consistent with our stated policy, we normally will make no single loan or loan commitment, or aggregate amount of loans or loan commitments, to one borrower having a principal balance or anticipated principal balance of the greater of $1,000,000 or 15% of the aggregated principal balance of our outstanding loans.

Loan Loss Reserves

An allowance for loan loss reserves is recorded based upon management's review of the outstanding balances within and the historical performance of the loan portfolio. As of December 31, 2016, the allowance for loan losses was $0. Historically, no loans have been charged off since we began operations in 1993. See Note 2.E to the Financial Statements at the end of the Offering Circular. Historically, we have had loan delinquencies from time to time, and there can be no assurance that we will not have a loan loss in the future, which could adversely affect the change in unrestricted net assets.

Loan Delinquencies

The following table sets forth our loans on which interest and/or principal payments were delinquent for ninety (90) days or more at December 31 for the last three years:

	2016	2015	2014
Number of loans	2	1	1
Aggregate principal balance	$4,406,028	$1,666,100	$711,303
% of aggregate principal balance of all loans	7.52%	2.86%	1.31%
Aggregate interest and/or principal payments owing	$130,881	$80,845	$14,681

Due to the nature of the relationship with our borrowers, however, we are willing to make accommodations with borrowers whose payments are not current or to refinance their outstanding obligations. It is our policy to aid our borrowers to try to meet their obligations without foreclosure. Therefore, our delinquency experience cannot be compared to a commercial lender. We cannot assure you, however, that we will be able or willing to refinance, accommodate or restructure any delinquent loans in the future. We have had no material loan losses with respect to our outstanding loans incurred within the last three fiscal years.

Loan Processing

We receive requests for loans from Church Organizations, including local churches, clergy and administrative units of the United Church of Christ at our headquarters in Cleveland, Ohio. After consultation and a review of the planned project, we mail loan applications to prospective borrowers. After loan applications are properly filed, loan requests are approved and commitments issued by our officers, Executive Committee or Board of Directors, as applicable depending upon the loan amount, all of which are subject to ratification by our Board of Directors.

FINANCING THE CORNERSTONE FUND'S ACTIVITIES

General

Our ability to pay principal and interest on the Notes depends upon our financial condition and the funds available to us. Generally, the primary sources of our funds are the interest earned on our Invested Funds, principal payments and interest earned on our loans to Church Organizations and the proceeds from the sale of our Notes. The following describes our sources of funds and other financial information.

Sale of Notes

Offer and Sale of Notes

Prior to 1995, neither the Cornerstone Fund nor any of its predecessor organizations sold Notes or other securities. They had relied on substantial gifts and endowments and the interest earned as a source of funds for the Church Building Revolving Loan Fund. Effective as of October 1, 1993, approximately $3,204,975 of mortgage loans originally funded and administered by the Church Building Revolving Loan Fund were transferred to the Cornerstone Fund. We anticipate that sales of notes will increase during 2017 and thereafter, and our primary means of obtaining the funds necessary to conduct our operations will continue to be the receipt of proceeds from the sale of our Notes to Investors in a number of states.

Outstanding Notes

The following describes our outstanding Notes at December 31, 2016:

Description	Aggregate Number of Notes	Weighted Average Interest Rate	Aggregate Principal Balance	Percentage of All Notes
Demand Notes	267	.50%	$5,002,601	7.06%
Term Notes	3,100	1.80%	65,913,374	92.94%
TOTALS	3,367	1.71%	$70,915,975	100.00%

At December 31, 2016, our total outstanding Notes represented 99% of our total liabilities. We have no secured liabilities.

Proceeds from the Sale of Notes and Redemptions in 2016

We received $21,090,474 in cash proceeds in 2016 from new sales of Notes. Also, approximately $35,326,610 of the outstanding principal and accrued interest on matured Notes was reinvested on new terms or was automatically extended pursuant to their original terms and was still outstanding at December 31, 2016. We had total redemptions of Notes in 2016 of $20,841,722. We cannot estimate with any degree of certainty the total amount of cash proceeds we will receive in 2017 from new sales of Notes. In addition, we anticipate that out of the outstanding principal and accrued interest on Notes maturing in 2017, a significant amount will be reinvested on new terms or will be automatically extended. Also, we intend to limit the aggregate outstanding principal balance of Demand Notes at any particular time to 20% of the aggregate outstanding principal balance of all Notes at that time.

As a matter of policy, our Board of Directors annually evaluates our financial condition and our funding needs for the ensuing year and, if necessary, establishes a limitation on the sale of Notes. If necessary, we can control the outstanding principal balance on Notes by determining the Notes to be made available for sale at any particular time, the interest percentage to be paid on the Notes and by determining if any outstanding Notes should be called for redemption upon maturity.

Maturity Information

The following shows the amount of our outstanding Notes that are on demand and term notes that will mature in the following years as of December 31, 2016:

Demand and Year	Principal Balance
Demand	$ 5,002,601
2017	31,876,265
2018	12,827,021
2019	5,941,269
2020	6,070,891
2021	9,197,928
TOTAL	$70,915,975

Historically, our Investors have redeemed only a portion of our maturing term Notes. The following shows the percentage of the aggregate principal balances of our maturing term Notes that were extended or reinvested in other Notes upon maturity for each of the last five years.

Year	Percentage Extended or Reinvested
2016	88.5%
2015	92.5%
2014	80.9%
2013	87.2%
2012	81.8%

Loans to Church Organizations

In addition to the sale of our Notes, we generate funds for operations from the income received on our outstanding loans. At December 31, 2016, the number of loans, weighted average interest rate, and aggregate principal balance on our loans were as follows:

Description	Number of Loans	Weighted Average Interest Rate	Aggregate Principal Balance
Secured loans	255	4.80%	$58,606,832
Unsecured Loans	0	0.00%	0
TOTAL	255	4.80%	$58,606,832

At December 31, 2016, our total outstanding loans represented 72.5% of our total assets.

Interest Income and Principal Repayments

For the last three years, we earned the following income from interest on our loans and received the following loan principal repayments:

Year	Interest Income	Principal Repayments
2016	$2,760,053	$8,311,789
2015	2,688,301	7,726,830
2014	2,785,676	7,807,983

For a description of the terms of our loans, major loans and loan delinquencies, see "THE CORNERSTONE FUND'S LENDING ACTIVITIES."

Scheduled Principal Payments

The following shows the principal payments of our outstanding loans scheduled to be received in the following years as of December 31, 2016:

Year	Principal Repayments
2017	$5,435,011
2018	7,931,333
2019	8,217,606
2020	11,377,248
2021	11,076,603
Thereafter	14,569,031
TOTAL	$58,606,832

Only a portion of the principal balance on maturing loans each year is actually repaid. Normally, we extend or refinance a significant portion of our maturing loans.

Cash and Invested Funds

Cash and Invested Funds

In accordance with our policy of maintaining reasonable liquidity, we maintain a portion of our assets in cash and investments ("Invested Funds"). These Invested Funds consist primarily of cash equivalents, money market and certificates of deposit from financial institutions from which we hope to generate interest that provides further funds for our operations. At December 31, 2016, these Cash and Invested Funds were as follows:

Description	Weighted Average Rate of Return	Aggregate Market Value
Cash and Cash Equivalents	0%	$11,989,802
Short-term investments	0.80%	2,484,000
Certificates of Deposits	1.80%	7,076,482
TOTAL	0.68%	$21,550,284

At December 31, 2016, our Cash and Invested Funds represented 30.4% of the aggregate principal balance of our outstanding Notes and Investment Balances, which is in compliance with our policy as stated below.

The following shows our interest income from our Invested Funds for the last three years:

Year	Interest Income
2016	$188,134
2015	159,003
2014	172,552

The following shows the net realized and unrealized gain (loss) on our Invested Funds for the last three years:

Year	Gain (Loss) on Invested Funds
2016	$0
2015	0
2014	$(4,238)

Investment Policies

At the present time it is our policy to invest in only cash equivalents (highly liquid debt instruments purchased with an original maturity of three months or less, investments in money market and short-term certificates of deposit and jumbo long term certificates of deposit) and in U.S. government securities.

Our Board of Directors is responsible for setting and changing our investment policies. The Finance Committee is responsible for directing the investments. See “MANAGEMENT − Directors” for the names of the members of the Finance Committee. Presently, we have no investment advisors or managers employed. If they were employed, the funds transferred to them would be managed within our investment policies or other parameters set by our Board of Directors. There can be no assurance that we will or will not use outside investment advisors or managers in the future.

Also, as a matter of policy, we maintain at all times cash and/or Invested Funds having an aggregate market value equal to at least 10% of the aggregate principal balance of our outstanding Notes and Investment Balances. We cannot assure you this policy will be continued at all or at the same percentage. To the extent that demand increases for new loans, the principal balance of our Invested Funds may decrease. See “THE CORNERSTONE FUND’S LENDING ACTIVITIES.”

Related Financial Information

We anticipate that we will generate sufficient funds to make all of the principal and interest payments required on our outstanding Notes and Investment Balances from the funds available from operations and other sources. These funds primarily are composed of loan principal repayments, interest earned and paid on our loans and Invested Funds and proceeds from the sale of our Notes.

If our maturing Notes are not extended or reinvested in accordance with our historical experience, it may be necessary for us to redeem a portion of our Invested Funds or to obtain funds from other sources, including borrowing to meet current cash needs.

We had an excess of net unrestricted assets over liabilities, or unrestricted net assets, of $8,902,360, $9,047,425, and $9,080,049 at December 31, 2016, December 31, 2015 and December 31, 2014, respectively. See “SUMMARY OF OPERATIONS AND SELECTED FINANCIAL INFORMATION.”

