



Retirement Board

Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Join from PC, Mac, iPad, or Android:

<https://zoom.us/j/97128986534>

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Webinar ID: 971 2898 6534

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1. Agenda

Subject	1.1. Motion to adopt agenda
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	1. Agenda
Department	Retirement Administration
Type	Action Procedural
Recommended Action	Motion to adopt agenda

2. Public Forum

Subject	2.1. Verbal Comments
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	2. Public Forum
Department	Retirement Administration

Type	Action Procedural
Recommended Action	open Public Forum close Public Forum

3. Minutes

Subject	3.1. February 18, 2025 Retirement Board Meeting Minutes, Draft
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	3. Minutes
Department	Clerk/Treasurer's Office
Type	Communication Action Information Minutes
Recommended Action	approve the minutes

4. Approve Return of Contributions

Subject	4.1. Kelly Brown, Class B \$631.27; Effective Date of Benefit: 04/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions
Department	Retirement Administration
Type	Action
Recommended Action	approve return of contribution for Kelly Brown
Subject	4.2. Kyle Brouillette, Class A \$56,446.07; Effective Date: 05/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions
Department	Retirement Administration
Type	Action
Recommended Action	approve return of contribution for Kyle Brouillette
Subject	4.3. Robert Maietta, Class B \$240.13; Effective Date of Benefit: 04/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions

Department	Retirement Administration
Type	Action
Recommended Action	approve return of contribution for Robert Maietta
Subject	4.4. Carrie L. Napolitan, Class B \$1,443.74; Effective Date of Benefit: 04/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions
Department	Retirement Administration
Type	Action
Recommended Action	approve return of contribution for Carrie L. Napolitan
Subject	4.5. Isaac Bromley, Class B \$1,783.89; Effective Date of Benefit: 04/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions
Department	Retirement Administration
Type	Action
Recommended Action	approve return of contribution for Isaac Bromley
Subject	4.6. Justin B. Hoy, Class B \$5,496.04; Effective Date of Benefit: 03/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions
Department	Retirement Administration
Type	Action
Recommended Action	approve return of contribution for Justin B. Hoy
Subject	4.7. Faith James, Class B \$2,196.07; Effective Date of Benefit: 03/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions
Department	Retirement Administration

Type	Action
Recommended Action	approve return of contribution for Faith James
Subject	4.8. Ashleigh Maestas, Class B \$1,709.60; Effective Date of Benefit: 03/01/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	4. Approve Return of Contributions
Department	Retirement Administration
Type	Action
Recommended Action	approve return of contribution for Ashleigh Maestas

5. Approve Retirement Applications

Subject	5.1. My T. Nguyen, Class A \$5,678.93; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	5. Approve Retirement Applications
Department	Retirement Administration
Type	Action
Recommended Action	approve retirement application for My T. Nguyen
Subject	5.2. Duane Crowley, Class B \$2,114.52; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	5. Approve Retirement Applications
Department	Retirement Administration
Type	Action
Recommended Action	approve retirement application for Duane Crowley
Subject	5.3. Kathleen M. Dunn, Class B \$2,172.29; Effective Date of Benefit: 03/01/25; Payment Date: 03/15/25
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	5. Approve Retirement Applications
Department	Retirement Administration

Type Action

Recommended Action approve retirement application for Kathleen M. Dunn

6. Administrative Update

Subject **6.1. BERS Prepaid Pension Benefits**

Meeting March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 6. Administrative Update

Department Clerk/Treasurer's Office

Type Discussion
Information

7. Fiducient

Subject **7.1. Investment Report as of February 28, 2025**

Meeting March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 7. Fiducient

Department Retirement Administration

Type Information
Discussion

Subject **7.2. Asset Allocation Update & Recommendations**

Meeting March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 7. Fiducient

Department Retirement Administration

Type Information
Discussion

Subject **7.2. a. Voting items include:**

1. Asset Allocation Recommendation (slide 8)
2. Revisions to the Asset Allocation included in the Appendix to the IPS (slide 9)
3. Selection of a Real Asset Manager (slides 10-15)

Meeting March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room

Category 7. Fiducient

Department Retirement Administration

Type

Action

Recommended Action

8. Discussion on Retirement-Related Contracts (expected executive session)

Subject	8.1. • Investment Consulting Firm • Pension & Other Post Employment Benefits (OPEB) Actuarial Services Firm) • Pensiion & OPEB Consulting Services Firm
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	8. Discussion on Retirement-Related Contracts (expected executive session)
Department	Clerk/Treasurer's Office
Type	Action
Recommended Action	1. Move to make a specific finding that premature general public knowledge of procurement and negotiations of contracts for professional financial services would clearly place the City at a substantial disadvantage; and 2. Based upon such finding, move to enter executive session pursuant to 1 VSA 313(a)(1)(A).

9. Adjournment

Subject	9.1. Motion to adjourn
Meeting	March 17, 2025 - Retirement Board Meeting - Monday, March 17, 2025, 9:30 AM, Burlington City Hall, 1st Floor, Bushor Conference Room
Category	9. Adjournment
Department	Retirement Administration
Type	Action Procedural
Recommended Action	Motion to adjourn

**BURLINGTON RETIREMENT (BERS) BOARD
REMOTE MEETING WITH CALL-IN
BURLINGTON, VERMONT
MINUTES OF MEETING**

DRAFT

February 18, 2025

MEMBERS PRESENT:

Munir Kasti, Vice Chair
David Mount
Kyle Blake
Tom Chenette
Matt Dow
Katherine Schad

OTHERS PRESENT:

Brad Kukenberger
Lynn Reagan
Kate Pizzi
Richard Carey

1. CALL TO ORDER

Munir Kasti called the Retirement Board meeting to order at 9:35 AM.

MOTION by David Mount, SECOND by Kyle Blake, to approve the agenda as presented.

VOTING: unanimous; motion carries.

2. PUBLIC FORUM (VERBAL)

2.1 Verbal Comments
None.

3. APPROVE MINUTES

3.1 January 27, 2025 Retirement Board Meeting Minutes, Draft

MOTION by Katherine Schad, SECOND by David Mount, to approve the minutes of January 27, 2025.

VOTING: unanimous; motion carries.

4. APPROVE RETURN OF CONTRIBUTIONS

- 4.1 Saja Almogalli, Class A \$16,007.84; Effective Date of Benefit: 03/01/2025
- 4.2 Carol Bundy, Class B \$9,235.76; Effective Date of Benefit: 02/01/2025
- 4.3 Philo J. Brown Gould, Class B \$1,898.90; Effective Date of Benefit: 04/01/2025
- 4.4 Phethlongxay Keomanyvanh, Class B \$29,918.20. Effective Date of Benefit: 04/01/2025
- 4.5 Robin Moore, Class B \$4,181.78; Effective Date of Benefit: 03/01/2025
- 4.6 Cole A. Hayes, Class B \$10,678.94; Effective Date of Benefit: 03/01/2025
- 4.7 Corey Harman, Class B \$3,457.95; Effective Date of Benefit: 03/01/2025
- 4.8 Andrew Ducharme, Class B \$1,533.43; Effective Date of Benefit: 01/01/2025

MOTION by Matt Dow, SECOND by Kyle Blake, to approve the returns of contributions as presented.

VOTING: unanimous; motion carries.

5. APPROVE RETIREMENT APPLICATIONS

5.1 Anne Pratt, Class B \$397.03; Effective Date of Benefit: 02/01/2025; Payment Date: 02/15/2025

5.2 Dega Lhamo Anak, Class B \$404.66; Effective Date of Benefit: 03/01/2025; Payment Date: 03/15/2025

5.3 Kevin M. O'Brien, Class A \$6,021.48; Effective Date of Benefit: 1/01/2025; Payment Date: 02/15/2025

5.4 Mary C. Griffin, Class B, \$5,897.01; Effective Date of Benefit: 02/01/2025; Payment Date: 02/15/2025

MOTION by David Mount, SECOND by Kyle Blake, to approve the retirement applications as presented.

VOTING: unanimous; motion carries.

6. ADMINISTRATIVE UPDATE

6.1 General Administrative Updates

Chief Administrative Officer Schad noted that the next BERS Board meeting will be extended to discuss contracts with Fiducient and USI. She noted that the meeting is scheduled for March 17, 2025 and she requested that any feedback or questions on the contracts be submitted to staff by March 3, 2025.

Mr. Blake asked that the monthly report of money coming into and leaving the portfolio be added to the monthly agenda packet going forward. He also asked staff to follow up on Mr. Olsen's question from the prior meeting about providing information about a summary plan description.

7. FIDUCIENT

7.1 Investment Review as of January 31, 2025

Ms. Pizzi began by noting that January performance was generally good, though there was a significant amount of volatility within the month. She said that interest rates overall moved very little, which boded well for fixed income assets. She noted that U.S. Core Bonds was up 0.5% in January, which helped with stability within the portfolio. She noted that equities also performed positively in January, with U.S. large cap up 3.2% and international developed markets up 5.3% (though she noted that Q4 2024 was a painful quarter for international markets). She noted that within real assets, high performance within commodities (primarily the agricultural sector) and positive performance in real estate drove the 1.6% increase in real assets. She spoke about the 9.4% return for hedge funds, noting lag in that performance and that it really corresponds to December 2024 performance (not January 2025 performance).

Ms. Pizzi then spoke about asset allocation, noting the portfolio's overall plan assets of \$261.2 million (including \$2.3 million of pension benefits payable to the City). She noted that asset allocations are generally in line with targets, but noted a 2.3% overweight in U.S. equities which is balanced by an underweight to fixed income and an underweight to real assets. She noted that the real asset underweight is driven by the UBS Trumbull Property Fund, and that some of the overweight in equities is a general reflection of market movements, as U.S. equities have significantly outperformed over the longer term.

Ms. Pizzi then summarized overall portfolio performance, noting that the portfolio is up 2.6% for the month, which is slightly ahead of the benchmark, and which translates to an additional \$6.6 million for the portfolio. She noted that for the fiscal year to date, the portfolio has almost reached the actuarial assumed rate of return of 7.1% (the portfolio is currently at 6.8%). She further noted that for the last 12 months of performance, the portfolio saw growth of almost 14%. She said that much of this growth, at least within the fixed income space, is driven by the active managers across that asset class. She summarized comparisons of manager performance to indexes across asset classes, noting that they have generally outperformed.

7.2 2025 Asset Allocation Review

Ms. Pizzi began by reviewing Fiducient's 2025 outlook, which focused on themes related to fragility, durability, and active management (as presented in more depth at the BERS January 27, 2025 meeting). She said that focusing on fragility captures the precariousness and volatility of global markets, due to the more expensive valuation of U.S. markets, and unprecedented concentration within the U.S. large cap space (namely, seven large technology stocks). She said that if one of those seven companies has missteps, it could lead to significant volatility within investment markets. She said that focusing on durability entails thinking about thoughtful diversification across the portfolio, using fixed income as a way to help decrease the risk related to concentrating on those large cap stocks. She said they can approach this by allocating away from where the broader index is allocating, hence why the portfolio is modestly underweight in U.S. large cap equities. She then spoke about the focus on active management, saying that there are key areas like the fixed income space that are well-served by active management, rather than passive management.

Ms. Pizzi then provided an overview of the 20-year market outlook (2025-2044). She noted that generally, expected returns going forward are less than where expected returns were at this point last year, recognizing the expensive valuations and higher interest rates. She shared modeling analyses of the current allocation, current IPS targets, and then alternative scenarios modeling an optimized portfolio, a portfolio with only fixed/equity assets, and a portfolio with a slightly higher allocation to real assets. She said that generally, the portfolio performs better and with less volatility if it is diversified across all three asset classes (fixed income, equities, and real assets). She said that over time, they'd recommend translating focus from private real assets to broad real assets, which includes other areas like infrastructure, energy, natural resources, and treasury inflation and protected securities. She noted that they also recommend having active managers in this space, because it is more complex.

Ms. Pizzi then reviewed the current versus proposed target allocation for the portfolio. She noted that the allocations currently are 27% to fixed income, 42.5% to domestic equity and 26% to international equity, 4% to real estate, and 0.5% to private equity. She said Fiducient's proposal is to keep fixed income at 27%, increasing U.S. equities by 1.5% to 44%, and keeping international equities at 26% (but moving 0.5% from developed to emerging markets within international equities), and decreasing real estate from 4% to 3% and decreasing private equity from 0.5% to 0%. She noted that this proposal falls within the broad range of the BERS Investment Policy Statement (IPS). She said that in the longer term, they would like to discuss moving to a broader real asset class and including an active manager in that space, by redirecting redemptions from the UBS Trumbull fund as they come in. Mr. Blake asked what a scenario would look like that allocates 3% to private real estate and adding 1.5% to broad real assets, and Ms. Pizzi replied that they can model this. Mr. Blake said that it would be prudent to increase the targets for broad real assets and allocate funds as they come in from the redemption pool to bring the actual asset allocation in line with the target over time. Ms. Pizzi said that she would like to also discuss several managers in the broad real asset space at the next BERS meeting for the Board's consideration. The BERS Board will plan to hold a vote on proposed asset allocations and consider several real asset managers at its next meeting.

Mr. Mount asked about the emerging markets and which countries are included in that asset class. Ms. Pizzi outlined the countries included in the emerging market index, noting that China represents about one third of the index. She noted that emerging markets is another area where an active manager might be beneficial.

8. ADJOURNMENT

8.1 Motion to Adjourn

MOTION by Kyle Blake, SECOND by Tom Chenette, to adjourn the meeting.

VOTING: unanimous; motion carries.

The meeting adjourned at 10:33 AM.

RScty: AACoonrad

Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

Kelly Brown

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected. As a Plan participant, you may have made post-tax contributions to the Plan. As a result, a portion of your benefit may be non-taxable. **Consult with your tax advisor if you have any questions.**

Information Used in Determination

Participant Name:	Kelly Brown	Class:	B
Date of Birth:		Department:	AFSCME Local 1343
Date of Hire:	06/13/2024	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	08/28/2024	Normal Retirement Date (NRD):	01/16/2054
Beneficiary Date of Birth:		Payment Start Date:	04/01/2025
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2024	Contributions	\$89.64	\$89.64
06/30/2024	Interest at 2%	\$0.00	\$89.64
08/28/2024	Contributions	\$540.29	\$629.93
03/31/2025	Interest at 2%	\$1.34	\$631.27
(1) Pre-Tax Employee Contributions (Taxable):			\$629.93
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):			\$1.34
(3) Total Return of Employee Contributions with Interest:			\$631.27

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$631.27	\$631.27	0.00

Calculation of Benefit Options

Burlington Employees' Retirement System, Class A - Police Union

Form A

Kyle Brouillette

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

Type of Calculation

Vested - Regular Retirement

Information Used in Benefit Determination

Participant Name:	Kyle Brouillette	Class:	A
Date of Birth:		Department:	Police Union
Date of Hire:	08/29/2016	Vesting Percentage:	100.0000%
Date of Termination:	01/26/2023	Normal Retirement Date (NRD):	08/12/2043
Beneficiary Date of Birth:		Payment Start Date:	05/01/2025
		Employee Contribution Balance w/ Interest as of 05/01/2025:	\$56,446.07

Earnings

Average Final Compensation*: \$66,637.69

Determination of Benefit Amount

(1) Years of Creditable Service (CS)	6.41667
(2) Years of CS on or prior to June 30, 2006 [(2) + (3) is not to exceed 20 years]	0.00000
(3) Years of CS after June 30, 2006 [(2) + (3) is not to exceed 20 years]	6.41667
(4) Years of CS in excess of 20 years	0.00000

COLA Option	Full COLA
(5) Accrual Rate on or prior to June 30, 2006 (not to exceed 20 years)	2.500%
(6) Accrual Rate after June 30, 2006 (not to exceed 20 years)	2.500%
(7) Accrual Rate in excess of 20 years	5.000%
(8) Retirement Accrual Percentage = [(2) x (5)] + [(3) x (6)] + [(4) x (7)]	16.0417%
(9) Monthly Vested Benefit Payable at NRD = (8) x Average Final Compensation/12 x Vesting Percentage	\$890.82
(10) Early Retirement Reduction Factor	1.0000
(11) Monthly Vested Benefit Payable at Normal Retirement Date = (9) x (10)	\$890.82

Benefit Options – payable at Normal Retirement Date

Form of Payment	Full COLA		
	Option Factor	Initial Benefit	Survivor's Benefit ⁽¹⁾
Straight Life Annuity	1.0161	\$905.16	**
5 Year Certain & Life Annuity	1.0000	\$890.82	\$890.82
100% Joint & Survivor Annuity	0.9228	\$822.05	\$822.05
50% Joint & Survivor Annuity	0.9672	\$861.60	\$430.80
100% Joint & Survivor Pop-Up Annuity	0.8974	\$799.42	\$799.42
50% Joint & Survivor Pop-Up Annuity	0.9555	\$851.18	\$425.59

Benefit Options – payable at Payment Start Date

Return of Employee Contributions (100% taxable)	N/A	\$56,446.07	N/A
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(1) **Survivor Benefits:** for the Joint and Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

* Average is of the five highest years of base earnings

**Amount in excess (if any) of accumulated employee contributions, with interest, over payments made

Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

Robert Maletta

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected. As a Plan participant, you may have made post-tax contributions to the Plan. As a result, a portion of your benefit may be non-taxable. **Consult with your tax advisor if you have any questions.**

Information Used in Determination

Participant Name:	Robert Maletta	Class:	B
Date of Birth:		Department:	AFSCME Local 1343
Date of Hire:	04/01/2024	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	06/04/2024	Normal Retirement Date (NRD):	07/02/2049
Beneficiary Date of Birth:	N/A	Payment Start Date:	04/01/2025
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/04/2024	Contributions	\$236.59	\$236.59
06/30/2024	Interest at 2%	\$0.00	\$236.59
03/31/2025	Interest at 2%	\$3.54	\$240.13

(1) Pre-Tax Employee Contributions (Taxable):	\$236.59
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$3.54
(3) Total Return of Employee Contributions with Interest:	\$240.13

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$240.13	\$240.13	0.00

Calculation of Return of Employee Contributions

Form A

Burlington Employees' Retirement System

Carrie L. Napolitan

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Information Used in Determination

Participant Name:	Carrie L. Napolitan	Class:	B
Date of Birth:		Department:	School
Date of Hire:	08/16/2017	Post-Tax Employee Contributions:	\$0.00
Date of Participation:	08/14/2022	Normal Retirement Date (NRD):	12/06/2041
Date of Termination:	02/23/2024	Payment Start Date:	04/01/2025
Beneficiary Date of Birth:	N/A	Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2023	Contributions	\$852.44	\$852.44
06/30/2023	Interest at 2%	\$0.00	\$852.44
02/23/2024	Contributions	\$552.97	\$1,405.41
06/30/2024	Interest at 2%	\$17.05	\$1,422.46
03/31/2025	Interest at 2%	\$21.28	\$1,443.74

(1) Pre-Tax Employee Contributions (Taxable):	\$1,405.41
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$38.33
(3) Total Return of Employee Contributions with Interest:	\$1,443.74

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$1,443.74	\$1,443.74	0.00

Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

Isaac Bromley

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Information Used in Determination

Participant Name:	Isaac Bromley	Class:	B
Date of Birth:		Department:	School
Date of Hire:	03/07/2023	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	11/22/2024	Normal Retirement Date (NRD):	04/07/2047
Beneficiary Date of Birth:		Payment Start Date:	04/01/2025
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2023	Contributions	\$391.81	\$391.81
06/30/2023	Interest at 2%	\$0.00	\$391.81
06/30/2024	Contributions	\$967.00	\$1,358.81
06/30/2024	Interest at 2%	\$7.84	\$1,366.65
11/22/2024	Contributions	\$396.79	\$1,763.44
03/31/2025	Interest at 2%	\$20.45	\$1,783.89

(1) Pre-Tax Employee Contributions (Taxable):	\$1,755.60
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$28.29
(3) Total Return of Employee Contributions with Interest:	\$1,783.89

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$1,783.89	\$1,783.89	0.00

Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

Justin B. Hoy

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Information Used in Determination

Participant Name:	Justin B. Hoy	Class:	B
Date of Birth:		Department:	School
Date of Hire:	07/13/2022	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	06/30/2024	Normal Retirement Date (NRD):	03/03/2041
Beneficiary Date of Birth:	N/A	Payment Start Date:	03/01/2025
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2023	Contributions	\$2,843.52	\$2,843.52
06/30/2023	Interest at 2%	\$0.00	\$2,843.52
06/30/2024	Contributions	\$2,523.57	\$5,367.09
06/30/2024	Interest at 2%	\$56.87	\$5,423.96
02/28/2025	Interest at 2%	\$72.08	\$5,496.04

(1) Pre-Tax Employee Contributions (Taxable):	\$5,367.09
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$128.95
(3) Total Return of Employee Contributions with Interest:	\$5,496.04

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$5,496.04	\$5,496.04	0.00

Calculation of Return of Employee Contributions

Burlington Employees' Retirement System

Form A

Faith James

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected. As a Plan participant, you may have made post-tax contributions to the Plan. As a result, a portion of your benefit may be non-taxable. **Consult with your tax advisor if you have any questions.**

Information Used in Determination

Participant Name:	Faith James	Class:	B
Date of Birth:		Department:	Non-Union
Date of Hire:	08/17/2023	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	03/21/2024	Normal Retirement Date (NRD):	12/30/2043
Beneficiary Date of Birth:	N/A	Payment Start Date:	03/01/2025
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
03/21/2024	Contributions	\$2,167.27	\$2,167.27
06/30/2024	Interest at 2%	\$0.00	\$2,167.27
02/28/2025	Interest at 2%	\$28.80	\$2,196.07
(1) Pre-Tax Employee Contributions (Taxable):			\$2,167.27
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):			\$28.80
(3) Total Return of Employee Contributions with Interest:			\$2,196.07

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$2,196.07	\$2,196.07	0.00

Calculation of Return of Employee Contributions

Form A**Burlington Employees' Retirement System****Ashleigh Maestas**

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Information Used in Determination

Participant Name:	Ashleigh Maestas	Class:	B
Date of Birth:		Department:	AFSCME Local 1343
Date of Hire:	05/29/2023	Post-Tax Employee Contributions:	\$0.00
Date of Termination:	02/11/2024	Normal Retirement Date (NRD):	08/20/2056
Beneficiary Date of Birth:	N/A	Payment Start Date:	03/01/2025
		Vesting Percentage:	0.0000%

Determination of Employee Contribution Balance with Interest

<u>Period Ending</u>	<u>Description</u>	<u>Transaction</u>	<u>Balance at End of Period</u>
06/30/2023	Contributions	\$292.87	\$292.87
06/30/2023	Interest at 2%	\$0.00	\$292.87
02/11/2024	Contributions	\$1,388.45	\$1,681.32
06/30/2024	Interest at 2%	\$5.86	\$1,687.18
02/28/2025	Interest at 2%	\$22.42	\$1,709.60

(1) Pre-Tax Employee Contributions (Taxable):	\$1,681.32
(2) Interest Accrued on Employee Contributions (5.5% through 12/31/2017, 2% thereafter):	\$28.28
(3) Total Return of Employee Contributions with Interest:	\$1,709.60

Determination of Taxable Portion of Benefit

<u>Form of Payment</u>	<u>Total Benefit</u>	<u>Taxable Portion</u>	<u>Non-Taxable Portion</u>
Return of Contributions	\$1,709.60	\$1,709.60	0.00

Calculation of Benefit Options

Burlington Employees' Retirement System, Class A - Police Non-Union

Form A

My T. Nguyen

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

Type of Calculation

Vested - Early Retirement

Information Used in Benefit Determination

Participant Name:	My T. Nguyen	Class:	A
Date of Birth:		Department:	Police Non-Union
Date of Hire:	01/17/2005	Vesting Percentage:	100.0000%
Date of Termination:	01/23/2025	Normal Retirement Date (NRD):	11/16/2035
Beneficiary Date of Birth:		Payment Start Date:	02/01/2025
		Employee Contribution Balance w/ Interest as of 02/01/2025:	\$214,103.08

Earnings

Average Final Compensation*: \$102,950.76

Determination of Benefit Amount

(1) Years of Creditable Service (CS)	20.00000
(2) Years of CS on or prior to June 30, 2006 [(2) + (3) is not to exceed 25 years]	1.50000
(3) Years of CS after June 30, 2006 [(2) + (3) is not to exceed 25 years]	18.50000
COLA Option	Full COLA Half COLA No COLA
(4) Accrual Rate on or prior to June 30, 2006 (not to exceed 25 years)	2.750% 3.250% 3.800%
(5) Accrual Rate after June 30, 2006 (not to exceed 25 years)	2.750% 3.250% 3.600%
(6) Retirement Accrual Percentage = [(2) x (4)] + [(3) x (5)]	55.0000% 65.0000% 72.3000%
(7) Monthly Vested Benefit Payable at NRD = (6) x Average Final Compensation/12 x Vesting Percentage	\$4,718.58 \$5,576.50 \$6,202.78
(8) Early Retirement Reduction Factor	0.9090 0.9090 0.9090
(9) Monthly Vested Benefit Payable at Payment Start Date = (7) x (8)	\$4,289.19 \$5,069.04 \$5,638.33

Benefit Options Available

Form of Payment	Option Factor	Full COLA		Half COLA		No COLA	
		Initial Benefit	Survivor's Benefit ⁽¹⁾	Initial Benefit	Survivor's Benefit ⁽¹⁾	Initial Benefit	Survivor's Benefit ⁽¹⁾
Straight Life Annuity	1.0072	\$4,320.07	**	\$5,105.54	**	\$5,678.93	**
5 Year Certain & Life Annuity	1.0000	\$4,289.19	\$4,289.19	\$5,069.04	\$5,069.04	\$5,638.33	\$5,638.33
100% Joint & Survivor Annuity	0.8808	\$3,777.92	\$3,777.92	\$4,464.81	\$4,464.81	\$4,966.24	\$4,966.24
50% Joint & Survivor Annuity	0.9397	\$4,030.55	\$2,015.28	\$4,763.38	\$2,381.69	\$5,298.34	\$2,649.17
100% Joint & Survivor Pop-Up Annuity	0.8746	\$3,751.33	\$3,751.33	\$4,433.38	\$4,433.38	\$4,931.28	\$4,931.28
50% Joint & Survivor Pop-Up Annuity	0.9363	\$4,015.97	\$2,007.99	\$4,746.14	\$2,373.07	\$5,279.17	\$2,639.59
Return of Employee Contributions	N/A	\$214,103.08	N/A	\$214,103.08	N/A	\$214,103.08	N/A

(1) **Survivor Benefits:** for the Joint & Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

* Average is of the five highest years of base earnings

**Amount in excess (if any) of accumulated employee contributions, with interest, over payments made

Calculation of Benefit Options

Form A

Burlington Employees' Retirement System, Class B - IBEW Local 300

Duane E. Crowley

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

Type of Calculation

Regular Service

Information Used in Benefit Determination

Participant Name:	Duane E. Crowley	Class:	B
Date of Birth:		Department:	IBEW Local 300
Date of Hire:	02/21/2006	Vesting Percentage:	100.0000%
Date of Termination:	02/04/2025	Normal Retirement Date (NRD):	02/28/2025
Beneficiary Date of Birth:		Payment Start Date:	03/01/2025
		Employee Contribution Balance w/ Interest as of 03/01/2025:	\$49,518.50

Earnings

Average Final Compensation*: \$68,664.12

Determination of Benefit Amount

(1) Years of Creditable Service (CS)	18.91667
(2) Years of CS on or prior to 05/04/2008 [(2) + (3) is not to exceed 25 years]	2.16667
(3) Years of CS after 05/04/2008 [(2) + (3) is not to exceed 25 years]	16.75000
COLA Option	
(4) Accrual Rate on or prior to 05/04/2008 (not to exceed 25 years)	1.600%
(5) Accrual Rate after 05/04/2008 (not to exceed 25 years)	1.600%
(6) Retirement Accrual Percentage = [(2) x (4)] + [(3) x (5)]	30.2667%
(7) Monthly Vested Benefit Payable at Payment Start Date = (6) x Average Final Compensation/12 x Vesting Percentage	\$1,731.86
(8) Early Retirement Reduction Factor	1.0000
(9) Monthly Vested Benefit Payable at Payment Start Date = (7) x (8)	\$1,731.86

Benefit Options Available

Form of Payment	Option Factor	Full COLA		Half COLA		No COLA	
		Initial Benefit	Survivor's Benefit ⁽¹⁾	Initial Benefit	Survivor's Benefit ⁽¹⁾	Initial Benefit	Survivor's Benefit ⁽¹⁾
Straight Life Annuity	1.0941	\$1,894.83	**	\$2,145.25	**	\$2,395.66	**
10 Year Certain & Life Annuity	1.0000	\$1,731.86	\$1,731.86	\$1,960.74	\$1,960.74	\$2,189.62	\$2,189.62
100% Joint & Survivor Annuity	0.8641	\$1,496.50	\$1,496.50	\$1,694.28	\$1,694.28	\$1,892.05	\$1,892.05
50% Joint & Survivor Annuity	0.9657	\$1,672.46	\$836.23	\$1,893.49	\$946.75	\$2,114.52	\$1,057.26
100% Joint & Survivor Pop-Up Annuity	0.8502	\$1,472.43	\$1,472.43	\$1,667.02	\$1,667.02	\$1,861.61	\$1,861.61
50% Joint & Survivor Pop-Up Annuity	0.9610	\$1,664.32	\$832.16	\$1,884.27	\$942.14	\$2,104.22	\$1,052.11
Return of Employee Contributions	N/A	\$49,518.50	N/A	\$49,518.50	N/A	\$49,518.50	N/A

(1) **Survivor Benefits:** for the Joint & Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

* Average is of the three highest years of base earnings

**Amount in excess (if any) of accumulated employee contributions, with interest, over payments made

Calculation of Benefit Options

Form A

Burlington Employees' Retirement System, Class B - AFSCME Local 1343

Kathleen M. Dunn

IMPORTANT: City of Burlington reserves the right to correct any errors in the Calculation of Benefit Options. If it is determined at any time that the information provided in this Pension Distribution Kit conflicts with the terms of the Plan, the terms of the Plan will govern. Under the law, a plan must be operated in accordance with its terms and errors must be corrected.

Type of Calculation

Regular Service

Information Used in Benefit Determination

Participant Name:	Kathleen M. Dunn	Class:	B
Date of Birth:		Department:	AFSCME Local 1343
Date of Hire:	02/24/1987	Vesting Percentage:	100.0000%
Date of Termination:	06/12/2015	Normal Retirement Date (NRD):	02/02/2025
Beneficiary Date of Birth:		Payment Start Date:	03/01/2025
		Employee Contribution Balance w/ Interest as of 03/01/2025:	\$20,956.84

Earnings

Average Final Compensation*: \$52,732.16

Determination of Benefit Amount

(1) Years of Creditable Service (CS)	28.25000
(2) Years of CS on or prior to 06/30/2006 [(2) + (3) is not to exceed 25 years]	19.25000
(3) Years of CS after 06/30/2006 [(2) + (3) is not to exceed 25 years]	5.75000
(4) Years of CS in excess of 25 years	3.25000

COLA Option	Full COLA	Half COLA	No COLA
(5) Accrual Rate on or prior to 06/30/2006 (not to exceed 25 years)	1.600%	1.900%	2.200%
(6) Accrual Rate after 06/30/2006 (not to exceed 25 years)	1.600%	1.800%	2.000%
(7) Accrual Rate in excess of 25 years	0.500%	0.500%	0.500%
(8) Retirement Accrual Percentage = [(2) x (5)] + [(3) x (6)] + [(4) x (7)]	41.6250%	48.5500%	55.4750%
(9) Monthly Vested Benefit Payable at Payment Start Date = (8) x Average Final Compensation/12 x Vesting Percentage	\$1,829.15	\$2,133.46	\$2,437.76
(10) Early Retirement Reduction Factor	1.0000	1.0000	1.0000
(11) Monthly Vested Benefit Payable at Payment Start Date = (9) x (10)	\$1,829.15	\$2,133.46	\$2,437.76

Benefit Options Available

Form of Payment	Option Factor	Full COLA		Half COLA		No COLA	
		Initial Benefit	Survivor's Benefit ⁽¹⁾	Initial Benefit	Survivor's Benefit ⁽¹⁾	Initial Benefit	Survivor's Benefit ⁽¹⁾
Straight Life Annuity	1.0941	\$2,001.27	**	\$2,334.22	**	\$2,667.15	**
10 Year Certain & Life Annuity	1.0000	\$1,829.15	\$1,829.15	\$2,133.46	\$2,133.46	\$2,437.76	\$2,437.76
100% Joint & Survivor Annuity	0.9074	\$1,659.77	\$1,659.77	\$1,935.90	\$1,935.90	\$2,212.02	\$2,212.02
50% Joint & Survivor Annuity	0.9920	\$1,814.52	\$907.26	\$2,116.39	\$1,058.20	\$2,418.26	\$1,209.13
100% Joint & Survivor Pop-Up Annuity	0.8911	\$1,629.96	\$1,629.96	\$1,901.13	\$1,901.13	\$2,172.29	\$2,172.29
50% Joint & Survivor Pop-Up Annuity	0.9897	\$1,810.31	\$905.16	\$2,111.49	\$1,055.75	\$2,412.65	\$1,206.33
Return of Employee Contributions	N/A	\$20,956.84	N/A	\$20,956.84	N/A	\$20,956.84	N/A

(1) **Survivor Benefits:** for the Joint & Survivor Annuity payments, the survivor's benefit is only payable if the chosen survivor is alive upon the participant's death. If the chosen survivor is not alive, then no additional benefit is payable upon participant death. The choice of survivor may not be changed after benefit payments have commenced.

* Average is of the three highest years of base earnings

**Amount in excess (if any) of accumulated employee contributions, with interest, over payments made

	Department	Employee	Contributions	Claims & Benefits	Net	Expenses	Misc. adj	Balance Due To/(From) BERS
Beginning Balance, 7/1/2024								549,807
July	957,429	410,327	1,367,756	(2,022,966)	(655,210)	n/a	n/a	(105,403)
August	1,026,656	439,996	1,466,652	(2,114,961)	(648,309)	n/a	n/a	(753,712)
September	984,614	421,978	1,406,592	(1,986,328)	(579,736)	n/a	n/a	(1,333,448)
October	1,835,720	786,737	2,622,457	(1,955,598)	666,859	n/a	n/a	(666,589)
November	1,030,227	441,526	1,471,752	(2,054,639)	(582,887)	n/a	n/a	(1,249,476)
December	914,301	391,843	1,306,145	(2,025,831)	(719,686)	n/a	n/a	(1,969,162)
January	1,282,398	549,599	1,831,997	(2,152,193)	(320,196)	n/a	n/a	(2,289,358)
February	975,868	418,229	1,394,097	(2,164,197)	(770,100)	n/a	n/a	(3,059,458)
February	-	-	-	-	-	n/a	n/a	(3,059,458)
March	-	-	-	-	-	n/a	n/a	(3,059,458)
April	-	-	-	-	-	n/a	n/a	(3,059,458)
May	-	-	-	-	-	n/a	n/a	(3,059,458)
June	-	-	-	-	-	n/a	n/a	(3,059,458)
Total	9,007,213	3,860,234	12,867,447	(16,476,712)	(3,609,265)			
ADEC Target for FY25	10,199,463	4,641,485						
Left to Reach ADEC Target	1,192,250	781,251						
% of Contributions/ADEC	88%	83%						

3/5 pay period month

remember this is a snapshot in time



City of Burlington Employees Retirement System

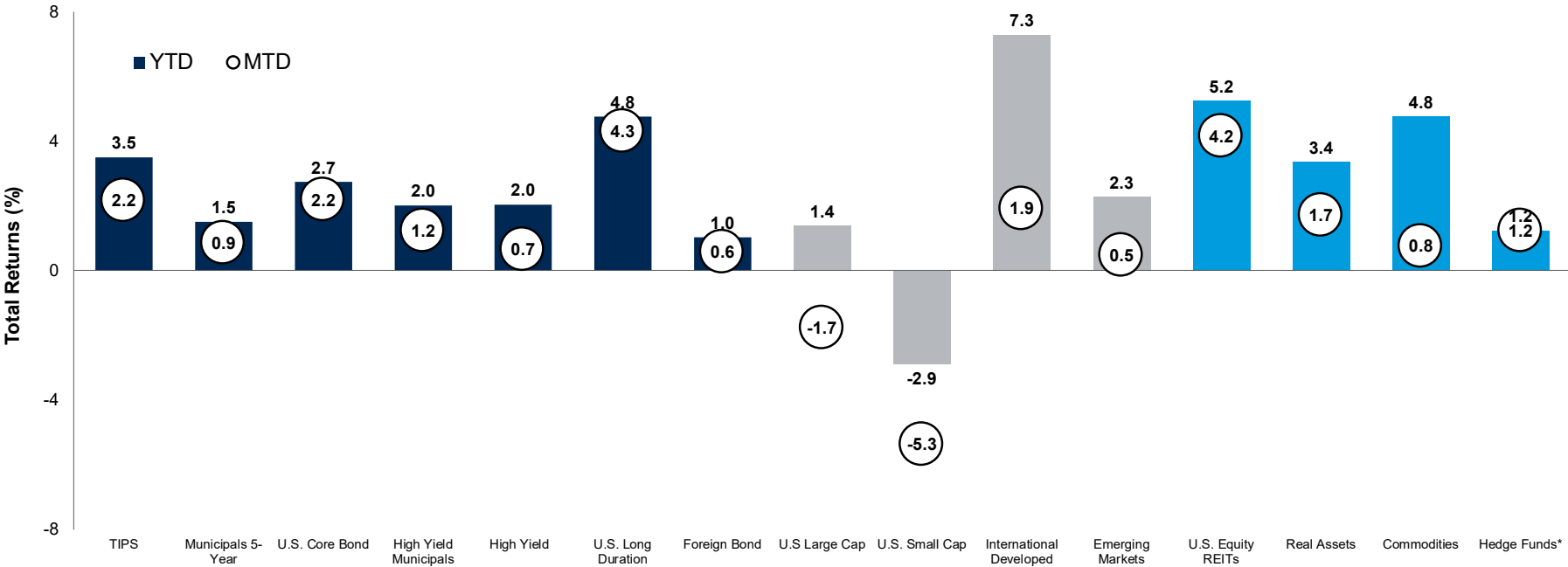
Monthly Performance Update - February 2025

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Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is risk of loss.



Asset Class Performance



Source: Morningstar Direct. As of February 28, 2025. *Hedge fund returns are as of January 31, 2025.

Fixed Income (February)

- + Rates generally moved lower in the month, a boon for fixed income assets. Easing inflation metrics (PCE) coupled with rising economic uncertainty were main drivers. Core bonds and longer duration assets performed best.
- + High yield markets were positive in the month but lagged higher quality areas. Uncertainty surrounding executive branch policy, including the potential impact of tariffs, weighed on investor sentiment and spreads moved higher.

Equity (February)

- Growing concerns about the macro economic backdrop sent domestic equities lower in February. Large cap was slightly more resilient than its small cap counterpart.
- + International equities outpaced domestic markets and developed regions outperformed emerging. A reversal of high-flying technology related names had less of an impact abroad and easing policy rates in Europe helped bolster equity markets in the region.

Real Asset / Alternatives (February)

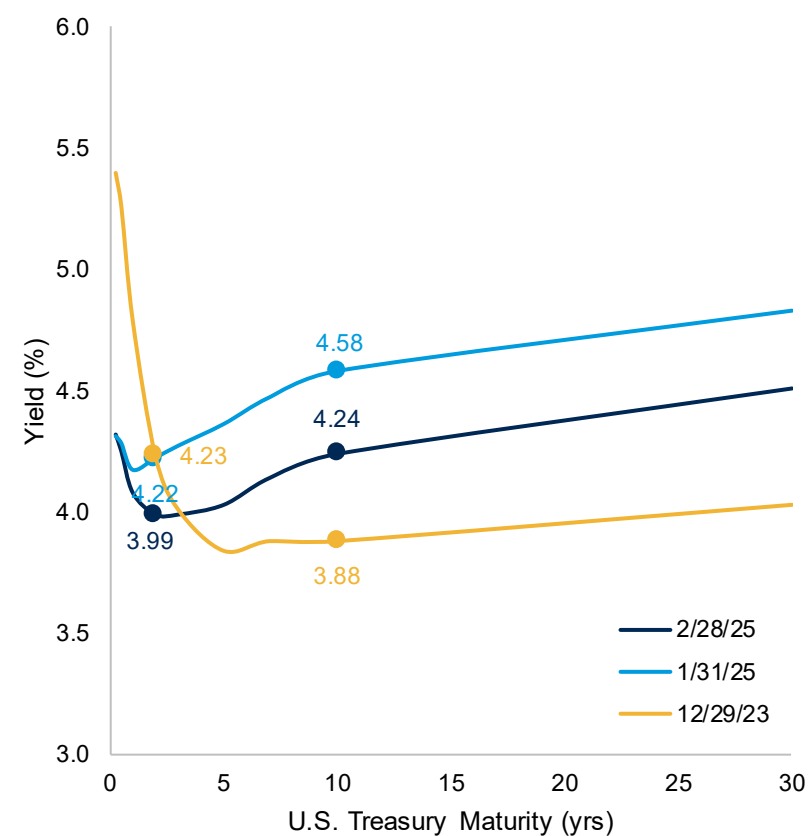
- + Despite the broader equity market sell-off, equity REITs posted a positive return, benefiting from the declining interest rate environment.
- + Real Assets had a positive month. Infrastructure related, commodities, and inflation linked fixed income all contributed.
- + Energy and industrial metals helped propel commodity markets higher during February.



Fixed Income Market Update

U.S. Treasury Yield Curve

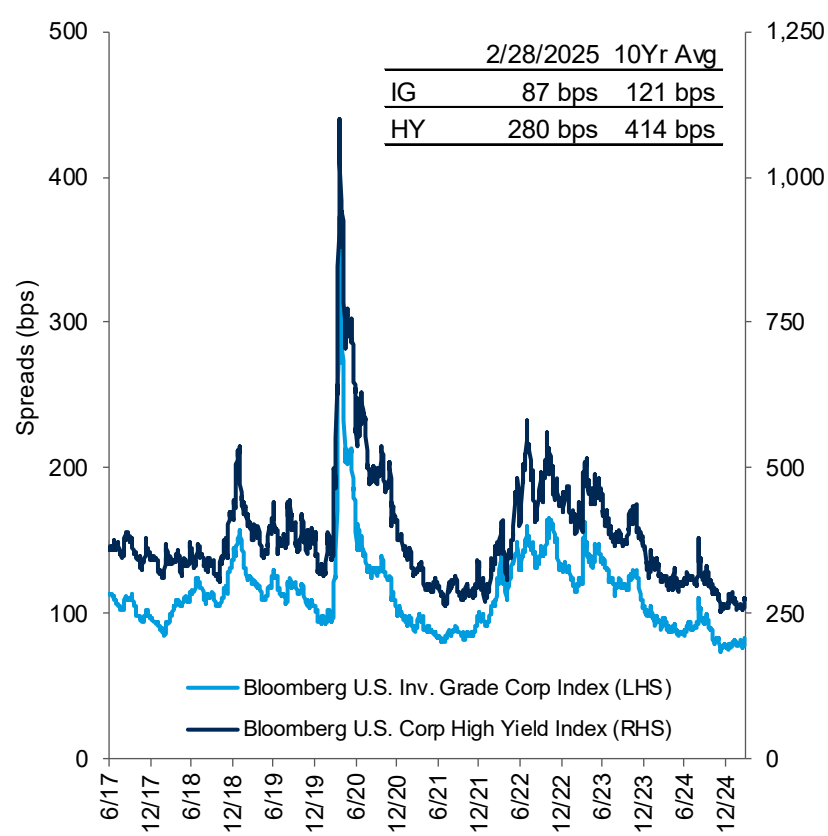
Interest rates were volatile during the month but ultimately ended lower, as investors digested the ping-pong of tariff announcements and delays, softening consumer data and easing inflation metrics. The market implied probability of more rate cuts this year increased from a month earlier.



Source: FactSet. As of February 28, 2025.

Corporate Credit Spreads – Trailing 5 Years (February)

Credit spreads widened during February, most notably in the back half of the month. Growing signs of a softening economic backdrop and uncertainty as to the impact of tariffs on corporate fundamentals were headwinds for riskier segments of the fixed income market.



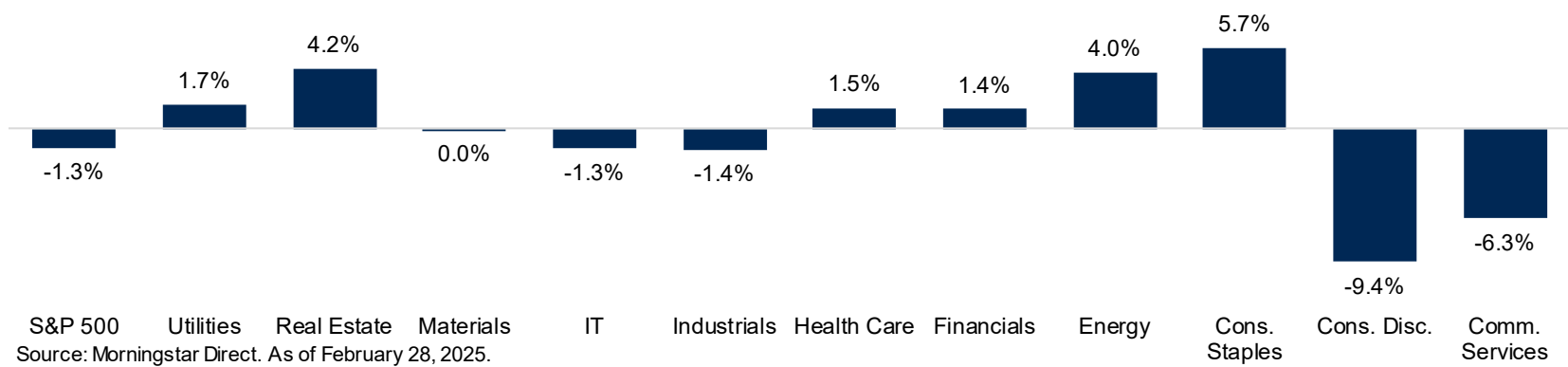
Source: FactSet. As of February 28, 2025.



Equity Market Update

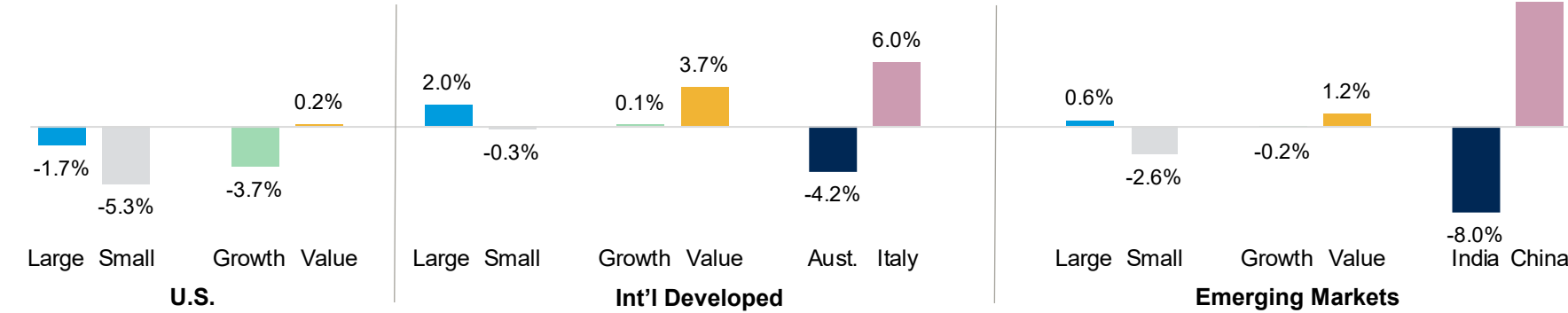
U.S. Equities – Returns by Sector (February)

The S&P 500 took a downward turn the last two weeks of the month and ended in negative territory. Sectors typically viewed as “higher quality” – such as consumer staples – fared best. However, consumer discretionary, information technology and communications were the culprits of the weak results. Lackluster sales in Europe and disappointing self-driving technology in China led Tesla to fall almost 30% during February.



Market Capitalization, Style, and Select Country Performance (February)

Equity markets were mixed around the globe with non-U.S. markets outperforming domestic. Easing monetary policy abroad helped propel markets, especially in Europe. China was a standout country within emerging markets, fueled by optimism following President Xi’s meeting with technology entrepreneurs encouraging more innovation. Value outpaced growth across regions as well. Within the U.S., a reversal of some of the high valuation “Mag 7” stocks negatively impacted growth stocks.

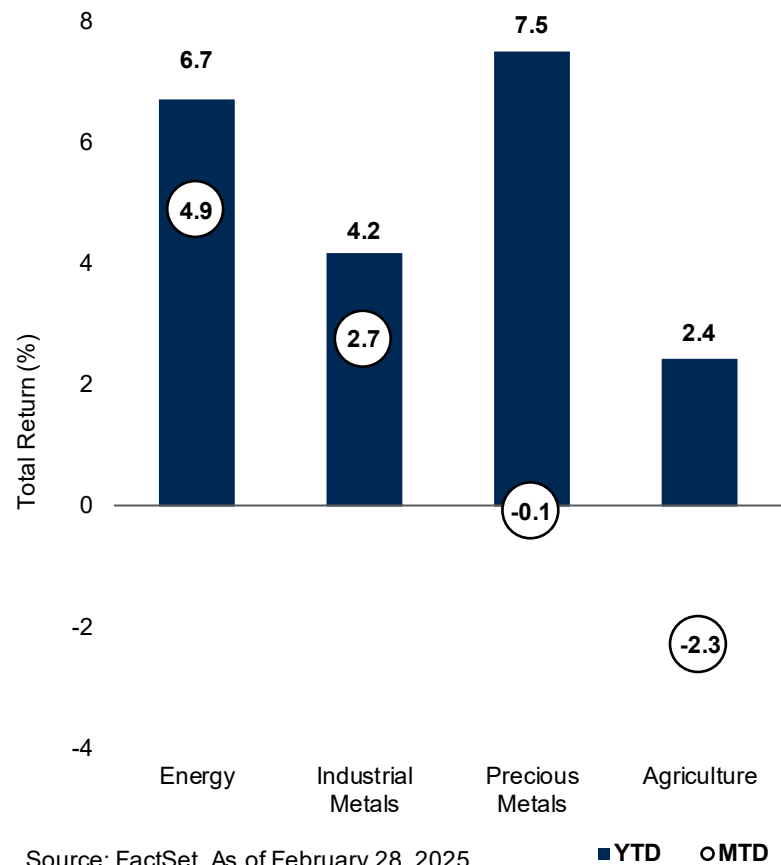




Real Asset Market Update

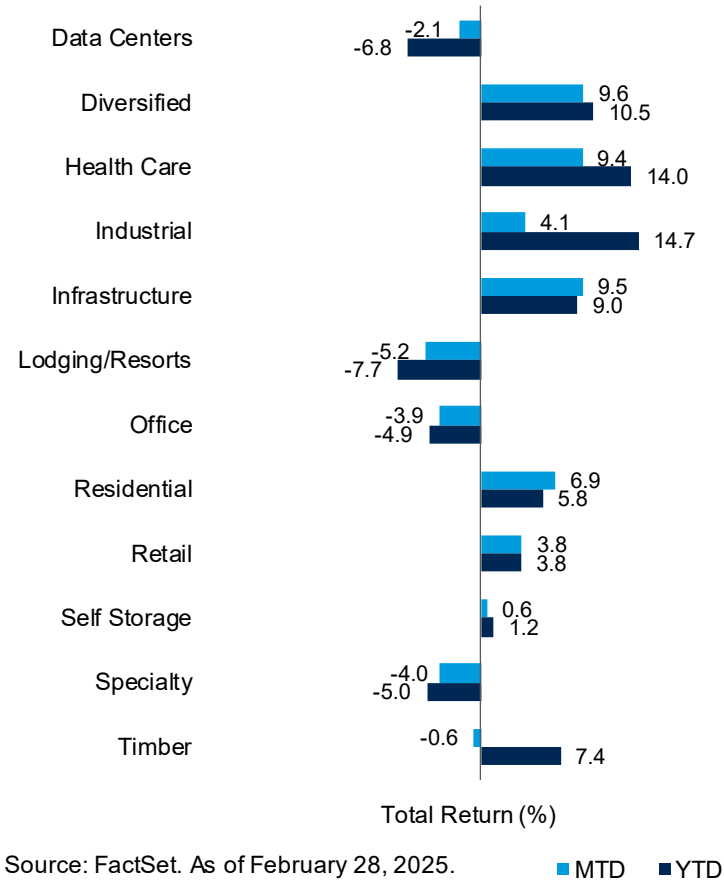
Commodity Performance (February)

Commodities markets moved higher during February. The energy sub-component led the way as natural gas prices surged mid month amidst a cold snap. Industrial metals benefited from strength in China, one of the largest consumers of these materials.



REIT Sector Performance (February)

Lower interest rates in the month was a tailwind for equity REITs. Infrastructure had a favorable earnings season while data centers pulled back as AI enthusiasm waned following the news regarding Deepseek. Lodging was negatively impacted by concerns of slowing economic growth.





Financial Markets Performance

Total Return as of February 28, 2025
Periods greater than one year are annualized
All returns are in U.S. dollar terms

Global Fixed Income Markets	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Bloomberg 1-3-Month T-Bill	0.3%	0.7%	5.2%	4.2%	2.6%	2.4%	1.8%	1.2%
Bloomberg U.S. TIPS	2.2%	3.5%	6.4%	-0.8%	1.9%	3.1%	2.4%	3.1%
Bloomberg Municipal Bond (5 Year)	0.9%	1.5%	3.0%	1.5%	0.8%	1.9%	1.7%	2.3%
Bloomberg High Yield Municipal Bond	1.2%	2.0%	8.1%	2.0%	2.1%	4.5%	4.3%	5.6%
Bloomberg U.S. Aggregate	2.2%	2.7%	5.8%	-0.4%	-0.5%	1.7%	1.5%	2.4%
Bloomberg U.S. Corporate High Yield	0.7%	2.0%	10.1%	4.9%	4.9%	5.0%	5.1%	6.5%
Bloomberg Global Aggregate ex-U.S. Hedged	0.4%	0.6%	6.0%	1.9%	0.6%	2.3%	2.4%	3.1%
Bloomberg Global Aggregate ex-U.S. Unhedged	0.8%	1.4%	0.6%	-4.9%	-3.2%	-2.1%	-0.5%	0.0%
Bloomberg U.S. Long Gov / Credit	4.3%	4.8%	4.5%	-5.4%	-4.1%	0.9%	1.2%	4.0%
Global Equity Markets	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
S&P 500	-1.3%	1.4%	18.4%	12.5%	16.9%	13.8%	13.0%	14.0%
Dow Jones Industrial Average	-1.4%	3.3%	14.4%	11.2%	13.8%	10.6%	11.7%	12.7%
NASDAQ Composite	-3.9%	-2.3%	17.9%	12.0%	18.0%	15.6%	15.4%	16.4%
Russell 3000	-1.9%	1.2%	17.5%	11.6%	16.1%	13.1%	12.4%	13.7%
Russell 1000	-1.7%	1.4%	18.1%	12.1%	16.5%	13.5%	12.7%	13.9%
Russell 1000 Growth	-3.6%	-1.7%	19.7%	14.8%	19.7%	17.1%	16.0%	16.4%
Russell 1000 Value	0.4%	5.1%	15.8%	8.7%	12.5%	9.4%	9.0%	11.1%
Russell Mid Cap	-2.8%	1.3%	12.2%	7.2%	12.4%	9.9%	9.3%	12.1%
Russell Mid Cap Growth	-5.7%	0.3%	14.5%	9.5%	12.9%	11.8%	11.0%	13.3%
Russell Mid Cap Value	-1.8%	1.6%	11.7%	6.1%	11.7%	8.4%	8.0%	11.1%
Russell 2000	-5.3%	-2.9%	6.7%	3.3%	9.4%	6.7%	7.2%	10.1%
Russell 2000 Growth	-6.8%	-3.8%	5.8%	3.6%	7.9%	6.4%	7.2%	10.7%
Russell 2000 Value	-3.8%	-1.9%	7.6%	2.8%	10.3%	6.4%	6.9%	9.2%
MSCI ACWI	-0.6%	2.7%	15.1%	9.1%	12.8%	9.4%	9.1%	9.6%
MSCI ACWI ex. U.S.	1.4%	5.5%	9.7%	4.6%	7.6%	4.2%	4.8%	5.4%
MSCI EAFE	1.9%	7.3%	8.8%	6.4%	8.7%	5.1%	5.3%	6.1%
MSCI EAFE Growth	0.1%	5.5%	3.0%	3.7%	7.2%	5.2%	5.7%	6.6%
MSCI EAFE Value	3.7%	9.0%	15.1%	9.1%	9.9%	4.7%	4.6%	5.4%
MSCI EAFE Small Cap	-0.3%	3.1%	6.4%	0.7%	5.7%	2.3%	5.2%	6.9%
MSCI Emerging Markets	0.5%	2.3%	10.1%	0.5%	4.3%	1.2%	3.5%	3.5%
Alternatives	MTD	YTD	1YR	3YR	5YR	7YR	10YR	15YR
Consumer Price Index*	0.5%	0.5%	3.0%	4.1%	4.3%	3.6%	3.1%	2.6%
FTSE NAREIT All Equity REITs	4.2%	5.2%	13.9%	1.4%	5.6%	7.8%	6.1%	9.8%
S&P Real Assets	1.7%	3.4%	9.9%	1.8%	5.1%	4.7%	3.9%	5.5%
FTSE EPRA NAREIT Developed	2.3%	4.1%	11.2%	-1.1%	2.3%	3.9%	3.2%	6.6%
FTSE EPRA NAREIT Developed ex U.S.	-0.4%	2.9%	3.0%	-6.6%	-3.2%	-1.2%	0.2%	3.5%
Bloomberg Commodity Total Return	0.8%	4.8%	11.6%	0.7%	10.6%	4.8%	1.8%	-0.5%
HFRI Fund of Funds Composite*	1.2%	1.2%	9.7%	4.4%	5.4%	4.1%	3.9%	3.7%
HFRI Asset Weighted Composite*	1.6%	1.6%	9.6%	5.1%	4.9%	4.1%	4.0%	4.6%
Alerian MLP	3.4%	12.5%	28.5%	25.8%	23.4%	12.4%	5.0%	8.3%

Sources: Morningstar, FactSet. As of February 28, 2025. *Consumer Price Index and HFRI indexes as of January 31, 2025.

See disclosures for list of indices representing each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

Indices cannot be invested in directly.



Asset Allocation

Total Plan

As of February 28, 2025

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Plan	258,226,527	100.0	100.0	0.0
Pension Benefits Payable to the City	-3,059,608	-1.2	0.0	-1.2
Total Invested Assets	261,286,136	101.2	100.0	1.2
Short Term Liquidity	134,947	0.1	0.0	0.1
Key Bank Cash Portfolio	133,969	0.1	0.0	0.1
First American Govt Oblig Fund Z	978	0.0	0.0	0.0
Fixed Income	70,423,165	27.3	27.0	0.3
JIC Core Bond Fund I	52,177,784	20.2	20.0	0.2
BlackRock Strategic Income Opportunities K	18,245,381	7.1	7.0	0.1
Equity	182,780,216	70.8	69.0	1.8
Domestic Equity	114,518,919	44.3	42.5	1.8
Mellon Large Cap Core	89,760,177	34.8	33.0	1.8
Mellon Smid Cap Core	24,758,743	9.6	9.5	0.1
International Equity	67,714,209	26.2	26.0	0.2
Mellon EAFE Fund	49,361,146	19.1	19.0	0.1
Mellon Emerging Markets	18,353,063	7.1	7.0	0.1
Private Equity	547,088	0.2	0.5	-0.3
Hamilton Lane II	881	0.0	-	-
Hamilton Lane VII A	391,261	0.2	-	-
Hamilton Lane VII B	154,946	0.1	-	-
Real Assets	7,947,808	3.1	4.0	-0.9
UBS Trumbull Property Fund	7,947,808	3.1	4.0	-0.9

Valuations data as of:

Valuations data as of:

Hamilton Lane VII - 09/30/2024

Hamilton Lane II - 09/30/2024

UBS Trumbull Property Fund - 12/31/2024

All private equity and real estate assets are adjusted for any subsequent capital activity.

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance.
Asset Allocation weightings may not add up to 100% due to rounding.



Asset Allocation

Total Invested Assets

As of February 28, 2025

	Asset Allocation (\$)	Asset Allocation (%)	Target Allocation (%)	Differences (%)
Total Invested Assets	261,286,136	100.0	100.0	0.0
Short Term Liquidity	134,947	0.1	0.0	0.1
Key Bank Cash Portfolio	133,969	0.1	0.0	0.1
First American Govt Oblig Fund Z	978	0.0	0.0	0.0
Fixed Income	70,423,165	27.0	27.0	0.0
JIC Core Bond Fund I	52,177,784	20.0	20.0	0.0
BlackRock Strategic Income Opportunities K	18,245,381	7.0	7.0	0.0
Equity	182,780,216	70.0	69.0	1.0
Domestic Equity	114,518,919	43.8	42.5	1.3
Mellon Large Cap Core	89,760,177	34.4	33.0	1.4
Mellon Smid Cap Core	24,758,743	9.5	9.5	0.0
International Equity	67,714,209	25.9	26.0	-0.1
Mellon EAFE Fund	49,361,146	18.9	19.0	-0.1
Mellon Emerging Markets	18,353,063	7.0	7.0	0.0
Private Equity	547,088	0.2	0.5	-0.3
Hamilton Lane II	881	0.0	-	-
Hamilton Lane VII A	391,261	0.1	-	-
Hamilton Lane VII B	154,946	0.1	-	-
Real Assets	7,947,808	3.0	4.0	-1.0
UBS Trumbull Property Fund	7,947,808	3.0	4.0	-1.0

Valuations data as of:

Valuations data as of:

Hamilton Lane VII - 09/30/2024

Hamilton Lane II - 09/30/2024

UBS Trumbull Property Fund - 12/31/2024

All private equity and real estate assets are adjusted for any subsequent capital activity.

Investments with a zero balance were held in the portfolio during the reporting period and will be removed once they no longer impact portfolio performance.

Asset Allocation weightings may not add up to 100% due to rounding.

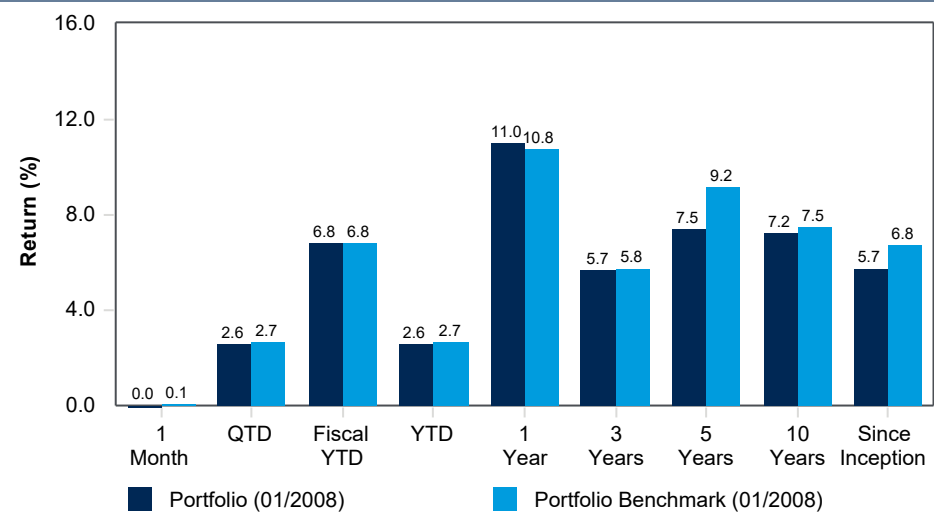


Portfolio Dashboard

Total Invested Assets

As of February 28, 2025

Historical Performance



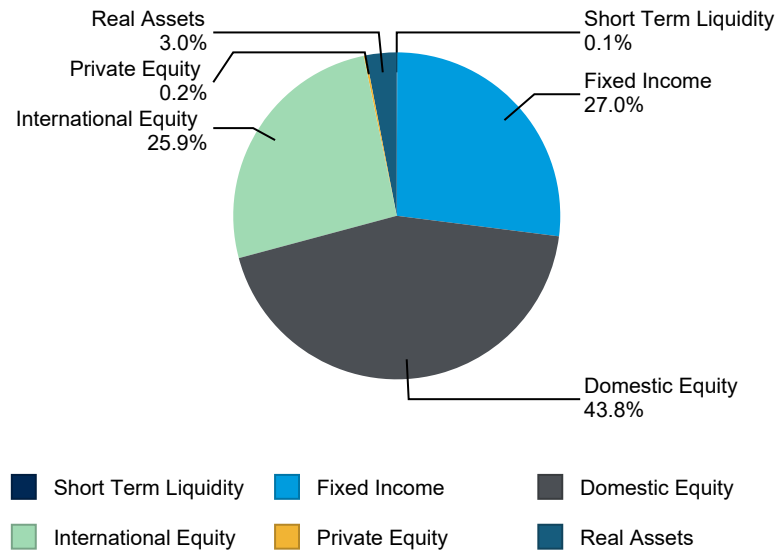
Summary of Cash Flows

	1 Month	QTD	Fiscal YTD	YTD	1 Year
Total Invested Assets					
Beginning Market Value	261,227,870	254,317,512	244,261,835	254,317,512	240,334,325
Net Contributions	497	326,688	384,156	326,688	-5,088,619
Gain/Loss	57,769	6,641,935	16,640,144	6,641,935	26,040,429
Ending Market Value	261,286,136	261,286,136	261,286,136	261,286,136	261,286,136

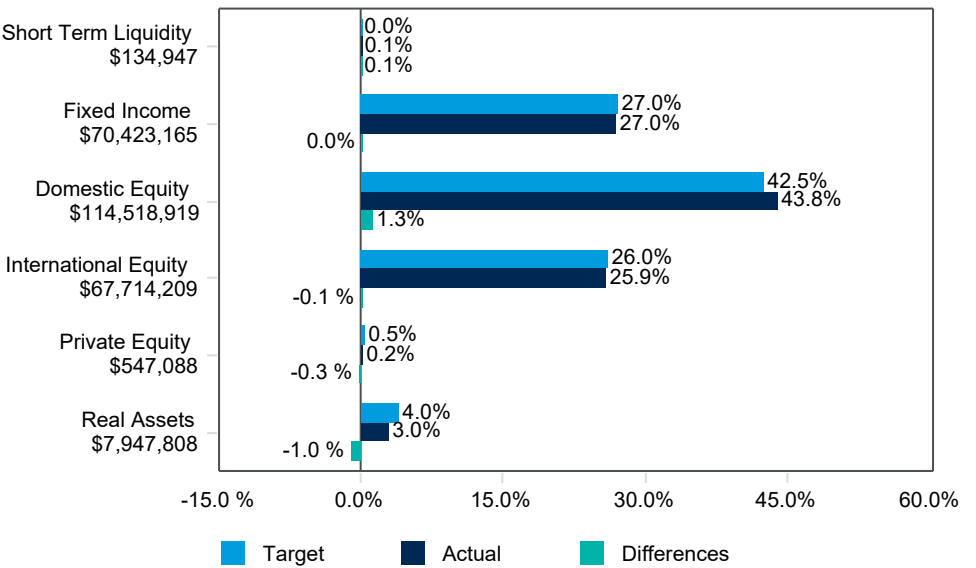
Current Benchmark Composition

From Date	To Date	
04/2024	Present	27.00% Blmbg. U.S. Aggregate, 33.50% S&P 500, 9.50% Russell 2500 Index, 19.00% MSCI EAFE (Net), 7.00% MSCI Emerging Markets (Net), 4.00% NCREIF Fund Index - ODCE (net)

Portfolio Allocation



Actual vs. Target Allocations



Client portfolio performance is presented net of underlying investment manager fees but gross of Fiducient Advisors' fees.



Performance Overview

Total Invested Assets

As of February 28, 2025

Trailing Performance Summary

	1 Month	Fiscal YTD	YTD	1 Year	3 Years	5 Years	7 Years	10 Years	Since Inception	Inception Date
Total Invested Assets	0.0	6.8	2.6	11.0	5.7	7.5	7.1	7.2	5.7	01/2008
<i>Policy Benchmark</i>	<i>0.1</i>	<i>6.8</i>	<i>2.7</i>	<i>10.8</i>	<i>5.8</i>	<i>9.2</i>	<i>7.5</i>	<i>7.5</i>	<i>6.8</i>	<i>01/2008</i>

Calendar Year Performance Summary

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total Invested Assets	11.2	15.0	-15.4	14.6	12.7	19.1	-5.2	17.0	8.7	-2.2
<i>Policy Benchmark</i>	<i>10.7</i>	<i>14.9</i>	<i>-14.7</i>	<i>14.3</i>	<i>14.5</i>	<i>20.6</i>	<i>-5.2</i>	<i>16.9</i>	<i>9.0</i>	<i>-0.2</i>

Plan Reconciliation

	1 Month	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Total Invested Assets									01/2008
Beginning Market Value	261,227,870	244,261,835	254,317,512	240,334,325	241,039,800	194,190,592	162,151,861	126,047,968	
Net Contributions	497	384,156	326,688	-5,088,619	-18,846,231	-28,161,220	-42,696,160	-51,100,101	
Gain/Loss	57,769	16,640,144	6,641,935	26,040,429	39,092,567	95,256,763	141,830,434	186,338,268	
Ending Market Value	261,286,136	261,286,136	261,286,136	261,286,136	261,286,136	261,286,136	261,286,136	261,286,136	

Benchmark Composition

	Weight (%)
Apr-2024	
Blmbg. U.S. Aggregate	27.0
S&P 500	33.5
Russell 2500 Index	9.5
MSCI EAFE (Net)	19.0
MSCI Emerging Markets (Net)	7.0
NCREIF Fund Index - ODCE (net)	4.0



Manager Performance

As of February 28, 2025

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	QTD	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Total Invested Assets	261,286,136	100.0	0.0	2.6	6.8	2.6	11.0	5.7	7.5	7.2	5.7	01/2008
Policy Benchmark			0.1	2.7	6.8	2.7	10.8	5.8	9.2	7.5	6.8	
Secondary Benchmark			0.1	2.7	6.8	2.7	10.8	5.6	8.9	7.3	6.6	
Short Term Liquidity	134,947	0.1	0.0	0.2	1.2	0.2	2.3	1.9	-	-	1.4	01/2021
90 Day U.S. Treasury Bill			0.3	0.7	3.3	0.7	5.1	4.1	2.5	1.8	3.0	
Key Bank Cash Portfolio	133,969	0.1										
First American Govt Oblig Fund Z	978	0.0	0.3	0.7	3.2	0.7	5.0	4.1	2.5	1.7	4.0	02/2022
90 Day U.S. Treasury Bill			0.3	0.7	3.3	0.7	5.1	4.1	2.5	1.8	4.0	
Fixed Income	70,423,165	27.0	2.1	2.7	5.2	2.7	6.6	0.3	-	-	-1.1	01/2021
Blmbg. U.S. Aggregate			2.2	2.7	4.8	2.7	5.8	-0.4	-0.5	1.5	-1.5	
JIC Core Bond Fund I	52,177,784	20.0	2.4	3.0	4.9	3.0	6.1	-0.6	-0.5	1.8	-0.5	03/2020
Blmbg. U.S. Aggregate			2.2	2.7	4.8	2.7	5.8	-0.4	-0.5	1.5	-0.5	
IM U.S. Broad Market Core Fixed Income (MF) Median			2.2	2.8	4.8	2.8	6.0	-0.4	-0.3	1.5	-0.3	
JIC Core Bond Fund I Rank			10	12	35	12	44	69	63	33	63	
BlackRock Strategic Income Opportunities K	18,245,381	7.0	1.1	2.1	5.8	2.1	7.7	3.7	3.2	3.1	3.2	02/2022
Blmbg. U.S. Aggregate			2.2	2.7	4.8	2.7	5.8	-0.4	-0.5	1.5	-0.8	
IM Alternative Credit Focus (MF) Median			0.9	1.9	5.9	1.9	7.7	3.5	3.1	2.2	3.1	
BlackRock Strategic Income Opportunities K Rank			30	36	55	36	53	44	47	24	47	

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiduciant Advisors' fees. Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



Manager Performance

As of February 28, 2025

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	QTD	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Equity	182,780,216	70.0	-0.7	2.7	7.8	2.7	13.4	8.4	-	-	8.5	01/2021
<i>MSCI AC World Index (Net)</i>			-0.6	2.7	8.4	2.7	15.1	9.1	12.8	9.1	8.9	
Domestic Equity	114,518,919	43.8	-2.1	0.8	9.6	0.8	15.9	10.8	-	-	11.6	01/2021
<i>Domestic Equity Benchmark</i>			-2.1	0.8	9.6	0.8	16.0	10.8	15.7	11.8	11.7	
Mellon Large Cap Core	89,760,177	34.4	-1.3	1.4	10.0	1.4	18.4	12.5	16.8	-	14.6	04/2016
<i>S&P 500</i>			-1.3	1.4	10.0	1.4	18.4	12.6	16.9	13.0	14.6	
IM U.S. Large Cap Core Equity (MF) Median			-1.7	1.5	8.6	1.5	16.2	11.4	15.6	11.8	13.6	
Mellon Large Cap Core Rank			32	51	28	51	18	25	24	-	19	
Mellon Smid Cap Core	24,758,743	9.5	-4.7	-1.3	8.0	-1.3	7.7	4.6	11.0	-	10.3	04/2016
<i>Russell 2500 Index</i>			-4.7	-1.3	8.0	-1.3	7.6	4.5	10.9	8.3	10.1	
IM U.S. SMID Cap Equity (MF) Median			-4.8	-1.3	6.5	-1.3	6.8	4.2	10.6	8.2	9.9	
Mellon Smid Cap Core Rank			45	50	32	50	42	46	44	-	42	
International Equity	67,714,209	25.9	1.5	6.0	4.9	6.0	9.5	5.1	-	-	3.4	01/2021
<i>International Equity Benchmark</i>			1.5	5.9	4.9	5.9	9.3	5.0	7.9	5.2	3.7	
Mellon EAFE Fund	49,361,146	18.9	1.9	7.3	5.8	7.3	9.1	6.8	9.1	-	7.6	04/2016
<i>MSCI EAFE (Net)</i>			1.9	7.3	5.8	7.3	8.8	6.4	8.7	5.3	7.2	
IM International Large Cap Core Equity (MF) Median			2.6	7.5	5.8	7.5	9.1	5.8	8.5	5.0	6.8	
Mellon EAFE Fund Rank			70	55	49	55	50	23	39	-	22	
Mellon Emerging Markets	18,353,063	7.0	0.6	2.6	2.6	2.6	10.3	0.1	4.0	-	5.5	04/2016
<i>MSCI Emerging Markets (Net)</i>			0.5	2.3	2.3	2.3	10.1	0.5	4.3	3.5	5.6	
IM Emerging Markets Equity (MF) Median			0.0	1.6	0.8	1.6	6.9	0.1	3.9	3.2	5.2	
Mellon Emerging Markets Rank			28	29	26	29	22	50	49	-	44	

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiducient Advisors' fees. Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



Manager Performance

As of February 28, 2025

	Allocation		Performance(%)									
	Market Value (\$)	%	1 Month	QTD	Fiscal YTD	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception	Inception Date
Private Equity	547,088	0.2	0.0	0.0	-2.3	0.0	-4.7	-7.4	-	-	-1.4	01/2021
Hamilton Lane II	881	0.0	0.0	0.0	-3.9	0.0	-11.6	-24.4	-16.1	0.1	6.9	03/2009
Hamilton Lane VII A	391,261	0.1	0.0	0.0	-1.9	0.0	-5.0	-7.9	3.7	7.4	8.8	07/2011
Hamilton Lane VII B	154,946	0.1	0.0	0.0	-3.4	0.0	-3.4	-4.7	0.6	4.9	6.9	07/2011
UBS Trumbull Property Fund	7,947,808	3.0	0.0	0.0	0.5	0.0	-2.5	-4.9	-1.2	-	0.6	07/2016
NCREIF Fund Index - ODCE (net)			0.0	0.0	1.0	0.0	-2.3	-3.1	2.0	4.9	3.7	

Valuations data as of:

Hamilton Lane VII - 09/30/2024

Hamilton Lane II - 09/30/2024

UBS Trumbull Property Fund - 12/31/2024

All private equity and real estate assets are adjusted for any subsequent capital activity.

UBS Trumbull Property Fund and NCREIF Fund Index - ODCE (net) one month and QTD return is N/A.

Client portfolio performance is presented net of underlying investment manager fees but gross of Fiducient Advisors' fees. Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Funds may include returns of an equivalent share class with a longer return history if period includes dates prior to the fund's inception. Returns are net of fees unless otherwise stated. The fund's inception date represents the first month the client made the investment. Composite performance includes all funds held in the composite since inception. Inception dates for asset class composites reflect the start date at which these returns could be calculated using historical and existing system capabilities and may vary from the inception dates of underlying component strategies.



Benchmark History

Total Invested Assets

As of February 28, 2025

Account Name	From Date	To Date	Benchmark
Total Invested Assets	04/2024	Present	27.0% Blmbg. U.S. Aggregate, 33.5% S&P 500, 9.5% Russell 2500 Index, 19.0% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 4.0% NCREIF Fund Index - ODCE (net)
	01/2023	04/2024	25.0% Blmbg. U.S. Aggregate, 32.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% NCREIF Fund Index - ODCE (net)
	09/2022	01/2023	25.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% NCREIF Fund Index - ODCE (net), 1.0% NCREIF Timberland Index
	05/2021	09/2022	18.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 10.5% Russell 2500 Index, 23.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 6.0% NCREIF Fund Index - ODCE (net), 1.0% NCREIF Timberland Index
	12/2019	05/2021	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index
	06/2017	12/2019	20.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index
	01/2016	06/2017	28.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 2.0% NCREIF Timberland Index
	01/2008	01/2016	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index
Secondary Benchmark	04/2024	Present	27.0% Blmbg. U.S. Aggregate, 33.5% S&P 500, 9.5% Russell 2500 Index, 19.0% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 4.0% UBS Trumbull Property Fund
	01/2023	04/2024	25.0% Blmbg. U.S. Aggregate, 32.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% UBS Trumbull Property Fund
	09/2022	01/2023	25.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 9.0% Russell 2500 Index, 20.5% MSCI EAFE (Net), 7.0% MSCI Emerging Markets (Net), 6.0% UBS Trumbull Property Fund, 1.0% Molpus SWF II
	05/2021	09/2022	18.0% Blmbg. U.S. Aggregate, 31.5% S&P 500, 10.5% Russell 2500 Index, 23.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 6.0% UBS Trumbull Property Fund, 1.0% Molpus SWF II
	12/2019	05/2021	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% UBS Trumbull Property Fund, 2.0% Molpus SWF II
	06/2017	12/2019	20.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% UBS Trumbull Property Fund, 2.0% Molpus SWF II
	07/2016	06/2017	28.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 2.0% Molpus SWF II
	01/2016	07/2016	28.0% Blmbg. Intermed. U.S. Government/Credit, 30.0% S&P 500, 18.0% Russell 2500 Index, 2.0% S&P Completion Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 2.0% Molpus SWF II
	03/2009	01/2016	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% Molpus SWF II
	01/2008	03/2009	20.0% Blmbg. U.S. Aggregate, 32.0% S&P 500, 18.0% Russell 2500 Index, 10.0% MSCI EAFE (Net), 10.0% MSCI Emerging Markets (Net), 8.0% NCREIF Fund Index - ODCE (net), 2.0% NCREIF Timberland Index



Definitions & Disclosures

Please note: Due to rounding methodologies of various data providers, certain returns in this report might differ slightly when compared to other sources

REGULATORY DISCLOSURES

Offer of ADV Part 2A: Rule 204-3 under the Investment Advisers Act of 1940 requires that we make an annual offer to clients to send them, without charge, a written disclosure statement meeting the requirements of such rule. We will be glad to send a copy of our ADV Part 2A to you upon your written request to compliance@fiducient.com.

INDEX DEFINITIONS

- **Citigroup 3 Month T-Bill** measures monthly return equivalents of yield averages that are not marked to market. The Three-Month Treasury Bill Indexes consist of the last three three-month Treasury bill issues.
- **Ryan 3 Yr. GIC** is an arithmetic mean of market rates of \$1 million Guaranteed Interest Contracts held for three years.
- **Bloomberg Treasury U.S. T-Bills-1-3 Month Index** includes aged U.S. Treasury bills, notes and bonds with a remaining maturity from 1 up to (but not including) 3 months. It excludes zero coupon strips.
- **Bloomberg Capital US Treasury Inflation Protected Securities Index** consists of Inflation-Protection securities issued by the U.S. Treasury.
- **Bloomberg Muni Index** is a rules-based, market-value-weighted index engineered for the long-term tax-exempt bond market. Bonds must be rated investment-grade by at least two ratings agencies.
- **Bloomberg Muni 1 Year Index** is the 1-year (1-2) component of the Municipal Bond index.
- **Bloomberg Muni 3 Year Index** is the 3-year (2-4) component of the Municipal Bond index.
- **Bloomberg Muni 5 Year Index** is the 5-year (4-6) component of the Municipal Bond index.
- **Bloomberg Muni 7 Year Index** is the 7-year (6-8) component of the Municipal Bond index.
- **Bloomberg Intermediate U.S. Gov't/Credit** is the Intermediate component of the U.S. Government/Credit index, which includes securities in the Government and Credit Indices. The Government Index includes treasuries and agencies, while the credit index includes publicly issued U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity, and quality requirements.
- **Bloomberg U.S. Aggregate Index** covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.
- **Bloomberg Global Aggregate ex. USD Indices** represent a broad-based measure of the global investment-grade fixed income markets. The two major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian government, agency and corporate securities.
- **Bloomberg U.S. Corporate High Yield Index** covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.
- **JP Morgan Government Bond Index-Emerging Market (GBI-EM) Index** is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.
- **The S&P 500** is a capitalization-weighted index of 500 stocks designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.
- **The Dow Jones Industrial Index** is a price-weighted average of 30 blue-chip stocks that are generally the leaders in their industry.
- **The NASDAQ** is a broad-based capitalization-weighted index of stocks in all three NASDAQ tiers: Global Select, Global Market and Capital Market.
- **Russell 3000** is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.
- **Russell 1000** consists of the largest 1000 companies in the Russell 3000 Index.
- **Russell 1000 Growth** measures the performance of those Russell 1000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 1000 Value** measures the performance of those Russell 1000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell Mid Cap** measures the performance of the 800 smallest companies in the Russell 1000 Index.
- **Russell Mid Cap Growth** measures the performance of those Russell Mid Cap companies with higher P/B ratios and higher forecasted growth values.
- **Russell Mid Cap Value** measures the performance of those Russell Mid Cap companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2000** consists of the 2,000 smallest U.S. companies in the Russell 3000 index.
- **Russell 2000 Growth** measures the performance of the Russell 2000 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2000 Value** measures the performance of those Russell 2000 companies with lower P/B ratios and lower forecasted growth values.
- **Russell 2500** consists of the 2,500 smallest U.S. companies in the Russell 3000 index.
- **Russell 2500 Growth** measures the performance of the Russell 2500 companies with higher P/B ratios and higher forecasted growth values.
- **Russell 2500 Value** measures the performance of those Russell 2500 companies with lower P/B ratios and lower forecasted growth values.
- **MSCI World** captures large and mid-cap representation across 23 Developed Markets countries. With 1,645 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
- **MSCI ACWI (All Country World Index) ex. U.S. Index** captures large and mid-cap representation across 22 of 23 Developed Markets countries (excluding the United States) and 23 Emerging Markets countries. With 1,859 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.
- **MSCI ACWI (All Country World Index) ex. U.S. Small Cap Index** captures small cap representation across 22 of 23 Developed Markets countries (excluding the US) and 23 Emerging Markets countries. With 4,368 constituents, the index covers approximately 14% of the global equity opportunity set outside the US.
- **MSCI EAFE** is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. With 930 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.



