

November 16<sup>th</sup>, 2007

RE: State Tax Withholding on Benefit Payments

The Church Pension Fund (the “Fund”) is pleased to announce that, effective with your February 2008 benefit payment (paid January 31, 2008), the Fund will accommodate your election of state tax withholding on benefit payments from the Church Pension Fund Clergy Pension Plan and the Episcopal Church Lay Employees’ Retirement Plan. You will be provided with the opportunity to elect state tax withholding via the updated payment vouchers that you will receive from Northern Trust on November 30, 2007 and December 31, 2007. You need to make any withholding election via one of those two vouchers in order for us to process the withholding starting in 2008.

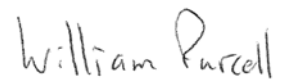
For members of the clergy, state tax withholding is optional, and therefore, if you do not return the payment voucher, your existing tax withholding amount will not change. However, if you wish to elect state tax withholding, simply make the appropriate election on the payment voucher and return it to us no later than January 15, 2008.

If you are a member of the laity or a beneficiary of the clergy or lay plan, we recommend that you read this letter carefully, make the appropriate state tax withholding election on the Northern Trust voucher, and return the voucher to the Fund no later than January 15, 2008. It is important to note the following when completing your state tax withholding election:

- If you legally reside in one of the following states, you must complete the state tax withholding section of the payment voucher by January 15, 2008, or else the Fund will automatically apply your state’s default tax withholding to benefit payments starting on January 31, 2008: Arkansas, California, Delaware, Georgia, Iowa, Kansas, Massachusetts, Maine, North Carolina, Nebraska, Oklahoma, Oregon, Virginia, Vermont.
- If you legally reside in Iowa, Massachusetts, Nebraska, Oklahoma, Oregon, or Virginia, you may only opt out of state tax withholding if you have also opted out of federal tax withholding.
- If you legally reside in one of the following states, do not elect state tax withholding because such states either do not impose personal income taxes on residents or exempt pension payments from state income tax: Alaska, Florida, Hawaii, Illinois, Mississippi, Nevada, New Hampshire, Pennsylvania, South Dakota, Tennessee, Texas, Washington, Wyoming.
- If you legally reside in any state not mentioned above, state tax withholding is optional; if you do not return the payment voucher, no state tax will be withheld from your pension payments.
- You may change your state tax withholding election at any time, either by changing your state tax withholding election on any future voucher that you receive from Northern Trust, or by contacting the Fund directly.

We recommend that you consult your tax advisor or the state tax withholding instructions for your state of residence prior to making your state tax withholding election. The Fund cannot provide any investment or tax advice. If you have any other questions, please feel free to contact the Fund during the hours of 8:30AM and 4:45PM (EST), Monday thru Friday, at (866) 802-6333.

Sincerely,

A handwritten signature in black ink that reads "William Purcell". The signature is written in a cursive, slightly slanted style.

William Purcell  
Project Leader  
State Income Tax Withholding