Lines of Credit

We have a $5,000,000 revolving line of credit with KeyBank NA. We borrow under this line of credit from time to time to fund loans to Church Organizations, when revenues from other sources are not sufficient. We had no monies borrowed under this line of credit as of December 31, 2016. Interest is payable quarterly at the one month LIBOR rate, plus 1.85%. We also are required to pay a commitment fee of .30% quarterly on the average daily unused amount of the line of credit. The line of credit is collateralized by marketable securities currently held or to be held by Local Church Ministries.

No assets of the Cornerstone Fund have been pledged as security of these lines of credit. As a matter of policy, to the extent this line of credit may be otherwise secured, it will not be secured by more than 10% of our tangible assets. This policy is pursuant to suggested guidelines for church extension funds like the Cornerstone Fund.

SUMMARY OF OPERATIONS AND SELECTED FINANCIAL INFORMATION

The following table sets forth a summary of our operations and selected financial data for the past five years. You should read this data in conjunction with the current audited financial statements attached to this Offering Circular.

	As of December 31,				
Description	2016	2015	2014	2013	2012
Cash and Invested Funds	$21,550,284	$20,893,319	$18,563,686	$19,871,998	$15,726,120
Total Outstanding Loans *	58,606,832	58,348,599	54,143,000	55,298,189	57,115,858
Unsecured Loans - Amount	$0	0	0	0	0
Unsecured Loans - % of Total Loans	0%	0%	0%	0%	0%
Loan Delinquencies** - % of Total Loans	7.52%	2.86%	1.31%	0%	1.29%
Total Assets	80,785,644	79,788,498	73,372,758	75,992,747	73,725,614
Outstanding Notes Payable	70,915,975	70,667,223	64,204,408	66,906,269	64,973,230
Notes Redeemed During Year	20,841,722	11,795,003	16,523,931	15,284,478	22,838,651
Unrestricted Net Assets	8,902,360	9,047,425	9,080,049	8,950,508	8,531,784

	Year Ended December 31,				
	2016	2015	2014	2013	2012
Revenues, including net (depreciation) appreciation of investments	$2,957,203	$2,860,648	$2,966,476	$3,256,940	$3,689,337
Expenses	3,102,268	2,893,272	2,822,542	2,791,691	2,783,267
Increase in net assets before contribution	(145,065)	(32,624)	143,934	465,249	906,070
Contribution to National Basic Support ***	0	0	14,393	46,525	90,607
Decrease in net assets	$(145,065)	$(32,624)	$129,541	$418,724	$815,463

* Balance of loans outstanding before deduction of allowance for loan losses.
** Loans on which principal and/or interest were delinquent for 90 days or more.
*** This amount is based in total on a percentage of increase in net assets as determined by the Board of Directors at its sole discretion, and as a matter of policy no such contribution would be made to either to the extent that it would have in any adverse financial impact on the Cornerstone Fund.

MANAGEMENT DISCUSSION AND ANALYSIS

The Cornerstone Fund was formed in 1993 with a transfer of a portion of the assets of the Church Building Revolving Loan Fund to the Cornerstone Fund. During 1994, we began the process of qualifying our Notes for sale in a number of states, and began contacting numerous Church Organizations concerning their capital projects and the need for financing. In 1995, we began selling our Notes and disbursed new loans to Church Organizations. Since that time, the sale of our Notes and the amount and number of our loans has steadily increased. At December 31, 2016, the aggregate principal balance of our outstanding Notes was $70,915,975 and the aggregate principal balance on our outstanding loans was $58,606,832. For the five years from 2013 through 2016 we have had a combined net increase in our unrestricted net assets of $1,186,039, with decreases of $145,065 and $32,624 in 2016 and 2015 respectively. As of December 31, 2016, our unrestricted net assets were $8,902,360.

We expect a higher level of loan activity in 2017. At December 31, 2016 we had $21,771,278 in loan commitments on which monies probably will be advanced in 2017. Also, in 2017, we anticipate that we will continue to receive proceeds from the sale of our Notes to Investors in a number of states. The proceeds from the sale of the Notes will increase the amount of funds available to us for loans to Church Organizations. We anticipate that we will again have operating income in 2017 and thereafter, although we can give no assurance of this.

We have a $5,000,000 line of credit that we can draw upon as necessary.

We believe that prudent procedures have been adopted to insure our financial viability in a changing economy to achieve the positive spread between loan return and interest paid on Notes, including shorter term loans, variable interest rate loan commitments, and a balanced investment approach to insure reasonable liquidity.

Capital Adequacy

At December 31, 2016, we had net assets of $8,902,360, which were equal to 11.0% of our total assets. We consider this to be a strong capital position intended to support our growth and operation and to protect Investors against losses in the value of assets available to repay Notes and Investment Balances. We recognize the need to maintain a strong capital position and carefully monitor our capital position as we sell additional Notes to meet the capital needs of Church Organizations.

Liquidity

Historically, we have made interest and principal payments on our Notes and Investment Balances primarily from amounts we receive as principal and interest payments on outstanding loans. We anticipate that we will continue to experience similar results in the future. We have a policy of maintaining an operating liquidity to provide for anticipated cash requirements equal to 10% of Notes and Investment Balances. At December 31, 2016, we had Cash and Invested Funds of $21,550,284, which were equal to 30.4% of our outstanding Notes.

Cash Flow

Cash flow performance examines the amount of available cash as compared to cash redemptions. Historically, we have been able to meet demand for redemption of our Notes from principal and interest payments received on our outstanding loans. In 2016, in comparing (1) the sum of the cash provided by normal operating activities, liquid assets at the beginning of the year, loan principal payments less loan disbursements, and cash generated by the sale of Notes to (2) the cash redemptions of Notes, the coverage ratio was 1.62 to 1.

Loan Delinquencies

At December 31, 2016, we had 2 loans with principal and/or interest payments that were delinquent 90 days or more, the aggregate principal balance of which was $4,406,028, or 7.52% of the aggregate principal balance of all loans.

Profitability

We strive to manage our operations to provide interest and other operating income sufficient to pay interest expense on Notes and Investment Balances and operating expenses. However, we evaluate profitability on operating results alone. We had a decrease of our unrestricted net assets of $145,065 in 2016 and $32,624 in 2015. We achieved a cumulative net positive change of $1,186,039 in total unrestricted net assets over the five year period ended December 31, 2016.

Future Plans and Activities

We intend to continue policies and procedures which allow us to adjust readily to fluctuating economic conditions.

We may have, from time to time, some limitation on loans to Church Organizations without participation in the Related Investment Plan by members of the Church Organization requesting the loan. The amount of limitation may vary. Also, we will maintain our policy which limits the length of time to which we are committed to a particular interest rate in respect to our loan commitments. This policy allows us to adjust our interest rates on loans more in line with existing conditions depending upon the time at which the various loan funds are requested after the commitment. See “THE CORNERSTONE FUND’S LENDING ACTIVITIES − Loan Policies.” Furthermore, we will continue our policy regarding penalties for early withdrawal on certain of our Notes. See “DESCRIPTION OF THE NOTES − Terms.” We intend to continue to maintain a balance in our Invested Funds so as to achieve a reasonable and prudent position of liquidity which will allow us greater flexibility in times of fluctuating interest rates.

TAX ASPECTS

You will recognize neither gain nor loss for Federal income tax purposes, nor will you receive a charitable deduction, when you purchase a Note. You will be taxed on the interest earned as ordinary income in the year it is paid or accrued. If interest is accrued over the life of a Note and paid at the maturity date, you must nevertheless report the interest as income on your Federal income tax return and state income tax return, if applicable, as it accrues. If you hold your Notes until their maturity, you will not be taxed on the return of the principal purchase price or on the payment of previously accrued and taxed interest. Any excess will be interest income. Pursuant to the Tax Equity and Fiscal Responsibility Act of 1982 and amendments thereto, we are required to withhold 28% of interest on Notes as to those Investors not providing us a correct Social Security or Federal Tax Identification Number or otherwise not complying with the Act. Investors may be deemed to receive additional taxable interest under section 7872, and all investors should consult their tax advisors regarding the special income tax rules applicable to loans and investments. At this time, investors with investments greater than $250,000 in the aggregate with Cornerstone Fund particularly should be aware of the possibility of being taxed on imputed income if loans are made at below-market interest rates. However, that limit may be subject to change, so all investors should consult their tax advisors on this matter.

DESCRIPTION OF THE NOTES

Terms

We are currently offering the Notes shown on the Application to Purchase. The purchase price of the Notes is 100% of the face value. We offer the Notes for cash and we offer no financing terms. The Notes are unsecured obligations of the Cornerstone Fund and will mature as follows:

Description	Maturity
Flexible Demand Notes	Demand
Term Notes	6 Months and 12 Months to 60 Months

A Note commences on the day following the date of issuance. A Term Note matures on the date on which the term expires, except that if the maturity date is not a business day, then the maturity date will be the next business day. Our Term Notes are not insured by the FDIC, SIPC or any other governmental agency.

The term of a Term Note is automatically extended at maturity at the then current rate of interest for a like term (or the closest term then being offered), unless you send us the Term Note along with written demand for redemption prior to the original or any extended maturity date. We will notify you of the maturity date at least 30 days prior to each maturity date and will furnish you with a current offering circular at that time, if you have not previously received one. In the case of automatic extension of existing Term Notes upon maturity, the new extension interest rate may be less than the interest rate on the original Term Note. The new interest rate will be the applicable interest rate for the term of the Term Note being extended at the time of the extension. If we elect not to extend the term, we will notify you in writing of this election at least 30 days prior to the original or extended maturity date.

The terms of Term Notes available and minimum amounts of investment required are reflected in the Application to Purchase which accompanies this Offering Circular.