- **MSCI EAFE Value** captures large and mid-cap securities exhibiting overall value style characteristics across Developed Markets countries around the world, excluding the US and Canada. The value investment style characteristics for index construction are defined using three variables: book value to price, 12-month forward earnings to price and dividend yield. With 507 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI EAFE Growth** captures large and mid-cap securities exhibiting overall growth style characteristics across Developed Markets countries around the world, excluding the US and Canada. The growth investment style characteristics for index construction are defined using five variables: long-term forward EPS growth rate, short-term forward EPS growth rate, current internal growth rate and long-term historical EPS growth trend and long-term historical sales per share growth trend. With 542 constituents, the index targets 50% coverage of the free float-adjusted market capitalization of the MSCI EAFE Index.
- **MSCI Emerging Markets** captures large and mid-cap representation across 23 Emerging Markets countries. With 836 constituents, the index covers approximately 85% of the free-float adjusted market capitalization in each country.
- **Consumer Price Index** is a measure of prices paid by consumers for a market basket of consumer goods and services. The yearly (or monthly) growth rates represent the inflation rate.
- **FTSE NAREIT Equity REITs Index** contains all Equity REITs not designed as Timber REITs or Infrastructure REITs.
- **S&P Developed World Property** defines and measures the investable universe of publicly traded property companies domiciled in developed markets. The companies in the index are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **S&P Developed World Property x U.S.** defines and measures the investable universe of publicly traded property companies domiciled in developed countries outside of the U.S. The companies included are engaged in real estate related activities, such as property ownership, management, development, rental and investment.
- **Fund Specific Broad Real Asset Benchmarks:**
 - **DWS Real Assets:** 30%: Dow Jones Brookfield Infrastructure Index, 30%: FTSE EPRA/NAREIT Developed Index, 15%: Bloomberg Commodity Index, 15%: S&P Global Natural Resources Index, 10%: U.S. Treasury Inflation Notes Total Return Index
 - **PIMCO Inflation Response Multi Asset Fund:** 45% Bloomberg U.S. TIPS, 20% Bloomberg Commodity Index, 15% JP Morgan Emerging Local Markets Plus, 10% Dow Jones Select REIT, 10% Bloomberg Gold Subindex Total Return
 - **Principal Diversified Real Assets:** 35% BbgBarc U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR
 - **Wellington Diversified Inflation H:** 50% MSCI ACWI Commodity Producers Index, 25% Bloomberg Commodity Index, and 25% Bloomberg Bloomberg US TIPS 1 – 10 Year Index
- **Bloomberg Commodity Index** is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.
- **HFRI Fund Weighted Composite Index** is a global, equal-weighted index of over 2,000 single-manager funds that report to HFR Database. Constituent funds report monthly net of all fees performance in US Dollar and have a minimum of \$50 Million under management or a twelve (12) month track record of active performance. The HFRI Fund Weighted Composite Index does not include Funds of Hedge Funds.
- **The Alerian MLP Index** is the leading gauge of energy Master Limited Partnerships (MLPs). The float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.
- **The Adjusted Alerian MLP Index** is commensurate with 65% of the monthly returns of the Alerian MLP Index to incorporate the effect of deferred tax liabilities incurred by MLP entities.
- **Cambridge Associates U.S. Private Equity Index** is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.
- **Cambridge Associates U.S. Venture Capital Index** is based on data compiled from over 1,600 institutional-quality venture capital funds formed between 1986 and 2015.
- **Vanguard Spliced Bloomberg US1-5Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US5-10Yr Gov/Cr Flt Adj Index:** Bloomberg U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Agg Flt Adj Index:** Bloomberg U.S. Aggregate Bond Index through December 31, 2009; Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Bloomberg US Long Gov/Cr Flt Adj Index:** Bloomberg U.S. Long Government/Credit Bond Index through December 31, 2009; Bloomberg U.S. Long Government/Credit Float Adjusted Index thereafter.
- **Vanguard Balanced Composite Index:** Made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly the Dow Jones Wilshire 5000 Index) and 40% Bloomberg U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg U.S. Aggregate Float Adjusted Index thereafter.
- **Vanguard Spliced Intermediate-Term Tax-Exempt Index:** Bloomberg 1–15 Year Municipal Bond Index.
- **Vanguard Spliced Extended Market Index:** Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.
- **Vanguard Spliced Value Index:** S&P 500 Value Index (formerly the S&P 500/Barra Value Index) through May 16, 2003; MSCI US Prime Market Value Index through April 16, 2013; CRSP US Large Cap Value Index thereafter.
- **Vanguard Spliced Large Cap Index:** Consists of MSCI US Prime Market 750 Index through January 30, 2013, and the CRSP US Large Cap Index thereafter.
- **Vanguard Spliced Growth Index:** S&P 500 Growth Index (formerly the S&P 500/Barra Growth Index) through May 16, 2003; MSCI US Prime Market Growth Index through April 16, 2013; CRSP US Large Cap Growth Index thereafter.
- **Vanguard Spliced Mid Cap Value Index:** MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.
- **Vanguard Spliced Mid Cap Index:** S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.
- **Vanguard Spliced Mid Cap Growth Index:** MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.
- **Vanguard Spliced Total Stock Market Index:** Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.
- **Vanguard Spliced Small Cap Value Index:** SmallCap 600 Value Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Value Index through April 16, 2013; CRSP US Small Cap Value Index thereafter.



- **Vanguard Spliced Small Cap Index:** Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.
- **Vanguard Spliced Small Cap Growth Index:** S&P SmallCap 600 Growth Index (formerly the S&P SmallCap 600/Barra Value Index) through May 16, 2003; MSCI US Small Cap Growth Index through April 16, 2013; CRSP US Small Cap Growth Index thereafter.
- **Vanguard Spliced Total International Stock Index:** Consists of the Total International Composite Index through August 31, 2006; the MSCI EAFE + Emerging Markets Index through December 15, 2010; the MSCI AC USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Developed Markets Index:** MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index through December 20, 2015; FTSE Developed All Cap ex US Transition Index through May 31, 2016; FTSE Developed All Cap ex US Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard Spliced Emerging Markets Index:** Select Emerging Markets Index through August 23, 2006; MSCI Emerging Markets Index through January 9, 2013; FTSE Emerging Transition Index through June 27, 2013; FTSE Emerging Index through November 1, 2015; and FTSE Emerging Markets All Cap China A Transition Index thereafter. Benchmark returns are adjusted for withholding taxes.
- **Vanguard REIT Spliced Index:** MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index through January 31, 2018; MSCI US Investable Market Real Estate 25/50 Transition Index through July 24, 2018; MSCI US Investable Market Real Estate 25/50 Index thereafter.

Additional:

- Equity sector returns are calculated by Russell and MSCI for domestic and international markets, respectively. MSCI sector definitions correspond to the MSCI GICS® classification (Global Industry Classification System); Russell uses its own sector and industry classifications.
- MSCI country returns are calculated by MSCI and are free float-adjusted market capitalization indices that are designed to measure equity market performance in each specific country.
- Currency returns are calculated using Bloomberg's historical spot rate indices and are calculated using the U.S. dollar as the base currency.
- The Index of Leading Economic Indicators, calculated by The Conference Board, is used as a barometer of economic activity over a range of three to six months. The index is used to determine the direction and stability of the economy. The composite index of leading indicators, which is derived from 10 leading indicators, helps to signal turning points in the economy and forecast economic cycles. The leading indicators are the following: average weekly hours, average weekly initial claims, manufacturers' new orders, both consumer and non-defense capital goods, vendor performance, building permits, stock prices, money supply (M2), the interest rate spread and the index of consumer expectations.
- S&P Target Date Indexes are constructed using a survey method of current target date investments with \$100 million or more in assets under management. Allocations for each vintage are comprised of exchange-traded funds that represent respective asset classes used in target date portfolios. The indexes are designed to represent a market consensus glide path.

DEFINITION OF KEY STATISTICS AND TERMS

- **Returns:** A percentage figure used when reporting historical average compounded rate of investment return. All returns are annualized if the period for which they are calculated exceeds one year.
- **Universe Comparison:** The universe compares the fund's returns to a group of other investment portfolios with similar investment strategies. The returns for the fund, the index and the universe percentiles are displayed. A percentile ranking of 1 is the best, while a percentile ranking of 100 is the worst. For example, a ranking of 50 indicates the fund outperformed half of the universe. A ranking of 25 indicates the fund was in the top 25% of the universe, outperforming 75%.
- **Returns In Up/Down Markets:** This measures how the fund performed in both up and down markets. The methodology is to segregate the performance for each time period into the quarters in which the market, as defined by the index, was positive and negative. Quarters with negative index returns are treated as down markets, and quarters with positive index returns are treated as up markets. Thus, in a 3 year or 12 quarter period, there might be 4 down quarters and 8 up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the up quarters. A simple arithmetic average of returns is calculated for the fund and the index based on the down quarters. The up market capture ratio is the ratio of the fund's return in up markets to the index. The down market capture ratio is the ratio of the fund's return in down markets to the index. Ideally, the fund would have a greater up market capture ratio than down market capture ratio.
- **Standard Deviation:** Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.
- **R-Squared:** This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.
- **Beta:** This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, a low fund beta does not imply the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).
- **Alpha:** The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.
- **Sharpe Ratio:** The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk. This measure can be used to rank the performance of mutual funds or other portfolios.
- **Treynor Ratio:** The Treynor ratio measures returns earned in excess of that which could have been earned on a riskless investment per each unit of market risk. The ratio relates excess return over the risk-free rate to the additional risk taken; however, systematic risk is used instead of total risk. The Treynor ratio is similar to the Sharpe ratio, except in the fact that it uses the beta to evaluate the returns rather than the standard deviation of portfolio returns. High values mean better return for risk taken.



- **Tracking Error:** Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.
- **Information Ratio:** The information ratio is a measure of the consistency of excess return. This value is determined by taking the annualized excess return over a benchmark (style benchmark by default) and dividing the standard deviation of excess return.
- **Consistency:** Consistency shows the percent of the periods the fund has beaten the index and the percent of the periods the index has beat the fund. A high average for the fund (e.g., over 50) is desirable, indicating the fund has beaten the index frequently.
- **Downside Risk:** Downside risk is a measure similar to standard deviation but focuses only on the negative movements of the return series. It is calculated by taking the standard deviation of the negative quarterly set of returns. The higher the factor, the riskier the product.
- **M-Squared:** M-squared, or the Modigliani risk-adjusted performance measure is used to characterize how well a portfolio's return rewards an investor for the amount of risk taken, relative to that of some benchmark portfolio and to the risk-free rate.

DEFINITION OF KEY PRIVATE EQUITY TERMS

- **PIC (Paid in Capital):** The amount of committed capital that has been transferred from the limited partner to the general partner.
- **TVPI (Total Value to Paid in Capital):** Money returned to limited partners plus the fund's unrealized investments, divided by money paid-in to the partnership. The TVPI should equal RVPI plus DPI.
- **DPI (Distribution to Paid In Capital):** Money returned (distributions) to limited partners divided by money paid in to the partnership. Also called cash-on-cash multiple.
- **RVPI (Residual Value to Paid In Capital):** The value of a fund's unrealized investments divided by money paid-in to the partnership.
- **Internal rate of return (IRR):** This is the most appropriate performance benchmark for private equity investments. It is a time-weighted return expressed as a percentage. IRR uses the present sum of cash drawdowns (money invested), the present value of distributions (money returned from investments) and the current value of unrealized investments and applies a discount.
- **Commitment:** Every investor in a private equity fund commits to investing a specified sum of money in the fund partnership over a specified period of time. The fund records this as the limited partnership's capital commitment. The sum of capital commitments is equal to the size of the fund.
- **Capital Distribution:** These are the returns that an investor in a private equity fund receives. It is the income and capital realized from investments less expenses and liabilities. Once a limited partner has had their cost of investment returned, further distributions are actual profit. The partnership agreement determines the timing of distributions to the limited partner. It will also determine how profits are divided among the limited partners and general partner.
- **Carried Interest:** The share of profits that the fund manager is due once it has returned the cost of investment to investors. Carried interest is normally expressed as a percentage of the total profits of the fund.
- **Co-Investment:** Co-Investments are minority investments made alongside a private equity investor in an LBO, a recapitalization, or an expansion capital transaction. It is a passive, non-controlling investment, as the private equity firm involved will typically exercise control and perform monitoring functions.
- **General Partner (GP):** This can refer to the top-ranking partners at a private equity firm as well as the firm managing the private equity fund.
- **GP Commitments:** It is normal practice for the GP managing a private equity fund to also make a financial commitment to the fund on the same basis as the LPs in the fund, and this is seen as an important factor driving the alignment of GP and LP interests. The historic benchmark for GP commitments has been 1% of the total fund size, but this is by no means universal, and many GPs commit significantly larger amounts. Furthermore, there has been a marked trend towards GPs making larger commitments to their funds over recent years.
- **Leveraged Buy-Out (LBO):** The acquisition of a company using debt and equity finance.
- **Limited Partner (LP):** Institutions or high-net-worth individuals/sophisticated investors that contribute capital to a private equity fund.
- **Public Market Equivalent (PME):** Performance measure used to evaluate performance relative to the market. It is calculated as the ratio of the discounted value of the LP's inflows divided by the discounted value of outflows, with the discounting performed using realized market returns.
- **Primaries:** An original investment vehicle that invests directly into a company or asset.

VALUATION POLICY

Fiducient Advisors does not engage an independent third-party pricing service to value securities. Our reports are generated using the security prices provided by custodians used by our clients. Our custodial pricing hierarchy is available upon request. If a client holds a security not reported by the first custodian within the hierarchy, the valuation is generated from the next custodian within the hierarchy, and so forth. Each custodian uses pricing services from outside vendors, where the vendors may generate nominally different prices. Therefore, this report can reflect minor valuation differences from those contained in a custodian's report. In rare instances where FA overrides a custodial price, prices are taken from Bloomberg.

REPORTING POLICY

This report is intended for the exclusive use of the client listed within the report. Content is privileged and confidential. Any dissemination or distribution is strictly prohibited. Information has been obtained from a variety of sources believed to be reliable though not independently verified. Any forecast represents median expectations and actual returns, volatilities and correlations will differ from forecasts. Please note each client has customized investment objectives and constraints and the investment strategy for each portfolio is based on a client-specific asset allocation model. Past performance does not indicate future performance and there is a possibility of a loss. Performance calculated net of investment fees. Certain portfolios presented may be gross of Fiducient Advisors' fees and actual performance would be reduced by investment advisory fees. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice.



Custodian reports are the reports that govern the account. There will be different account values between Fiducient Advisors' reports and the custodian reports based on whether the report utilizes trade date or date to calculate value. Additionally, difference between values contained on reports may be caused by different accrued income values. Any forecasts represent future expectations and actual returns, volatilities and will differ from forecasts. This report does not represent a specific investment recommendation. Please consult with your advisor, attorney, and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is a possibility of a loss.

Manager performance for mutual funds and ETFs is based on NAV and provided by Lipper. Performance for non-mutual fund or ETF investments is based on the returns provided by managers, calculations based on a manager statement, or calculations based on a statement or data from the client's custodian. Unless specified otherwise, all returns are net of individual manager fees, represent total returns and are annualized for periods greater than one year. The deduction of fees produces a compounding effect that reduces the total rate of return over time. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 0.50% annual investment advisory fee would be \$5,228 in the first year, and cumulative effects of \$30,342 over five years and \$73,826 over ten years. Additional information on advisory fees charged by Fiducient Advisors are described in Part 2 of the Form ADV.

MATERIAL RISKS & LIMITATIONS

Fixed Income securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.
-Liability Driven Investing (LDI) Assets

Cash may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation.
-Short Term Liquidity

Domestic Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

International Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impacted by currency and/or country specific risks which may result in lower liquidity in some markets.

Real Assets can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

Private Equity involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

Private Credit involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

Private Real Estate involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrower.

Marketable Alternatives involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

OTHER

By regulation, closed-end funds utilizing debt for leverage must report their interest expense, as well as their income tax expense, as part of their total expense ratio. To make for a useful comparison between closed-end funds and both open-end funds and exchange-traded funds, adjusted expense ratios excluding interest and income tax expenses are utilized for closed-end funds within this report. See disclosure on closed-end fund fact sheets for information regarding the total expense ratio of each closed-end fund.

Please advise us of any changes in your objectives or circumstances.

CUSTODIAN STATEMENTS

Please remember to review the periodic statements you receive from your custodian. If you do not receive periodic statements from your custodian or notice issues with the activity reported in those statements, please contact FA or your custodian immediately.



FIDUCIENT
Advisors

Helping Clients Prosper

BERS Asset Allocation Analysis Update

March 2025



Disclosure

This report is intended for the exclusive use of clients or prospective clients (the “recipient”) of Fiducient Advisors and the information contained herein is confidential and the dissemination or distribution to any other person without the prior approval of Fiducient Advisors is strictly prohibited. Information has been obtained from sources believed to be reliable, though not independently verified. Any forecasts are hypothetical and represent future expectations and not actual return volatilities and correlations will differ from forecasts. This report does not represent a specific investment recommendation. The opinions and analysis expressed herein are based on Fiducient Advisor research and professional experience and are expressed as of the date of this report. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. Past performance does not indicate future performance and there is risk of loss.



- 
1. Asset Allocation Analysis Update
 2. Real Asset Manager Search
 3. Appendix
 - Assumptions & Disclosures



- 
1. Asset Allocation Analysis Update
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Asset Allocation Analysis

- We believe **Asset Allocation** is the primary determinant of long-term investment results.
- Our propriety **Frontier Engineer®** system is the cornerstone of asset allocation decisions.
- Our Capital Markets Group develops **Capital Market Assumptions** (CMAs) for each major asset class at least annually.
 - The Capital Markets Group considers and analyzes a wide variety of factors that we believe will have the greatest impact on future returns and risks for each asset class studied.
 - Our CMAs are not intended to predict the future return in any single year, but rather to reflect our median expected outcome over the next ten/twenty years.
 - Our forecasting efforts center on a **ten-year horizon**. Any adjustments made to extend the forecast horizon to **twenty years** or beyond are grounded in our expectation that asset classes ultimately mean revert towards longer term historical averages.
 - Fiducient Advisors' Capital Markets Team develop our CMAs based on a “building block” approach outlined in our white paper “Capital Market Forecasts”. (Copies are available upon requested.)
- **Correlations** (how asset classes behave in reference to one another) also significantly impact asset allocation analysis.
- **Fat Tails** (non-normal return elements of skewness & kurtosis) also meaningfully impact our asset allocation analysis.



2025-2044 Twenty-Year Outlook

20-Year Market Forecasts

20-Year Market Forecasts		2025	2024	Y / Y Change	
Fixed Income	Inflation continued to moderate in 2024 and the Federal Reserve began to ease monetary conditions by cutting rates in September. Yields fell broadly across the fixed income landscape resulting in lower return expectations from the year prior, but still healthy overall levels.	U.S. Bonds	5.2%	5.9%	-0.7%
		TIPS	4.8%	5.5%	-0.7%
		Dynamic Bonds ¹	5.3%	6.8%	-1.5%
	High yield was one of the best performing fixed income asset classes in 2024. The change in forecast was further impacted by tighter credit spreads (the additional yield above Treasuries), which now approach pre-GFC levels ⁴ . The municipal bond market experienced similar dynamics, resulting in lower forecasts for 2025.	High Yield Bonds	6.8%	8.0%	-1.2%
		Global Bonds	5.3%	5.9%	-0.6%
		Muni Bond ²	5.6%	6.7%	-1.1%
		Muni High Yield ²	9.3%	10.7%	-1.4%
Global Equity	Equity forecasts were lower across regions. U.S. equities saw valuations rise, particularly driven by U.S. large cap. Valuations moved higher abroad as well, but not to the same extent as domestic markets. Valuations remain well above long-term averages in the U.S., while non-U.S. markets sit closer to average over the last 20 years.	U.S. All Cap	6.6%	7.3%	-0.7%
		Intl Developed Equity	7.5%	8.2%	-0.7%
		Emerging Markets	8.6%	10.1%	-1.5%
Real Assets & Alternatives	Real assets experienced momentum in 2024. Inflation fell from the start of the year, but positive price movements in underlying segments and lower yields have led to reduced return expectations for the asset class.	Real Estate	7.1%	7.8%	-0.7%
		Broad Real Assets ³	7.6%	8.3%	-0.7%
	Marketable alternatives expectations came down as both the outlook for underlying equity and fixed income asset classes fell from last year. Generally higher valuations in spite of modest deal activity have lowered our return expectation for private equity.	Marketable Alts	8.4%	9.1%	-0.7%
		Private Equity	9.6%	10.3%	-0.7%

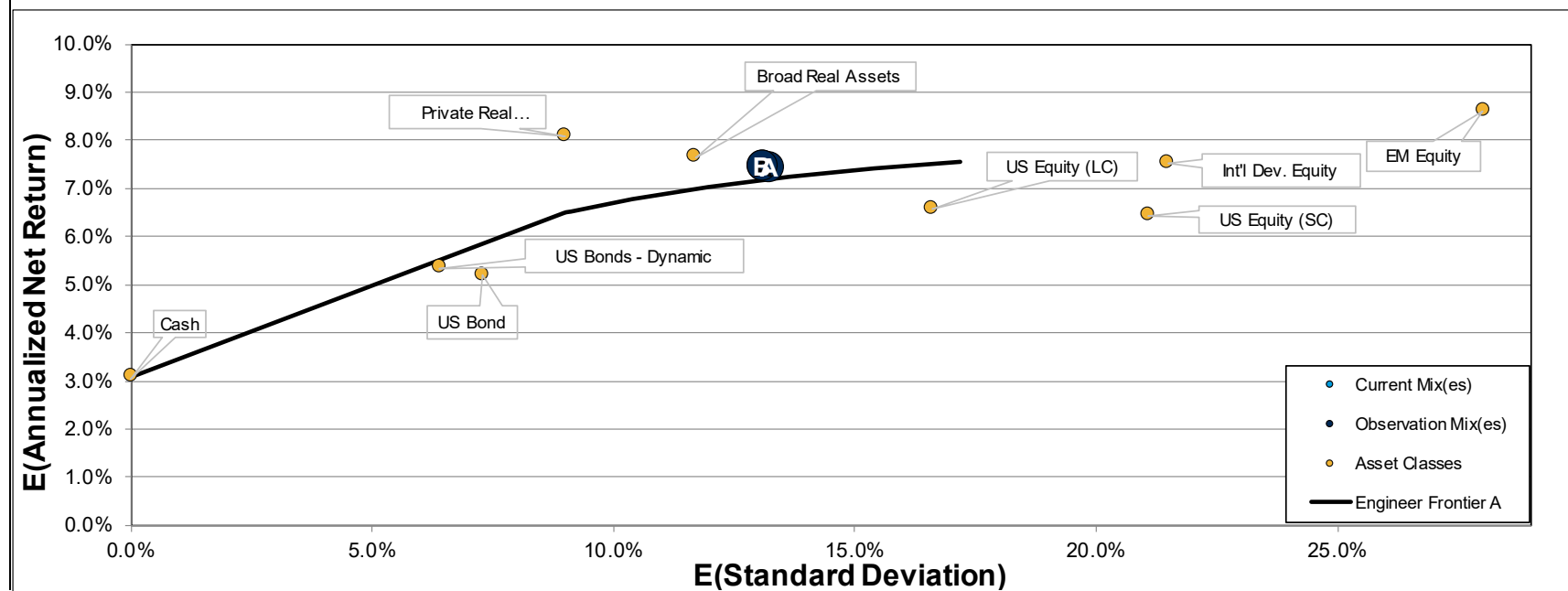
1) Dynamic bonds are a blend of 33% Cash, 33% Corp HY and 34% Global Bonds. 2) Tax Equivalent yield based on highest marginal Federal tax rate (37%). 3) Broad Real Assets is 20% REITS, 20% Global Infrastructure, 20% Commodities, 20% US Bonds, 15% Corp High Yield, 5% TIPS. 4) FactSet, as of November 30, 2024. Outputs and opinions are as of the date referenced and are subject to change based on market or economic conditions. Information is intended for general information purposes only and does not represent any specific investment recommendation. Please consult with your advisor, attorney and accountant, as appropriate, regarding specific advice. There is no guarantee that any of these expectations will become actual results. For additional information on forecast methodologies, please speak with your advisor. Please see the index proxy summary slide at the end of this presentation for summary of indices used to represent each asset class. Past performance does not indicate future performance and there is a possibility of a loss.

Please see the Frontier Engineer Hypothetical Performance Disclosures at the end of the presentation for additional information.

Frontier Engineer® Analysis



12/31/2024	Asset Allocation												Forecasts				Past (1/88-12/24)	
	Fixed Income	Equity	Real Assets	Cash	US Bond	US Bonds - Dynamic	US Equity (LC)	US Equity (SC)	Int'l Dev. Equity	EM Equity	Private Real Estate	Broad Real Assets	Annualized Return	Annualized Volatility	Normal 100 Year Flood*	Non-Normal 100 Year Flood**	Annualized Net Return	Annualized Volatility
Current IPS Targets (A)	27%	43%	4%		20.0%	7.0%	33.5%	9.5%	19.0%	7.0%	4.0%		7.44%	13.1%	-22%	-29%	9.0%	11.2%
Optimized (A)	27%	44%	3%		20%	7%	34%	10%	18.5%	7.5%	3%		7.44%	13.2%	-22%	-29%	9.0%	11.2%
Optimized with Real Assets (B)	27%	43%	5%		20%	7%	33%	10%	18%	7.5%	3%	1.5%	7.45%	13.1%	-22%	-28%	9.0%	11.1%



*The expected one in a hundred worst case calendar year return based on normally distributed capital market assumptions. Greater losses are possible (1% expected likelihood).

**The expected one in a hundred worst case calendar year return based on non-normally distributed capital market assumptions (factoring in skewness & kurtosis). Greater losses are possible (1% expected likelihood).

Historical Returns and Risk Metrics for each Mix represent back-tested calculations developed with the benefit of hindsight. Return calculations use an asset-weighted methodology based on the target asset allocation of each mix and the total return of index proxies used to represent each asset class and are net of fees. Historical returns are hypothetical and do not represent returns earned by a client. It is not possible to invest in an index. Please see the Frontier Engineer Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class. Please ask for a copy of Fiducient Advisors' white paper titled 10-Year Capital Market Forecasts. Past performance does not indicate future performance and it is possible to lose money when investing. Please refer to the Capital Markets Assumptions Slide for the hypothetical alpha and hypothetical fee inputs used in the calculation methodology.



Current vs Proposed Target Allocation – BERS

Investment Name	Current Targets	Optimized (A)	Optimized with Real Assets (B)	IPS Limits
<i>Cash</i>	0.0%	0.0%	0.0%	
<i>Fixed Income</i>	27.0%	27.0%	27.0%	15% - 35%
Johnson Institutional Core Bond	20.0%	20.0%	20.0%	
BlackRock Strategic Income Opportunities K	7.0%	7.0%	7.0%	
<i>Domestic Equity</i>	42.5%	44.0%	43.0%	30% - 50%
Mellon Large Cap Core	33.0%	34.0%	33.0%	
BNY Mellon DB SL SMID Cap SIF	9.5%	10.0%	10.0%	
<i>International Equity</i>	26.0%	26.0%	25.5%	20% - 35%
BNY Mellon DB NSL International SIF	19.0%	18.5%	18.0%	
BNY Mellon DB NSL Emerging Markets SIF	7.0%	7.5%	7.5%	
<i>Real Assets</i>	4.0%	3.0%	4.5%	0% - 10%*
<i>Private Equity</i>	0.5%	0.0%	0.0%	0% - 3%
Investment Portfolio Total	100.0%	100.0%	100.0%	
% US of Global Equities	62%	63%	63%	
% Large Cap of US Equities	78%	77%	77%	
% EM of International Equities	27%	29%	29%	

*Asset class is classified as "Real Estate" in the current IPS



INVESTMENT APPENDIX

The following sets out the Board's current choices regarding the asset allocation targets and acceptable ranges.

Asset Allocation

The asset allocation and allowable ranges are effective ~~May 2024~~ March 2025:

Asset Allocation Guidelines:	Lower Limit	Target	Upper Limit
Fixed Income and Cash Equivalents	15%	27%	35%
Publicly Traded Global Equity	50%	68.5%	85%
<i>Domestic Equity</i>	30%	42.5 <u>43</u> %	50%
<i>International Equity</i>	20%	26 <u>25.5</u> %	35%
Real Estate <u>Assets (includes Real Estate)</u>	0%	<u>44.5</u> %	10%
Private Equity	0%	0.5%	3%



Cash flow should be managed to maintain each allocation close to the target. Rebalancing becomes mandatory within a 90-day period if an allocation falls outside the range.



- 1. Asset Allocation Analysis Update
- 2. Real Asset Manager Search
- 3. Appendix
 - Assumptions & Disclosures



Burlington Employees Retirement System
Investment Analysis
March 2025

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DEFINITION OF KEY METRICS

- **Alpha**

The Alpha is the nonsystematic return, or the return that can't be attributed to the market. It can be thought of as how the manager performed if the market's return was zero. A positive alpha implies the manager added value to the return of the portfolio over that of the market. A negative alpha implies the manager did not contribute any value over the performance of the market.

- **Batting Average**

Batting average is a measure of a manager's consistency. It is calculated as the ratio between the number of periods that a manager outperforms a benchmark and the total number of periods observed. For example, a batting average of 0.60 implies that a manager outperformed its benchmark 6 out of 10 time periods.

- **Beta**

This is a measure of a fund's market risk. The beta of the market is 1.00. Accordingly, a fund with a 1.10 beta is expected to perform 10% better than the market in up markets and 10% worse than the market in down markets. It is important to note, however, that a low fund beta does not imply that the fund has a low level of volatility; rather, a low beta means only that the fund's market-related risk is low. Because beta analyzes the market risk of a fund by showing how responsive the fund is to the market, its usefulness depends on the degree to which the markets determine the fund's total risk (indicated by R-squared).

- **Information Ratio**

The information ratio is a measure of the excess return per volatility of that excess return. This value is determined by taking the annualized excess return over a benchmark and dividing it by the standard deviation of excess return.

- **R-Squared**

This reflects the percentage of a fund's movements that are explained by movements in its benchmark index. An R-squared of 100 means that all movements of a fund are completely explained by movements in the index. Conversely, a low R-squared indicates that very few of the fund's movements are explained by movements in the benchmark index. R-squared can also be used to ascertain the significance of a particular beta. Generally, a higher R-squared will indicate a more reliable beta figure. If the R-squared is lower, then the beta is less relevant to the fund's performance. A measure of diversification, R-squared indicates the extent to which fluctuations in portfolio returns are explained by the market. An R-squared = 0.70 implies that 70% of the fluctuation in a portfolio's return is explained by the fluctuation in the market. In this instance, overweighting or underweighting of industry groups or individual securities is responsible for 30% of the fund's movement.

- **Return**

Time-weighted average annual returns for the time period indicated.

- **Sharpe Ratio**

The Sharpe ratio is the excess return per unit of total risk as measured by standard deviation. Higher numbers are better, indicating more return for the level of risk experienced. The ratio is a fund's return minus the risk-free rate of return (30-day T-Bill rate) divided by the fund's standard deviation. The higher the Sharpe ratio, the more reward you are receiving per unit of total risk.

- **Volatility (or Standard Deviation)**

Standard deviation is a statistical measure of the range of performance within which the total returns of a fund fall. When a fund has a high standard deviation, the range of performance is very wide, meaning that there is a greater volatility. Approximately 68% of the time, the total return of any given fund will differ from the average total return by no more than plus or minus the standard deviation figure. Ninety-five percent of the time, a fund's total return will be within a range of plus or minus two times the standard deviation from the average total return. If the quarterly or monthly returns are all the same the standard deviation will be zero. The more they vary from one another, the higher the standard deviation. Standard deviation can be misleading as a risk indicator for funds with high total returns because large positive deviations will increase the standard deviation without a corresponding increase in the risk of the fund. While positive volatility is welcome, negative is not.

- **Tracking Error**

Tracking error measures the volatility of the difference in annual returns between the manager and the index. This value is calculated by measuring the standard deviation of the difference between the manager and index returns. For example, a tracking error of +/- 5 would mean there is about a 68% chance (1 standard deviation event) that the manager's returns will fall within +/- 5% of the benchmark's annual return.



Real Asset – Manager Overviews

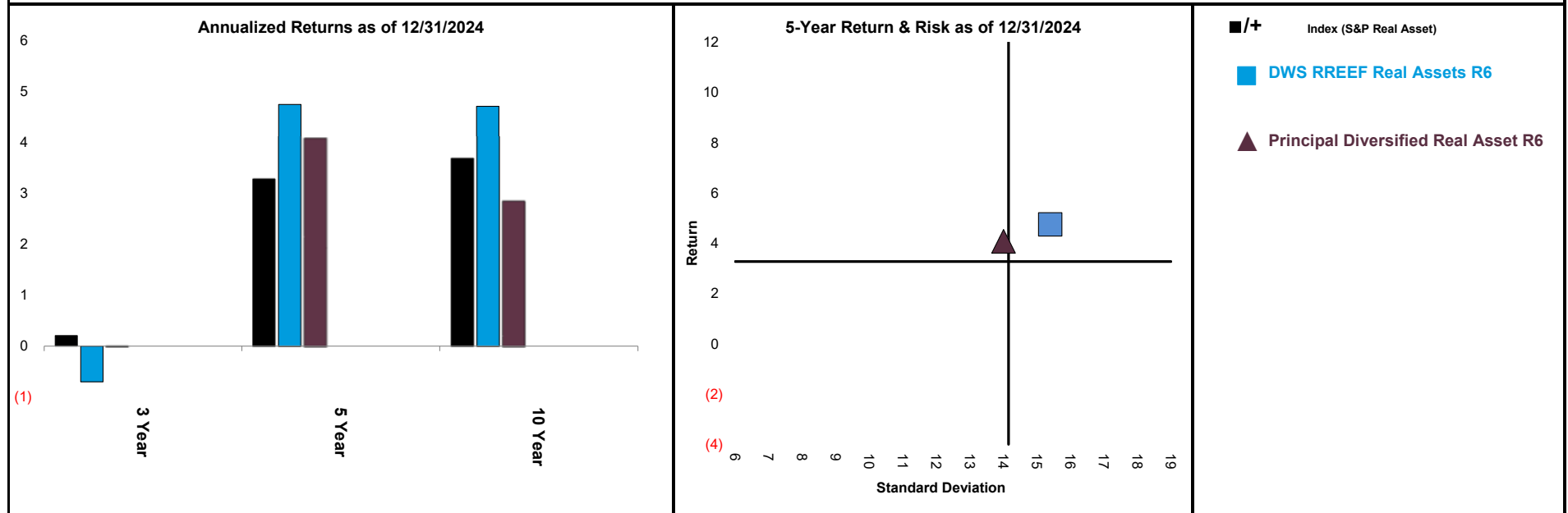
	DWS RREEF Real Assets R6 (AAAVX)	Principal Diversified Real Asset R6 (PDARX)
Fiducient Status	Maintain	Maintain
Manager Tenure	Team (10)	Team (10.8)
Net Asset	\$4.091 Billion	\$2.581 Billion
Firm	- DWS was founded in 1956 in Hamburg, Germany and invests across a variety of investment disciplines. - In 2018, the majority of DWS was legally separated from Deutsche Bank Group. - Deutsche Bank continues to hold a majority share of the asset management company.	- Principal Global Investors, LLC is a wholly-owned, indirect subsidiary of Principal Financial - Group, Inc., which is a listed company on the Nasdaq Global Select Market. - The firm is comprised of a number of specialized investment teams.
Team	- DWS Real Assts utilizes a team-based approach with Evan Rudy serving as the lead portfolio manager. - The team is supported by the 30 PMs/analysts across the firm's liquid real assets platform.	- The portfolio is team managed. - Portfolio Manager (PMs) are responsible for providing oversight of the Fund, developing and monitoring the investment guidelines for each underlying portfolio and rebalancing the underlying portfolios. - The team also works closely with the Manager Research group and has two dedicated analysts.
Philosophy & Process	- The team aims to identify trends within individual sectors to determine how economic fundamentals influence long-term revenue drivers of asset classes and underlying companies. - The process begins with top-down allocations to each of the underlying sectors. - Inflation and economic growth are the basis for the proprietary "Quadrant Model," which uses the rate of change (measured by YoY changes) of - both real GDP and CPI to determine which environment we are moving toward in the near future. - Allocations are filled with best ideas within each of the asset and sub-asset classes, leveraging the stock selection and underwriting abilities within each core strategy.	- The most effective method to manage the impacts of longevity, sequential return, and - inflation risks is to maintain an allocation to adverse portfolio of real assets. - The investment process utilizes a multi-strategy, multi-manager approach with several investment sleeves. Each sleeve is managed by a different sub-advisor, implementing their own security selection process. - The Principal Portfolio Strategies team conducts a rigorous sub-advisor screening - process and continuously monitors the underlying managers. - The team formulates capital market forecasts and an efficient portfolio is constructed by optimizing return per unit of risk. - A rules-based rebalancing strategy is employed.
Portfolio Construction	- The investment universe consists of approximately 650-700 securities across the real assets market, with roughly 500 securities that are extensively followed. - The portfolio allocates across global real estate (10%-40%; 30% strategic), global infrastructure (10%-40%; 30% strategic), commodities (and resource equities; 10%-40%; 30% strategic), and TIPS (0%-20%, 10% strategic).	- Allocation decisions are implemented primarily through the capital market assumptions - constructed by the team. - The Fund uses a multi-manager approach to provide a diversified allocation to inflation sensitive asset class portfolios. - Each sleeve is managed to a target tactical, active allocation. - Target weights are set in order to achieve inflation sensitivity targets.
Fees	0.90	0.80

Diversified Real Assets

Return, Standard Deviation and Peer Group Comparisons

12/31/2024

Manager or Index	Annual Returns (%) as of 12/31/2024					Calendar Year Returns (%)							Volatility (%) as of 12/31/2024				
	1 Year	3 Year	5 Year	7 Year	10 Year	2024 YTD	2023	2022	2021	2020	2019	2018	1 Year	3 Year	5 Year	7 Year	10 Year
S&P Real Asset	3.6	0.2	3.3	3.8	3.7	3.6	7.8	(9.9)	15.4	1.2	17.2	(5.9)	9.2	12.8	14.1	12.6	11.3
DWS RREEF Real Assets R6	5.6	(0.7)	4.7	5.5	4.7	5.6	2.6	(9.6)	23.9	3.9	21.8	(5.1)	11.8	15.1	15.4	13.9	12.1
Principal Diversified Real Asset R6	3.1	0.0	4.1	3.8	2.8	3.1	3.3	(6.1)	17.4	3.9	15.1	(7.8)	9.9	13.4	14.0	12.6	11.3



Differentiators					
Batting Average [^]	Loss Protection (5 Yrs)	High Alpha (5 Yrs)	Low-to-High Beta (5 Yrs)	Low Vol (5 Yrs)	Low-to-High Expense
1) DWS (85%)	1) Principal (99%)	1) DWS (1.4)	1) Principal (0.97)	1) Principal (14.0)	1) Principal (0.80)
2) Principal (44%)	2) DWS (109%)	2) Principal (0.8)	2) DWS (1.05)	2) DWS (15.4)	2) DWS (0.90)

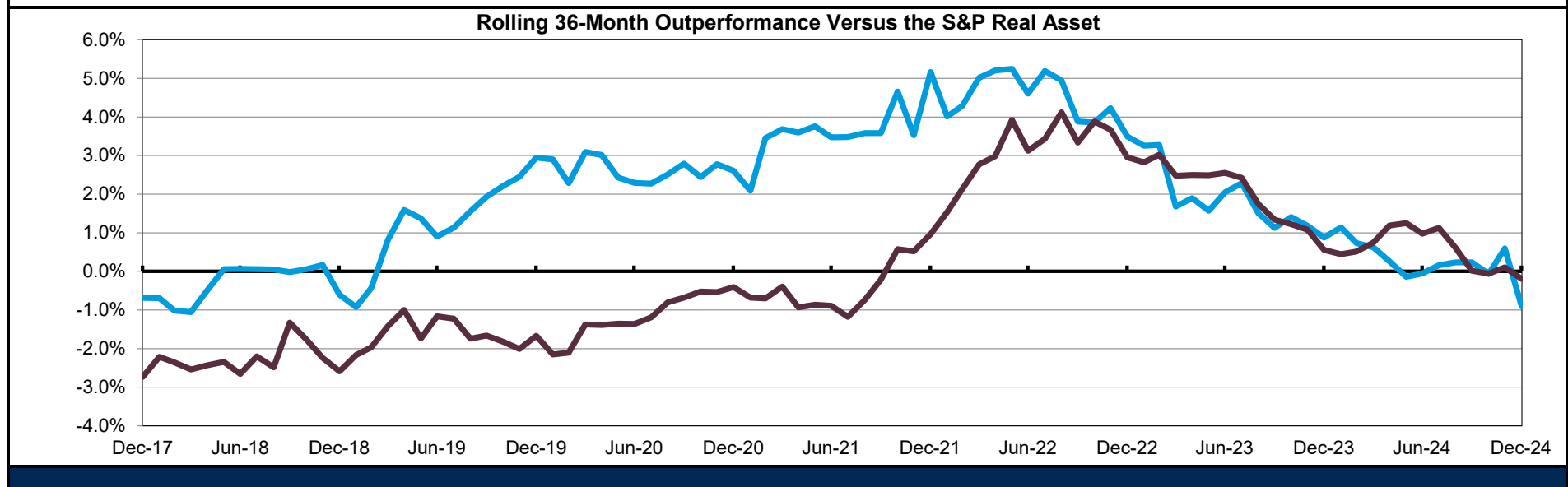
[^]The Batting Average measures the frequency of rolling 3-year period outperformance from the lesser of 10 years or each fund's inception date.

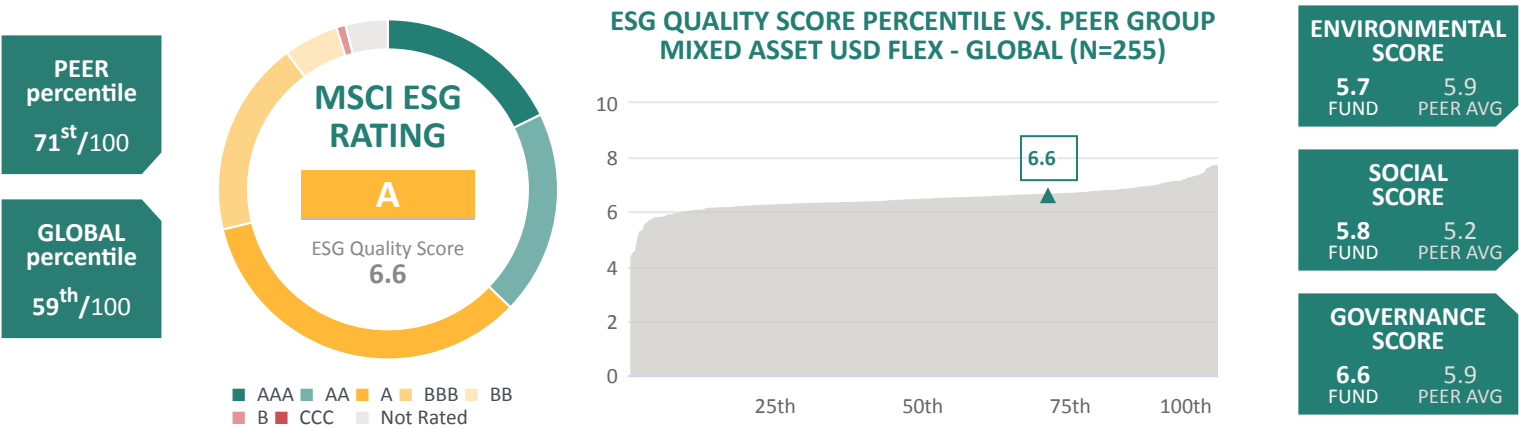
Diversified Real Assets MPT and Other Quantitative Risk and Return Metrics

12/31/2024

Managers vs. S&P Real Asset	Past 10-Year Metrics as of 12/31/2024							Past 5-Year Metrics as of 12/31/2024							Max Drawdowns (10 yrs)		
	Correl / R ²	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	Correl / R ²	Beta	Alpha (%)	Sharpe Ratio (%)	Track. Error / Info. Ratio (%)	UP Capture	DOWN Capture	1/2020 - 3/2020	4/2022 - 9/2022	5/2015 - 1/2016
S&P Real Asset	1 / 1	1	0	0.17	0 / 0	100%	100%	1 / 1	1	0	0.06	0 / 0	100%	100%	-20.5%	-17.4%	-13.6%
DWS RREEF Real Assets R6	0.95 / 0.91	1.03	1.0	0.24	3.7 / 0.28	113%	106%	0.97 / 0.93	1.05	1.4	0.15	4 / 0.36	120%	109%	-17.7%	-18.8%	-10.8%
Principal Diversified Real Asset R6	0.97 / 0.93	0.97	(0.8)	0.10	2.9 / -0.29	98%	104%	0.98 / 0.96	0.97	0.8	0.11	2.9 / 0.27	103%	99%	-19.5%	-17.4%	-17.9%

Managers vs. S&P Real Asset	Monthly, 12-month and 36-month batting averages vs. S&P Real Asset for 10 Years (or manager inception date)							Graph Legend									
	1 Month Periods	% + Months	12 Month periods	% + 12-Months	36 Month Periods	% + 36 Months	Return Start Date	DWS RREEF Real Assets R6 Principal Diversified Real Asset R6									
DWS RREEF Real Assets R6	120	53%	109	70%	85	85%	Dec-14										
Principal Diversified Real Asset R6	120	49%	109	44%	85	44%	Dec-14										





The Fund ESG Rating measures the resiliency of portfolios to long term risks and opportunities arising from environmental, social, and governance factors. The **DWS RREEF Real Assets Fund;Institutional** receives an MSCI ESG Rating of **A**, based on an ESG Quality Score of 6.6 out of 10. The fund has 14.1% exposure to holdings with a positive ESG rating trend, 6.5% exposure to holdings with negative ESG rating trend and 0.9% exposure to ESG laggards. It ranks in the 71st percentile within the **Mixed Asset USD Flex - Global** peer group and in the 59th percentile within the global universe of all funds in coverage.

ESG Policy: n/a

ISIN: US25159K7054

Asset Class: Mixed Assets

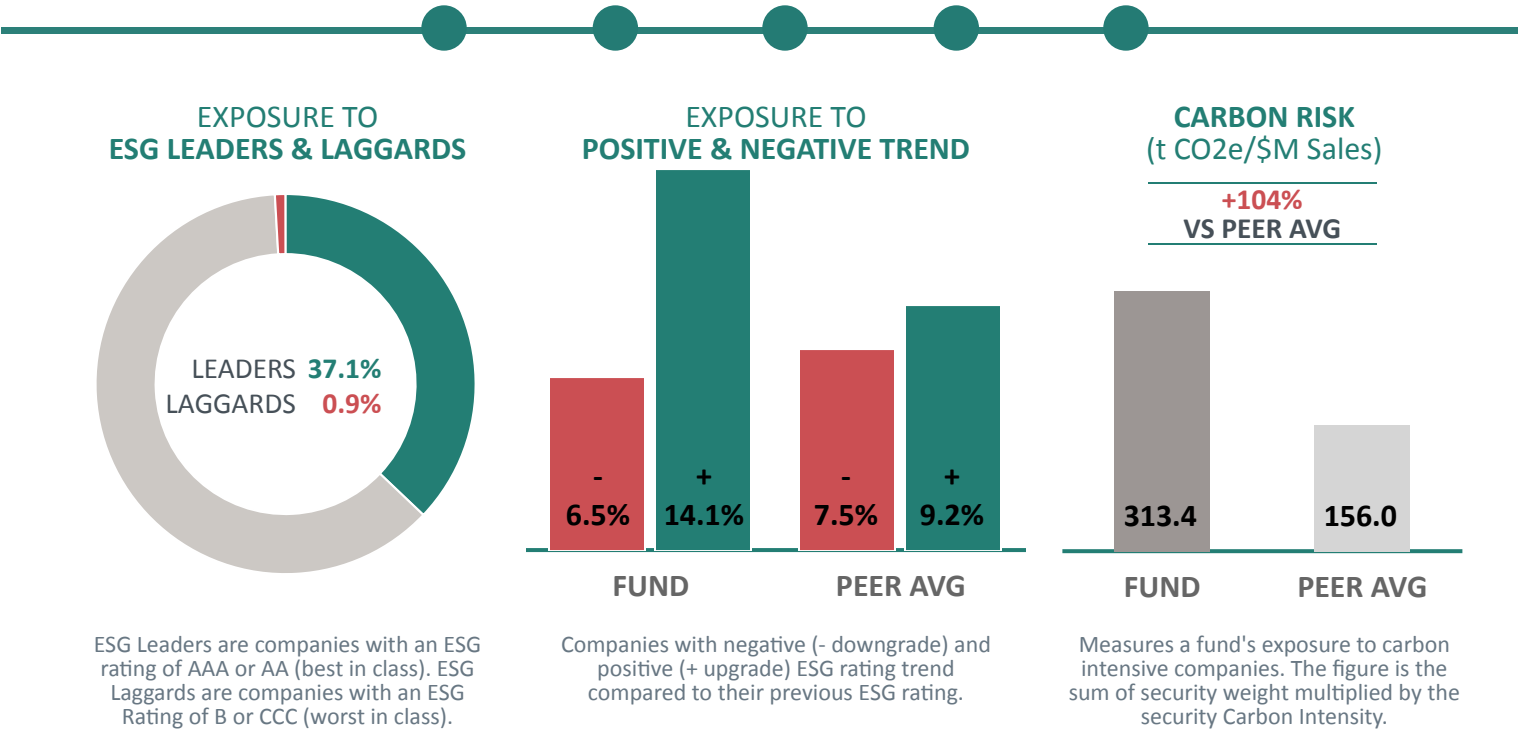
Domicile: USA

Peer Group: Mixed Asset USD Flex - Global

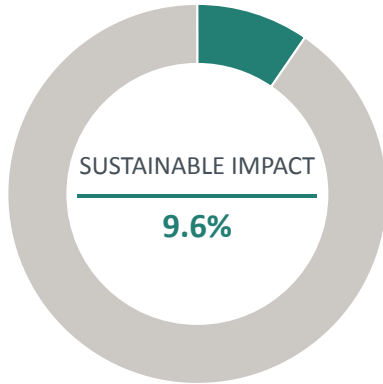
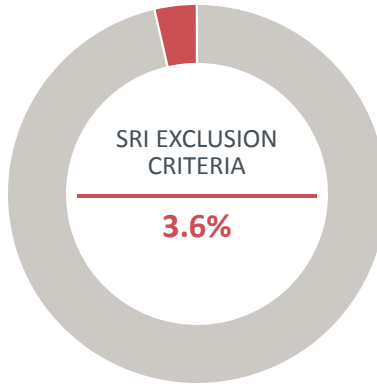
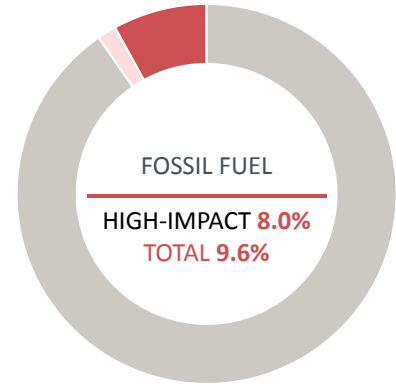
Holdings Count: 151

ESG Coverage: 95.5%

Holdings as of: November 30, 2024



FUND EXPOSURE SUMMARY

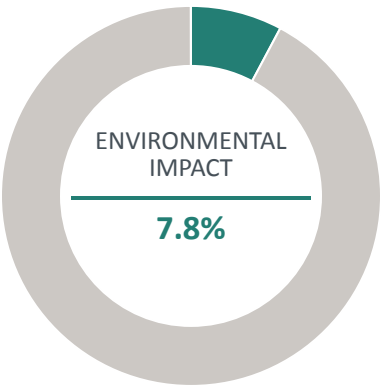
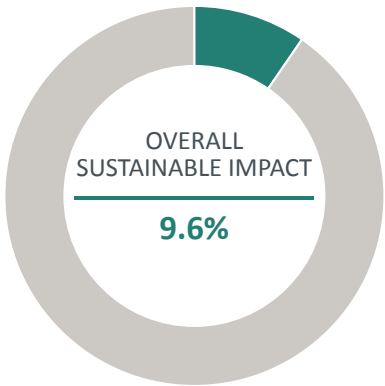
EXPOSURE TO
SUSTAINABLE IMPACT THEMESEXPOSURE TO
SRI EXCLUSIONSEXPOSURE TO
FOSSIL FUEL

TOP 10 HOLDINGS

	Holding Name	Fund Weight*	Sustainable Impact Revenue (Theme)	Fossil Fuel	SRI Exclusions	Carbon Intensity	ESG Score
1	American Tower Corp ORD	3.2%	0.6%			102.4	9.0
2	United States of America (Government) 4.375% 30-NOV-2024	3.0%				n/a	5.8
3	ONEOK Inc ORD	2.7%				384.6	9.3
4	United States of America (Government) 4.5% 31-DEC-2024	2.6%				n/a	5.8
5	National Grid PLC ORD	2.3%	4.5% (Energy Efficiency)			273.2	9.1
6	Equinix Inc ORD	2.0%	71.2% (Alternative Energy)			322.3	10.0
7	United States of America (Government) .375% 15-JAN-2027	2.0%				n/a	5.8
8	PG&E Corp ORD	1.9%	25.7% (Energy Efficiency)		Yes	164.5	4.9
9	United States of America (Government) 1.375% 31-JAN-2025	1.9%				n/a	5.8
10	NiSource Inc ORD	1.8%	10.3% (Energy Efficiency)			1008.4	8.7

*Fund holding weights are normalized to reflect exclusion of short positions.

SUSTAINABLE IMPACT EXPOSURE



How to read this page

Revenue exposure to Sustainable Impact Solutions reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. To be eligible to contribute, an issuer must maintain minimum ESG standards.

The classifications below help interpret the different degrees of exposure.

Percentage	Exposure
>20%	Very High
>10% and <=20%	High
>5% and <=10%	Moderate
>1% and <=5%	Low
<=1%	Negligible

CLIMATE CHANGE

Alternative Energy (%)	0.8%
Energy Efficiency (%)	2.2%
Green Building (%)	3.9%

NATURAL CAPITAL

Sustainable Water (%)	0.0%
Pollution Prevention (%)	0.4%
Sustainable Agriculture (%)	0.1%

BASIC NEEDS

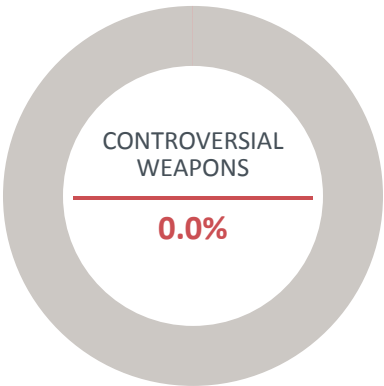
Major Diseases Treatment (%)	0.0%
Sanitation (%)	0.0%
Nutrition (%)	0.0%
Affordable Real Estate (%)	1.9%

EMPOWERMENT

Education (%)	0.0%
SME Finance (%)	0.0%
Connectivity (%)	0.0%

See the Terms and Definitions section at the back of the report for more detail.

VALUES ALIGNMENT EXPOSURE



How to read this page

Values Alignment metrics provide transparency to help identify funds that align with ethical, religious or political views. The metrics measure the percentage of portfolio's market value exposed to companies flagged for controversial business involvement, controversies, global norms violations, and religious compliance.

Business Involvement

The percentage of portfolio's market value exposed to companies flagged for involvement in a category according to our screening definitions i.e. Highly Restrictive, Any Tie and others. For our Highly Restrictive screen definition, in most cases, this is defined as companies that derived 5% or more revenue from an involvement category. Refer to the Terms and Definitions at the back of the report.

Religious Values

The percentage of portfolio's market value exposed to companies that have been flagged for non-compliance for Catholic Values or Islamic Values.

International Norms

The percentage of portfolio's market value exposed to companies in violation of global norms and conventions.

See the Terms and Definitions section at the back of the report for more detail.

BUSINESS INVOLVEMENT

Adult Entertainment — Highly Restrictive (%)	0.0%
Alcohol — Highly Restrictive (%)	1.0%
Civilian Firearms — Highly Restrictive (%)	0.0%
Civilian Firearms Retailer (%)	0.0%
Civilian Firearms Producer (%)	0.0%
Gambling — Highly Restrictive (%)	0.0%
Nuclear Power — Highly Restrictive (%)	2.4%
Tobacco — Highly Restrictive (%)	0.0%
Weapons - Any Tie (%)	0.3%
Controversial Weapons (%)	0.0%
Direct Predatory Lending (%)	0.0%
Genetic Engineering (%)	0.9%

RELIGIOUS VALUES

Catholic Values Non-Compliant (%)	0.8%
Islamic Non-Compliant (%)	49.8%

INTERNATIONAL NORMS

Global Compact Compliance Violation (%)	0.8%
Global Compact Compliance Violation or Watch List (%)	10.8%
Human Rights Norms Violation (%)	0.8%
Human Rights Norms Violation or Watch List (%)	10.8%
Labor Norms (%)	0.0%
Labor Norms Violation or Watch List (%)	2.6%



RISK EXPOSURE

ESG QUALITY SCORE CARD			
	FUND	PEER AVG	VS PEER AVG
ESG QUALITY SCORE (0-10)	6.6	6.4	0.2
ENVIRONMENTAL SCORE (0-10)	5.7	5.9	-0.2
SOCIAL SCORE (0-10)	5.8	5.2	0.6
GOVERNANCE SCORE (0-10)	6.6	5.9	0.7
ESG LEADERS (%)	37.1%	30.3%	6.8%
ESG LAGGARDS (%)	0.9%	2.9%	-2.0%
ESG - POSITIVE TREND (%)	14.1%	9.2%	4.9%
ESG - NEGATIVE TREND (%)	6.5%	7.5%	-1.0%



How to read this page

Environmental Risk

Carbon Risk is the weighted average carbon intensity (tCO2e / \$M sales) and measures a fund's exposure to carbon intensive companies.

High impact fossil fuel reserves measure portfolio's market value exposed to companies that own high impact fossil fuel reserves including Thermal Coal, Oil Sands, and Shale Oil and Shale Gas. Water risk measure the portfolio's market value exposed to companies with operations in lines of business that are typically highly water intensive.

Reputational Risk

The percentage of portfolio's market value exposed to companies facing one or more Very Severe controversies.

Governance Metrics

Governance metrics measure the percentage of a portfolio's market value exposed to companies with different corporate governance practices related to Board, Pay, Ownership & Control and Accounting.

See the Terms and Definitions section at the back of the report for more detail.

ENVIRONMENTAL RISK

FOSSIL FUEL

Carbon Risk (t CO2e/\$M sales)	313.4
Own Fossil Fuel Reserves (%)	9.6%
High Impact Fossil Fuel Reserves (%)	8.0%
Exposure to High Water Risk (%)	11.9%

REPUTATIONAL RISK

Overall Reputational Risk (%)	0.0%
Environmental (%)	0.0%
Customer (%)	0.0%
Human Rights (%)	0.8%
Labor (%)	0.0%
Governance (%)	0.0%

GOVERNANCE RISK

BOARD

Board Flag (%)	7.6%
Lack of Independent Board (%)	n/a
Board independence (0-25%)	0.0%
Board independence (25-50%)	2.3%
Board independence (50-75%)	13.9%
Board independence (75-100%)	60.6%
No Female Directors (%)	0.0%
3+ Female Directors (%)	66.3%
Female Rep. 30% of Directors (%)	56.1%
Entrenched Board (%)	17.9%
Overboarding (%)	28.6%
Negative Director Votes (%)	26.7%

GOVERNANCE RISK (CONTINUED)

ACCOUNTING

Accounting Flag (%)	13.2%
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PAY

Pay Flag (%)	2.3%
Votes Against Pay Practices (%)	15.3%
No Pay Performance Link (%)	3.0%
Lack of Internal Pay Equity (%)	35.9%
Executive Pay Non-Disclosure (%)	7.6%

OWNERSHIP & CONTROL

Ownership & Control Flag (%)	6.2%
One Share One Vote (%)	26.2%
No Annual Director Elections (%)	18.0%
Does not use Majority Voting (%)	18.0%
Controlling Shareholder (%)	3.4%
Controlling Shareholder Concerns (%)	1.5%
Cross Shareholdings (%)	0.8%
Poison Pill (%)	0.3%

TERMS AND DEFINITIONS

Methodology

We leverage our ESG ratings and research coverage of over 10,500 companies (19,500 total issuers including subsidiaries) and more than 760,000 equity and fixed income securities to create ESG Ratings, scores and metrics for approximately 65,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG Fund Ratings aims to provide fund-level transparency to help clients better understand and measure the ESG characteristics of the total portfolio, and rank or screen funds based on a diverse set of ESG exposure categories.

To learn more about MSCI ESG Research products, please visit: www.msci.com/esg-ratings

MSCI ESG FUND RATINGS INCLUSION CRITERIA

Certain MSCI ESG Fund Ratings holdings data is sourced from Lipper (see [Notice and Disclaimer](#)). To be included in Fund Ratings, a fund must pass the following three criteria:

1. 65% of the fund’s gross weight must come from covered securities.
- a. The coverage universe for issuers consists of MSCI ESG Ratings (over 10,500 companies and more than 760,000 equity and fixed income securities globally).

b. Cash positions and other asset types not relevant for ESG analysis are removed prior to calculating a fund’s gross weight.

c. The absolute values of short positions are included in a fund’s gross weight calculation, but are treated as uncovered for ESG data.

d. Security asset type must have recourse to the rated issuer.
2. Fund holdings date must be less than one year old.
3. Fund must have at least ten securities.

FACTOR CALCULATIONS

While Fund Ratings includes over 600 metrics, the calculation for each one is done according to one of three basic methodologies. The ESG Fund Ratings Methodology document notes which approach is used for each metric.

The first step in all cases (except for “Fund ESG Coverage (%)”, which is described separately in the Fund Coverage section) is to exclude any short positions. Weights of the remaining positions are normalized to 100%. Following that, the metrics will utilize one of the three methodologies described here:

Method 1: Weighted Average: This is the sumproduct of security weights and security values for a given metric. Securities without values for the metric being measured are excluded, and the weights of the remaining securities are normalized to 100%.

	Weight	ESG Score	Weight x Score
Security A	50%	4	2.0
Security B	30%	8	2.4
Security C	20%	7	1.4
TOTAL	100%		5.8

Method 2: Metric Weighted Average: This calculation is a slight variation on the Weighted Average calculation described above in Method 1. The distinction is that the Metric Weighted Average includes two different sets of weights; the security weights and the metric weights from the ESG Ratings model. As an example, an Environment Score may represent only 10% of the ESG exposure for one company, but 50% of the ESG exposure for another company. These metricweights are included in the calculation so that the Fund score will accurately represent the exposure from each security.

	Fund Weight	Environment Score	Environment Weight	Fund Weight x Environment Weight	Normalized Weight	Normalized Weight x Environment Score
Security A	50%	2	35%	18%	76%	1.5
Security B	30%	8	5 %	2 %	7 %	0.5
Security C	20%	7	20%	4%	17%	1.2
TOTAL	100%					3.3

Method 3: Percentage Sum: MMetrics calculated using Percentage Sum show the percent of the fund that meets the criteria for the metric being measured. The percentage represents a minimum

value, as there may be uncovered securities that are also True. For instance, a “Predatory Lending (%)” of 10% means that 10% of the weight of the fund comes from issuers with identified ties to predatory lending. The actual percentage may be higher if the fund holds companies involved in predatory lending that are outside of the product’s coverage universe.

The security weights used in Percentage Sum calculations are set by excluding short positions, and normalizing the remaining positions to 100%. Note that cash positions are kept in the fund to avoid overstating exposure to the metric. Cash is treated as a portion of the fund that does not meet the criteria to the metricbeing measured.

	Fund Weight	Predatory Lending	Predatory Lending %
Security A	40%	No	-
Security B	30%	No	-
Security C	20%	Yes	20%
Security D	10%	Uncovered	-
			20%

FUND ESG QUALITY SCORE

The “Fund ESG Quality Score” assesses the resilience of a fund’s aggregate holdings to long term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks, based on a granular breakdown of a company’s business: its core product or business segments, the locations of its assets or revenues, and other relevant measures such as outsourced production. The “Fund ESG Quality Score” is provided on a 0-10 score, with 0 and 10 being the respective lowest and highest possible fund scores.

The “Fund ESG Quality Score” is assessed using the underlying holding’s “Overall ESG Scores”, “Overall ESG Ratings”, and “Overall ESG Rating Trends”. It is calculated in a series of 3 steps.

Step 1: Calculate the “Fund Weighted Average ESG Score” of the underlying holding’s “Overall ESG Scores”. Methodology for the issuer level scores are available in a separate “MSCI ESG Ratings Methodology” document. The table below demonstrates how the “Fund Weighted Average ESG Score” is calculated. Note that in this example, Security E does not have an ESG Score. Security E is therefore “dropped” from analysis, and the weights of the remaining securities are normalized to 100%. The normalized weights and ESG scores are then used to calculate the “Fund Weighted Average ESG Score” of 6.6.

Step 1 Example

	Weight	ESG Score	Normalized Weight	Normalized Weight x Score
Security A	20%	4.0	25%	1.0
Security B	40%	8.0	50%	4.0
Security C	8%	7.0	10%	0.7
Security D	12%	6.0	15%	0.9
Security E	20%	N/A	0%	N/A
TOTAL	100%		100%	6.6

ESG FUND RATING

The top level fund signal, the “Fund ESG Rating”, assesses the resilience of a fund’s aggregate holdings to long term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks.

ESG RATINGSWHAT IT MEANS

AAA, AA	LEADER	The companies that the fund invests in show strong and/or improving management of financially relevant environmental, social and governance issues. These companies may be more resilient to disruptions arising from ESG events.
A,BBB,BB	AVERAGE	The fund invests in companies that show average management of ESG issues, or in a mix of companies with both above-average and below-average ESG risk management.
B,CCC	LAGGARD	The fund is exposed to companies that do not demonstrate adequate management of the ESG risks that they face, or show worsening management of these issues. These companies may be more vulnerable to disruptions arising from ESG events.

The Fund ESG Rating is calculated as a direct mapping of “Fund ESG Quality Score” to letter rating categories.

Fund ESG Quality Score	Fund ESG Rating
8.6 [*] - 10	AAA
7.1 - 8.6	AA
5.7 - 7.1	A
4.3 - 5.7	BBB
2.9 - 4.3	BB
1.4 - 2.9	B
0.0 - 1.4	CCC

^{*}Appearance of overlap in the score ranges is due to rounding. The 0 to 10 scale is divided into 7 equal parts, each corresponding to a letter rating.

PEER GROUP PERCENTILES

Each fund's overall ESG Quality Score is also shown as a percentile in its peer group. The Fund ESG Quality Score – Peer Percentile represents the percentage of funds in a fund's peer group with an ESG Score equal to, or lower than, the fund's ESG Score.



The peer groups are defined using the Lipper Global Classification Scheme. The following criteria must be met for a fund to receive a Fund ESG Quality Score – Peer Percentile:

- 1. The fund must be categorized by the Lipper Global Classification scheme
- 2. The peer group must contain at least 30 funds.
- 3. The standard deviation of the Fund ESG Quality Score within the peer group must be greater than, or equal to, 0.1.

The Lipper Global Classification Scheme is detailed in ESG Fund Ratings Methodology document.

GLOBAL PERCENTILES

Every fund included in Fund Ratings receives a Fund ESG Quality Score – Global Percentile. The Global Percentile notes the

percentage of funds, covered by Fund Ratings, with a score lower than, or equal to, a fund's ESG Quality Score. Considered in conjunction, the Global and Peer Percentiles position a fund from both an absolute (product-wide) and relative (peer category) perspective.

TREATMENT OF CASH

Cash holdings are removed prior to calculating Fund ESG Coverage (%). Cash is removed because it is outside the scope of ESG relevancy. Including it in the coverage figure would lead to the undesired result of funds failing to meet the coverage threshold due to cash allocations.

The weight of cash is included in all metrics that measure exposure to specific criteria (e.g. Tobacco, Fossil Fuel Reserves, ESG Laggards, etc.). Excluding cash from exposure metrics would generate overstated results.

TREATMENT OF SHORT POSITIONS

When calculating "Fund ESG Coverage (%)", short positions are always treated as uncovered, even if held as a security of an issuer within ESG coverage. By including the absolute value of short positions in the uncovered portion of a fund, the coverage % will not overstate ESG coverage.

Although short positions are included in the gross value when calculating coverage, they are removed prior to calculating the rest of the MSCI ESG Fund Ratings results. This is because the interpretation of short positions, from an ESG perspective, varies widely based on use case and the specific metric being considered.

Sustainable Impact Metrics

Sustainable Impact measures revenue exposure to Sustainable Impact Solutions which reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

Negative externalities refer to very severe and severe ESG controversies, ESG Ratings of CCC and B, direct involvement in predatory lending, involvement in controversial weapons, more than 5% revenue from conventional weapons or firearms, and more than 10% revenue from alcohol or tobacco production.

OVERALL

Revenue Exposure to Sustainable Impact Companies (%): A portfolio's exposure to Sustainable Impact Solutions is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact and Social Impact Solutions goods and services. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

ENVIRONMENTAL

Environmental Impact Companies (%): A portfolio's exposure to Environmental Impact is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact goods and services. Additionally, Environmental Impact revenue from companies with negative externalities is excluded.

The following environmental metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

CLIMATE CHANGE

- Energy Efficiency (%)
- Alternative Energy (%)
- Green Building (%)

NATURAL CAPITAL

- Pollution Prevention
- Sustainable Waters

SOCIAL

Social Impact Companies (%): A portfolio's exposure to Social Impact is the portfolio weighted average of each company's percent of revenue generated by Social Impact goods and services. Additionally, Social Impact revenue from companies with negative externalities is excluded.

The following social metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

BASIC NEEDS

- Affordable Real Estate (%)
- Major Disease Treatment (%)
- Nutrition (%)
- Sanitation Products (%)

EMPOWERMENT

- Education (%)
- Social Finance (%)

Values Alignment metrics provide transparency to help identify funds that align with ethical, religious or political views. The metrics measure the percentage of portfolio's market value exposed to companies flagged for controversial business involvement, controversies, global norms violations, and religious compliance.

BUSINESS INVOLVEMENT

SRI Exclusion Criteria (%): The percentage of portfolio's market value exposed to companies flagged for one or more standard SRI exclusion factors (alcohol, civilian firearms, gambling, weapons, cluster bombs, landmines, nuclear power, GMOs, and tobacco).

Adult Entertainment - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in adult entertainment according to our Highly Restrictive screen definition This includes all adult entertainment producers as well as adult entertainment distributors and retailers if the total revenue is => 5%. The full weight of each flagged company is included in the calculation.

Alcohol - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in alcohol according to our Highly Restrictive screen definition. This includes all alcohol producers as well as alcohol distributors, suppliers, and retailers if the combined revenue is => 5%. The full weight of each flagged company is included in the calculation.

Gambling Involvement - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in gambling according to our Highly Restrictive screen definition. This includes all gambling facility operators as well as support products & services if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

Nuclear Power Involvement - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in nuclear power according to our Highly Restrictive screen definition. This includes all utilities with nuclear power generation operations and suppliers to the nuclear power industry if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

Tobacco Involvement - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in tobacco according to our Highly Restrictive screen definition. This includes all tobacco producers as well as tobacco distributors, suppliers, and retailers if the combined revenue is => 5%. The full weight of each flagged company is included in the calculation.

Weapons Involvement (%): The percentage of portfolio's market value exposed to companies with ties to the manufacture of conventional (including depleted uranium), biological/chemical, or

Values Alignment Metrics

nuclear weapons systems and components. This includes companies that provide support systems and services, as well as those with indirect ties to weapons production through ownership. Note: Involvement in the production of landmines and/or cluster bombs is not captured here, but tracked separately.

Controversial Weapons Involvement (%): The percentage of portfolio's market value exposed to companies with ties to landmines, cluster munitions, biological, chemical, or depleted uranium.

Civilian Firearms - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in civilian firearms according to our Highly Restrictive screen definition. This includes all civilian firearms producers as well as civilian firearms retailers if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

Civilian Firearms Retailer (%): The percentage of portfolio's market value exposed to companies that derive any amount of annual revenues from the distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use.

Civilian Firearms Producer (%): The percentage of portfolio's market value exposed to companies that manufacture firearms and small arms ammunitions for civilian markets. The research does not cover companies that cater to the military, government, and law enforcement markets.

Direct Predatory Lending Involvement (%): The percentage of portfolio's market value exposed to companies that provide products and services associated with certain controversial lending practices.

Genetic Engineering Involvement (%): The percentage of portfolio's market value exposed to companies with ties to production of genetically modified organisms.

RELIGIOUS VALUES

Catholic Values Fail (%): The percentage of portfolio's market value exposed to companies that have been flagged for one or more of the underlying USCCB exclusionary factors: abortion, contraceptives, stem cells, discrimination, adult entertainment, defense and weapons, landmines, or predatory lending.

Islamic Non-Compliant (%): The percentage of portfolio's market value exposed to companies that are non-compliant according to Sharia investment principles. Non-compliant companies are those with ownership of a prohibited business activity or Hotel tie or have total revenues greater than or equal to 5% from prohibited business activities or with financial ratios greater than or equal to 33.33%. Prohibited Business Activities include Adult Entertainment, Alcohol, Cinemas, Conventional Financial Services, Gambling, Music, Pork, Tobacco, and Weapons.

INTERNATIONAL NORMS

Global Compact Compliance Violation (%): The percentage of portfolio's market value exposed to companies in violation of the UN Global Compact principles.

Global Compact Compliance Violation or Watch List (%): The percentage of portfolio's market value exposed to companies in violation of the UN Global Compact principles, or on MSCI's "Watch List" for potential violations.

Human Rights Norms Violation (%): The percentage of portfolio's market value exposed to companies in violation of international norms around human rights.

Human Rights Norms Violation or Watch List (%): The percentage of portfolio's market value exposed to companies in violation of international norms around human rights, or on MSCI's "Watch List" for potential violations.

Labor Norms Violation (%): The percentage of portfolio's market value exposed to companies in violation of the International Labour Organization's broader set of labor standards.

Labor Norms Violation or Watch List (%): The percentage of portfolio's market value exposed to companies in violation of the International Labour Organization's broader set of labor standards, or on MSCI's "Watch List" for potential violations.

Risk Exposure Metrics

Risk Exposure metrics provide transparency on select environmental and governance risks. They provide insight into potentially unknown exposures and unintended bets the may pose risk to investors.

ENVIRONMENTAL RISK

Carbon Risk: The Weighted Average Carbon Intensity measures a fund's exposure to carbon intensive companies. The figure is the sum of security weight (normalized for corporate positions only) multiplied by the security Carbon Intensity.

Own Fossil Fuel Reserves (%): The percentage of portfolio's market value exposed to companies that own fossil fuel reserves.

High Impact Fossil Fuel Reserves (%): The percentage of portfolio's market value exposed to companies that own high impact fossil fuel reserves. High impact fossil fuel reserves include Thermal Coal, Oil Sands, and Shale Oil and Shale Gas.

Exposure to High Water Risk (%): The percentage of portfolio's market value exposed to companies with a Water Stress Exposure Score > 6.6. Scores combine the geographic and business segment components and range from 0 to 10.

REPUTATIONAL RISK (RED FLAG CONTROVERSIES)

Overall Reputational Risk (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing environment, customer, human rights, labor rights or governance controversies, with the company's direct involvement.

Environmental Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing environmental controversies related to Energy & Climate Change, Land Use & Biodiversity, Toxic Spills & Releases, Water Stress, or Operational Waste, with the company's direct involvement.

Customer Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing customer controversies related to Anticompetitive Practices, Customer Relations, Market & Advertising, Privacy & Data Security, or Product Safety, with the company's direct involvement.

Human Rights Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing human rights or community controversies related to Impact on Local Communities, Civil Liberties, or Human Rights, with the company's direct involvement.

Labor Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing labor controversies related to Child Labor, Collective Bargaining, Discrimination, Health & Safety, Labor Management, or Supply Chain Labor Standards, with the company's direct involvement.

Governance Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing governance controversies related to bribery, fraud, controversial investments, or governance structures, with the company's direct involvement.

GOVERNANCE RISK

Board Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of board structure and effectiveness.

Lack of Independent Board Majority (%): The percentage of portfolio's market value exposed to companies lacking an independent board majority.

The following Board metrics represent the percentage of portfolio's market value exposed to companies with their respective board independence:

- Board Independence (0-25%)
- Board Independence (25-50%)
- Board Independence (50-75%)
- Board Independence (75-100%)

No Female Directors (%): The percentage of portfolio's market value exposed to companies with no female directors.

Three or More Female Directors (%): The percentage of portfolio's market value exposed to companies with three or more female directors.

Female Represent 30% of Directors (%): The percentage of portfolio's market value exposed to companies where women comprise at least 30% of the board of directors.

Entrenched Board (%): The percentage of portfolio's market value exposed to companies with long-tenured or aging directors that suggest a problem with board entrenchment.

Overboarding (%): The percentage of portfolio's market value exposed to companies with executive board members that serve on the boards of two or more additional public companies.

Negative Director Votes (%): The percentage of portfolio's market value exposed to companies facing significant negative director votes.

Ownership and Control Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of ownership structure and risks.

One Share One Vote (%): The percentage of portfolio's market value exposed to companies flagged for limitations on voting rights including: multiple equity classes with different voting rights or voting rights limited by shares held, residency, duration, or minimum holding period.

No Annual Director Elections (%): The percentage of portfolio's market value exposed to companies where not all directors stand for annual re-election.

Does not use Majority Voting (%): The percentage of portfolio's market value exposed to companies that have not adopted majority voting in the election of directors.

Controlling Shareholder (%): The percentage of portfolio's market value exposed to companies with a controlling shareholder.

Controlling Shareholder Concerns (%): The percentage of portfolio's market value exposed to companies with ownership structure indicating special concerns for minority shareholders.

Cross Shareholdings (%): The percentage of portfolio's market value exposed to companies involved in a series of cross-shareholdings with other companies.

Poison Pill (%): The percentage of portfolio's market value exposed to companies that have adopted shareholder rights plans.

Pay Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of executive pay practices.

Significant Votes Against Pay Practices (%): The percentage of portfolio's market value exposed to companies facing significant shareholder votes against pay practices.

No Pay Performance Link (%): The percentage of portfolio's market value exposed to companies flagged for executive pay / performance gaps.

Lack of Internal Pay Equity (%): The percentage of portfolio's market value exposed to companies facing a lack of internal pay equity.

Executive Pay Non-Disclosure (%): The percentage of portfolio's market value exposed to companies flagged for executive pay non-disclosure.

Accounting Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of accounting aggressiveness.