One-Time Step-Up Feature

Interest rate step-ups are available for selected periods of time for selected term(s) of newly issued Term Notes. Term Notes issued with an interest rate step-up permit you to exercise a one-time option to adjust the interest rate on the Term Note to the fixed rate of interest then payable on a newly issued Term Note of that same type and term. Such Term Notes issued with an interest rate step-up will earn the fixed rate of interest as specified in the initial Term Notes during their entire initial term unless and until you send notice in writing of your intent to exercise the one-time interest rate step-up option. Upon receipt of such notice, such Term Note shall earn the fixed rate of interest then payable on newly issued Term Notes of that same type and term during the entire remaining portion of such Term Note’s initial term. Presently the step-up feature is available only on newly issued 18, 30 and 60 month Term Notes. The Term Notes available for this feature and this feature generally may be changed or terminated as to new Term Notes at any time without notice. The step-up feature is not available with respect to any Church Builder Bonus Notes described below.

Church Builder Bonus

This is a special investment program only available for investments of $10,000 or more and only available on a 60 Month Term Note (“Bonus Note”). To be eligible for this investment program, you must authorize, in writing, the gifting of a minimum of 10% of the monies invested to a United Church of Christ church, Association, Conference, or another related United Church of Christ entity, which, in most circumstances, should qualify as a charitable contribution for tax purposes. A gift to an individual or any other type of entity does not qualify you to participate in this program. You may have more than one of these Bonus Notes with the same or other designated beneficiaries and can have one of these Bonus Notes along with other regular Term Notes offered by Cornerstone Fund.

This investment program is only available for new money. New money is defined for these purposes as an extension or renewal of an existing maturing Term Note or a new investment from either an existing Investor or a new Investor. Immediately following the investment, a withdrawal in the amount of the authorized gift will be made and the gifted money sent to the designated beneficiary in the name of the Investor, accompanied by a letter asking the beneficiary to acknowledge receipt of the gift in writing to you as donor. A copy of the letter sent to the beneficiary will be sent to you.

The interest rate paid on this Bonus Note will be 1.00% above the most current posted interest rate for a regular 60 Month Term Note at the time of investment. At the time of the original maturity, the Bonus Note would be changed to a regular 60 Month Term Note and the extension or renewal interest rate will be the then current posted rate for a regular 60 Month Term Note, unless you elect to redeem the Bonus Note or reinvest the monies in another regular-term Term Note available at that time. However, at maturity you may elect to again participate in the Church Builder Bonus, should the program still be available. In the event the Note is redeemed in whole or in part prior to maturity, normal penalties will apply. The step-up feature described above is not available with respect to any Bonus Notes.

To purchase the Bonus Note, you need to complete the special application form for such Bonus Notes accompanying this Offering Circular.

Interest

We accrue interest daily from the date of receipt. We compound interest on June 30 and December 31 of each year until the Note's maturity date or any extension thereof. We retain and credit the interest to your account unless you specifically elect in the Application to Purchase to receive interest payments semi-annually, quarterly, or monthly in the case of Notes of $10,000 or more. The interest rates on our Term Notes, which have a fixed rate of interest, depend upon prevailing interest rates at the time of sale and are reflected in the Rate Sheet that accompanies the Application to Purchase. We do not pay interest on the amount gifted in connection with a Bonus Note.

Flexible Demand Notes have an adjustable interest rate, accrue interest daily and compound interest semiannually, with the entire principal and accrued interest payable upon your written demand. Flexible Demand Notes require a minimum initial purchase of $50. Any amount may later be invested in or redeemed from the same Flexible Demand Note. If you agree to make a minimum monthly investment of $100 via ACH transfer, the Flexible Demand Note will accrue interest at a higher rate. We refer to these Notes as Flexible Demand Plus Notes. If the required minimum monthly investment of $100 is not made by ACH in any month, the interest rate will be reduced as of the first day of the following month to accrue at the interest rate for Flexible Demand Notes that are not Flexible Demand Plus Notes.

The initial interest rate on Flexible Demand Notes, including Flexible Demand Plus Notes, depends on our prevailing interest rates at the time of sale and is reflected in the Rate Sheet that accompanies the Application to Purchase. At our option, the interest rate may be adjusted on the first day of each calendar quarter. We will notify you of any quarterly adjustment to the interest rate not less than fifteen (15) days before the effective date of the adjustment.

We will send you a written notice semiannually showing the balance of the respective Demand Note.

We intend to limit the aggregate outstanding principal balance of Demand Notes at any particular time to 20% of the aggregate outstanding principal balance of all outstanding Notes at that time.

Related Investment Plan

We also sell Term Notes pursuant to a Related Investment Plan, whereby investment by members of a local church provides investment support for all or a portion of a loan to that local church. Based on the amount, the terms, and the interest rates of this investment support, the church may earn an interest rebate annually of up to 1%. Also, under the Related Investment Plan, the normal early redemption policies may not apply. The minimum amount required for purchase, the rate of interest, the applicable early redemption terms, and the term of the Term Note pursuant to the Related Investment Plan will be reflected in the Application to Purchase and Rate Sheet which accompanies this Offering Circular at the time of offer.

Early Redemption and Penalty

Although you generally cannot redeem your Term Notes or Investment Balances before the maturity date, our policy is to honor requests for early redemption upon a representation of personal or financial emergency need. We cannot assure you that we will continue this policy in the future and we are not legally obligated to do so.

When early redemption is allowed, we charge generally an early redemption penalty on certain of our Term Notes. Upon such early redemption prior to original or extended maturity, there will be a forfeiture of one month's interest on any Term Note with an original term of 6 months or less, and a forfeiture of three months interest on any Note with an original term exceeding 6 months. When early redemption is allowed, there will be no penalty imposed if the date of redemption is within 30 days after the date of maturity or extended maturity. If one or more of the owners of your Term Notes is deceased, we will not impose any early redemption penalty. Also, when early redemption is allowed, generally no early redemption penalty will be imposed in respect to Term Notes purchased pursuant to the Related Investment Plan unless otherwise agreed to as a part of the terms of the Related Investment Plan.

We have no right to prepay or call any outstanding Note or Investment Balance prior to the expiration of its term without your consent.

IRA Investments

We also offer our Demand Notes and Term Notes as investments for Individual Retirement Accounts ("IRAs"), paying interest at a rate as specified in the Rate Sheet at the time of purchase. There is a minimum investment of $50 for a Demand Note acquired as an IRA and additional purchases in any amount may be made up to the limit allowed by the Internal Revenue Code for one year. There is a minimum investment of $500 for a Term Note acquired for an IRA. Interest earned on IRA investments grows free of federal and state income taxes until funds are withdrawn. Prior to age 59 ½, all distributions generally are subject to federal and state income taxes and a 10% early distribution penalty, unless the distributions are rolled-over into another allowable retirement plan. There are certain risks and considerations involved in investing in self-directed IRAs and an investor should consider whether there is sufficient liquidity should the IRA beneficiary need to take a mandatory distribution. You should consult with your tax advisor before choosing to invest in our notes in an IRA account due to the tax implications of missing a Minimum Required Distribution and the limitations on the amount a taxpayer can contribute each year.

If you wish to arrange for your investments to be handled so as to qualify for tax deferral under provisions of the tax law dealing with Individual Retirement Accounts ("IRAs"), you may do so as a result of arrangements that we have made with Goldstar Trust Company, Canyon, Texas. Under those arrangements, Goldstar Trust Company acts as the custodian of a self-directed IRA and invests the designated funds with us, as you direct. More information on this feature is available by contacting us.

Additional Information

We may, from time to time, offer additional Notes in your state and other states, which differ in terms from your Notes, without notifying or obtaining your consent, but in such case such different Notes would be registered or otherwise qualified in states where such is required. The Notes are unsecured, unsubordinated debts of the Cornerstone Fund, with the result that in the event of liquidation or any distribution of assets upon bankruptcy, reorganization, or similar proceedings, all our unsecured, unsubordinated obligations will have an equivalent claim to our assets. We have never issued secured or subordinated obligations to the public and we do not anticipate doing so in the future, but we cannot assure you that none of our Notes will be secured or otherwise senior to your Notes. It is our policy that, if we do create any senior or secured indebtedness, the amount will not exceed 10% of our tangible assets as of the date of issuance or incurrence of the obligation. If we fail to pay principal and interest on your Note when due and requested, it will be an event of default, but only as to that Note, but not as to all Notes outstanding. As to your Note, you will have available to you all legal remedies to collect the amount owed to you that are provided for under regular state laws and/or securities laws.

Because you purchase a Note, you are not entitled to an equity interest in the Cornerstone Fund or the right to vote on corporate matters.

We will mail to you a copy of our annual report or Offering Circular, which will include our audited financial statements, within 120 days after the close of each fiscal year. At the present time, our fiscal year ends on December 31.

Method of Sale

We solicit the sale of the Notes primarily through direct mail advertising, our website, and attending and disseminating marketing materials at local, regional and national United Church of Christ events. Prospective Investors are able to obtain an Offering Circular and additional material concerning the Notes by requesting information from the Cornerstone Fund either by telephone or by mail. We then transmit the materials to them. We directly mail our Offering Circular and advertising materials to current, past, and prospective Investors. If the Investor wishes to purchase a Note, the Investor completes the Application to Purchase which accompanies the Offering Circular and sends it with a check to the Cornerstone Fund in Ohio. If the Cornerstone Fund accepts this offer to purchase, the Investor is notified by mail and an executed Note is returned to the Investor. All sales are made by Executive Officers of the Cornerstone Fund pursuant to broker-dealer, issuer or agent licensing or applicable exemption therefrom and such Executive Officers receive no commissions, fees or other special remuneration for or in connection with the sale of the Notes. See “MANAGEMENT.”

In order for you to purchase any Notes and prior to your receiving an Offering Circular, you must be a member of, a contributor to (including an Investor), or participant in the United Church of Christ or the Cornerstone Fund or in any program, activity, or organization which constitutes a part of the United Church of Christ or the Cornerstone Fund, or in other Protestant church organizations which have a programmatic relationship or are religiously aligned with the United Church of Christ or the Cornerstone Fund (“Limited Class”) or such other persons or entities having a reasonable association or affiliation with the Limited Class, such as (1) “family members” (as defined by applicable laws) of persons in the Limited Class, (2) entities controlled by members of the Limited Class, (3) employees of the Cornerstone Fund or any organizations affiliated with the United Church of Christ and (4) other reasonably associated or affiliated institutional investors that are nonprofit religious organizations.

With our consent, you may make the following transfers: (1) transfers to persons who would be eligible to purchase our Notes originally; (2) transfers by gift, order of process of any court, as security for a loan, or on death; or (3) transfers to the Cornerstone Fund, to your descendants or spouse, to Investors of the same class of security or transfers by a corporate Investor to a wholly-owned subsidiary or parent company.

Website

We have a website for providing information to Investors and other persons affiliated with the United Church of Christ. The website is http://www.cornerstonefund.org. The home page and other accessible pages of the website provide information concerning our mission and work, as well as the investment choices and latest available interest rates. Information contained in or that can be accessed through our website is not a part of this Offering Circular.

MANAGEMENT

Directors

As a nonprofit corporation, we have no shareholders. Our affairs are managed by our Board of Directors, all of whom, except for the ex officio members, serve for three-year terms. The ex officio members are the persons holding certain offices of Local Church Ministries and the Executive Director and President of the Cornerstone Fund. The remaining Directors are elected by our Board of Directors. Approximately one-third of the elected Directors are elected annually.

Nominations of elected Directors are made by our Nominating Committee, which attempts to select nominees that are affiliated with, interested in and active in the United Church of Christ. The committee’s objective is to maintain a reasonable diversification of Directors by selecting individuals from various geographic regions and backgrounds including the clergy, business, industry, teaching, legal, or other professions whose experience or expertise is believed to be valuable.

The Board of Directors has two regularly scheduled meetings per year. We have an Executive Committee which meets as needed between meetings of the Board of Directors. The Executive Committee has the authority to act on behalf of the full Board, subject to ratification by the full Board. We also have a Finance Committee which, pursuant to and subject to policies set by the Directors, has the authority to determine interest rates and related terms of the Notes as well as the loans made to Church Organizations and manage the Invested Funds.

The following persons are our ex officio Directors as of the date of this Offering Circular:

+ o Δ **Maria C. Coyne** is the President and Chief Executive Officer of the Cornerstone Fund. (See the biographical information on Ms. Coyne below under "Officers and Key Personnel.")

Δ **John C. Dorhauer** is the 9th General Minister and President of the United Church of Christ and acting Executive Minister of Local Church Ministries. Ordained in 1988, he served 15 years in the local parish then 12 years on Conference staffs in both Missouri and Arizona. John has a BA in Philosophy, a Masters of Divinity, and a Doctoral degree in White Privilege studies. He is an outspoken advocate for justice, and is the recipient of Eden Seminary's Shalom Award for his commitments to justice and peace.

The following sets forth the persons who currently serve as our elected Directors and their background, education and occupations/professions for at least the last five years:

Terms Expiring December 31, 2017:

+ o ◊ **Daniel D. Dubree** (See the biographical information on Mr. Dubree below under "Officers and Key Personnel.").

□ **Shari Prestemon** has been the Conference Minister of the Minnesota Conference of the United Church of Christ since 2013. Previously she served as minister in several local churches in Illinois and Wisconsin, before serving as Executive Director of Bay Back Mission in Biloxi, Mississippi from 2000-2013. She also currently serves as the Co-Chair of the Common Global Ministries Board of the United Church of Christ and Disciples of Christ and is on the Board of Trustees of United Theological Seminary and The Council for Health and Human Service. Ms. Prestemon received her Bachelor of Arts degree with a major in social work from Luther College in 1989. She received a Master of Divinity degree from Chicago Theological Seminary in 1993 and was ordained as a minister that same year. She received an honorary Doctor of Divinity degree from Heidelberg University in May, 2010.

+ □ **Elizabeth F. Walker** (See the biographical information on Ms. Walker below under "Officers and Key Personnel.")

+ o ◊ Δ **James L. Henry*** (See the biographical information on Mr. Henry below under "Officers and Key Personnel.")

Terms Expiring December 31, 2018

◊ **Inez Smith Reid** since 1995 has been Judge of the District of Columbia Court of Appeals. Previously, she has been a college professor, worked in the executive and judiciary branches of government, and has practiced law in the private sector and has served as Inspector General of the EPA and Corporation Counsel for the District of Columbia. Ms. Reid holds the degrees of Bachelor of Arts, magna cum laude, from Tufts University, Juris Doctorate from Yale Law School, Master of Arts from U.C.L.A., Ph.D. from Columbia University, and Master of Law in Judicial Process from the University of Virginia School of Law. She has been affiliated with the Congregational Church since birth, was an active member of Plymouth Congregational Church in Washington, D.C. for over 35 years and has been a member of Peoples Congregational United Church of Christ in Washington, D.C. for over 30 years where she has served in many capacities, including that of Trustee and Deacon. She has served as a Trustee of Lancaster Theological Seminary and was Vice Chairperson of the United Church of Christ's Local Church Ministries Board of Directors.

+ Δ **Caroline Peters Belsom**** is an attorney in Lahaina, Maui, Hawaii. She has been practicing law since 1982 and is licensed in both Iowa and Hawaii. Prior to August 2010, she was General Counsel for Kapalua Land Company. Before that she was a civil litigator with the United States Attorney's office in Iowa and a litigation partner in two Hawaii law firms. Ms. Belsom received her Bachelor of Science Degree (magna cum laude) in Physics and Math from St. Olaf College in Minnesota, her Master of Science Degree in

Physics from Iowa State University, and her Juris Doctor Degree from the University of Connecticut School of Law. In the past, she has provided time and energy to numerous non-profit groups and to the County of Maui, most notably as the chairperson of its Board of Ethics for three years. She has served as moderator for the Tri-Isle Association of the Hawaii Conference United Church of Christ as well as chairperson of the Conference Council. She was one of the Assistant Moderators for the United Church of Christ General Synod in 2011. She is a member of Waiola Church in Lahaina where she serves as both Trustee and Deacon. In 2013, Ms. Belsom was elected to serve on the United Church of Christ Board.

o **Cindy P. Crotty** is a financial services executive with over 35 years of experience in commercial, retail, private and corporate banking. She is currently Executive Vice President and Region President of Peoples Bank. She reports to the CEO and is responsible to lead and grow all bank operations for the North Region including retail, commercial, business banking, investment management and insurance. Prior to Peoples Bank she spent 20 years at KeyCorp, most recently as an Executive Vice President and a member of KeyCorp's Executive Council, where she was responsible for the Commercial Client segment, a $500 million in revenue line of business, delivered through a Community Bank model. She also served in leadership roles in the Key Private Bank, and Key Business Advisory Services. Prior to Key, Cindy spent 14 years in various corporate finance and wealth management leadership roles at Citibank, NA (now Citigroup, NA). She is currently an active trustee on the board of Hathaway Brown School, is past president and active board member of Beech Brook, retired board member of the Visiting Nurse Association, and was an inaugural member of the United Way Women's Leadership Council. She is a graduate of the University of Georgia with a Bachelors of Business Administration in Accounting. She also completed the Key Executive Experience at the Case Weatherhead School of Management.

+ o Δ **Thomas E. Dipko** (See the biographical information on Mr. Dipko below under "Officers and Key Personnel.")

<u>Terms Expiring December 31, 2019</u>

+ ◊ **Kent Siladi** is the Conference Minister of the Connecticut Conference of the United Church of Christ. Previously he was the Conference Minister in Florida and Regional Minister in the Connecticut Conference. He has also serviced two congregations as a local church pastor. Mr. Siladi is presently the Chairperson of the Council of Conference Ministers. He is a graduate of Nasson College and Yale Divinity School.

+ o ◊ **Norman Williams** retired as Chairman of the Board of Directors and CEO of Illinois-Service Federal Savings and Loan Association, in April of 2016 after completing a successful recapitalization of the bank. He had served on the Board of Directors since 1976, during which time he has also served as Treasurer and a member of the executive, loan asset liability and audit committees. Also, he was the past Chairman a member of the Board of Directors of the Illinois League of Financial Institutions and has served as a member of the Board of Directors of the American Bankers Association. He currently serves as Chair of the Board of Trustees of Chicago Theological Seminary, and owns and operates a funeral service business in Chicago. Mr. Williams is a graduate of Amherst College in Amherst, Massachusetts.

□ **Ginny Brown Daniel** is the Conference Minister of the Missouri Mid-South Conference of the United Church of Christ. She began her duties in December of 2015. She earned her bachelor's degree from Auburn University and attended Baptist Theological Seminary and Union Presbyterian Seminary, both in Richmond, VA, where she earned her M.Div. and D. Div. degrees, respectively. Rev. Dr. Daniel brings sixteen years of pastoral experience in two UCC churches – the first in Maryland and then in Texas. She served as Moderator of the South Central Conference while serving the Houston congregation, and previously served on the Board of the Central Atlantic Conference, and was Moderator of their Annual Meeting. In May, 2015, she began a consulting business called Divine Sparks Consulting which provides leadership conferences and spiritual retreats to ministers.

◊ **Brian Magnone** is Vice President/Treasury of Retirement Housing Foundation ("RHF"), which he joined on 2004 as Director of Treasury. RHF is a national non-profit provider of senior housing with a large portfolio of affordable and low-income housing tax credit (LIHTC's) properties as well as Continuing Care Retirement Communities, has properties in 29 states, Virgin Islands and Puerto Rico and is the largest member of The Council for Health and Human Service Ministries (CHHSM) of the United Church of Christ. Mr. Magnone served on CHHSM's Board of Directors for 2 terms in the past. He oversees RHF's banking, investment and financing activities. Mr. Magnone is actively involved in his local church and has service in various leadership positions Mr. Magnone is a graduate of West Liberty University where he earned a B.S. degree in Business Administration with a specialization in Mathematics and an MBA from Regent University. He has earned the Chartered Financial Analyst (CFA) and Certified Cash Manager (CCM) designations. He has been actively involved in CFA Societies and currently serves on the CFA Orange County Society Board in Newport Beach, CA. Mr. Magnone is also a California real estate broker.