Other Metrics

ESG Policy: The Fund ESG Policy factor flag (YES) funds that have adopted investment policies that consider some ESG criteria, including; environmental, social or governance concerns, religious beliefs, inclusive employee policies, or environmentally friendly investments. The flag is attributed to a fund based on what is stated in the fund's investment strategy on the fund prospectus

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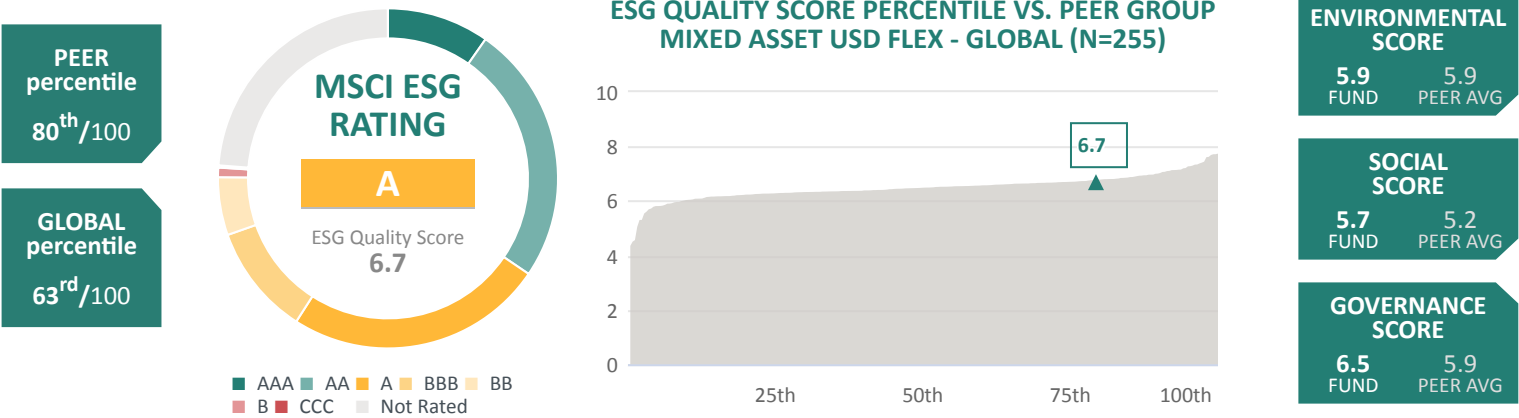
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MSCI ESG Fund Ratings Report

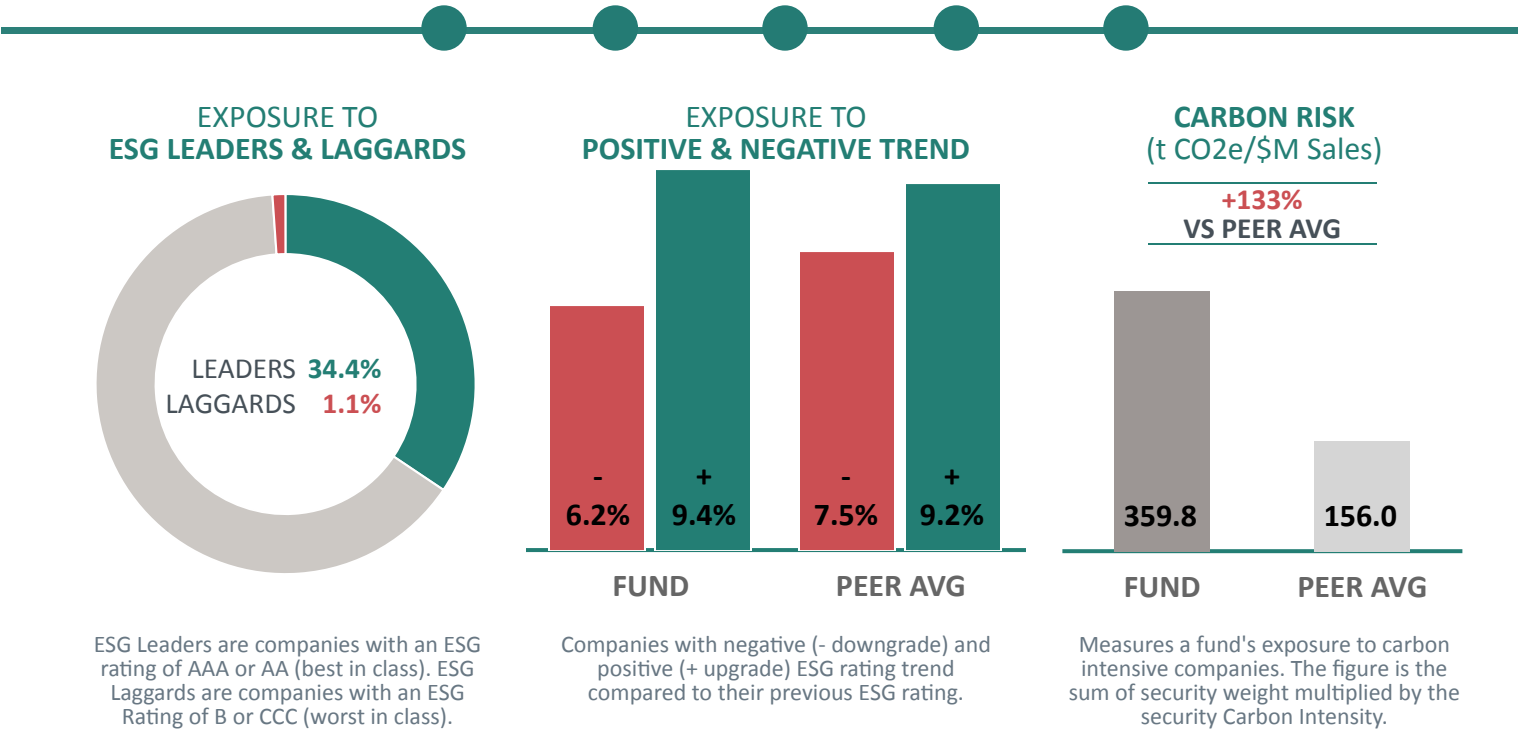
Principal Diversified Real Asset Fund;Inst (PDRDX)

REPORT DATE:
MARCH 11, 2025



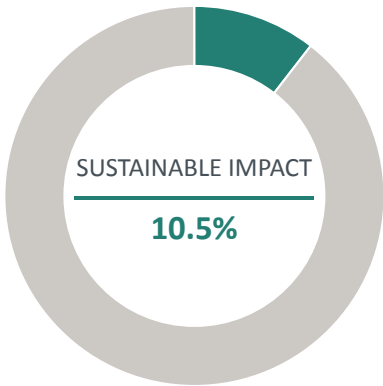
The Fund ESG Rating measures the resiliency of portfolios to long term risks and opportunities arising from environmental, social, and governance factors. The **Principal Diversified Real Asset Fund;Inst** receives an MSCI ESG Rating of **A**, based on an ESG Quality Score of 6.7 out of 10. The fund has 9.4% exposure to holdings with a positive ESG rating trend, 6.2% exposure to holdings with negative ESG rating trend and 1.1% exposure to ESG laggards. It ranks in the 80th percentile within the **Mixed Asset USD Flex - Global** peer group and in the 63rd percentile within the global universe of all funds in coverage.

ESG Policy: n/a
ISIN: US74254V1668
Asset Class: Mixed Assets
Domicile: USA
Peer Group: Mixed Asset USD Flex - Global
Holdings Count: 726
ESG Coverage: 76.4%
Holdings as of: December 31, 2024

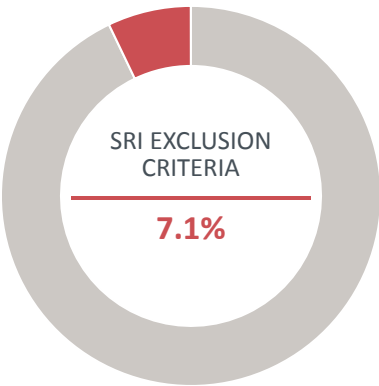


FUND EXPOSURE SUMMARY

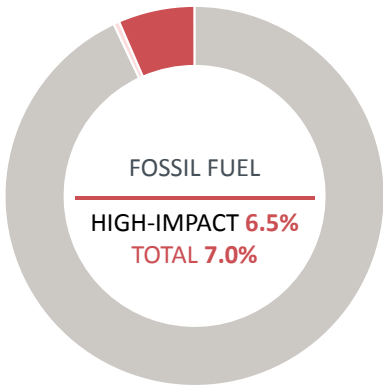
EXPOSURE TO
SUSTAINABLE IMPACT THEMES



EXPOSURE TO
SRI EXCLUSIONS



EXPOSURE TO
FOSSIL FUEL

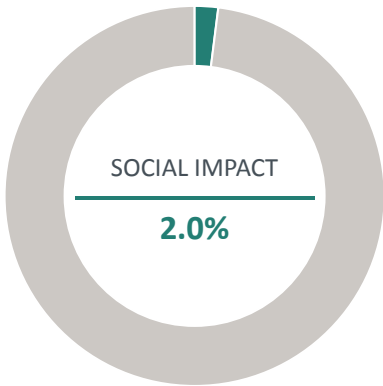
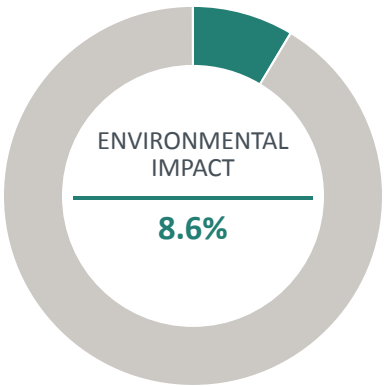


TOP 10 HOLDINGS

	Holding Name	Fund Weight*	Sustainable Impact Revenue (Theme)	Fossil Fuel	SRI Exclusions	Carbon Intensity	ESG Score
1	Global X US Infrastructure Development ETF	3.2%	5.7% (Alternative Energy,Energy Efficiency,Sustainable Water,Pollution Prevention,Sanitation Products)			168.9	6.8
2	iShares Global Infrastructure ETF	2.5%	1.5% (Alternative Energy,Energy Efficiency)			802.8	7.2
3	Welltower Inc ORD	1.5%	21.5% (Green Building,Affordable Real Estate)			88.9	7.4
4	Equinix Inc ORD	1.5%	71.2% (Alternative Energy)			322.3	10.0
5	Enbridge Inc ORD	1.3%	1.0% (Energy Efficiency)			449.7	8.5
6	Prologis Inc ORD	1.0%	17.4% (Green Building)			0.9	6.3
7	National Grid PLC ORD	1.0%	4.5% (Energy Efficiency)			273.2	9.1
8	AvalonBay Communities Inc ORD	0.9%	21.0% (Green Building,Affordable Real Estate)			23.2	6.3
9	Ventas Inc ORD	0.9%	29.6% (Green Building,Affordable Real Estate)			97.8	4.7
10	Extra Space Storage Inc ORD	0.8%	0.4% (Green Building)			58.9	4.2

*Fund holding weights are normalized to reflect exclusion of short positions.

SUSTAINABLE IMPACT EXPOSURE



How to read this page

Revenue exposure to Sustainable Impact Solutions reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. To be eligible to contribute, an issuer must maintain minimum ESG standards.

The classifications below help interpret the different degrees of exposure.

Percentage	Exposure
>20%	Very High
>10% and <=20%	High
>5% and <=10%	Moderate
>1% and <=5%	Low
<=1%	Negligible

CLIMATE CHANGE

Alternative Energy (%)	1.3%
Energy Efficiency (%)	1.9%
Green Building (%)	3.9%

NATURAL CAPITAL

Sustainable Water (%)	0.2%
Pollution Prevention (%)	0.4%
Sustainable Agriculture (%)	0.6%

BASIC NEEDS

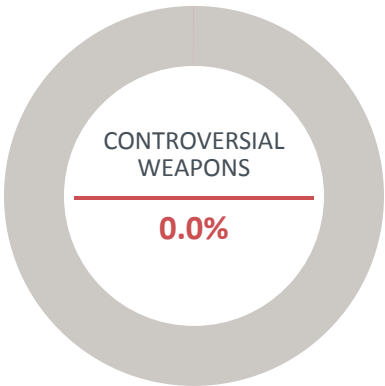
Major Diseases Treatment (%)	0.0%
Sanitation (%)	0.0%
Nutrition (%)	0.0%
Affordable Real Estate (%)	1.8%

EMPOWERMENT

Education (%)	0.0%
SME Finance (%)	0.0%
Connectivity (%)	0.0%

See the Terms and Definitions section at the back of the report for more detail.

VALUES ALIGNMENT EXPOSURE



How to read this page

Values Alignment metrics provide transparency to help identify funds that align with ethical, religious or political views. The metrics measure the percentage of portfolio's market value exposed to companies flagged for controversial business involvement, controversies, global norms violations, and religious compliance.

Business Involvement

The percentage of portfolio's market value exposed to companies flagged for involvement in a category according to our screening definitions i.e. Highly Restrictive, Any Tie and others. For our Highly Restrictive screen definition, in most cases, this is defined as companies that derived 5% or more revenue from an involvement category. Refer to the Terms and Definitions at the back of the report.

Religious Values

The percentage of portfolio's market value exposed to companies that have been flagged for non-compliance for Catholic Values or Islamic Values.

International Norms

The percentage of portfolio's market value exposed to companies in violation of global norms and conventions.

See the Terms and Definitions section at the back of the report for more detail.

BUSINESS INVOLVEMENT

Adult Entertainment — Highly Restrictive (%)	0.0%
Alcohol — Highly Restrictive (%)	0.8%
Civilian Firearms — Highly Restrictive (%)	0.0%
Civilian Firearms Retailer (%)	0.0%
Civilian Firearms Producer (%)	0.0%
Gambling — Highly Restrictive (%)	1.1%
Nuclear Power — Highly Restrictive (%)	5.5%
Tobacco — Highly Restrictive (%)	0.0%
Weapons - Any Tie (%)	0.5%
Controversial Weapons (%)	0.0%
Direct Predatory Lending (%)	0.0%
Genetic Engineering (%)	0.0%

RELIGIOUS VALUES

Catholic Values Non-Compliant (%)	1.5%
Islamic Non-Compliant (%)	41.4%

INTERNATIONAL NORMS

Global Compact Compliance Violation (%)	0.0%
Global Compact Compliance Violation or Watch List (%)	6.5%
Human Rights Norms Violation (%)	0.0%
Human Rights Norms Violation or Watch List (%)	6.5%
Labor Norms (%)	0.0%
Labor Norms Violation or Watch List (%)	0.8%

RISK EXPOSURE

ESG QUALITY SCORE CARD			
	FUND	PEER AVG	VS PEER AVG
ESG QUALITY SCORE (0-10)	6.7	6.4	0.3
ENVIRONMENTAL SCORE (0-10)	5.9	5.9	0.0
SOCIAL SCORE (0-10)	5.7	5.2	0.5
GOVERNANCE SCORE (0-10)	6.5	5.9	0.6
ESG LEADERS (%)	34.4%	30.3%	4.1%
ESG LAGGARDS (%)	1.1%	2.9%	-1.8%
ESG - POSITIVE TREND (%)	9.4%	9.2%	0.2%
ESG - NEGATIVE TREND (%)	6.2%	7.5%	-1.3%



How to read this page

Environmental Risk

Carbon Risk is the weighted average carbon intensity (tCO2e / \$M sales) and measures a fund's exposure to carbon intensive companies.

High impact fossil fuel reserves measure portfolio's market value exposed to companies that own high impact fossil fuel reserves including Thermal Coal, Oil Sands, and Shale Oil and Shale Gas. Water risk measure the portfolio's market value exposed to companies with operations in lines of business that are typically highly water intensive.

Reputational Risk

The percentage of portfolio's market value exposed to companies facing one or more Very Severe controversies.

Governance Metrics

Governance metrics measure the percentage of a portfolio's market value exposed to companies with different corporate governance practices related to Board, Pay, Ownership & Control and Accounting.

See the Terms and Definitions section at the back of the report for more detail.

ENVIRONMENTAL RISK

FOSSIL FUEL

Carbon Risk (t CO2e/\$M sales)	359.8
Own Fossil Fuel Reserves (%)	7.0%
High Impact Fossil Fuel Reserves (%)	6.5%
Exposure to High Water Risk (%)	13.2%

REPUTATIONAL RISK

Overall Reputational Risk (%)	0.0%
Environmental (%)	0.0%
Customer (%)	0.0%
Human Rights (%)	0.0%
Labor (%)	0.0%
Governance (%)	0.0%

GOVERNANCE RISK

BOARD

Board Flag (%)	6.8%
Lack of Independent Board (%)	n/a
Board independence (0-25%)	0.0%
Board independence (25-50%)	2.3%
Board independence (50-75%)	14.1%
Board independence (75-100%)	51.1%
No Female Directors (%)	0.0%
3+ Female Directors (%)	59.9%
Female Rep. 30% of Directors (%)	51.3%
Entrenched Board (%)	14.2%
Overboarding (%)	24.9%
Negative Director Votes (%)	19.3%

GOVERNANCE RISK (CONTINUED)

ACCOUNTING		OWNERSHIP & CONTROL	
Accounting Flag (%)	10.6%	Ownership & Control Flag (%)	6.5%
PAY		One Share One Vote (%)	25.6%
		No Annual Director Elections (%)	19.4%
		Does not use Majority Voting (%)	19.4%
		Controlling Shareholder (%)	7.4%
		Controlling Shareholder Concerns (%)	2.7%
		Cross Shareholdings (%)	0.9%
Pay Flag (%)	1.7%	Poison Pill (%)	0.5%
Votes Against Pay Practices (%)	16.1%		
No Pay Performance Link (%)	2.6%		
Lack of Internal Pay Equity (%)	25.5%		
Executive Pay Non-Disclosure (%)	4.7%		

TERMS AND DEFINITIONS

Methodology

We leverage our ESG ratings and research coverage of over 10,500 companies (19,500 total issuers including subsidiaries) and more than 760,000 equity and fixed income securities to create ESG Ratings, scores and metrics for approximately 65,000 multi-asset class Mutual Funds and ETFs globally. MSCI ESG Fund Ratings aims to provide fund-level transparency to help clients better understand and measure the ESG characteristics of the total portfolio, and rank or screen funds based on a diverse set of ESG exposure categories.

To learn more about MSCI ESG Research products, please visit: www.msci.com/esg-ratings

MSCI ESG FUND RATINGS INCLUSION CRITERIA

Certain MSCI ESG Fund Ratings holdings data is sourced from Lipper (see [Notice and Disclaimer](#)). To be included in Fund Ratings, a fund must pass the following three criteria:

1. 65% of the fund’s gross weight must come from covered securities.
- a. The coverage universe for issuers consists of MSCI ESG Ratings (over 10,500 companies and more than 760,000 equity and fixed income securities globally).

b. Cash positions and other asset types not relevant for ESG analysis are removed prior to calculating a fund’s gross weight.

c. The absolute values of short positions are included in a fund’s gross weight calculation, but are treated as uncovered for ESG data.

d. Security asset type must have recourse to the rated issuer.
2. Fund holdings date must be less than one year old.
3. Fund must have at least ten securities.

FACTOR CALCULATIONS

While Fund Ratings includes over 600 metrics, the calculation for each one is done according to one of three basic methodologies. The ESG Fund Ratings Methodology document notes which approach is used for each metric.

The first step in all cases (except for “Fund ESG Coverage (%)”, which is described separately in the Fund Coverage section) is to exclude any short positions. Weights of the remaining positions are normalized to 100%. Following that, the metrics will utilize one of the three methodologies described here:

Method 1: Weighted Average: This is the sumproduct of security weights and security values for a given metric. Securities without values for the metric being measured are excluded, and the weights of the remaining securities are normalized to 100%.

	Weight	ESG Score	Weight x Score
Security A	50%	4	2.0
Security B	30%	8	2.4
Security C	20%	7	1.4
TOTAL	100%		5.8

Method 2: Metric Weighted Average: This calculation is a slight variation on the Weighted Average calculation described above in Method 1. The distinction is that the Metric Weighted Average includes two different sets of weights; the security weights and the metric weights from the ESG Ratings model. As an example, an Environment Score may represent only 10% of the ESG exposure for one company, but 50% of the ESG exposure for another company. These metricweights are included in the calculation so that the Fund score will accurately represent the exposure from each security.

	Fund Weight	Environment Score	Environment Weight	Fund Weight x Environment Weight	Normalized Weight	Normalized Weight x Environment Score
Security A	50%	2	35%	18%	76%	1.5
Security B	30%	8	5 %	2 %	7 %	0.5
Security C	20%	7	20%	4%	17%	1.2
TOTAL	100%					3.3

Method 3: Percentage Sum: Metrics calculated using Percentage Sum show the percent of the fund that meets the criteria for the metric being measured. The percentage represents a minimum

value, as there may be uncovered securities that are also True. For instance, a “Predatory Lending (%)” of 10% means that 10% of the weight of the fund comes from issuers with identified ties to predatory lending. The actual percentage may be higher if the fund holds companies involved in predatory lending that are outside of the product’s coverage universe.

The security weights used in Percentage Sum calculations are set by excluding short positions, and normalizing the remaining positions to 100%. Note that cash positions are kept in the fund to avoid overstating exposure to the metric. Cash is treated as a portion of the fund that does not meet the criteria to the metricbeing measured.

	Fund Weight	Predatory Lending	Predatory Lending %
Security A	40%	No	-
Security B	30%	No	-
Security C	20%	Yes	20%
Security D	10%	Uncovered	-
			20%

FUND ESG QUALITY SCORE

The “Fund ESG Quality Score” assesses the resilience of a fund’s aggregate holdings to long term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks, based on a granular breakdown of a company’s business: its core product or business segments, the locations of its assets or revenues, and other relevant measures such as outsourced production. The “Fund ESG Quality Score” is provided on a 0-10 score, with 0 and 10 being the respective lowest and highest possible fund scores.

The “Fund ESG Quality Score” is assessed using the underlying holding’s “Overall ESG Scores”, “Overall ESG Ratings”, and “Overall ESG Rating Trends”. It is calculated in a series of 3 steps.

Step 1: Calculate the “Fund Weighted Average ESG Score” of the underlying holding’s “Overall ESG Scores”. Methodology for the issuer level scores are available in a separate “MSCI ESG Ratings Methodology” document. The table below demonstrates how the “Fund Weighted Average ESG Score” is calculated. Note that in this example, Security E does not have an ESG Score. Security E is therefore “dropped” from analysis, and the weights of the remaining securities are normalized to 100%. The normalized weights and ESG scores are then used to calculate the “Fund Weighted Average ESG Score” of 6.6.

Step 1 Example

	Weight	ESG Score	Normalized Weight	Normalized Weight x Score
Security A	20%	4.0	25%	1.0
Security B	40%	8.0	50%	4.0
Security C	8%	7.0	10%	0.7
Security D	12%	6.0	15%	0.9
Security E	20%	N/A	0%	N/A
TOTAL	100%		100%	6.6

ESG FUND RATING

The top level fund signal, the “Fund ESG Rating”, assesses the resilience of a fund’s aggregate holdings to long term ESG risks. Highly rated funds consist of issuers with leading or improving management of key ESG risks.

ESG RATINGSWHAT IT MEANS

AAA, AA	LEADER	The companies that the fund invests in show strong and/or improving management of financially relevant environmental, social and governance issues. These companies may be more resilient to disruptions arising from ESG events.
A,BBB,BB	AVERAGE	The fund invests in companies that show average management of ESG issues, or in a mix of companies with both above-average and below-average ESG risk management.
B,CCC	LAGGARD	The fund is exposed to companies that do not demonstrate adequate management of the ESG risks that they face, or show worsening management of these issues. These companies may be more vulnerable to disruptions arising from ESG events.

The Fund ESG Rating is calculated as a direct mapping of “Fund ESG Quality Score” to letter rating categories.

Fund ESG Quality Score	Fund ESG Rating
8.6 [*] - 10	AAA
7.1 - 8.6	AA
5.7 - 7.1	A
4.3 - 5.7	BBB
2.9 - 4.3	BB
1.4 - 2.9	B
0.0 - 1.4	CCC

*Appearance of overlap in the score ranges is due to rounding. The 0 to 10 scale is divided into 7 equal parts, each corresponding to a letter rating.

PEER GROUP PERCENTILES

Each fund's overall ESG Quality Score is also shown as a percentile in its peer group. The Fund ESG Quality Score – Peer Percentile represents the percentage of funds in a fund's peer group with an ESG Score equal to, or lower than, the fund's ESG Score.



The peer groups are defined using the Lipper Global Classification Scheme. The following criteria must be met for a fund to receive a Fund ESG Quality Score – Peer Percentile:

- 1. The fund must be categorized by the Lipper Global Classification scheme
- 2. The peer group must contain at least 30 funds.
- 3. The standard deviation of the Fund ESG Quality Score within the peer group must be greater than, or equal to, 0.1.

The Lipper Global Classification Scheme is detailed in ESG Fund Ratings Methodology document.

GLOBAL PERCENTILES

Every fund included in Fund Ratings receives a Fund ESG Quality Score – Global Percentile. The Global Percentile notes the

percentage of funds, covered by Fund Ratings, with a score lower than, or equal to, a fund's ESG Quality Score. Considered in conjunction, the Global and Peer Percentiles position a fund from both an absolute (product-wide) and relative (peer category) perspective.

TREATMENT OF CASH

Cash holdings are removed prior to calculating Fund ESG Coverage (%). Cash is removed because it is outside the scope of ESG relevancy. Including it in the coverage figure would lead to the undesired result of funds failing to meet the coverage threshold due to cash allocations.

The weight of cash is included in all metrics that measure exposure to specific criteria (e.g. Tobacco, Fossil Fuel Reserves, ESG Laggards, etc.). Excluding cash from exposure metrics would generate overstated results.

TREATMENT OF SHORT POSITIONS

When calculating "Fund ESG Coverage (%)", short positions are always treated as uncovered, even if held as a security of an issuer within ESG coverage. By including the absolute value of short positions in the uncovered portion of a fund, the coverage % will not overstate ESG coverage.

Although short positions are included in the gross value when calculating coverage, they are removed prior to calculating the rest of the MSCI ESG Fund Ratings results. This is because the interpretation of short positions, from an ESG perspective, varies widely based on use case and the specific metric being considered.

Sustainable Impact Metrics

Sustainable Impact measures revenue exposure to Sustainable Impact Solutions which reflects the extent to which company revenue is exposed to products and services that help solve the world's major social and environmental challenges. It is calculated as a weighted average, using portfolio weights and each issuer's percent of revenue generated from Sustainable Impact Solutions. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

Negative externalities refer to very severe and severe ESG controversies, ESG Ratings of CCC and B, direct involvement in predatory lending, involvement in controversial weapons, more than 5% revenue from conventional weapons or firearms, and more than 10% revenue from alcohol or tobacco production.

OVERALL

Revenue Exposure to Sustainable Impact Companies (%): A portfolio's exposure to Sustainable Impact Solutions is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact and Social Impact Solutions goods and services. Additionally, Sustainable Impact Solutions revenue from companies with negative externalities is excluded.

ENVIRONMENTAL

Environmental Impact Companies (%): A portfolio's exposure to Environmental Impact is the portfolio weighted average of each company's percent of revenue generated by Environmental Impact goods and services. Additionally, Environmental Impact revenue from companies with negative externalities is excluded.

The following environmental metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

CLIMATE CHANGE

- Energy Efficiency (%)
- Alternative Energy (%)
- Green Building (%)

NATURAL CAPITAL

- Pollution Prevention
- Sustainable Waters

SOCIAL

Social Impact Companies (%): A portfolio's exposure to Social Impact is the portfolio weighted average of each company's percent of revenue generated by Social Impact goods and services. Additionally, Social Impact revenue from companies with negative externalities is excluded.

The following social metrics represent a portfolio's exposure to each theme which is calculated as the portfolio weighted average of each company's percent of revenue generated from goods and services. Additionally, revenue from companies with negative externalities is excluded.

BASIC NEEDS

- Affordable Real Estate (%)
- Major Disease Treatment (%)
- Nutrition (%)
- Sanitation Products (%)

EMPOWERMENT

- Education (%)
- Social Finance (%)

Values Alignment metrics provide transparency to help identify funds that align with ethical, religious or political views. The metrics measure the percentage of portfolio's market value exposed to companies flagged for controversial business involvement, controversies, global norms violations, and religious compliance.

BUSINESS INVOLVEMENT

SRI Exclusion Criteria (%): The percentage of portfolio's market value exposed to companies flagged for one or more standard SRI exclusion factors (alcohol, civilian firearms, gambling, weapons, cluster bombs, landmines, nuclear power, GMOs, and tobacco).

Adult Entertainment - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in adult entertainment according to our Highly Restrictive screen definition. This includes all adult entertainment producers as well as adult entertainment distributors and retailers if the total revenue is => 5%. The full weight of each flagged company is included in the calculation.

Alcohol - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in alcohol according to our Highly Restrictive screen definition. This includes all alcohol producers as well as alcohol distributors, suppliers, and retailers if the combined revenue is => 5%. The full weight of each flagged company is included in the calculation.

Gambling Involvement - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in gambling according to our Highly Restrictive screen definition. This includes all gambling facility operators as well as support products & services if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

Nuclear Power Involvement - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in nuclear power according to our Highly Restrictive screen definition. This includes all utilities with nuclear power generation operations and suppliers to the nuclear power industry if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

Tobacco Involvement - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in tobacco according to our Highly Restrictive screen definition. This includes all tobacco producers as well as tobacco distributors, suppliers, and retailers if the combined revenue is => 5%. The full weight of each flagged company is included in the calculation.

Weapons Involvement (%): The percentage of portfolio's market value exposed to companies with ties to the manufacture of conventional (including depleted uranium), biological/chemical, or

Values Alignment Metrics

nuclear weapons systems and components. This includes companies that provide support systems and services, as well as those with indirect ties to weapons production through ownership. Note: Involvement in the production of landmines and/or cluster bombs is not captured here, but tracked separately.

Controversial Weapons Involvement (%): The percentage of portfolio's market value exposed to companies with ties to landmines, cluster munitions, biological, chemical, or depleted uranium.

Civilian Firearms - Highly Restrictive (%): The percentage of portfolio's market value exposed to companies flagged for involvement in civilian firearms according to our Highly Restrictive screen definition. This includes all civilian firearms producers as well as civilian firearms retailers if the revenue is => 5%. The full weight of each flagged company is included in the calculation.

Civilian Firearms Retailer (%): The percentage of portfolio's market value exposed to companies that derive any amount of annual revenues from the distribution (wholesale or retail) of firearms or small arms ammunition intended for civilian use.

Civilian Firearms Producer (%): The percentage of portfolio's market value exposed to companies that manufacture firearms and small arms ammunitions for civilian markets. The research does not cover companies that cater to the military, government, and law enforcement markets.

Direct Predatory Lending Involvement (%): The percentage of portfolio's market value exposed to companies that provide products and services associated with certain controversial lending practices.

Genetic Engineering Involvement (%): The percentage of portfolio's market value exposed to companies with ties to production of genetically modified organisms.

RELIGIOUS VALUES

Catholic Values Fail (%): The percentage of portfolio's market value exposed to companies that have been flagged for one or more of the underlying USCCB exclusionary factors: abortion, contraceptives, stem cells, discrimination, adult entertainment, defense and weapons, landmines, or predatory lending.

Islamic Non-Compliant (%): The percentage of portfolio's market value exposed to companies that are non-compliant according to Sharia investment principles. Non-compliant companies are those with ownership of a prohibited business activity or Hotel tie or have total revenues greater than or equal to 5% from prohibited business activities or with financial ratios greater than or equal to 33.33%. Prohibited Business Activities include Adult Entertainment, Alcohol, Cinemas, Conventional Financial Services, Gambling, Music, Pork, Tobacco, and Weapons.

INTERNATIONAL NORMS

Global Compact Compliance Violation (%): The percentage of portfolio's market value exposed to companies in violation of the UN Global Compact principles.

Global Compact Compliance Violation or Watch List (%): The percentage of portfolio's market value exposed to companies in violation of the UN Global Compact principles, or on MSCI's "Watch List" for potential violations.

Human Rights Norms Violation (%): The percentage of portfolio's market value exposed to companies in violation of international norms around human rights.

Human Rights Norms Violation or Watch List (%): The percentage of portfolio's market value exposed to companies in violation of international norms around human rights, or on MSCI's "Watch List" for potential violations.

Labor Norms Violation (%): The percentage of portfolio's market value exposed to companies in violation of the International Labour Organization's broader set of labor standards.

Labor Norms Violation or Watch List (%): The percentage of portfolio's market value exposed to companies in violation of the International Labour Organization's broader set of labor standards, or on MSCI's "Watch List" for potential violations.

Risk Exposure Metrics

Risk Exposure metrics provide transparency on select environmental and governance risks. They provide insight into potentially unknown exposures and unintended bets the may pose risk to investors.

ENVIRONMENTAL RISK

Carbon Risk: The Weighted Average Carbon Intensity measures a fund's exposure to carbon intensive companies. The figure is the sum of security weight (normalized for corporate positions only) multiplied by the security Carbon Intensity.

Own Fossil Fuel Reserves (%): The percentage of portfolio's market value exposed to companies that own fossil fuel reserves.

High Impact Fossil Fuel Reserves (%): The percentage of portfolio's market value exposed to companies that own high impact fossil fuel reserves. High impact fossil fuel reserves include Thermal Coal, Oil Sands, and Shale Oil and Shale Gas.

Exposure to High Water Risk (%): The percentage of portfolio's market value exposed to companies with a Water Stress Exposure Score > 6.6. Scores combine the geographic and business segment components and range from 0 to 10.

REPUTATIONAL RISK (RED FLAG CONTROVERSIES)

Overall Reputational Risk (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing environment, customer, human rights, labor rights or governance controversies, with the company's direct involvement.

Environmental Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing environmental controversies related to Energy & Climate Change, Land Use & Biodiversity, Toxic Spills & Releases, Water Stress, or Operational Waste, with the company's direct involvement.

Customer Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing customer controversies related to Anticompetitive Practices, Customer Relations, Market & Advertising, Privacy & Data Security, or Product Safety, with the company's direct involvement.

Human Rights Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing human rights or community controversies related to Impact on Local Communities, Civil Liberties, or Human Rights, with the company's direct involvement.

Labor Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing labor controversies related to Child Labor, Collective Bargaining, Discrimination, Health & Safety, Labor Management, or Supply Chain Labor Standards, with the company's direct involvement.

Governance Controversies (%): The percentage of fund's market value exposed to companies facing one or more Very Severe ongoing governance controversies related to bribery, fraud, controversial investments, or governance structures, with the company's direct involvement.

GOVERNANCE RISK

Board Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of board structure and effectiveness.

Lack of Independent Board Majority (%): The percentage of portfolio's market value exposed to companies lacking an independent board majority.

The following Board metrics represent the percentage of portfolio's market value exposed to companies with their respective board independence:

- Board Independence (0-25%)
- Board Independence (25-50%)
- Board Independence (50-75%)
- Board Independence (75-100%)

No Female Directors (%): The percentage of portfolio's market value exposed to companies with no female directors.

Three or More Female Directors (%): The percentage of portfolio's market value exposed to companies with three or more female directors.

Female Represent 30% of Directors (%): The percentage of portfolio's market value exposed to companies where women comprise at least 30% of the board of directors.

Entrenched Board (%): The percentage of portfolio's market value exposed to companies with long-tenured or aging directors that suggest a problem with board entrenchment.

Overboarding (%): The percentage of portfolio's market value exposed to companies with executive board members that serve on the boards of two or more additional public companies.

Negative Director Votes (%): The percentage of portfolio's market value exposed to companies facing significant negative director votes.

Ownership and Control Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of ownership structure and risks.

One Share One Vote (%): The percentage of portfolio's market value exposed to companies flagged for limitations on voting rights including: multiple equity classes with different voting rights or voting rights limited by shares held, residency, duration, or minimum holding period.

No Annual Director Elections (%): The percentage of portfolio's market value exposed to companies where not all directors stand for annual re-election.

Does not use Majority Voting (%): The percentage of portfolio's market value exposed to companies that have not adopted majority voting in the election of directors.

Controlling Shareholder (%): The percentage of portfolio's market value exposed to companies with a controlling shareholder.

Controlling Shareholder Concerns (%): The percentage of portfolio's market value exposed to companies with ownership structure indicating special concerns for minority shareholders.

Cross Shareholdings (%): The percentage of portfolio's market value exposed to companies involved in a series of cross-shareholdings with other companies.

Poison Pill (%): The percentage of portfolio's market value exposed to companies that have adopted shareholder rights plans.

Pay Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of executive pay practices.

Significant Votes Against Pay Practices (%): The percentage of portfolio's market value exposed to companies facing significant shareholder votes against pay practices.

No Pay Performance Link (%): The percentage of portfolio's market value exposed to companies flagged for executive pay / performance gaps.

Lack of Internal Pay Equity (%): The percentage of portfolio's market value exposed to companies facing a lack of internal pay equity.

Executive Pay Non-Disclosure (%): The percentage of portfolio's market value exposed to companies flagged for executive pay non-disclosure.

Accounting Flag (%): The percentage of portfolio's market value exposed to companies ranking "below average" relative to global peers on MSCI's assessment of accounting aggressiveness.

Other Metrics

ESG Policy: The Fund ESG Policy factor flag (YES) funds that have adopted investment policies that consider some ESG criteria, including; environmental, social or governance concerns, religious beliefs, inclusive employee policies, or environmentally friendly investments. The flag is attributed to a fund based on what is stated in the fund's investment strategy on the fund prospectus

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1. Asset Allocation Analysis Update
 2. Real Asset Manager Search
 3. Appendix
 - Assumptions & Disclosures



Historical Annualized Total Return

Annualized net returns as of 12/31/2024	Fixed Income	Equity	Real Assets	Alternatives	Past 3 Months (Not Annualized)	1-Year Return	3-Year Return	5-Year Return	7-Year Return	10-Year Return	15-Year Return	20-Year Return	25-Year Return	30-Year Return	37-Year Return
Current IPS Targets (A)	27%	43%	4%	0%	-2.0%	12.1%	3.5%	7.6%	7.5%	7.8%	8.6%	7.5%	6.7%	8.3%	9.0%
Optimized (A)	27%	44%	3%		-1.9%	12.2%	3.6%	7.6%	7.5%	7.8%	8.6%	7.5%	6.6%	8.3%	9.0%
Optimized with Real Assets (B)	27%	43%	5%		-1.9%	12.0%	3.5%	7.5%	7.4%	7.7%	8.5%	7.5%	6.7%	8.2%	9.0%
Cash	100%				1.2%	5.4%	4.1%	2.5%	2.4%	1.8%	1.2%	1.6%	1.9%	2.4%	3.0%
TIPS	100%				-2.9%	1.8%	-2.3%	1.9%	2.3%	2.2%	2.9%	3.3%	4.8%	5.0%	5.7%
US Bond	100%				-3.1%	1.3%	-2.4%	-0.3%	1.0%	1.3%	2.4%	3.0%	3.9%	4.6%	5.3%
US Bonds - Dynamic	100%				0.2%	5.7%	2.2%	2.5%	3.0%	3.0%	3.5%	3.9%	4.2%	4.8%	5.6%
For. Dev. Bond	100%				-3.3%	-0.9%	-4.4%	-2.4%	-0.7%	0.2%	1.1%	2.0%	3.1%	3.9%	4.5%
Global Bonds	100%				-5.1%	-1.7%	-4.5%	-2.0%	-0.6%	0.2%	1.0%	1.9%	3.1%	3.8%	4.8%
HY Bond	100%				0.2%	8.2%	2.9%	4.2%	4.7%	5.2%	6.4%	6.4%	6.5%	7.0%	7.7%
EM Bond	100%				-7.0%	-2.4%	-1.0%	-1.9%	-0.4%	0.4%	1.2%	3.5%	5.7%	7.4%	7.4%
Global Equity		100%			-0.9%	18.0%	5.9%	10.6%	9.7%	9.8%	9.8%	8.2%	6.1%	8.2%	8.4%
US Equity (AC)		100%			2.6%	23.8%	8.0%	13.9%	13.2%	12.5%	13.6%	10.2%	7.8%	10.8%	11.2%
US Equity (LC)		100%			2.4%	25.0%	8.9%	14.5%	13.8%	13.1%	13.9%	10.4%	7.7%	10.9%	11.3%
US Equity (MC)		100%			0.6%	15.3%	3.8%	9.9%	9.6%	9.6%	12.1%	9.6%	9.2%	11.2%	11.7%
US Equity (SC)		100%			0.3%	11.5%	1.2%	7.4%	6.9%	7.8%	10.3%	7.8%	7.6%	9.0%	9.8%
Non-US Equity (ACWI)		100%			-7.5%	6.1%	1.3%	4.6%	4.0%	5.3%	5.2%	5.5%	4.3%	5.6%	5.9%
Int'l Dev. Equity					-8.1%	4.3%	2.2%	5.2%	4.6%	5.7%	5.7%	5.3%	4.1%	5.5%	5.7%
EM Equity					-7.8%	8.1%	-1.5%	2.1%	1.8%	4.0%	3.4%	6.4%	6.0%	5.3%	9.5%
Real Estate			100%		-8.2%	4.9%	-4.3%	3.3%	5.5%	5.8%	9.4%	7.1%	9.9%	9.6%	9.8%
Broad Real Assets			100%		-4.8%	3.6%	0.2%	3.3%	3.8%	3.7%	5.1%	5.7%	8.2%	7.6%	6.5%
Marketable Alternatives				100%	2.6%	7.6%	2.6%	4.9%	4.1%	3.6%	3.5%	3.3%	3.7%	5.1%	6.9%
Private Equity				100%	0.0%	0.0%	-4.4%	10.1%	11.3%	11.1%	12.7%	11.8%	9.4%	14.6%	14.2%

Historical Returns for each asset allocation mix represent back-tested return calculations developed with the benefit of hindsight. Return calculations use an asset-weighted methodology based on the target asset allocation of each mix and the total return of index proxies used to represent each asset class and are net of fees. Historical returns used are hypothetical and do not represent returns earned by a client. It is not possible to invest in an index. Please see the Frontier Engineer Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class. For additional information on forecast methodologies, please ask for a copy of Fiducient Advisors' white paper titled 10-Year Capital Market Forecasts. Past performance does not indicate future performance and it is possible to lose money when investing.



Calendar Year Total Return

Calendar Net Year Returns	Fixed Income	Equity	Real Assets	Alternatives	YTD 12/31/2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002	2001	2000	1999	1998	1997	1996	1995	1994	1993	1992	1991	1990	1989
Current IPS Targets (A)	27%	43%	4%	0%	12%	17%	-16%	14%	13%	22%	-6%	17%	9%	0%	7%	18%	14%	-1%	14%	27%	-30%	8%	17%	9%	14%	28%	-10%	-5%	-4%	18%	13%	16%	14%	22%	1%	20%	6%	27%	-7%	23%
Optimized (A)	27%	44%	3%		12%	17%	-16%	14%	14%	22%	-6%	18%	9%	0%	7%	18%	14%	-1%	14%	27%	-30%	8%	17%	9%	14%	28%	-11%	-5%	-5%	19%	13%	16%	14%	22%	1%	20%	6%	27%	-7%	23%
Optimized with Real Assets (B)	27%	43%	5%		12%	17%	-16%	14%	14%	22%	-6%	17%	9%	-1%	7%	18%	14%	-1%	14%	27%	-30%	8%	17%	9%	14%	28%	-10%	-5%	-4%	19%	12%	16%	14%	22%	1%	20%	6%	27%	-7%	23%
Cash	100%				5%	5%	2%	0%	1%	2%	2%	1%	0%	0%	0%	0%	0%	0%	0%	0%	2%	5%	5%	3%	1%	1%	2%	4%	6%	5%	5%	5%	5%	6%	4%	3%	4%	6%	8%	9%
TIPS	100%				2%	4%	-12%	6%	11%	8%	-1%	3%	5%	-1%	4%	-9%	7%	14%	6%	11%	-2%	12%	0%	3%	8%	8%	17%	8%	13%	2%	4%	3%	4%	18%	-3%	10%	7%	16%	9%	15%
US Bond	100%				1%	6%	-13%	-2%	8%	9%	0%	4%	3%	1%	6%	-2%	4%	8%	7%	6%	5%	7%	4%	2%	4%	4%	10%	8%	12%	-1%	9%	10%	4%	18%	-3%	10%	7%	16%	9%	15%
US Bonds - Dynamic	100%				6%	9%	-7%	1%	5%	8%	1%	4%	7%	-1%	3%	2%	7%	4%	7%	19%	-7%	4%	7%	3%	6%	10%	3%	6%	3%	3%	6%	9%	8%	14%	0%	10%	9%	21%	1%	15%
For. Dev. Bond	100%				-1%	7%	-18%	-6%	8%	7%	1%	6%	3%	-2%	4%	-2%	4%	5%	4%	3%	9%	8%	5%	-2%	9%	10%	14%	1%	4%	-1%	15%	3%	8%	19%	1%	14%	6%	14%	9%	0%
Global Bonds	100%				-2%	6%	-16%	-5%	9%	7%	-1%	7%	2%	-3%	1%	-3%	4%	6%	6%	7%	5%	9%	7%	-4%	9%	13%	17%	2%	3%	-5%	14%	4%	5%	20%	0%	11%	6%	16%	11%	15%
HY Bond	100%				8%	13%	-11%	5%	7%	14%	-2%	8%	17%	-4%	2%	7%	16%	5%	15%	58%	-26%	2%	12%	3%	11%	29%	-1%	5%	-6%	2%	2%	13%	11%	19%	-1%	17%	16%	46%	-10%	1%
EM Bond	100%				-2%	13%	-12%	-9%	3%	13%	-6%	15%	10%	-15%	-6%	-9%	17%	-2%	16%	22%	-5%	18%	15%	6%	23%	17%	14%	10%	13%	20%	-8%	11%	38%	27%	-19%	17%	16%	46%	-10%	1%
Global Equity		100%			18%	23%	-18%	19%	17%	27%	-9%	25%	8%	-2%	5%	23%	17%	-7%	13%	35%	-42%	12%	22%	11%	16%	35%	-19%	-16%	-14%	27%	22%	15%	13%	19%	5%	25%	-4%	20%	-16%	18%
US Equity (AC)		100%			24%	26%	-19%	26%	21%	31%	-5%	21%	13%	0%	13%	34%	16%	1%	17%	28%	-37%	5%	16%	6%	12%	31%	-22%	-11%	-7%	21%	24%	32%	22%	37%	0%	11%	10%	34%	-5%	29%
US Equity (LC)		100%			25%	26%	-18%	29%	18%	31%	-4%	22%	12%	1%	14%	32%	16%	2%	15%	26%	-37%	5%	16%	5%	11%	29%	-22%	-12%	-9%	21%	29%	33%	23%	38%	1%	10%	8%	30%	-3%	32%
US Equity (MC)		100%			15%	17%	-17%	23%	17%	31%	-9%	19%	14%	-2%	13%	35%	17%	-2%	25%	40%	-41%	6%	15%	13%	20%	40%	-16%	-6%	8%	18%	10%	29%	19%	34%	-2%	14%	16%	42%	-11%	26%
US Equity (SC)		100%			12%	17%	-20%	15%	20%	26%	-11%	15%	21%	-4%	5%	39%	16%	-4%	27%	27%	-34%	-2%	18%	5%	18%	47%	-20%	2%	-3%	21%	-3%	22%	16%	28%	-2%	19%	18%	46%	-19%	16%
Non-US Equity (ACWI)		100%			6%	16%	-16%	8%	11%	22%	-14%	28%	5%	-5%	-3%	16%	17%	-13%	12%	42%	-45%	17%	27%	17%	21%	41%	-15%	-19%	-15%	31%	14%	2%	7%	10%	7%	35%	-11%	14%	-23%	12%
Int'l Dev. Equity					4%	19%	-14%	12%	8%	23%	-13%	26%	2%	0%	-4%	23%	18%	-12%	8%	32%	-43%	12%	27%	14%	21%	39%	-16%	-21%	-14%	27%	20%	2%	6%	12%	8%	33%	-12%	12%	-23%	11%
EM Equity					8%	10%	-20%	-2%	19%	19%	-14%	38%	12%	-15%	-2%	-2%	19%	-18%	19%	79%	-53%	40%	33%	35%	26%	56%	-6%	-2%	-31%	66%	-25%	-12%	6%	-5%	-7%	75%	11%	60%	-11%	65%
Real Estate			100%		5%	11%	-25%	41%	-5%	29%	-4%	9%	9%	3%	28%	3%	20%	8%	28%	28%	-38%	-16%	35%	12%	32%	37%	4%	14%	26%	-5%	-18%	20%	35%	15%	3%	20%	15%	36%	-15%	9%
Broad Real Assets			100%		4%	8%	-10%	15%	1%	17%	-6%	11%	11%	-10%	5%	4%	14%	3%	15%	33%	-28%	11%	23%	10%	20%	26%	25%	-3%	28%	10%	-14%	2%	14%	14%	4%	4%	4%	4%	-6%	2%
Marketable Alternatives				100%	8%	6%	-5%	6%	11%	8%	-4%	8%	1%	0%	3%	9%	5%	-6%	6%	11%	-21%	10%	10%	7%	7%	12%	1%	3%	4%	26%	-5%	16%	14%	11%	-3%	26%	12%	14%	18%	23%
Private Equity				100%	0%	0%	-12%	40%	32%	16%	13%	16%	9%	8%	15%	23%	12%	12%	18%	10%	-20%	18%	25%	21%	22%	14%	-16%	-21%	10%	125%	21%	32%	33%	32%	14%	23%	14%	14%	4%	9%

Historical Returns for each Mix based on back-tested return calculations developed with the benefit of hindsight. Return calculations use an asset-weighted methodology based on the target asset allocation of each mix and the total return of index proxies used to represent each asset class and are net of fees. Historical returns used are hypothetical and do not represent returns earned by a client. It is not possible to invest in an index. Please see the Frontier Engineer Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class. For additional information on forecast methodologies, please ask for a copy of Fiducient Advisors' white paper titled 10-Year Capital Market Forecasts. Past performance does not indicate future performance and it is possible to lose money when investing.



Capital Market Assumptions

Return & Risk Assumptions (Forecasts)	Arithmetic Return	Geometric Return	Standard Deviation	Skewness	Kurtosis
Cash	3.1%	3.1%	0.0%	0	0
US Bond	5.4%	5.2%	7.3%	-0.33	1.69
US Bonds - Dynamic	5.5%	5.3%	6.4%	-0.88	6.04
US Equity (LC)	8.0%	6.6%	16.6%	-0.57	0.82
US Equity (SC)	8.6%	6.4%	21.1%	-0.42	1.04
Int'l Dev. Equity	9.8%	7.5%	21.5%	-0.52	1.26
EM Equity	12.5%	8.6%	28.0%	-0.63	2.04
Private Real Estate	8.5%	8.1%	9.0%	-0.69	6.27
Broad Real Assets	8.3%	7.6%	11.7%	-1.50	7.94

Correlation Assumptions (Forecasts)	Cash	US Bond	US Bonds - Dynamic	US Equity (LC)	US Equity (SC)	Int'l Dev. Equity	EM Equity	Private Real Estate	Broad Real Assets
Cash	1	0	0	0	0	0	0	0	0
US Bond	0	1.00	0.59	0.24	0.15	0.21	0.12	0.00	0.39
US Bonds - Dynamic	0	0.59	1.00	0.61	0.59	0.57	0.57	0.00	0.76
US Equity (LC)	0	0.24	0.61	1.00	0.84	0.70	0.66	0.00	0.64
US Equity (SC)	0	0.15	0.59	0.84	1.00	0.63	0.65	0.00	0.64
Int'l Dev. Equity	0	0.21	0.57	0.70	0.63	1.00	0.71	0.00	0.61
EM Equity	0	0.12	0.57	0.66	0.65	0.71	1.00	0.00	0.59
Private Real Estate	0	0.25	0.62	0.61	0.67	0.52	0.47	0.00	0.83
Broad Real Assets	0	0.39	0.76	0.64	0.64	0.61	0.59	0.00	1.00

October 31, 2024 Twenty-Year Forecasted CMA's

*Historical mix return calculations assume a weighted average excess return assumption of 0.5% with a Fiducient Advisors' hypothetical fee of 0.25%.

For additional information on forecast methodologies, please speak with your advisor. Please see Index Proxy Summary slide at the end of this presentation for summary of indexes used to represent each asset class. Past performance does not indicate future performance. Past performance, actual or hypothetical, is no guarantee of future results and there is a possibility of a loss. Please see Frontier Engineer Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class.



Index Proxy Summary Proxy Slide

Indices used to generate historical risk and return metrics	Most Recent Index	Index Dates		Linked Index 1	Index Dates		Linked Index 2	Index Dates		Linked Index 2	Index Dates	
Cash	FTSE Treasury Bill 3 Mon USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
ST Bonds	Bloomberg US Govt/Credit 1-3 Yr TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
TIPS	Bloomberg US Treasury US TIPS TR USD	11/22	- 3/97	Bloomberg US Agg Bond TR USD	2/97	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Muni Bond	Bloomberg Municipal 5 Yr 4-6 TR USD	11/22	- 1/88	Bloomberg US Agg Bond TR USD	12/87	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Muni High Yield	Bloomberg HY Muni TR USD	11/22	- 11/95	Bloomberg Municipal 5 Yr 4-6 TR USD	10/95	1/88	Bloomberg US Agg Bond TR USD	12/87	- 1/79	N.A.	N.A.	N.A.
US Bond	Bloomberg US Agg Bond TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
US Bonds - Dynamic	*Custom Blend of Indices	11/22	- 2/90	Bloomberg US Agg Bond TR USD	1/90	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
For. Dev. Bond	50% Citi WGBI NonUSD Hdg 50% Citi WGBI NonUSD	11/22	- 1/85	Bloomberg US Agg Bond TR USD	12/84	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
HY Bond	Bloomberg US Corporate High Yield TR USD	11/22	- 7/83	Bloomberg US Agg Bond TR USD	6/83	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
EM Bond	JPM GBI-EM Global Diversified TR USD	11/22	- 1/03	JPM EMBI Global Diversified TR USD	12/02	1/94	Bloomberg US Corporate High Yield TR USD	12/93	- 7/83	Bloomberg US Agg Bond TR USD	6/83	- 1/79
Global Bonds	Bloomberg Global Aggregate TR USD	11/22	- 2/90	Bloomberg US Agg Bond TR USD	1/90	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Long Term Bonds	Bloomberg US Govt/Credit Long TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Global Equity	MSCI ACWI GR USD	11/22	- 1/88	S&P 500 TR USD	12/87	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
US Equity (AC)	Russell 3000 TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
US Equity (LC)	S&P 500 TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
US Equity (MC)	Russell Mid Cap TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
US Equity (SC)	Russell 2000 TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Non-US Equity (ACWI)	MSCI ACWI Ex USA GR USD	11/22	- 1/88	MSCI EAFE GR USD	12/87	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Int'l Dev. Equity	MSCI EAFE GR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
EM Equity	MSCI EM GR USD	11/22	- 1/88	MSCI EAFE GR USD	12/87	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Real Estate	FTSE Nareit All Equity REITs TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Private Real Estate	Wilshire US RESI TR USD	11/22	- 1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Broad Real Assets	S&P Real Asset TR USD	11/22	- 5/05	*Custom Real Assets Index	4/05	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Commod. Fut.	BCI+TIPS-CASH	11/22	- 3/97	BCI+AGG-CASH	2/97	1/91	GSCH+AGG-CASH	12/90	- 1/79	N.A.	N.A.	N.A.
Global Infrastructure	DJ Brookfield Global Infra TR USD	11/22	- 2/03	Alerian MLP TR USD	1/03	1/96	Wilshire US RESI TR USD	12/95	- 1/79	N.A.	N.A.	N.A.
Marketable Alternatives	HFRI Fund of Funds Composite USD	11/22	- 1/90	HFN Hedge Fund Aggregate Average	12/89	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Hedge Funds (Liquid)	HFRI Fund of Funds Composite USD	11/22	- 1/90	HFN Hedge Fund Aggregate Average	12/89	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
Private Equity	Cambridge PE 67% Buyout vs. 33% Venture	11/22	- 4/86	Russell 2000 TR USD	3/86	1/79	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

Note: Private Equity Index is frequently 3-6 months behind the other indices. For historical return calculation purposes, it is given 0% returns during the most recent period where gaps may exist. Past performance, actual or hypothetical, is no guarantee of future results and there is a possibility of a loss. Please see Frontier Engineer Hypothetical Performance Disclosures at the end of the presentation for additional information, including index proxies used to represent each asset class.

Frontier Engineer® Hypothetical Performance Disclosures



Disclosure

The historical performance information derived from the Frontier Engineer and used or presented in charts, tables, or graphs represent simulated historical performance, which has been derived by retroactively applying an asset allocation modeling process in its most recently developed form with its most recently derived ten-year (forward-looking) capital market assumptions. Such historical return simulations (or back testing) was performed by simulating the combination of actual index returns for the historical period with a buy and hold strategy effective January 1, 1988 through the most recently available month-end date with simulated rebalancing occurring every month-end (with the reinvestment of dividends and capital gains from each index).

Back tested performance is hypothetical and does not reflect actual trades or actual client performance. As with all models, there are inherent limitations which are derived from the retroactive application developed with the benefit of hindsight, including the risk that certain factors such as material economic and market conditions could have contributed to materially different (either higher or lower) performance results than those depicted, or that certain material factors may have been included or excluded from consideration. As such, actual results during the applicable back tested period would have been different than those depicted.

The asset allocation modeling process currently used was initially developed in 2002, and was not offered as a strategy prior to that time. The output of a forward-looking model (or process) is a representation of allocation percentages among specific asset classes. Clients cannot invest directly in a target allocation, but rather, in underlying securities within designated asset classes. Advisor may change its models from time to time, and regularly updates its model as additional capital market assumption information becomes available or to increase or decrease relative weightings or emphasis on certain factors. Consequently, the Advisor may choose to deviate from a stated model over time as the model itself is revised, which could have a materially positive or negative impact on performance.

During the period represented, numerous modelling changes were made, including the regular changes in (ten-year) forward-looking expected returns, expected volatilities, expected non-normal return distribution assumptions, as well as tracking-error assumptions and risk budgets. Furthermore, such assumptions can be modified client-by-client depending on certain preferences, priorities, constraints or unique considerations applicable to each client.

Other economic and market factors may have impacted decision-making when using the model to manage client funds, including the list of approved asset classes by a client or client type as well as any client-directed or Advisor implemented constraints.

All investments bear the risk of loss, including the loss of principal. Past performance, actual or hypothetical, is no guarantee of future results.

The hypothetical annual Fiducient Advisors' fee is divided by 12 and subtracted from the historical monthly (index) returns. The hypothetical excess return assumption is divided by 12 and added to the historical monthly (index) returns. Furthermore, for forecasted total portfolio (index-based) annual returns based on capital market assumptions, the annual Fiducient Advisors' fee assumption is subtracted from the hypothetical annual manager excess return assumption. Additional information on advisory fees charged by Fiducient Advisors are described in Part 2 of the Form ADV.



INDEX DEFINITIONS

FTSE Treasury Bill 3 Month measures return equivalents of yield averages and are not marked to market. It is an average of the last three three-month Treasury bill month-end rates.

Bloomberg Capital US Treasury Inflation Protected Securities Index consists of Inflation-Protection securities issued by the U.S. Treasury.

Bloomberg Muni 5 Year Index is the 5 year (4-6) component of the Municipal Bond index.

Bloomberg High Yield Municipal Bond Index covers the universe of fixed rate, non-investment grade debt.

Bloomberg U.S. Aggregate Index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities.

FTSE World Government Bond Index (WGBI) (Unhedged) provides a broad benchmark for the global sovereign fixed income market by measuring the performance of fixed-rate, local currency, investment-grade sovereign debt from over 20 countries,

FTSE World Government Bond Index (WGBI) (Hedged) is designed to represent the FTSE WGBI without the impact of local currency exchange rate fluctuations.

Bloomberg US Corporate High Yield TR USD covers the universe of fixed rate, non-investment grade debt. Eurobonds and debt issues from countries designated as emerging markets (sovereign rating of Baa1/BBB+/BBB+ and below using the middle of Moody's, S&P, and Fitch) are excluded, but Canadian and global bonds (SEC registered) of issuers in non-EMG countries are included.

JP Morgan Government Bond Index-Emerging Market Index (GBI-EMI) is a comprehensive, global local emerging markets index, and consists of regularly traded, liquid fixed-rate, domestic currency government bonds to which international investors can gain exposure.

JPMorgan EMBI Global Diversified is an unmanaged, market-capitalization weighted, total-return index tracking the traded market for U.S.-dollar-denominated Brady bonds, Eurobonds, traded loans, and local market debt instruments issued by sovereign and quasi-sovereign entities.

MSCI ACWI is designed to represent performance of the full opportunity set of large- and mid-cap stocks across multiple developed and emerging markets, including cross-market tax incentives.

The S&P 500 is a capitalization-weighted index designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

Russell 3000 is a market-cap-weighted index which consists of roughly 3,000 of the largest companies in the U.S. as determined by market capitalization. It represents nearly 98% of the investable U.S. equity market.

Russell Mid Cap measures the performance of the 800 smallest companies in the Russell 1000 Index.

Russell 2000 consists of the 2,000 smallest U.S. companies in the Russell 3000 index.

MSCI EAFE is an equity index which captures large and mid-cap representation across Developed Markets countries around the world, excluding the US and Canada. The index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI Emerging Markets captures large and mid-cap representation across Emerging Markets countries. The index covers approximately 85% of the free-float adjusted market capitalization in each country

The Wilshire US Real Estate Securities Index (Wilshire US RESI) is comprised of publicly-traded real estate equity securities and designed to offer a market-based index that is more reflective of real estate held by pension funds.

Alerian MLP Index is a float adjusted, capitalization-weighted index, whose constituents represent approximately 85% of total float-adjusted market capitalization, is disseminated real-time on a price-return basis (AMZ) and on a total-return basis.

Bloomberg Commodity Index (BCI) is calculated on an excess return basis and reflects commodity futures price movements. The index rebalances annually weighted 2/3 by trading volume and 1/3 by world production and weight-caps are applied at the commodity, sector and group level for diversification.

Treasury Inflation-Protected Securities (TIPS) are Treasury bonds that are indexed to inflation to protect investors from the negative effects of rising prices. The principal value of TIPS rises as inflation rises.

HFRI Fund of Funds Composite is an equal-weighted index consisting of over 800 constituent hedge funds, including both domestic and offshore funds.

Cambridge Associates U.S. Private Equity Index (67% Buyout vs. 33% Venture) is based on data compiled from more than 1,200 institutional-quality buyout, growth equity, private equity energy, and mezzanine funds formed between 1986 and 2015.

HFN Hedge Fund Aggregate Average is an equal weighted average of all hedge funds and CTA/managed futures products reporting to the HFN Database. Constituents are aggregated from each of the HFN Strategy Specific Indices.

Goldman Sachs Commodity Index (GSCI) is a broadly diversified, unleveraged, long-only composite index of commodities that measures the performance of the commodity market.



Material Risk Disclosures

Fixed Income securities are subject to interest rate risks, the risk of default and liquidity risk. U.S. investors exposed to non-U.S. fixed income may also be subject to currency risk and fluctuations.

Cash may be subject to the loss of principal and over longer period of time may lose purchasing power due to inflation. Domestic Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry factors, or other macro events. These may happen quickly and unpredictably.

International Equity can be volatile. The rise or fall in prices take place for a number of reasons including, but not limited to changes to underlying company conditions, sector or industry impacts, or other macro events. These may happen quickly and unpredictably. International equity allocations may also be impact by currency and/or country specific risks which may result in lower liquidity in some markets.

Real Assets can be volatile and may include asset segments that may have greater volatility than investment in traditional equity securities. Such volatility could be influenced by a myriad of factors including, but not limited to overall market volatility, changes in interest rates, political and regulatory developments, or other exogenous events like weather or natural disaster.

Private Equity involves higher risk and is suitable only for sophisticated investors. Along with traditional equity market risks, private equity investments are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility and/or the potential loss of capital.

Private Credit involves higher risk and is suitable only for sophisticated investors. These assets are subject to interest rate risks, the risk of default and limited liquidity. U.S. investors exposed to non-U.S. private credit may also be subject to currency risk and fluctuations.

Private Real Estate involves higher risk and is suitable only for sophisticated investors. Real estate assets can be volatile and may include unique risks to the asset class like leverage and/or industry, sector or geographical concentration. Declines in real estate value may take place for a number of reasons including, but are not limited to economic conditions, change in condition of the underlying property or defaults by the borrow.

Marketable Alternatives involves higher risk and is suitable only for sophisticated investors. Along with traditional market risks, marketable alternatives are also subject to higher fees, lower liquidity and the potential for leverage that may amplify volatility or the potential for loss of capital. Additionally, short selling involved certain risks including, but not limited to additional costs, and the potential for unlimited loss on certain short sale positions.

Disclosure

Real Assets Strategy

January 2025

Introduction

Real assets strategy

Platform

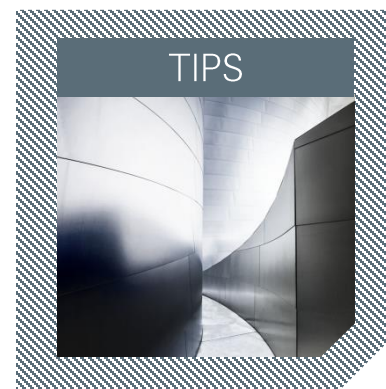
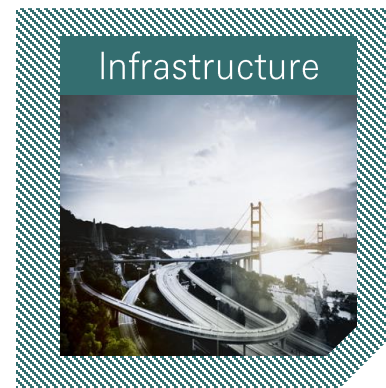
- DWS platform with 50-year heritage of real asset investing
- Approximately 40 professionals with senior members having long tenures both with the firm and in the industry
- Track record dates to 1993 for real estate securities, 2005 for commodities and 2008 for infrastructure securities

Why real assets?

- **Diversification potential:** better to withstand various economic/capital market conditions
- Competitive **risk-return profile** through various market environments
- **Inflation mitigation:** help maintain purchasing power

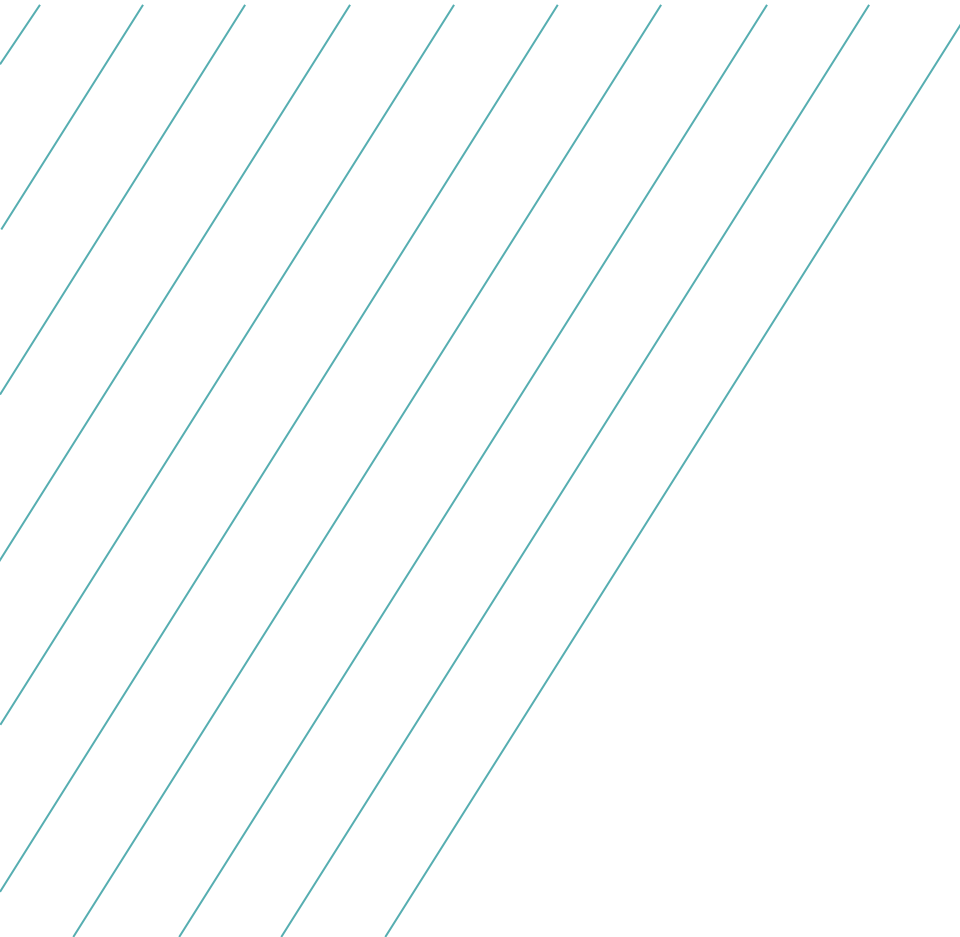
Strategy summary

- Unique **quadrant framework** provides a macro process that is repeatable and actionable
- Tactical allocation within asset classes as market conditions change
- Fundamental stock selection used to construct a focused and holistic real asset portfolio



Source: DWS as of 12/31/24. There is no guarantee the objectives will be realized. Allocations are subject to change without notice. Diversification cannot protect against a loss. Not all DWS products and services are offered in all jurisdictions and availability is subject to local regulatory restrictions and requirements.

Agenda

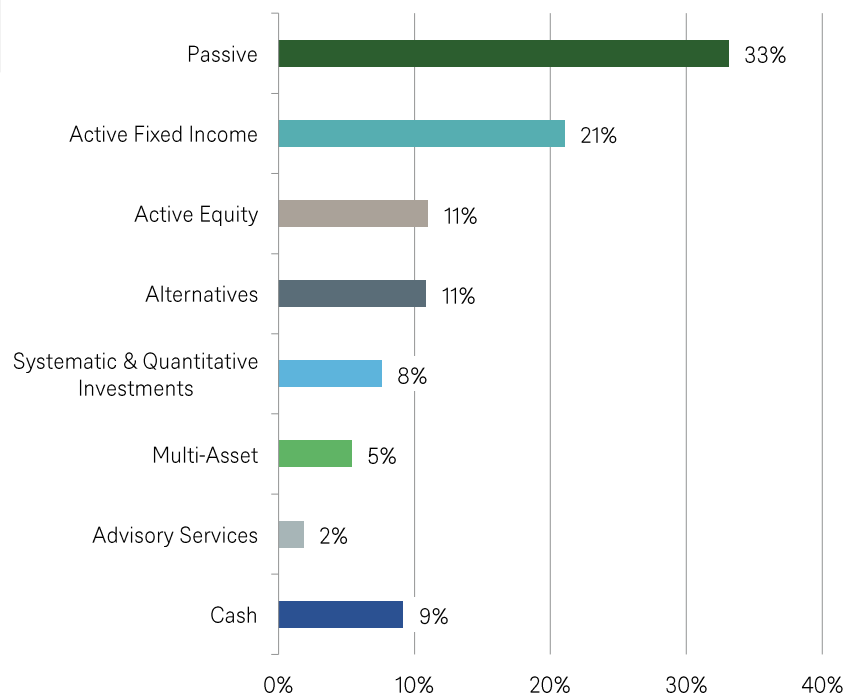
A series of approximately 10 parallel diagonal lines in a teal color, extending from the bottom left towards the top right, positioned behind the word 'Agenda'.

- 01 Firm overview
- 02 The case for real assets
- 03 Investment approach
- 04 Performance and positioning
- 05 Supplemental information
- 06 Disclosures

01 Firm overview

Assets under management

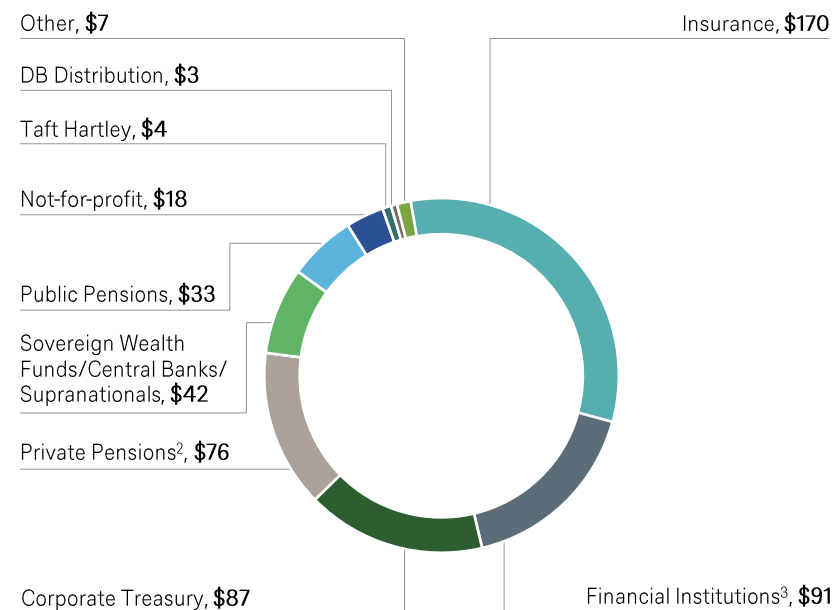
\$1,047 billion¹



Global institutional AUM

\$530 billion

Institutional client segments
(\$'s in billions)



¹ AUM represents DWS global assets under management.

² Includes \$3.0B of Insurance and \$5.2B of Not-for-profit assets.

³ Includes banks, asset managers, family offices and other securities firms.

Source: DWS as of 12/31/24.

Alternatives at a glance

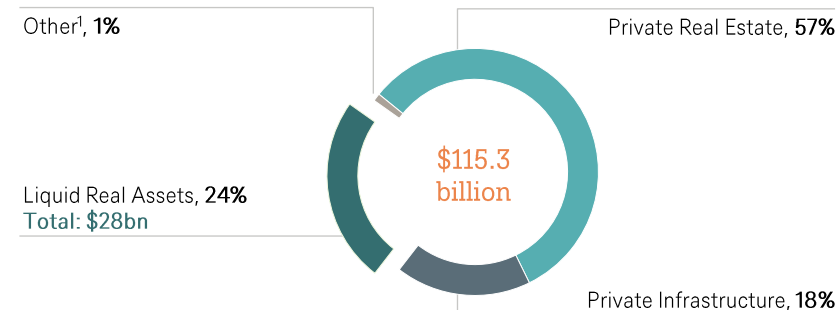
One of the world's leading alternatives managers



Business overview

- We are one of the world's leading fiduciary alternatives managers with \$115.3 billion in assets under management across the universe of public and private, equity and debt alternative investments
- More than 450 employees across 18 countries worldwide²
- Offering a 50-year investment heritage, we invest on behalf of private clients, governments, corporations and institutional investors

Assets under management



DWS		
Active	Alternatives	Passive
Private Real Estate – \$65.6 billion – Direct real estate investments covering core, core plus, value-added and debt strategies – 1,263 properties and approximately 200 million square feet	Private Infrastructure – \$20.5 billion – Direct equity and debt investments focusing on economic infrastructure assets – Includes transportation, utilities and energy	Liquid Real Assets – \$28.0 billion – Global and regional real estate securities – Global infrastructure securities – Active commodities

¹ Includes legacy strategies. ² As of 9/30/24.

In USD unless otherwise stated. Source: DWS, as of 12/31/24. Past performance is not a guarantee of future results. Not all DWS products and services are offered in all jurisdictions and availability is subject to local regulatory restrictions and requirements. Numbers may not sum due to rounding.

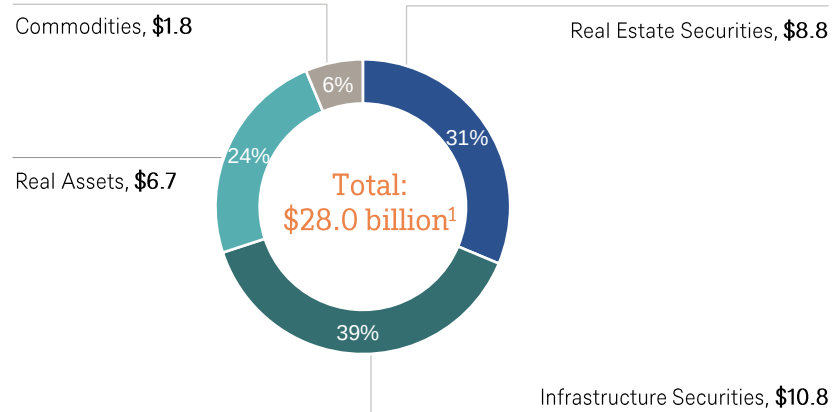
Liquid real assets–Platform

Real estate securities, infrastructure securities and commodity solutions



Business asset breakdown¹

US\$ billion



Comprehensive set of investment vehicles

	Americas	Asia Pac	EMEA
Real Estate	40Act MF CIT Separate Account	UCITs Fund Separate Account	UCITs Fund Separate Account
Infrastructure	40Act MF CIT Separate Account	UCITs Fund Separate Account	UCITs Fund Separate Account
Commodities	40Act MF Separate Account	UCITs Fund Separate Account	UCITs Fund Separate Account
Real Assets	40Act MF CIT Separate Account	UCITs Fund Separate Account	UCITs Fund Separate Account

	Real Estate		Infrastructure	Commodities	Real Assets
Region	U.S.	Global	Global	Global	Global
Strategies	Core, Focused, Regional, Completion, Yield		Core, Dynamic, Yield	Futures, Equities, Blend, Precious Metals	Core, Custom
Inception	1993	2004	2008	2005	2015

¹Total LRA business breakdown contains securities of \$1,646 million of assets under advisement (AUA). Figures may not sum due to rounding. Source: DWS as of 12/31/24. Not all investment vehicles available in all jurisdictions.

Liquid real assets—Platform team

Dedicated and experienced investment teams



 **John Vojticek¹** / 29
Head and CIO of Liquid Real Assets
Global Portfolio Manager

Lead Portfolio Managers

Real Assets	Real Estate			Infrastructure	Commodities
Global	Americas	Europe	Asia Pacific	Global	Global
 Evan Rudy / 18	 David Zonavetch / 29  Bob Thomas / 23	 Barry McConnell / 25	 Chris Robinson / 28	 Frank Greywitt / 25  Manoj Patel / 22	 Darwei Kung / 18  Avi Feinberg / 21

Investment Team

LRA Lead PM Team / 24	16 members in Chicago, London, Hong Kong and Sydney / 20	7 members in Chicago / 16	5 members in New York, Chicago / 16
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Portfolio Construction

Macro & Analytics: 3 members in New York, Chicago	Portfolio Management Support: 3 members in Chicago, Sydney	Portfolio Specialists: 3 members in Chicago, Sydney
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Business Management

Freddi Klassen / 25 COO Investment Division, Americas	Jose Delgado / 18 Business Manager	Ryan Barker / 14 Business Manager
Business Managers: 3 members in Chicago, New York		Investment Specialists: 3 members in New York, Chicago, Sydney

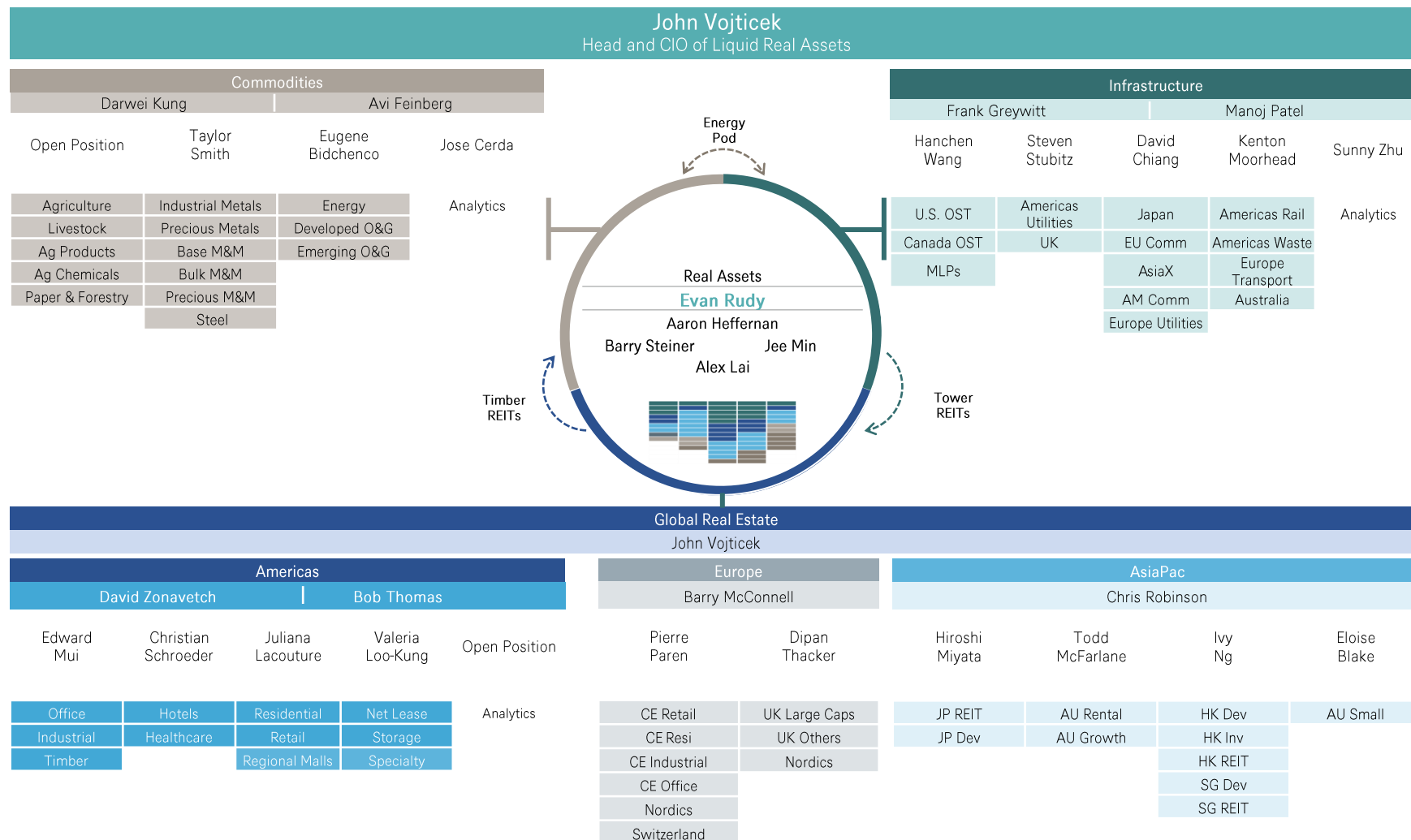
Years with industry # Team average years with industry

 Indicates holders of European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

¹ Global Portfolio Manager for Real Estate.
Source: DWS as of 12/31/24.

Liquid real assets–Platform team

Investment team organization



Source: DWS as of 12/31/24.

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02 The case for real assets

What are liquid real assets?

Real estate, infrastructure, commodities and TIPS

There is not a clearly defined market definition or universally accepted standard benchmark for real assets

We believe REITs and listed infrastructure are the foundation for a liquid real assets strategy

We believe these four core sectors can maximize the benefits of a real assets allocation

Infrastructure



Real Estate



Commodities



TIPS



For illustrative purposes only. The comments, opinions and estimates contained herein are based on or derived from publicly available information from sources that we believe to be reliable. We do not guarantee their accuracy. This material is for informational purposes only and sets forth our views as of this date. The underlying assumptions and these views are subject to change without notice.