+ Members of the Executive/Policy Committee.
o Members of the Finance Committee.
◊ Members of the Audit Committee.
∆ Members of the Nominating Committee.
□ Members of the Personnel Committee

* James L. Henry is Chairperson of the Board for 2017.
** Caroline Peters Belsom is Vice Chairperson of the Board and Treasurer for 2017.

Officers and Key Personnel

Our officers are elected annually by our Board of Directors. These officers serve for one-year terms. The following are our officers as of the date of this Offering Circular:

Maria C. Coyne – President and Chief Executive Officer
C**harles R. Hollingsworth** - Vice President Sales & Marketing, Chief Lending Officer
Kathy L. Houston - Vice President, Chief Financial Officer & Chief Operating Officer
Elizabeth F. Walker - Secretary
Daniel D. Dubree - Treasurer
Thomas E. Dipko - Assistant Treasurer

The following is a summary of the officers, their present duties, their background, and experience for at least the last five years:

MARIA C. COYNE serves as President and Chief Executive Officer of the Cornerstone Fund. Ms. Coyne is a graduate of the University of Notre Dame with a degree in Finance and attended the Weatherhead School of Management at Case Western Reserve University and has over 30 years of banking experience with Key Bank and Bank One and also served as Director of E-Strategy for the Greater Cleveland Growth Association. In addition, Ms. Coyne was a founding member of the United Way Women's Leadership Council, served as a member of Macdonald Women's Health Leadership Council affiliated with University Hospitals Health System, served on the Finance Council of the Cleveland Catholic Diocese, as a Board member of the Consumer Bankers Association and on the inaugural board of the Forbes Executive Women's Board.

CHARLES R. HOLLINGSWORTH serves as Vice President of Sales & Marketing and Chief Lending Officer for the Cornerstone Fund. He has a Bachelor's degree in Business Administration from Pikeville College, Pikeville, KY. He also attended the Indiana Bankers Association Agricultural Banking School at Purdue University and the American Bankers Association Commercial Lending School. Mr. Hollingsworth has served as Branch Manager/Loan Officer for Tri-County Bank & Trust in Roachdale, IN, Commercial Loan Officer and Branch Sales Manager for First Federal of Lakewood Savings & Loan, Lakewood, OH, and most recently as Vice President Business Banking Relationship Manager for PNC Bank, Cleveland, OH. Charles is also a Trustee of the Strongsville, OH Chamber of Commerce.

KATHY L. HOUSTON serves as Vice President, Chief Financial Officer and Chief Operating Officer for the Cornerstone Fund. She has a Master's degree in Accounting and Financial Information Systems and a Bachelor's degree in Finance, both from Cleveland State University. Ms. Houston has held multiple financial positions in the national setting of the United Church of Christ national setting, most recently serving as Chief Financial Officer for the national setting. Ms. Houston served on the Board of Directors of the United Church Insurance Association and was Chair of that organization's Finance Committee. Ms. Houston also served as Vice Chair of the Board of Directors of the United Church Insurance Corporation.

ELIZABETH F. WALKER serves as Secretary of the Cornerstone Fund. Ms. Walker has been engaged in the legal profession for over 25 years and presently works for Zurich North America Insurance Company where she now specializes in the field of employment law, educating, training, counseling and defending insured employers. Ms. Walker is a graduate of Rutgers College, New Brunswick, New Jersey, where she earned a B.A. in economics. She attended Colgate Rochester/Bexley Hall/Crozier Theological Seminary for two years focusing on applied ethics before attending Temple University School of Law in Philadelphia, Pennsylvania. She holds a Juris Doctorate Degree and is admitted to the bars of the courts of the State of New Jersey and the Commonwealth of Pennsylvania. Ms. Walker is an active member of Old First Reformed United Church of Christ in Philadelphia. She is past-Moderator of the Philadelphia Association of the United Church of Christ, works with the Justice and Witness Ministry Team of the Pennsylvania Southeast Conference of the United Church of Christ. In 2013, Ms. Walker was elected to serve on the United Church of Christ Board.

JAMES L. HENRY is a CPA and partner in the firm of Willis, Osmond and Beilstein, LLP, dba WOB Accountants & Advisors. He graduated from the College of Wooster with a major in Economics and did graduate studies in Accounting at Kent State University. He serves on the Board of Directors of Catalyst Life Services, United Church Homes and Richland Academy of the Arts. He is a past Moderator of The Ohio Conference UCC and The Northwest Ohio Association. Jim has served the national setting of the United Church of Christ as a past member of the Board of Directors of Local Church Ministries, as a past Board member of the United Church of Christ Cornerstone Fund, as a past member of the Board for Homeland Ministries and as a past member of the Executive Council.

DANIEL D. DUBREE is owner of Preferred Global Consulting, LLC which provides confidential consulting services for companies seeking federal government contracts. Prior to his consulting work, Dan worked for twenty-seven years for the Federal Bureau of Investigation (FBI) serving as Assistant Director, Deputy Assistant Director, Deputy Program Manager, Assistant Special Agent in Charge, Unit Chief, Supervisor Senior Resident Agent, Supervisor Special Agent, Special Agent and Computer Programmer. As Assistant Director, Dan was responsible for operation and maintenance of the FBI's Information Technology system worldwide. In this capacity he led a staff of 800 members and formulated and executed at budget of over $200 million. Mr. Dubree is an active UCC member and from 2013 to 2016 served as Executive Director/Chief Operating Officer of Cathedral of Hope in Dallas, Texas. He is a 1983 graduate of Catawba College in Salisbury, North Carolina with a Bachelor of Arts in Mathematics and Computer Science and received his Juris Doctor, cum laude, in 1996 from New York Law School. Mr. Dubree is licensed to practice law in New York and New Jersey.

THOMAS E. DIPKO is the retired Executive Vice President of the United Church Board for Homeland Ministries and Charter Chair and member of the Board of Directors of the Cornerstone Fund. He served as a local church pastor for 21 years and as Conference Minister of the Ohio Conference for 8 years. His specializations include ecumenical theology and liturgy, and he served as the first draft writer of the UCC Book of Worship. He holds a B.A. from Otterbein College, an M.Div. from United Theological Seminary (Dayton), and a Ph.D. from Boston University.

Remuneration

No member of the Board of Directors receives any compensation from the Cornerstone Fund for being a Director. Except for the President and Vice Presidents, no officer receives compensation directly from the Cornerstone Fund. Directors and officers are reimbursed for actual expenses incurred in attending our corporate meetings.

The following table sets forth the amount of all annual remuneration of the Officers whose total remuneration exceeded $150,000 in 2016 and the total remuneration in aggregate for all executive officers who received compensation directly from Cornerstone Fund for 2016:

Officer	Salary	Health or Other Insurance	Retirement Plan Contribution	Personal Use of Assets	Total Remuneration
Gordon J. Gilles	$158,084	$16,780	$20,496	$0	$195,360
All Officers in Aggregate	$399,853	$66,718	$53,229	$0	$519,800

We paid no remuneration to any of our officers or Directors based upon the sale of our Notes.

The remuneration of our President and all personnel, as well as office space expenses and common service fees are paid directly by us, but paid through services organizations that are related to the United Church of Christ. See "RELATED PARTY TRANSACTIONS" and the Notes to the Financial Statements, Note 8.

As of December 31, 2016, our officers and directors as a group had invested the aggregate amount of $57,467 in our Notes, which represented 0.08% of our total outstanding Notes held by Investors at the time. Because of the continuous nature of our offerings of Notes and the personal nature of investment by our officers and directors, we cannot state as to whether any further investment by officers and directors will occur in the future.

Pension/Retirement Plan

All officers and staff rendering services to us are eligible for the retirement benefits of The Pension Boards of the United Church of Christ, a separately recognized instrumentality of the United Church of Christ. Operating expenses allocated to us include a portion of the retirement contributions for these employees totaling $88,667 in 2016.

LITIGATION

As of the date of the Offering Circular, there are no pending litigation or other legal or administrative proceedings or claims pending (actual or threatened) against the Cornerstone Fund, its officers or directors or affiliates. Moreover, there have never been any material legal proceedings or claims against us, our officers or directors.

ADMINISTRATIVE MATTERS

Securities issued by charitable organizations are exempt from the registration provisions of the Securities Act of 1933, as amended, and from the registration provisions of certain state securities laws. In other states, debt securities, such as our Notes, must be registered prior to their offer and sale. Additionally, in certain states, although the securities are exempt from registration, our officers engaged in sales activities must be registered as agents. Furthermore, most states have regulatory statutes which govern the borrowing and lending activities undertaken within the state.

We believe we have taken or will be taking the necessary steps to comply with the state securities laws of the states in which we offer and sell or will be offering and selling our Notes. In certain states, however, it is possible that our activities may have exposed us to potential liabilities. We are not aware, however, of any material, undisclosed liability at this time.

INDEPENDENT AUDITORS

The financial statements of Cornerstone Fund as of and for the years ended December 31, 2014, 2015 and 2016 have been audited by Maloney + Novotny LLC, independent auditors, as stated in its report appearing herein.

We will make available to you a copy of our annual report or Offering Circular, or otherwise make available our audited financial statements, within 120 days after the close of each fiscal year. At the present time, our fiscal year ends on December 31.

INTERNAL CONTROLS

We maintain internal accounting control systems that are designed to provide reasonable assurance that our assets are safeguarded, that transactions are executed in accordance with management's authorization and are properly recorded, and that accounting records are adequate for preparation of financial statements and other financial information. Our Board of Directors has an Audit Committee, made up of independent directors, that is responsible for the employment of our independent auditors and the maintenance of our internal accounting controls.