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Creating an effective real asset program

Requires active adjustment as market conditions change



	Return potential	Diversification benefit	Higher beta to inflation	Attractive income
Attribute	_ should be meaningful over the long-term _ manages opportunity cost risk if “traditional” markets rally	_ low correlation to rest of portfolio _ differentiated drivers of risk and potential return¹	_ helps mitigate lost purchasing power for the entire portfolio² _ enables capital efficiency in the hedge²	_ historically offered yields in line or above global equities _ historically stable and predictable in nature
Asset classes	_ REITs, infrastructure, global natural resource equities	_ TIPS, commodities	_ commodities, global natural resources equities, REITs	_ REITs, infrastructure, global natural resource equities

► **Strategic:** diversity by asset class and sub-asset classes

► **Tactical:** flexibility to make active shifts both among and within real return asset classes

¹Diversification neither assures a profit nor guarantees against loss. ²Traditional portfolios of stocks and bonds are exposed to inflation risk. Commodities and TIPS have historically been the most effective inflation hedges in both the short-term and long-term; their relationship with inflation has been statistically strong. Commodity prices are a recognized driver of inflation and TIPS are inflation-linked bonds. Inflation beta measures the responsiveness of nominal returns to inflation. If an asset does not keep pace with rising inflation (exhibit inflation beta >=1), its purchasing power will fall if inflation rises. Therefore, adding assets that exhibit inflation beta to a portfolio may mitigate lost purchasing power in times of rising inflation. Reducing risk comes with a cost – commodities and TIPS are among the lowest expected-return assets

Source: DWS. **Past performance is not a guarantee of future results.** These are the attributes of an effective hypothetical program and do not directly represent any DWS product. Real return defined as percentage return on an investment that is adjusted for inflation. No assurance can be made that investment objective will be achieved.

Diversification benefit

Diversification potential has been a key benefit of real assets investing



Calendar year performance

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
0%	32%	23%	0%	29%	14%	27%	16%	22%	17%
-1%	13%	20%	-1%	25%	11%	27%	10%	11%	10%
-3%	12%	16%	-5%	23%	9%	25%	-7%	5%	5%
-3%	5%	11%	-8%	17%	1%	20%	-12%	4%	2%
-14%	5%	7%	-10%	8%	-3%	20%	-17%	4%	2%
-24%	5%	3%	-11%	8%	-7%	6%	-19%	4%	-4%
-25%	2%	2%	-13%	6%	-8%	-7%	-24%	-8%	-8%

■ Global Real Estate
■ Global Infrastructure
■ Commodities
■ Natural Resource Equities
■ TIPS
■ Global Equities
■ Global Bonds

Sources: Morningstar and DWS as of 12/31/24. **Past performance is not a guarantee of future results.** Asset class representation: **global infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **global real estate**, FTSE EPRA/NAREIT Developed Index; **commodities**, Bloomberg Commodity Index; **natural resource equities**, S&P Global Natural Resources Index; **TIPS**, Bloomberg U.S. TIPS Index; **global equities**, MSCI World Index; **global bonds**, Bloomberg Global Aggregate Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index. Diversification neither assures a profit nor guarantees against loss.

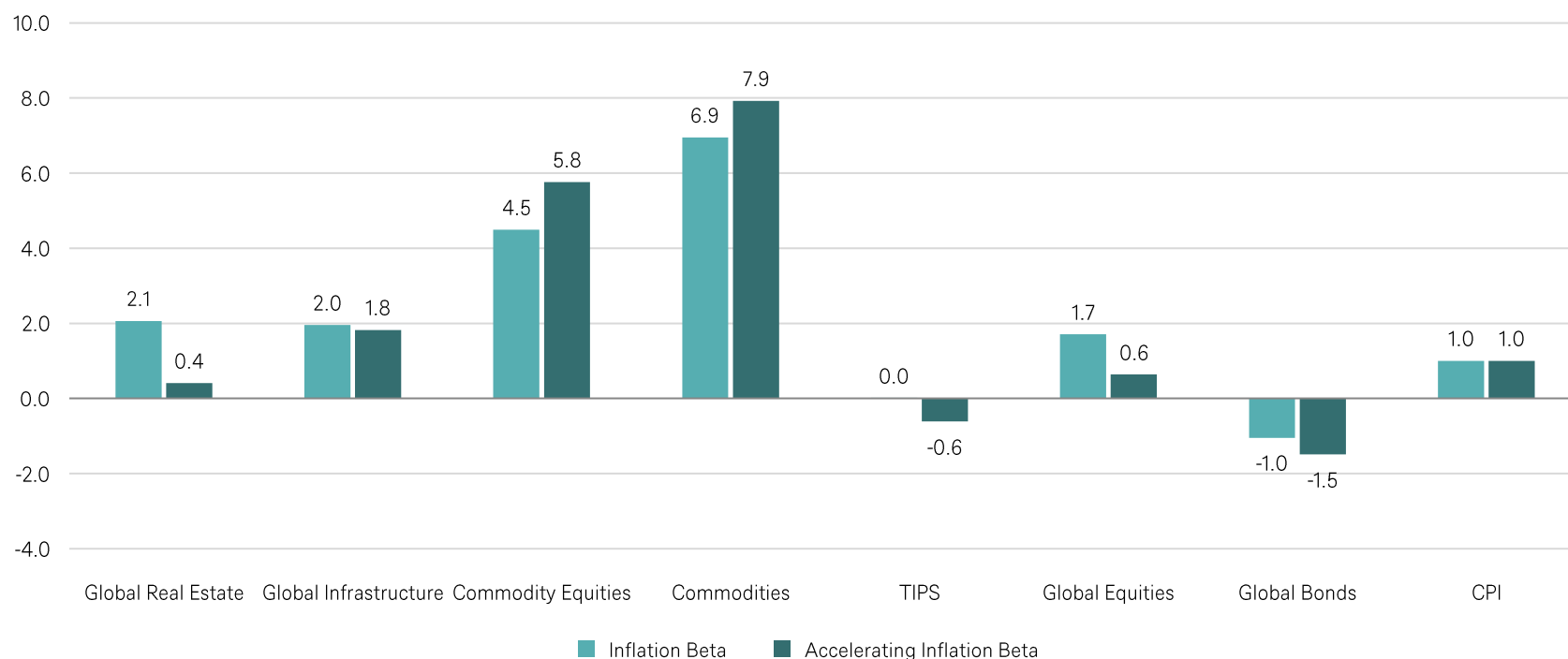
Higher beta to inflation

Certain real assets classes have historically exhibited strong inflation beta



Historical inflation beta vs. Historical inflation beta with accelerating inflation

(As of 12/31/24)

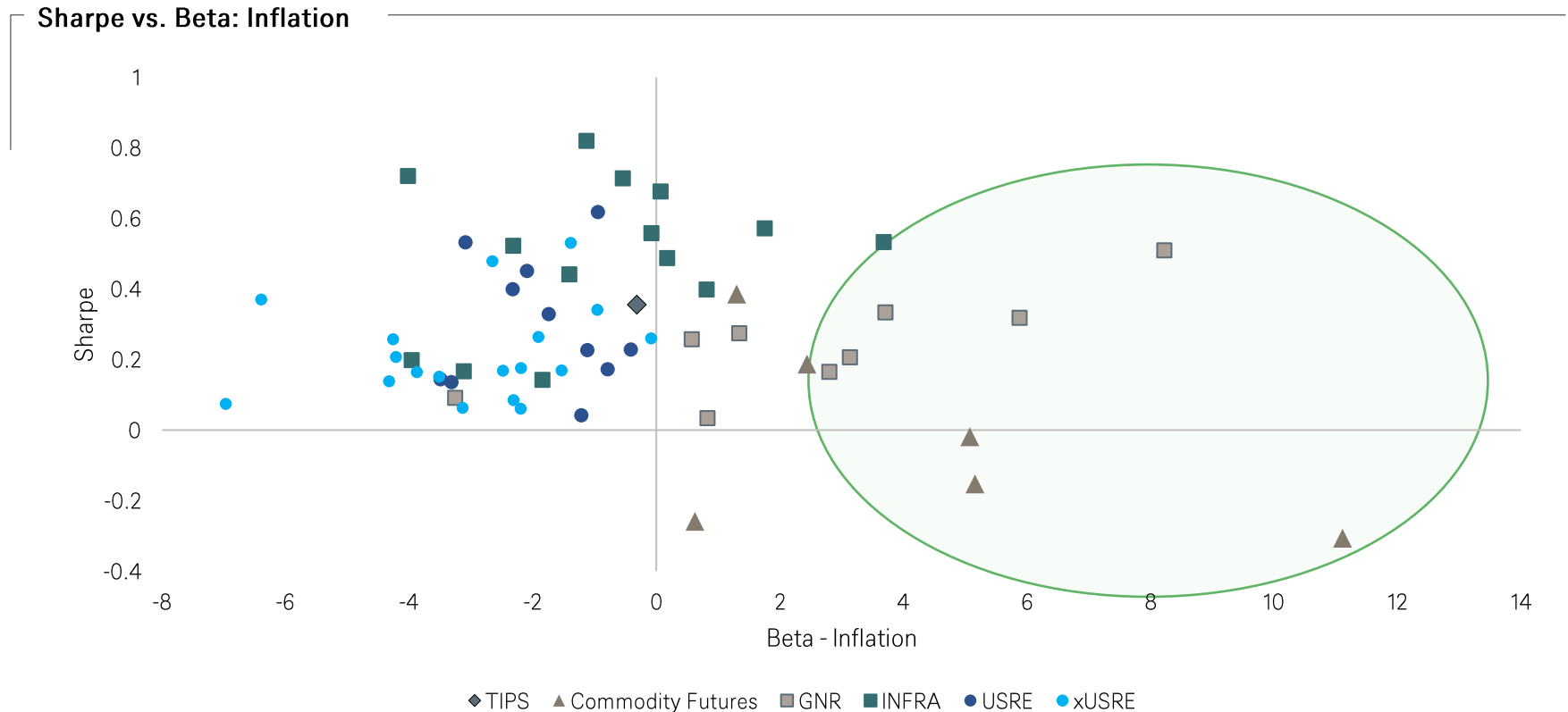


Accelerating is calculated using sequential year-over-year percentage changes in inflation based on CPI.

Sources: Bloomberg and DWS from 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** Asset class representation: **global infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **global real estate**, FTSE EPRA/NAREIT Developed Index; **commodities**, Bloomberg Commodity Index; **natural resource equities**, S&P Global Natural Resources Index; **TIPS**, Bloomberg U.S. TIPS Index; **global equities**, MSCI World Index; **global bonds**, Bloomberg Global Aggregate Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Risk-adjusted returns vs. Inflation beta

Historically lower cost to carry natural resource equities



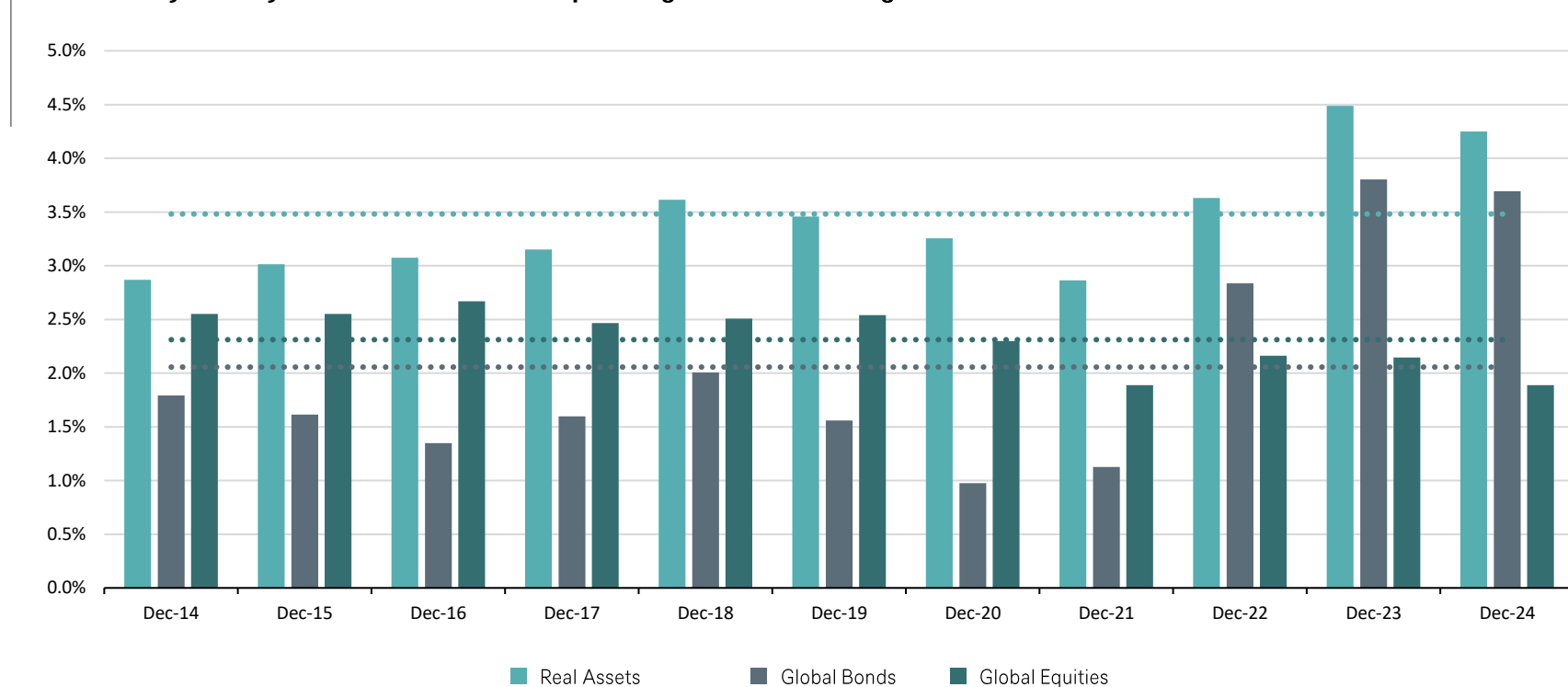
Sources: Bloomberg and DWS from 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** Individual data points represent buckets, which are categorized by asset class as shown in the legend. A full description of buckets can be found on slide 24 of this presentation. **Beta – Inflation** calculated using multiple linear regression while controlling for GDP Growth. Asset class representation: **TIPS**, Bloomberg U.S. TIPS Index; **commodity futures**, Bloomberg Commodity Index; **natural resource equities**, S&P Global Natural Resources Index; **infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **U.S. real estate**, FTSE EPRA/NAREIT Developed Index; **xU.S. real estate**, FTSE EPRA/NAREIT Developed ex U.S. Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Relatively attractive income¹

Real assets have generated favorable yields



Historical yields by asset class and corresponding historical averages



Note: corresponding dashed lines indicate historical average yields.

¹ The comments, opinions and estimates contained herein are based on or derived from publicly available information from sources that we believe to be reliable. This material is for informational purposes only and sets forth our views as of this date. We do not guarantee their accuracy. For illustrative purposes only.

Sources: Bloomberg and DWS; data from 12/31/14 to 12/31/24. **Past performance is not a guarantee of future results.** Asset class representation: **global equities**, MSCI World Index; **global bonds**, Bloomberg Global Aggregate Index; **real assets**, Real Assets Blended Benchmark, which is a proprietary DWS reference index comprised of the following blend of real assets indices: 15% Bloomberg Commodity Index, 30% Dow Jones Brookfield Global Infrastructure Index, 30% FTSE EPRA/NAREIT Developed Index, 10% Bloomberg U.S. TIPS Index, 15% S&P Global Natural Resources Index. Historical yields are not indicative of future yields.

03 Investment approach

Constructing a real assets portfolio

Seek to maximize real return potential



We believe real estate and listed infrastructure form the foundation of a solid liquid real assets strategy

Average calendar year returns since inception

Since 1990		Since 2003	
Global Real Estate	9.0%	Global Infrastructure	11.5%
Global Equities	9.2%	Global Equities	11.5%
Avg excess return	-0.2%	Avg excess return	0.0%

Begin with a
solid foundation



Sources: Bloomberg and DWS as of 12/31/24. **Past performance is not a guarantee of future results.** No assurance is made that investment objectives will be met. Asset class representation: **global real estate**, FTSE EPRA/NAREIT Developed Index; **global infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **global equities**, MSCI World Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Start with a strong real assets foundation

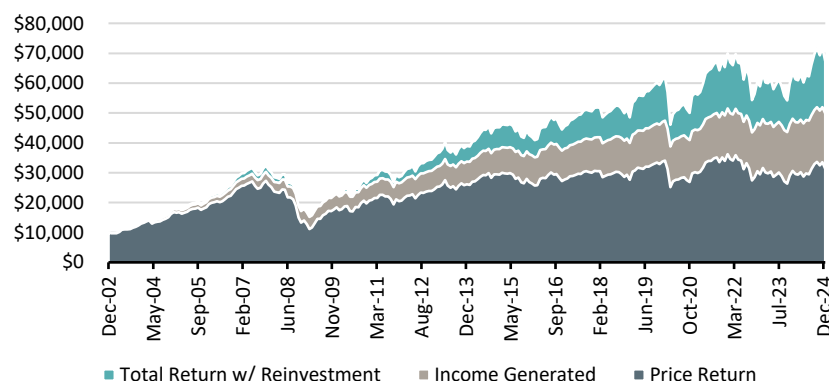
Infrastructure and real estate serve as the pillars of a real assets strategy



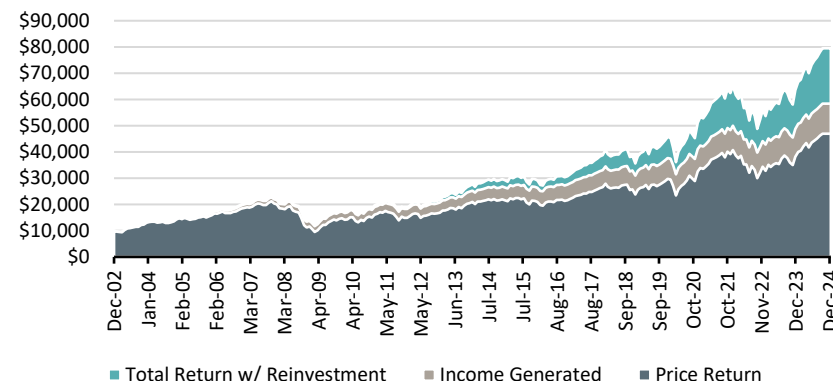
Cumulative growth of \$10,000

	Real Assets	Global Equities	Comparative Ratio
Price value	\$31,287	\$46,995	0.7x
Income generated	\$18,543	\$11,360	1.6x
Value of reinvested dividends	\$35,948	\$32,562	1.1x
Total value of investment	\$67,235	\$79,558	0.8x
Total annualized return	9.0%	9.9%	1.0x
Volatility	15.7%	15.1%	1.0x

Real assets



Global equities



Sources: Bloomberg and DWS for period 12/31/02 - 12/31/24. **Past performance is not a guarantee of future results.** Asset class representation: **global equities**, MSCI World Index; **real assets**, 50% Dow Jones Brookfield Global Infrastructure Index, 50% FTSE EPRA/NAREIT Developed Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Constructing a real assets portfolio

Seek to enhance through diversification



Potentially enhance risk return profile via strategic and tactical complements

Commodities – average rolling 5y correlations¹

vs. Global Equities

0.44

vs. Real Estate

0.31

vs. Infrastructure

0.49

Enhance through diversification

Begin with a solid foundation

Commodity Futures

Natural Resource Equities

Global Real Estate

Global Infrastructure

¹ Rolling five-year correlations shown beginning 12/31/04 for global equities and real estate and beginning 12/31/07 for infrastructure.

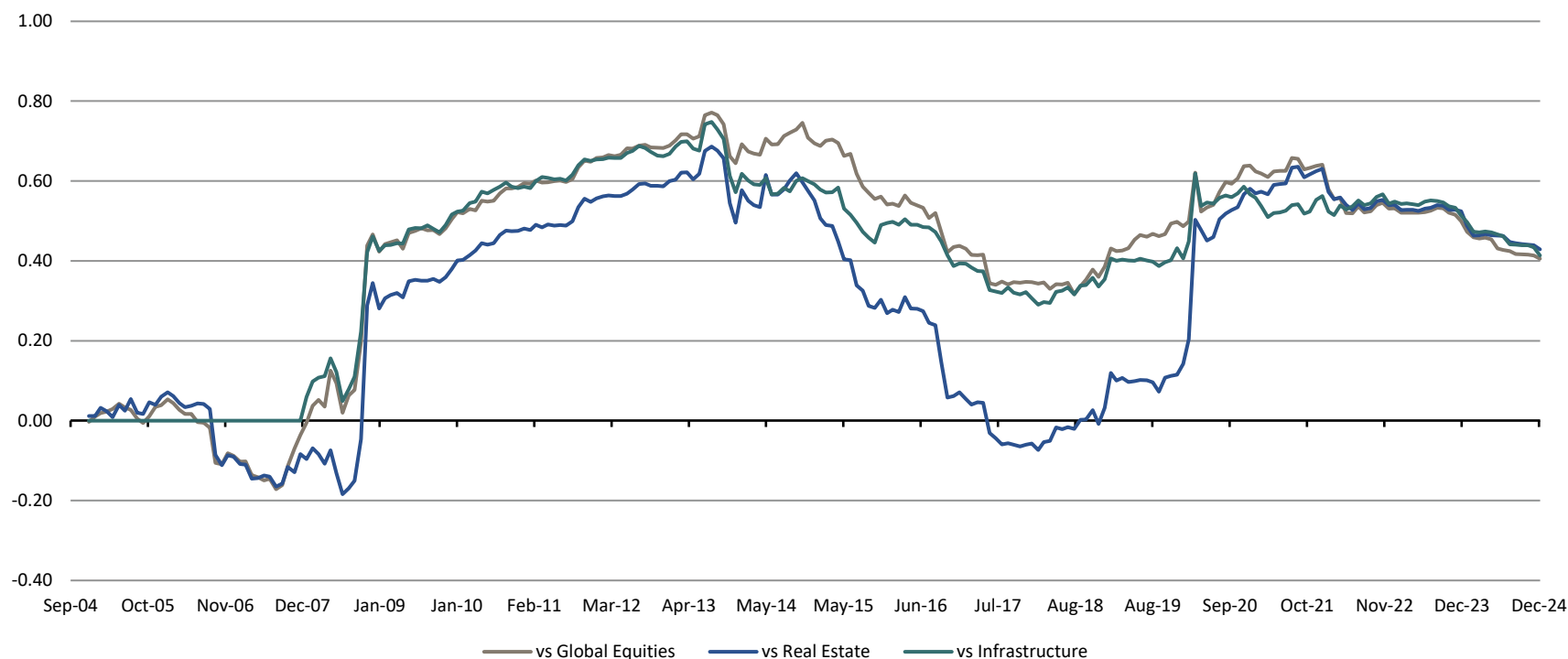
Sources: Bloomberg and DWS as of 12/31/24. **Past performance is not a guarantee of future results.** Asset class representation; **real estate**, FTSE EPRA/NAREIT Developed Index; **infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **global equities**, MSCI World Index; **commodities**, S&P GSCI Index. No assurance is made that investment objectives will be met. Diversification neither assures a profit nor guarantees against loss.

Commodities can offer diversification

Potential to reduce overall portfolio volatility



Commodities – Average rolling 5-year correlations



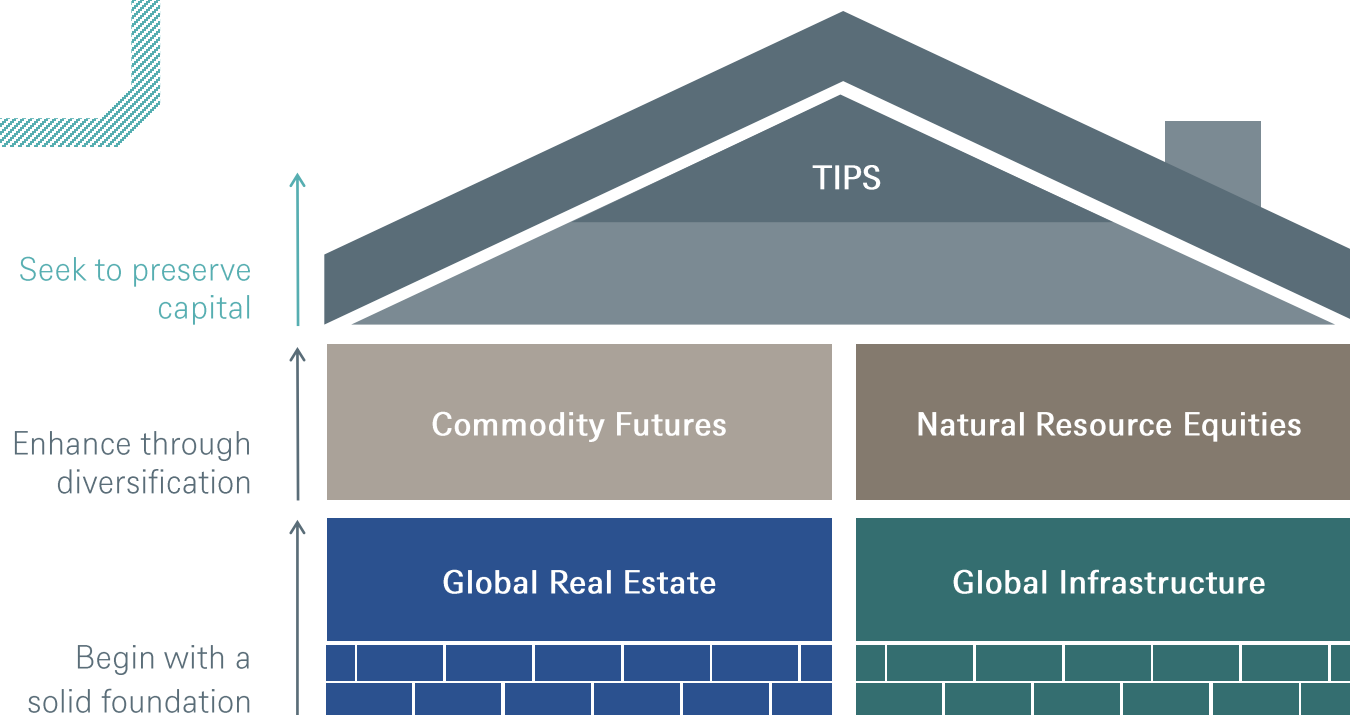
Source: Bloomberg and DWS as of 12/31/24. **Past performance is not a guarantee of future results.** Diversification neither assures a profit nor guarantees against loss. No assurance is made that investment objectives will be met. Asset class representation: **global equities**, MSCI World Index; **real estate**, FTSE EPRA/NAREIT Developed Index; **infrastructure**, Dow Jones Brookfield Global Infrastructure Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Constructing a real assets portfolio

Seek less downside capture during turbulent times



Use TIPS to help preserve capital and lessen the downside capture

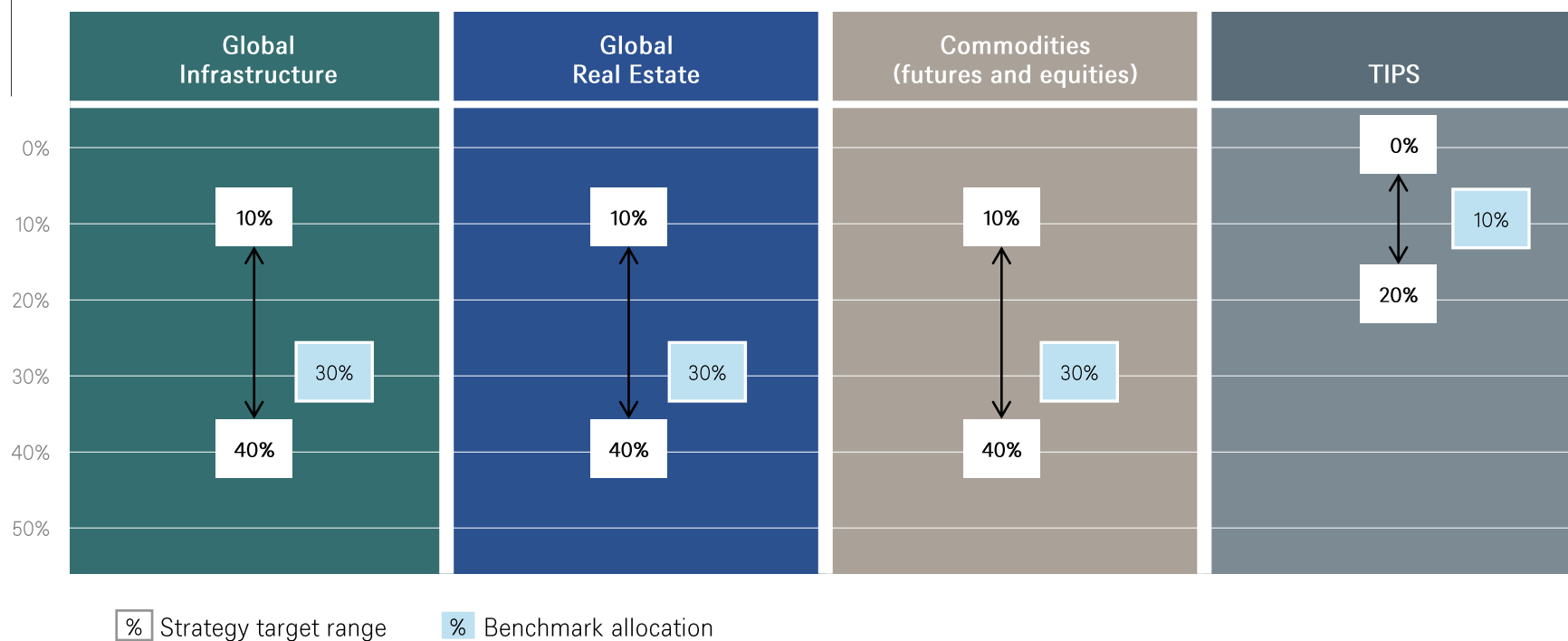


Source: DWS. Past performance is not a guarantee of future results. No assurance is made that investment objectives will be met. TIPS, Treasury Inflation-Protected Securities

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Strategic top-down allocations

Target ranges vs. Benchmark



Source: DWS. For illustrative purposes only. Benchmarks: **global real estate**, FTSE EPRA/NAREIT Developed Index; **global infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **commodity futures**, Bloomberg Commodity Index; **commodity equities**, S&P Global Natural Resources Index; **TIPS**, Bloomberg U.S. TIPS Index. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Broad investment universe

Unique categories with distinct risk and return attributes



Global Infrastructure 14	U.S. REITs 11	xU.S. Real Estate 18	Natural Resource Equities 9	Commodity Futures 5	TIPS 1
- AsiaX Infra - Japan Infra - Australia Infra - Europe Transport - Europe Comm - Europe Utilities - UK Infra - US Energy - Canada Energy - Americas Rail - Americas Transports - Americas Comm - Americas Waste - Americas Utilities	- US Hotels - US Industrial - US Office - US Retail - US Malls - US Apartments - US Healthcare - US Specialty - US Storage - US Data Centers - US Net Lease	- Hong Kong Developers - Hong Kong Investors - Singapore Developers - Japan Developers - Japan REITs - Europe Nordics - Europe Diversified - Europe Office - Europe Retail - Europe Residential - UK Large Cap - UK Other - Swiss Real Estate - Hong Kong REITs - Singapore REITs - Australia Growth - Australia Rental - Canada	- Developed Oil & Gas - Emerging Oil & Gas - Agricultural Chemicals - Agricultural Products - Base Metals & Mining - Bulk Metals & Mining - Steel - Precious Metals & Mining - Paper & Forestry	- Energy - Industrial Metals - Agriculture - Livestock - Precious Metals	US TIPS
100	100	250	100	25	50

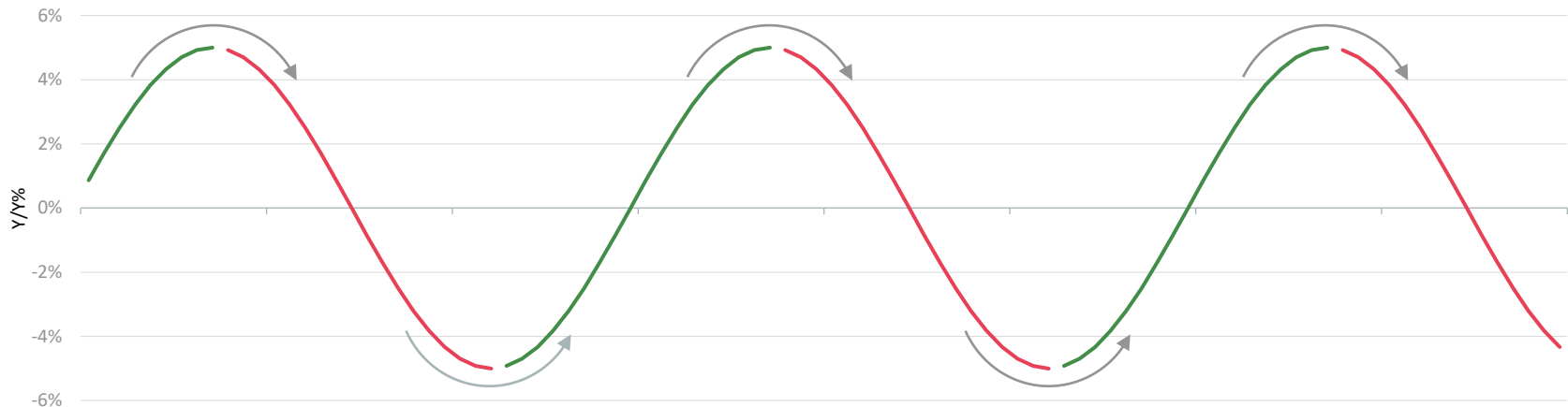
Approximate # of securities in benchmark

Sources: Bloomberg, S&P, FactSet and DWS as of 12/31/23. Figures represent the number of securities in each asset class as represented by the appropriate index. Asset class representation: **global infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **U.S. REITs**, MSCI US REIT Index; **xUS real estate**, FTSE EPRA/NAREIT Developed ex US Index; **commodity futures**, Bloomberg Commodity Index; **TIPS**, Bloomberg U.S. TIPS Index; **natural resource equities**, S&P Global Natural Resources Index. Composition is subject to change.

Rate of change framework

Seeking long-term trends, identifying near-term inflection points

- Quadrant framework provides a macro **process that is repeatable and actionable**
- Asset classes have exhibited **distinct performance characteristics** over time within the quadrants
- Macro-allocation framework predicated on **anticipating acceleration/deceleration** rates in growth & inflation
- The appropriate context is **not good or bad but better or worse** (great to good = bad)
- Signal is the **slope of marginal change**



Accelerating is calculated using positive sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP.
Decelerating is calculated using negative sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP.
Source: DWS. For illustrative purposes only. No assurance can be made that portfolio objectives will be achieved.

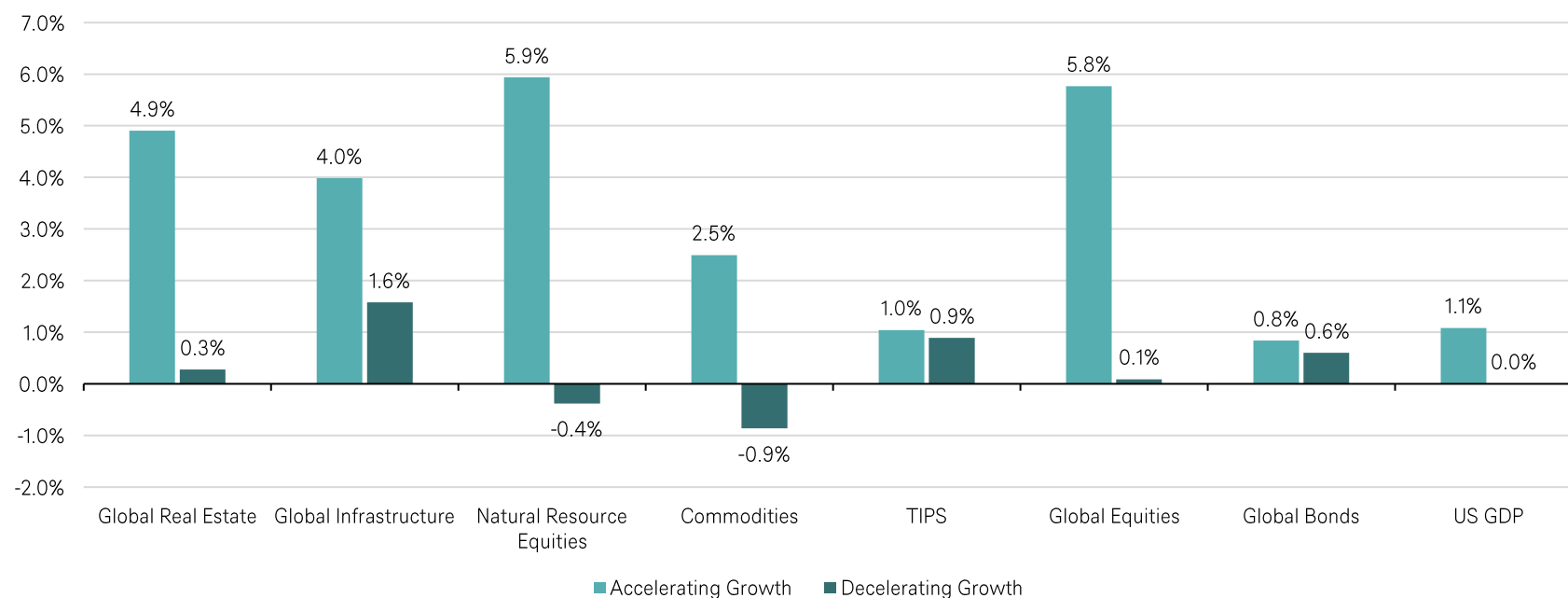
Real asset class returns and growth (GDP)

Growth rate of change drives divergence



Average quarterly returns with growth accelerating and decelerating

(As of 12/31/24)



Accelerating is calculated using positive sequential year-over-year percentage changes in growth based on GDP.

Decelerating is calculated using negative sequential year-over-year percentage changes in growth based on GDP.

Sources: Bloomberg and DWS. All returns shown from 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** Asset class representation: **global real estate**, FTSE EPRA/NAREIT Developed Index; **global infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **natural resource equities**, S&P Global Natural Resources Index; **commodities**, Bloomberg Commodity Index; **TIPS**, Bloomberg U.S. TIPS Index; **global equities**, MSCI World Index; **global bonds**, Bloomberg Global Aggregate Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

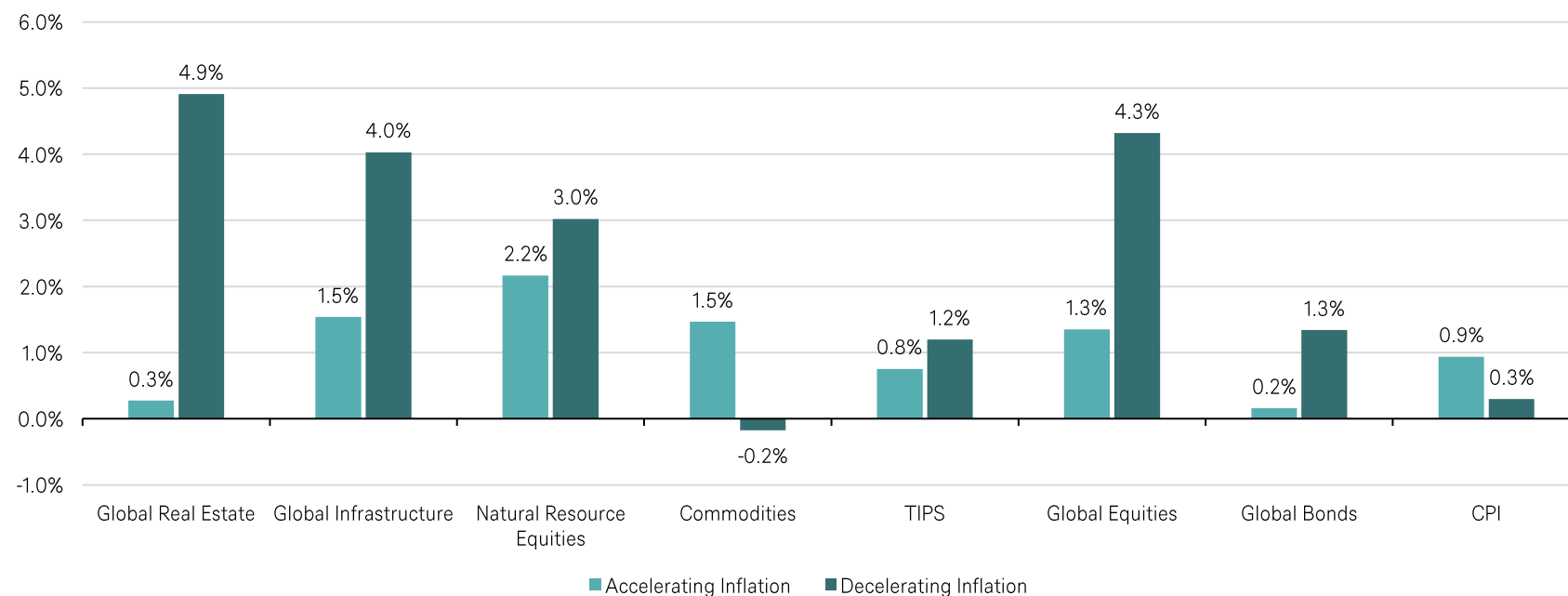
Real asset class returns and inflation (CPI)

Historically strong when inflation has accelerated



Average quarterly returns with inflation accelerating and decelerating

(As of 12/31/24)



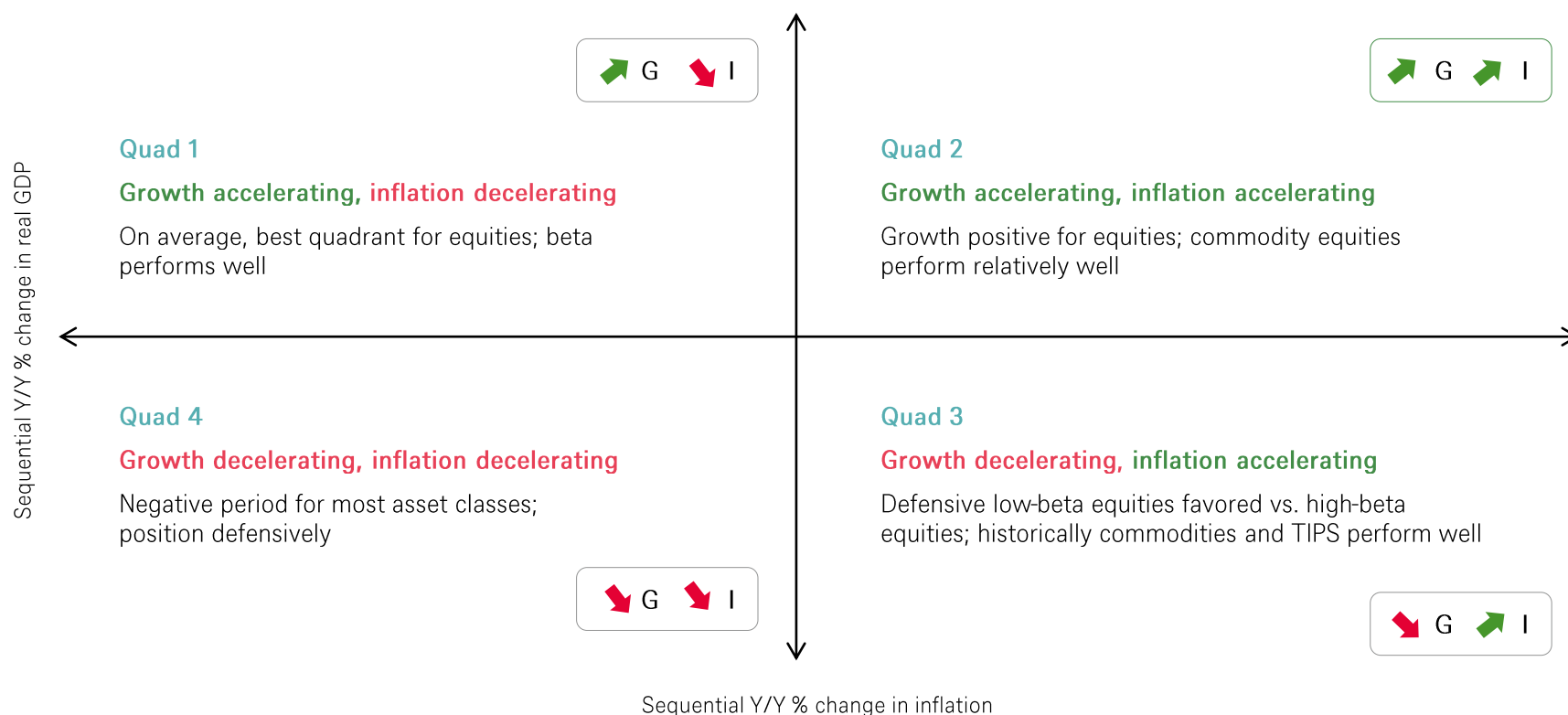
Accelerating is calculated using positive sequential year-over-year percentage changes in inflation based on CPI.

Decelerating is calculated using negative sequential year-over-year percentage changes in inflation based on CPI.

Sources: Bloomberg and DWS. All returns shown from 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** Asset class representation: **global real estate**, FTSE EPRA/NAREIT Developed Index; **global infrastructure**, Dow Jones Brookfield Global Infrastructure Index; **natural resource equities**, S&P Global Natural Resources Index; **commodities**, Bloomberg Commodity Index; **TIPS**, Bloomberg U.S. TIPS Index; **global equities**, MSCI World Index; **global bonds**, Bloomberg Global Aggregate Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Defining unique quadrant environments

Integrating a rate of change framework



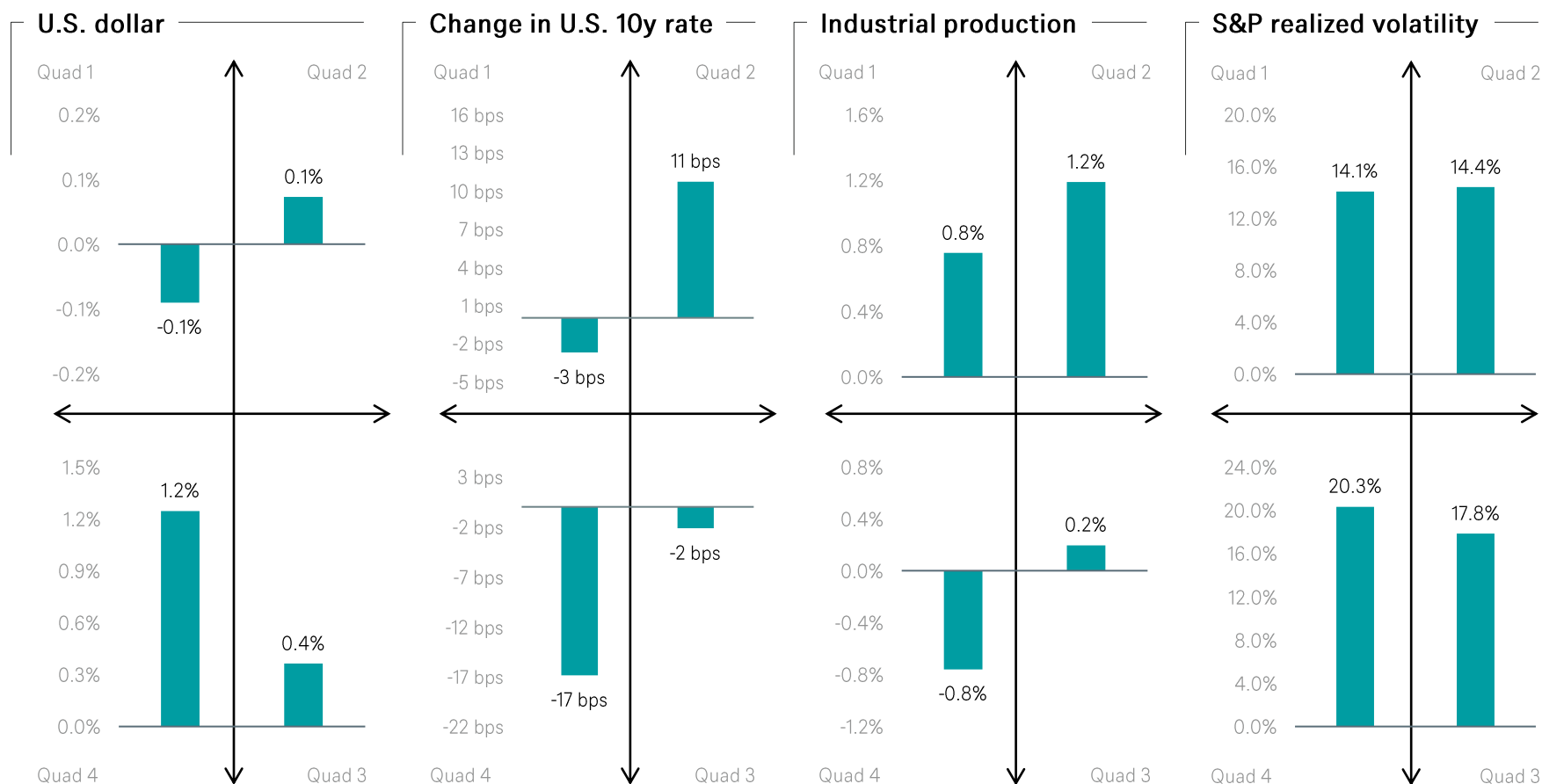
Accelerating is calculated using positive sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP.

Decelerating is calculated using negative sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP.

Source: DWS. For illustrative purposes only. Due to various risks, uncertainties and assumptions made in our analysis, actual events or results or the actual performance of the markets covered by this presentation report may differ materially from those described. The information herein reflect our current views only, are subject to change, and are not intended to be promissory or relied upon by the reader. There can be no certainty that events will turn out as we have opined herein.

The quadrants through a different lens

Influential macro factors change in each environment



Source: Bloomberg and DWS as of 12/31/24. Average quarterly changes panning from 4Q94 to 4Q24. Past performance is not a guarantee of future results. For illustrative purposes only.

Asset class performance by quadrant

Optimal portfolio composition changes materially



Accelerating is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. **Decelerating** is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. G = Growth, I = Inflation; ↑ = accelerating, ↓ = decelerating.

Sources: Bloomberg and DWS for the period 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** For illustrative purposes only. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index. Please refer to "Asset Classification" for asset class representation.

The quadrants – Example

Real assets subsectors (top three, bottom three)¹



Accelerating is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. Decelerating is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. G = Growth. I = Inflation; ↑ = accelerating ↓ = decelerating.

¹ This analysis shows infrastructure subsectors with a market capitalization >=\$25 BN.

Sources: Bloomberg and DWS for the period 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** For illustrative purposes only. Representative of the Real Assets Blended Benchmark. Please see page 35 for more information on the buckets referenced here. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

The quadrants – Example

Infrastructure subsectors (top three, bottom three)¹



Accelerating is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. **Decelerating** is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. G = Growth. I = Inflation; = accelerating = decelerating.

¹ This analysis shows infrastructure subsectors with a market capitalization >=\$25 BN.

Sources: Bloomberg and DWS for the period 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** For illustrative purposes only. Representative of the Dow Jones Brookfield Global Infrastructure Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

The quadrants – Example

Real estate subsectors (top three, bottom three)

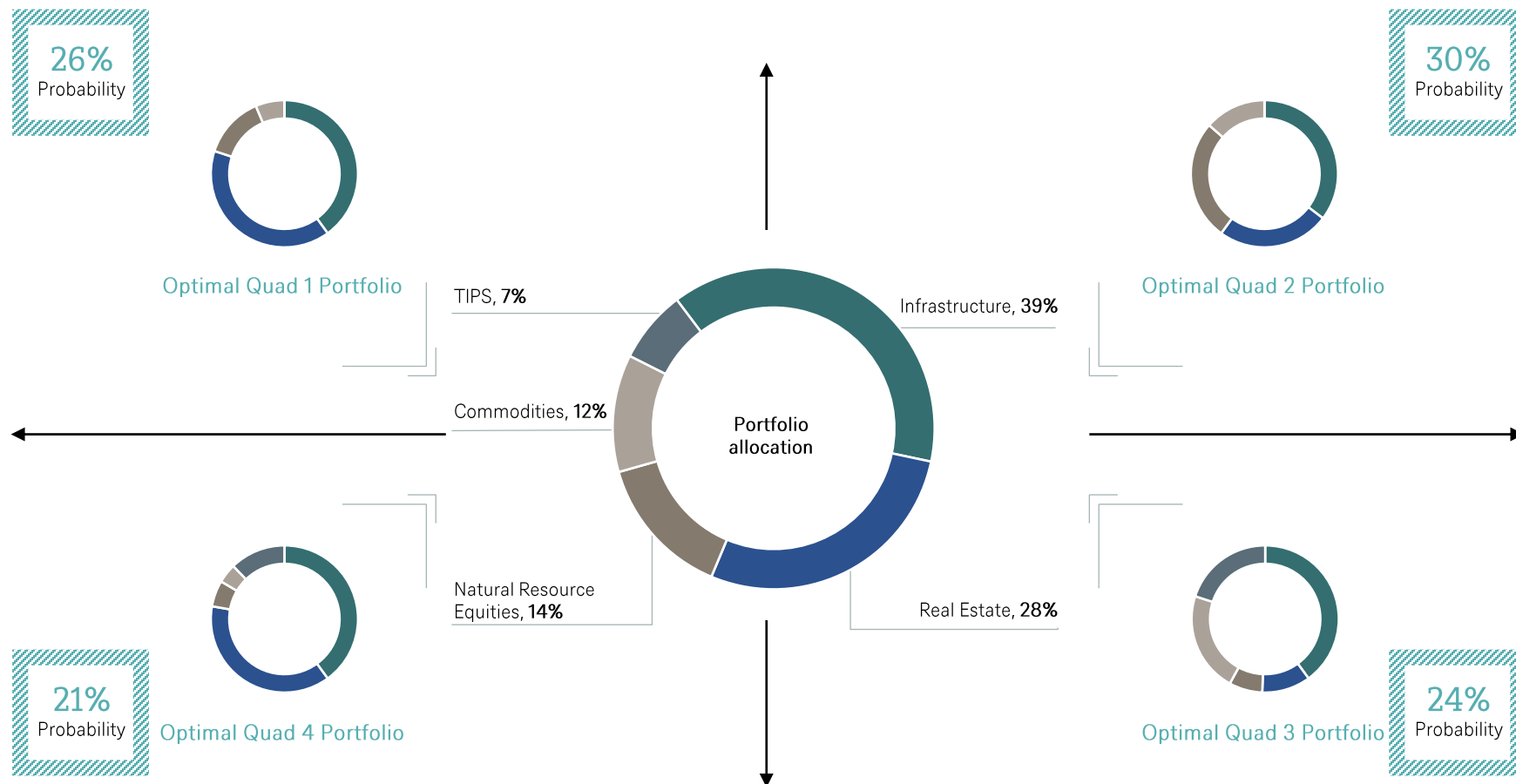


Accelerating is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. **Decelerating** is calculated using sequential year-over-year percentage changes in inflation based on CPI and/or growth based on GDP. G = Growth, I = Inflation; = accelerating = decelerating.

Sources: Bloomberg and DWS for the period 12/31/02 to 12/31/24. **Past performance is not a guarantee of future results.** For illustrative purposes only. Representative of the U.S. portion of the FTSE EPRA/NAREIT Developed Index. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index.

Portfolio construction

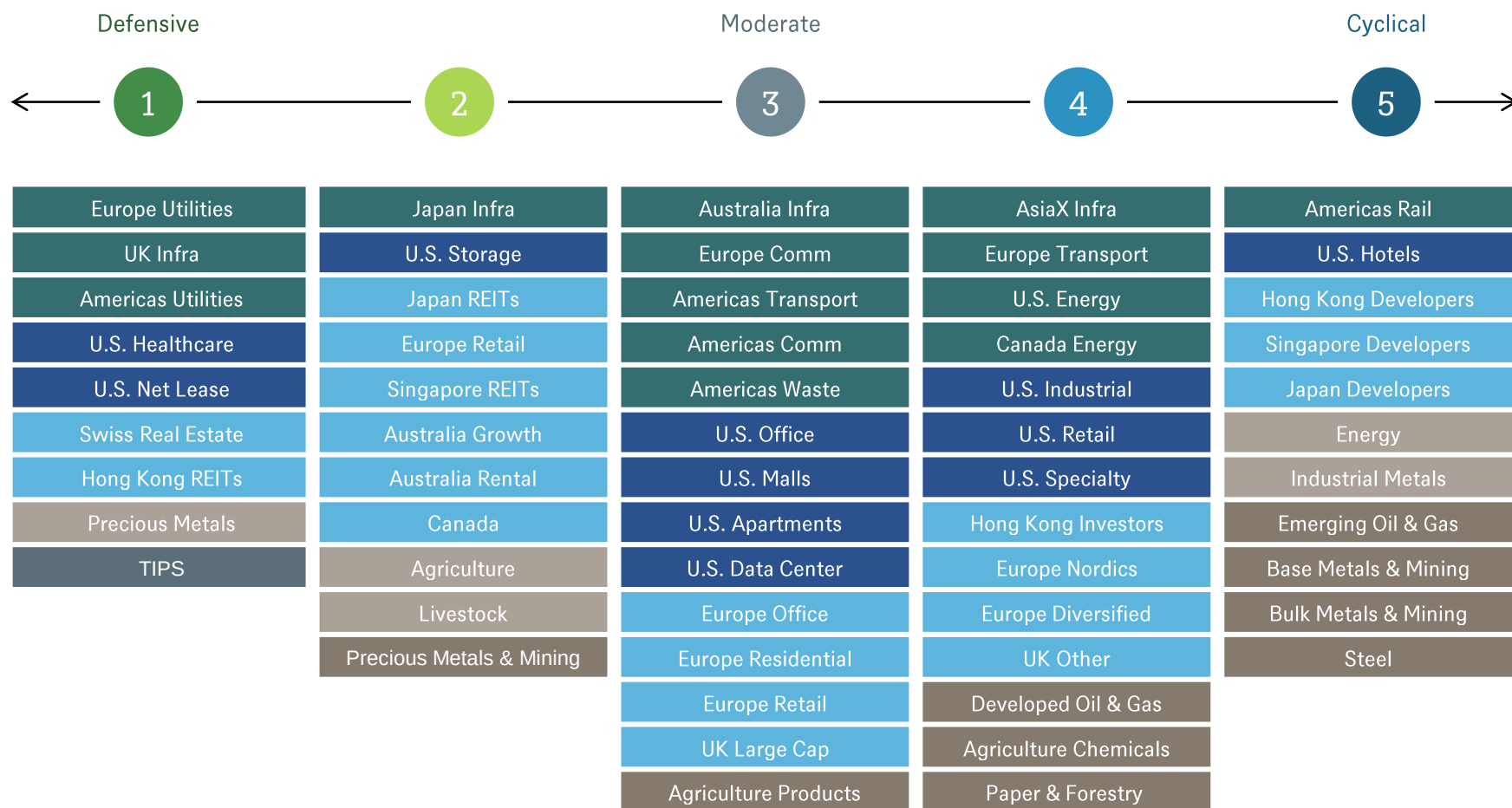
Probability weighted to help achieve optimal portfolio allocation



Source: DWS as of 12/31/24. This model portfolio and percentage allocations are shown for illustrative purposes only. No assurance can be made that investment objectives will be achieved. Implied probability is calculated using consensus views of market participants on where the U.S. economy will be headed in the context of the quadrant framework. Please refer to "Model Performance" for important disclosures at the end of this presentation.

A different look at real asset buckets

Unique categories with distinct cyclical sensitivity

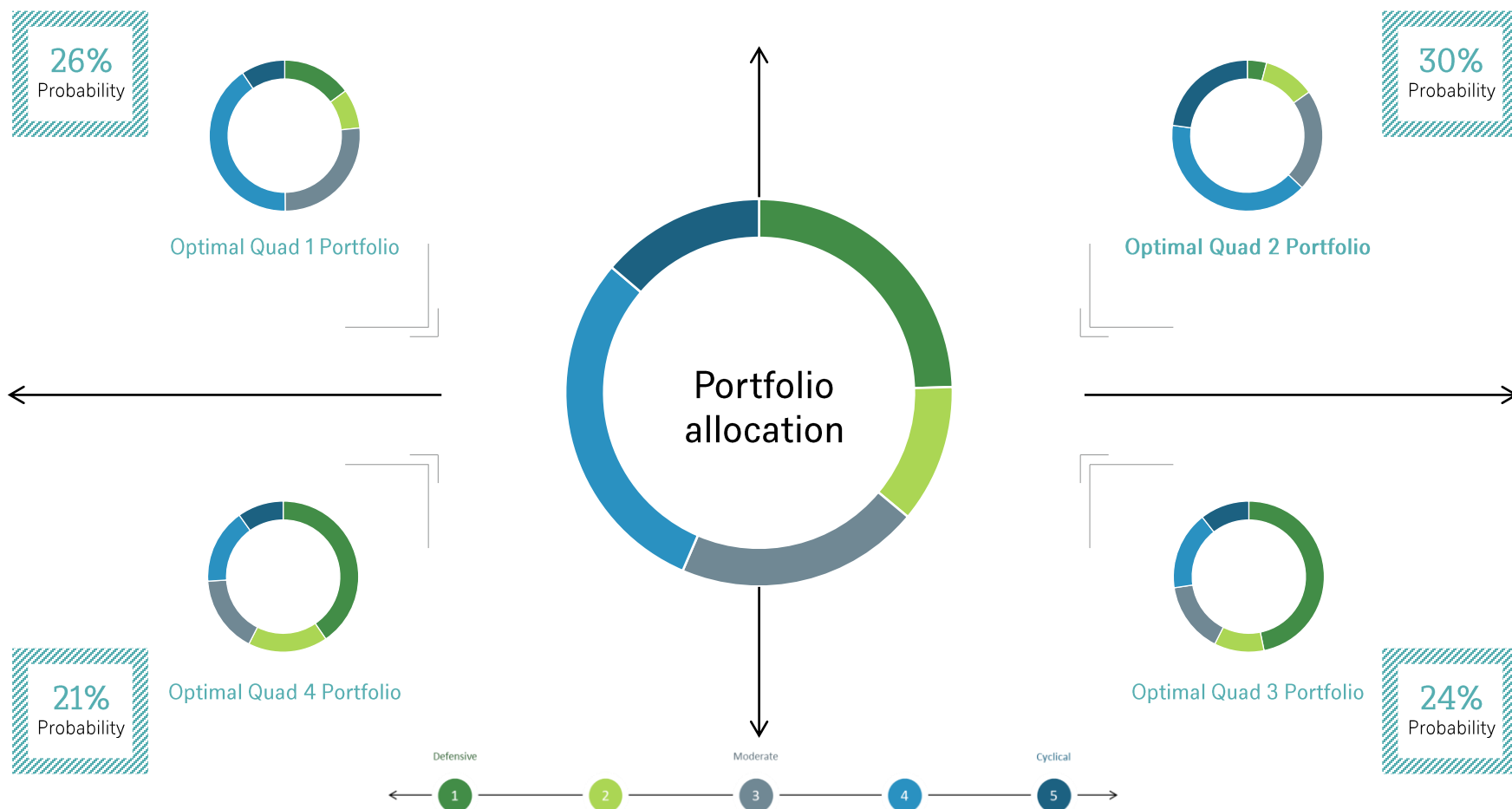


Source: DWS. For illustrative purposes only. No assurance can be made that investment objectives will be achieved.

For institutional investors only. Not for public viewing or distribution.

Outlook drives portfolio construction

Dynamic cyclical sensitivity based on growth and inflation outlook



Source: DWS as of 12/31/24. Allocations are shown for illustrative purposes only. No assurance can be made that investment objectives will be achieved. Implied probability is calculated using consensus views of market participants on where the U.S. economy will be headed in the context of the quadrant framework. Please refer to "Model Performance" for important disclosures at the end of this presentation.

Security selection

Creating a concentrated real assets portfolio

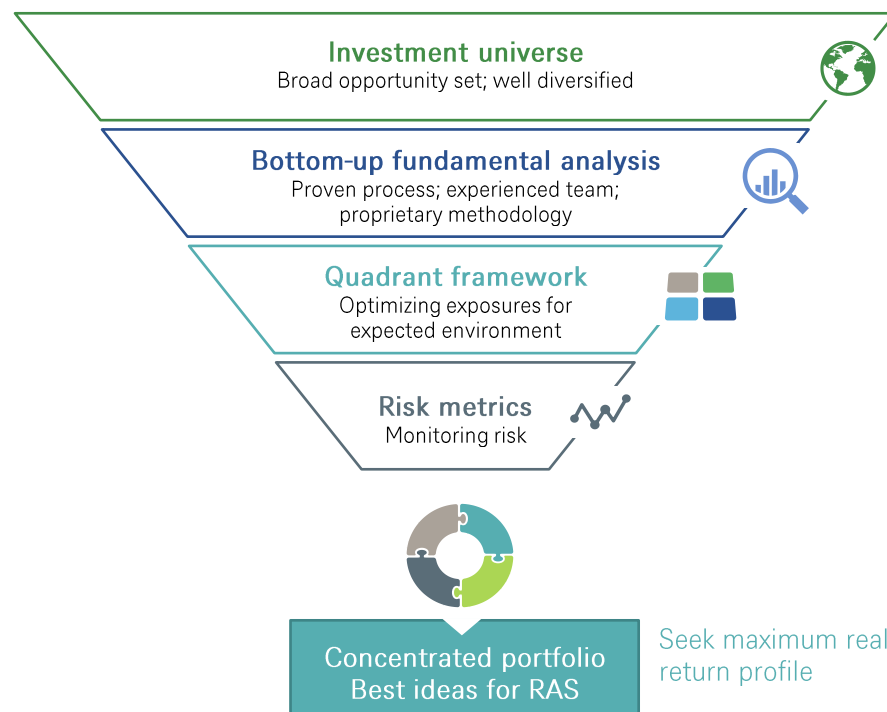
- Our established and repeatable process for fundamental analysis is applied to security selection within the real assets framework
- Best ideas within sectors and sub-sectors are selected to help optimize real return profile during the anticipated quadrant environment

Buy discipline—fundamental

- Discount to DCF valuation
- Accelerating revenue growth
- Improving credit markets
- Stable regulatory environment
- Above average qualitative ranking

Sell discipline—fundamental

- Premium to DCF valuation
- Decelerating revenue growth
- Deteriorating credit markets
- Uncertain regulatory environment
- Below average qualitative ranking



Source: DWS. For illustrative purposes only. There is no guarantee the investment objectives will be realized.

Concentrated, best ideas portfolio

Utilizes underwriting and analysis done across the LRA team



Global Infrastructure		Global Real Estate		Global Natural Resources	
# of constituents		# of constituents		# of constituents	
Investment universe	~100	Investment universe	~330	Investment universe	~225
Dow Jones Brookfield Global Infrastructure Index		FTSE EPRA/NAREIT Developed Index		S&P Global Natural Resources Index	
Core portfolio	40–50	Core portfolio	90–110	Core portfolio	40–60
Global infrastructure		Global real estate		Global natural resources	
Concentrated portfolio	30–40	Concentrated portfolio	40–50	Concentrated portfolio	25–35
Real assets		Real assets		Real assets	

- At a given point in time, our real assets strategy may hold exposures that our core strategies (real estate, infrastructure, commodities) do not, and vice-versa.
- Other differences may be driven by relative weights or % allocation to a given security.
 - While our core strategies do employ our rate of change framework and quadrant methodology, our real assets strategy and core strategies have different investment objectives and benchmarks

Source: DWS. For illustrative purposes only. No assurance is made that investment objectives will be achieved.

For institutional investors only. Not for public viewing or distribution.

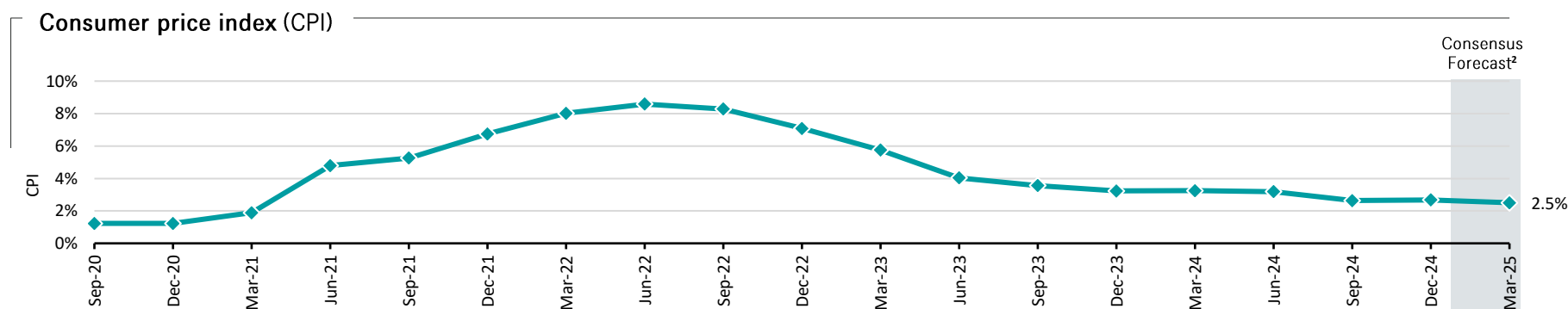
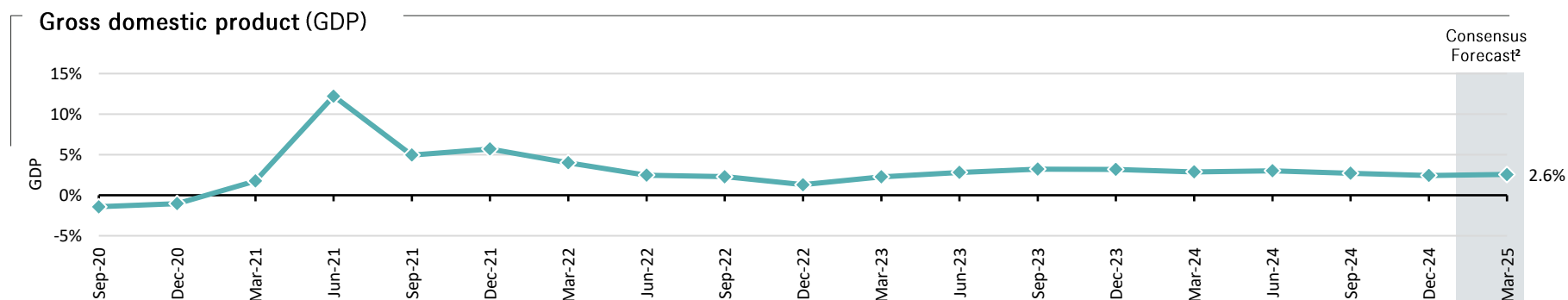
04 Performance and positioning

Macroeconomic analysis

United States



Quad key/ Probability ¹		↓ Inflation ↑ 26% Quad 1	↑ Growth ↓ 30% Quad 2
		21% Quad 4	24% Quad 3



*E denotes Estimate. ¹ Represents the probability of each quad in Q1 2025. ² Consensus forecasts represent forward-looking estimates which are owned and published by Bloomberg. Sources: Bloomberg and DWS as of 12/31/24, unless otherwise noted. **Past performance is not a guarantee of future results.** For illustrative purposes only. No assurance is given that forecast or target will be achieved. Forecasts are based on assumptions, estimates, views and hypothetical models or analyses, which might prove inaccurate or incorrect. Not a recommendation for the purchase or sale of any investment or security.

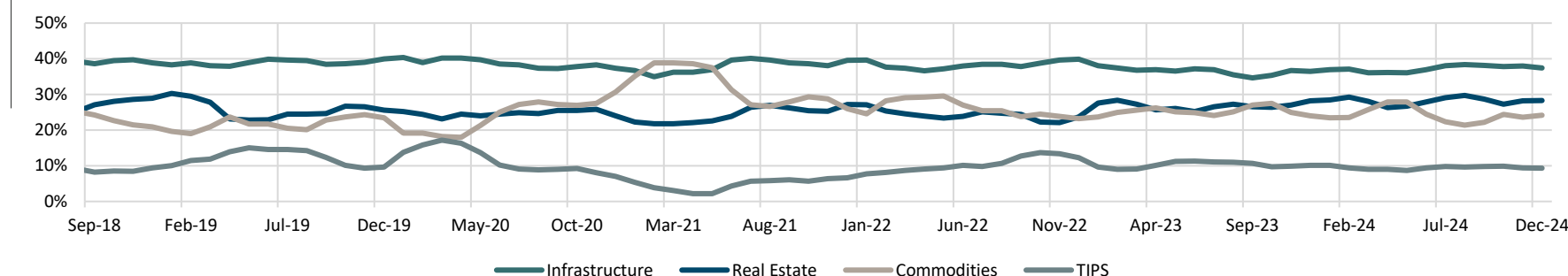
DWS Real Assets positioning changes

Asset class and cyclicity over time

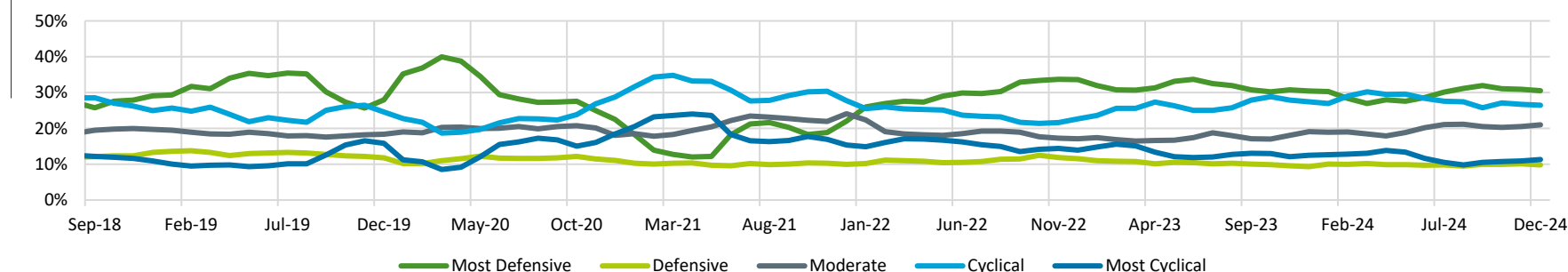


Quad* 4 4 2 1 2 3 4 2 1 2 2 3 2 3 3 4 4 1 1 1 4 3 1 4 3

Asset class positioning changes: 9/30/18 – 12/31/24



Cyclicity positioning changes: 9/30/18 – 12/31/24

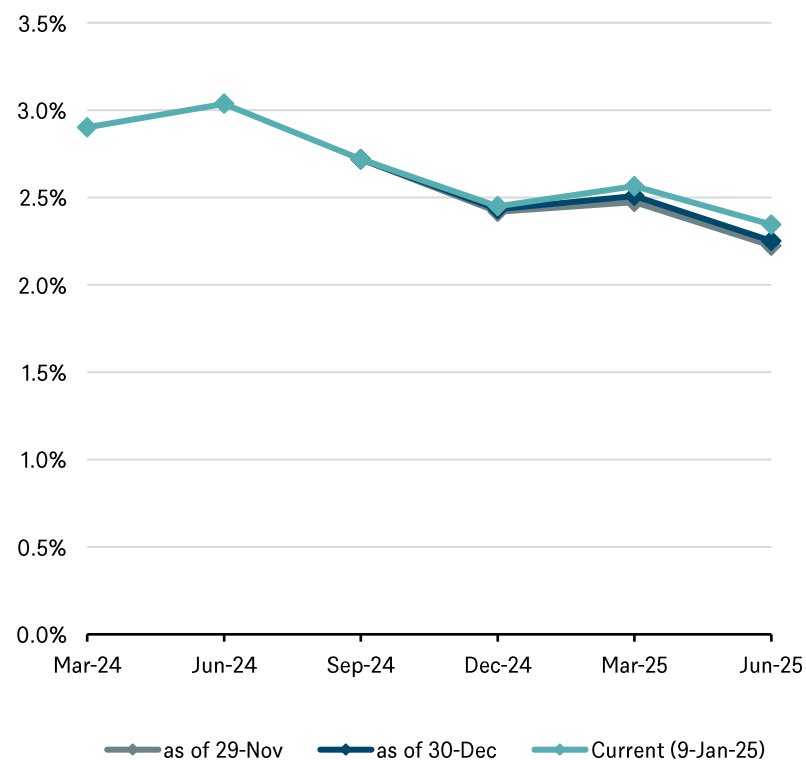


Source: DWS as of 12/31/24. Allocations are shown for illustrative purposes only. Composition is subject to change. No assurance can be made that investment objectives will be achieved. Implied probability is calculated using consensus views of market participants on where the U.S. economy will be headed in the context of the quadrant framework. Please refer to "Model Performance" for important disclosures at the end of this presentation.

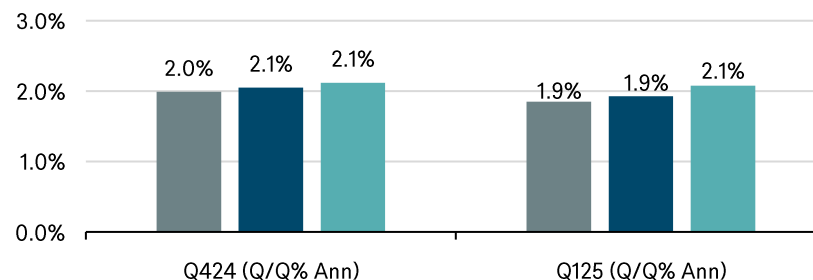
Growth

Where we stand today

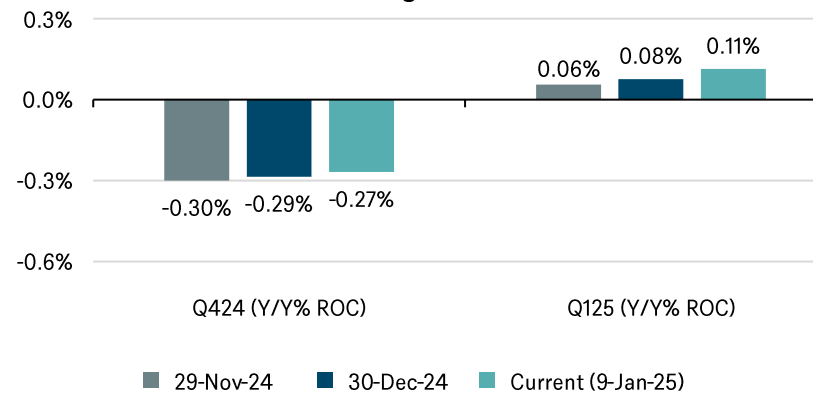
GDP estimates



Estimated GDP changes



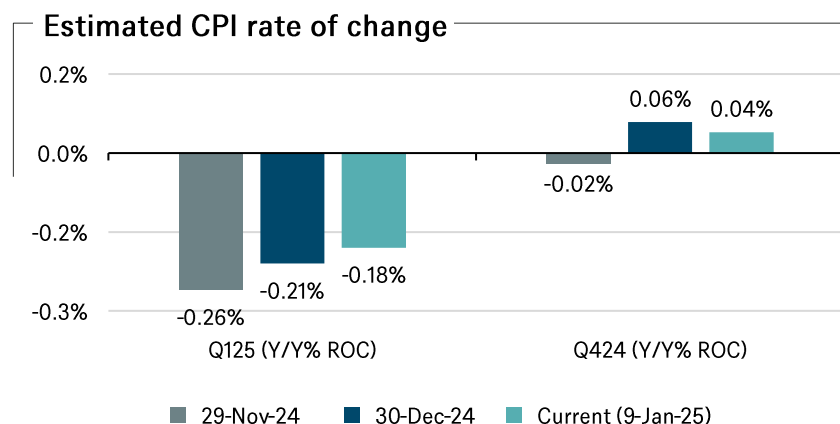
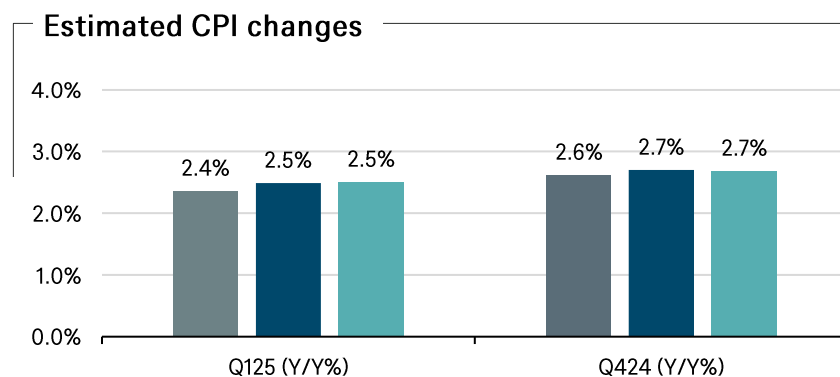
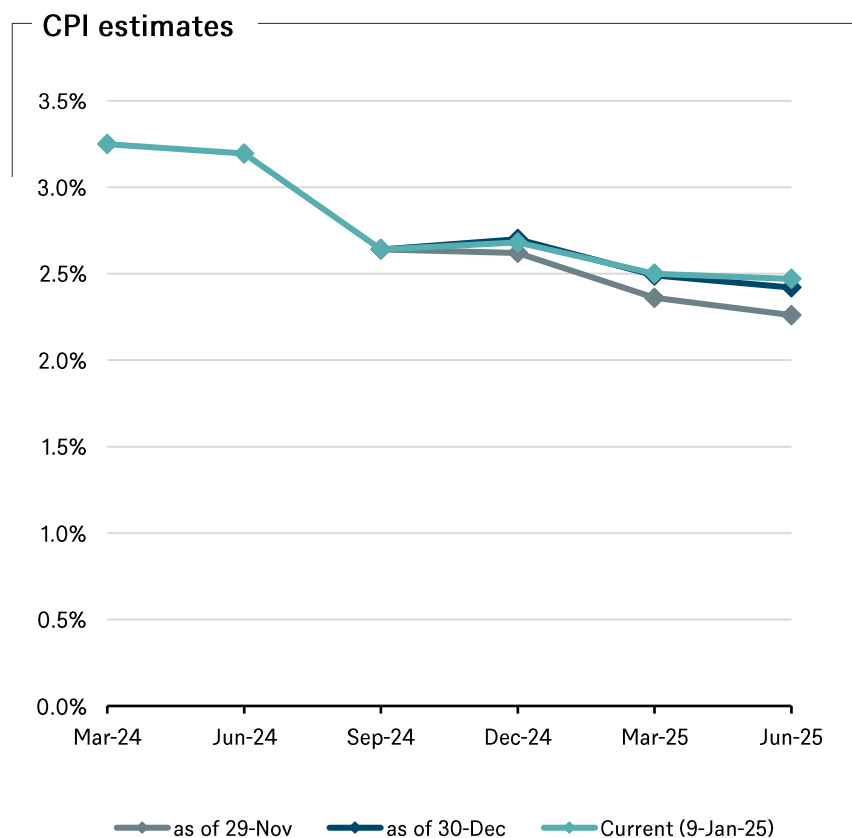
Estimated GDP rate of change



Sources: Bloomberg and DWS as of 1/9/25. Past performance is not a guarantee of future results. For illustrative purposes only. No assurance is given that forecast or target will be achieved.

Inflation

Where we stand today



Sources: Bloomberg and DWS as of 1/9/25. Past performance is not a guarantee of future results. For illustrative purposes only. No assurance is given that forecast or target will be achieved.

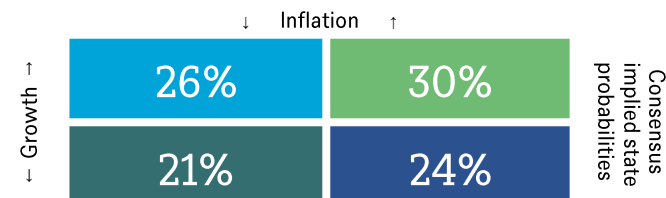
Macroeconomic analysis

United States



GDP growth	Y/Y	Seq Y/Y
Q1 2025E	2.67%	0.12%
Q4 2024E	2.55%	-0.17%
Q3 2024A	2.72%	-0.32%
Q2 2024A	3.04%	0.14%

CPI change	Y/Y	Seq Y/Y
Q1 2025E	2.75%	0.03%
Q4 2024E	2.72%	0.08%
Q3 2024A	2.64%	-0.55%
Q2 2024A	3.19%	-0.05%



Consensus-implied tail probabilities

				← ← ← (decelerating)										Inflation										(accelerating) → → →									
				1.8%	1.9%	2.0%	2.1%	2.2%	2.3%	2.4%	2.5%	2.6%	2.7%	2.8%	2.9%	3.0%	3.1%	3.2%	3.3%	3.4%	3.5%	3.6%	3.7%	3.8%									
				-1.0%	-0.9%	-0.8%	-0.7%	-0.6%	-0.5%	-0.4%	-0.3%	-0.2%	-0.1%	0.0%	0.1%	0.2%	0.3%	0.4%	0.5%	0.6%	0.7%	0.8%	0.9%	1.0%									
↑ (accelerating)	↑ ↑																																

Sources: Bloomberg and DWS as of 12/31/24, for Q1 2025 consensus estimates and probabilities. **Past performance is not a guarantee of future results.** This model portfolio and percentage allocations are shown for illustrative purposes only. E=Estimate and A=Actual. Forecasts are based on assumptions, estimates, opinions and hypothetical models or analysis, which may prove to be incorrect. Please refer to "Model Performance" for important disclosures at the end of this presentation.

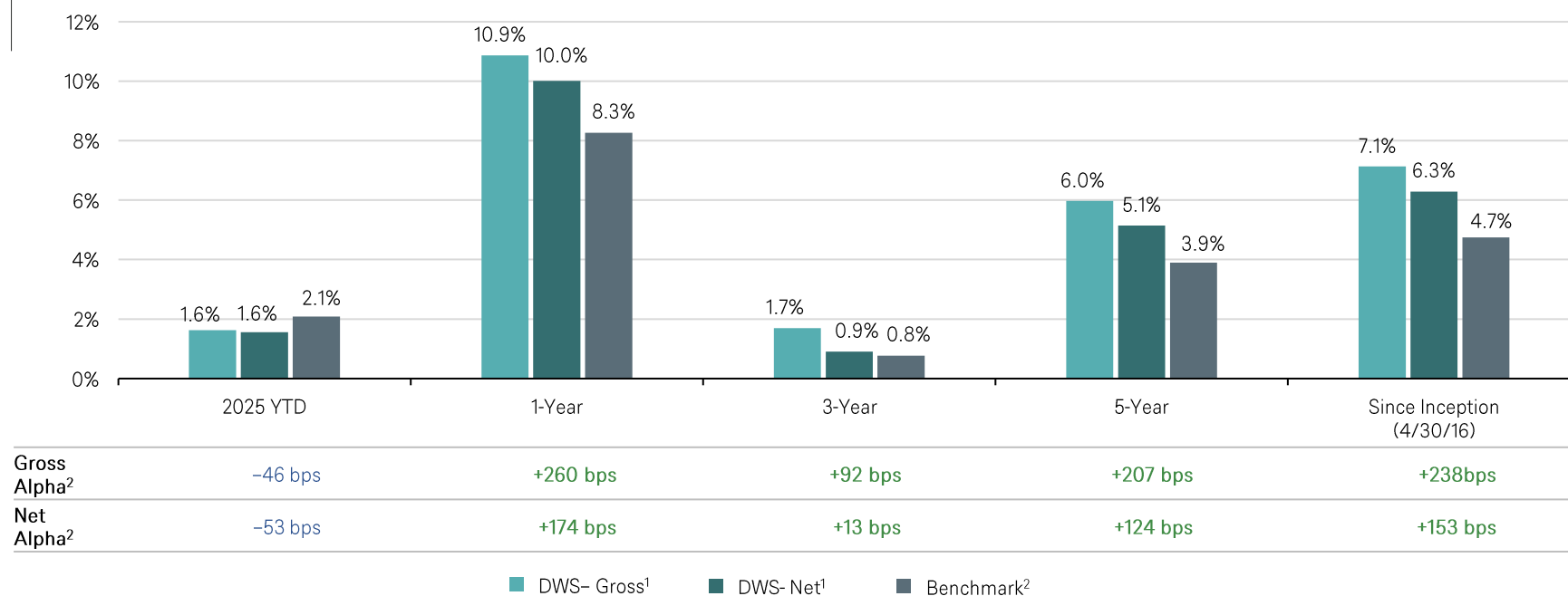
Performance summary

DWS Real Assets Composite



Supplemental information: DWS Real Assets Composite

Gross and net of fees



¹Returns are shown in USD unhedged, net of withholding tax. Net returns are calculated after deducting portfolio management fees and expenses from the gross returns.

²The benchmark is comprised of the following blend of real assets indices: 15% Bloomberg Commodity Index, 30% Dow Jones Brookfield Global Infrastructure Index, 30% FTSE EPRA/NAREIT Developed Index, 10% Bloomberg U.S. TIPS Index, 15% S&P Global Natural Resources Index.

Sources: Bloomberg and DWS as of 1/31/25. **Past performance is not a guarantee of future results.** Returns for periods greater than one year are annualized. DWS = DWS Real Assets Composite. Benchmark = Real Assets Blended Benchmark. Inception: 4/30/16. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index. Please refer to full composite notes at the end of the presentation.

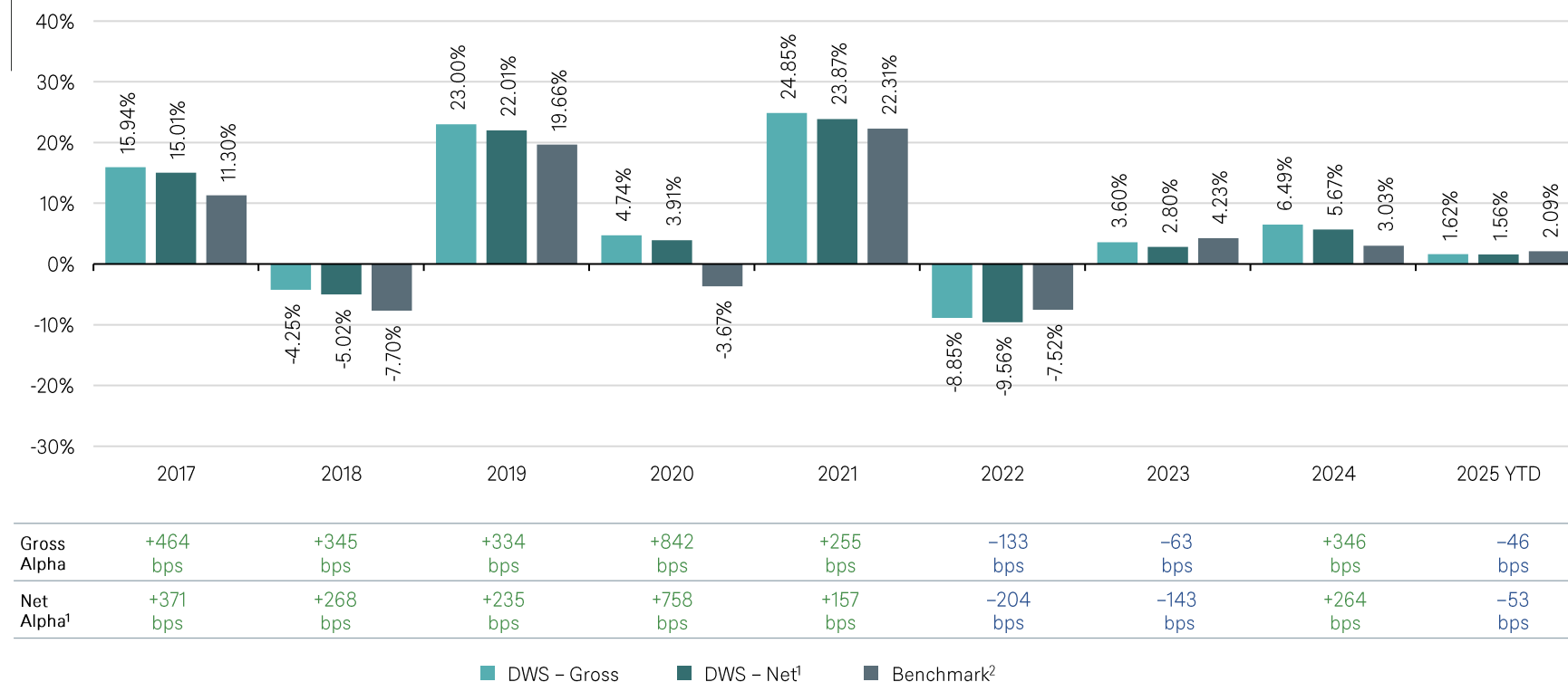
Annual performance

DWS Real Assets Composite



Supplemental information: DWS Real Assets Composite

Gross and net of fees



¹ Returns are shown in USD unhedged, net of withholding tax. Net returns are calculated after deducting portfolio management fees and expenses from the gross returns.

² The benchmark is comprised of the following blend of real assets indices: 15% Bloomberg Commodity Index, 30% Dow Jones Brookfield Global Infrastructure Index, 30% FTSE EPRA/NAREIT Developed Index, 10% Bloomberg U.S. TIPS Index, 15% S&P Global Natural Resources Index.

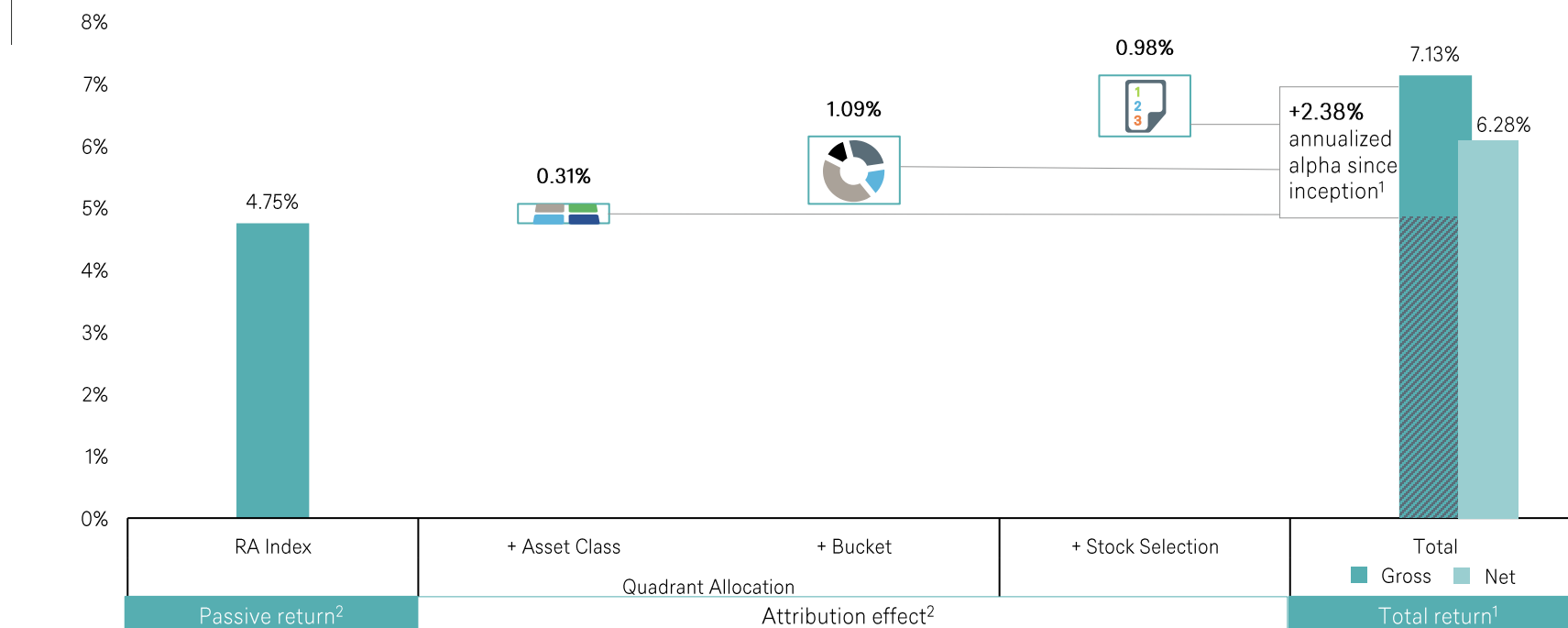
Sources: FactSet, DWS as of 1/31/25. **Past performance is not a guarantee of future results.** DWS = DWS Real Assets Composite. Benchmark = Real Assets Blended Benchmark. Inception: 4/30/16. Please refer to full composite notes at the end of the presentation.

Alpha composition

Top-down and bottom-up processes have each contributed to attribution effect

Supplemental information to the DWS Real Assets Composite: Contribution to alpha by process since strategy inception (4/30/16)¹

Gross and net of fees



¹ Total return is calculated since the inception of the DWS Real Assets Strategy Composite (4/30/16). Returns are shown in USD unhedged, net of withholding tax. Net returns are calculated after deducting portfolio management fees and expenses from the gross returns.

² Represents performance attribution at the bucket level. The benchmark is comprised of the following blend of real assets indices: 15% Bloomberg Commodity Index, 30% Dow Jones Brookfield Global Infrastructure index, 30% FTSE EPRA/NAREIT Developed Index, 10% Bloomberg U.S. TIPS Index, 15% S&P Global Natural Resources Index.

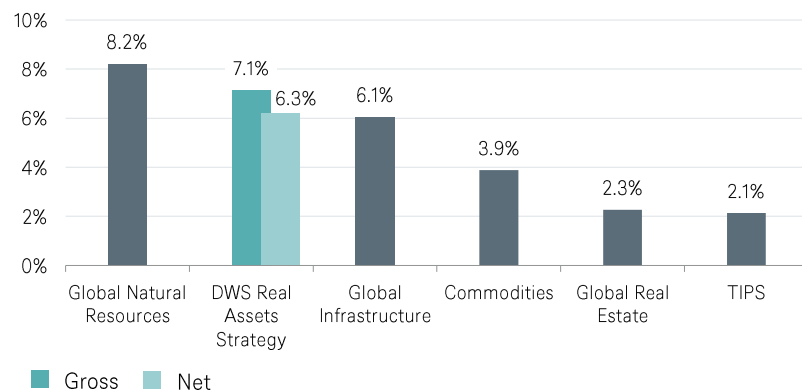
Source: DWS as of 1/31/25. Timeframe: from April 2016 to January 2025. **Past performance is not a guarantee of future results.** Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index. Past attribution is not indicative of future results. Refer to process section for detailed descriptions of all processes mentioned here, including the top-down quadrant allocation model, top-down bucket allocation framework and bottom-up stock selection.

DWS Real Assets Strategy

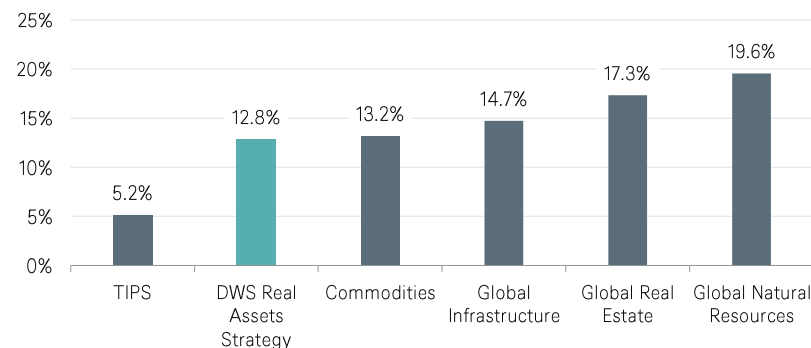
Whole is greater than the sum of its parts



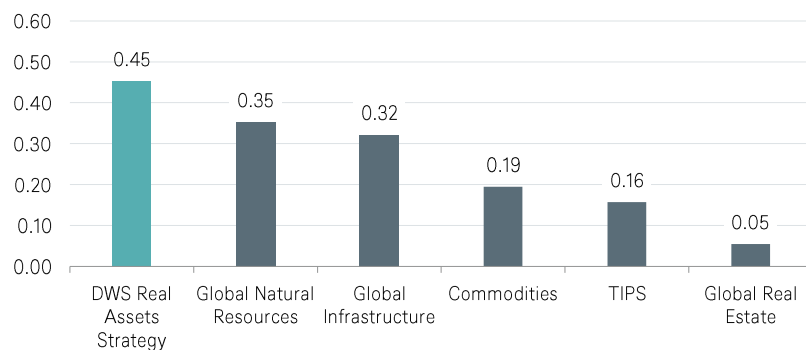
Annualized total return



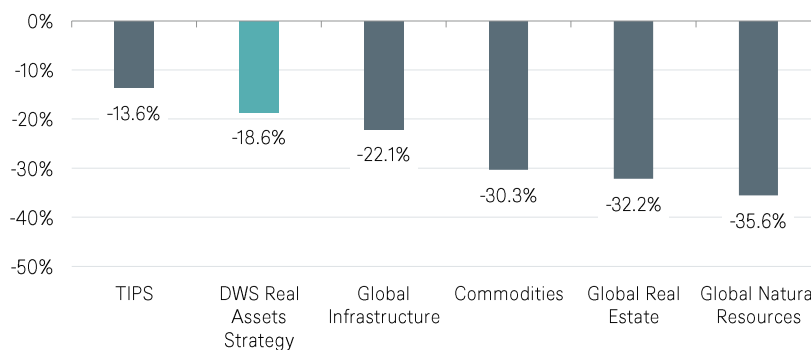
Volatility



Sharpe ratio



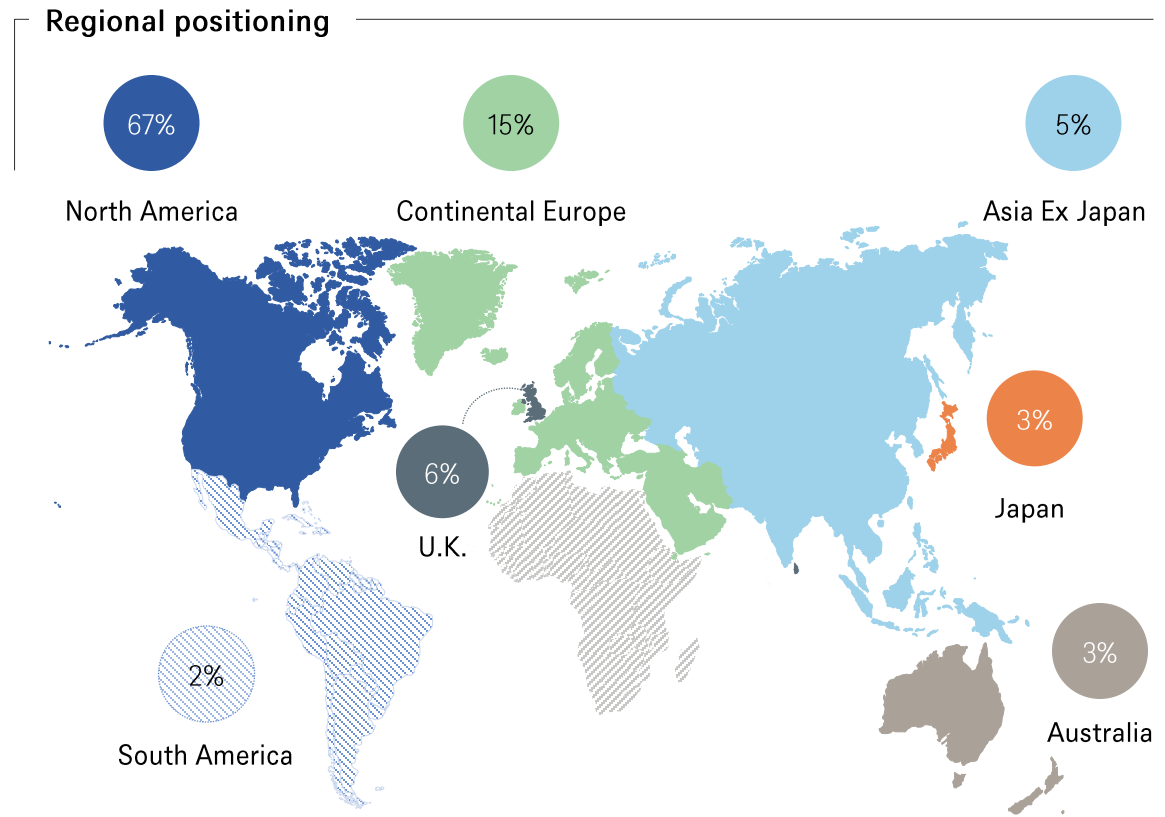
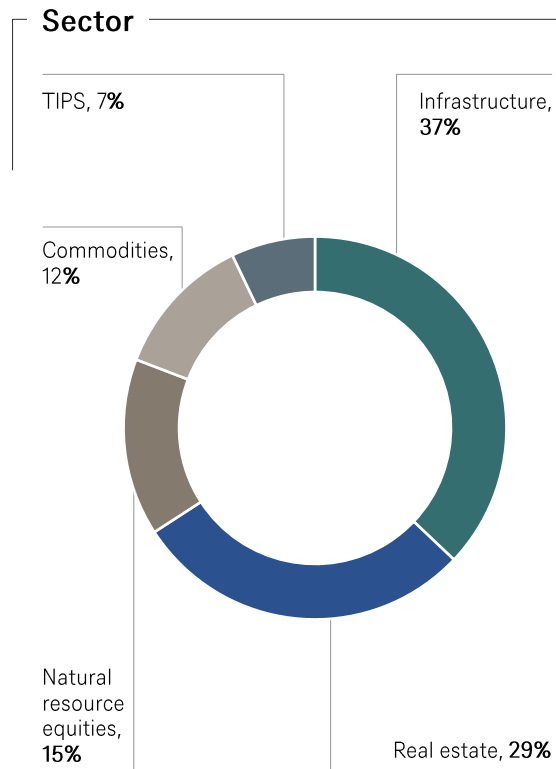
Max drawdown (monthly)



Sources: DWS, Bloomberg as of 1/31/25. All figures calculated since the inception of the DWS Real Assets Strategy (4/30/16). **Past performance is not a guarantee of future results.** Returns are shown in USD unhedged, net of withholding tax. Net returns are calculated after deducting portfolio management fees and expenses from the gross returns. Please refer to "Asset Classification" slide for asset class representation.

Portfolio composition

Current sector and regional positioning

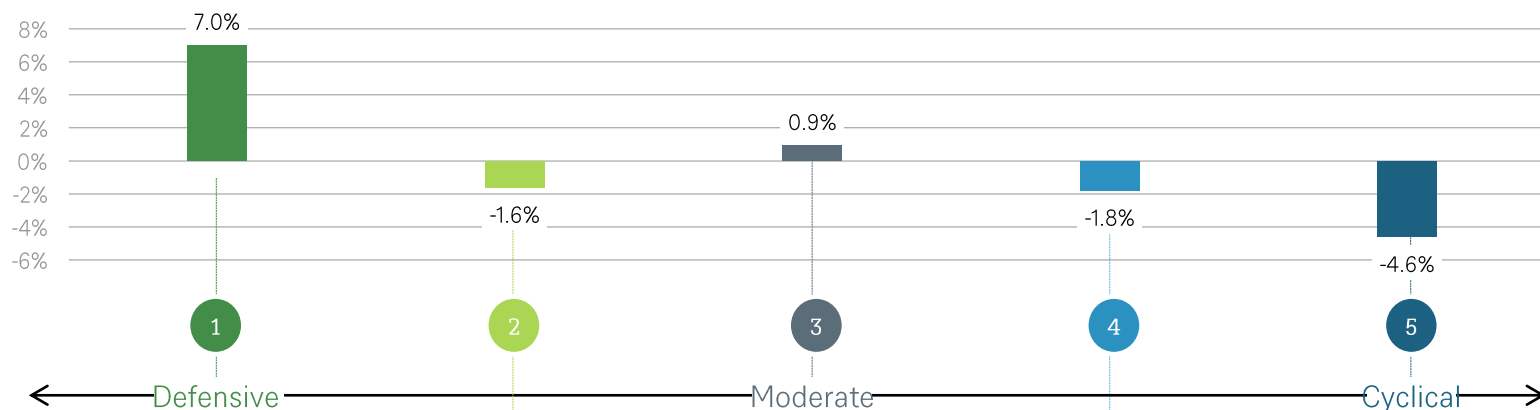


Source: DWS as of 1/31/25. Data is based on unreconciled holding of a representative portfolio which is included in the composite. Composition is subject to change. Positioning excludes cash.

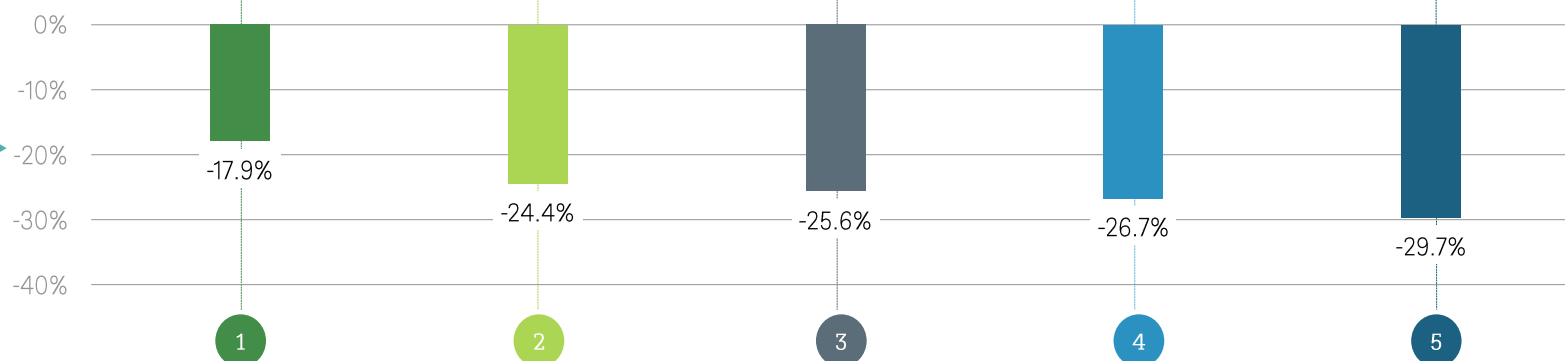
Quadrant model in action

High probability of growth deceleration heading into 1Q 2020

Portfolio changes from 12/31/19 to 1/31/20



Average bucket returns from 1/31/20 to 3/31/20

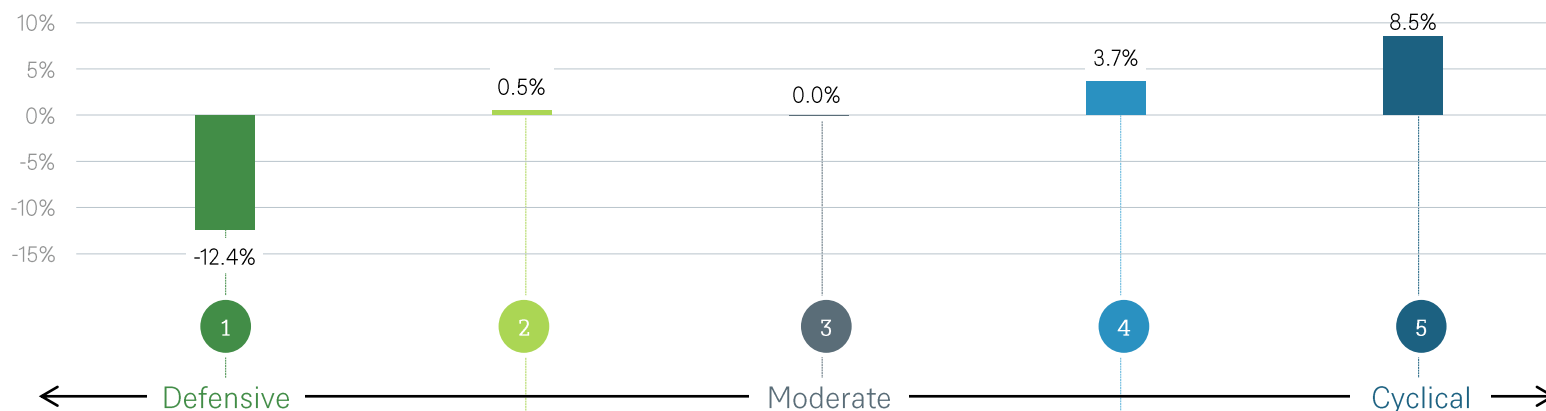


Source: DWS as of 3/31/20. **Past performance is not a guarantee of future results.** Implied probability is calculated using consensus views of market participants on where the U.S. economy will be headed in the context of the quadrant framework. Please refer to "Model Performance" for important disclosures at the end of this presentation. Please see page 35 for composition of buckets.

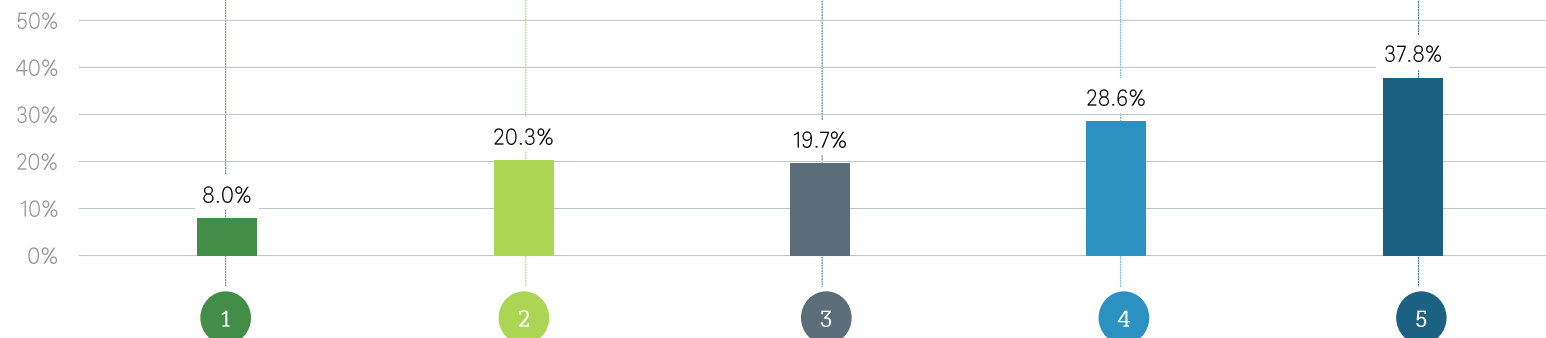
Quadrant model in action

Reacceleration of both growth and inflation

Portfolio changes from 3/31/20 to 9/30/20



Average bucket returns from 9/30/20 to 3/31/21



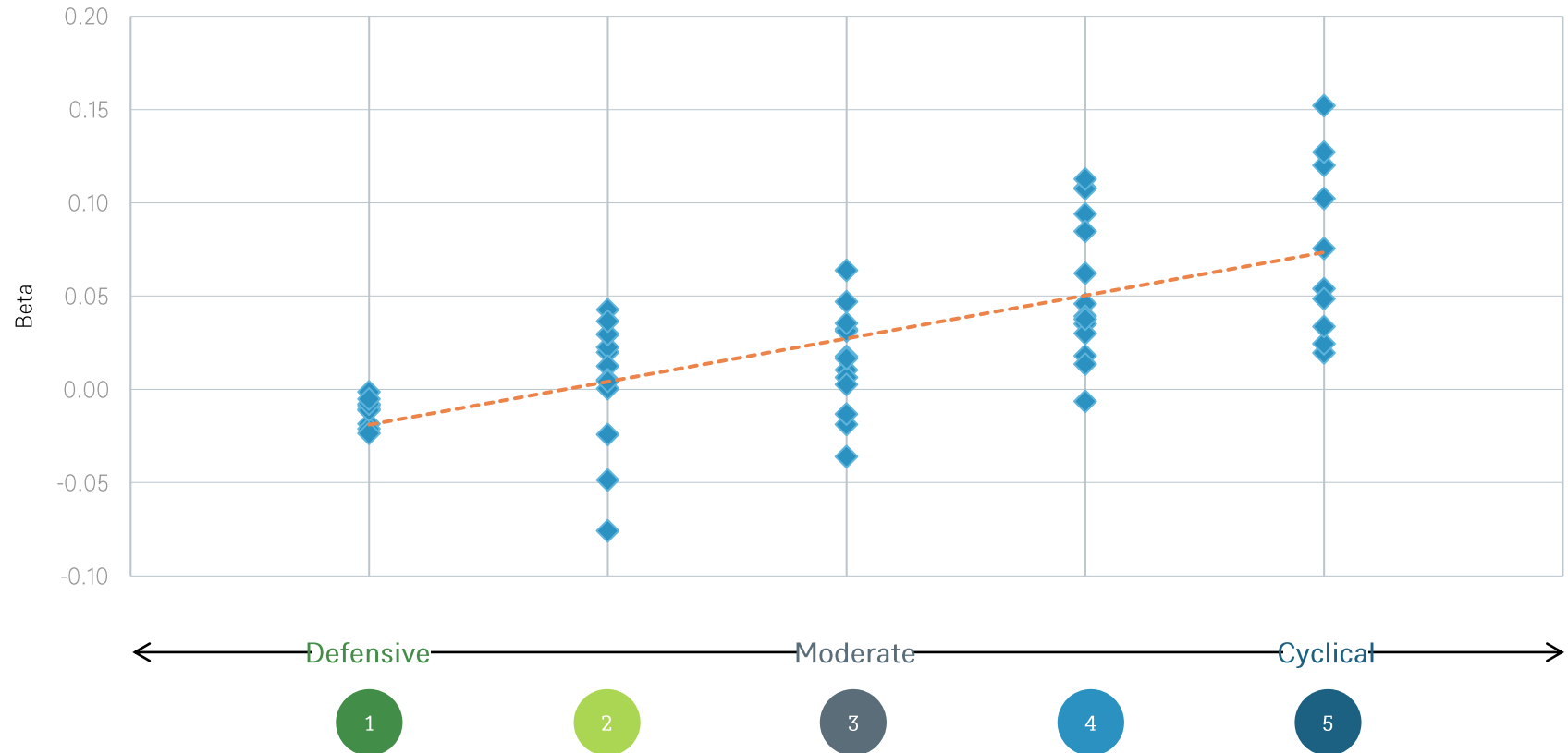
Source: DWS as of 3/31/21. **Past performance is not a guarantee of future results.** Implied probability is calculated using consensus views of market participants on where the U.S. economy will be headed in the context of the quadrant framework. Please refer to "Model Performance" for important disclosures at the end of this presentation. Please see page 35 for composition of buckets.

Bucket sensitivity to interest rate changes

Tilting by bucket helps to capture changes in interest rates



Bucket beta vs. 10y interest rate changes¹

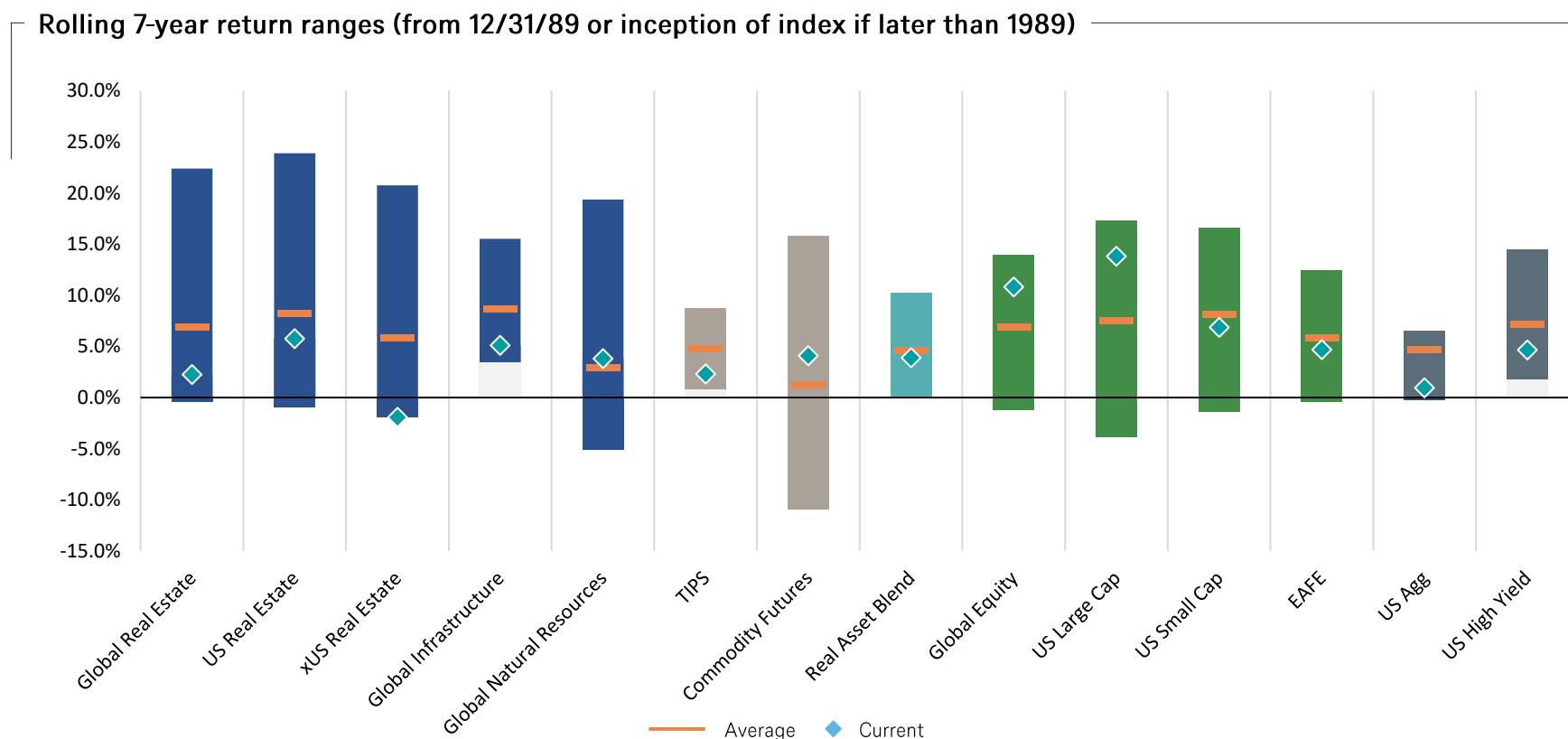


¹ Time period shown: 180 months (15 years) ending 12/31/24.

Sources: Bloomberg, DWS as of 12/31/24. **Past performance is not a guarantee of future results.** Please refer to "Model Performance" for important disclosures at the end of this presentation. Please see page 35 for composition of buckets.

Historical rolling ranges across asset classes

Real assets relative upside potential¹



¹ The comments, opinions and estimates contained herein are for informational purposes only and sets forth our views as of this date. The underlying assumptions and these views are subject to change without notice.

Sources: Bloomberg and DWS as of 12/31/24. **Past performance is not a guarantee of future results.** For illustrative purposes only. Equity index returns include reinvestment of all distributions. Index returns do not reflect fees or expenses, and it is not possible to invest directly in an index. For asset class representation and inception dates of indices shown, please refer to "Asset Classification" at the end of this presentation.

05 Supplemental information

Real estate securities

Investment team organization



ESG John Vojticek / 29

Head and CIO of Liquid Real Assets
Global Portfolio Manager

Americas		Europe		Asia Pacific	
Lead Portfolio Managers					
ESG David Zonavetch ^{1,8} / 29 Co-Head of Real Estate Securities, Americas Co-Lead Portfolio Manager	ESG Bob Thomas ^{1,8} / 23 Co-Head of Real Estate Securities, Americas Co-Lead Portfolio Manager	ESG Barry McConnell ² / 25 Head of Real Estate Securities, Europe Lead Portfolio Manager	ESG Chris Robinson ³ / 28 Head of Asia Pacific Real Estate Securities, Asia Pacific Lead Portfolio Manager		
Sector Leads					
ESG Christian Schroeder ¹ / 17 Sector Lead/PM Hotels & Healthcare	ESG Edward Mui ¹ / 17 Sector Lead/PM Office, Industrial & Timber	ESG Pierre Paren ² / 12 Sector Lead/PM CE Retail, Residential, Industrial, Office, Nordics & Switzerland	ESG Hiroshi Miyata ⁴ / 23 Sector Lead/PM JP REIT & Dev	ESG Todd McFarlane ³ / 24 Sector Lead/PM AU Rental & Growth	
ESG Juliana Lacouture ^{1,8} / 9 Sector Lead/PM Residential, Retail & Regional Malls	ESG Valeria Loo-Kung ¹ / 4 Sector Lead/PM Net Lease, Storage & Specialty	ESG Dipan Thacker ² / 13 Sector Lead/PM UK Large Caps, UK Other & Nordics	ESG Eloise Blake ³ / 21 Sector Lead/PM AU Small Caps	ESG Ivy Ng ⁴ / 18 Sector Lead/PM HK, CH & SG	
ESG David Chiang ^{1,9} / 21 Sector Lead/PM Towers	Graduate				
Portfolio Construction ⁷					
Macro & Analytics			Portfolio Specialists		
ESG Evan Rudy ¹ / 18 Portfolio Manager	ESG Alex Lai ¹ / 23 Portfolio Analyst	ESG Aaron Heffernan ¹ / 12 Portfolio Analyst	Justin Miller ¹ / 19 Portfolio Specialist	Geoff Shaver ¹ / 19 Portfolio Specialist	Reece Porich ³ / 18 Portfolio Specialist
Portfolio Management Support					
Jee Min ¹ / 12 Portfolio Management Assistant			Barry Steiner ¹ / 28 Portfolio Management Assistant		
DWS Resources ⁶					
Global Coverage Group	Global Research	Global Direct Real Estate	Equities, Fixed Income, and FX	Risk Management	Trading Desk
				ESG Engine	

Years with industry **ESG** Indicates holders of European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

¹ Based in Chicago. ² Based in London. ³ Based in Sydney. ⁴ Based in Hong Kong. ⁵ Based in New York. ⁶ Subject to applicable law, internal policies and procedures.

⁷ Shared across multiple asset classes. ⁸ Shared coverage of Retail/Regional Malls sector. ⁹ Shared research coverage of Infrastructure & REIT teams.

Source: DWS as of 12/31/24.

Infrastructure securities

Investment team organization



ESG John Vojticek / 29

Head and CIO of Liquid Real Assets
Global Portfolio Manager

Global

Lead Portfolio Managers

ESG Frank Greywitt / 25

Co-Head of Infrastructure Securities
Co-Lead Portfolio Manager

ESG Manoj Patel / 22

Co-Head of Infrastructure Securities
Co-Lead Portfolio Manager

Sector Leads

ESG David Chiang / 21

Sector Lead/PM
Communications, Asia
Infrastructure and Europe Utilities

ESG Kenton Moorhead / 16

Sector Lead/PM
Americas and Europe
transports

ESG Hanchen Wang / 11

Sector Lead/PM
Energy infrastructure and
MLPs

ESG Steven Stubitz / 16

Sector Lead/PM
American Utilities

Sunny Zhu / 2

Data Analyst

Portfolio Construction¹

Macro & Analytics

Portfolio Management Support

Portfolio Specialists

ESG Evan Rudy / 18

Portfolio Manager

ESG Alex Lai / 23

Portfolio Analyst

ESG Aaron Heffernan / 12

Portfolio Analyst

Jee Min / 12

Portfolio
Management
Assistant

Barry Steiner / 28

Portfolio
Management
Assistant

Justin Miller / 19

Portfolio
Specialist

Geoff Shaver / 19

Portfolio
Specialist

Reece Porich / 18

Portfolio
Specialist

DWS Resources²

Global Client Group

Global Research

Global Direct Infrastructure

Equities, Fixed Income, and FX

Risk Management

Trading Desk

ESG Engine

Years with industry

ESG Indicates holders of European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

Infrastructure Securities Investment Team based in Chicago. ¹ Shared across multiple asset classes. ² Subject to applicable law, internal policies and procedures.
Source: DWS as of 12/31/24.

Commodities & natural resources equities

Investment team organization



ESG John Vojticek / 29

Head and CIO of Liquid Real Assets
Global Portfolio Manager

Global

Lead Portfolio Managers

ESG Darwei Kung² / 18

Co-Head of Commodities & Natural Resource Equities
Co-Lead Portfolio Manager

ESG Avi Feinberg¹ / 21

Co-Head of Commodities & Natural Resource Equities
Co-Lead Portfolio Manager

Sector Leads

ESG Eugene Bidchenco¹ / 24

Sector Lead/PM
Energy commodities and
Energy equities

ESG Taylor Smith¹ / 8

Sector Lead/PM
Metals & mining equities and Metals
commodities

Open Position

ESG Jose Cerda¹ / 7

Sector Lead/PM

Portfolio Construction⁴

Macro & Analytics

Portfolio Management Support

Portfolio Specialists

ESG Evan Rudy¹ / 18
Portfolio Manager

ESG Alex Lai¹ / 23
Portfolio Analyst

ESG Aaron Heffernan¹ / 12
Portfolio Analyst

Jee Min¹ / 12
Portfolio
Management
Assistant

Barry Steiner¹ / 28
Portfolio
Management
Assistant

Justin Miller¹ / 19
Portfolio
Specialist

Geoff Shaver¹ / 19
Portfolio
Specialist

Reece Porich³ / 18
Portfolio
Specialist

DWS Resources⁴

Global Client Group

Global Research

Equities, Fixed Income, and FX

Risk Management

Trading Desk

ESG Engine

Years with industry

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¹ Based in Chicago. ² Based in New York. ³ Based in Sydney. ⁴ Subject to applicable law, internal policies and procedures.

Source: DWS as of 12/31/24.

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Liquid real assets

Global business management team biographies



John Vojticek ESG

- Head and Chief Investment Officer for Liquid Real Assets and Member of the DWS Alternatives and Real Assets Executive Committee: Chicago, IL
- Joined the Company in 1996. Prior to his current role, John served as a trader, analyst and portfolio manager. He was responsible for launching the Company's first listed infrastructure securities strategy in June 2008 and was previously the Head of the Listed Infrastructure Securities business
- BS in Business Administration from University of Southern California; Member of the National Association of Real Estate Investment Trusts

Jose Delgado

- Business Manager for Liquid Real Assets: Chicago, IL
- Joined the Company in 2016 with 10 years of industry experience. Prior to joining, Jose served in various roles at Goldman Sachs, mostly recently as a regulatory middle office associate. Previously, he worked as a mutual fund administrator supervisor at SEI Investments
- BBA in International Business & Finance from Temple University

Ryan Barker

- Business Manager for Liquid Real Assets: Chicago, IL
- Joined the Company in 2010. Prior to his current role, Ryan worked in the Business Management and Control Team for Equities at Deutsche Bank. Before that, he was an analyst in various departments such as Listed Derivatives Product Development, Transaction Expense Management, US Listed Options Clearing and Fixed Income Trade Support
- BS in Finance from University of Florida

Freddi Klassen

- Chief Administrative Officer for Investment Division Americas: New York, NY
- Joined the Company in 1999. Chief Operating Officer of DBX Advisors LLC, RREEF Americas LLC and RREEF Management LLC
- Formerly: Head of Programmes (2021-2023); Chief Operating Officer in the Americas for the Traditional Asset Classes Department (2014-2020); Global Chief Operating Officer for Equities Technology in the Investment Bank Division at Deutsche Bank AG (2013-2014); Chief Operating Officer for Exchange Traded Funds and Systematic Funds in Europe (2008-2013)
- Diplom Kaufmann from University of Applied Sciences Aachen, Germany and BA (hons) Business Studies from Coventry University, UK

ESG Holds European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

Source: DWS.

Liquid real assets

Portfolio construction team biographies



Evan Rudy, CFA ESG

- Portfolio Manager for Liquid Real Assets: Chicago, IL
- Joined the Company in 2007 with one year of industry experience. Prior to joining, Evan served as an Analyst at the Townsend Group
- BS in Finance from Miami University; CFA Charterholder

Alex Lai ESG

- Portfolio Analyst for Liquid Real Assets, Alternatives: Chicago, IL
- Joined the Company in 2017 with 15 years of industry experience. Prior to joining, Alex worked in risk monitoring, data analysis and attribution reporting of hedge fund strategies and portfolio composites at Brookfield Asset Management
- BA in Classics from Harvard University

Barry Steiner

- Portfolio Management Assistant for Liquid Real Assets: Chicago, IL
- Joined the Company in 2007 with 10 years of industry experience. Prior to his current role, Barry was Operations Manager, responsible for supervising day-to-day operations for Real Estate and Infrastructure Securities. Before joining, he was Trust Officer, supervising day-to-day operations for all domestic accounts, at LaSalle Bank/ABN AMRO. Prior roles at this firm were Trading Affirmation Specialist and Settlement Technician
- BS in Communications from Syracuse University

Aaron Heffernan, CFA ESG

- Portfolio Analyst for Liquid Real Assets: Chicago, IL
- Joined the Company in 2016
- BA in Economics from University of California, Berkeley; CFA Charterholder

Krishneel Singh

- Portfolio Management Assistant for Liquid Real Assets: Sydney
- Joined the Company in 2016 with 8 years of industry experience. Prior to his current role, Krishneel held the same responsibilities as a contract employee. Prior to joining, he was a Trader in Listed Infrastructure Securities at Macquarie Bank. Previously, Krishneel worked in Corporate Actions in Asset Management at Macquarie Bank
- BCom in Accounting and Financial Economics from Macquarie University; Graduate Diploma in Applied Finance from Macquarie University

Jee Min

- Portfolio Management Assistant for Liquid Real Assets: Chicago, IL
- Joined the Company in 2015 with 12 years of industry experience. Prior to her current role, Jee was part of the investment risk team responsible for the risk monitoring, analysis, and regulatory reporting for the active, passive and LRA portfolios. Prior to joining DWS, she was a risk manager at Swiss Re Asset Management
- BS in Political Science from University of Michigan

ESG Holds European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

Source: DWS.

Liquid real assets

Portfolio specialist team biographies



Reece Porich

- Senior Portfolio Manager for Liquid Real Assets: Sydney
- Joined the Company in 2007. Prior to joining, Reece served as a Business Assistant at DAS Management
- BCom in Finance and International Business from The University of Sydney

Justin Miller, CFA

- Portfolio Management Specialist for Liquid Real Assets, Alternatives: Chicago, IL
- Joined the Company in 2024 with 19 years of industry experience. Prior to joining, Justin worked as a portfolio specialist for global clients at William Blair, Morgan Stanley and MFS
- BS in Finance from University of Massachusetts; MBA from Northeastern University, CFA Charterholder

Geoff Shaver

- Portfolio Specialist for Liquid Real Assets: Chicago, IL
- Joined the Company in 2022 with 16 years of industry experience. Prior to joining, Geoffrey served as Director of Public Securities at Origin Investments. Before that, he was a senior analyst on the Global Real Estate Securities team at Duff & Phelps Investment Management Co. Previously, he was a research analyst at Security Capital Research & Management Inc. covering REITs. Earlier, Geoffrey worked as an associate at JPMorgan Asset Management
- BS in Electrical and Computer Engineering from The Ohio State University, College of Engineering; MBA from The Ohio State University, Fisher College of Business; CFA Charterholder

ESG Holds European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

Source: DWS.

Real estate securities—Americas

Investment team biographies



David W. Zonavetch ESG

- Co-Head for Real Estate Securities, Americas and Co-Lead Portfolio Manager: Chicago, IL
- Joined the Company in 1998 with 2 years of industry experience. Prior to his current role, David was a portfolio manager in the Real Estate Securities Group
- BS in Finance from the University of Illinois at Urbana-Champaign

Bob Thomas ESG

- Co-Head for Americas Real Estate Securities, Alternatives: Chicago, IL
- Joined the Company in 2017 with 15 years of industry experience. Prior to joining, Bob served as lead portfolio manager of North America for global listed property funds at Henderson Global Investors. Before that, he was co-lead portfolio manager of North America for global listed property funds at AMP Capital. Previously, he served as an analyst at Nuveen Asset Management, at BNP Paribas Asset Management and at Security Capital Research & Management. Bob started his career as an investment banking analyst in the Real Estate group at KeyBanc Capital Markets
- BA in Economics From Duke University; MBA in Finance, Management & Strategy from Kellogg School of Management, Northwestern University

Christian Schroeder, CFA ESG

- Sector Lead/PM for Real Estate Securities: Chicago, IL
- Joined the Company in 2009 with 2 years of industry experience. Prior to joining, Christian served as an Investment Analyst at EII Capital Management (formerly European Investors Inc) and maxingvest ag
- BS in Business Administration from Private University of Applied Sciences Goettingen; MS in Finance from London Business School; CFA Charterholder

Edward Mui, CFA ESG

- Sector Lead/PM for Real Estate Securities, Alternatives: Chicago, IL
- Joined the Company in 2017 with 9 years of industry experience. Prior to joining, Edward worked as an equity analyst for public REIT securities at Morningstar. Before that, he was responsible for managing acquisitions, development and asset management activities at Shapack Partners. Previously, he analyzed acquisitions and asset management of real estate investments at Walton Street Capital and assisted in capital markets and strategic activities for public real estate clients at JPMorgan
- BSBA in Finance and Accounting from Washington University in St. Louis; CFA Charterholder

Juliana Lacouture ESG

- Sector Lead/PM for Americas Real Estate Securities, Alternatives: Chicago, IL
- Joined the Company in 2019 with 3 years of industry experience. Before joining, Juliana worked as a senior international tax associate at PwC advising on mergers and acquisitions as well as reorganizations of multinational corporations
- BBA in Accounting from University of Notre Dame, Certified Public Accountant

ESG Holds European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

Source: DWS.

Real estate securities—Americas

Investment team biographies



Valeria Loo-Kung

- Sector Lead/PM for Real Estate Securities, Alternatives: Chicago, IL
- Joined the Company in 2022 with 2 years of industry experience. Prior to her current role, Valeria was an Equity Research Associate at BMO Capital Markets covering US equity REITs. Before that she was a Financial Analyst in the FP&A division at LivCor, a Blackstone company assisting asset management for multifamily real estate
- BA in Urban Studies and Planning from University of Illinois Urbana-Champaign

David Chiang, CFA

- Sector Lead/PM for Infrastructure Securities: Chicago, IL
- Joined the Company in 2012 with 9 years of industry experience. Prior to joining, David served as a Manager at Willamette Management Associates, where he conducted financial, economic and valuation analysis on publicly traded and privately held companies. Previously, he worked as a Proprietary Futures Trader at International Trading Group
- BBA in Finance and Accounting from Stephen M. Ross School of Business at the University of Michigan; MBA in Finance Economics and International Business from The University of Chicago Booth School of Business; CFA Charterholder

 Holds European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.
Source: DWS.

Commodities & natural resources equities

Investment team biographies



Darwei Kung

- Portfolio Manager for Commodities: New York
- Joined the Company in 2006. Prior to joining, Darwei spent 10 years in Engineering and Business Development for the telecommunications industry
- BS and MS in Electrical Engineering from University of Washington; MS in Computational Finance and MBA from Carnegie Mellon University

Avi Feinberg, CFA

- Portfolio Manager for Natural Resource Equities: Chicago, IL
- Joined the Company in 2012 with 8 years of industry experience. Prior to joining, Avi served as an Equity Analyst at Morningstar. Previously, he worked as a Senior Business Planning Consultant at MetLife
- BA in Economics from Northwestern University; MBA (with distinction) from Kellogg School of Management, Northwestern University; CFA Charterholder

Eugene V. Bidchenko, CFA

- Portfolio Manager and Analyst for Commodities: Chicago, IL
- Joined the Company in 2004 with 3 years of industry experience. Prior to joining, Eugene served as a Senior Analyst at Ernst & Young
- MBA in Finance and Global Management from Fairleigh Dickinson University; CFA Charterholder

Taylor Smith

- Portfolio Analyst for Agricultural Commodities, Agribusiness and Chemicals Equities: Chicago, IL
- Joined the Company in 2017 with one year of industry experience. Prior to joining, Taylor provided agricultural commodities coverage as a research analyst at COFCO International. Before that, he was a Graduate Research Assistant at the Free Market Institute
- BA in Economics from Loyola University of New Orleans; MS in Agriculture and Applied Economics from Texas Tech University

Jose Cerda

- Portfolio Analyst for Liquid Real Assets, Alternatives: Chicago, IL
- Joined the Company in 2022 with 4 years of industry experience. Prior to his current role, Jose was supporting quantitative research and analysis at DVTrading LLC. Before that he helped the economic and financial research division at CorpResearch (CorpGroup)
- BS in Business Administration, Economics from Pontificia Universidad Catolica de Chile, MA in Social Sciences (Economics) and MSc in Financial Mathematics from The University of Chicago

 Holds European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

Source: DWS.

Infrastructure securities

Investment team biographies



Manoj Patel, CFA ESG

- Co-Head of Infrastructure Securities and Co-Lead Portfolio Manager: Chicago, IL
- Joined the Company in 2011 with 8 years of industry experience. Prior to joining, Manoj held various roles at Brookfield Investment Management (formerly KG Redding/Brookfield Redding), most recently spearheading the formation of their dedicated listed infrastructure business. He previously created the Dow Jones Brookfield Global Infrastructure Index Series. Additionally, Manoj held roles in Portfolio Management, Portfolio Oversight and in Research
- BS in Finance from Indiana University, Bloomington; CFA Charterholder

Francis X. Greywitt ESG

- Co-Head of Infrastructure Securities and Co-Lead Portfolio Manager: Chicago, IL
- Joined the Company in 2005 with 5 years of industry experience. Prior to his current role, Frank served as a Securities Analyst. Prior to joining, he worked as a Senior REIT Research Analyst at KeyBanc Capital Markets
- BBA in Finance (Magna Cum Laude) from St. Bonaventure University; MBA (Concentrations in International Business, Economics and Finance) from The University of Chicago Booth School of Business

David Chiang, CFA ESG

- Sector Lead/PM for Infrastructure Securities: Chicago, IL
- Joined the Company in 2012 with 9 years of industry experience. Prior to joining, David served as a Manager at Willamette Management Associates, where he conducted financial, economic and valuation analysis on publicly traded and privately held companies. Previously, he worked as a Proprietary Futures Trader at International Trading Group
- BBA in Finance and Accounting from Stephen M. Ross School of Business at the University of Michigan; MBA in Finance Economics and International Business from The University of Chicago Booth School of Business; CFA Charterholder

Kenton Moorhead ESG

- Sector Lead/PM for Infrastructure Securities: Chicago, IL
- Joined the Company in 2014 with 5 years of industry experience. Prior to joining, Kenton served as a transportation and logistics analyst at Robert W. Baird & Co.
- BS in Political Science from Truman State University; JD/MBA in Finance and Strategic Analysis of Accounting Information from Indiana University

Hanchen Wang ESG

- Sector Lead/PM for Infrastructure Securities: Chicago, IL
- Joined the Company in 2017 with 3 years of industry experience. Prior to joining, Hanchen worked as an analyst for the Hedge Fund Strategies team in the Alternative Investments and Manager Selection Group, responsible for idea sourcing, manager coverage and research at Goldman Sachs
- BA in Economics and Mathematical Methods in Social Sciences and BSc in Electrical Engineering from Northwestern University

Steve Stubitz ESG

- Sector Lead/PM for Infrastructure Securities: Chicago, IL
- Joined the company in 2022 with 13 years of industry experience. Prior to his current role Steve worked in public securities group Heitman. Before that he worked at Citadel in their Global Equities group where he was responsible for the Utilities portion of an Energy Strategy. Steve started his buy-side career at Brookfield on their Global Listed Infrastructure product, where he led research efforts in Utilities and other major infrastructure sectors
- BBA in Finance and Economics from University of Wisconsin-Madison; CFA Charterholder from CFA Institute

Sunny Zhu

- Analyst - Alternatives Liquid Real Assets: Chicago, IL
- Joined the Company in 2023
- BSc in Quantitative Finance & Computer Science from The Hong Kong University of Science and Technology; MSc in Financial Mathematics from University of Chicago

ESG Holds European Federation of Financial Analysts Societies (EFFAS) Certified Environmental Social Governance Analyst (CESGA) diploma.

Source: DWS.

06 Disclosures

DWS Real Assets Composite



Reporting currency: USD

Reporting period: 5/1/16 – 9/30/24

Benchmark: No benchmark

Composite code: RREEF_RA

Period ending	Gross of fees composite (%)	Net of fees composite (%)	Benchmark (%)	Spread %	Dispersion	Number of accounts (at period end)	Composite market value in mn (at period end)	Total firm assets in mn (at period end)	Std. dev. composite (3 Yr, p.a.)	Std. dev. Benchmark (3 Yr, p.a.)
Year to Date	12.73	12.07	N/A	N/A	N/A	2	4,601	26,263	15.05	N/A
12/31/23	3.60	2.80	N/A	N/A	N/A	2	4,696	26,227	15.00	N/A
12/31/22	-8.85	-9.56	N/A	N/A	N/A	2	5,828	28,557	16.88	N/A
12/31/21	24.85	23.87	N/A	N/A	N/A	2	4,256	30,646	13.75	N/A
12/31/20	4.74	3.91	N/A	N/A	N/A	2	994	21,220	13.45	N/A
12/31/19	23.00	22.01	N/A	N/A	N/A	2	866	21,330	7.94	N/A
12/31/18	-4.25	-5.02	N/A	N/A	N/A	2	609	15,850	N/A	N/A
12/31/17	15.94	15.01	N/A	N/A	N/A	2	614	20,143	N/A	N/A
5/1/16-12/31/16	0.11	-0.42	N/A	N/A	N/A	1	181	20,765	N/A	N/A

Return (p.a.)				Annualized volatility (p.a.)				
	Gross of fees composite (%)	Net of fees composite (%)	Benchmark (%)	Spread %	Composite	Benchmark	Tracking error	Information ratio
Reporting period	7.94	7.09	N/A	N/A	12.62	N/A	N/A	N/A
1 Year	22.33	21.38	N/A	N/A	10.36	N/A	N/A	N/A
3 Years	4.60	3.79	N/A	N/A	15.05	N/A	N/A	N/A
5 Years	7.71	6.87	N/A	N/A	14.95	N/A	N/A	N/A
7 Years	7.97	7.12	N/A	N/A	13.57	N/A	N/A	N/A

See next page for pertinent disclosures.

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DWS Real Assets Composite



DWS - Real Estate & Infrastructure Securities (the "Firm") is part of the Alternatives business of DWS Group GmbH & Co. KGaA. The Firm includes all real estate and infrastructure securities portfolios managed for the Firm by RREEF America L.L.C., DWS Investments UK Limited, DWS Alternatives Global Limited, DWS CH AG, DWS Investments Australia Limited, DWS Investments Singapore Limited and DWS Investments Hong Kong Limited. (Effective November 5, 2008, the Firm elected to expand its GIPS firm definition to include assets and composites from all of its regional offices.) Policies for valuing investments, calculating performance and preparing GIPS Reports; as well as a complete list and descriptions of the Firm's composites, broad distribution pooled funds, and any limited distribution pooled funds, are available upon request.

Starting from August 1, 2015, the Firm uses a time-weighted, daily linked rate of return formula, with adjustments for additions and withdrawals of cash and securities. Prior to this time, the Firm calculated returns on a monthly basis. Past performance is not indicative of future results. Other return calculation methods may produce different results, and the results for individual portfolios and for different periods may vary depending on market conditions and the compositions of the portfolio. Care should be used when comparing these results to those published by other investment advisors, other investment vehicles and unmanaged indices due to possible differences in calculation methods.

The Composite dispersion measure represents the consistency of a firm's composite performance with respect to the individual portfolio returns within the Composite. Composite dispersion is measured using an equal-weighted standard deviation of gross returns of portfolios. Dispersion includes only those portfolios, which have been included in the Composite for the entire year. Beginning January 1, 2015, composite dispersion method was updated from equal-weighted to asset-weighted standard deviation.

No selective periods for presentation have been utilized. Leverage has not been used in any of the portfolios included in the Composite. Portfolio valuation is based on trade-date accounting. Performance for the majority of composite accounts reflects the reinvestment of dividends and other earnings.

'Performance results have been presented gross and net of fees for composite accounts. Gross performance presented has been reduced by transaction costs. Prior to 1/1/23, net performance was calculated by reducing the gross performance by the highest management fee for the strategy. Effective 1/1/23, the net performance is calculated using the constituent level management fees. The minimum account size for inclusion in the composite is US \$1M.

Composite dispersion is not statistically meaningful when insufficient number of portfolios exist in the composite for the entire year. "N/A" is placed in this case. Three-year standard deviation is not statistically meaningful when the period of time is insufficiently long. "N/A" is presented in this case. Effective 1/1/2015, the 3-year standard deviation was based on STDEVP formula instead of STDEV formula historically, calculated using gross of fee returns.

DWS - Real Estate & Infrastructure Securities claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. DWS - Real Estate & Infrastructure Securities has been independently verified for the periods January 1, 1998 – December 31, 2023. The verification report(s) is/are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.

'On 1st July 2018 the name of the GIPS Entity was changed from Deutsche Asset Management - Real Estate & Infrastructure Securities to DWS - Real Estate & Infrastructure Securities. Valuations and returns are computed and stated in USD. The DWS Real Assets Composite was created 1 May 2016 with the inception date of 1 May 2016. It reflects the performance of the Firm's strategy of investing money in diversified holdings of globally traded liquid real assets. This includes publicly traded global real estate security companies, global infrastructure securities, global commodity linked equity securities, commodity futures contracts and Treasury inflation protected securities (TIPS). Accounts have a minimum market value of US\$1 million and hold approximately 65-150 securities with the objective of producing a return in excess of inflation throughout an economic cycle. Inflation is measured by the annual change in the US CPI Urban Consumers NSA Index. Because the strategy uses market pricing, macroeconomic factors, and liquidity to dynamically value, weight, and allocate between real-asset stocks and real-asset sector buckets to achieve the best risk-adjusted returns, we believe that no benchmark exists that accurately reflects the strategy. Management fees charged for accounts in this composite are 55-85bp per annum. Actual fees may differ. Actual returns will be reduced by management fees, investment advisory fees and other expenses that may be incurred in the management of the account. As an example, the effect of investment management fees on the total value of a client's portfolio assuming (a) quarterly fee assessment, (b) \$1,000,000 investment, (c) portfolio return of 8% a year, and (d) 1.00% annual investment advisory fee would be \$10,416 in the first year, and cumulative effects of \$59,816 over five years and \$143,430 over ten years. Composite and benchmark returns are net of withholding tax. Prior to June 2018, the composite was named as Deutsche Real Assets Composite.

Asset classification



Global real estate: FTSE EPRA/NAREIT Developed Index

U.S. real estate: FTSE EPRA/NAREIT United States Index

xUS real estate: FTSE EPRA/NAREIT Developed ex US Index

Global infrastructure: Dow Jones Brookfield Global Infrastructure Index (inception date: 12/31/02)

Commodities/Commodity futures: Bloomberg Commodity Index

Global bonds/Global fixed income: Bloomberg Global Aggregate Index

Global equities: MSCI World Index

International equities: MSCI EAFE Index

Natural resource equities: S&P Global Natural Resources Index (inception date: 11/30/02)

Real assets blend: Real Assets Blended Benchmark, which is comprised of the following blend of real asset indices: 30% Dow Jones Brookfield Global Infrastructure Index; 30% FTSE EPRA/NAREIT Developed Index; 15% Bloomberg Commodity Index; 15% S&P Global Natural Resources Index; 10% Bloomberg U.S. Treasury Inflation Notes Index (Inception date: 2/28/04)

TIPS: Bloomberg U.S Treasury Inflation Notes Index (inception date: 3/31/97)

U.S. Large cap: S&P 500 Index

U.S. Small cap: Russell 2000 Index

U.S. Aggregate: Bloomberg US Aggregate Bond Index

U.S. High Yield: Bloomberg US Corporate High Yield Index

Model performance



This model portfolio and percentage allocations are shown for illustrative purposes only. There are no performance results reflected.

Please note there are many inherent limitations in the use of hypothetical performance results, such as they are generally prepared with the benefit of hindsight, they do not involve financial risk, and no hypothetical trading record can completely account for the impact of financial risk in actual trading. There are numerous other factors related to the markets in general or to the implementation of any specific trading program which cannot be fully accounted for in the preparation of hypothetical performance results and all of which can adversely affect actual trading results. Please read "Important Information" for the effect of fees on performance. No representation is being made that any account will or is likely to achieve certain profits or losses.

War, terrorism, sanctions, economic uncertainty, trade disputes, public health crises and related geopolitical events have led, and, in the future, may lead to significant disruptions in U.S. and world economies and markets, which may lead to increased market volatility and may have significant adverse effects on the strategy and its investments.

Investments are subject to various risks, including market fluctuations, regulatory change, possible delays in repayment and loss of income and principal invested. The value of investments can fall as well as rise and you may not recover the amount originally invested at any point in time. Furthermore, substantial fluctuations of the value of the investment are possible even over short periods of time. Equities are subject to strong price fluctuations and thus also to the risk of price decreases.

Investments in infrastructure, commodities and real estate involve a high degree of risk, including possible loss of principal amount invested, and are suitable only for sophisticated investors who can bear such losses. The value of shares/units and their derived income may fall or rise.

The operation and cash flows of infrastructure debt obligors may depend, in some cases to a significant extent, upon prevailing market prices for commodities such as oil, gas, coal, electricity, steel or concrete.

Investments in commodities are subject to risk, including possible loss of invested capital. The price of commodities (e.g. raw industrial materials such as gold, copper and aluminum) may be subject to substantial fluctuations over short periods of time and may be affected by unpredictable international monetary and political policies. Additionally, valuations of commodities may be susceptible to such adverse global economic, political or regulatory developments. Commodities are long-term investments and should be considered part of a diversified portfolio; market-price movements, regulatory changes, economic changes and adverse political or financial factors could have a significant impact on performance.

Investment in real estate may be or become nonperforming after acquisition for a wide variety of reasons. Nonperforming real estate investment may require substantial workout negotiations and/ or restructuring. Environmental liabilities may pose a risk such that the owner or operator of real property may become liable for the costs of removal or remediation of certain hazardous substances released on, about, under, or in its property. Additionally, to the extent real estate investments are made in foreign countries, such countries may prove to be politically or economically unstable. Finally, exposure to fluctuations in currency exchange rates may affect the value of a real estate investment.

Investments in real estate are subject to various risks, including but not limited to the following:

- Adverse changes in economic conditions including changes in the financial conditions of tenants, buyer and sellers, changes in the availability of debt financing, changes in interest rates, real estate tax rates and other operating expenses;
- Adverse changes in law and regulation including environmental laws and regulations, zoning laws and other governmental rules and fiscal policies;
- Environmental claims arising in respect of real estate acquired with undisclosed or unknown environmental problems or as to which inadequate reserves have been established;
- Changes in the relative popularity of property types and locations;
- Risks and operating problems arising out of the presence of certain construction materials; and
- Currency/exchange rate risks where the investments are denominated in a currency other than the investor's home currency

Important information



Environmental, social, and governance (ESG) criteria are a set of standards for a company's operations that socially conscious investors use to screen potential investments: Environmental (how a company performs as a steward of nature); Social (how a company manages relationships with employees, suppliers, customers, and communities); Governance (company's leadership, executive pay, shareholder rights, etc).

DWS developed an ESG engine, which is our proprietary software that aggregates data from multiple third-party commercial providers of ESG data, as well as data from several non-governmental organizations, to arrive at various ESG solutions (e.g., assignments of ratings to investment positions and sovereigns). The ESG engine is operated by DWS International GmbH, a German affiliate of DIMA and is a U.S. registered investment adviser. DIMA's portfolio managers have access to ESG solutions produced by such German affiliate and may use such ESG solutions in managing client accounts. Please see Part II of the adviser's Form ADV for additional information regarding ESG issues.

Any forecasts provided herein are based upon DWS's opinion of the market at this date and are subject to change dependent on the market. Past performance or any prediction, projection or forecast on the economy or markets is not indicative of future performance.

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Principal Asset Allocation

Diversified Real Asset Fund

FOURTH QUARTER 2024

Class I: PDRDX

Class A: PRDAX

Class R6: PDARX

Principal Asset Allocation

WHO WE ARE

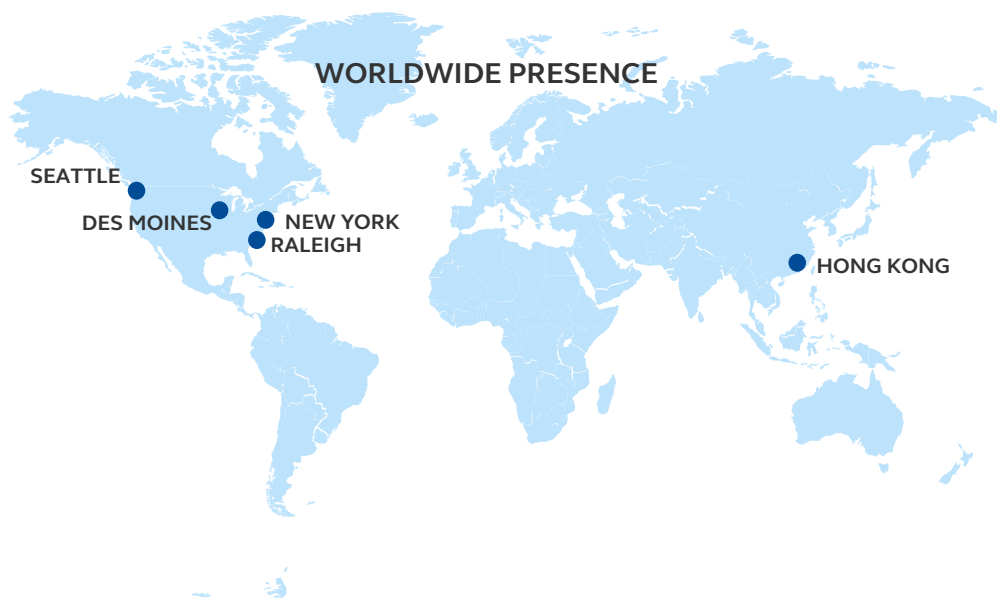
An investment team within Principal Asset Management and manager of global multi-asset investment strategies.

WHAT WE DO

We construct multi-asset and multi-manager portfolios that aim to deliver risk-adjusted investment performance that meet our clients' needs.

WHO WE SERVE

Institutional and individual investors through our relationships with investment consultants, wealth management platforms, and financial advisors across the globe.



\$181.1 BILLION in assets under management

37 dedicated investment professionals

Average of **15 YEARS** investment experience

9 YEARS average firm tenure

As of December 31, 2024. See Important information section regarding assets under management (AUM) description. Assets provided above include assets under advisement and AUM and are shown in U.S. dollars.

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Principal Asset Allocation leadership team



Todd Jablonski, CFA
Executive Managing Director –
Global Head of
Asset Allocation & Quant

Portfolio management



Yesim Tokat-Acikel, PhD
Dynamic Risk

- Multi-asset strategies designed to maximize return at various levels of risk



May Tong, CFA
Dynamic Outcome

- Multi-asset strategies designed to fulfill income, stability, and growth objectives
- Systematic equity strategies



Randy Welch
Strategic Asset Allocation

- Multi-asset strategies designed to help investors achieve their investment and retirement goals



Jem Gong-Browne
Director,
Asset Allocation & Quant



Marc Dummer, CAIA, CIMA
Managing Director,
Client Portfolio Management

Research pillars



Han Peng, CFA
Multi-Asset Research

- Develops macro-economic research
- Publishes long-term and tactical market expectations



Ryan Kinkade, CFA, CAIA
Manager Alpha Research & Selection

- Sources, assesses, and monitors investment strategies
- Supports ongoing multi-manager portfolio construction



Maxwell Lalone, CFA
Risk & Analytics

- Derives quantitative analysis and risk tooling
- Creates differentiated risk lenses for new insights

Investment strategies informed by research pillars

Pillars integrated throughout the investment process



Research pillars applied throughout the process

Multi-Asset Research	Manager Alpha Research & Selection	Risk & Analytics
• Develop long-term global capital market assumptions to inform strategic asset allocations across public and private markets. • Generate robust top-down macroeconomic and bottom-up fundamental research stream informing global tactical asset allocation views. • Advise on tactical asset allocation.	• Source, assess, and select best-in-class¹ managers across traditional and alternative investment strategies. • Partner with portfolio management teams to identify optimal implementation strategy subject to portfolio objectives and constraints.	• Focus on the investment process, portfolio construction, and investment performance of our strategies. • Isolate and evaluate each step in the investment management process through risk analysis. • Provide comprehensive risk modeling including calculating, measuring, tracking, and forecasting the impact of portfolio management decisions on performance.

¹Investment managers were selected using a proprietary process, characterized by a comprehensive and continuous review of all investment managers.

Dynamic Outcome team



Jessica Bush, CFA

Portfolio Manager
23 years industry experience
18 years at Principal



Ben Rotenberg, CFA

Portfolio Manager
31 years industry experience
10 years at Principal



May Tong, CFA

Managing Director,
Portfolio Manager
23 years industry experience
3 years at Principal



Mike Messina

Sr. Portfolio Analyst
19 years industry experience
2 years at Principal



Andy Smith

Portfolio Analyst
7 years industry experience
7 years at Principal

- Portfolio managers average over 25 years of industry experience
- Co-portfolio manager structure effectively utilizes strengths of each team member
- Portfolio strategy, design, construction, implementation, and management
- Dedicated analysts to drive and support the investment process

Principal Asset Allocation



Todd Jablonski, CFA

Executive Managing Director –
Global Head of
Asset Allocation & Quant
26 years industry experience
14 years at Principal



Jem Gong-Browne

Director,
Asset Allocation & Quant
24 years industry experience
10 years at Principal



Marc Dummer, CAIA, CIMA

Managing Director,
Client Portfolio Manager
42 years industry experience
21 years at Principal



Mike Reidy

Director,
Client Portfolio Manager
19 years industry experience
5 years at Principal

Access institutional-quality real assets

Informed architecture approach

Combines real asset specialist third-party and proprietary managers

Real asset expertise

Proven multi-manager, real asset experience with a compelling 10+ year track record managing public and private assets

Risk-aware portfolio construction

Incorporates macroeconomic insights with robust holdings-based risk analysis to guide a disciplined portfolio construction process

Diversified portfolio of public real assets seeking to enhance total return, diversification, and inflation protection relative to traditional assets

The investment manager's investment philosophy and strategy may not perform as intended and could result in a loss or gain. Asset allocation and diversification do not ensure a profit or protect against a loss.

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Benefits of investing in real assets

Public real assets are listed securities whose underlying value is tied to tangible assets that provide essential services or resources to the global economy.