DEFINITIONS

Association. A body within a Conference of the United Church of Christ which is composed of all Local Churches in a geographical area, all Ordained Ministers holding standing or ordained ministerial partners standing therein, all Commissioned Ministers and Licensed Ministers in that Association. Associations determine, confer, and certifies to the standing of the Local Churches of the United Church of Christ within its area. Associations grant authorization that is required for various forms of ministry in and on behalf of the Church.

Church Organizations. Local churches, colleges, seminaries, administrative instrumentalities and other organizations affiliated and identified with the United Church of Christ, or any of its Associations or Conferences.

Conference. A body within United Church of Christ which is composed of all Local Churches in a geographical area, all Ordained Ministers holding standing or ordained ministerial partners standing in its Associations or in the Conference itself when acting as an Association, all Commissioned Ministers and Licensed Ministers in its Associations.

Cornerstone Fund. The United Church of Christ Cornerstone Fund, Inc.®, the issuer of the Notes.

Invested Funds. Certificates of deposit, commercial paper, bankers acceptances, shares of money market funds or governmental obligations, including treasury bills and notes, purchased by the Cornerstone Fund.

Investment Balances. The amounts representing outstanding principal and accrued interest owed by the Cornerstone Fund to individuals and Church Organizations.

Local Church Ministries. Local Church Ministries (A Covenanted Ministry of the United Church of Christ) with which the Cornerstone Fund is affiliated and shares the church extension work of the United Church of Christ.

Exhibit A – Audited Financial

UNITED CHURCH OF CHRIST
CORNERSTONE FUND, INC.

FINANCIAL REPORT

DECEMBER 31, 2016, 2015 and 2014

UNITED CHURCH OF CHRIST CORNERSTONE FUND, INC.

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Maloney
Maloney + Novotny LLC

Independent Auditors' Report

To the Board of Directors
United Church of Christ
Cornerstone Fund, Inc.
Cleveland, Ohio

We have audited the accompanying financial statements of the United Church of Christ Cornerstone Fund, Inc. (a nonprofit organization), which comprise the statements of financial position as of December 31, 2016, 2015 and 2014, and the related statements of activities and changes in unrestricted net assets and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the United Church of Christ Cornerstone Fund, Inc. as of December 31, 2016, 2015 and 2014, and the changes in its unrestricted net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Maloney + Novotny LLC

Cleveland, Ohio
March 7, 2017

UNITED CHURCH OF CHRIST CORNERSTONE FUND, INC.

STATEMENTS OF FINANCIAL POSITION

December 31, 2016, 2015 and 2014

	2016	2015	2014
ASSETS			
Church building loans receivable (Notes 2 and 5)	$58,606,832	$58,348,599	$54,143,000
Cash and equivalents (Note 2)	11,989,802	10,091,237	10,123,686
Short-term investments (Note 2)	2,484,000	2,999,000	1,497,000
Investments (Notes 2 and 4)	7,076,482	7,803,082	6,943,000
Accrued interest receivable	293,644	314,083	425,367
Other assets	334,884	232,497	240,705
TOTAL ASSETS	$80,785,644	$79,788,498	$73,372,758
LIABILITIES AND NET ASSETS			
LIABILITIES			
Interest bearing investment obligations (Notes 6 and 8)	$70,915,975	$70,667,223	$64,204,408
Church funds on deposit	863,242	-	-
Accrued interest payable	107	69	34
Accounts payable and other accrued expenses (Note 8)	103,960	73,781	88,267
Total liabilities	71,883,284	70,741,073	64,292,709
UNRESTRICTED NET ASSETS	8,902,360	9,047,425	9,080,049
TOTAL LIABILITIES AND NET ASSETS	$80,785,644	$79,788,498	$73,372,758

The accompanying notes are an integral part of these financial statements.

UNITED CHURCH OF CHRIST CORNERSTONE FUND, INC.

STATEMENTS OF ACTIVITIES AND CHANGES IN UNRESTRICTED NET ASSETS

Years Ended December 31, 2016, 2015 and 2014

	2016	2015	2014
REVENUES			
Interest on church building loans	$2,760,053	$2,688,301	$2,785,676
Income on cash, cash equivalents and investments:			
Interest	188,134	159,003	172,552
Net depreciation in fair value of investments	-	-	(4,238)
Total income on cash, cash equivalents and investments	188,134	159,003	168,314
Other	9,016	13,344	12,486
Total revenues	2,957,203	2,860,648	2,966,476
EXPENSES			
Interest on investment obligations	1,241,852	1,269,408	1,255,420
Provision for loan losses (Note 2)	-	-	-
Management and common service fees (Note 8)	1,240,816	989,824	927,705
General and administrative	361,468	380,979	403,935
Professional services	258,132	253,061	235,482
Total expenses	3,102,268	2,893,272	2,822,542
(DECREASE) INCREASE IN UNRESTRICTED NET ASSETS BEFORE CONTRIBUTIONS MADE	(145,065)	(32,624)	143,934
CONTRIBUTIONS MADE			
National Basic Support of Our Church's Wider Mission	-	-	14,393
(DECREASE) INCREASE IN UNRESTRICTED NET ASSETS	(145,065)	(32,624)	129,541
UNRESTRICTED NET ASSETS – BEGINNING OF YEAR	9,047,425	9,080,049	8,950,508
UNRESTRICTED NET ASSETS – END OF YEAR	$8,902,360	$9,047,425	$9,080,049

The accompanying notes are an integral part of these financial statements.

UNITED CHURCH OF CHRIST CORNERSTONE FUND, INC.

STATEMENTS OF CASH FLOWS

Years Ended December 31, 2016, 2015 and 2014

	2016	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES			
(Decrease) increase in unrestricted net assets	$ (145,065)	$ (32,624)	$ 129,541
Adjustments to reconcile (decrease) increase in unrestricted net assets to net cash (used) provided by operating activities:			
Net depreciation in fair value of investments	-	-	4,238
Provision for loan losses	-	-	-
Change in operating assets and liabilities:			
Accrued interest receivable	20,439	111,284	183,417
Other assets	(102,387)	8,208	(26,929)
Accrued interest payable	38	35	(67)
Accounts payable and other accrued expenses	30,179	(14,486)	(47,602)
Total adjustments	(51,731)	105,041	113,057
Net cash (used) provided by operating activities	(196,796)	72,417	242,598
CASH FLOWS FROM INVESTING ACTIVITIES			
Amounts disbursed for church building loans	(8,570,022)	(11,932,429)	(6,652,794)
Principal repayments received on church building loans	8,311,789	7,726,830	7,807,983
Receipt of church funds on deposit	863,242	-	-
Redemptions (purchases) of short-term investments	515,000	(1,502,000)	(1,497,000)
Purchases of investments	(25,635,000)	(6,896,066)	(1,830,000)
Proceeds from sales and maturities of investments	26,361,600	6,035,984	1,650,182
Net cash provided (used) by investing activities	1,846,609	(6,567,681)	(521,629)
CASH FLOWS FROM FINANCING ACTIVITIES			
Issuance of investment obligations	21,090,474	18,257,818	13,822,070
Redemption of investment obligations	(20,841,722)	(11,795,003)	(16,523,931)
Net cash provided (used) by financing activities	248,752	6,462,815	(2,701,861)
INCREASE (DECREASE) IN CASH AND EQUIVALENTS	1,898,565	(32,449)	(2,980,892)
CASH AND EQUIVALENTS – BEGINNING OF YEAR	10,091,237	10,123,686	13,104,578
CASH AND EQUIVALENTS – END OF YEAR	$ 11,989,802	$ 10,091,237	$ 10,123,686
Supplemental disclosure of cash flow information:			
Cash paid during the year for:			
Interest	$ 1,241,814	$ 1,269,373	$ 1,255,487

The accompanying notes are an integral part of these financial statements.

Note 1. Organization

The United Church of Christ Cornerstone Fund, Inc. (the "Fund") was incorporated in 1993 as a not-for-profit corporation in Indiana for the purpose of assisting churches affiliated with the United Church of Christ ("UCC") in financing church buildings and expansion of existing structures. The Fund is exempt from federal income tax under Section 501(c)(3) of the Internal Revenue Code.

The Fund is affiliated with the UCC, a not-for-profit entity located in Cleveland, Ohio. The Fund pays UCC Common Services Corporation for personnel costs and remits common service fees for human resources, accounting, and other functions. Rent for office space is paid to 700 Prospect Corporation, an affiliated entity through the UCC.

Note 2. Summary of Significant Accounting Policies

A. Basis of Accounting – The financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. The Fund has reported information regarding its financial position and activities according to three classes of net assets: unrestricted, temporarily restricted, and permanently restricted. Unrestricted net assets represent resources received without time or purpose restriction. As of December 31, 2016, 2015 and 2014, there were no temporarily or permanently restricted net assets.

B. Use of Estimates – The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

C. Cash and Equivalents – The Fund considers all highly liquid debt instruments purchased with an original maturity of three months or less and investments in money market and short-term mutual funds to be cash equivalents. The Fund places its temporary cash investments with various financial institutions, which may exceed federally insured amounts at times and may exceed reported values due to outstanding checks.

D. Short-Term Investments – Short-term investments consist of certificates of deposit purchased with original maturities of greater than three months, but are not held for long-term investment. Short-term investments are carried at cost. These certificates of deposit are placed with various financial institutions, but are monitored to ensure they are within federally insured limits.

E. Church Building Loans Receivable – Loans are made to fund the construction, acquisition, and expansion of church facilities. Mortgages are held against these properties and are stated at their unpaid principal balance. Repayment of the loans is dependent upon the many factors, including the continued membership and support of the borrower and the borrower’s or Fund’s ability to sell the underlying property in the event of foreclosure. During 2016, a church borrower deposited funds with the Fund to pay construction draws prior to advances being disbursed on its construction loan. As of December 31, 2016, $863,242 remains and is recorded as church funds on deposit.