**Commodities &
natural resources**



Infrastructure



Real estate

Diversification

Enhance diversification through modest correlation and little overlap with a traditional balanced portfolio

Enhanced risk-adjusted returns

Enhance risk-adjusted total return potential by leveraging unique economic drivers of return

Purchasing power

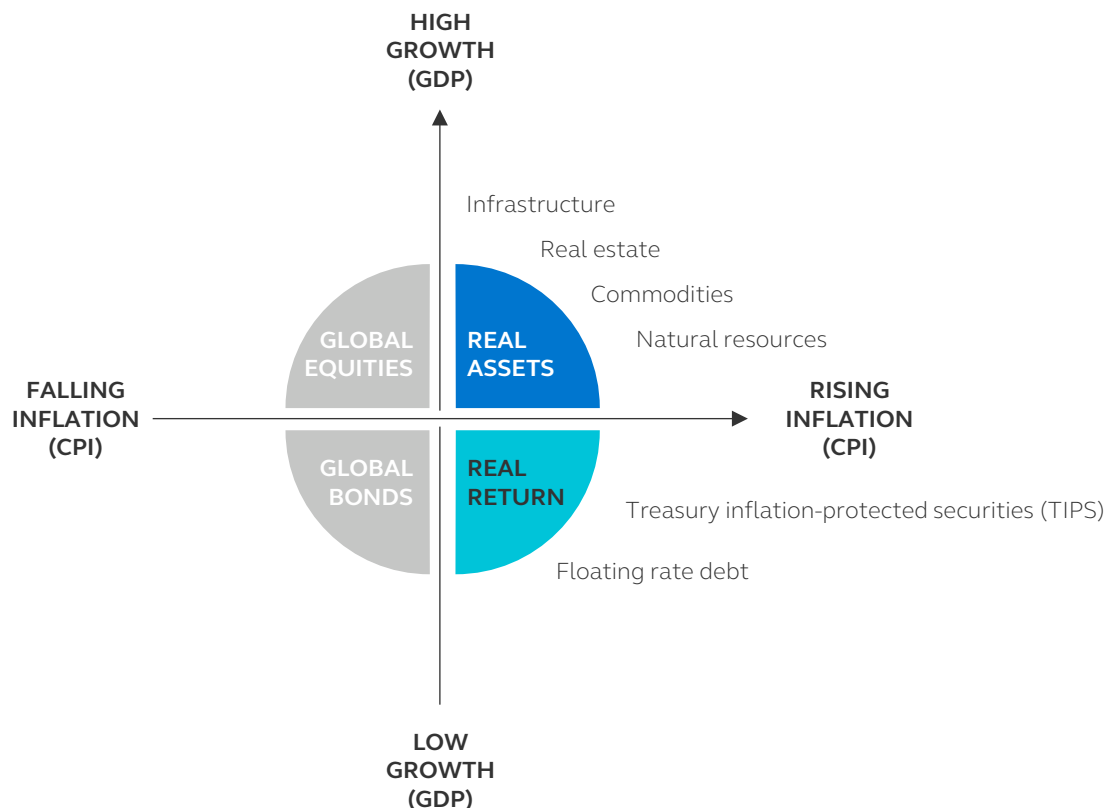
Protect purchasing power in environments when inflation and inflation expectations are rising

Harness the breadth of the real asset universe

We seek to deliver a consistent real asset outcome

The **Principal Diversified Real Asset Fund** provides diversified exposure to publicly-listed real assets through a risk-aware portfolio construction approach that seeks to deliver three key benefits:

- Diversification to traditional equity and fixed income
- Enhanced total-return potential
- Inflation risk mitigation



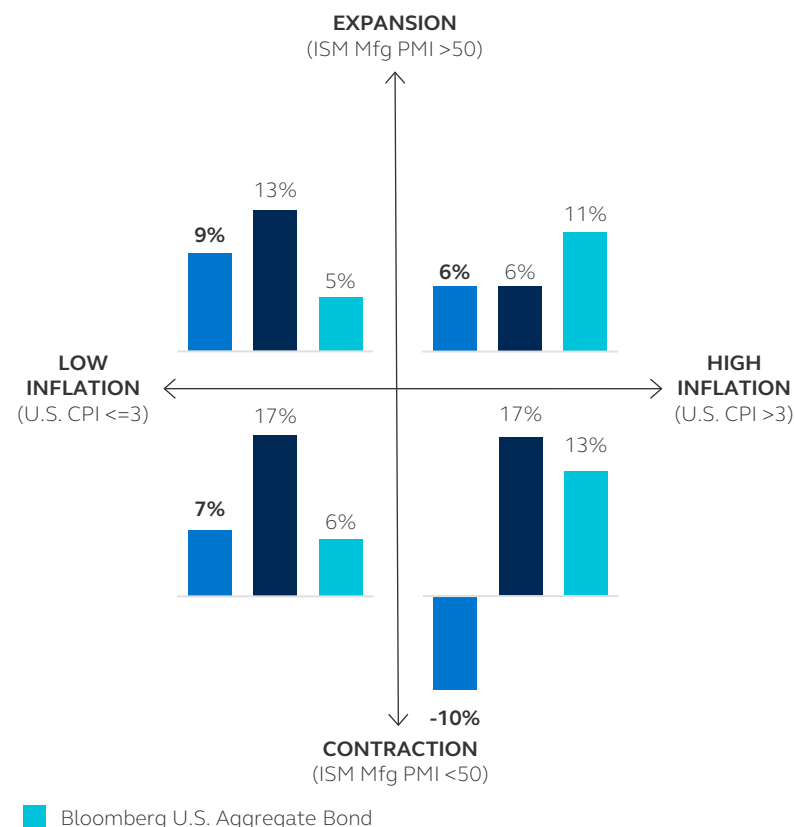
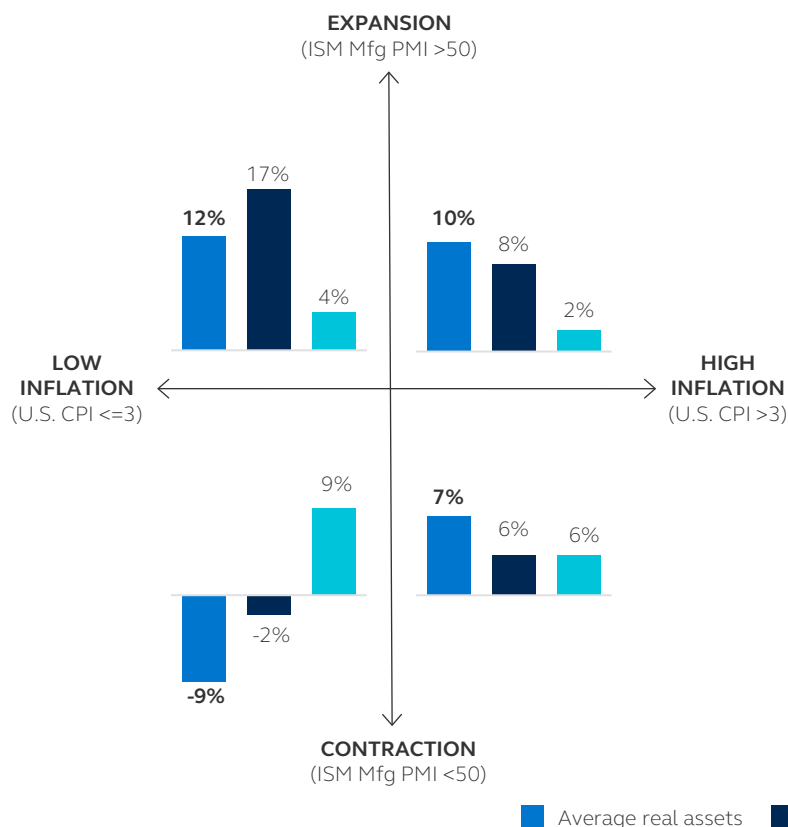
Graphic is for illustrative purposes only and reflects the views of the management team. Gross domestic product (GDP): comprehensive measure of U.S. economic activity; measures the value of the final goods and services produced in the U.S. without double counting the intermediate goods and services used up to produce them. Consumer price index (CPI): measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services.

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Interest rates can influence real asset returns

Rising rates: Fed rates higher or equal to last month

Falling rates: Fed rates lower or equal to last month



As of December 31, 2024. Data since 1971. Source: Principal Global Investors. Institute for Supply Management Manufacturing Purchasing Managers' Index (ISM Mfg PMI): An index of the prevailing direction of economic trends in manufacturing sectors consisting of a diffusion index that summarizes with a number from 0 to 100, whether market conditions, as viewed by purchasing managers, are expanding (>50), staying the same (=50), or contracting (<50). Average real assets: An equal-weighted version of the S&P Global Infrastructure Index NTR (11/30/2001-12/31/2024), FTSE NAREIT All Equity REITs Index (12/31/1971-12/31/2024), Bloomberg U.S. Treasury TIPS Index (03/31/1997-12/31/2024), Bloomberg Commodity Index (01/31/1971-12/31/2024), and S&P Global Natural Resources Index NTR (11/30/2002-12/31/2024). S&P 500 Index (Stocks): A market capitalization weighted index of 500 widely held stocks often used as a proxy for the stock market. Bloomberg U.S. Aggregate Bond Index (Bonds): An unmanaged index of domestic, taxable, fixed-income securities.

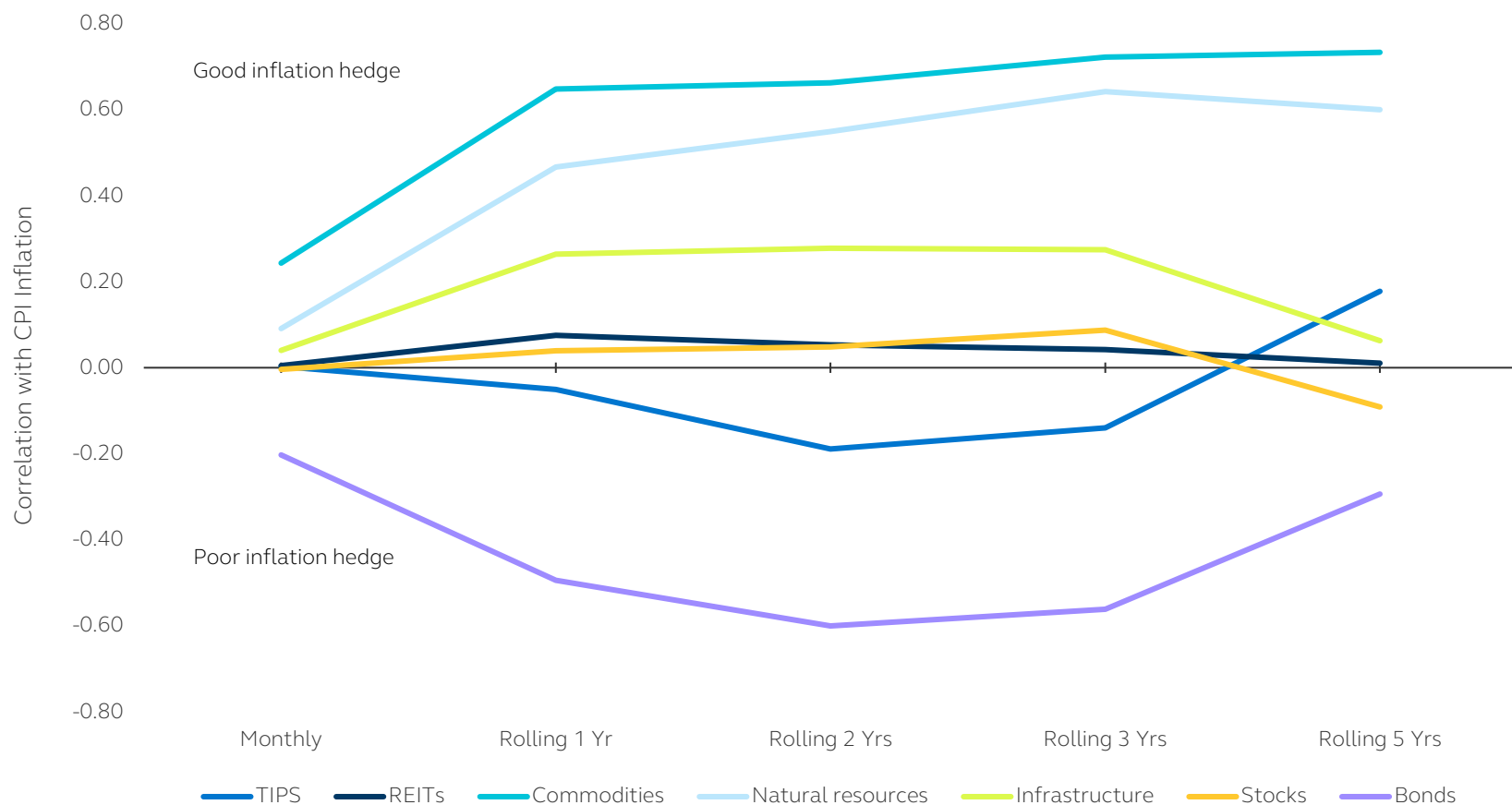
Multi-asset class construct is key to efficient real asset outcome

2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
REITs -1%	Metals & mining 53%	Timber and forestry 34%	Floating rate debt -1%	Global water 34%	Metals & mining 47%	Energy 55%	Energy 66%	MLPs 24%	MLPs 22%
TIPS -1%	Energy 27%	Global water 27%	TIPS -1%	Metals & mining 28%	Timber and forestry 20%	Metals & mining 45%	MLPs 31%	Global water 15%	Infrastructure 14%
Global water -2%	MLPs 24%	Metals & mining 21%	REITs -6%	Infrastructure 26%	Global water 16%	MLPs 42%	Commodities 16%	Timber and forestry 14%	Floating rate debt 9%
Floating rate debt -3%	Timber and forestry 13%	Agriculture 20%	Global water -10%	REITs 22%	TIPS 11%	Global water 32%	Agriculture 3%	Floating rate debt 13%	Energy 6%
Timber and forestry -7%	Commodities 12%	Infrastructure 19%	Infrastructure -10%	Timber and forestry 19%	Agriculture 11%	Commodities 27%	Floating rate debt -1%	Metals & mining 13%	Commodities 5%
Agriculture -11%	Infrastructure 11%	REITs 10%	Commodities -11%	Agriculture 18%	Floating rate debt 3%	REITs 26%	Infrastructure -1%	REITs 10%	Global water 5%
Infrastructure -12%	Agriculture 11%	Floating rate debt 3%	Agriculture -12%	Energy 12%	Commodities -3%	Agriculture 24%	Metals & mining -7%	Infrastructure 6%	TIPS 2%
Energy -21%	Floating rate debt 11%	TIPS 3%	MLPs -13%	MLPs 11%	Infrastructure -6%	Timber and forestry 17%	TIPS -12%	TIPS 4%	REITs 1%
Commodities -25%	Global water 7%	Commodities 2%	Timber and forestry -18%	Floating rate debt 11%	REITs -9%	Infrastructure 11%	Timber and forestry -19%	Energy -1%	Timber and forestry -4%
MLPs -32%	TIPS 5%	Energy -1%	Energy -18%	TIPS 8%	MLPs -27%	TIPS 6%	Global water -21%	Commodities -8%	Agriculture -5%
Metals & mining -39%	REITs 4%	MLPs -6%	Metals & mining -25%	Commodities 8%	Energy -34%	Floating rate debt 4%	REITs -25%	Agriculture -9%	Metals & mining -14%

As of December 31, 2024. Source: Morningstar. Percentages represent calendar year index returns. Past performance does not guarantee future results. Asset classes correlate with the following indices: Tortoise MLP TR USD Index (MLPs); S&P Global Water NR Index (Global water); S&P Global Timber and Forestry NR USD Index (Timber and forestry); Morningstar LSTA US LL 100 TR USD Index (Floating rate debt); S&P 500 Ind/Metals&Mining TR Index (Metals & mining); FTSE EPRA Nareit Developed NR USD Index (REITs); S&P Global Infrastructure NR USD Index (Infrastructure); Bloomberg US Treasury US TIPS TR USD Index (TIPS); S&P 500 Sec/Energy TR USD Index (Energy); Bloomberg Commodity TR USD Index (Commodities); S&P Commodity Producers Agribusiness NR USD Index (Agriculture).

Real assets may provide superior inflation protection

Real and nominal assets correlation with inflation



As of December 31, 2024. Data series from August 1997 to December 2024. Source: Principal Global Investors, Bloomberg. Bloomberg U.S. Treasury Inflation Protected Securities Index (TIPS); FTSE EPRA/NAREIT Global Developed Index (REITs); Bloomberg Commodity Index (Commodities); S&P Global Natural Resources Index (Natural resources); S&P Global Infrastructure Index (Infrastructure); S&P 500 Index (Stocks); Bloomberg U.S. Aggregate Bond Index (Bonds).

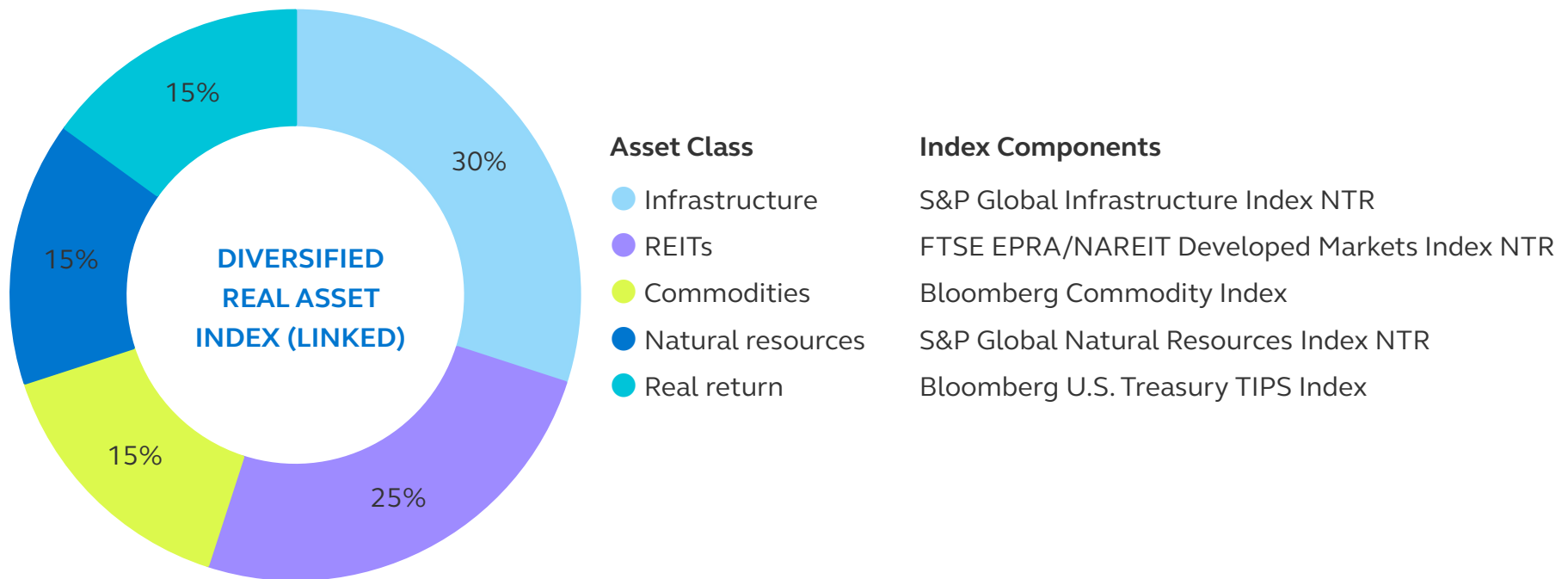
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A liquid diversified real asset portfolio

A blend of asset classes diversifies risk

Targeted outcome:
Consumer Price Index (CPI) + 3%*

Targeted risk profile:
12%-15%



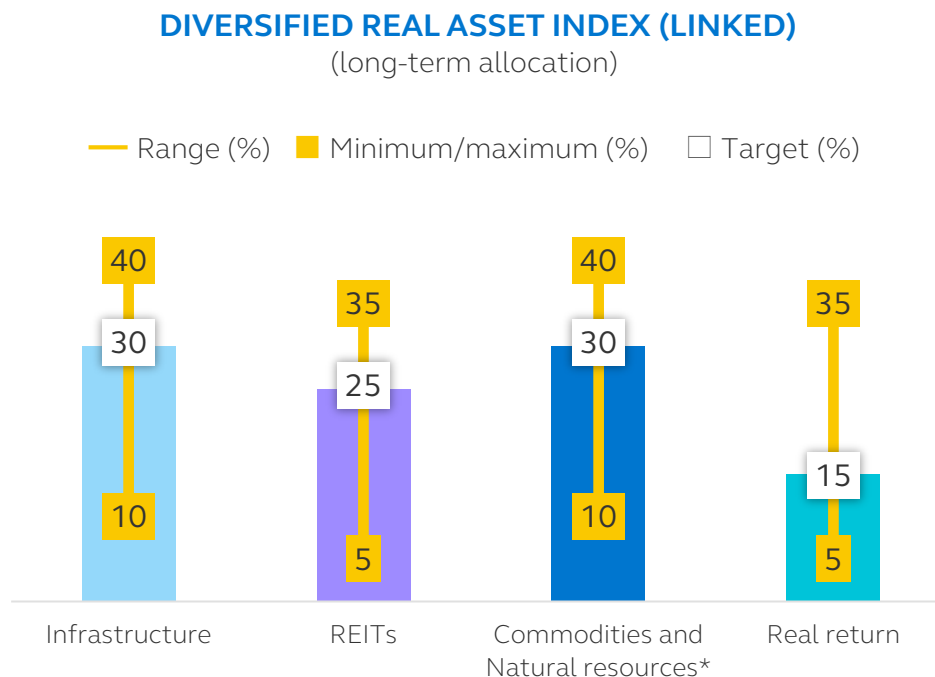
Source: Principal Global Investors. May not reflect current allocation or investment managers. Percentages may not add up to 100% due to rounding. *This return is targeted over our long-term capital market assumption forecast period of 10 years.

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Risk-aware framework allows for tactical flexibility

Capitalize on diversification, inflation mitigation, and return enhancement potential

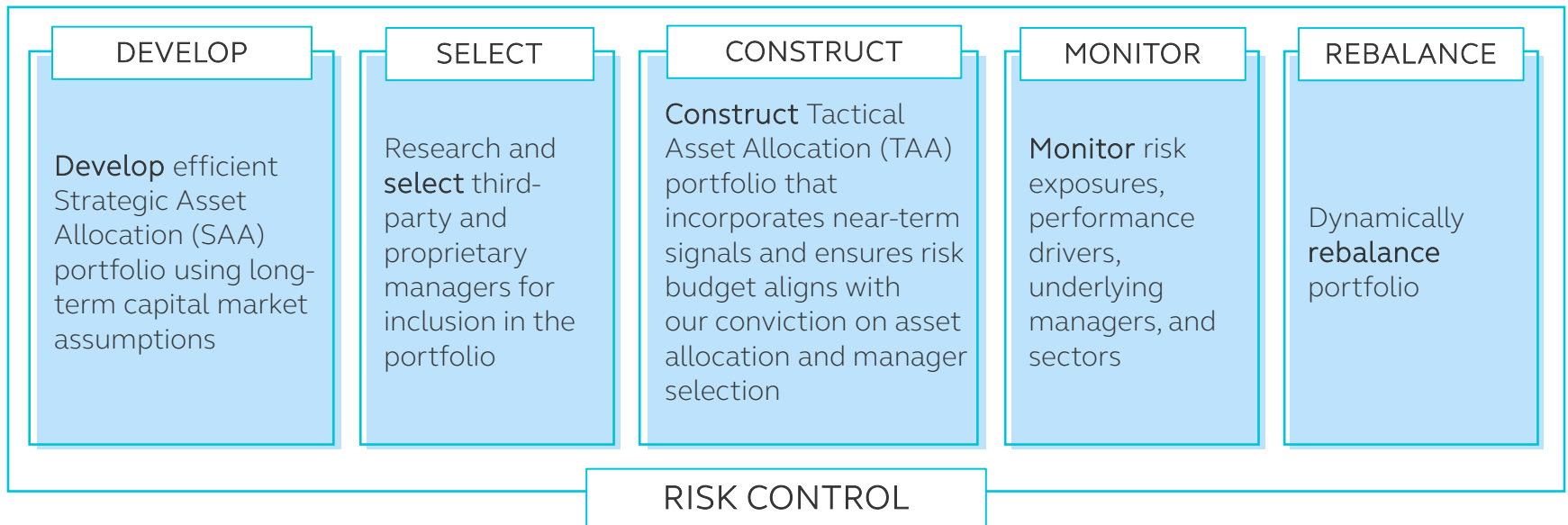
- Target ranges reflect asymmetry of underlying risk profiles
- Targeted tracking error versus Diversified Real Asset Index (Linked): 3%-5%
- Robust risk-budgeting framework aligns risk allocation with “conviction scores” within asset allocation and manager selection



Source: Principal Global Investors. For illustrative purposes only. The investment manager's investment philosophy and strategy may not perform as intended and could result in a loss or gain. *Commodities and natural resources are grouped together in a target range given their high correlation.

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Risk-aware investment process



Employs a risk-aware framework that allows for tactical flexibility to capitalize on:

- Real assets' diversification
- Return enhancement potential
- Inflation mitigation

The investment manager's investment philosophy and strategy may not perform as intended and could result in a loss or gain. Asset allocation and diversification do not ensure a profit or protect against a loss.

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DIVERSIFIED REAL ASSET FUND

Access to institutional real assets in a single portfolio

Allocations	Diversified Real Asset Index (Linked) (%)	Q4 2024 (%)	Q3 2024 (%)
Infrastructure	30	28.3	27.7
ClearBridge Investments (North America) Pty Limited		7.1	7.4
Delaware Investments Fund Advisers (Macquarie*)		15.8	16.2
iShares Global Infrastructure ETF (IGF)**		2.1	2.1
Global X U.S. Infrastructure Development ETF (PAVE)**		3.3	2.1
Real estate investment trusts (REITs)	25	25.0	23.4
Global REITs		19.8	22.9
Principal Real Estate		19.8	22.9
U.S. REITs		5.2	-
Principal Asset Allocation		5.2	-
Vanguard Real Estate ETF (VNQ)**		-	0.6
Commodities	15	16.7	16.0
CoreCommodity Management, LLC		4.1	5.2
Wellington Management Company LLP†		10.5	10.8
SPDR Gold MiniShares Trust ETP (GLDM)**		2.2	-
Natural resources	15	14.9	15.4
Climate change		2.0	2.1
Impax Asset Management Limited		2.0	2.1
Global natural resources		10.9	11.1
Newton Investment Management North America LLC		8.8	9.0
Principal Asset Allocation		2.0	2.1
Timber and forestry		2.0	2.2
Pictet Asset Management SA		2.0	2.2
Real return	15	13.4	15.8
Treasury inflation-protected securities (TIPS)		8.8	11.2
BlackRock Financial Management, Inc.		8.8	11.2
Floating rate debt		4.6	4.6
Nuveen Asset Management, LLC		4.6	4.6
Liquidity	-	1.7	1.7
Principal Asset Allocation		1.7	1.7

ClearBridge
Investments

MACQUARIE

CORE COMMODITY
MANAGEMENT

WELLINGTON
MANAGEMENT®

IMPAX Asset
Management

PICTET
1805

NEWTON
Investment
Management

nuveen
A TIAA Company

BLACKROCK

Principal
Asset ManagementSM

As of December 31, 2024. May not reflect current allocation or investment managers. Percentages may not add up to 100% due to rounding. *Delaware Investments Fund Advisers, a series of Macquarie Investment Management Business Trust. †Wellington Management Company LLP is a SEC-registered investment advisor and an independent and unaffiliated investment manager to Principal Funds. **A Tactical asset allocation sleeve was added in the fourth quarter of 2023. At times, there may not be any tactical views reflected through this sleeve, so allocations may be zero. Tactical asset allocations will reflect under their respective asset classes.

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DIVERSIFIED REAL ASSET FUND

Manager performance versus asset class index

	Returns (%)			3-year Sharpe ratio	3-year standard deviation
	1-year	3-year	5-year		
Infrastructure					
ClearBridge Investments (North America) Pty Limited	2.98	1.23	5.90	-0.07	17.50
Delaware Investments Fund Advisers (Macquarie*)	10.22	6.80	6.40	0.23	16.85
S&P Global Infrastructure NR USD Index	14.05	6.10	4.40	0.19	16.43
Real estate investment trusts (REITs)					
Principal Real Estate	3.56	-5.54	0.22	-0.43	20.09
FTSE EPRA/NAREIT Developed NR USD Index	0.94	-6.05	-1.00	-0.42	20.07
Commodities					
CoreCommodity Management, LLC	6.77	-	-	-	-
Wellington Management Company LLP†	7.63	-	-	-	-
Bloomberg Commodity TR USD Index	5.38	4.05	6.77	0.06	14.53
Natural resources					
Climate change					
Impax Asset Management Limited	-1.96	-4.72	-	-0.36	22.69
MSCI ACWI SMID Growth NR USD Index	9.45	-1.13	6.68	-0.17	19.86
Global natural resources					
Newton Investment Management North America LLC	1.22	11.38	15.63	0.31	26.55
S&P Global Natural Resources NR USD Index	-8.85	1.08	5.13	-0.05	20.49
Timber and forestry					
Pictet Asset Management SA	-2.57	-2.09	7.59	-0.29	20.51
S&P Global Timber and Forestry NR USD Index	-4.14	-4.21	4.30	-0.31	20.63
Real return					
Treasury inflation-protected securities (TIPS)					
BlackRock Financial Management, Inc.	2.03	-2.18	1.91	-0.79	7.18
Bloomberg Global Inf Linked U.S. TIPS TR USD Index	1.84	-2.30	1.87	-0.88	7.24
Floating rate debt					
Nuveen Asset Management, LLC	13.39	7.10	6.86	0.81	3.98
Morningstar LSTA US LL TR USD Index	8.95	7.00	5.86	0.74	3.84

OUTPERFORMED ASSET CLASS INDICES

Number of active managers
outperforming their indices

6/8

3-year
period

7/7

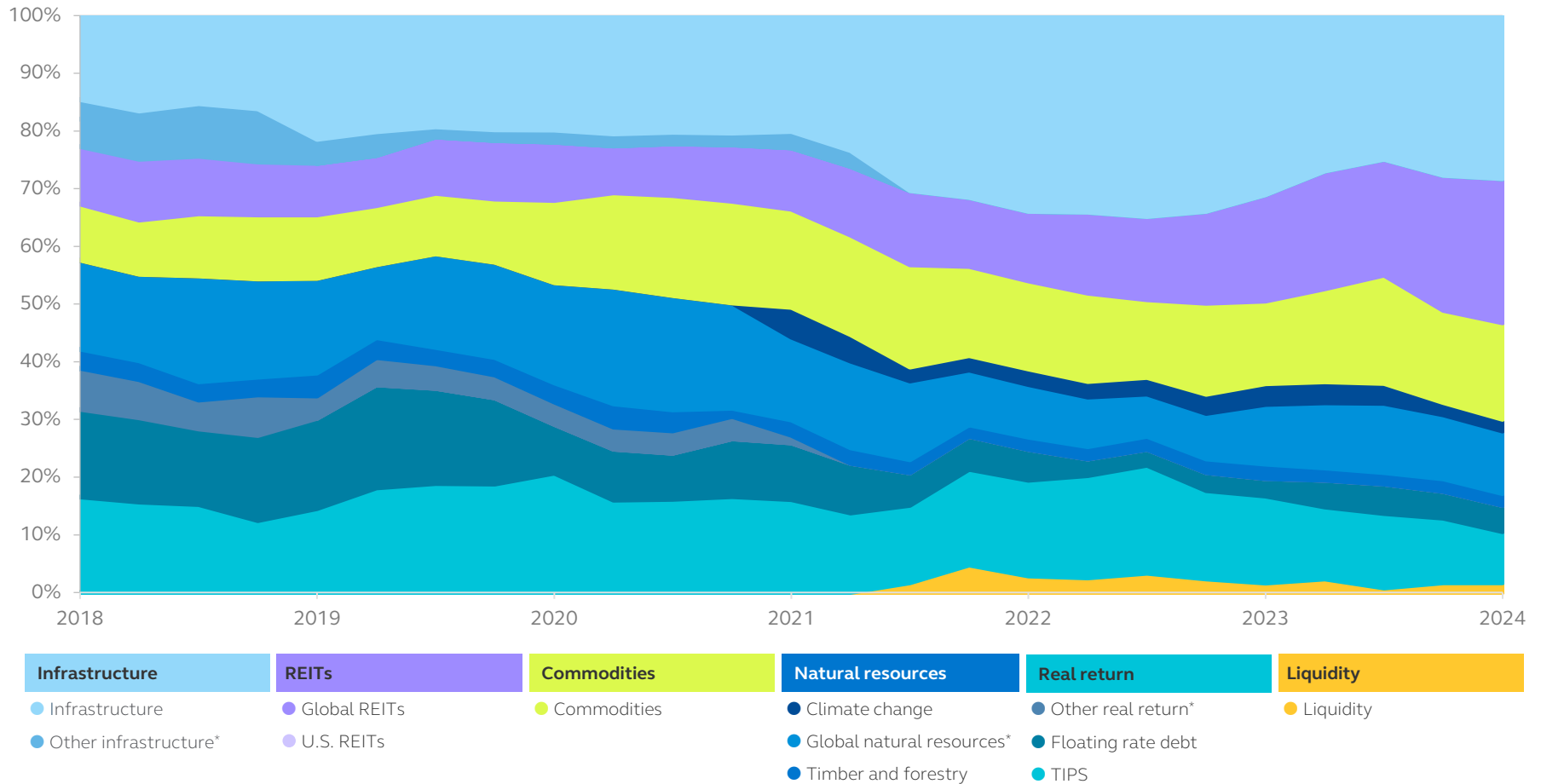
5-year
period

As of December 31, 2024. Source: FactSet, Morningstar. Performance shown represents unaudited historical performance calculations of the individual investment sleeves, gross of fees and other costs, and should not be relied upon as a sole basis for investment decisions. Investment sleeves do not reflect the overall performance of the Fund and investors may not purchase the sleeves independently. *Delaware Investments Fund Advisers, a series of Macquarie Investment Management Business Trust. †Wellington Management Company LLP is a SEC-registered investment advisor and an independent and unaffiliated investment manager to Principal Funds. Past performance does not guarantee future results.

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DIVERSIFIED REAL ASSET FUND

Asset allocations (past seven years)



As of December 31, 2024. Asset class allocations at inception: Treasury inflation-protected securities, Commodities, Natural resource stocks, Real estate, Master Limited Partnerships (MLPs), and Cash. Asset class allocation changes: Commercial mortgage-backed securities (CMBS) added Q3 2019, Currency removed Q1 2020, MLPs removed Q1 2020, Climate change added Q4 2021, CMBS removed Q1 2022, Global water removed Q2 2022, Liquidity added Q2 2022, Tactical asset allocation added Q4 2023 (At times, there may not be any tactical views reflected through this sleeve, so allocations may be zero. Tactical asset allocations will reflect under their respective asset classes.), U.S. REITs added Q4 2024. *Other infrastructure: Global water, MLPs; Global natural resources: Agribusiness, Metals & Mining, Global Natural Resources; Other real return: CMBS, Currency.

DIVERSIFIED REAL ASSET FUND

Performance

	Average annual total returns (%)						Yields (%)			
	3-month	1-year	3-year	5-year	10-year	Since inception (03/16/2010)	Expense ratio (net/gross)	Expense limit expiration date	30-day SEC (unsubsidized/subsidized)	12-month distribution
Class I	-5.50	3.08	-0.05	4.03	2.80	4.01	0.85/0.90	12/30/2025	2.70/2.77	2.43
Diversified Real Asset Index (Linked)	-5.52	4.21	1.04	4.06	3.59	–	–	–	–	–
Morningstar category average	-3.14	7.57	1.48	4.43	4.55	–	–	–	–	–
Morningstar rankings and ratings	3-month	1-year	3-year	5-year	10-year	Overall				
Category and number of funds in category: Global Allocation	355	351	335	319	244	335				
Class I percentile rankings	86	87	74	61	90	–				
Class I ratings	–	–	★★	★★	★	★★				
Calendar year returns (%)	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Class I	-12.40	5.86	10.17	-7.90	15.01	3.97	17.34	-6.16	3.24	3.08
Diversified Real Asset Index (Linked)	-11.75	12.40	10.38	-7.27	14.86	2.08	15.87	-5.12	4.31	4.21
Morningstar category average	-4.15	6.04	14.79	-8.26	16.10	6.18	11.31	-12.34	10.72	7.57

As of December 31, 2024.

Morningstar percentile rankings are based on total returns. Morningstar ratings are based on risk-adjusted returns.

Returns represent past performance and do not guarantee future results. Share price, principal value, and return will vary and you may have a gain or loss when shares are sold. Current performance may be lower or higher than quoted. For the most recent month-end performance, visit www.PrincipalAM.com.

The net expense ratio reflects contractual expense limits, if any, which may lower net expenses and cause the gross and net expense ratios to differ. In such cases a date is listed through which expense limits are expected to apply; however, Principal Funds and the investment advisor may mutually agree to terminate the expense limits prior to the end of the period. Returns displayed are based on net total investment expense.

Performance assumes reinvestment of all dividends and capital gains. Returns shown for periods of less than one year are not annualized.

Index performance information reflects no deduction for fees, expenses, or taxes. Indices are unmanaged and individuals cannot invest directly in an index.

30-Day SEC yield represents net investment income earned by a fund over a 30-day period, stated as an annual percentage. Unsubsidized yield reflects the SEC yield when some fund expenses are not waived. Subsidized yield reflects a fund's yield when all expense waivers are included. 12-month yield is based on actual distributions paid over a trailing 12-month period, stated as an annual percentage.

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Additional information

Access institutional-caliber, specialist managers

	Infrastructure		REITs
Sub-advisor	ClearBridge Investments (North America) Pty Limited (ClearBridge)	Delaware Investments Fund Advisers (Macquarie*)	Principal Real Estate
Strategy name	Global Listed Infrastructure	Global Listed Infrastructure	Global Concentrated Real Estate Securities
Benchmark	S&P Global Infrastructure Index	S&P Global Infrastructure Index	FTSE EPRA NAREIT Developed Index
Date added	04/2018	03/2015	03/2010
Strategy overview	- Benchmark-agnostic strategy that takes a private markets approach to infrastructure investments. - Focuses on sustainability and growth of dividends that exceed the level of inflation. Every security must meet a: - minimum dividend threshold. - criteria for identifying as a true infrastructure company (based on % of Enterprise Value (EV)). - Quality focused with an emphasis on downside protection.	Benchmark-aware strategy that focuses on in-depth underwriting and projection of future cash flows. Cash flows are discounted using a modified Capital Asset Pricing Model (CAPM) approach applying industry-specific and company-specific metrics to develop an appropriate discount rate.	- Concentrated, high-conviction, global REIT strategy focused on identifying companies of above average quality trading at compelling relative valuations—Quality at the Right Price (QARP). - Bottom-up fundamental approach focusing on stock selection with active views within property types while limiting regional influences. - REIT sector specialists fully integrated into a broader real estate platform.
Role in the portfolio	- Infrastructure assets generally provide inflation protection through their explicit links to inflation through regulation, concession agreements, or contracts. - ClearBridge's strategy is less GDP-sensitive and is expected to outperform in more defensive macro environments. - Maintains a lower beta than index, reflecting their quality focus and dividend criteria.	- Infrastructure assets generally provide inflation protection through their explicit links to inflation through regulation, concession agreements, or contracts. - Macquarie's strategy is more GDP-sensitive and is expected to outperform in cyclically-driven macro environments. - Maintains a slightly higher beta than index.	- REITs provide inflation protection through their lease agreements and their tie to a hard asset (real estate). Inflation sensitivity varies by property type and can be influenced by supply/demand. - REITs tend to be one of the more volatile real assets given their sensitivity to interest rates and economic conditions.

As of December 31, 2024. *Delaware Investments Fund Advisers, a series of Macquarie Investment Management Business Trust.

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Access institutional-caliber, specialist managers

	Commodities	
Sub-advisor	CoreCommodity Management, LLC (CCM)	Wellington Management Company LLP [†] (Wellington)
Strategy name	CoreCommodities ISG Commodity Futures	Commodities - Equal Sector-Weighted
Benchmark	Bloomberg Commodity Index	Bloomberg Commodity Index
Date added	05/2022	03/2022
Strategy overview	- Benchmark-aware strategy provides unlevered exposures to diversified commodity futures. - Investment process focuses on interpreting publicly available data: commodity fundamentals, supply/demand data points, asset flows, calendar patterns, and weather. - Specialized and long-tenured team include pioneers and innovators in commodities.	- Fundamental investment process focused on supply/demand relationships in commodities. - Employs a strategic index that is equal-weighted the four commodities sectors: energy, industrial metals, precious metals, and agriculture. As a result, relative to the Bloomberg Commodity Index, Wellington tends to be overweight industrial metals and precious metals, and underweight energy.
Role in the portfolio	- Commodities' low correlation to other asset classes serves as a strong diversifier. - High inflation sensitivity generally in the early stages of the inflation cycle as they are the inputs to the global economy. Performs well when inflation begins to percolate. - CCM plays a core role, delivering broad exposures to the most important commodities and commodity sectors.	- Commodities' low correlation to other asset classes serves as a strong diversifier. - Wellington plays a satellite role driven by the positioning of their strategic index resulting in an energy underweight vs. the Bloomberg Commodity Index. While it results in higher tracking error, Wellington's more diversified portfolio with less exposure to energy has led to lower absolute standard deviation over time.

As of December 31, 2024. [†]Wellington Management Company LLP is a SEC-registered investment advisor and an independent and unaffiliated investment manager to Principal Funds.

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Access institutional-caliber, specialist managers

	Natural resources		
Sub-advisor	Newton Investment Management North America LLC (Newton)	Impax Asset Management Limited (Impax)	Pictet Asset Management SA (Pictet)
Strategy name	Global Natural Resources Equity	Climate	Timber
Benchmark	S&P Global Natural Resources Index	MSCI AC World Small Mid Growth Index	S&P Global Timber and Forestry Index
Date added	11/2017	10/2021	01/2014
Strategy overview	- Actively managed, high-conviction strategy whose positions can shift significantly over time. - Employs a commodity-driven approach to sector allocation and fundamental approach to security selection. Attempts to protect on the downside when global natural resource (GNR) stocks are falling, resulting in historically attractive upside and downside captures.	- Strategy focused on companies that enable mitigation of climate change (70%) or adaptation to its consequences (30%). - Employs a Growth at a Reasonable Price (GARP) approach to companies that meet the thematic revenue exposure threshold (> 50%). - Deep investment team embeds environmental, social, and governance (ESG) factors into its investment process.	- Benchmark-agnostic strategy that applies a fundamental bottom-up approach to security selection. - Strategy invests in companies along the entire timber value chain while applying a purity approach in determining its investable universe—the percentage of its value derived from owning timberland or timber-related assets.
Role in the portfolio	- Like commodities, GNR equities exhibit high inflation sensitivity. While the asset class tends to be cyclical and may be quite volatile, it often delivers strong returns early in inflation cycles. - While Newton invests across the entire GNR universe, its high-conviction, active portfolio makes it appropriate as a satellite allocation in the portfolio.	- Climate change solutions are a key part of the energy transition process. During this transition, it serves as a diversifier to traditional GNR. - It serves as an exposure to high-growth companies in unique sub-sectors, which are not currently well represented in the GNR universe.	- Timberland has historically been an effective long-term hedge against inflation because of its tangible nature, giving timber assets intrinsic value. - Timber-related equities expected to improve the Fund's ability to deliver attractive returns during periods of inflation.

As of December 31, 2024.

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Access institutional-caliber, specialist managers

	Real return	
Sub-advisor	BlackRock Financial Management, Inc. (BlackRock)	Nuveen Asset Management, LLC (Nuveen)
Strategy name	TIPS	Senior Loan
Benchmark	Bloomberg Global Inflation-Linked US TIPS Index	Morningstar LSTA US Leveraged Loan Index
Date added	03/2010	02/2012
Strategy overview	- Actively managed global TIPS strategy designed to outpace the TIPS index with low tracking error. - Active security selection across the TIPS curve taking relative value positions between the nominal and real curves with modest exposure to non-U.S. inflation-linked securities.	- Active portfolio of broadly syndicated loans, anchored by a long-tenured bank loan specialist team with deep industry experience. - Bottom-up, fundamentally driven research approach complemented by a top-down macroeconomic framework to identify exogenous risks that may impact a security's valuation.
Role in the portfolio	- TIPS' contractual link to consumer price index (CPI) provides inflation protection. - Serves as a ballast as U.S. government issued securities provides downside protection in risk-off environments.	- As inflation rises, interest rates generally respond accordingly. The short duration nature of floating rate debt generally benefits from rising interest rates. - Nuveen performs best in stable to down markets given their focus on downside protection and active management of corporate credit risk.

As of December 31, 2024.

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Asset class comments

Asset class	Underweight	Neutral	Overweight	Change	Comments
Infrastructure	●	○	○		Asset class fundamentals are supported by long-term secular themes of decarbonization, digitalization, and deglobalization. Of these, digitalization and the accompanying boom in artificial intelligence (AI)-related power consumption is one of the strongest tailwinds. These themes are supporting higher earnings growth, which is expected to continue above pace. Note however, that these themes are likely to play out over years, similar to the pace of the initial public cloud build-out. Valuations are just slightly above long-term averages based on enterprise value to earnings before interest, taxes, depreciation, and amortization (EV/EBITDA) measures on a 20-year look back or right in line with the 10-year average. Technicals are neutral as negative retail flows persist, but that remains a small component of the overall infrastructure market. Interestingly, utilities have seen positive flows in the second half of 2024, as investors look for exposure to the broader digitalization theme. Our exposure is unchanged on the quarter with a modest underweight.
REITs	○	●	○		On the back of the sharp reversal of the U.S. 10-year and real yields, rising nearly 80 basis points (bps) to 4.57%, REIT volatility was front and center again, returning over half of its gains from third quarter (Q3). With a decisive Republican sweep, the prospects of a resurgence of inflation leading to higher rates resurrected concerns for the rate sensitive REIT sector from both yield competition and earnings growth perspectives. However, REIT cap rates continue to offer a greater spread over the U.S. Treasury and private real estate cap rates. And, despite the rarity of a rise in rates amid the onset of Fed cutting cycle, the consensus view of a soft landing still holds given the resilient growth backdrop. From a valuations perspective, both global and U.S. REITs remain cheap relative to equities on an EV/EBITDA basis but are trading at a slight premium to their net asset values. On the technical side, it remains in an uptrend. We have retained our neutral exposure to REITs but have diversified our global position into a dedicated U.S. strategy that seeks to track the return profile of the S&P 500 REITs Equal Weighted Index. This exposure reflects our continued expectations of a soft landing coupled with a positive sentiment towards U.S. growth.
Commodities	○	○	●		Fundamentals for commodities are still mixed. Global supply for crude oil is expected to increase in 2025, likely outpacing demand growth. However, inventory for many commodities across industrial metals remains near multi-year low levels. Future supply growth (especially in base metals) may not be able to keep up with expected demand growth, especially given the limited appetite among investors to make significant capital expenditures. Fundamentals for gold are positive, driven in part by consistent buying by central banks (especially in Asia), in an attempt to diversify their reserves away from fiat currency, and especially away from the U.S. dollar. Valuations in commodities are still attractive; commodity markets are one of the few asset classes which are not pricing in the "pretty good" economic growth environment in which the world finds itself. Technicals are mixed; sentiment has generally trended in a positive direction as the chances of a soft-landing scenario have increased, although sentiment in the energy sector remains negative. The asset class has transitioned to taking in meaningful inflows recently.

As of December 31, 2024. Source: Principal Global Investors.

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Asset class comments (continued)

Asset class	Underweight	Neutral	Overweight	Change	Comments
Natural resources					The Diversified Real Asset strategy combines a core allocation to active and passive broad GNR equities with satellite exposure to global timber equities and a global climate change solutions portfolio. The portfolio's allocation to natural resource equities remains near target weight. Fundamentals for GNR equities continue to look mostly positive over the medium-to-long term. Earnings are expected to grow at high single-digit percentages in the next fiscal year, and commodity-sensitive equities are producing attractive cash flows and deliver attractive dividend yields. Potential weakness in crude oil prices remains a risk in the energy sector. Recent trends in the growth of AI is driving incremental demand for new data centers powered by renewable energy, which should indirectly increase demand for industrial metals, natural gas, and uranium. Valuations remain attractive; natural resource equities have been cheaper 42% of the time on our collection of valuation metrics, and they remain cheaper on virtually every metric vs. broad market equities. Technicals are mixed; natural resource equities have provided choppy performance for investors over the short-term and asset class flows have remained fairly muted.
Real return				▼	Reduced our real return exposure to underweight to increase our cyclical real asset exposure. The continued solid U.S. macroeconomic backdrop, bolstered by a resilient consumer, prospects for deregulation, and favorable tax policy all reinforce the case for equities. Inflation expectations based on the 5-year; 5-year forward rate increased during the quarter but remained roughly unchanged on the year at 2.29%, after falling significantly in early December. Meanwhile, forward 1-year inflation expectations rose significantly from 2.24% to 2.65% at the end of the period. Technicals for TIPS improved as retail investors added more dedicated exposure, boosting the trend to positive for the trailing 12-months. Floating rate debt fundamentals remain strong; issuers have enjoyed strong revenue and EBITDA growth for 15 and 10 consecutive quarters, respectively, although the pace has slowed. While interest expense increased, it was at the lowest level since late 2022 and brings coverage metrics to 2.86x. Loan default rates (including distressed exchanges) increased to 4.04%, remaining above the 25-year average of 3.0%. High yield (HY) defaults, for context, remain below their 25-year average of 3.4% at 1.14% through November 2024 (JP Morgan). Valuations remain rich as spreads have continued to tighten but remain above lows hit earlier in the year. Technicals improved in the back half of the year; open-end fund and ETF flows have been positive, and new issuance has been robust and easily absorbed by investors.
Tactical asset allocation		NA		▲	We maintain our tactical positions in PAVE ETF for their cyclical and U.S.-focused exposures and IGF ETFs to reduce active manager risk within our infrastructure bucket. During the quarter, we added dedicated gold exposure through GLDM ETF. This was funded from our broad commodities exposure on the expectation that emerging market central banks buying will continue to provide support while providing both inflation and recession hedges.

Professional credentials

JESSICA BUSH, CFA – PORTFOLIO MANAGER

Jessica is a Portfolio Manager for Principal Asset Allocation. She is responsible for co-managing our Dynamic Outcome suite of strategies. This includes all portfolio construction, asset allocation, and manager optimization decisions relating to this suite of strategies. Jessica joined Principal in 2006 and has been in the investment industry since 2002. Previously, she served as a Senior Research Analyst on the Manager Research team responsible for the evaluation and monitoring of the investment managers under the due diligence program used by Principal Funds. Prior to joining Principal, she was a Senior Portfolio Analyst on the fixed-income team at Putnam Investments. Jessica earned a bachelor's degree in business administration from the University of Michigan. She has earned the right to use the Chartered Financial Analyst® designation.

BEN ROTENBERG, CFA, CAIA – PORTFOLIO MANAGER

Ben is a Portfolio Manager for Principal Asset Allocation. He is responsible for co-managing our Dynamic Outcome suite of strategies. This includes all portfolio construction, asset allocation, and manager optimization decisions relating to this suite of strategies. He joined Principal in 2014 and has been in the investment industry since 1993. Previously, he was a Managing Director with Cliffwater LLC and was responsible for investment manager due diligence and assisting clients with asset allocation, manager selection, and portfolio construction. Ben was also a member of Cliffwater's Investment Oversight and Risk Committee. Prior to joining Cliffwater, Ben was Director of Research with National Fiduciary Advisors, an investment consulting firm based in Los Angeles, where he was responsible for conducting investment manager due diligence across multiple asset classes. Ben began his investment career at Wilshire Associates providing services to investment consultants in Wilshire's Cooperative Universe Service division. He received a bachelor of arts from Pomona College. Ben has earned the right to use the Chartered Financial Analyst® and Chartered Alternative Investment Analyst® designations and is a member of the CFA Society of North Carolina.

MAY TONG, CFA – MANAGING DIRECTOR, PORTFOLIO MANAGER

May is a Managing Director and Portfolio Manager for Principal Asset Allocation. She is responsible for managing the Dynamic Outcome suite of strategies, which provides outcome-oriented solutions to global clients. Prior to joining Principal in 2021, May was Senior Vice President and Senior Portfolio Manager with Franklin Templeton's Investment Solutions group developing and managing multi-asset strategies and solutions including target-date, target-risk, 529 plans, retirement income, and model portfolios. Previously, she was also a Portfolio Manager and Head of Portfolio Implementation & Management with Voya's Multi-Asset Solutions group. May started off her career with Merrill Lynch Investment Management and subsequently joined ING Investment Management (now Voya IM) whereby she managed quantitative equity and index equity portfolios. May has an MBA from Columbia University, a bachelor's degree in finance and accounting from Boston College, and has earned the right to use the Chartered Financial Analyst® designation.

Professional credentials

MIKE MESSINA – SENIOR PORTFOLIO ANALYST

Mike is a Senior Portfolio Analyst for Principal Asset Allocation. In this role, he is responsible for providing asset allocation, portfolio construction, and risk analytics management focusing on our Dynamic Outcome suite of strategies. Prior to joining Principal, Mike was Lead Analyst at Franklin Templeton's Investment Solutions group focusing on multi-asset strategies and solutions including target-date, target-risk, 529 plans, retirement income, and model portfolios. Over Mike's eight-year tenure at Franklin Templeton, he also held roles within the Middle Office and Complex Securities divisions. Prior to that, Mike was a global Trader at John W. Henry & Co, a commodities trading advisory firm specialized in long-term quantitative trend following across global FX, rates, equity, and commodity markets. Mike has an MBA from Nova Southeastern University and a bachelor's degree in MIS from the University of Central Florida.

ANDY SMITH – PORTFOLIO ANALYST

Andy is a Portfolio Analyst for Principal Asset Allocation. In this role, he is responsible for the day-to-day implementation and portfolio construction support across the Dynamic Outcome suite of strategies. Previously, Andy was Sr. Associate within the Performance Analytics group overseeing performance attribution functions for all asset allocation strategies including dynamic outcome, target-date, target-risk, and core-satellite. He joined Principal in 2017 and has been in the industry since 2014. Prior to joining Principal, he was a Derivative Valuation Analyst for Aegon Asset Management. Andy has a bachelor's degree in finance from Iowa State University and has passed the Chartered Financial Analyst level I exam.

Actively invested.

As a global leader in asset management, we are focused on harnessing the potential of every opportunity to secure an advantage for our clients.

ABOUT PRINCIPAL ASSET MANAGEMENT

28th largest manager of worldwide institutional assets¹

13-year winner of Pensions & Investments' annual Best Places to Work in Money Management, earning a spot every year since the program launched²

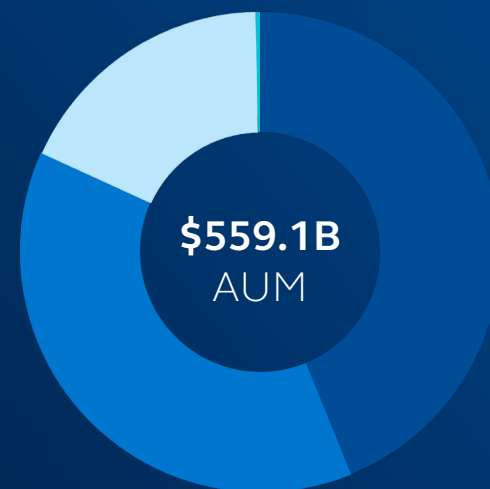
A fiduciary with disciplined processes, specialized expertise across asset classes, and global investment capabilities in both public and private markets

As of December 31, 2024. See Important information section for AUM description. Due to rounding, figures and percentages shown may not add to the totals or equal 100%. ¹411 managers profiled by total worldwide institutional assets as of December 31, 2023 "Largest Money Managers," Pensions & Investments, June 2024.

²Pensions & Investments, "The Best Places to Work in Money Management" among companies with 1,000 or more employees, December 2024.

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Principal Asset Management



43.8%	Equities
38.0%	Fixed Income
17.9%	Real Estate
0.3%	Alternatives

Important information

Not authorized for distribution unless preceded or accompanied by a current prospectus, or a summary prospectus if available, that includes information about the Fund's objectives, risks, charges and expenses. Please read it carefully before investing.

Diversified Real Asset Index (Linked) benchmark description: January 1, 2022 and after, 30% S&P Global Infrastructure Index NTR, 25% FTSE EPRA/NAREIT Developed Index NTR, 15% Bloomberg U.S. Treasury TIPS Index, 15% Bloomberg Commodity Index, and 15% S&P Global Natural Resources Index NTR, and for the period prior to January 1, 2022, 35% Bloomberg U.S. Treasury TIPS Index, 20% S&P Global Infrastructure Index NTR, 20% S&P Global Natural Resources Index NTR, 15% Bloomberg Commodity Index, and 10% FTSE EPRA/NAREIT Developed Index NTR.

Principal Asset Management is the global investment management business for Principal Financial Group® and includes the asset management operations of the following: Principal Global Investors, LLC; Principal Real Estate Investors, LLC; Principal Real Estate Europe Limited and its affiliates; Spectrum Asset Management, Inc.; Post Advisory Group, LLC; Origin Asset Management, LLP; Claritas Investimentos; Principal Global Investors (Europe) Limited; Principal Global Investors (Ireland) Limited, Principal Global Investors (Singapore) Limited.; Principal Global Investors (Australia) Ltd.; Principal Global Investors (Japan) Ltd.; Principal Asset Management Company (Asia) Ltd., Principal Asset Management Berhad (Malaysia), Principal Islamic Asset Management SDN BHD, Principal Fondos de Inversion, S.A. DE C.V.(Mexico), Principal Mexico Servicios, S.A. DE C.V., Principal Administradora General de Fondos S.A. (Chile), and includes assets where we provide model portfolios.

A mutual fund's share price and investment return will vary with market conditions, and the principal value of an investment when you sell your shares may be more or less than the original cost.

Only eligible purchasers may buy Institutional Class shares of the Funds. At the present time, eligible purchasers include but are not limited to: separate accounts of Principal Life; Principal Life or any of its subsidiaries or affiliates; any fund distributed by Principal Funds Distributor, Inc. and/or Principal Securities, Inc. ("Principal Securities") (together, the "Distributors") if the fund seeks to achieve its investment objective by investing primarily in shares of mutual funds; clients of Principal Global Investors, LLC.; sponsors, recordkeepers, or administrators of wrap account or mutual fund asset allocation programs or participants in those programs; certain pension plans; certain retirement account investment vehicles administered by foreign or domestic pension plans; an investor who buys shares through an omnibus account with certain intermediaries, such as a broker-dealer, bank, or other financial institution, pursuant to a written agreement; and certain institutional clients that have been approved by Principal Life Insurance Company for purposes of providing plan record keeping. All funds listed may not be available to each eligible purchaser.

Any operating expenses of a mutual fund or underlying mutual fund that are part of net Total Investment Expense are obtained from the mutual fund's most recent prospectus. The operating expenses shown as part of Total Investment Expense include voluntary expense limits and fee credit.

This report includes investment options that contain information from a variety of sources. A primary source is Morningstar which provides holdings information, operations data, and rankings or statistics proprietary to Morningstar. Morningstar is generally the source of information on mutual funds unaffiliated with the Principal®.

The Morningstar Rating™ for funds, or "star rating," is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Morningstar ratings do not reflect the inclusion of sales charges. If sales charges were reflected, ratings could be lower.

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Important information

Commentary reflects the opinions of Principal Global Investors, is believed to come from reliable sources, and reflects the opinions of the investment advisor at the time of publication. The opinions may not come to pass.

Past performance is no guarantee of future results and should not be relied upon to make an investment decision. Investing involves risk, including possible loss of principal. Asset allocation and diversification do not ensure a profit or protect against a loss.

All figures shown in this document are in U.S. dollars unless otherwise noted. All assets under management figures shown in this document are gross figures and may include leverage, unless otherwise noted. Assets under management may include model-only assets managed by the firm, where the firm has no control as to whether investment recommendations are accepted, or the firm does not have trading authority over the assets.

Real assets include but not limited to precious metals, commodities, real estate, land, equipment, infrastructure, and natural resources. Each real asset is subject to its own unique investment risk and should be independently evaluated before investing. As an asset class, real assets are less developed, more illiquid, and less transparent compared to traditional asset classes.

Infrastructure companies are subject to risk factors including high interest costs, regulation costs, economic slowdown, and energy conservation policies. REITs are subject to declines in real estate values, risks to physical property, and instability/creditworthiness of management. Investment in natural resource industries and commodity related derivatives can be affected by political/economic developments, market shocks/natural disasters, and other factors. TIPS are subject to interest rate risk and may be unsuccessful at mitigating inflation.

Equity investments involve greater risk, including higher volatility, than fixed-income investments.

International and global investing involves greater risks such as currency fluctuations, political/social instability and differing accounting standards.

Floating rate debt instruments are subject to credit risk, interest rate risk, and impaired collateral risk, which means that the value of the collateral used to secure a loan held by the fund could decline over the course of the loan. Credit risk refers to an issuer's ability to make interest and principal payments when due.

Investing in derivatives entails specific risks relating to liquidity, leverage, and credit, which may reduce returns and/or increase volatility.

Liquidity allocation may not be held as cash and may be invested on a short-term basis in ETFs that represent asset classes in the Fund, seeking to align with the target weights in the Fund's index.

Insurance products and plan administrative services provided through Principal Life Insurance Co. Principal Funds, Inc. is distributed by Principal Funds Distributor, Inc. Securities are offered through Principal Securities, Inc., 800-547-7754, [Member SIPC](#) and/or independent broker/dealers. Principal Life, Principal Funds Distributor, Inc., and Principal Securities are members of the Principal Financial Group®, Des Moines, IA 50392.

Principal Asset Allocation is an investment team within Principal Global Investors.

Principal Real Estate is a trade name of Principal Real Estate Investors, LLC, an affiliate of Principal Global Investors.

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DiMEO SCHNEIDER
& ASSOCIATES, L.L.C.

DiMeo Schneider & Associates, L.L.C.

INVESTMENT ADVISORY AND CONSULTING AGREEMENT

(Cash Balance, Traditional Defined Benefit or Non Participant-Directed Defined Contribution Plan)

The City of Burlington Employees' Retirement System (the "Plan")

On behalf of and in its capacity as the responsible plan fiduciary of the Plan referenced above, subject to the terms and conditions hereinafter set forth in this agreement ("Agreement"), the undersigned employer or other sponsor ("Plan Sponsor") of the Plan, or if applicable its Plan Committee (in either case, such party in its fiduciary capacity being referred to as "Client"), hereby retains DiMeo Schneider & Associates, L.L.C., an Illinois limited liability company with its principal office at 500 W. Madison, Suite 1700, Chicago, IL 60661 ("Adviser") to provide the services set forth in this Agreement for and on behalf of the Plan. With respect to those rights and obligations specifically belonging to Plan Sponsor under Section 6 (fees and costs) and Sections 10 and 13 (indemnification), Plan Sponsor enters into this Agreement for and on its own behalf and not in a fiduciary capacity on behalf of the Plan. Each of Client, Adviser and Plan Sponsor (acting on its own behalf) are referred to as a "Party," and collectively as the "Parties."

This Agreement is executed as of the date set forth in the Signature Page below with an effective date of January __, 2021 ("Effective Date").

1. Services of Adviser

During the term of this Agreement, Adviser shall provide the services described in Appendix I, subject to the selections made in Section 15, and the limitations set forth in Section 2 immediately following (collectively, the "Services"). The Services shall include the provision of investment advice (either non-discretionary or discretionary, as selected in Section 15(a)) with respect to certain investments of the Plan (the "Investments"), and the other services described in Appendix I.

In performing certain of the Services, Adviser will be a "fiduciary" to the Plan, as such term is defined under Section 3(21) of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), including regulations and other rulemaking issued by the U.S. Department of Labor (the "DOL"). However, and notwithstanding any other provision herein, this Agreement shall not be construed as providing that:

- (a) Adviser is subject to any requirement set forth in ERISA or DOL regulations if the Plan is not subject to ERISA; or
- (b) Adviser is a fiduciary to the Plan pursuant to ERISA, or the Investment Advisers Act of 1940 (the "Advisers Act"), with respect to the performance of any Services that are not fiduciary in nature under ERISA, or the Advisers Act, respectively.

2. Limitations on Services; Excluded Assets

Under the terms of this Agreement, under no circumstances whatsoever shall Adviser provide, or have any responsibility or authority to provide:

- (a) legal, accounting, tax, audit, recordkeeping, or actuarial services of any kind;

- (b) physical custody of any securities or other investments, assets, or property of the Plan whatsoever;
- (c) services as the Plan's administrator or trustee, or services otherwise involving the exercise of any discretionary authority, responsibility, or control with respect to the Plan's administration or management;
- (d) with the exception of reporting and other ministerial (non-fiduciary) support functions that Adviser agrees to furnish, any services with respect to employer stock held by (or potentially held by) the Plan. If applicable, Client (or another third-party fiduciary), and not Adviser, shall at all times retain the sole discretion to determine whether the Plan shall purchase, hold, or sell any employer stock; or
- (e) with the exception of reporting and other ministerial (non-fiduciary) support functions that Adviser agrees to furnish, any services with respect to direct or contractual interests in land or other real property, operating companies, personal property, equipment, intellectual property, loans, precious metals, art, collectibles, insurance policies or other assets that do not constitute securities or investment funds (together, "Non-Investment Assets"). Client (or another third-party fiduciary), and not Adviser, shall at all times retain the sole discretion to determine whether the Plan shall purchase, hold, or sell any Non-Investment Assets. For the avoidance of doubt, "alternative" investment funds such as real asset funds, private real estate funds, commodity pools, private equity and hedge funds, REITs and collective investment trust (CIT) funds of the type held by tax-qualified retirement plans that fall within, or are appropriate in light of, the Plan's investment policy shall not be treated as Non-Investment Assets or Excluded Assets, as defined below.

In addition to the "Excluded Assets" described in subsections (d) and (e) above, other Excluded Assets that the Client will (or may) purchase, hold or sell on behalf of the Plan, if any, shall be identified by Client in Section 15(b). Likewise, any asset(s) purchased or acquired by the Plan which is not identified or known to Adviser is an Excluded Asset until such time as Adviser learns of, and agrees to provide Services with respect to, such asset(s). The Investments with respect to which Adviser shall provide investment advisory services (non-discretionary or discretionary, as selected in Section 15(a)) shall in no case shall include any Excluded Assets.

3. Certain Responsibilities of Client

Client agrees to promptly furnish Adviser with a copy of the applicable plan and/or trust documents, the investment guidelines applicable, including a list of any investment limitations or restrictions, a list of parties-in-interest and any other factors that may under ERISA or other applicable law (collectively, "Applicable Law"), give rise to additional restrictions as to the Investments that may be purchased by, or held by, the Plan (and which would therefore need to be reflected in the Plan's investment policy).

Client further agrees to provide or cause its (i.e., the Plan's) accountant(s), trustee(s), recordkeeper(s), TPA(s), legal adviser(s) or other professional advisors to provide information regarding income, investment performance, trade and trade execution details, and other pertinent matters as requested by Adviser from time to time. To the fullest extent permissible under Applicable Law, Adviser may rely upon conclusively, and shall have no duty to independently verify, information obtained from Client or Client's (or Plan's) professional advisors or other service providers. Client also agrees to inform Adviser, in writing, of any material change in any circumstances, needs or goals which might reasonably be expected to affect the Investments that may be purchased by, or held by, the Plan (and which would therefore need to be reflected in the Plan's investment policy).

Client shall be responsible for selecting a "Qualified Custodian" under Rule 206(4)-2 of the Advisers Act for the Plan.

Unless the Plan is not subject to part 4 of Title I of ERISA, Client agrees to take all necessary actions to ensure that all reporting and disclosure requirements set forth under ERISA are satisfied in full.

4. Confidentiality

Certain information and advice furnished by any Party to another, including their agents, affiliates, and employees, will be treated as confidential and not disclosed to third parties except as agreed upon in writing or required by law. Notwithstanding the generality of the previous sentence, Adviser may share certain information for business purposes as described in Adviser's Privacy Policy (as amended from time to time, a copy of which has been furnished to Client, and which is available on Adviser's website), and

any Party may make reasonable disclosure of confidential information to its own legal adviser(s), auditor(s) and similar professionals, as well as the recordkeeper and other professionals providing services to the Plan, provided that such professionals agree in each case to maintain the confidentiality of the same. Likewise, Client may identify the Plan's attorney(s), accountant(s) and/or other professional advisors to whom Client authorizes Adviser to share information about the Plan's investments and accounts (each, a "Contact"), in the attached Appendix II. Additionally, Client may share information about investments, strategies, and other information related to the Plan to stakeholders and the public as it deems appropriate. Adviser may rely conclusively upon its authorization to share information with any Contact(s) identified by Client in Appendix II, until otherwise instructed by Client in writing.

5. Basis of Advice

Client, on behalf of the Plan, its participants, and their beneficiaries ("Participants") acknowledges that Adviser obtains information from a wide variety of publicly available sources and/or certain private sources. The advice (whether non-discretionary or discretionary) provided by Adviser for the Plan is based upon Adviser's analysis of such information, and Adviser cannot guarantee the accuracy or validity of the data upon which its analysis, policy recommendations, or studies are based.

6. Adviser's Fees; Other Costs

- (a) As consideration for its Services under this Agreement, Adviser shall be entitled to receive the fees described in Section 15(d) ("Fees"), according to the terms described therein. All of Adviser's fees are due upon receipt of the invoice by the Client.
- (b) Adviser's Fees shall generally be paid by the Plan; provided however that Adviser's Fees must be paid by Plan Sponsor to the extent that (i) it would be impermissible under the Plan's governing documents and/or ERISA (or other Applicable Law) to pay Adviser's Fees from Plan assets, as determined by Client; or (ii) Adviser's Fees remain unpaid by the Plan sixty (60) days following the first date upon which they were first due and payable. Notwithstanding the generality of the previous sentence, this Agreement shall not be construed as prohibiting the payment of Adviser's Fees by Plan Sponsor in any case, and Plan Sponsor may choose to do so. In all cases, Client shall be responsible for ensuring that any payment of Adviser's Fees or other costs directly or indirectly from the assets of the Plan is permissible in all respects under the Plan's governing documents and ERISA (or other Applicable Law).
- (c) In addition to Adviser's Fees, the Plan (or Plan Sponsor, if it so chooses) is solely responsible for paying all investment management, investment advisory or other fees, transaction charges and other costs imposed by third-party portfolio managers or sub-advisers, brokers, custodians, mutual funds and other investment funds or products, and other investments of the Plan (together, "Other Costs"). By executing this Agreement, Client affirms its understanding that the Plan or the Plan Sponsor (and not Adviser) is responsible for paying all Other Costs, which apply in addition to, not in lieu of, Adviser's Fees.

7. Additional Representations and Warranties

Client hereby represents and warrants that:

- (a) On behalf of the Plan, Client shall select a Qualified Custodian of Client's own choosing. Client shall enter into arrangements with the Custodian for the Custodian to send Client (on no less than a quarterly basis) reports showing all receipts and disbursements from the Plan's custodial account(s), which statements shall reflect the amount of Adviser's Fees deducted from the account(s), all trades, the securities held in the custodial account(s) at the close of the period and the ending value of the custodial account(s). Client should review all statements for accuracy.
- (b) Client understands and acknowledges that Adviser is not responsible for the accuracy of any information disclosed in any report provided to the Adviser or the Client by any third party (including but not limited to any custodian, investment fund or third party investment manager) regarding any custodial account(s) or investment(s) of the Plan.

- (c) Client will reasonably cooperate with Adviser and any of its employees or agents on all matters relating to the Services for the Plan.
- (d) Client will provide, in a timely manner, accurate and complete information as Adviser may reasonably request in order to carry out the Services for the Plan.
- (e) Client understands that Adviser's obligation is to perform only those Services reflected in Appendix I, which is incorporated fully by reference and constitutes an integral part of this Agreement, subject to all other terms, limitations and conditions set forth in this Agreement.
- (f) Client understands that past performance may not be indicative of future results and there is a risk of loss. Different types of investments involve varying degrees of risk, and there can be no assurance that the future performance of any specific investment, investment strategy, or product (including the Investments recommended or selected by Adviser - as the case may be - for the Plan), will be profitable, equal any corresponding indicated historical performance level(s), or prove successful. Client acknowledges that investment losses can and will occur.
- (g) Client understands that Adviser will be using and relying on information furnished to Adviser by Client. Adviser will rely solely on such information in assisting with the development of the Plan's investment policy and providing the other Services under this Agreement without assuming any responsibility for independent investigation or verification of such information. Adviser assumes no responsibility for the accuracy or completeness of such information or any other information regarding the Plan or otherwise provided by Client, all of which will be the sole responsibility of Client.

Adviser hereby represents and warrants that:

- (a) Adviser is a registered investment adviser under the Advisers Act.
- (b) Adviser qualifies to act as a "qualified professional asset manager" (QPAM) within the meaning of DOL Prohibited Transaction Class Exemption 84-14.
- (c) Adviser will carry out the Services as an independent contractor of Client and the Plan; Adviser shall be responsible for all Adviser's employees and contractors, including the payment of their compensation and any required withholdings, if applicable. No such individual shall be deemed an employee of Client or Plan Sponsor solely due to his or her provision of services on behalf of Adviser.

8. Term; Termination

This Agreement will commence on the Effective Date, and continue in force until January 31, 2024. The parties may mutually agree to a two (2) year extension of the agreement in writing signed prior to the expiration of this initial agreement term.

Each of Client and Adviser may terminate this Agreement at any time effective upon sixty (60) days' prior written notice to the other. The Plan (or Plan Sponsor, under the circumstances described in Section 6(b)) will be responsible for all Fees relating to Services performed by Adviser prior to the effective date of such termination, and any prorated (post-termination) portion of the Fees will be refunded.

Termination notices should be sent to the following addresses:

ADVISER:
 DiMeo Schneider & Associates, LLC
 Attention: Compliance Department
 500 W. Madison Street, Suite 1700
 Chicago, IL 60661
 Email: compliance@dimeoschneider.com

CLIENT:
 The City of Burlington Employees' Retirement
 System
 Attention: Richard Goodwin,
 Clerk Treasurer's Office, City Hall
 149 Church Street, Burlington, VT 05401
 Email: rgoodwin@burlingtonvt.gov

9. Required Disclosures - ERISA Section 408(b)(2); Advisers Act

- (a) Adviser is an investment adviser registered with the Securities and Exchange Commission under the Advisers Act.
- (b) Adviser will provide those Services that constitute investment advisory services (either non-discretionary or discretionary, as selected in Section 15(a)) as a “fiduciary” to the Plan, within the meaning of ERISA Section 3(21).
- (c) Adviser will perform such additional Services for the Plan as are described in Appendix I.
- (d) Except as otherwise noted in subsections (e), (f) and/or (g) below, Adviser’s compensation for its Services shall consist solely of the Fees described in Sections 6(a) and 15(d), which shall be paid directly by the Plan (or Plan Sponsor, under the circumstances described in Section 6(b)).
- (e) On occasion, any individual employee, officer or partner of Adviser may receive meals, entertainment, complimentary attendance at events, small gifts or tokens (valued at less than \$250 per year, and which shall not include cash or any cash equivalents) from investment product sponsors or other third parties whose products or services may be used (or potentially used) for the Plan. Such gifts and amenities are not based on any specific service relationship with a particular client of Adviser, including Client or the Plan.
- (f) Except as described under subsection (e) immediately preceding, Adviser (together with its affiliates and subcontractors, if any) shall not receive any “indirect compensation” (as defined in DOL regulations under ERISA Section 408(b)(2)) from parties other than the Plan or Plan Sponsor, in connection with the Services, unless otherwise disclosed in Adviser’s ADV.
- (g) As defined in DOL regulations under ERISA Section 408(b)(2), Adviser (together with its affiliates and subcontractors, if any) shall not receive or pay among them any “compensation paid among related parties” that is transaction-based or charged against (or reflected in the value of) the Plan’s investments, in connection with the Services, unless otherwise disclosed in Adviser’s ADV.
- (h) In connection with the termination of this Agreement, Adviser shall not receive any special compensation, but rather shall be entitled to receive only those unpaid Fees described in Section 8 for Services previously furnished.
- (i) If any of the representations set forth in subsections (a) through (h) above should cease to be true during the term of this Agreement, Adviser shall furnish Client with updated disclosures according the timing and other requirements set forth in DOL regulations under ERISA Section 408(b)(2).
- (j) Adviser has delivered to Client Adviser’s Privacy Policy, Parts 2A and 2B of Adviser’s Form ADV. Client acknowledges receipt of such material.

10. Electronic Delivery and Signatures; Cybersecurity

By signing this Agreement, Client authorizes Adviser to deliver, and Client agrees to accept, all required regulatory notices and disclosures via electronic mail and/or via the Adviser’s portal, as well as all other correspondence from Adviser. Adviser shall have completed all delivery requirements upon the forwarding of such document, disclosure, notice and/or correspondence to Client’s last provided e-mail address (or upon advising Client via email that such document is available on the portal). It is Client’s obligation to notify Adviser, in writing, of any changes to Client’s email address. Until so notified, Adviser shall rely on the last provided e-mail address. Client acknowledges that Client has the ongoing ability to receive and open standard electronic mail and corresponding electronic documents. If, at any time, Client’s electronic delivery situation changes, or Client is unable to open a specific document, Client agrees to immediately notify Adviser so that the specific issue can be addressed and resolved.

Client (and Plan Sponsor, on its own behalf) likewise agree that any Party can execute this Agreement, and any future agreements, additions or amendments thereto, by computer or other electronic device, including internet, telephonic and wireless devices. Client (and Plan Sponsor) agree that by clicking on an "Agree," "Execute," "Finish," "Sign," "Submit Application," or other similarly worded button or entry field with a mouse, keystroke or other device, this Agreement, and any future agreements, additions or amendments thereto will be legally binding and enforceable and will be the legal equivalent of a handwritten signature on an agreement that is printed on paper.

Adviser shall exercise commercially reasonable efforts to confirm that any subcontractors and third-party service providers engaged by Adviser have implemented appropriate cybersecurity measures. Nonetheless, by signing this Agreement, Client (and Plan Sponsor, on its own behalf) each acknowledge and affirm that Adviser cannot guarantee the efficacy of such measures, over which Adviser has no direct control. In addition to the provisions set forth in Section 13 below, by signing this Agreement, to the fullest extent permissible under Applicable Law, Plan Sponsor agrees to indemnify and hold harmless Adviser and its affiliates, and each of their respective managers, members, officers, directors, employees, agents, and representatives, from and against any and all Losses (as defined in Section 13) which result from or arise out of any:

- (i) electronic transmission of information by Adviser, provided that Adviser correctly addressed the electronic transmission to Client and/or other intended recipient; or
- (ii) data breach or other cybersecurity incident occurring with respect to a subcontractor or other third-party service provider engaged by Adviser, provided that Adviser was not grossly negligent in the selection of such provider.

11. Assignment

This Agreement may not be assigned (within the meaning of the Advisers Act) by any Party without the prior consent of the other Party(ies). Client, on behalf of the Plan, acknowledges and agrees that transactions that do not result in a change of actual control or management will not be considered an assignment pursuant to Rule 202(a)(1)-1 under the Advisers Act. Client, on behalf of the Plan, further acknowledges and agrees that if there is a pending assignment of this Agreement (within the meaning of Advisers Act), Client will be provided with written notice of such event. If Client does not object to such assignment in writing within 60 days, it will be assumed the Client has consented to the assignment, and Services will continue to be provided for the benefit of the Plan under the terms and conditions of this Agreement.

12. Governing Law; Disputes

Except to extent preempted by ERISA (or other federal law), the validity of this Agreement and of any of its terms or provisions, as well as the rights and duties of the Parties hereunder, will be governed by the laws of the State of Vermont (without regard to choice of laws principles).

Vermont law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this Agreement. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision rendered null and void by operation of this provision shall not invalidate the remainder of this Agreement to the extent capable of execution.

13. Indemnification

To the fullest extent permissible under ERISA or other Applicable Law, losses under this provision are to be covered by the assets and revenues of the Fund and this is not a pledge of the full faith and credit of the non-Plan assets of the City of Burlington. By signing this Agreement, to the fullest extent permissible under ERISA or other Applicable Law, Plan Sponsor agrees to indemnify and hold harmless Adviser and its affiliates and each of their respective managers, members, officers, directors, employees, agents, and representatives, from and against any civil penalties, losses, liabilities, claims, deficiencies, damages, expenses, and causes of action of any type, including, without limitation and regardless of whether incurred in connection with defending against or investigating a possible loss or otherwise, the reasonable fees and expenses of attorneys, accountants and experts ("Losses"), which result from or arise out of any:

- (i) act or omission constituting gross negligence, bad faith, willful misconduct, violation of Applicable Law or breach of fiduciary duty (i.e., under ERISA Section 404 or other Applicable Law) by Client (or Plan Sponsor) or its (their) officers, directors, employees, agents, or representatives;
- (ii) instructions provided to Adviser, or any inaccurate, incomplete, or untimely data provided to Adviser by Client or its officers, directors, employees, agents, or representatives, or the Plan's custodian or other data providers;
- (iii) breach of Client's responsibilities under this Agreement (including in particular those set forth in Sections 3 and 4); or
- (iv) breach of Client's representations and warranties under this Agreement (including in particular those set forth in Section 7).

By signing this Agreement, to the fullest extent permissible under ERISA or other Applicable Law, Adviser agrees to indemnify and hold harmless Client (and Plan Sponsor) and its (their) affiliates and each of their respective officers, directors, employees, agents, and representatives, from and against any Losses which result from or arise out of any:

- (i) act or omission constituting negligence, bad faith, willful misconduct, violation of Applicable Law or breach of fiduciary duty by Adviser or its officers, directors, employees, agents, or representatives;
- (ii) breach of Adviser's responsibilities under this Agreement, provided that with respect to Services that are non-fiduciary in nature, Adviser shall not be deemed for any purpose whatsoever under this Agreement to have breached its responsibilities so long as Adviser exercised reasonable care in the carrying out of such Services; or
- (iii) breach of Adviser's representations and warranties under this Agreement (including in particular those set forth in Section 7).

Notwithstanding anything in this Agreement to the contrary, no provision of this Agreement shall be construed so as to provide for the indemnification or exculpation of any Party for any liability (including liability under U.S. federal securities laws which, under certain circumstances, impose liability even on persons that act in good faith) to the extent (but only to the extent) that such indemnification or exculpation would be in violation of Applicable Law, but will instead be construed so as to effectuate such provision to the fullest extent permitted by law.

Likewise, this Agreement shall be construed in the broadest manner possible that is consistent with the limitations set forth in ERISA Section 410 and DOL regulations issued thereunder. In particular, the Parties acknowledge and agree that no indemnification for a fiduciary's breach or violation of part 4, Title I of ERISA by the Plan itself (i.e., from the Plan's assets) is permissible or intended.

14. Miscellaneous

- (a) This Agreement shall be applicable only to the Services provided by Adviser to or for the benefit of the Plan.
- (b) This Agreement represents the complete agreement of the Parties with regard to the subject matter and supersedes any prior understanding or agreement, oral or written.
- (c) To the fullest extent permissible under Applicable Law, Adviser may propose to amend this Agreement upon written notification to Client, and such amendment shall become effective upon the earlier of (i) Adviser's receipt of Client's written consent to the proposed amendment, or (ii) Client's failure to object to the proposed amendment in writing within 60 days of notification. If Client should object to the proposed amendment in writing within the 60-day period following notification, and the Parties cannot come to an agreement as to the proposed amendment, if requested by Client Adviser will continue to provide Services pursuant to this Agreement (un-amended) for a reasonable period (not to exceed 60 additional days) to allow Client to engage

a new investment advisor for the Plan.

- (d) Each person executing this Agreement on behalf of a Party represents and warrants that he/she is authorized, without the need of further approval or consent from any other person or entity, to execute this Agreement, and that upon execution of this Agreement it will constitute a valid and binding obligation of a Party.
- (e) In the event any provision of this Agreement is found to be invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions and applications of this Agreement shall not in any way be affected or impaired thereby.
- (f) Adviser, its officers, employees, and agents, may advise or take the same or similar positions in specific investments for their own accounts, or for the accounts of other clients, as the Adviser advises or takes with respect to the Investments of the Plan. Client expressly acknowledges and understands that Adviser shall be free to render the Services to others and Adviser does not make its services available exclusively to Client or the Plan. Nothing in this Agreement shall impose upon Adviser any obligation to recommend (or select, as the case may be) for the Plan's purchase or sale any security which Adviser, its principals, affiliates or employees, may purchase or sell for their own accounts or for the account of any other client.

15. Adviser's Services and Fees – Specific Selections

- (a) **Selection of/Authority over Plan Investments:** Subject to the investment policy for the Plan:

X **Non-Discretionary Advice (Consulting) Only.** Adviser shall furnish Client with non-discretionary advice only, and Client shall retain the ultimate responsibility and authority for all decisions to purchase, hold or sell Investments for the Plan. If this option is selected, Client may accept or deviate from Adviser's recommendations, and Adviser will be a "fiduciary" to the Plan to the extent its Services are of the type described in ERISA Section 3(21)(A)(ii).

In addition, by choosing this option and executing this Agreement, Client represents and warrants that the custody agreement(s) in force for the Plan during the entire term of this Agreement shall not provide that Adviser will have any authority to withdraw funds or securities upon Adviser's instruction to the Qualified Custodian(s), or to transfer funds or securities to a custodial account other than an account in the Plan's name. Client further acknowledges and affirms that, while Adviser may furnish Client with a list of possible candidates that are Qualified Custodians for Client's consideration (upon Client's request for such a list), Adviser shall not recommend, request or require the use of a particular Qualified Custodian for the Plan.

- (b) **Additional Excluded Assets, If Any.** In addition to the Excluded Assets set forth in Section 2 of this Agreement (employer stock, Non-Investment Assets and assets not identified or known to Adviser), Client has (or may) cause(d) the Plan to purchase or hold the following types of assets, which shall also be treated as Excluded Assets under this Agreement:

- (c) **Brokerage.** Adviser shall have the authority to select the brokers through which orders will be placed, provided, however, that Adviser shall effect all purchases and sales of securities through such brokers as, in the Adviser's best judgment, offer best execution of each transaction. Without limiting the generality of the foregoing, Adviser shall endeavor, in Adviser's best judgment, to ensure that all securities transactions are executed in such a manner that the total explicit and implicit costs and total proceeds in every transaction are the most favorable under the circumstances prevailing at that time. Adviser may effect, subject to Section 28(e) of the Securities Exchange Act of 1934, as amended, securities transactions that cause the Plan to pay

a commission in excess of the amount of commission another broker or dealer would have charged, provided that the Adviser determines in good faith that such amount of commission is reasonable in relation to the value of brokerage and research services provided by the broker or dealer to Adviser, viewed in terms of either the specific transaction or the Adviser's overall responsibilities to the accounts for which the Adviser has investment responsibility. For this purpose, "research services" shall mean only products or services which provide lawful and appropriate assistance to Adviser's investment decision-making process.

(d) **Adviser's Fees:** For all of its Services, the Fees that Adviser will receive under Section 6 of this Agreement shall be calculated and paid as follows:

X **Annual Retainer Fee.** Adviser shall receive an annual retainer fee of \$65,000, which shall be billed and payable quarterly in arrears. This amount shall be fixed for the duration of this agreement.

16. Insurance

Prior to beginning any work, the Adviser shall obtain the following insurance coverage from an insurance company registered and licensed to do business in the State of Vermont and having an A.M. Best insurance rating of at least A-, financial size category VII or greater (www.ambest.com). The certificate of insurance coverage shall be documented on forms acceptable to the City. Compliance with minimum limits and coverage, evidenced by a certificate of insurance showing policies and carriers that are acceptable to the City, must be received prior to the Effective Date of the Agreement. The insurance policies shall provide that insurance coverage cannot be canceled or revised without thirty (30) days prior notice to the City. If this Agreement extends to more than one year, evidence of continuing coverage must be submitted to the City on an annual basis. Copies of any insurance policies may be required. Each policy (with the exception of professional liability and worker's compensation) shall name the City as an additional insured for the possible liabilities resulting from the Adviser's actions or omissions. The liability insurance furnished by the Adviser is primary and non-contributory for all the additional insured.

The Adviser is responsible to verify and confirm in writing to the City that: (i) all sub-Advisers must comply with the same insurance requirements as the Adviser; (ii) all coverage shall include adequate protection for activities involving hazardous materials; and (iii) all work activities related to the Agreement shall meet minimum coverage and limits.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Adviser for the Adviser's operations. These are solely minimums that have been developed and must be met to protect the interests of the City.

A. **General Liability And Property Damage:** With respect to all operations performed by the Adviser, agents or workers, it is the Adviser's responsibility to ensure that general liability insurance coverage, on an occurrence form, provides all major divisions of coverage including, but not limited to:

1. Premises Operations
2. Independent Contractors'/Advisers' Protective
3. Products and Completed Operations
4. Personal Injury Liability
5. Medical Expenses

Coverage limits shall not be less than:

- | | | |
|----|-------------------------------|--------------|
| 1. | General Aggregate | \$10,000,000 |
| 2. | Products-Completed/Operations | \$2,000,000 |
| 3. | Personal & Advertising Injury | \$1,000,000 |
| 4. | Each Occurrence | \$1,000,000 |
| 5. | Damage to Rented Premises | \$ 250,000 |
| 6. | Med. Expense (Any one person) | \$ 5,000 |

B. Professional Liability Insurance:

1. General: The Adviser shall carry appropriate professional liability insurance covering errors and omissions made during their performance of contractual duties with the following minimum limits:
 - (a) \$10,000,000 - Annual Aggregate
 - (b) \$5,000,000 - Per Occurrence
2. Deductibles: The Adviser is responsible for any and all deductibles.
3. Coverage: Prior to performing any work, the Adviser shall provide evidence of professional liability insurance coverage defined under this section. In addition, the Adviser shall maintain continuous professional liability coverage for the period of the Agreement and for a period of five years following substantial completion of construction.

C. Umbrella Liability:

1. \$3,000,000 Each Event Limit
2. \$3,000,000 General Aggregate Limit

17. Conflict of Interest

The Adviser shall disclose in writing to the City any actual or potential conflicts of interest or any appearance of a conflict of interest by the Adviser, its employees or agents, if any.

18. Personnel Requirements and Conditions

In connection with the Agreement, the Adviser shall employ only qualified personnel with appropriate and valid licensure, to the extent a license is required for the work performed. The City shall have the right to approve or disapprove key personnel assigned to administer activities related to the Agreement.

Except with the approval of the City, during the period of this Agreement, the Adviser shall not employ in any context 1) any City employee who is directly involved with the awarding, administration, monitoring, or performance of the Agreement, or 2) any such employee within one (1) year of termination of employment with the City.

The Adviser warrants that no company or person, other than a bona fide employee working solely for the Adviser, has been retained to solicit or secure this Agreement or will be paid any fee, commission, gift, or other consideration related to the award or making of this Agreement. For breach or violation of this warranty, the City shall have the right to annul the Agreement, without liability to the City, and to regain all costs incurred by the City in the performance of the Agreement.

The City reserves the right to require the Adviser to remove any employee from work related to the Agreement for any cause as determined by the City, including but not limited to negligence, incompetence, or failure to follow requirements of the Agreement.

19. Performance

Adviser warrants that performance of Work will conform to the requirements of this Agreement. Adviser shall use that degree of ordinary care and reasonable diligence of any professional standards applicable to the Work, but also that an experienced and qualified provider of similar services would use acting in like circumstances and experience in such matters and in

accordance with the standards, practices and procedures established by Adviser for its own business.

- A. **Responsibility for Supervision:** The Adviser shall be responsible to the City for all acts or omissions of its employees and any other person performing work under this Agreement.
- B. **Inspection of Work:** The City shall, at all times, have access to the Adviser's work for the purposes of inspection, accounting, and auditing, and the Adviser shall provide whatever access is considered necessary to accomplish such inspections.
- C. **Public Relations:** The Adviser will endeavor to maintain good relations with the public and any affected property owners. Personnel employed by or representing the Adviser shall conduct themselves with propriety.
- D. **Acknowledgements.** Acknowledgment of the City's support must be included in any and all publications, renderings and project publicity, including audio/visual materials developed under this Agreement.

20. Appearances:

- A. **Hearings and Conferences:** The Adviser shall provide services required by the City and necessary for furtherance of any work covered under the Agreement. These services shall include appropriate representation at design conferences, public gatherings and hearings, and appearances before any legislative body, commission, board, or court, to justify, explain and defend its contractual services covered under the Agreement.

The Adviser shall perform any liaison that the City deems necessary for the furtherance of the work and participate in conferences with the City, at any reasonable time, concerning interpretation and evaluation of all aspects covered under the Agreement.

The Adviser further agrees to participate in meetings with the City and any other interested or affected participant, for the purpose of review or resolution of any conflicts pertaining to the Agreement.

The Adviser shall be equitably paid for such services and for any reasonable expenses incurred in relation thereto in accordance with the Agreement.

- B. **Appearance as Witness:** If and when required by the City, the Adviser, or an appropriate representative, shall prepare and appear for any litigation concerning any relevant project or related contract, on behalf of the City. The Adviser shall be equitably paid, to the extent permitted by law, for such services and for any reasonable expenses incurred in relation thereto, in accordance with the Agreement.

21. Payment Procedures: The City shall pay, or cause to be paid, to the Adviser or the Adviser's legal representative payments in accordance with the Agreement. All payments will be made in reliance upon the accuracy of all representations made by the Adviser, whether in invoices, progress reports, emails, or other proof of work. When applicable, for the type of payment specified in the Agreement, the progress report shall summarize actual costs and any earned portion of fixed fee.

All invoices and correspondence shall indicate the applicable project name, project number and the Agreement number. When relevant, the invoice shall further be broken down in detail between projects.

When applicable, for the type of payment specified in the Agreement, expenses for meals and travel shall be limited to the current approved in-state rates, as determined by the State of Vermont's labor contract, and need not be receipted. All other expenses are subject to approval by the City and must be accompanied with documentation to substantiate their charges.

No approval given or payment made under the Agreement, shall be conclusive evidence of the performance of the Agreement, either wholly or in part thereof, and no payment shall be construed to be acceptance of defective work or improper materials.

The City agrees to pay the Adviser and the Adviser agrees to accept, as full compensation, for performance of all services rendered and expenses incurred, the fee specified in the Agreement.

Upon completion of all services covered under the Agreement and payment of the agreed upon fee, the Agreement with its mutual obligations shall end.

22. Duty to Inform City of Agreement Errors: If Adviser knows, or has reasonable cause to believe, that a clearly identifiable error or omission exists in the Agreement, Adviser shall immediately give the City written notice thereof. Adviser shall not cause or permit any Work to be conducted which may relate to the error or omission without first receiving written notice by the City that City representatives understand the possible error or omission and have approved of modifications to the Agreement or that Adviser may proceed without any modification being made to Agreement.

23. Non-Appropriation: The obligations of the City under this Agreement are subject to annual appropriation by the Burlington City Council. If no funds or insufficient funds are appropriated or budgeted to support continuation of payments due under this Agreement, the Agreement shall terminate automatically on the first day of the fiscal year for which funds have not been appropriated. The Parties understand and agree that the obligations of the City to make payments under this Agreement shall constitute a current expense of the City and shall not be construed to be a debt or a pledge of the credit of the City. Agreement. The decision whether or not to budget and appropriate funds during each fiscal year of the City is within the discretion of the Mayor and City Council of the City. The City shall deliver written notice to Adviser as soon as practicable of any non-appropriation, and Agreement Adviser shall not be entitled to any payment or compensation of any kind for work performed after the City has delivered written notice of non-appropriation.

24. Force Majeure: Neither Party to this Agreement shall be liable to the other for any failure or delay of performance of any obligation under this Agreement to the extent the failure or delay is caused by acts of God, public health emergencies, epidemics, acts of the public enemy, acts of superior governmental authority, weather conditions, riots, rebellion, sabotage, or any other circumstances for which it is not responsible or which is not under its control ("Force Majeure"). To assert Force Majeure, the nonperforming party must prove that a) it made all reasonable efforts to remove, eliminate, or minimize the cause of delay or damage, b) diligently pursued performance of its obligations, c) substantially fulfilled all obligations that could be fulfilled, and d) timely notified the other part of the likelihood or actual occurrence of a Force Majeure event. If any such causes for delay are of such magnitude as to prevent the complete performance of the Agreement within two (2) years of the originally scheduled completion date, either Party may by written notice request to amend or terminate the Agreement. The suspension of any obligations under this section shall not cause the term of this Lease to be extended and shall not affect any rights accrued under this Lease prior to the occurrence of the force majeure. The Party giving notice of the force majeure shall also give notice of its cessation.

25. Maintenance of Records: The Adviser agrees to maintain complete and accurate records, in a form satisfactory to the City for all time devoted directly to same by Adviser employees. The City reserves the right to audit the records of the Adviser related to any extra work or additional services. Any such services rendered shall be subject, in all other respects, to the terms of the Agreement.

26. Return of Materials: Adviser agrees that at the expiration or termination of this Agreement, it shall return to City all materials provided to it during its engagement on behalf of City unless required to retain a copy for regulatory or legal purposes.

27. Public Records: The Adviser understands that any and all records related to and acquired by the City, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act and that the determination of how those records must be handled is solely within the purview of City. The Adviser shall identify all records that it considers to be trade secrets as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act and shall also identify all other records it considers to be exempt under the Act. It is not sufficient to merely state generally that the record is proprietary or a trade secret or is otherwise exempt. Particular records, pages or section which are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

28. Records Retention and Access: The Adviser agrees to retain, in its files, and to produce to the City—within the time periods requested—all books, documents, Electronic Data Media (EDM), accounting records, and other records produced or acquired by the Adviser in the performance of this Agreement which are related to the City, at any time during this Agreement and for a period of at least three (3) years after its completion or termination. In addition, if any audit, claim, or litigation is commenced before the expiration of that three (3) year period, the records shall be retained until all related audits, claims, or litigation are resolved. The Adviser further agrees that the City shall have access to all the above information for the purpose of review and audit during the Agreement period and anytime within the aforementioned retention period. Copies of all of the above referenced information shall be provided to the City, if requested, in the format in which the records were obtained, created, or maintained, such that their original use and purpose can be achieved.

29. Additional Provisions:

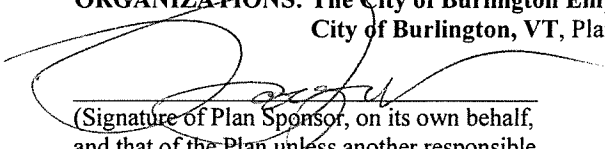
- A. Contract Disputes:** In the event of a dispute between the parties to this Agreement each party will continue to perform its obligations unless the Agreement is terminated in accordance with these terms.
- B. General Compliance with Laws:** The Adviser shall comply with all applicable Federal, State and local laws, including but not limited to the Burlington Livable Wage Ordinance, the Non-Outsourcing Ordinance, and the Union-Deterrence Ordinance and shall provide the required certifications attesting to compliance with these ordinances (see attached ordinances and certifications). Provisions of the Agreement shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both Parties. If, for any reason, a provision in the Agreement is unenforceable or invalid, that provision shall be deemed severed from the Agreement, and the remaining provisions shall be carried out with the same force and effect as if the severed provisions had never been a part of the Agreement.
- C. Civil Rights and Equal Employment Opportunity:** During performance of the Agreement, the Adviser will not discriminate against any employee or applicant for employment because of religious affiliation, race, color, national origin, place of birth, ancestry, age, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status, crime victim status, or genetic information. Adviser shall comply with any Federal, State, or local law, statute, regulation, Executive Order, or rule that applies to it or the services to be provided under this contract concerning equal employment, fair employment practices, affirmative action, or prohibitions on discrimination or harassment in employment.
- D. Tax Requirements:** By signing the Agreement, the Adviser certifies, as required by law under 32 VSA, Section 3113, that under the pains and penalties of perjury, that the Adviser is in good standing with respect to payment, or in full compliance with a plan to pay, any and all taxes due the State of Vermont as of the date of signature on the Agreement.
- E. No Gifts or Gratuities:** The Adviser shall not make any payment or gift or donation of substantial value to any elected official, officer, employee, or agent of the City during the term of this Agreement.
- F. Continuing Obligations:** The Adviser agrees that if because of death, disability, or other occurrences, it becomes impossible to effectively perform its services in compliance with the Agreement, neither the Adviser nor its surviving members shall be relieved of their obligations to complete the Agreement unless the City agrees to terminate the Agreement because it determines that the Adviser is unable to satisfactorily execute the Agreement.
- G. Interpretation & Implementation:** Provisions of the Agreement shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both Parties.
- H. Arm's Length:** This Agreement has been negotiated at arm's length, and any ambiguity in any of its terms or provisions shall be interpreted in accordance with the intent of the Parties and not against or in favor of either the City or Adviser.

- I. Relationship:** The Adviser is an independent contractor and shall act in an independent capacity and not as officers or employees of the City. To that end, the Adviser shall determine the method, details, and means of performing the work, but will comply with all legal requirements in doing so. The Adviser shall provide its own tools, materials, or equipment. The Parties agree that neither the Adviser nor its principal(s) or employees are entitled to any employee benefits from the City. Adviser understands and agrees that it and its principal(s) or employees have no right to claim any benefits under the Burlington Employee Retirement System, the City's worker's compensation benefits, health insurance, dental insurance, life insurance, or any other employee benefit plan offered by the City. The Adviser agrees to execute any certifications or other documents and provide any certificates of insurance required by the City and understands that this Agreement is conditioned on its doing so, if requested. The Adviser understands and agrees that it is responsible for the payment of all taxes on the above sums and that the City will not withhold or pay for Social Security, Medicare, or other taxes or benefits or be responsible for any unemployment benefits.
- J. Binding Effect and Continuity:** This Agreement shall be binding upon and shall inure to the benefit of the Parties, their' respective heirs, successors, representatives, and assigns. If a dispute arises between the Parties, each Party will continue to perform its obligations under this Agreement during the resolution of the dispute, until the Agreement is terminated in accordance with its terms.
- K. Entire Contract & Agreement:** This Agreement constitutes the entire Agreement, and understanding of the Parties with respect to the subject matter of this Agreement. Prior or contemporaneous additions, deletions, or other changes to this Agreement shall not have any force or effect whatsoever, unless embodied herein.
- L. No Third Party Beneficiaries:** This Agreement does not and is not intended to confer any rights or remedies upon any person or entity other than the Parties. Enforcement of this Agreement and all rights and obligations hereunder are reserved solely to the Parties. Any services or benefits which third parties receive as a result of this Agreement are incidental to this Agreement, and do not create any rights for such third parties.
- M. Waiver:** A Party's failure or delay in exercising any right, power, or privilege under this Agreement, whether explicit or by lack of enforcement, shall not operate as a waiver, nor shall any single or partial exercise of any right, power, or privilege preclude any other or further exercise of such right, power, or privilege.

Initial here if DiMeo Schneider & Associates, L.L.C. is NOT permitted to use Client/Plan name and/or logo on a Representative Client List. _____

Effective as of _____ day of _____, 20____

ORGANIZATIONS: The City of Burlington Employees' Retirement System, Client
City of Burlington, VT, Plan Sponsor


(Signature of Plan Sponsor, on its own behalf,
and that of the Plan unless another responsible
plan fiduciary shall act on behalf of the Plan)

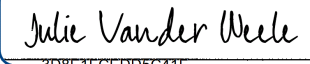
Name: Robert Hooper
Title: Chair, Burlington Employees Retirement System
Address: Burlington City Attorney's Office, City Hall
149 Church Street
Burlington, VT 05401

(Signature of Plan Committee or other responsible
plan fiduciary – only required if different than
Plan Sponsor)

(Name of Plan Committee or other responsible plan fiduciary)

4/15/2021

Agreed and accepted this ____ day of 2021:
DiMeo Schneider & Associates, L.L.C.

DocuSigned by:

By: _____
Title: Chief Operating Officer

Appendix I – Adviser’s Services

- ☐ **Fiduciary Governance Calendar**
 - Adviser will assist in the creation and implementation of a Fiduciary Governance process or review the oversight process that has already been established. Adviser will provide information and education on various topics and documentation will be distributed and if the Client elects can be stored in a secure fiduciary Lockbox online portal.
- ☐ **Develop/Review an Investment Policy Statement**
 - Adviser will assist in the development and/or review of an investment policy statement. Adviser will analyze the particular circumstances of Client’s Account (return objectives, risk tolerance, liquidity needs, cash flows including plan liabilities, investment constraints, etc.) and render advice based on the information the Client provides to Adviser.
- ☐ **Asset Allocation Analysis**
 - Adviser will assist in the development of an asset allocation analysis. Adviser will analyze the particular circumstances of Client’s Account (return objectives, risk tolerance, liquidity needs, cash flows including plan liabilities, investment constraints, etc.) and render advice based on the information the Client provides to Adviser.
- ☐ **Independent Manager Search, Review and Recommendation**
 - Adviser will identify and present investment management candidates for your consideration. The information that Adviser utilizes in evaluation of such candidates is sourced both from commercially available databases and Adviser’s own proprietary tools and efforts.
- ☐ **Investment Performance Measurement, Analysis and Reporting**
 - Adviser will analyze the results of Client’s composite Account and the individual investment manager(s) on a quarterly basis. Adviser’s reviews include a variety of statistical information that Adviser deems relevant to the evaluation of Client’s Account results including, but not necessarily limited to, portfolio balances, cash flows, market and individual investment manager rates of return. The primary source of information for these efforts is Client’s Account’s custody statements.
- ☐ **Portfolio Diagnostic Review**
 - Adviser will undertake a thorough review of Client’s Accounts current structure and analyze its investment policy statement (or assist in the development of one should none exist), Client’s current allocation of assets and investment manager(s), and the historical performance of Client’s total Account and individual investment manager(s). Adviser will identify areas in need of attention and make recommendations as required.
- ☒ **Full Retainer Service (six services identified above)**
- ☐ **Vendor Search and Analysis (additional costs may apply)**
 - ☐ Custodian Bank
 - ☐ Defined Benefit Administration Services
 - ☐ Actuarial Services
 - ☐ Bundled Plan (defined benefit & defined contribution)
 - ☐ Defined Contribution
- ☐ **Other Service (identify) _____**

Appendix II – Plan Contacts

Notwithstanding Section 4 or any other provision of the Agreement, Client hereby identifies the following Contact(s) (by name, address and/or other contact information) and authorizes Adviser to share information concerning the Plan and the Plan's investments with such Contact(s) upon each identified Contact's request. Client understands and acknowledges that Adviser may rely conclusively upon this authorization until otherwise instructed by Client in writing.

Plan's Accountant(s):

Plan's Attorney(s):

Other Authorized Contact(s):

Other Authorized Contact(s):

AGREEMENT TO PROVIDE ACTUARIAL CONSULTING SERVICES TO THE CITY OF BURLINGTON, VERMONT

THIS AGREEMENT, is made effective as of November 22, 2017 by and between Hooker & Holcombe, Inc. (hereinafter called the “Consultant”), a corporation with its principal place of business in West Hartford, Connecticut, and the City of Burlington, Vermont (hereinafter called “City”) as follows:

1. **PROJECT ENGAGEMENT:** Consultant has been selected to provide professional services to the City in connection with a Request for Proposal (RFP) for Burlington Employees Retirement System Pension and Other Post-Employment Benefits (OPEB) Actuarial Services dated July 12, 2017 (Appendix B) and Consultant’s Service Proposal for Pension and OPEB Actuarial Consulting Services (Proposal; Appendix C).

This engagement is not to be relied upon to disclose errors, irregularities, or illegal acts, including fraud or defalcations, which may exist with respect to the pension and other retirement plans covered by the agreement and services provided. However, Consultant shall inform the City of any such matters that come to Consultant’s attention.

2. **SERVICES TO BE PERFORMED:** Consultant shall provide the services set forth in Appendix A, “Schedule of Services” in conformance with the requirements of the RFP.
3. **TERM:** The term of this Agreement shall be for three years. Upon notice of at least ninety (90) days prior to the end of the current term, Consultant may exercise the option to extend the Agreement for an additional year. Consultant shall have this option for three (3) one-year periods. An extended Agreement shall be subject to the same terms and conditions as this Agreement except that the fees (both fixed and hourly), shall not exceed the 2019-2020 year fees by more than 3% per year.
4. **FEES AND EXPENSE:** The Parties agree that full compensation for performance of all services and expenses (including those of sub-Consultants) under this Agreement shall not exceed the maximum limiting amount of \$247,000 per year without duly authorized written approval; provided that Consultant shall be entitled to cease providing services if such approval is not obtained.

The fees and expenses for Consultants services are as follows:

- A. **Professional Fees.** The Fee Schedule in the Schedule of Services sets forth the fees for Consultant’s services. Except where the Schedule of Services provides otherwise, Consultant’s fees for professional services will be based on the time expended at Consultant’s current (2017) hourly rates. Consultant’s current hourly rates are subject to change periodically, usually on an annual basis, by no more than 3% per year. Consultant’s 2017 hourly rates are:

- Consultants/Actuaries \$260-\$440
- Analysts/Technicians \$150-\$260
- Support \$100-\$160

B. Direct Expenses. In addition to professional fees, Consultant will bill the City for any expenses paid to others on the City's behalf and for other costs incurred by Consultant that are customarily paid by each client on an "as-used" basis, such as copier charges for non-incidental copying, courier and expedited delivery services, and travel expenses. If there are any Direct Expenses anticipated, Consultant shall incorporate those into a fee quote to City in advance of the project. If a disbursement is expected to exceed \$1,000, Consultant may ask the City to fund it in advance.

C. Taxes. Consultant understands that its services would be exempt from Vermont state and local sales tax. If any state or local sales tax (or similar tax) is or becomes applicable, it will be charged in addition to the above fees.

D. Payment. Consultant will generally submit a monthly bill to the City in arrears for services provided unless a different arrangement is mutually agreed upon in writing in advance of services. All unpaid fees, expenses and costs are due thirty (30) days from the invoice date.

5. **CHANGES AND AMENDMENTS:** No changes or amendments of the Agreement shall be effective unless documented in writing and signed by authorized representatives of the City and the Consultant.
6. **RELATIONSHIP:** The parties agree that the Consultant is an independent Contractor. To that end, the Consultant shall determine the method, details, and means of performing the work, but will comply with all legal requirements, including but not limited to all regulatory requirements, in doing so. City shall provide the Consultant with no specific instructions or training in how to provide the required services, except to the extent required by law or regulation. The Consultant shall provide its own tools, materials or equipment. The parties agree that neither the Consultant nor its principal is an employee of City or any of its departments, agencies, or related entities. The parties also agree that neither the Consultant nor its principal is entitled to any employee benefits from City. Consultant understands and agrees that it and its principal have no right to claim any benefits under the Burlington Employee Retirement System, City's worker's compensation benefits, health insurance, dental insurance, life insurance or any other employee benefit plan offered by City. The Consultant agrees to execute any certifications or other documents certifying to the representations in this Section 6 and to provide any certificates of insurance required by City and understands that this contract is conditioned on its doing so, if requested.

The Consultant understands and agrees that it is responsible for the payment of all taxes on the above sums and that City will not withhold or pay for Social Security, Medicare, or other taxes or benefits or be responsible for any unemployment benefits.

7. **CONFIDENTIALITY:** Consultant agrees to maintain the full confidentiality of any information or processes relating to the City that it may obtain, view or observe during the term of this agreement. Consultant agrees that any information relating to individuals, including but not limited to information received in census data such as dates of birth, dates of hire, social security numbers and other personal information received from the City under this Agreement or any other information relating to individuals that Consultant may have access to in order to complete the work under this Agreement shall be maintained and used only for the purposes intended under this Agreement and in full conformity with law and regulation. Such agreements shall survive the termination of this Agreement.
8. **DATA SECURITY:** Consultant shall have in place for the term of this Agreement and for all time that it is in possession of City information standardized security protection mechanisms and systems with a satisfactory SOC 1 Type 2 report for any systems used to store, process or transmit City's data. Consultant shall certify on execution and each anniversary date of the Agreement that it possesses and has in place the necessary and appropriate mechanisms, systems, policies and procedures to comply with commercially accepted standards for the protection of personal information. This provision shall survive the termination of this Agreement.
9. **INDEMNIFICATION AND HOLD HARMLESS:** The Consultant will act in an independent capacity and not as officers or employees of the City. The Consultant shall indemnify, defend and hold harmless the City and its officers and employees from liability and any claims, suits, expenses, losses, judgments, and damages arising as a result of the Consultant's acts and/or omissions in the performance of this Agreement up to a limit of the total amount of fees paid to the Consultant hereunder. The City is responsible for its own actions. The Consultant is not obligated to indemnify the City or its officers, agents and employees for any liability of the City, its officers, agents and employees attributable to its, or their own, negligent acts, errors or omissions. In the event the City, its officers, agents or employees are notified of any claims asserted against it or them to which this Indemnification clause may apply, the City or its officers, agents and employees shall immediately thereafter notify the Consultant in writing that a claim to which the Indemnification Agreement may apply has been filed.
10. **INSURANCE:** Prior to beginning any work the Consultant shall obtain the following insurance coverage from an insurance company registered and licensed to do business in the State of Vermont and having an A.M. Best insurance rating of at least A-, financial size category VII or greater (www.ambest.com). The certificate of insurance coverage shall be documented on forms acceptable to the City. Compliance with minimum limits and coverage, evidenced by a certificate of insurance showing policies and carriers that are acceptable to the City, must be received prior to the effective date of the Agreement. The insurance policies shall provide that insurance coverage cannot be canceled or revised without thirty (30) days prior notice to the City. In the event that this Agreement extends to greater than one year, evidence of continuing coverage must be submitted to the City on an annual basis. Certified copies of any insurance policies may be required. Each policy (with the exception of

professional liability and workers compensation) shall name the Burlington Employees Retirement System (BERS) and the City as an additional insured. It is agreed that the liability insurance furnished by the Consultant is primary and non-contributory for all the additional insured.

The Consultant is responsible to verify and confirm in writing to the City that:

(a) Any sub-Consultants, agents or workers meet the minimum coverage and limits plus maintain current certificates of coverage for any sub-Consultants, agents or workers. Any sub-Consultants must comply with the same insurance requirements as the Consultant.

(b) All work activities related to the agreement shall meet minimum coverage and limits.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Consultant for the Consultant's operations. These are solely minimums that have been developed and must be met to protect the interests of the City.

GENERAL LIABILITY AND PROPERTY DAMAGE:

With respect to all operations performed by the Consultant, any sub-Consultants, agents or workers, it is the Consultant's responsibility to insure that general liability insurance coverage, on an occurrence form, provides all major divisions of coverage including, but not limited to and with limits not less than:

1. Premises Operations
2. Independent Contractors' Protective
3. Products and Completed Operations
4. Personal Injury Liability
5. Contractual Liability
6. Broad Form Property Damage
7. Medical Expenses
8. Collapse, Underground and Explosion Hazards

1. General Aggregate	\$2,000,000
2. Products-Completed/Operations Aggregate	\$2,000,000
3. Personal & Advertising Injury	\$1,000,000
4. Each Occurrence	\$1,000,000
5. Fire Damage (Any one fire)	\$ 250,000
6. Med. Expense (Any one person)	\$ 5,000

WORKERS' COMPENSATION: With respect to all operations performed, the Consultant shall carry workers compensation insurance in accordance with the laws of the State of Vermont and ensure that any sub-Consultants carry the same workers' compensation

insurance for all work performed by them under this contract. Minimum limits for Employer's Liability:

- (a) Bodily Injury by Accident: \$500,000 each accident
- (b) Bodily Injury by Disease: \$500,000 policy limit, \$500,000 each employee

UNEMPLOYMENT INSURANCE: Consultant shall carry unemployment insurance as statutorily required.

PROFESSIONAL LIABILITY INSURANCE:

- (a) General. The Consultant shall carry professional liability insurance covering errors and omissions made during their performance of contractile duties with the following minimum limits:

\$3,000,000 - Annual Aggregate
\$1,000,000 - Per Claim

- (b) Deductibles. The Consultant is responsible for any and all deductibles.

- (c) Coverage. N/A

AUTOMOBILE LIABILITY: The Consultant shall carry commercial automobile liability insurance covering all motor vehicles, including owned, non-owned and hired, used in connection with the agreement. Each policy shall provide coverage with a limit not less than: \$1,000,000 - Combined Single Limit for each occurrence.

UMBRELLA LIABILITY:

\$1,000,000 Each Event Limit

\$1,000,000 General Aggregate Limit

11. **GENERAL COMPLIANCE WITH LAWS:** The Consultant shall comply with all applicable Federal, State and local laws, including but not limited to the Burlington Livable Wage Ordinance, the Non-Outsourcing Ordinance and the Union-Deterrence Ordinance and shall provide the required certifications attesting to compliance with these ordinances. Consultant shall be required to resubmit Livable Wage Ordinance compliance forms annually if the contract period is greater than one year. These forms are due by April 1st of the current year to indicate compliance with the ordinance. Consultant shall be required to meet the current Livable Wage rates posted by the City annually starting July 1st, regardless of the Livable Wage rate at the time of contract execution.
12. **SEVERANCE OF PROVISIONS:** Provisions of the Agreement shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both parties. If, for any reason, a provision in the Agreement is unenforceable or invalid, that provision shall be deemed severed from the Agreement, and the remaining provisions shall be carried out with the same force and effect as if the severed provisions had

never been a part of the Agreement.

- 13. CIVIL RIGHTS and EQUAL EMPLOYMENT OPPORTUNITY:** During performance of the Agreement, the Consultant will not discriminate against any employee or applicant for employment because of race, age, color, religion, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status or genetic information.

The Consultant shall comply with the applicable provisions of Title VI of the Civil Rights Act of 1964 as amended, Executive Order 11246 as amended by Executive Order 11375 and as supplemented by the Department of Labor regulations (41 CFR Part 60). The Consultant shall also comply with the rules, regulations and relevant orders of the Secretary of Labor, Nondiscrimination regulations 49 CFR § 21 through Appendix C, and Regulations under 23 CFR§710.405 (b). Accordingly, all subcontracts/agreements shall include reference to the above. The Consultant shall comply with all the requirements of Title 21, VSA, Chapter 5, Subchapter 6 and 7, relating to fair employment practices to the extent applicable. A similar provision shall be included in any and all subcontracts.

- 14. REGISTRATION:** The Consultant agrees to be registered with the Vermont Secretary of State's office as a business entity doing business in the State of Vermont at all times this Agreement is effective. This registration must be complete prior to Agreement execution.

- 15. PERSONNEL REQUIREMENTS AND CONDITIONS:** A Consultant shall employ only qualified personnel, for responsible authority to supervise the work.

Except with the approval of the City, during the term of the Agreement, the Consultant shall not employ:

(a) Personnel on the payroll of the City who are directly involved with the awarding, administration, monitoring, or performance of the Agreement or any project(s) that are the subjects of the Agreement.

(b) Any person so involved within one (1) year of termination of employment with the City.

The Consultant warrants that no company or person has been employed or retained, other than a bonafide employee working solely for the Consultant, to solicit or secure this Agreement, and that no company or person has been paid or has an agreement with the Consultant to be paid, other than a bonafide employee working solely for the Consultant, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the Agreement. For breach or violation of this warranty, the City shall have the right to annul the Agreement, without liability to the City, and to regain all costs incurred by the City in the performance of the Agreement.

16. TRANSFERS, SUBLETTING, ETC:

The services of the Consultant, to be performed under the Agreement, are personal and shall not be transferred without written authorization of the City. Any authorized sub agreements shall contain all of the same provisions for and attached to the original agreement with the City.

17. CONTINUING OBLIGATIONS: The Consultant agrees that if because of death or other occurrences, it becomes impossible to effectively perform its services in compliance with the Agreement, neither the Consultant nor its surviving members shall be relieved of their obligations to complete the Agreement. However, the City may terminate the Agreement if it considers a death or incapacity of any members to be a loss of such magnitude that it would affect the firm's ability to satisfactorily execute the Agreement.

18. PUBLIC RECORDS: Any and all records submitted to the city, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of City. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified, as shall all other records considered to be exempt under the act. It is not sufficient to merely state generally that a record submitted to the City is proprietary or a trade secret or is otherwise exempt. Particular records, pages or section which are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with section 317 of title 1 of the Vermont Statutes Annotated.

19. RECORDS RETENTION: The Consultant agrees to retain, in its files, and to produce to City within the time periods requested, all books, documents, Electronic Document Management (EDM), accounting records, and other evidence related to City, at any time during this Agreement and for a period of at least three (3) years after its termination. The Consultant further agrees that the City shall have access to all the above information for the purpose of reviewing and audit during the term of the Agreement and anytime within the aforementioned retention period. Copies of all of the above referenced information shall be provided to the City if requested. Consultant, sub-Consultants, or any representatives performing work related to the Agreement, are responsible to insure that all data and information created or stored on EDM is secure and can be duplicated if the EDM mechanism is subjected to power outage or damage. Notwithstanding the foregoing, Consultant prefers to receive documents in electronic format. If Consultant receives documents from the City in paper format, Consultant may scan them or otherwise convert them to electronic format and destroy the paper documents unless the City has previously requested in writing that Consultant return any paper documents to the City. It is the City's responsibility to properly maintain any records as required by law.

20. APPEARANCES: The Consultant will attend conferences, hearings, meetings of BERS, the Burlington City Council, etc. as required by the City. The Consultant shall perform any liaison that the City deems necessary for the furtherance of the work and participate in

conferences with the City, at any reasonable time, concerning interpretation and evaluation of all aspects covered under the Agreement. The Consultant further agrees to participate in meetings with the City and any other interested or affected participant, for the purpose of review or resolution of any conflicts pertaining to the Agreement. The Consultant shall be compensated in accordance with the Schedule of Services (Appendix A) for such services and for any reasonable expenses incurred in relation thereto in accordance with this Agreement.

- 21. SETTLEMENTS OF MISUNDERSTANDINGS:** If requested in writing by either the City or Consultant, the City and Consultant shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by first entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties.
- 22. RIGHT TO TERMINATE:** Either party may terminate this Agreement at any time prior to completion of services specified under this Agreement on thirty (30) days' prior written notice via certified or registered mail of its intention to do so to the other party. If the termination is requested by the City, payment to the Consultant will be made promptly for the amount of any fees earned to the date of the notice of termination, less any payments previously made. However, if a notice of termination is given to a Consultant prior to completion of twenty (20) percent of the estimated services, as set forth in the approved Schedule of Services, the Consultant will be reimbursed for that portion of any reasonable and necessary expenses incurred to date of the notice of termination, that are in excess of the amount earned under its approved fee to the date of said termination. Such requests for reimbursement shall be supported with factual data and shall be subject to the City's approval. The Consultant shall make no claim for additional compensation against the City by reason of such termination.
- 23. RETURN OF MATERIALS:** Consultant agrees that at the termination of this Agreement, it shall return to City all materials provided to it during its engagement on behalf of City except as provided in Section 19 (in that case an electronic version will be returned by written request of City). Additionally, Consultant shall provide data back to the City as necessary to support a smooth transition to another provider.
- 24. PERMISSION TO USE INFORMATION IN MARKETING:** Consultant may use City's name, logo, and a general description of Consultant's services in Consultant's business development efforts and materials except for in an advertisement (posting on Consultant's website shall not constitute an "advertisement" for purposes hereof). If Consultant wishes to use the City's information in an advertisement, it shall get prior written approval. If City does not agree that Consultant may use this information, City will strike this paragraph by drawing a line through it and initialing it.
- 25. WORK PRODUCT:** Upon delivery, the City may use reports and other materials for any legitimate purpose related to administration of the plans to which the services relate, including but not limited to auditing the plan.

26. BINDING NATURE AND JURISDICTION: This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors or heirs and representatives, and assigns. This Agreement shall be governed by Vermont law, and the Consultant expressly agrees to submit to the jurisdiction of the courts of the State of Vermont.

27. NON-APPROPRIATION: The obligations of the City to make payments under this Agreement during more than one of the City's fiscal years shall constitute a current expense of the City and shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional, statutory limitation or requirement, or the City's charter, nor shall anything contained in the contract constitute a pledge of the credit or tax revenues, funds or monies of the City. The decision whether or not to budget and appropriate funds during each fiscal year of the City is within the discretion of the governing body of the City. The obligations of the City under the contract are subject to annual appropriations by the governing body of the City. The City has appropriated sufficient funds to pay for the services to be provided hereunder through June 30, 2018.

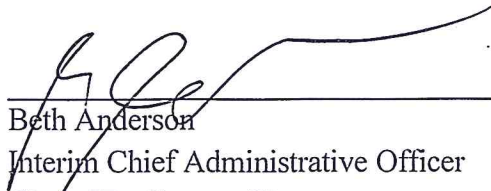
In the event no funds or insufficient funds are appropriated and budgeted for payments due under this Agreement, either party may elect to terminate this Agreement in accordance with this paragraph. The election to terminate must be exercised by delivering its prior written notice of its intent to terminate together with a certified statement by a party, an authorized official in the case the City is terminating, indicating that insufficient sums have been appropriated for the ensuing fiscal year of the City. Termination under this provision shall be effective upon the expiration of the applicable fiscal year of the Agreement and payment of all Agreement payments during that fiscal year.

28. CONFLICTS BETWEEN PROVISIONS: If there is a conflict in the requirements of this Agreement, including the attachments, the order of precedence in the RFP will apply.

29. COMPLETE AGREEMENT: This Agreement, including the attachments, is the complete and exclusive statement of the agreement between the parties with respect to the services set forth, superseding all other communications between the parties. If any provision of this Agreement is determined to be invalid or unenforceable, all other provisions shall remain in force.

30. COUNTERPARTS: This Agreement may be executed in any number of counterparts (including those delivered by facsimile or other electronic means), each of which shall be considered an original and all of which taken together shall constitute one and the same agreement.

Steve A. Lemanski, FSA, FCA, MAAA
Consulting Actuary
Hooker & Holcombe



Beth Anderson
Interim Chief Administrative Officer
City of Burlington, Vermont

Appendix A – Schedule of Services

1. Preparation of the annual actuarial valuation reports (draft & final) for the City's pension plan. Includes annual actuarial certification of the City's funding requirements. Also includes two meetings: one to present valuation results to the Board of Finance (in person or by teleconference) and one to the City Council (in person), and all related calculations, consulting and communications.
2. Annual GASB 67/68 Accounting Reports for City's pension plan.
3. Biennial (odd year) actuarial valuation report for the City's post-retirement medical (OPEB) plan. Includes meeting to present report results with odd year pension results and all related calculations, consulting and communications.
4. Annual GASB 45/75 Accounting Report for City's OPEB plan.
5. Preparation of responses to questions and data request from BERS' independent auditors regarding GASB 67 and 68 Valuation reports and the assumptions, methods and data used.
6. Review and certification of benefit calculations, as needed.

During our initial planning meeting with the City/BERS, mutually agreeable deadlines will be set for the above deliverables. The term of this contract shall be for a three (3) year period, with BERS having the option to extend the contract for an additional three one-year periods (TBD) under the same terms and conditions. Fees for the extended contract period will not exceed the 2019-2020 year fees (both fixed and hourly) by more than 3% per year.

FEE SCHEDULE

	Pension Valuation & meetings including GASB 67/68 reporting (1&2)	OPEB Valuation including GASB 45/75 reporting (3&4)	Work outside Valuation & GASB (5) *
July 1, 2017 to June 30, 2018	\$28,500	\$12,500	\$9,000
July 1, 2018 to June 30, 2019	\$29,000	\$2,500	\$9,000
July 1, 2019 to June 30, 2020	\$29,500	\$12,500	\$9,000
July 1, 2012 – June 30, 2017 Actuarial Experience Study	\$18,000		

* Fee estimate for 50 benefit calculation certifications. Actual fee will be based on \$180 per certification. Other work outside the valuation and annual accounting reports, including but not limited to benefit statements, cost estimates, union negotiations, etc., will be billed at our hourly rates. Any project expected to exceed \$1,000 will be quoted in advance with a "not to exceed" fee quote.

Our 2017 hourly rates follow:

▪ Consultants/Actuaries	\$260 - \$440
▪ Analysts/Technicians	\$150 - \$260
▪ Support	\$100 - \$160

AGREEMENT TO PROVIDE ACTUARIAL CONSULTING SERVICES TO THE CITY OF BURLINGTON, VERMONT

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This engagement is not to be relied upon to disclose errors, irregularities, or illegal acts, including fraud or defalcations, which may exist with respect to the pension and other retirement plans covered by the agreement and services provided. However, Consultant shall inform the City of any such matters that come to Consultant’s attention.

2. **SERVICES TO BE PERFORMED:** Consultant shall provide the services set forth in Appendix A, “Schedule of Services” in conformance with the requirements of the RFP.
3. **TERM:** The term of this Agreement shall be for three years. Upon notice of at least ninety (90) days prior to the end of the current term, Consultant may exercise the option to extend the Agreement for an additional year. Consultant shall have this option for three (3) one-year periods. An extended Agreement shall be subject to the same terms and conditions as this Agreement except that the fees (both fixed and hourly), shall not exceed the 2019-2020 year fees by more than 3% per year.
4. **FEES AND EXPENSE:** The Parties agree that full compensation for performance of all services and expenses (including those of sub-Consultants) under this Agreement shall not exceed the maximum limiting amount of \$247,000 per year without duly authorized written approval; provided that Consultant shall be entitled to cease providing services if such approval is not obtained.

The fees and expenses for Consultants services are as follows:

- A. **Professional Fees.** The Fee Schedule in the Schedule of Services sets forth the fees for Consultant’s services. Except where the Schedule of Services provides otherwise, Consultant’s fees for professional services will be based on the time expended at Consultant’s current (2017) hourly rates. Consultant’s current hourly rates are subject to change periodically, usually on an annual basis, by no more than 3% per year. Consultant’s 2017 hourly rates are:

- Consultants/Actuaries \$260-\$440
- Analysts/Technicians \$150-\$260
- Support \$100-\$160

B. Direct Expenses. In addition to professional fees, Consultant will bill the City for any expenses paid to others on the City's behalf and for other costs incurred by Consultant that are customarily paid by each client on an "as-used" basis, such as copier charges for non-incidental copying, courier and expedited delivery services, and travel expenses. If there are any Direct Expenses anticipated, Consultant shall incorporate those into a fee quote to City in advance of the project. If a disbursement is expected to exceed \$1,000, Consultant may ask the City to fund it in advance.

C. Taxes. Consultant understands that its services would be exempt from Vermont state and local sales tax. If any state or local sales tax (or similar tax) is or becomes applicable, it will be charged in addition to the above fees.

D. Payment. Consultant will generally submit a monthly bill to the City in arrears for services provided unless a different arrangement is mutually agreed upon in writing in advance of services. All unpaid fees, expenses and costs are due thirty (30) days from the invoice date.

5. **CHANGES AND AMENDMENTS:** No changes or amendments of the Agreement shall be effective unless documented in writing and signed by authorized representatives of the City and the Consultant.
6. **RELATIONSHIP:** The parties agree that the Consultant is an independent Contractor. To that end, the Consultant shall determine the method, details, and means of performing the work, but will comply with all legal requirements, including but not limited to all regulatory requirements, in doing so. City shall provide the Consultant with no specific instructions or training in how to provide the required services, except to the extent required by law or regulation. The Consultant shall provide its own tools, materials or equipment. The parties agree that neither the Consultant nor its principal is an employee of City or any of its departments, agencies, or related entities. The parties also agree that neither the Consultant nor its principal is entitled to any employee benefits from City. Consultant understands and agrees that it and its principal have no right to claim any benefits under the Burlington Employee Retirement System, City's worker's compensation benefits, health insurance, dental insurance, life insurance or any other employee benefit plan offered by City. The Consultant agrees to execute any certifications or other documents certifying to the representations in this Section 6 and to provide any certificates of insurance required by City and understands that this contract is conditioned on its doing so, if requested.

The Consultant understands and agrees that it is responsible for the payment of all taxes on the above sums and that City will not withhold or pay for Social Security, Medicare, or other taxes or benefits or be responsible for any unemployment benefits.

7. **CONFIDENTIALITY:** Consultant agrees to maintain the full confidentiality of any information or processes relating to the City that it may obtain, view or observe during the term of this agreement. Consultant agrees that any information relating to individuals, including but not limited to information received in census data such as dates of birth, dates of hire, social security numbers and other personal information received from the City under this Agreement or any other information relating to individuals that Consultant may have access to in order to complete the work under this Agreement shall be maintained and used only for the purposes intended under this Agreement and in full conformity with law and regulation. Such agreements shall survive the termination of this Agreement.
8. **DATA SECURITY:** Consultant shall have in place for the term of this Agreement and for all time that it is in possession of City information standardized security protection mechanisms and systems with a satisfactory SOC 1 Type 2 report for any systems used to store, process or transmit City's data. Consultant shall certify on execution and each anniversary date of the Agreement that it possesses and has in place the necessary and appropriate mechanisms, systems, policies and procedures to comply with commercially accepted standards for the protection of personal information. This provision shall survive the termination of this Agreement.
9. **INDEMNIFICATION AND HOLD HARMLESS:** The Consultant will act in an independent capacity and not as officers or employees of the City. The Consultant shall indemnify, defend and hold harmless the City and its officers and employees from liability and any claims, suits, expenses, losses, judgments, and damages arising as a result of the Consultant's acts and/or omissions in the performance of this Agreement up to a limit of the total amount of fees paid to the Consultant hereunder. The City is responsible for its own actions. The Consultant is not obligated to indemnify the City or its officers, agents and employees for any liability of the City, its officers, agents and employees attributable to its, or their own, negligent acts, errors or omissions. In the event the City, its officers, agents or employees are notified of any claims asserted against it or them to which this Indemnification clause may apply, the City or its officers, agents and employees shall immediately thereafter notify the Consultant in writing that a claim to which the Indemnification Agreement may apply has been filed.
10. **INSURANCE:** Prior to beginning any work the Consultant shall obtain the following insurance coverage from an insurance company registered and licensed to do business in the State of Vermont and having an A.M. Best insurance rating of at least A-, financial size category VII or greater (www.ambest.com). The certificate of insurance coverage shall be documented on forms acceptable to the City. Compliance with minimum limits and coverage, evidenced by a certificate of insurance showing policies and carriers that are acceptable to the City, must be received prior to the effective date of the Agreement. The insurance policies shall provide that insurance coverage cannot be canceled or revised without thirty (30) days prior notice to the City. In the event that this Agreement extends to greater than one year, evidence of continuing coverage must be submitted to the City on an annual basis. Certified copies of any insurance policies may be required. Each policy (with the exception of

professional liability and workers compensation) shall name the Burlington Employees Retirement System (BERS) and the City as an additional insured. It is agreed that the liability insurance furnished by the Consultant is primary and non-contributory for all the additional insured.

The Consultant is responsible to verify and confirm in writing to the City that:

(a) Any sub-Consultants, agents or workers meet the minimum coverage and limits plus maintain current certificates of coverage for any sub-Consultants, agents or workers. Any sub-Consultants must comply with the same insurance requirements as the Consultant.

(b) All work activities related to the agreement shall meet minimum coverage and limits.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Consultant for the Consultant's operations. These are solely minimums that have been developed and must be met to protect the interests of the City.

GENERAL LIABILITY AND PROPERTY DAMAGE:

With respect to all operations performed by the Consultant, any sub-Consultants, agents or workers, it is the Consultant's responsibility to insure that general liability insurance coverage, on an occurrence form, provides all major divisions of coverage including, but not limited to and with limits not less than:

1. Premises Operations
2. Independent Contractors' Protective
3. Products and Completed Operations
4. Personal Injury Liability
5. Contractual Liability
6. Broad Form Property Damage
7. Medical Expenses
8. Collapse, Underground and Explosion Hazards

1. General Aggregate	\$2,000,000
2. Products-Completed/Operations Aggregate	\$2,000,000
3. Personal & Advertising Injury	\$1,000,000
4. Each Occurrence	\$1,000,000
5. Fire Damage (Any one fire)	\$ 250,000
6. Med. Expense (Any one person)	\$ 5,000

WORKERS' COMPENSATION: With respect to all operations performed, the Consultant shall carry workers compensation insurance in accordance with the laws of the State of Vermont and ensure that any sub-Consultants carry the same workers' compensation

insurance for all work performed by them under this contract. Minimum limits for Employer's Liability:

- (a) Bodily Injury by Accident: \$500,000 each accident
- (b) Bodily Injury by Disease: \$500,000 policy limit, \$500,000 each employee

UNEMPLOYMENT INSURANCE: Consultant shall carry unemployment insurance as statutorily required.

PROFESSIONAL LIABILITY INSURANCE:

- (a) General. The Consultant shall carry professional liability insurance covering errors and omissions made during their performance of contractile duties with the following minimum limits:

\$3,000,000 - Annual Aggregate
\$1,000,000 - Per Claim

- (b) Deductibles. The Consultant is responsible for any and all deductibles.

- (c) Coverage. N/A

AUTOMOBILE LIABILITY: The Consultant shall carry commercial automobile liability insurance covering all motor vehicles, including owned, non-owned and hired, used in connection with the agreement. Each policy shall provide coverage with a limit not less than: \$1,000,000 - Combined Single Limit for each occurrence.

UMBRELLA LIABILITY:

\$1,000,000 Each Event Limit

\$1,000,000 General Aggregate Limit

11. **GENERAL COMPLIANCE WITH LAWS:** The Consultant shall comply with all applicable Federal, State and local laws, including but not limited to the Burlington Livable Wage Ordinance, the Non-Outsourcing Ordinance and the Union-Deterrence Ordinance and shall provide the required certifications attesting to compliance with these ordinances. Consultant shall be required to resubmit Livable Wage Ordinance compliance forms annually if the contract period is greater than one year. These forms are due by April 1st of the current year to indicate compliance with the ordinance. Consultant shall be required to meet the current Livable Wage rates posted by the City annually starting July 1st, regardless of the Livable Wage rate at the time of contract execution.
12. **SEVERANCE OF PROVISIONS:** Provisions of the Agreement shall be interpreted and implemented in a manner consistent with each other and using procedures that will achieve the intent of both parties. If, for any reason, a provision in the Agreement is unenforceable or invalid, that provision shall be deemed severed from the Agreement, and the remaining provisions shall be carried out with the same force and effect as if the severed provisions had

never been a part of the Agreement.

- 13. CIVIL RIGHTS and EQUAL EMPLOYMENT OPPORTUNITY:** During performance of the Agreement, the Consultant will not discriminate against any employee or applicant for employment because of race, age, color, religion, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status or genetic information.

The Consultant shall comply with the applicable provisions of Title VI of the Civil Rights Act of 1964 as amended, Executive Order 11246 as amended by Executive Order 11375 and as supplemented by the Department of Labor regulations (41 CFR Part 60). The Consultant shall also comply with the rules, regulations and relevant orders of the Secretary of Labor, Nondiscrimination regulations 49 CFR § 21 through Appendix C, and Regulations under 23 CFR§710.405 (b). Accordingly, all subcontracts/agreements shall include reference to the above. The Consultant shall comply with all the requirements of Title 21, VSA, Chapter 5, Subchapter 6 and 7, relating to fair employment practices to the extent applicable. A similar provision shall be included in any and all subcontracts.

- 14. REGISTRATION:** The Consultant agrees to be registered with the Vermont Secretary of State's office as a business entity doing business in the State of Vermont at all times this Agreement is effective. This registration must be complete prior to Agreement execution.

- 15. PERSONNEL REQUIREMENTS AND CONDITIONS:** A Consultant shall employ only qualified personnel, for responsible authority to supervise the work.

Except with the approval of the City, during the term of the Agreement, the Consultant shall not employ:

(a) Personnel on the payroll of the City who are directly involved with the awarding, administration, monitoring, or performance of the Agreement or any project(s) that are the subjects of the Agreement.

(b) Any person so involved within one (1) year of termination of employment with the City.

The Consultant warrants that no company or person has been employed or retained, other than a bonafide employee working solely for the Consultant, to solicit or secure this Agreement, and that no company or person has been paid or has an agreement with the Consultant to be paid, other than a bonafide employee working solely for the Consultant, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon or resulting from the award or making of the Agreement. For breach or violation of this warranty, the City shall have the right to annul the Agreement, without liability to the City, and to regain all costs incurred by the City in the performance of the Agreement.

16. TRANSFERS, SUBLETTING, ETC:

The services of the Consultant, to be performed under the Agreement, are personal and shall not be transferred without written authorization of the City. Any authorized sub agreements shall contain all of the same provisions for and attached to the original agreement with the City.

17. CONTINUING OBLIGATIONS: The Consultant agrees that if because of death or other occurrences, it becomes impossible to effectively perform its services in compliance with the Agreement, neither the Consultant nor its surviving members shall be relieved of their obligations to complete the Agreement. However, the City may terminate the Agreement if it considers a death or incapacity of any members to be a loss of such magnitude that it would affect the firm's ability to satisfactorily execute the Agreement.

18. PUBLIC RECORDS: Any and all records submitted to the city, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of City. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified, as shall all other records considered to be exempt under the act. It is not sufficient to merely state generally that a record submitted to the City is proprietary or a trade secret or is otherwise exempt. Particular records, pages or section which are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with section 317 of title 1 of the Vermont Statutes Annotated.

19. RECORDS RETENTION: The Consultant agrees to retain, in its files, and to produce to City within the time periods requested, all books, documents, Electronic Document Management (EDM), accounting records, and other evidence related to City, at any time during this Agreement and for a period of at least three (3) years after its termination. The Consultant further agrees that the City shall have access to all the above information for the purpose of reviewing and audit during the term of the Agreement and anytime within the aforementioned retention period. Copies of all of the above referenced information shall be provided to the City if requested. Consultant, sub-Consultants, or any representatives performing work related to the Agreement, are responsible to insure that all data and information created or stored on EDM is secure and can be duplicated if the EDM mechanism is subjected to power outage or damage. Notwithstanding the foregoing, Consultant prefers to receive documents in electronic format. If Consultant receives documents from the City in paper format, Consultant may scan them or otherwise convert them to electronic format and destroy the paper documents unless the City has previously requested in writing that Consultant return any paper documents to the City. It is the City's responsibility to properly maintain any records as required by law.

20. APPEARANCES: The Consultant will attend conferences, hearings, meetings of BERS, the Burlington City Council, etc. as required by the City. The Consultant shall perform any liaison that the City deems necessary for the furtherance of the work and participate in

conferences with the City, at any reasonable time, concerning interpretation and evaluation of all aspects covered under the Agreement. The Consultant further agrees to participate in meetings with the City and any other interested or affected participant, for the purpose of review or resolution of any conflicts pertaining to the Agreement. The Consultant shall be compensated in accordance with the Schedule of Services (Appendix A) for such services and for any reasonable expenses incurred in relation thereto in accordance with this Agreement.

21. **SETTLEMENTS OF MISUNDERSTANDINGS:** If requested in writing by either the City or Consultant, the City and Consultant shall attempt to resolve any dispute between them arising out of or in connection with this Agreement by first entering into structured non-binding negotiations with the assistance of a mediator on a without prejudice basis. The mediator shall be appointed by agreement of the parties.
22. **RIGHT TO TERMINATE:** Either party may terminate this Agreement at any time prior to completion of services specified under this Agreement on thirty (30) days' prior written notice via certified or registered mail of its intention to do so to the other party. If the termination is requested by the City, payment to the Consultant will be made promptly for the amount of any fees earned to the date of the notice of termination, less any payments previously made. However, if a notice of termination is given to a Consultant prior to completion of twenty (20) percent of the estimated services, as set forth in the approved Schedule of Services, the Consultant will be reimbursed for that portion of any reasonable and necessary expenses incurred to date of the notice of termination, that are in excess of the amount earned under its approved fee to the date of said termination. Such requests for reimbursement shall be supported with factual data and shall be subject to the City's approval. The Consultant shall make no claim for additional compensation against the City by reason of such termination.
23. **RETURN OF MATERIALS:** Consultant agrees that at the termination of this Agreement, it shall return to City all materials provided to it during its engagement on behalf of City except as provided in Section 19 (in that case an electronic version will be returned by written request of City). Additionally, Consultant shall provide data back to the City as necessary to support a smooth transition to another provider.
24. **PERMISSION TO USE INFORMATION IN MARKETING:** Consultant may use City's name, logo, and a general description of Consultant's services in Consultant's business development efforts and materials except for in an advertisement (posting on Consultant's website shall not constitute an "advertisement" for purposes hereof). If Consultant wishes to use the City's information in an advertisement, it shall get prior written approval. If City does not agree that Consultant may use this information, City will strike this paragraph by drawing a line through it and initialing it. 
25. **WORK PRODUCT:** Upon delivery, the City may use reports and other materials for any legitimate purpose related to administration of the plans to which the services relate, including but not limited to auditing the plan.

26. BINDING NATURE AND JURISDICTION: This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, their successors or heirs and representatives, and assigns. This Agreement shall be governed by Vermont law, and the Consultant expressly agrees to submit to the jurisdiction of the courts of the State of Vermont.

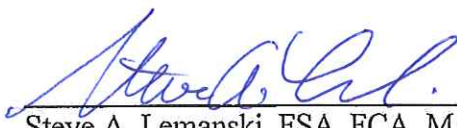
27. NON-APPROPRIATION: The obligations of the City to make payments under this Agreement during more than one of the City's fiscal years shall constitute a current expense of the City and shall not in any way be construed to be a debt of the City in contravention of any applicable constitutional, statutory limitation or requirement, or the City's charter, nor shall anything contained in the contract constitute a pledge of the credit or tax revenues, funds or monies of the City. The decision whether or not to budget and appropriate funds during each fiscal year of the City is within the discretion of the governing body of the City. The obligations of the City under the contract are subject to annual appropriations by the governing body of the City. The City has appropriated sufficient funds to pay for the services to be provided hereunder through June 30, 2018.

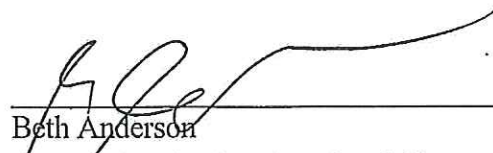
In the event no funds or insufficient funds are appropriated and budgeted for payments due under this Agreement, either party may elect to terminate this Agreement in accordance with this paragraph. The election to terminate must be exercised by delivering its prior written notice of its intent to terminate together with a certified statement by a party, an authorized official in the case the City is terminating, indicating that insufficient sums have been appropriated for the ensuing fiscal year of the City. Termination under this provision shall be effective upon the expiration of the applicable fiscal year of the Agreement and payment of all Agreement payments during that fiscal year.

28. CONFLICTS BETWEEN PROVISIONS: If there is a conflict in the requirements of this Agreement, including the attachments, the order of precedence in the RFP will apply.

29. COMPLETE AGREEMENT: This Agreement, including the attachments, is the complete and exclusive statement of the agreement between the parties with respect to the services set forth, superseding all other communications between the parties. If any provision of this Agreement is determined to be invalid or unenforceable, all other provisions shall remain in force.

30. COUNTERPARTS: This Agreement may be executed in any number of counterparts (including those delivered by facsimile or other electronic means), each of which shall be considered an original and all of which taken together shall constitute one and the same agreement.


Steve A. Lemanski, FSA, FCA, MAAA
Consulting Actuary
Hooker & Holcombe


Beth Anderson
Interim Chief Administrative Officer
City of Burlington, Vermont

Appendix A – Schedule of Services

1. Preparation of the annual actuarial valuation reports (draft & final) for the City's pension plan. Includes annual actuarial certification of the City's funding requirements. Also includes two meetings: one to present valuation results to the Board of Finance (in person or by teleconference) and one to the City Council (in person), and all related calculations, consulting and communications.
2. Annual GASB 67/68 Accounting Reports for City's pension plan.
3. Biennial (odd year) actuarial valuation report for the City's post-retirement medical (OPEB) plan. Includes meeting to present report results with odd year pension results and all related calculations, consulting and communications.
4. Annual GASB 45/75 Accounting Report for City's OPEB plan.
5. Preparation of responses to questions and data request from BERS' independent auditors regarding GASB 67 and 68 Valuation reports and the assumptions, methods and data used.
6. Review and certification of benefit calculations, as needed.

During our initial planning meeting with the City/BERS, mutually agreeable deadlines will be set for the above deliverables. The term of this contract shall be for a three (3) year period, with BERS having the option to extend the contract for an additional three one-year periods (TBD) under the same terms and conditions. Fees for the extended contract period will not exceed the 2019-2020 year fees (both fixed and hourly) by more than 3% per year.

FEE SCHEDULE

	Pension Valuation & meetings including GASB 67/68 reporting (1&2)	OPEB Valuation including GASB 45/75 reporting (3&4)	Work outside Valuation & GASB (5) *
July 1, 2017 to June 30, 2018	\$28,500	\$12,500	\$9,000
July 1, 2018 to June 30, 2019	\$29,000	\$2,500	\$9,000
July 1, 2019 to June 30, 2020	\$29,500	\$12,500	\$9,000
July 1, 2012 – June 30, 2017 Actuarial Experience Study	\$18,000		

* Fee estimate for 50 benefit calculation certifications. Actual fee will be based on \$180 per certification. Other work outside the valuation and annual accounting reports, including but not limited to benefit statements, cost estimates, union negotiations, etc., will be billed at our hourly rates. Any project expected to exceed \$1,000 will be quoted in advance with a "not to exceed" fee quote.

Our 2017 hourly rates follow:

▪ Consultants/Actuaries	\$260 - \$440
▪ Analysts/Technicians	\$150 - \$260
▪ Support	\$100 - \$160

Appendix B - Request for Proposal

**Burlington Employees Retirement System
Pension and Other Post-Employment Benefits (OPEB)
Actuarial Services**

Request for Proposal

Due July 12, 2017



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PART A PROCUREMENT INFORMATION

A-1 Introduction

The Burlington Employees' Retirement System (BERS) is soliciting proposals for Pension and OPEB Actuarial Services. The following document outlines the requirements for responding to this Request for Proposal (RFP).

A-1.1 EXECUTIVE SUMMARY

Burlington Employees Retirement System (BERS) is soliciting proposals from firms interested in serving as Consulting Actuary. BERS is seeking professional actuary services to perform the annual pension plan valuation and bi-annual OPEB valuation and other related services as required by current or future GASB pronouncements. A complete description of required services is included in **Section B, Scope of Pension and OPEB Actuarial Consulting Services**.

A-1.2 BERS POINT OF CONTACT

From the issue date of this RFP until the selection and announcement of a successful offeror, offerors are not allowed to communicate, for any reason, with any BERS staff regarding this particular procurement, except through the Contracting Officer named herein. For violation of this provision, BERS shall reserve the right to reject the proposal of the offending offeror.

The point of contact for questions and all other contractual matters relating to this RFP is:

Name: Rich Goodwin
Title: Director Financial Operations
Address: 149 Church Street, 2nd Floor
Burlington, VT 05401
E-Mail: rgoodwin@burlingtonvt.gov

The deadline for offeror's proposals is, **July 12, 2017 by 3:00 PM** delivered to the BERS office, marked to the attention of:

Name: Rich Goodwin
Title: Director Financial Operations
Address: 149 Church Street, 2nd Floor
Burlington, VT 05401
E-Mail: rgoodwin@burlingtonvt.gov

By submitting a proposal, the offeror acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements.



A-1.3 OFFEROR QUESTIONS ABOUT RFP AND PROCUREMENT

Submit offeror questions relating to this RFP and/or procurement via email to the Point of Contact named in Section A-1.2 through **June 19, 2017**. Submit all questions as a Word document using the format specified in Table 1 below. Failure to comply with the use of this format may be grounds for the questions not being answered.

Table 1. Format for Submission of Offeror Questions

No.	RFP Section	RFP Page	Question
Q1			
A1			
Q2			
A2			

Email is the required method of communications – using a Word file as an attachment. All written questions must include the name of the firm and the person submitting the questions. BERS will post a compilation of all questions and answers, along with any RFP addenda, to the BERS website <https://www.burlingtonvt.gov/RFP> no later than **June 27, 2017**. Individuals and Firm names will not be listed on responses.

A-1.4 BIDDERS RFP RSVP

Offerors that intend to bid on the BERS RFP are expected to notify BERS via email to the Point of Contact named in Section A-1.2 of their intent to do so by the date and time shown in Section A-2.3.

A-1.5 REQUESTS FOR CLARIFICATION

Upon review of proposals submitted by offerors, BERS may, at its discretion, submit to offerors written questions and requests for clarification relating to their technical and/or cost proposals. Offerors will be provided a reasonable period of time in which to submit written responses to BERS' questions and requests for clarification. Such question and answer exchanges may be repeated until BERS is satisfied that all offeror information necessary to enable a complete evaluation of proposals has been obtained.

All such written exchanges between BERS and the successful offeror will be incorporated by reference into the contract to be executed by the two parties.

A-1.6 PRESENTATIONS

At BERS' discretion, offerors who receive high scores after the initial review of proposals may be required to provide presentations on site at BERS' offices, at the offeror's office or via webinar session. If presentations are required, offerors will be offered alternative dates from which to select.

BERS requires meeting the key assigned staff when conducting the presentations. BERS' objective is to discern the offeror's proposed staffs' familiarity with the proposed services and their ability to explain, communicate, converse, and interact with BERS staff. While respecting the role of sales and marketing staff in the sales process, BERS is most interested in interacting with key service providing members. BERS reserves the right not to conduct offeror presentations, and/or customer site visits.



A-1.7 BEST AND FINAL OFFERS (BAFO)

At BERS' discretion, Best and Final Offers (BAFO) may be solicited from offerors whose scores are ranked highest after the initial review of proposals, presentations and site visits (if presentations and site visits are conducted).

BAFOs may address cost, scope changes, staffing changes, service changes – both those solicited by BERS and those offered by the offeror.

These offerors' Best and Final Offers must be received at the address identified in Section A-1.2 by the time specified in the solicitation. If a Best and Final Offer is not submitted, the previous submittal will be construed as the Best and Final Offer. BAFO proposals must be prepared in the same number of copies and packaged and submitted according to the same instructions that apply to the initial proposal submission (please refer to Section C-1). After Best and Final Offers are received, final evaluations will be conducted for an award.

BERS reserves the right not to solicit Best and Final Offers.

A-1.8 RFP ORGANIZATION

This RFP is organized as described below.

PART A – Procurement Information

This part of the RFP sets forth the procedures for conducting the procurement, the nature of the services being sought, the project timetable, and a description of BERS' existing environment.

PART B – Scope of Services

This part of the RFP defines in detail the scope of services. It addresses the business service requirements to be satisfied, and other required services and deliverables,

PART C - Proposal Format and Evaluation

This part of the RFP provides detailed instructions for the preparation and format of offeror proposals, both technical and cost.

PART D – BERS Terms and Conditions

This part of the RFP sets forth the standard BERS terms and conditions that the offeror must abide by in preparing its response to this RFP and/or in conducting the effort after award.

A-1.9 CLARIFICATION OF TERMINOLOGY

All references in this RFP to features, functions, services, or deliverables that “should”, “must”, “will”, “has ability to”, etc. be provided by the offeror are to be construed as mandatory. Similarly, all references in this RFP to information that “should”, “must”, “will”, “has ability to”, etc. be provided in the offeror's proposal are to be construed as mandatory.

Bidders may be referred to alternatively as “bidders”, “offerors”, “successful offerors”, “successful bidders”, “vendors”, etc. All such references (except for those explicitly defined otherwise) are to the primary contractor who submits the proposal in response to this RFP and, if successful, who will be responsible for the successful completion of all required deliverables.



References to days are to work days unless otherwise explicitly stated.

Reference to time as stated in this RFP is based on local Eastern Time.

Throughout this RFP, BERS refers to awarding of the contract as if that award were a given. In fact, BERS reserves to itself the right to reject any or all proposals, to negotiate with one or more bidders, or to award the contract in its best interest, as well as reserve to itself the right to make no award whatsoever or re-advertise for additional proposals and to extend the deadline for submission of the proposals.

A-2 NATURE OF PROCUREMENT

BERS is soliciting proposals from firms having recent experience in the supply of actuarial services in the public sector for Pension Systems and Employee Health Systems. To be considered for the purpose stated above, the firm must meet all of the following minimum qualifications. Failure to do so shall result in the rejection of the proposal.

BERS' minimum qualifications,

- The firm must be a professional actuarial consulting firm that provides actuarial valuations, experience investigations, asset/liability studies, or actuarial consulting services.
- The firm must have been in existence as a business entity performing such services for a minimum of five (5) years.
- The firm must have a minimum of three (3) current single-employer, public pension plan clients, each client with at least 3,000 members; with a benefit structure of reasonably similar complexity to BERS.
- The Principal Actuary performing the services under the Contract must be a Fellow of the Society of Actuaries and an enrolled actuary. The Principal Actuary must have ten (10) years of experience as a principal consulting actuary providing pension consulting services, experience analysis, and valuation assignments for one or more single-employer public retirement systems, each with a membership of at least 3,000.
- Any Supporting Actuary performing services under the Contract must be a Fellow of the Society of Actuaries and an enrolled actuary. The primary supporting actuary must have five (5) years of experience as a principal or supporting actuary providing pension consulting services, experience analysis, and valuation assignments for a single-employer public retirement system.
- The firm's technology system must be capable of providing adequate and verifiable security for all client data, including providing a secure means of data transmission between the firm and BERS, as well as, providing encryption of client data at rest within the system using no less than 128-bit key encryption. The firm must further have installed internal controls to ensure that client data is not stored outside of the system.
- The firm must be able to cite five or more such previous public sector actuarial services clients.



A-2.1 ABOUT BERS

BERS is the name that refers to the Burlington City Employee's Retirement System. The system is run by a board that has the Fiduciary duty to administer **one** distinct defined benefit retirement system.

The system's funds provide service retirement benefits as well as death and disability benefits to a population of contributory and non-contributory members and their beneficiaries. The plan covers eligible members employed in the general administrative service of the City and certain non-teacher employees of the Burlington City Public School District. As of June 30, 2016, the BERS membership consisted of the following:

- BERS Retirees and Beneficiaries Receiving Benefits- 700
- Terminated Members Not Yet Receiving Benefits - 400
- Active Plan Members 1,135
- Total Membership of 2,235.

Copy of the ordinances governing the system is available on the City of Burlington's Code of Ordinances in Chapter 24. The Code can be found here: <https://www.codepublishing.com/VT/Burlington/>

A-2.2 PROJECT OBJECTIVES AND SCOPE

The objective of this RFP is to solicit proposals from offerors who will be responsible for completing all of the stated service requests within an agreed upon timetable and in a quality manner with a fixed fee structure.

A-2.2.1 General Objectives and Scope

The objective of this RFP is to solicit proposals from qualified actuarial service firms willing and able to provide stable state-of-the-industry service capable of supporting BERS. The offeror is expected to enable BERS staff to perform all of their duties associated with financial accounting and reporting.

BERS will award this contract to the offeror who can best meet the needs as defined in this RFP. The objective of this RFP is to elicit a response from offerors for the implementation of the defined services.

The RFP also specifies the common format of offeror responses and the estimated timeframe to enable BERS to compare the offerors' services and to make its choice. In addition, the RFP briefly explains the selection process.

A-2.2.2 Term of Contract

The contract for consulting actuarial services is intended to be for a three (3) year period with BERS having the option to extend the contract for an additional three-one year periods (TBD) under the same terms and conditions.



A-2.3 PROJECT SCHEDULE AND MILESTONES

The dates provided in Table 2 on the next page are approximate and are for the period up to the project start date following contract award.

BERS reserves the right to change the calendar of events or issue amendments to the RFP at any time. BERS also reserves the right to cancel or reissue the RFP. Offerors should check the BERS Website from time to time as any amendments or other RFP related materials will be posted there.

Table 2. Project Schedule

Date	Activity
June 9, 2017	RFP issued
June 15, 2017 @ 3:00 p.m.	Bidders RFP RSVP
June 19, 2017	Receive offerors' questions
June 27, 2017	BERS supplies answers to offerors' questions
July 12 2017 @ 3:00 p.m.	Deadline for receipt of proposals
July 24, 2017	BERS generated questions
July 31, 2017	Offerors' responses to questions
August 14-16, 2017	Hold presentations for short listed vendors
September 1, 2017	BERS evaluation complete
September 18, 2017	BERS selection approved*
September 19, 2017	Contract negotiations begin

*Final approval is based on review and approval of BERS, Board of Finance and City Councils approval.

PART B SCOPE OF SERVICES

B-1 Scope of Actuarial Services

The Consulting Actuary shall perform the listed tasks, which include, but shall not be limited to, the following:

1. An annual formal valuation of the assets and liabilities of the Pension Plan with a valuation report to BERS. Valuations shall be prepared in accordance with Actuarial Standards of Practice and will determine funding status, funding requirements and recommend employer contribution rates and information to comply with the Governmental Accounting Standards Board (GASB) Statement No.67 and 68.
2. Prepare responses to questions and data request from BERS' independent auditors regarding GASB 67 and 68 Valuation reports and the assumptions, methods and data used.
3. BERS expects the actuary to attend 2 meetings per contract year: one meeting with the Board of Finance (in person or by teleconference) and one meeting (in person) with the City Council, to review the annual actuarial valuation, review the actuarial assumptions used in the valuation for



appropriateness, and provide recommendations to the Board regarding the actuarial assumptions to be used going forward in connection with the valuation and administration of the Plan.

DELIVERABLES:

- Draft Funding Valuation for the year end June 30, 2017, and annually thereafter
- Final Funding Valuation for the year end June 30, 2017, and annually thereafter
- Provide Annual Actuarial Certification Letters of Funding Requirements
- Draft Experience Study
- Final Experience Study
- Draft GASB 67/68 Valuation Reports (Measurement Date of June 30, 2017 for our June 30, 2018 Comprehensive Annual Financial Report
- Final GASB 67/68 Valuation Reports (Measurement Date of June 30, 2017 for our June 30, 2018 Comprehensive Annual Financial Report.

B-2 Scope of OPEB Services

Effective June 30, 2017 the Burlington School Department and the City of Burlington will issue financial reports consistent with GASB 45 and, effective June 30, 2018, they will report consistent with GASB 75. The Governmental Accounting Standards Board (GASB) has issued statement No. 45, Financial Reporting for Post-Employment Benefit Plans Other Than Pension Plans (OPEB) which established standards for the measurement, recognition and reporting of OPEB expenses and related liabilities in the comprehensive annual financial report (CAFR). The actuary will provide BERS with an actuarial determined valuation of their OPEB for compliance with the GASB Statements.

The goals of the OPEB services are to:

- Recognize the cost of OPEB benefits in the period when services are received.
- Provide information about the actuarial liabilities for the promised benefits.
- Provide information useful in assessing potential demands on future cash flows.

At a minimum, this valuation should:

1. Determine cost of benefits
2. Project future benefits payments
3. Determine the present value of projected benefit payments
4. Provide the accrued liability of OPEB associated with the past service costs
5. Use an acceptable actuarial cost allocation method to assign costs to specific accounting periods
6. Provide information useful in accessing potential demands on the BERS's cash flows

DELIVERABLES:

- Draft Funding Valuation prepared in accordance with GASB 45 for the fiscal year ended June 30, 2017.
- Final Funding Valuation prepared in accordance with GASB 45 for the fiscal year ended June 30, 2017.



- Draft Funding Valuation prepared in accordance with GASB 75 for the fiscal year ended June 30, 2018 and each year thereafter.
- Final Funding Valuation prepared in accordance with GASB 75 for the fiscal year ended June 30, 2018 and each year thereafter .

B-3 Scope of Consulting Services

BERS may, from time to time, request in writing special analyses based on actuarial results, economic events, policy discussions, changes in accounting requirements, calculation certifications or other similar events. The actuarial firm selected should have sufficient resources to respond to these authorized, written requests in a timely manner. Such consultation and advice will be facilitated through periodic meetings, routine telephone consultations, and correspondence as required by BERS. Additionally, the actuarial firm will also be required to complete Benefit Calculation Certifications. This task involves the ability and timeline to certify all the retirement calculation (service, disability, death) for all options (single-life annuity, joint and survivor, etc); ensuring to show average wage and intermediary calculation results and a formal printed output of the results.

PART C PROPOSAL FORMAT AND EVALUATION

C-1 Format of Offeror Proposals

This section sets forth the format that must be followed by offerors in developing their proposals in response to this RFP. Proposals that vary from this prescribed format are subject to being judged non-compliant and withdrawn from consideration.

The offeror must understand that BERS will view the degree of compliance with this section as an indication of the degree of cooperation to be expected from the contractor in working with BERS after contract award. BERS' request in this vein is not arbitrary; rather it is designed to enable the evaluation team to compare, in as straightforward a manner as possible, the contents of all proposals. Thus, it is in the offeror's best interest to organize its proposal as described below.

Offerors are to submit separately bound and separately packaged Service and Cost Proposals. No cost information is to be included in the Service Proposal – with the single exception of Section 1.5, Exceptions, in which it is permissible for offerors to include relative or differential cost information (i.e., percentages are acceptable; hard dollar amounts are not). Please refer to the discussion under 1.5 Exceptions, below.

The proposals are to be prepared on standard 8½" x 11" white paper. All proposals are to be in single-column format and page-numbered from first page to last, with the permitted exception of attachments to the proposal. A Table of Contents must be included. Foldouts containing charts, spreadsheets, and other necessary supporting documentation are permissible, but must be held to a minimum. The pages must be placed in a binder with tabs separating the major sections outlined below. Figures and tables must be numbered and referenced in the text by that number.



The following information must appear on the title page of each copy of both the Service and Cost Proposal:

Burlington Employees Retirement System (BERS) Service or Cost Proposal for [Pension and OPEB Actuarial Services] Federal Tax ID Number: _____ Closing date and time for submission of proposals: _____ [Name, title, address, telephone numbers of organization submitting proposal] Signature _____

An individual authorized to bind the respondents to its provisions must sign proposals. The proposal must remain valid for at least one hundred eighty (180) days from the proposal receipt deadline.