Note 2. Summary of Significant Accounting Policies (Continued)

F. Allowance for Loan Losses – An allowance is recorded to reduce the loan balance if the level of delinquencies indicates probable uncollectible balances in the future, based upon management's review of the loan portfolio and past collection history. Loans are charged off when management determines that all or a portion of the balance will not be collected through payment or liquidation of underlying collateral. Loans are generally placed on nonaccrual status when greater than 90 days past due. Because the Fund's loans are receivable only from UCC congregations and affiliated agencies, management does not believe that further segmentation of the portfolio as required by ASC 310 would be meaningful. The allowance for loan losses was $-0- as of December 31, 2016, 2015 and 2014. No loans were charged off during the years 2016, 2015 and 2014. Loans ninety days or more past due amounted to $4,406,028, $1,666,100 and $711,303 as of December 31, 2016, 2015 and 2014, respectively. Loans placed on nonaccrual status amounted to $4,406,028, $1,666,100 and $711,303 as of December 31, 2016, 2015 and 2014, respectively.

G. Revenue Recognition – Interest on church building loans is recognized as revenue in the period it is earned. If a loan is placed on nonaccrual status, all accrued and unpaid interest is reserved for. Reserved accrued interest was $53,739, $61,833 and $10,866 as of December 31, 2016, 2015 and 2014, respectively.

H. Loan Origination Costs – Deferred costs of processing loan applications are included in other assets and amortized on a straight line basis for interest only and credit line loans, and for all other loans on a level yield method over the original lives of the loans. The net unamortized origination costs were $225,405, $208,164 and $203,617 as of December 31, 2016, 2015 and 2014, respectively, and are included in other assets in these financial statements.

I. Fair Value of Financial Instruments – The carrying values of cash and equivalents, accounts and other receivables, prepaid and other assets, and accounts payable are reasonable estimates of fair value due to the short-term nature of these financial instruments.

The Fund estimates the fair value of financial instruments using available market information and other generally accepted valuation methodologies. Fair value is defined as the price that would be received to sell an asset or would be paid to transfer a liability in an orderly transaction between market participants at the measurement date. The inputs used to measure fair value are classified into three levels:

Level 1 – Quoted market prices in active markets for identical assets and liabilities.

Level 2 – Observable market-based inputs or unobservable inputs that are corroborated by market data.

Level 3 – Unobservable inputs in which little or no market data exists.

J. Liquidity – The general order of liquidity of assets is cash and equivalents, investments, loans and accrued interest receivable, and other assets. The general order of liquidity of liabilities is interest bearing demand investment obligations, accounts payable and other accrued expenses, and interest bearing term obligations (including accrued interest).

Note 2. Summary of Significant Accounting Policies (Continued)

K. Noncash Transactions – The Fund had noncash activity related to church building loan renewals which amounted to approximately $5,916,973, $2,966,079 and $2,931,500 in 2016, 2015 and 2014, respectively.

L. Subsequent Events – Management has performed an analysis of the activities and transactions subsequent to December 31, 2016 to determine the need for any adjustments to and/or disclosures within the audited financial statements for the year ended December 31, 2016. Management has performed their analysis through March 7, 2017.

Note 3. Reserve Requirements

The Fund has a policy requiring the Fund at all times to maintain cash and/or investments with an aggregate market value equal to at least 10% of the principal balance of the Fund's outstanding interest bearing investment obligations, and at least 1% of the principal balance of the Fund's outstanding church building loans receivable. These reserve requirements were met during 2016, 2015 and 2014.

Note 4. Investments

At December 31, 2016, 2015 and 2014, the Fund's investments consisted of certificates of deposit with maturities ranging from 6 months to 60 months.

The Fund's investments in certificates of deposit are carried at cost, which approximates market value, based upon market rates for similar certificates of deposit, generally a Level 2 method.

Scheduled maturities of the Fund's investments held at December 31, 2016 were:

	Certificates of Deposit
2017	$1,239,000
2018	1,449,000
2019	1,830,000
2020	1,557,066
2021	1,001,416
Total	$7,076,482

Note 5. Church Building Loans

All church building loans are collateralized by a mortgage or deed of trust. The weighted average interest rate on all outstanding loans is 4.80%, 4.93% and 5.10% at December 31, 2016, 2015 and 2014, respectively.

The principal payments of loans scheduled to be received are:

2017	$ 5,435,011
2018	7,931,333
2019	8,217,606
2020	11,377,248
2021	11,076,603
Thereafter	14,569,031
Total	$58,606,832

As of December 31, 2016, 2015 and 2014, the outstanding balances of lines of credit were $1,723,350, $2,009,225 and $2,002,154, respectively.

As of December 31, 2016, 2015 and 2014, the Fund has approved commitments of $21,771,278, $13,822,161 and $15,602,500, respectively, for both additional loans and the unfunded balances of existing construction loans and lines of credit.

Note 6. Interest Bearing Investment Obligations

The Fund has issued and sold interest bearing investment obligations to investors who reside in various states where the Fund is registered to do business. The obligations outstanding are summarized as follows:

Type of Account	Weighted Average Interest December 31, 2016	December 31, 2016 Amount	2016 %	2015 Amount	2015 %	2014 Amount	2014 %
Demand obligations:							
Individuals	0.50 %	$ 989,239	1.40 %	$ 678,498	0.96 %	$ 684,951	1.06 %
Churches	0.50	4,013,362	5.66	4,975,177	7.04	3,689,099	5.75
Total demand	0.50	5,002,601	7.06	5,653,675	8.00	4,374,050	6.81
Term obligations:							
Individuals	1.93	23,886,693	33.68	24,423,893	34.56	23,305,167	36.30
Churches	1.74	39,882,301	56.24	38,710,125	54.78	34,630,478	53.94
IRAs	1.68	2,144,380	3.02	1,879,530	2.66	1,894,713	2.95
Total term	1.80	65,913,374	92.94	65,013,548	92.00	59,830,358	93.19
Total investment obligations	1.71 %	$ 70,915,975	100.00 %	$ 70,667,223	100.00 %	$ 64,204,408	100.00 %

Note 6. Interest Bearing Investment Obligations (Continued)

The interest bearing term investment obligations at December 31, 2016 mature as follows:

2017	$31,876,265
2018	12,827,021
2019	5,941,269
2020	6,070,891
2021	9,197,928
Total	$65,913,374

The interest bearing term investment obligations generally mature over a range of six months to five years and are renewable automatically at maturity, unless the investor requests payment. Term deposits with balances greater than $100,000 were $26,345,782, $26,238,800 and $19,301,487 as of December 31, 2016, 2015 and 2014, respectively.

The Fund sells/renews interest bearing investment obligations subject to the laws and regulations for each of the states in which it currently operates. Changes in federal and/or state laws, rules, or regulations regarding the sale of debt securities of religious, charitable, or other nonprofit organizations may impact the Fund's ability to offer its investment obligations in the future. As of March 7, 2017, the Fund is not eligible to sell interest bearing investment obligations in three states. The Fund is working with certain states to regain eligibility to continue to sell investment obligations in these states.

Note 7. Financing Arrangement

The Fund has a revolving line of credit with KeyBank (the "Bank"). Maximum borrowing on this line is $5,000,000. Interest on outstanding balances is payable at the LIBOR rate plus 1.85%, based upon the term of the borrowing selected by the Fund. The Fund also is required to pay a commitment fee of .10% quarterly of the average daily unused amount of the line of credit. Commitment fees paid to the Bank were $12,197 in 2016 and $6,000 in 2015 and 2014. The line of credit is collateralized by marketable securities currently held or to be held by Local Church Ministries of the UCC. There were no outstanding balances on the line of credit as of December 31, 2016, 2015 and 2014. The line of credit expires on April 30, 2017.

Note 8. Balances and Transactions With Related Parties

The Fund recorded personnel expense of $1,060,056 in 2016, $831,263 in 2015 and $762,043 in 2014. Common services fees totaled $140,731 in 2016, $102,431 in 2015 and $113,462 in 2014. The Fund rents its office space under a sixteen year operating lease with 700 Prospect Corporation, an affiliate of the UCC, which expires December 31, 2021. Rental payments are adjusted annually based upon changes in 700 Prospect Corporation's real estate taxes. Anticipated rentals are $56,130 per year for the years 2017 through 2018. Office space expense for the Fund was $56,130 in 2016 and 2015 and $52,200 in 2014.

Accrued expenses include amounts due to UCC Common Services Corporation and other related parties for fees and other reimbursable costs of $4,379 in 2016, $15,299 in 2015 and $-0- in 2014.

Note 8. Balances and Transactions With Related Parties (Continued)

The Fund has interest bearing investment obligations due to affiliates of the UCC of $14,696,121, $14,867,292 and $13,374,939 as of December 31, 2016, 2015 and 2014, respectively. The Fund also has interest bearing investment obligations due to directors and employees of the Fund and employees of the UCC of $187,050, $405,492 and $435,165 as of December 31, 2016, 2015 and 2014, respectively.

Note 9. Retirement Plan

Substantially all employees of the Fund are covered by a noncontributory defined contribution retirement plan administered by The Pensions Boards - United Church of Christ, an affiliate of the UCC. Contributions to the plan are at 14% of employees' annual salaries. At retirement, employees may select from several annuity options available for benefits. Expense for this plan is $88,667 in 2016, $79,753 in 2015 and $71,880 in 2014.

Note 10. Functional Expenses

The functional classification of expenses is a method of grouping expenses according to the purpose or activity for which costs are incurred. The classification of expenses by function for the Fund is as follows for the years ended December 31, 2016, 2015 and 2014:

	2016	2015	2014
Program	$2,537,427	$2,472,721	$2,406,494
Supporting activities	564,841	420,551	430,441
	$3,102,268	$2,893,272	$2,836,935

Note 11. Capital Ratios

Financial institutions regulated by federal or state agencies have certain capital ratios that are used to determine whether the institution is adequately capitalized and are generally considered to be well capitalized if their net worth is at least 7% to 8% of risk weighted assets (generally consisting of loans receivable and equity and debt security holdings), depending on the type of institution. While the Fund is not regulated or required to meet the capital ratios, they are beneficial for bench marking purposes. The Fund's risk weighted assets include its cash and equivalents, investments, and church building loans receivable and are weighted at 100%. The Fund's net assets to risk weighted assets and total assets were as follows for years ended December 31:

	2016	2015	2014
Net assets to risk weighted assets	11.3%	11.4%	12.5%
Net assets to total assets	11.0%	11.3%	12.4%

United Church of Christ
CORNERSTONE FUND

CERTIFICATION OF PRESIDENT, CHIEF EXECUTIVE OFFICER

I, Maria C. Coyne, certify that:

1. I have reviewed these financial statements of United Church of Christ Cornerstone Fund, Inc. (the "Fund");
2. Based on my knowledge, these financial statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by these financial statements;
3. Based on my knowledge, the financial statements fairly present in all material respects the financial condition, results of operations, and cash flows of the Fund as of, and for, the periods presented;
4. The Fund's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures for the Fund and we have:
   a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Fund is made known to us by others, particularly during the period in which these financial statements are being prepared;
   b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.
   c) evaluated the effectiveness of the Fund's disclosure controls and procedures as of a date within 90 days prior to the filing date of these financial statements (the "Evaluation Date"); and
   d) presented in these financial statements our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;
5. The Fund's other certifying officer and I have disclosed, based on our most recent evaluation, to the Fund's auditors and the Audit Committee of the Fund's Board of Directors:
   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Fund's ability to record, process, summarize, and report financial data and have identified for the Fund's auditors any material weaknesses in internal controls; and
   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Fund's internal controls; and
6. The Fund's other certifying officer and I hereby state that there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 7, 2017

Maria C. Coyne

Maria C. Coyne
President, Chief Executive Officer

700 Prospect Avenue · Cleveland, Ohio 44115
216.736.3829 • 888.822.3863 • 216.736.3823 fax
www.cornerstonefund.org

United Church of Christ
CORNERSTONE
FUND

CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Kathy Houston, certify that:

1. I have reviewed these financial statements of United Church of Christ Cornerstone Fund, Inc. (the "Fund");

2. Based on my knowledge, these financial statements do not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by these financial statements;

3. Based on my knowledge, the financial statements fairly present in all material respects the financial condition, results of operations, and cash flows of the Fund as of, and for, the periods presented;

4. The Fund's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures for the Fund and we have:

   c) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the Fund is made known to us by others, particularly during the period in which these financial statements are being prepared;

   d) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

   c) evaluated the effectiveness of the Fund's disclosure controls and procedures as of a date within 90 days prior to the filing date of these financial statements (the "Evaluation Date"); and

   d) presented in these financial statements our conclusions about the effectiveness of the disclosure controls and procedures based on our evaluation as of the Evaluation Date;

5. The Fund's other certifying officer and I have disclosed, based on our most recent evaluation, to the Fund's auditors and the Audit Committee of the Fund's Board of Directors:

   a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Fund's ability to record, process, summarize, and report financial data and have identified for the Fund's auditors any material weaknesses in internal controls; and

   b) any fraud, whether or not material, that involves management or other employees who have a significant role in the Fund's internal controls; and

6. The Fund's other certifying officer and I hereby state that there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our most recent evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Date: March 7, 2017

Kathy Houston

Kathy Houston
Chief Financial Officer and Chief Operations Officer

700 Prospect Avenue • Cleveland, Ohio 44115
216.736.3829 • 888.822.3863 • 216.736.3823 fax
www.cornerstonefund.org

Exhibit B – Applications to Purchase

United Church of Christ
CORNERSTONE FUND

700 Prospect Avenue, Cleveland, OH 44115-1100
Phone 216-736-3829 • Fax 216-736-3823
Toll-free 888-822-3863 cornerstonefund.org

Individual Investment Application

1 Investment Amount

New Investment

☐ Check enclosed ____________________

Investment of Matured Note:

Account # ______________________________

Entire balance

Principal only

Portion of Note(s) $ ________________

2 Term Selection*

Demand Note *($50 min.)*

Demand Note + *($50 min.)* **Term Note** *($500 min.)*

Monthly ACH *($100 required)*

☐ **6 Month**
☐ **12 Month**
☐ **24 Month**
☐ **36 Month**
☐ **60 Month**

**See rate sheet for current interest rates*

3 Income Distribution

A. ☐ **Accrue (add) to my investment semi-annually**

B. **Pay directly**

☐ **Semi-annually**
☐ **Quarterly**
☐ **Monthly** *(for balances of $10,000 or more)*
☐ **Pay by check**
☐ **Direct deposit to bank account**

(Please scan/attach a voided check)

Bank Name ______________________________

Street Address ______________________________

City/State/Zip ______________________________

ABA # ______________________________

Bank Account # ______________________________

Issue the Note in the names below

If issued in two names, parties are joint tenants with survivorship rights. If to be titled as a Trust, please include copy of first page of trust document.

Name ______________________	Name ______________________
Social Security # ______________________	Social Security # ______________________
Date of Birth ______________________	Date of Birth ______________________
Mailing address ______________________	Mailing address ______________________
City ______________________	City ______________________
State ____________ Zip ____________	State ____________ Zip ____________
Preferred Phone ______________________	Preferred Phone ______________________
E-mail ______________________	E-mail ______________________

Name of Local Church ______________________________ City ____________________

I/We would like my our investment to assist in the Interest Rate Rebate for the following church or church-related organization —

______________________________________ City ____________________

EVERY PENNSYLVANIA PURCHASER OF THE SECURITIES DESCRIBED IN THIS APPLICATION HAS THE RIGHT TO WITHDRAW FROM THE PURCHASE WITHIN TWO BUSINESS DAYS. SEE PAGES iii AND iv OF THE OFFERING CIRCULAR FOR MORE INFORMATION AND INSTRUCTIONS.

I/We hereby acknowledge receipt of the Offering Circular of the United Church of Christ Cornerstone Fund, Inc. (Cornerstone Fund) and further represent that I/we are members of, contributors to (including investors), or participants in the United Church of Christ or the Cornerstone Fund or in any program, activity or organization which constitutes a part of the United Church of Christ or Cornerstone Fund, Inc. or in any other protestant church organizations which have a programmatic relationship with the United Church of Christ or the Cornerstone Fund, Inc.
Further, under penalties of perjury, I certify (1) that the number shown on the forms is my correct taxpayer identification number, and (2) that I am not subject to backup withholding because (a) I have not been notified that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (b) the Internal Revenue Service has notified me that I am no longer subject to backup withholding.

MAKE ALL CHECKS PAYABLE TO UNITED CHURCH OF CHRIST CORNERSTONE FUND, INC.

To confirm acceptance, the Cornerstone Fund, Inc. will mail to the person to whom interest on the Note is payable an executed copy of the Note purchased.

Signature ______________ Date	Signature ______________ Date
Print Name	Print Name

United Church of Christ
CORNERSTONE FUND

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Phone 216-736-3829 • Fax 216-736-3823
Toll-free 888-822-3863 cornerstonefund.org

Church/Organization Investment Application

1 Investment Amount

New Investment

☐ Check enclosed ____________

Investment of Matured Note:

Account # ____________________

Entire balance

Principal only

Portion of Note(s) $ ____________

2 Term Selection*

Demand Note *($50 min.)*

Demand Note + *($50 min.)* **Term Note** *($500 min.)*

Monthly ACH *($100 required)*

☐ 6 Month
☐ 12 Month
☐ 24 Month
☐ 36 Month
☐ 60 Month

**See rate sheet for current interest rates*

3 Income Distribution

A. ☐ **Accrue (add) to my investment semi-annually**

B. **Pay directly**

☐ **Semi-annually**
☐ **Quarterly**
☐ **Monthly** *(for balances of $10,000 or more)*
☐ **Pay by check**
☐ **Direct deposit to bank account**

(Please scan/attach a voided check)

Bank Name ____________________

Street Address ____________________

City/State/Zip ____________________

ABA # ____________________

Bank Account # ____________________

Issue the Note in the names below

Church/Organization Name ____________________

Tax ID Number ____________________ Church E-Mail ____________________

Address ____________________

City ____________________ State ____________ Zip Code ________

Preferred Phone ____________________ Conference ____________________

Contact Person ____________________ Preferred Phone ____________________

Contact Person E-Mail ____________________

We would like this investment to support an Interest Rate Rebate for the following church or church-related organization -

Name ____________________ City ____________________

EVERY PENNSYLVANIA PURCHASER OF THE SECURITIES DESCRIBED IN THIS APPLICATION HAS THE RIGHT TO WITHDRAW FROM THE PURCHASE WITHIN TWO BUSINESS DAYS. SEE PAGES iii AND iv OF THE OFFERING CIRCULAR FOR MORE INFORMATION AND INSTRUCTIONS.

We hereby acknowledge receipt of the Offering Circular of the United Church of Christ Cornerstone Fund, Inc. (Cornerstone Fund) and further represent that we are a church or other organization affiliated or associated with the United Church of Christ or the Cornerstone Fund, Inc. or in any program, activity or organization which constitutes a part of the United Church of Christ or Cornerstone Fund, Inc. or any other protestant church organization which has a programmatic relationship with the United Church of Christ or the Cornerstone Fund, Inc.
Further, under penalties of perjury, I certify that the name, mailing address and Federal Identification Number shown above on the form are true, correct and complete.

MAKE ALL CHECKS PAYABLE TO UNITED CHURCH OF CHRIST CORNERSTONE FUND, INC.

To confirm acceptance, the Cornerstone Fund, Inc. will mail to the person to whom interest on the Note is payable an executed copy of the Note purchased.

Authorized Signature	Date	Authorized Signature	Date
Print Name		Print Name	