Offerors must provide the following number and type of submissions when submitting their proposals:

- Three (3) originals (marked as original) of the Service Proposal.
- Three (3) originals (marked as original) of the Cost Proposal.
- One (1) Jump Drive of the Proposal; in Microsoft Word and/or Excel format – one folder containing proposal as submitted and another folder containing proposal with confidential information redacted or removed and in PDF format (refer to Section D-7 for provisions relating to confidential proposal material).

All printed copies of proposals and the electronic version provided on Jump Drives must be clearly labeled to be easily identifiable with the offeror's submission. The Word and Excel files must be provided in an "unlocked" form that will allow BERS to edit, insert comments, "cut-and-paste" and annotate the documents and spreadsheets with comments and revisions during its evaluation. Finally, we point out that BERS' internal review of the electronic version of the response is greatly facilitated if the proposal is a single MS Word document.

Specific contents to be included in each section of the offeror's proposal are discussed in detail below.

Table of Contents

Each page of the proposal must be numbered (with the possible exception of pre-printed material included in attachments), and each section heading must appear in the proposal Table of Contents.

Proposal Letter

The Proposal Letter must be included and must be signed by a person authorized to legally bind the company. It should clearly indicate the name of the responding organization, including the Respondent's e-mail address and web site address as well as the name, address, telephone number and e-mail address of the organization's primary contact for this proposal.



Failure to include this signed proposal letter may result in needless delays.

PART A Offeror Information

A-1 General Information

A-1.1 Offeror Certifications and Affirmations

In this section, the offeror must include the following statements of affirmation:

- A statement regarding the offeror's legal structure (e.g., a LLC, a corporation), Federal tax identification number, principal place of business, and status of registration to do business in the state of Vermont with the Vermont Secretary of State
- A list of the people who prepared the offeror's proposal, including their titles
- The name, phone number, and email address of a contact person who has authority to answer questions regarding the offeror's proposal
- Identification of any contact that the offeror or any other third party which has been retained by the offeror in any manner has had with BERS staff, BERS Board members, or legislative or gubernatorial staff related to the procurement. In addition, describe the nature of the contact, the dates, and the substance thereof. Failure to do so accurately may be grounds for rejection of your proposal and/or cancellation of any subsequent contract.

The offeror must also include the following seven certifications:

1. Certification as to whether the offeror has ever had a contract terminated for default or cause. If so, the offeror must submit full details, including the other party's name, address, and telephone number.
2. Certification as to whether the offeror has ever been assessed any penalties in excess of five thousand dollars (\$5,000), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the offeror must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
3. Certification as to whether a client has ever demanded payment of a performance bond or a bid bond of the offeror. If so, provide the name of the client, client contact information and an explanation of the circumstances.
4. Certification as to whether the offeror has ever been, or is currently, the subject of any governmental action limiting the right of the offeror to do business with that entity or any other governmental entity.
5. Certification as to whether trading in the stock of the offering company has ever been suspended. If so, provide the date(s) and explanation(s).
6. Certification as to whether the offeror, any officer of the offeror, or any owner of a twenty percent (20%) interest or greater in the offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
7. Certification as to whether the offeror, any officer of the offeror, any director of the offeror, or any owner with a twenty percent (20%) interest or greater in the offeror has been convicted of a felony or is currently under indictment on any felony charge.



If the answer to any of the seven (7) certification items above is affirmative, the offeror must provide complete details about the matter. An affirmative answer to any of these items will not automatically disqualify an offeror from consideration. The committee will make its decision based on its determination of the seriousness of the matter, the matter's possible impact on the offeror's performance on this project, and the best interests of BERS.

A-1.2 Statement of Understanding

In this section, the offeror must summarize its understanding of the requirements set forth in the RFP.

A-1.3 Deliverables

In this section, the offeror must identify and briefly describe the service deliverables it will provide to BERS. The offeror is encouraged to identify and cost additional services, as it deems appropriate.

A-1.4 Assumptions

In this section, the offeror must identify and discuss all assumptions it has made in preparing its proposal. Further, the offeror must state that there are no further assumptions related to meeting requirements of the RFP other than those enumerated in this section of the proposal.

Please include any assumptions you have made with regard to facilities to be provided by BERS for office space and meeting / training rooms.

Any assumptions mentioned elsewhere in the offeror's proposal will not be valid unless they are also listed in this section.

In setting forth their assumptions, offerors should note the difference between "assumptions" and "exceptions" and take care that no **exceptions** to the RFP's requirements are included. Valid "assumptions" are suppositions made by the offeror about issues on which the RFP is silent. "Exceptions" are suppositions made by the offeror that contradict, or fail to conform with, one or more of the requirements stated in the RFP. Any items that are actually exceptions to the RFP's requirements, but misrepresented by the offeror as assumptions in Section A-1.4 of the proposal, will be treated as exceptions by BERS – and will, due to the misrepresentation, have a greater negative effect on the offeror's technical score than would be the case had the item been correctly classified by the offeror as an exception. (See A-1.5 Exceptions below for a discussion of how to set forth exceptions.)

A-1.5 Exceptions

In this section of the proposal, the offeror must affirm that it has read and understands the RFP, any RFP amendments issued, and the questions and answers provided during and after the bidders conference. The offeror must state in this section of the proposal any and all exceptions it takes with the technical / functional requirements and deliverables set forth in the RFP and/or with any terms and conditions contained in the RFP relating to the ensuing contract. Only those exceptions identified in this single section of the proposal will be considered by BERS; any others "distributed" across the proposal will be superseded by the provisions of this RFP and will not be considered or honored by BERS.

For each exception listed in Section A-1.5 of the proposal, the offeror is required to propose at least one alternative that would still be acceptable to the offeror, as a potential vendor, and that the offeror reasonably believes will be acceptable to BERS. In other words, the offeror is required to be creative in addressing all exceptions by setting forth two alternative versions of each one (alternative A and B) in the hope that the offeror and BERS will more quickly arrive at a mutually acceptable compromise. The alternative versions of each offeror exception may take various forms – again, the offeror is being encouraged to apply creativity in order to accommodate legitimate offeror reservations in a fashion that will not lead BERS to reject the bid due to onerous exceptions.



A-2.0 Offeror's Qualifications

This section shall include details on the experience of the offeror and offeror's recent clients having requirements similar to those of BERS.

A-2.1 Offeror Background

This is an introduction to the offeror's company: its history, scope of operations, organization, size, and any other relevant information about the company that the offeror desires to include.

In this section, the offeror must provide basic information about its organization, including the following:

- The name of the offeror and the location of its principal place of business and all other offices, including the location of the office which will perform work on behalf of BERS
- Any change in the ownership status of the company in the past three years (or any forthcoming change)
- The average number of employees over the past five years, the average number of full time employees, the average number of contract employees, and the average number of total employees (state explicitly the number of professional employees)
- Number of years in business
- Brief history of company, products, and services
- Company and product visions; must demonstrate commitment to product life and enhancement for at least eight years
- Industry innovations or best practices
- Number, nature and name of subsidiaries and operating divisions
- Where incorporated or otherwise legally established
- Representative client list
- Include a copy of any applicable certifications.

A-2.2 Relevant Project Experience

The details of offeror's experience relevant to the project shall include a summary of the offeror's experience over the past three (3) years in offering actuarial services for multi-employer, defined benefit, public employee retirement systems. To meet BERS' minimum qualifications, the offeror must be able to cite five or more such previous public sector projects. This section shall also include a discussion by the offeror regarding similarities between BERS and the client implementations cited.

Offerors should submit a list of at least five current and former (within the past five years) clients and describe the work performed for each, together with an analysis of the degree of similarity in the scope of the services BERS desires to that of the referenced client. Indicate whether the client is a current client (i.e., one with whom a project is currently underway) or a former client (i.e., one for whom no work is being performed). For all references, include the site name, the name / title / phone / address of a client representative who is familiar with that work and may be contacted regarding the firm's qualifications and past performance, start and end dates of the contract, and the initial and final project cost, including all change orders. Provide a brief summary of the project including but not limited to business problem, scope, approach, and resources applied. In addition, provide for each reference a list of the major



subcontractors that supported the project and a list of all offeror staff members proposed to BERS who also participated in the referenced client project.

All references may be contacted by BERS to verify the offeror's claims. Offerors are advised to ensure that the contact person's telephone number is current and that each reference contact is willing to discuss the offeror's performance with the evaluation committee. Offers are welcomed to include more than five references if they wish.

Reference information should be provided by using the form on the following page. Replicate the form as necessary to provide profiles of all client references.

Form 1. Offeror Client Reference Form

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Offeror Client Reference		
Reference #:	Offeror Name:	Project Name:
Client:	Client Address:	
Type of Organization:		
Client Phone:		
Contact Name:	Contact Address:	
Contact Title:		
Contact Phone:	Contact Email Address:	
Service Start Date:	Service End Date:	
Project Summary, scope, approach, deliverables provided, resources applied):		
Similarity to BERS Project:		
List all offeror staff members proposed to BERS who also supported the referenced client:		
Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:



A-2.2.2 Presentations

In this section, affirm the offeror's commitment to provide oral presentations (led by the offeror-proposed Project Manager) at BERS' offices, if so requested by BERS, in response to Section A-1.5 of the RFP.

A-2.3 Financial Information

This section of the proposal must contain offeror's current and two previous years' audited financial statements, including consolidated balance sheets and income statements (statement of profit and loss). Failure to provide this information may be grounds for rejecting offeror's proposal. (The offeror's annual report to shareholders should be included as an attachment – see below.) The offeror must describe the trends of the last five years in revenues, employees, and profitability. If the offeror is a subsidiary of a larger corporation, financial information specific to the offeror is required. An overall corporate information package may also be submitted.

Identify any legal actions, lawsuits, arbitration or formal protests related to public employee retirement systems projects in which the offeror is currently involved as a defendant at the time the proposal is submitted. Additionally, identify any other such actions in which the offeror has been involved during the past five (5) years.

The offeror must inform BERS if any entity used as a reference has a financial relationship with the offeror whereby the client may receive any sort of compensation, including but not limited to reduction in fees, commission, and/or credits based on references leading to sales of offeror's software, hardware, other products, or services.

The same financial information described above must be provided for any subcontractors and/or third parties proposed to participate in the project.

The offeror must summarize the percentage of its organization's current revenue that is derived from actuarial service engagements and actuarial consulting. Similar information must be provided for each of the previous two (2) years.

A-2.4 Offeror Staffing

In this section, the offeror must provide detailed descriptions of how the offeror's team experience will meet the relationship requirements. Include team members' resumes (as discussed below), tailored to highlight experience and skills specifically relevant to their role on this effort.

The offeror must identify all the key personnel. Offerors are encouraged to specifically identify additional project staff members, if necessary. Each staff member proposed shall be identified by title, as well as by responsibilities and job functions and current client / home office location. The number of other personnel to be assigned shall be identified by job function and by firm.

BERS understands that the offeror may have one or more other proposals open and under consideration by other prospective clients and that offeror staff included in the BERS proposal may have been included in these other proposals. For any offeror resource so allocated, the offeror shall indicate in its proposal the role for which each such resource was assigned for each open proposal and the capacity (e.g., hours, % FTE) for which they have been proposed. In addition, the offeror will indicate what method it will use to resolve any conflict arising from the award of contracts competing for these resources.



Offerors shall also include the resumes of all key employees, and any other proposed staff members who are identified by name in the proposal. Those resumes must describe in detail the employee's experience in similar efforts as well as past education and training and certifications. Each resume shall include as its first page a Resume Summary prepared by the offeror using the form provided on the following page. Each Resume Summary **must** include three (3) professional personal references for the particular staff member. These professional references must be provided by offeror client staff members, from three different clients. Professional references from within the offeror organization are **not** acceptable.

Offerors must also confirm in this section of the proposal their understanding that:

- Personnel whose names and resumes are submitted in the proposal shall not be removed from this relationship without prior approval of BERS. Substitute or additional personnel shall not be used for this project until a resume is received and approved by BERS.
- The replacement for any staff member who is removed from or leaves the relationship for any reason must match or exceed the replaced staff member in terms of skill level and experience. Such replacements are subject to BERS approval/rejection at the time of the assignment as well as at any time during the 90 days after the replacement begins work.

Form 2. Offeror Staff Resume Summary Form

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Resume Summary	
Staff Member Name:	
Proposed Role on BERS Project:	
Number of years of professional experience – Total: In role proposed for BERS:	
Education and Certifications (indicate institutions attended and degrees obtained):	
Professional Reference #1	
Client Name and Address:	Title:
	Staff Member's Role:
Contact Name:	Description of Services and Deliverables Provided:
Contact Title:	
Contact Phone:	
Contact E-mail:	
Start Date: End Date:	
Professional Reference #2	
Client Name and Address:	Title:
	Staff Member's Role:



Contact Name:		Description of Services and Deliverables Provided:
Contact Title:		
Contact Phone: Contact E-mail:		
Start Date:	End Date:	
Professional Reference #3		
Client Name and Address:		Title:
		Staff Member's Role:
Contact Name:		Description of Services and Deliverables Provided:
Contact Title:		
Contact Phone: Contact E-mail:		
Start Date:	End Date:	

PART B Offeror Response to Project Scope

This section will contain the offeror's response to the project scope and their approach to delivering the required services. Also, in this section describe your approach to the transition from our current actuary.

PART C Cost Information

The costs for the services and deliverables identified in Part B above should be presented in the following format:

- Annual Fixed Fee – Offeror should present an annual fixed fee proposal for each of the first three years of the initial term of the contract related to the plan actuary services (Section B.1) and OPEB services (Section B.2). Identify the fixed fee for each deliverable.
- Hourly Rates – Provide a schedule of hourly rates for each staffing level which may be utilized to perform the Consulting Services identified in Section B.3. Also, provide the estimated annual level of effort for these services.
- Other Charges – Please identify any other charges which BERS could expect to incur during the term of the initial contract

ATTACHMENTS:

Attachment 1 Offeror's Annual Financial Report to Stockholders and Audited Financial Statements

Attachment 2 Samples of Documents Delivered

Attach samples of documents provided to other clients on an adhoc, periodic (define period)



C-2 Proposal Evaluation

The evaluation and offeror selection process will be based on “best value”. This procurement method will be used so as to result in the “best buy” for BERS in terms of the functions to be performed.

The evaluation committee may request written clarifications of any offer received. However, BERS in its sole discretion may refuse to accept in full or in part the response to a clarification request given by any offeror.

Offerors are cautioned that the evaluators are not required to request clarifications; therefore, all offers should be complete and reflect the most favorable possible terms. BERS may elect to conduct negotiations with one or more offerors and make requests of offerors as may be necessary or proper for best and final offers (BAFOs).

The best and final offers must be received at the address identified in Section A-1.2 at a time and date to be specified by BERS. If a best and final offer is not submitted, the previous submittal will be construed as the best and final offer. BAFO proposals must be prepared in the same number of copies and packaged and submitted according to the same instructions that apply to the initial proposal submission (please refer to Section C-1). Final ranking of responses and award of the contract will be made after BERS reviews all bids and completes its evaluation, including the evaluation of best and final offers, if they are requested. An award will be made to the offeror with the most advantageous offer.

C-2.1 EVALUATION CRITERIA

For this procurement, proposals will be evaluated based on the following criteria (in decreasing order of importance):

Table 3. Proposal Evaluation Criteria

Criteria
Offerors Services and Deliverables
Offeror Qualifications (including experience, methodology, demonstration and references)
Cost
Proposed Service Methodology

C-2.2 EVALUATION METHODOLOGY SUMMARY

Presented herein is an overview of the evaluation methodology being used for this procurement.



C-2.2.1 Evaluation Committee

An Evaluation Committee will be established consisting of members of BERS's management team. When the committee has completed the evaluation process, the committee chair will make a recommendation to the BERS Board.

C-2.2.2 Initial Activities

When the proposals are submitted, they will be evaluated and responses scored. The highest-rated offerors from this assessment will be further evaluated. Review of customer references may be conducted by BERS staff.

C-2.2.3 Presentations

BERS reserves the right to conduct or not to conduct offeror presentations. Should the presentations be held, BERS requires that they be led by the proposed Service Manager. Offerors will be offered alternative dates from which to select to provide the demonstrations.

C-2.2.4 Best and Final Offers

At BERS's discretion, best and final offers (BAFOs) may be solicited.

After best and final offers are received, final evaluations and negotiations will be conducted for an award.

C-2.2.5 Negotiations

Negotiation is the last step in selecting the apparent winner. BERS will initiate negotiations with the top-rated offerors. If negotiations with the highest ranked offeror cannot be concluded to BERS's satisfaction within two weeks, BERS reserves the right to initiate negotiations with the next lower ranked offeror. Similarly, if negotiations with the next lower ranked offeror cannot be concluded to BERS's satisfaction within two weeks, BERS reserves the right to initiate negotiations with the next lower ranked offeror. This process will continue until negotiations are successfully concluded to BERS's satisfaction.

Upon the successful conclusion of negotiations, the winning offeror will be announced.

PART D TERMS AND CONDITIONS

D-1 RFP Amendments

BERS reserve the right to amend the RFP prior to the date of proposal submission. Amendments will be posted to the BERS Web site at the following address: <https://www.burlingtonvt.gov/RFP>.

D-2 Proposal Modification or Withdrawal

Offerors who submit proposals in advance of the deadline may withdraw, modify, and resubmit proposals at any time prior to the deadline for submitting proposals. Offerors must notify the BERS Point of Contact, as identified in Section A-1.2, in writing if they wish to withdraw their proposals. If an offeror notifies BERS of its intent to withdraw its bid prior to the bid closing deadline, the bid will be returned to



the offeror unopened. Notifications of intent to withdraw proposals may be delivered electronically via email, but responsibility for confirmation of the delivery and receipt by BERS rests solely with the offeror.

D-3 Cost for Preparing Proposals

The costs for preparation and delivery of the proposal, as well as any other costs incurred in the pursuit of contract award (e.g., travel to bidders conference, preparation and presentation of product demonstrations), are the sole responsibility of the offeror. BERS will not provide reimbursement for such costs assumes no responsibility and liability for costs incurred by parties responding to this RFP or responding to any further requests for interviews, additional data, etc.

D-4 Contract

The contract that BERS expects to award as a result of this Request for Proposal will be based upon the bid proposal submitted by the successful offeror and this RFP. The contract between BERS and the successful offeror shall be a combination of the specifications, terms and conditions of the Request for Proposal, including the terms contained in this Part D of the RFP, the offeror's cost proposals, written clarifications or changes made in accordance with the provisions herein, and any other terms deemed necessary by BERS.

Prior to award, the apparent winning offeror will be required to enter into discussions with BERS to resolve any contractual differences before an award is made. These discussions are to be finalized and all exceptions resolved within two (2) week of notification; if not, the offeror's proposal may be rejected and discussions may be initiated with other offerors.

When submitting a proposal, each offeror is requested to submit a standard contract.

D-5 Order of Precedence

The executed contract between BERS and the selected offeror shall have precedence over all other documents relating to the project. In the event that there is a conflict or ambiguity within the text of the contract and any other incorporated documents, the order of precedence shall be:

- The executed contract and any other incorporated documents
- Amendment to this RFP (if any)
- This RFP
- Vendor Evaluation Questions and Answers (issued subsequent to the Bidder's Conference)
- Additional responses from selected offeror
- Offeror response to this RFP.

D-6 Conflict of Interest

If an offeror has any existing client relationship(s) that involve the city of Burlington, its government, or BERS that would compromise its objectivity, the offeror must disclose such relationship(s).



D-7 Confidentiality Requirements

The staff members that are assigned by the successful offeror to this relationship – may be required to sign a non-disclosure statement.

Any and all records submitted in response to this RFP, whether electronic, paper, or otherwise recorded, are subject to the Vermont Public Records Act. The determination of how those records must be handled is solely within the purview of BERS. All records considered to be trade secrets, as that term is defined by subsection 317(c)(9) of the Vermont Public Records Act, shall be identified, as shall all other records considered to be exempt under the Act. It is not sufficient to merely state generally that the proposal is proprietary or a trade secret or is otherwise exempt. Particular records, pages or section which are believed to be exempt must be specifically identified as such and must be separated from other records with a convincing explanation and rationale sufficient to justify each exemption from release consistent with Section 317 of Title 1 of the Vermont Statutes Annotated.

Consistent with the above paragraph on the Public Records Act, any request for confidential treatment of information must be included in the transmittal letter with the offeror's bid proposal. The request for confidential treatment of information must also include the name, address, and telephone number of the person authorized by the offeror to respond to any inquiries by BERS concerning the confidential status of the materials.

Also, any bid proposal submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information. Identification of the entire bid proposal as confidential may be deemed non-responsive and disqualify the offeror.

If the offeror designates any portion of the proposal as confidential, the offeror must submit one copy of the bid proposal from which the confidential information has been excised or redacted. This excised copy is in addition to the number of copies requested in Section C-1 of this RFP. The confidential material must be excised in such a way as to allow BERS and, if applicable, a court of law to determine the general nature of the material removed and to retain as much of the bid proposal as possible.

The offeror's failure to request confidential treatment of material will be deemed by BERS as a waiver of any right to confidentiality which the offeror may have had.

By submitting a bid proposal, the offeror agrees that BERS may copy the bid proposal for purposes of facilitating the evaluation of the bid proposal or to respond to requests for public records. The offeror consents to such copying by submitting a bid proposal and warrants that such copying will not violate its rights or the rights of any third party. BERS shall have the right to use ideas or adaptations of ideas that are presented in the bid proposals. Proposals, plans, specifications, and other documents prepared and submitted under this RFP shall become the property of the City.

D-8 Insurance

The following requirements shall be adhered to by offeror throughout the duration of the Contract, and as may otherwise be specified herein. Contractor shall procure and maintain insurance, which shall protect the Contractor and the BERS from any claims for bodily injury, property damage, and/or personal injury, which may arise out of operations under the Contract. Contractor shall procure the insurance policies at the Contractor's own expense and shall furnish the BERS an insurance certificate of the coverage



required in this Section. Contractor is required to obtain and maintain the following types of insurance coverage for the duration of the Contract:

Insurance / Limits of Liability:

- **Worker's Compensation** – The contractor shall carry \$500,000 for each accident and \$500,000 for bodily injury by disease and \$500,000 for each employee.
- **Unemployment Insurance** – Statutory
- **Commercial General Liability Insurance** – The minimum limits of coverage of such insurance will be \$2,000,000 for general aggregate, \$2,000,000 for products – completed/operations aggregate, \$1,000,000 personal and advertising injury, \$1,000,000 per occurrence, and \$250,000 fire damage (any one fire) and \$5,000 medical expense (any one person).
- **Automobile Liability** – The contractor shall carry commercial automobile liability insurance covering all motor vehicles, including owned, non-owned and hired, used in connection with the agreement. Each policy shall provide coverage with a limit not less than \$1million –Combined Single Limit for Each Occurrence.
- **Liability, Malpractice, and/or Errors and Omissions Insurance** – The contractor shall maintain malpractice and/or an errors and omissions insurance policy in the amount of at least \$3,000,000 annual aggregate and \$1,000,000 per claim. Additionally, the contractor shall maintain adequate business insurance to include an umbrella liability policy of at least \$3,000,000 total. Coverage under these policies must include protection from the fraudulent conduct and breach of fiduciary responsibility of the contractor.
- **Umbrella Liability** – The contractor shall have an umbrella policy with a limit of \$1 million for each event and \$1 million general aggregate limit.

BERS shall be named as an additional insured on all insurance policies that Contractor is required to procure with the exception of professional liability and workers compensation for the possible liabilities resulting from the Contractor's actions or omissions. The liability insurance furnished must be primary and non-contributory for BERS.

Offeror will indemnify, and save harmless BERS, its directors, officers, employees and agents from and against any and all claims, actions, damages, liabilities, costs, and expenses arising out of offeror's operation and performance under this Contract including all claims for bodily and personal injuries, sickness, death and/or damages to property.

All offerors must submit within ten (10) calendar days after notification of intent to award the original or a certified true copy of insurance certificate(s) confirming coverage as stipulated above. Evidence of continuing coverage must be submitted on an annual basis. If this information is not provided within this time frame, the proposal will be rejected. All insurance coverage costs must be exclusive of any legal costs.

New insurance shall be promptly furnished in the event of insolvency, bankruptcy or failure of any insurance company. The contractor shall notify BERS thirty (30) days in advance of cancellation, termination or alteration of insurance policies as required by this RFP. A renewal policy or certificate shall be delivered to BERS at least thirty (30) days prior to the expiration date of each expiring policy. If at any time, any of the policies shall be or become unsatisfactory to BERS as to form, or substance, or any of the carriers issuing such policies shall be or become unsatisfactory to BERS, the Contractor shall



promptly obtain a new and satisfactory policy in replacement. If determined necessary by BERS' Representative/Contract Administrator, the Contractor shall deliver to BERS' Representative upon demand a certified copy of any policy required herein for review.

Insurance certificates must be submitted and accepted by BERS prior to the commencement of work under this RFP and accompanying contract. Failure to obtain insurance satisfactory to BERS will result in the rescission of any Notice of Award to the offeror. Any contract awarded shall be void if this requirement is not met.

D-9 Adherence to BERS Workplace Policies

It is anticipated that the offeror's staff will be on-site periodically, as the need arises. Regardless of their purpose in being on-site or the frequency with which they are there, all offeror staff must adhere to BERS workplace policies as described below.

Building Access – The BERS Project Manager shall be responsible for allocating building access, equipment access, and any other necessary services available from BERS that may be used by the offeror. Any use of BERS facilities, equipment, internet access, and/or services shall only be for project purposes as authorized by the BERS Project Manager.

Network Connection – The offeror will be expected to provide its own personal computers which must comply with any applicable BERS security policies before use is allowed at BERS.

Civil Rights – The offeror will not discriminate against any employee or applicant for employment because of race, age, color, religion, sex, sexual orientation, gender identity, marital status, veteran status, disability, HIV positive status or genetic information.

Registration – The offeror shall be registered with the Vermont Secretary of State's office as a business entity doing business in the State of Vermont at all times a contract is effective. This registration must be complete prior to contract execution.

Livable Wage – The offeror is advised that certain City contractors are required to comply with the City of Burlington's Livable Wage Ordinance. The Livable Wage Ordinance is applicable to service contracts with the City of Burlington where the amount of the contract or contracts with the same person or entity exceeds \$15,000 for any twelve-month period. As of July 01, 2017, the livable wage for employees who receive health care benefits is \$14.24 per hour. The livable wage for employees who do not receive health care benefits is \$15.83 per hour.

An employee of a covered contractor must be paid the livable wage during the period of time he or she expends on furnishing services funded by the City. Covered employers must agree to the payment of the livable wage as a condition of entering into a covered service contract with the City. A covered employer who violates the livable wage ordinance may be barred from receiving a contract or grant from the City for a period of up to 2 years and may be subject to other civil enforcement remedies. A copy of the livable wage ordinance is available upon request.



D-10 Ownership of Work Product and Intellectual Capital

BERS will have all ownership rights to all work products and deliverables produced under contracts awarded as a result of this bid will be the exclusive property of the BERS. This includes, but is not limited to documentation, and development materials.

D-11 Indemnification and Liability Restrictions

The offeror will indemnify BERS against liability for any suits, actions, or claims arising from or relating to performance of the offeror under this contract.

BERS has no obligation to provide legal counsel or defense to the offeror if a suit, claim, or action is brought against the offeror or its sub-contractors as a result of the offeror's performance of its obligations under the contract. In addition, BERS has no obligation for the payment of any judgments or the settlement of any claims against the offeror as a result of the offeror's performance of its obligations under the contract. The offeror shall immediately notify BERS of any claim made or suit filed against the offeror resulting from the offeror's obligations under the contract. The offeror will cooperate, assist, and consult with BERS in the defense or investigation of any claim made or suit filed against BERS resulting from the offeror's performance under the contract.

BERS will not indemnify the offeror for any reason associated with the offeror's performance under this contract. BERS has not waived any right or entitlement to claim sovereign immunity under this contract.

The offeror agrees to indemnify and hold BERS, its Chief Executive Officer, managers, Board, elected and appointed officials, and employees harmless from any and all liabilities, damages, settlements, judgments, costs and expenses, including reasonable attorney fees of BERS staff or of the State's Attorney General's Office, and the costs and expenses and attorney fees of other counsel BERS may retain, related to or arising from:

- Property damage, personal injury, death, loss costs, expense or other harm arising out of, resulting from, relating to or connected with any act or omission by the offeror, its divisions, subsidiaries, subcontractors, partners, principals, employees, agents, elected or appointed officials, officers and directors in fulfilling this contract; or
- Claims for infringement of patents, trademarks, trade dress, trade secrets, or copyrights arising from this contract; or any breach or any claimed breach of this contract by the offeror or by any of its subcontractors, partners, principals, officers, directors, employees and agents.

D-12 Termination

Offerors are advised that BERS expects to complete the effort with a single offeror. However, the proposals and ensuing contracts shall provide that at the end of any phase, BERS may, at its sole discretion and with no penalty, terminate the effort and not move forward with the offeror to a subsequent phase.

Should BERS elect to terminate the project at the end of any phase, the termination shall be subject to the following terms and conditions:



- Termination shall become effective upon BERS sending written or electronic notice to the offeror. BERS shall only be liable for payment of an amount equal to the costs allocated to the phases that were completed and accepted by BERS; BERS shall not be liable for any other cost, overhead, profits, or damages.
- Termination shall not be considered for cause or for default, and notice of termination shall not constitute an admission or accusation of any wrongdoing on the offeror's part in connection with the termination.

Appendix C - Consultant's Service Proposal

Signature: Steve Lemanski



BURLINGTON EMPLOYEES RETIREMENT SYSTEM (BERS)

Service Proposal for Pension and OPEB Actuarial Consulting Services



Submitted by:

Steven Lemanski, FSA, FCA, MAAA
Consulting Actuary

Timothy Ryor, FSPA, FCA, MAAA
Senior Vice President, Consulting Actuary
Practice Leader

Hooker & Holcombe
65 LaSalle Rd., West Hartford, CT 06107
860.521.8400

hhconsultants.com

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EXHIBITS

- I. Sample Client Reports
- II. Marketing Material

July 12, 2017

Mr. Rich Goodwin
Director, Financial Operations
149 Church Street, 2nd Floor
Burlington, VT 05401

RE: Proposal for Pension and Other Post-Employment Benefits (OPEB)

Dear Mr. Goodwin:

Hooker & Holcombe thanks you for the opportunity to present this proposal for pension and OPEB actuarial consulting services to the Burlington Employees Retirement System (BERS). I believe our company offers the expertise and services the Town seeks for its pension plans. As you review our proposal, I would like to confirm the advantages that Hooker & Holcombe brings to this engagement:

Vast Resources

The combination of our experience provides clients with vast resources not often found in smaller, regional firms. We have been working with the public sector within the Northeast region for over 60 years. During that time we have built a reputation for excellence, integrity and reliability. Many of our clients have been with us for more than 20 years – a testament to the quality of our service and the professionalism of our consultants.

Experience

We are the actuary for more than 100 municipal pension and OPEB plans in the Northeast region of the country. Our extensive background working with pension plans, coupled with 60 years of experience, means there is no issue or situation that we have not encountered. We understand state laws and will provide work under the provisions of such laws. Our knowledge translates to on-point advice and proficiency for BERS.

Our consultants and staff go beyond just number crunching.

Our main objective is to help solve your problems and make your life easier. We don't deliver "cookie cutter" solutions. We work to understand our clients' needs and offer sound solutions that work.

Service

Our goal is to exceed your expectations for accurate and responsive service. We utilize state-of-the-art systems and procedures to ensure that work is handled efficiently and effectively – with a minimum of effort on your part.

Value

As a regional consulting firm, we do not support an expensive infrastructure with layers of management which enables us to provide competitive pricing. In addition, due to the proximity of our office, we are readily available to meet with the Town as needed.

I look forward to discussing our proposal with you and appreciate your consideration for this important engagement. We look forward to delivering exceptional service and expert advice to the Burlington Employees Retirement System. Please do not hesitate to contact me with any questions.

Yours truly,

A handwritten signature in black ink, appearing to read "Steve Lemanski", written in a cursive style.

Steven Lemanski, FSA, FCA, MAAA
Consulting Actuary
SLemanski@hhconsultants.com

Enclosures

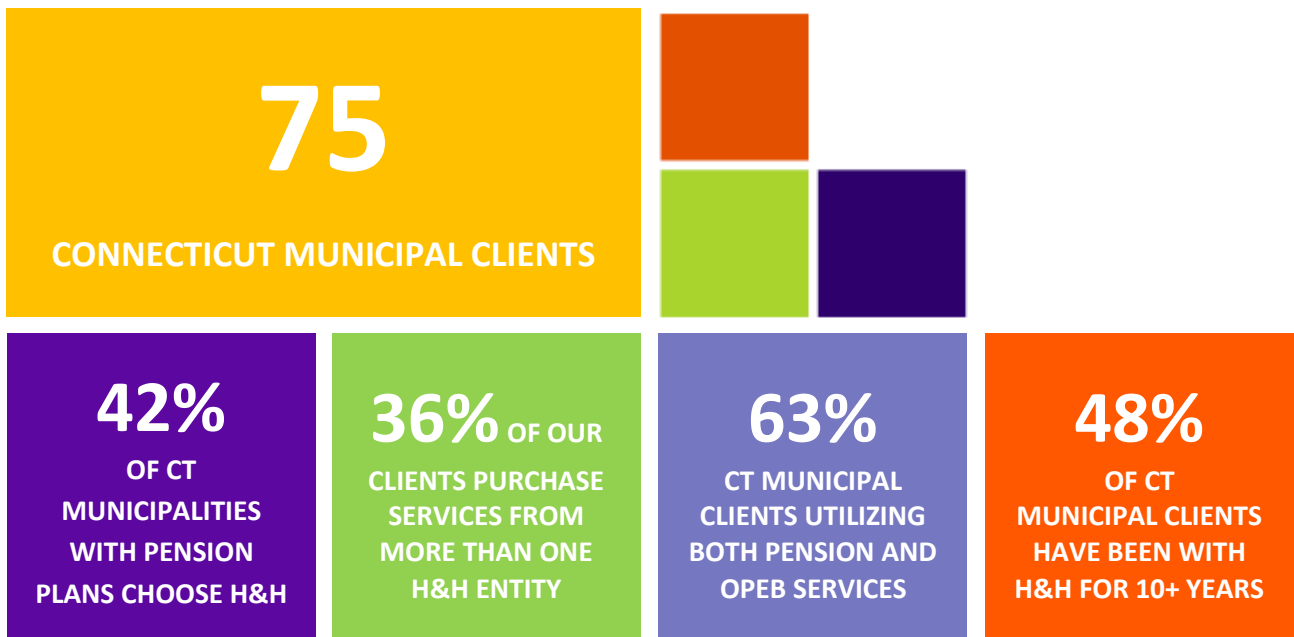


THE ELEMENTS OF SUCCESS

Since our inception in 1956, we have been providing actuarial and consulting expertise to the public and private sectors.

The information contained in this proposal provides you with an overview of our firm and the many services it provides to our clients. Our goal is to help you *identify* opportunities and challenges, *achieve* goals and *exceed* expectations.

We invite you to read further to learn more about our firm, the expertise of its professionals, and its superior service standards. We welcome the opportunity to meet with you to answer your questions and prove to you why Hooker & Holcombe is the right choice for the Burlington Employees Retirement System (BERS).



PART A: OFFEROR INFORMATION

A-1 General Information

A-1.1 Offeror Certifications and Affirmations

Hooker & Holcombe
65 LaSalle Road
West Hartford, Connecticut 06107
Tel. 860-521-8400
Fax 860.521.3742
Federal id: 06-0854693

Hooker and Holcombe is a regional privately-held corporation with clients primarily located in the Northeast. All work is performed from our office in West Hartford, Connecticut.

We have applied for registration to transact business in the State of Vermont with the Vermont Secretary of State. The registration certificate will be provided to the Board prior to contract negotiation.

The proposal was prepared by Steven Lemanski, FSA, FCA, MAAA, who will be the team lead and primary contact for this account. His email is slemanski@hhconsultants.com and his direct dial phone number is 860.856.2073.

We confirm all seven of the listed certifications to be negative.

A-1.2 Statement of Understanding

We fully understand the scope of work outlined in this proposal and will complete the following services as requested below:

Scope of Actuarial Services

1. Prepare an annual formal valuation of the assets and liabilities of the Pension Plan with a valuation report to BERS. Valuations shall be prepared in accordance with Actuarial Standards of Practice and will determine funding status, funding requirements and recommend employer contribution rates and information to comply with the Governmental Accounting Standards Board (GASB) Statement No. 67 and 68.
2. Prepare responses to questions and data request from BERS' independent auditors regarding GASB 67 and 68 Valuation reports and the assumptions, methods and data used.
3. Attend 2 meetings per contract year: one meeting with the Board of Finance (in person or by teleconference) and one meeting (in person) with the City Council, to review the annual

actuarial valuation, review the actuarial assumptions used in the valuation for appropriateness, and provide recommendations to the Board regarding the actuarial assumptions to be used going forward in connection with the valuation and administration of the Plan.

The following actuarial deliverables will be met:

- Draft Funding Valuation for the year end June 30, 2017, and annually thereafter
- Final Funding Valuation for the year end June 30, 2017, and annually thereafter
- Provide Annual Actuarial Certification Letters of Funding Requirements
- Draft Experience Study
- Final Experience Study
- Draft GASB 67/68 Valuation Reports (Measurement Date of June 30, 2017 for our June 30, 2018 Comprehensive Annual Financial Report
- Final GASB 67/68 Valuation Reports (Measurement Date of June 30, 2017 for our June 30, 2018 Comprehensive Annual Financial Report

Scope of OPEB Services

We will provide BERS with an actuarial determined valuation of their OPEB for compliance with the GASB Statements, to achieve the following goals:

- Recognize the cost of OPEB benefits in the period when services are received
- Provide information about the actuarial liabilities for the promised benefits
- Provide information useful in assessing potential demands on future cash flows

At a minimum, the valuation will:

1. Determine cost of benefits
2. Project future benefits payments
3. Determine the present value of projected benefit payments
4. Provide the accrued liability of OPEB associated with the past service costs
5. Use an acceptable actuarial cost allocation method to assign costs to specific accounting periods
6. Provide information useful in accessing potential demands on the BERS's cash flows

The following OPEB deliverables will be met:

- Draft Funding Valuation prepared in accordance with GASB 45 for the fiscal year ended June 30, 2017
- Final Funding Valuation prepared in accordance with GASB 45 for the fiscal year ended June 30, 2017
- Draft Funding Valuation prepared in accordance with GASB 75 for the fiscal year ended June 30, 2018 and each year thereafter
- Final Funding Valuation prepared in accordance

Scope of Consulting Services

We have the resources necessary to complete written requests for actuarial analyses based on actuarial results, economic events, policy discussions, changes in accounting requirements, calculation certifications or other similar events. We understand this may be facilitated through periodic meetings, routine telephone consultations, and correspondence as required by BERS. Additionally, if requested, we will complete Benefit Calculation Certifications. This will include the ability and timeline to certify all the retirement calculation (service, disability, death) for all options (single-life annuity, joint and survivor, etc.); ensuring to show average wage and intermediary calculation results and provide a formal printed output of the results.

A-1.3 Deliverables

Based on the completeness of the RFP, we fully understand all deliverables outlined in the scope of work.

A-1.4 Assumptions

The RFP and materials provided were very complete and therefore we made no assumptions. We do not require any office space as all work is performed at our office in West Hartford, Connecticut. We will come to the BERS office or location of choice for annual meetings.

A-1.5 Exceptions

We have read and fully understand this proposal, amendments and question and answer section provided during the bidding process and have no exceptions.

A-2.0 Offeror's Qualifications

Our firm has the expertise and capacity to provide actuarial and consulting services for all types of pension/OPEB plans and related issues. We are experts in recommending strategies for fulfilling our municipal clients' GASB 45 requirements, and are ready and able to provide a high level of consulting in this area.

We have extensive consulting experience with Connecticut municipalities, boards of education and school districts. We currently provide pension services to 75 Connecticut municipalities, all of which are administered from our office located in West Hartford, Connecticut. Of those municipalities, 63% purchase both pension and OPEB services from us, while 56% purchase OPEB only.

Our consultants are experts on all aspects of GASB 43 and 45, as well as the new Standards GASB 74 and 75. We are actively assisting public sector clients, large and small, with the GASB rules and funding. Our consulting team includes both pension and OPEB experts.

We currently provide OPEB services to 64 Connecticut municipalities.

Below are 5 of the municipal clients for which we provide similar OPEB valuation services that you may contact for references:

- City of Hartford, Connecticut
- City of New Haven, Connecticut
- City of Middletown, Connecticut
- City of Danbury, Connecticut
- City of Milford, Connecticut

Contact information for each client listed above is provided beginning on page 13 of this proposal.

A-2.1 Offeror Background

Hooker & Holcombe (H&H) is one of the oldest and largest privately-held regional actuarial, investment and retirement consulting firms in the Northeast. The firm, which is incorporated in the State of Connecticut, was founded in 1956 as a pension and actuarial firm. As our clients' needs grew, the firm grew with them. Today, we offer an array of investment and retirement plan administration services through two subsidiaries:

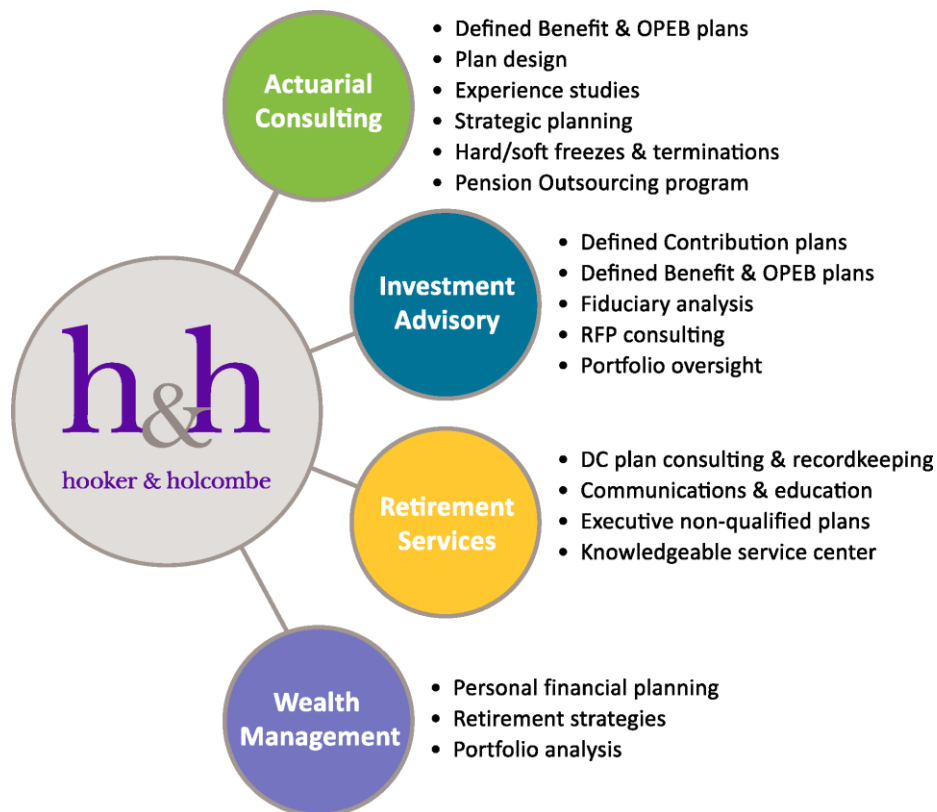
- **Hooker & Holcombe Investment Advisors, Inc. (HHIA)**, was founded in 1996 and provides institutional investment advisory strategies;
- **Hooker & Holcombe Retirement Services, Inc. (HHR)**, was founded in 1980 and provides defined contribution plan consulting and recordkeeping services to plan sponsors and their participants.

The firm operates under the brand name Hooker & Holcombe, and employs approximately 70 dedicated and highly-experienced employees, including four administrative assistants. All services are performed at our West Hartford office by those employees assigned to your team. Because we take client privacy and the protection of their data seriously, we do not outsource any work to external contractors.

We have built our reputation on being responsive to our clients' needs and we do everything possible to assist our clients in ensuring that their plan operates according to the City's specifications. Our commitment to the pension and OPEB marketplace is evidenced by our significant investment in Pension Outsourcing, a comprehensive online tool designed to provide instant access to pension data for both the plan sponsor and the participant. Additional information about this service is provided further along in the proposal. Our vision is to help organizations remove the time-consuming aspects of managing a pension program so their employees can focus on other tasks.

The company has grown organically through strong relationships, exceptional service and superior outcomes for our clients. We have not gone through any mergers or acquisitions in our company's history and none are planned at this time.

The following depicts the firm's broad capabilities. Our unique infrastructure allows us to provide our clients with a comprehensive array of retirement planning services under one roof, allowing for significant economies of scale.



Our firm handles approximately 855 non-qualified and qualified plans distributed as follows:

- Defined Benefit Plans (including cash balance) 374

- Post Retirement Welfare Plans 331
- 401(k), 403(b), 401(a), 457 Plans 150

We have extensive consulting experience with municipalities, boards of education and school districts. We currently provide pension services to 75 Connecticut municipalities, all of which are administered from our office located in West Hartford, Connecticut. Of those municipalities, 63% purchase both pension and OPEB services from us, while 56% purchase OPEB only.

Our consultants are experts on all aspects of GASB 43 and 45, as well as the new Standards GASB 74 and 75. We are actively assisting public sector clients, large and small, with the GASB rules and funding. Our consulting team includes both pension and OPEB experts. Services include:

- Actuarial Valuations
- Plan Design
- Union Negotiation Strategies
- Funding Strategies
- Participant Communications

We have in-depth experience with union negotiations and arbitration. We do not provide services to municipal unions, thus we have no conflicts of interest.

Technology is also an important component in delivering quality service to our clients. Offering a high level of customization and configurable security, with no hardware or software to purchase, Pension Outsourcing and PensionEdge® Plus are cost effective choices for municipalities seeking efficiency.

Our **Pension Outsourcing** program helps plan sponsors better manage their retirement plans by choosing only the level of service they need. Whether you're looking for basic online viewing rights, more advanced features such as online benefit calculations, or the efficiency of a full-service model that lets us manage your complete program, we have a solution that is right for your organization.

Pension Outsourcing is driven by PensionEdge® Plus, a game changing solution for defined benefit plan administration. This web-based portal, based on years of experience and client feedback, offers both plan sponsors and participants a comprehensive tool for viewing, managing and storing all plan related information. Through the portal, you can coordinate plan administration activities across a number of departments and locations, while simultaneously providing your employees with instant access to their benefit information.

PensionEdge® Plus features:

- Configurable data access
- Paperless documents

- Real-time participant reports
- Online newsfeed and communications
- Worktrack — an online assistant that provides you and your staff with maximum efficiency
- SaaS security
- No hardware or software to purchase

A brochure outlining the Pension Outsourcing service tiers is provided in the Exhibits section of this proposal. You are also invited to watch a brief 4-minute video that provides an overview of the program: <https://www.youtube.com/watch?v=1vZ-A72h2Is&feature=youtu.be>

We would be happy to provide a demonstration of the system at your convenience.

Although technology provides instant access to pension information, some participants prefer the human touch which is provided by the PensionEdge® Service Center. Staffed with highly-skilled and knowledgeable professionals, the service center provides live assistance to participants Monday – Friday from 8:30 am to 4:30 pm ET. A voice response system with easy-to-follow prompts, in addition to voice mail and email, are also available 24/7 for participants' convenience.

To ensure that our clients' needs are met on an ongoing basis, we have several committees in place throughout the organization. These committees meet to discuss opportunities, share challenges and assess our clients' varying needs to ensure that we provide exceptional service at all levels. We are constantly seeking better ways to improve upon our services to continue exceeding our clients' needs today and tomorrow.

A representative client list follows:

Hooker & Holcombe Municipal Clients

<u>1-5 Years</u>	<u>6-10 Years</u>	<u>More than 10 Years</u>
Ashford Schools	Canton, Town of	Amity Regional School Dist #5
Berlin, Town of	Capitol Region Ed Council	Bloomfield, Town of
Bethany, Town of	Columbia, Town of	Branford, Town of
Bolton, Town of	Durham, Town of	Brookfield, Town of
East Hartford, Town of	East Lyme, Town of	Brooklyn, Town of
Eastford, Town of	Easton, Town of	Clinton, Town of
Essex, Town of	Killingworth, Town of	Colchester, Town of
Mansfield, Town of	Lebanon Public Schools	Coventry, Town of
Norwalk, City of	Lisbon School District	Cromwell, Town of
Regional School District #14	Litchfield, Town of	Danbury, City of
Ridgefield, Town of	Meriden, City of	Derby, City of
West Hartford, Town of	Monroe, Town of	Fairfield, Town of
Weston, Town of	New Canaan, Town of	Groton, City of
	Newtown, Town of	Groton, Town of
	Preston Board of Education	Hartford, City of
	Redding, Town of	Killingly, Town of
	Regional School District #13	Middletown, City of
	Regional School District #15	Milford, City of
	RHAM	Naugatuck, Borough of
	Second Taxing District Norwalk	New Haven, City of
	Somers, Town of	New London, City of
	Sprague Board of Education	Norwich, City of
	Stamford, City of	Plainfield, Town of
	Third Taxing District Norwalk	Plainville, Town of
	Thompson, Town of	Putnam, Town of
	Windsor Locks, Town of	Southington, Town of
		Stafford, Town of
		Stonington, Town of
		Suffield, Town of
		Torrington, City of
		Wallingford, Town of
		Waterbury, City of
		Waterford, Town of
		Wilton, Town of
		Winchester, Town of
		Windham, Town of
		Woodbridge, Town of

A-2.2 Relevant Project Experience

We have extensive consulting experience with Connecticut municipalities, boards of education and school districts. We currently provide pension services to 75 Connecticut municipalities, all of which are administered from our office located in West Hartford, Connecticut. Of those municipalities, 63% purchase both pension and OPEB services from us, while 56% purchase OPEB only.

Our consultants are experts on all aspects of GASB 43 and 45, as well as the new Standards GASB 74 and 75. We are actively assisting public sector clients, large and small, with the GASB rules and funding. Our consulting team includes both pension and OPEB experts.

We currently provide OPEB services to 64 Connecticut municipalities.

Below are 5 of the municipal clients for which we provide similar OPEB valuation services that you may contact for references:

Burlington Employees Retirement System		
Pension and OPEB Actuarial Services – Offeror Client Reference		
Reference #: 1	Offeror Name: Hooker & Holcombe	Project Name: City of New Haven Pension & OPEB Actuarial work
Client: City of New Haven	Client Address:	200 Orange Street New Haven, CT 06510
Type of Organization: Municipal Government		
Client Phone: 203-946-5790		
Contact Name: Jerome Sagnella	Contact Address:	200 Orange Street New Haven, CT 06510
Contact Title: Pension Administrator		
Contact Phone: 203-946-5790	Contact Email Address: JSagnell@newhavenct.gov	
Service Start Date: Before 1980	Service End Date:	On going
Project Summary, scope, approach, deliverables provided, resources applied): Prepared and presented annual actuarial pension valuations and biennial OPEB valuations. Completed actuarial experience studies on periodic basis (typically every five years - last one was through 2014). Consulted with City staff and outside counsel on plan design and union negotiations issues. Assist the City with administration of the plan by reviewing all benefit and buyback calculations.		

Similarity to BERS Project: The project was similar in that all BERS deliverables (pension valuation & GASB reports, OPEB valuation & GASB reports and Experience Study) were completed for the City and it is a municipal pension plan with multiple groups. The City of New Haven's plans (P&F plan is a separate plan) have nearly twice as many participants (approx.. 4,200) and a somewhat higher level of complexity with benefit structures that vary by union group and date of hire. The project is also similar because we review all of the benefit calculation for the City of New Haven's pension plans.

List all offeror staff members proposed to BERS who also supported the referenced client:

Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:
Tim Ryor	Supporting Actuary	Principal Actuary
Sharad Arora	Principal OPEB Analyst	Principal OPEB Analyst
Gwen Zhu	Supporting Pension Analyst	Principal Pension Analyst

Burlington Employees Retirement System		
Pension and OPEB Actuarial Services – Offeror Client Reference		
Reference #: 2	Offeror Name: Hooker & Holcombe	Project Name: City of Hartford Pension & OPEB Actuarial work
Client: City of Hartford	Client Address:	250 Constitution Plaza – 2 nd Floor Hartford, CT 06103
Type of Organization: Municipal Government		
Client Phone: 860-757-9100		
Contact Name: Adam M. Cloud	Contact Address:	250 Constitution Plaza – 2 nd Floor Hartford, CT 06103
Contact Title: City Treasurer		
Contact Phone: 860-757-9100	Contact Email Address: CLOUA001@hartfordrd.gov	
Service Start Date: Before 1980	Service End Date:	On going
Project Summary, scope, approach, deliverables provided, resources applied): Prepared and presented annual actuarial pension valuations and biennial OPEB valuations. Completed actuarial experience studies on periodic basis (typically every five years - last one was through 2015). Consulted with City office staff and outside counsel on plan design and union negotiations issues.		
Similarity to BERS Project: The project was similar in that all BERS deliverables (pension valuation & GASB reports, OPEB valuation & GASB reports and Experience Study) were completed for the City and it is a municipal pension plan with multiple groups. The City of Hartford's plan has more than twice as many participants (approx. 5,500) and a higher level of complexity with 24 distinct groups, several of which have multiplier tiers of benefits.		
List all offeror staff members proposed to BERS who also supported the referenced client:		
Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:
Tim Ryor	Supporting Actuary	Principal Actuary
Sharad Arora	Principal OPEB Analyst	Principal OPEB Analyst

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Offeror Client Reference		
Reference #: 3	Offeror Name: Hooker & Holcombe	Project Name: City of Danbury
Client: City of Danbury	Client Address:	155 Deer Hill Avenue, Danbury, CT 06810
Type of Organization:	Municipality	
Client Phone:	(203) 797-4500	
Contact Name: David St. Hilaire	Contact Address:	City of 155 Deer Hill Avenue, Danbury, CT 06810
Contact Title:	Director of Finance	
Contact Phone: (203) 797-4652	Contact Email Address:	d.sthilaire@danbury-ct.gov
Service Start Date: 2003	Service End Date: Ongoing	
Project Summary, scope, approach, deliverables provided, resources applied): Pension and OPEB actuarial valuations, pension and OPEB GASB disclosures, cost estimates, long-term budget projections, assistance with negotiations (including arbitration testimony), plan design, benefit calculations, other special projects.		
Similarity to BERS Project: The City of Danbury sponsors several defined benefit pension plans, as well as an OPEB program. The largest defined benefit pension plan covers approximately 1,200 plan participants and has over \$100 million in assets.		
List all offeror staff members proposed to BERS who also supported the referenced client:		
Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:
Steve Lemanski	Principal Actuary	Supporting Actuary
Robert Lessard	Principal Pension Analyst	Principal Pension Analyst
Gwen Zhu	Supporting Pension Analyst	Supporting Pension Analyst
Sharad Arora	Principal OPEB Analyst	Principal OPEB Analyst

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Offeror Client Reference		
Reference #: 4	Offeror Name: Hooker & Holcombe	Project Name: City of Middletown Pension and OPEB
Client: City of Middletown	Client Address: 245 deKoven Drive, Middletown, CT 06457	
Type of Organization:	Municipality	
Client Phone:	860.638.4880	
Contact Name: Diana Doyle	Contact Address: 245 DeKoven Drive, Middletown, CT 06457	
Contact Title:	Finance Director	
Contact Phone 860.638.4880	Contact Email Address: Diana.doyle@middletownct.gov	
Service Start Date: 2003	Service End Date: Ongoing	
Project Summary, scope, approach, deliverables provided, resources applied): Pension and OPEB actuarial valuations, pension and OPEB GASB disclosures, cost estimates, long-term budget projections, assistance with negotiations (including arbitration testimony), plan design, benefit calculations, other special projects.		
Similarity to BERS Project: The City of Middletown sponsors a defined benefit pension plan, as well as two OPEB programs. The defined benefit pension plan covers approximately 1,050 plan participants and has over \$350 million in assets.		
List all offeror staff members proposed to BERS who also supported the referenced client:		
Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:
Steve Lemanski	Principal Actuary	Principal Actuary
Robert Lessard	Principal Pension Analyst	Principal Pension Analyst
Gwen Zhu	Supporting Pension Analyst	Supporting Pension Analyst
Sharad Arora	Principal OPEB Analyst	Principal OPEB Analyst

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Offeror Client Reference		
Reference #: 5	Offeror Name: Hooker & Holcombe	Project Name: City of Milford Pension and OPEB
Client: City of Milford	Client Address:	70 West River Road Milford, CT 06460
Type of Organization:	Municipality	
Client Phone:	203.783.3220	
Contact Name: Peter Erodici, Jr.	Contact Address:	70 West River Road, Milford, CT 06460
Contact Title:	Finance Director	
Contact Phone: 203.783.3220	Contact Email Address:	perodici@ci.milford.ct.us
Service Start Date: 2003	Service End Date: Ongoing	
Project Summary, scope, approach, deliverables provided, resources applied): Pension and OPEB actuarial valuations, pension and OPEB GASB disclosures, cost estimates, long-term budget projections, assistance with negotiations (including arbitration testimony), plan design, benefit calculations, other special projects.		
Similarity to BERS Project: The City of Milford sponsors a defined benefit pension plan, as well as two OPEB programs. The defined benefit pension plan covers approximately 1,500 plan participants and has over \$315 million in assets.		
List all offeror staff members proposed to BERS who also supported the referenced client:		
Staff Member Name:	Proposed Role for BERS:	Role on Referenced Client:
Steve Lemanski	Principal Actuary	Principal Actuary
Tim Ryor	Supporting Actuary	Supporting Actuary
Robert Lessard	Principal Pension Analyst	Principal Pension Analyst
Gwen Zhu	Supporting Pension Analyst	Supporting Pension Analyst
Sharad Arora	Principal OPEB Analyst	Principal OPEB Analyst

A-2.2.2 Presentations

We affirm that Hooker & Holcombe will provide oral presentations at BERS' offices, as requested.

A-2.3 Financial Information

Hooker & Holcombe is a privately-held corporation, and thus does not produce an annual audited corporate financial statement. Over the past two years, approximately 70% of the firm's revenue has been derived from actuarial consulting services and special projects.

Hooker & Holcombe is not now, nor has it ever been, investigated or litigated by any federal, state government or agency. We have not experienced any claims or settlements that we paid or were paid by our insurers. The same holds true for its consultants.

Our firm does not and has not provided any compensation for references provided.

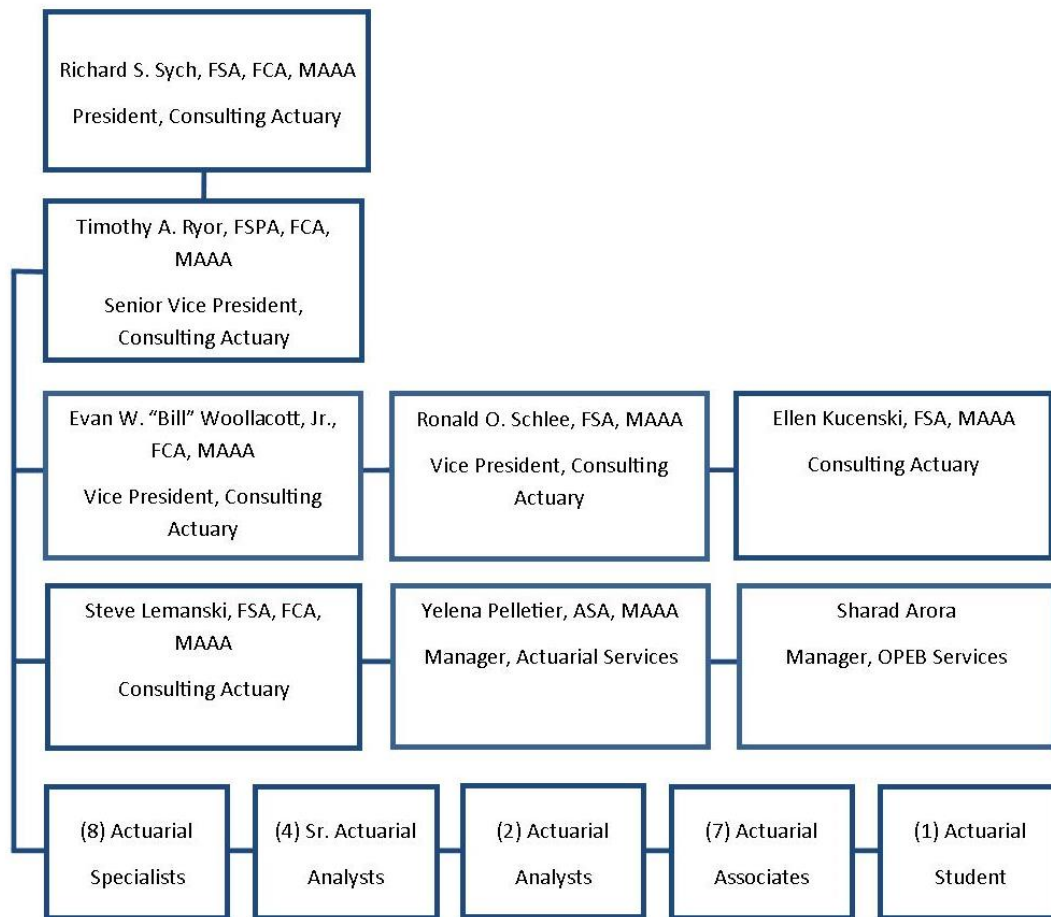
A-2.4 Offeror Staffing

Hooker & Holcombe is a leader in meeting our clients' pension and OPEB needs. One of the elements of our success is providing our clients with exceptional service. Each client is assigned a dedicated team to administer plans and to provide a wide range of professional services. Your primary team will be led by **Steven Lemanski, FSA, FCA, MAAA**. Steve will be supported by **Timothy Ryor, FSPA, FCA, MAAA**, a peer-review actuary, and **Sharad Arora**, an experienced OPEB manager with broad knowledge of municipalities. Your team will be supported by Ted Laborde, senior actuarial analyst, Robert Lessard, actuarial specialist, and Gwen Zhu, actuarial associate.

You and your staff are encouraged to contact any of your team members to answer your questions and assist with your plan needs. We work very closely with our clients and know that good communication is the framework for building lasting and mutually-beneficial relationships.

Our actuarial group's organization is provided below.

Actuarial and Benefits Consulting Group



Most of the principals of the firm are credentialed actuaries, known as “consultants.” Our consultants, and the analysts and technical specialists who support them, are highly trained and hold the following designations:

Fellow of the Society of Actuaries	6
Fellow of the Conference of Consulting Actuaries	5
Fellow of the American Society of Pension Professionals and Actuaries	1
Associate of the Society of Actuaries	3
Enrolled Actuary	8
Defined Contribution Consultant	3
Investment Advisor/Consultant	6
Chartered Financial Analyst	5
Chartered Alternative Investment Analyst	1

All of our consulting actuaries are Members of the American Academy of Actuaries and Enrolled Actuaries. Additionally, one or more of them are members of the following organizations:

- Society of Actuaries
- Conference of Consulting Actuaries, including the Public Plans Community
- American Society of Pension Professionals & Actuaries
- CT Government Finance Officers Association
- New England States Government Finance Officers Association
- ConnPELRA (Connecticut Public Employer Labor Relations Association)
- Connecticut Public Pension Forum (CPPF)

Our actuaries participate in continuing education meetings and webinars provided by the Conference of Consulting Actuaries (CCA), American Academy of Actuaries and the Society of Actuaries. To ensure that our staff is up-to-date on current trends, information obtained at these sessions is shared with our actuarial and technical staff through a monthly series of continuing education programs conducted in-house. The firm also adheres to the formal program of annual continuing education requirements that has been implemented by the American Academy of Actuaries and the Joint Board for Enrolled Actuaries.

Offeror Staff Resume Summary Forms for all team members follow. We confirm that these team members will be available to be assigned to this account should H&H be awarded this contract. Should any member of the team outlined in this proposal be unavailable beyond our control, we will submit replacement documentation for BERS approval/rejection at the time of the assignment as well as at any time during the 90 days after the replacement work begins.

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Resume Summary	
Staff Member Name: Steve Lemanski	
Proposed Role on BERS Project: Principal Actuary	
Number of years of professional experience – Total: 28 In role proposed for BERS: 17	
Education and Certifications (indicate institutions attended and degrees obtained): Education: Drew University, B.A. (1989), Applied Mathematics and Economics. Certifications/Designations : Fellow of the Society of Actuaries (FSA), Fellow of the Conference of Consulting Actuaries (FCA), Member of the American Academy of Actuaries (MAAA), Enrolled Actuary	
Professional Reference #1	
Client Name and Address:	City of Milford, 70 West River Street, Milford CT 06460 Title: Finance Director
Staff Member's Role: Consulting Actuary	
Contact Name: Peter Erodici, Jr.	Description of Services and Deliverables Provided: Pension and OPEB actuarial valuations, pension and OPEB GASB disclosures, Cost-of-Living Adjustment (COLA) study, actuarial valuation
Contact Title:	Finance Director
Contact Phone: Contact E-mail:	203.783.3220 perodici@ci.milford.ct.us
Start Date: 4/2016	End Date: Ongoing
Professional Reference #2	
Client Name and Address:	Town of Wilton, 238 Danbury Road, Wilton, CT 06897 Resources, Labor Relations, and Administrative Services Title: Director of Human
Staff Member's Role: Consulting Actuary	

Contact Name: Sarah Taffel	Description of Services and Deliverables Provided: Pension and OPEB actuarial valuations, pension and OPEB GASB disclosures, benefit calculations, cost estimates, , special projects
Contact Title:	Director of Human Resources, Labor Relations, and Administrative Services
Contact Phone: Contact E-mail:	203.563.0118 Sarah.taffel@wiltonct.org
Start Date: 4/2016	End Date: Ongoing
Professional Reference #3	
Client Name and Address:	City of Middletown, 245 deKoven Drive, Middletown, CT 06457 Actuary Title: Consulting
Staff Member's Role: Consulting Actuary	
Contact Name: Diana Doyle	Description of Services and Deliverables Provided: Pension and OPEB actuarial valuations, pension and OPEB GASB disclosures, benefit
Contact Title:	Assistant Finance Director

Contact Phone:	Contact	860.638.4880
E-mail:		Diana.doyle@middletownct.gov
Start Date:	4/2016	End Date: Ongoing

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Resume Summary	
Staff Member Name: Timothy A. Ryor	
Proposed Role on BERS Project: Supporting Actuary	
Number of years of professional experience –	
Total: 28 years	In role proposed for BERS: 23 years
Education and Certifications (indicate institutions attended and degrees obtained): Bachelor of Science in Mathematics, University of New Mexico (BS), Fellow of the American Society of Pension Professionals & Actuaries (FSPA), Fellow of the Conference of Consulting Actuaries (FCA), Member of the American Academy of Actuaries (MAAA), Enrolled Actuary (EA)	
Professional Reference #1	
Client Name and Address:	Title: Chief Fiscal Officer
Town of Fairfield 725 Old Post Road, Fairfield, CT 06824	
Staff Member's Role: Consulting Actuary	
Contact Name: Robert Mayer	Description of Services and Deliverables Provided: Prepared annual actuarial pension valuations and biennial OPEB valuations. Completed actuarial experience studies on periodic basis (typically every five years - last one was through 2016). Consulted with Town staff and outside counsel on plan design and union negotiations issues.
Contact Title: Chief Fiscal Officer	
Contact Ph: 203-946-5790	
Contact E-mail: RMayer@fairfieldct.org	
Start Date: July 2012 End Date: On going	
Professional Reference #2	
Client Name and Address:	Title: Pension Administrator
City of New Haven 200 Orange Street, New Haven, CT 06510	
Staff Member's Role: Consulting Actuary	
Contact Name: Jerome Sagnella	Description of Services and Deliverables Provided: Prepared annual actuarial pension valuations and biennial OPEB valuations. Completed actuarial experience studies on periodic basis (typically every five years - last one was through 2014). Consulted with City staff and outside counsel on plan design and union negotiations issues. Assist City with administration
Contact Title: Pension Administrator	

Contact Ph: of the plan by reviewing all benefit and 203-946-5790 Contact E-mail: JSagnell@newhavenct.gov Start Date: May 2007 End Date: On going	
Professional Reference #3	
Client Name and Address : City of Hartford 250 Constitution Plaza – 2 nd Floor, Hartford, CT 06103	Title: Treasurer
Staff Member's Role: Consulting Actuary	
Contact Name: Adam M. Cloud	Description of Services and Deliverables Provided: Prepared annual actuarial pension valuations and biennial OPEB valuations. Completed actuarial experience studies on periodic basis (typically every five years - last one was through 2015). Consulted with City office staff and outside counsel on plan design and union negotiations issues.
Contact Title: City Treasurer	
Contact Ph: 860-757-9100 Contact E-mail: CLOUA001@hartfordrd.gov	
Start Date: March 2013 End Date: On going	

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Resume Summary	
Staff Member Name: Sharad Arora	
Proposed Role on BERS Project: Principal OPEB Analyst	
Number of years of professional experience – Total: 20 In role proposed for BERS: 20	
Education and Certifications (indicate institutions attended and degrees obtained): B.S.B.A – University of Hartford	
Professional Reference #1	
Client Name and Address: Town of Plainville Title: Director of Finance	
Staff Member's Role: Principal OPEB Analyst	
Contact Name: Rob Buden	Description of Services and Deliverables Provided: OPEB Valuation
Contact Title:	Director of Finance
Contact Phone:	860.793.0221 ext. 233
Contact E-mail:	rbuden@plainville-ct.gov
Start Date: 2010	End Date: On-going
Professional Reference #2	
Client Name and Address: Town of West Harford Title: Director of Finance	
Staff Member's Role: Principal OPEB Analyst	

Contact Name: Pete Privitera	Description of Services and Deliverables Provided: OPEB Valuation
Contact Title:	Director of Finance
Contact Phone:	860.561.7461
Contact E-mail:	Peter.privitera@westhartfordct.gov
Start Date: 2010	End Date: On-going
Professional Reference #3	
Client Name and Address: City of Stamford Title: Asst. Dir. OPM	
Staff Member's Role: Principal OPEB Analyst	
Contact Name: Lee Berta	Description of Services and Deliverables Provided: OPEB Valuation
Contact Title:	Asst. Director of OPM
Contact Phone:	203.977.5739
Contact E-mail:	lberta@stamfordct.gov
Start Date: 2012	End Date: On-going

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Resume Summary	
Staff Member Name: Ted LaBorde	
Proposed Role on BERS Project: Supporting OPEB Analyst	
Total: 18	In role proposed for BERS: 9
Education and Certifications (indicate institutions attended and degrees obtained): University of Massachusetts Amherst, MA - Bachelor of Science - School of Management	
Professional Reference #1	
Client Name and Address: City of Waterbury, 236 Grand Street, Waterbury CT 06702 Title: Director of Finance	
Staff Member's Role: Primary OPEB Analyst	
Contact Name: Michael LeBlanc	Description of Services and Deliverables Provided: Primary Analyst for OPEB services, to date have completed the July 1, 2016 OPEB Valuation and the June 30, 2016 GASB 45 Disclosure for the City of Waterbury.
Contact Title:	Director of Finance
Contact Phone:	203.574.6840 ext. 7059
Contact E-mail:	mleblanc@waterburyct.org
Start Date: 9/16/2016 End Date: Present	
Professional Reference #2	
Client Name and Address: Town of Branford, 1019 Main Street, Branford, CT 06405	
Staff Member's Role: Primary OPEB Analyst	
Contact Name: James P. Finch, Jr.	
Description of Services and Deliverables Provided: Primary Analyst for OPEB services, to date have completed the July 1, 2016 OPEB Valuation for the Town of Branford.	
Contact Title:	Finance Director
Contact Phone:	203.315.0663
Contact E-mail:	jfinch@branford-ct.gov
Start Date: 12/8/2016 End Date: Present	
Professional Reference #3	
Client Name and Address : Town of Wilton, 238 Danbury Road, Wilton, CT 06897	
Title: Director, Human Resources, Labor Relations, and Administrative Services Town of Wilton	
Staff Member's Role: Primary OPEB Analyst	

Contact Name: Sarah Taffel	Description of Services and Deliverables Provided: Primary Analyst for OPEB services, to date have completed the July 1, 2016 OPEB Valuation for the Town of Wilton.
Contact Title:	Director, Human Resources, Labor Relations, and Administrative Services
Contact Phone:	203.563.0118
Contact E-mail:	Sarah.taffel@wiltonct.org
Start Date: 11/2/2016	End Date: Ongoing

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Resume	
Staff Member Name: Rob Lessard	
Proposed Role on BERS Project: Principal Pension Analyst	
Number of years of professional experience –	
Total: 17	In role proposed for BERS: 17
Education and Certifications (indicate institutions attended and degrees obtained):	
Associate, Society of Actuaries Associate, Conference of Consulting Actuaries	
Professional Reference #1	
Client Name and Address:	Town of New Canaan Title: Pension/Retiree Benefits Administrator 77 Main Street, New Canaan, CT 06840
Staff Member's Role: Analyst	
Contact Name:	Description of Services and Deliverables Provided:
Diane Wilson	Pension Valuations and Disclosures, OPEB Valuations and Disclosures, Experience Study, Benefit Statements, Cost Estimates
Contact Title:	Pension Retiree Benefits Administrator
Contact Phone:	203-594-3144
Start Date: 2013	End Date: Ongoing
Professional Reference #2	
Client Name and Address	: City of Danbury Title: 155 Deer Hill Avenue, Danbury, CT 06810
Staff Member's Role: Analyst	
Contact Name:	Description of Services and Deliverables Provided:
Andi Gray	Pension Valuations and Disclosures (7 pension plans), OPEB Valuations and Disclosures, Total Pension Outsourcing, Benefit Calculations
Contact Title:	
Contact Phone:	203-797-4656
Contact E-mail:	a.gray@danbury-ct.gov
Start Date: 2013	End Date: Ongoing
Professional Reference #3	

Client Name and Address	: City of Middletown Title: Assistant Director of Finance
	Staff Member's Role: Analyst
Contact Name: Diana Doyle	Description of Services and Deliverables Provided: Pension Valuations and Disclosures, OPEB Valuations and Disclosures, Cost Estimates,
Contact Title:	Assistant Director of Finance
Contact Phone:	860-638-4880
Contact E-mail:	Diana.Doyle@MiddletownCT.Gov
Start Date: 2013	End Date: Ongoing

Burlington Employees Retirement System Pension and OPEB Actuarial Services – Resume Summary	
Staff Member Name: Gwen Zhu	
Proposed Role on BERS Project: Support Pension Analyst	
Number of years of professional experience – Total: 3 years In role proposed for BERS: 3 years	
Education and Certifications (indicate institutions attended and degrees obtained): University of Connecticut – Bachelor Degree in Actuarial Science	
Professional Reference #1	
Client Name and Address: City of New Haven Title: Payroll Benefit Auditor	
Staff Member's Role: Pension and OPEB analyst	
Contact Name: Alissa Ebbson	Description of Services and Deliverables Provided: Actuarial valuations, benefit calculations, and GASB Disclosures.
Contact Title:	Payroll/Benefit Auditor
Contact Phone:	203-946-8296
Contact E-mail: A	AEbbson@newhavenct.gov
Start Date:	End Date: Ongoing
Professional Reference #2	
Client Name and Address: City of Danbury, 155 Deer Hill Avenue, Danbury, CT 06810 Title: Director of Finance	
Staff Member's Role: Pension analyst	

Contact Name: David W. St. Hilaire	Description of Services and Deliverables Provided: Worked on actuarial valuations, GASB 67/68 Disclosures, and other special projects.
Contact Title:	Director of Finance
Contact Phone:	203-797-4652
Contact E-mail:	D.Sthilaire@danbury-ct.gov
Start Date:	End Date: Ongoing
Ongoing	
Professional Reference #3	
Client Name and Address: Town of West Hartford Title: Supervisor of Payroll	
Staff Member's Role: Pension and OPEB analyst	
Contact Name: Tracey Clonan	Description of Services and Deliverables Provided: Worked on actuarial valuations and GASB disclosures.
Contact Title: Supervisor of Payroll	Supervisor of Payroll
Contact Phone:	860-561-7469
Contact E-mail:	Tracey.Clonan@westhartfordct.gov
Start Date:	End Date: Ongoing
Ongoing	

PART B: OFFEROR RESPONSE TO PROJECT SCOPE

Your H&H team stands ready to assist you with your OPEB needs. We have extensive experience in valuation methodology and assumption setting. We work with our clients to ensure they understand their choices and the potential impact to their plans and the City's finances.

DATA TRANSMISSION

We will discuss methods for reporting data with you, taking into account your current recordkeeping systems and procedures to establish the best possible data collection procedure. For example, clients that utilize PensionEdge® Plus, either for an online benefit calculation or as part of an outsourcing solution, often provide payroll feeds for active data rather than completing a full data request. As a result, we will tailor the data request to meet your needs. We will send that data request in advance of the valuation date. Data can be transferred to us by email using the H&H Secure Message Center to ensure the security of information. After the data is received, we will review it for reasonableness and reconcile it with the prior valuation.

QUALITY CONTROL & REPORT FORMAT

We take quality control very seriously. Our firm is organized into three service units with firm-wide quality control and unit scheduling procedures. We use an internal WorkTrack system to manage workflow, ensuring that all work is properly reviewed and all deadlines are met.

All actuarial work is initially prepared by a highly-skilled actuarial analyst before being reviewed by a credentialed actuary. Both the analyst and reviewer have online checklists they must complete to certify that all of our processes and procedures have been followed correctly. Final valuation results are also subject to actuarial peer review. A draft report is reviewed with the City before publication to ensure that there were no misunderstandings with regard to plan provisions or assumptions. A sample copy of the valuation is provided in the Exhibits section of this proposal.

Additionally, our firm has successfully completed the SSAE-16 examination, ensuring trust and confidence in our service delivery processes and controls.



UNION NEGOTIATIONS

Our extensive municipal experience provides us with a comprehensive understanding of the current pension & OPEB landscape within our State. To ensure we deliver the most value to the City, we usually recommend meeting with the City in advance of union negotiations to discuss

strategies regarding competitive and cost-effective benefit programs. We have found that these meetings can pay large dividends by narrowing the focus of potential pension or OPEB plan changes, often eliminating unnecessary cost estimates.

We understand that the work related to union negotiations is time sensitive, and we make responding to these inquiries a top priority. When cost estimates are needed, we will provide a fee quote and project time table in advance of beginning the project. If possible, and if it meets the City's needs, we can often provide a "ball park" estimate within 24-hours of the request. More complicated cost estimates are typically provided within 2 weeks of the request, but always tailored to meet the City's deadline.

A proposed timeline for our annual valuation process is provided below. Final dates would be inserted based on the parameters we set together with the City at an initial planning meeting. In general we would expect to have final reports to review with the City within 60 days of receipt of complete data, and with data questions answered.

Date	Task	Responsibility
	Prior actuary sends valuation data to H&H	Prior actuary
	H&H matches prior valuation liability	H&H
	H&H sends data request	H&H
	BERS provides H&H with valuation data	BERS
	Data is reviewed & data questions are sent to the BERS	H&H
	Answers to data questions provided to H&H	BERS
	Draft results discussed with BERS along with any assumption change recommendations	H&H/BERS
	Review final reports with BERS	H&H/BERS
	Final reports published	H&H
	Reports presented at applicable meetings	H&H/BERS

* The order of the steps may be different if BERS' policy is to have a draft report presented and then approved at a board meeting.

PART C: COST INFORMATION

Please see separate cost proposal.

ADDITIONAL INFORMATION

Our firm appreciates the opportunity to earn your business. We have the experience, depth and professional staff to ensure your complete satisfaction. Please take into consideration the following when making your decision.

INDEPENDENCE

We are independent benefit consultants and actuaries. Unlike some other service providers, our primary business is plan consulting and valuation work. Our commitment and energies are focused on working with you as the plan sponsor, as well as any accountants, attorneys and investment managers involved with your benefit plans. We have no other agenda, nor do we have any other vested interests. Our independence is assured since our only vested interest is providing top-notch, independent consulting, actuarial and administrative assistance.

SUPERIOR SERVICE

We have built our reputation on being responsive to our clients' needs. We will continue to do everything possible to assist The City in ensuring that its plans operate according to plan specifications. Our service teams are structured with enough depth to ensure that clients are always able to reach one of the professionals on their H&H team.

Additionally, our state-of-the-art systems and proven best practices provide efficiencies that help manage costs. We are constantly seeking better ways to improve upon our services to continue exceeding our clients' needs.

COMPLIANCE

We are especially proud of our work in the compliance area. Since various government limitations and restrictions may have a direct impact on your plans, it is our policy to constantly review and evaluate the potential influence of new legislation and associated regulations on government plans. We also update our clients regularly on these issues.

MUNICIPAL EXPERTISE

We have extensive consulting experience with municipalities, boards of education and school districts. In fact, more than 42% of Connecticut municipalities with pension plans and 54% of those with an OPEB component in their plans are H&H clients.

In addition to actuarial valuations, our services for municipalities include:

- Assistance with union negotiations
- Plan design alternatives and costing
- OPEB funding strategies

- Benefit calculations
- Pension Outsourcing program
- PensionEdge® Plus, a web-based platform for sponsors and participants
- Employee communications
- Arbitration testimony

COMPETITIVE FEE STRUCTURE

We provide value-added services at a very competitive price. Unlike large, national organizations with layers of management and operational overhead, our size permits us to provide similar services, delivered by credentialed and experienced professionals, at a more economical rate.

CONSULTING GROUP SYNERGY

We all know that many heads are better than one. That's why our consultants meet monthly to discuss client cases and share beneficial strategies. This sharing of best practices brings fresh ideas and unique concepts to our clients on an ongoing basis.

QUALITY CONTROL PROCEDURES

Our firm is organized into three service units with firm-wide quality control and unit scheduling procedures. Review is handled by the firm's Board of Directors. Peer review is encouraged and continuing education is required in accordance with requirements of the *Joint Board for the Enrollment of Actuaries*.

UNION NEGOTIATIONS

Our extensive Connecticut municipal experience provides us with a comprehensive understanding of the current pension & OPEB landscape within our State. To ensure we deliver the most value to our clients, we usually recommend meeting with the City in advance of union negotiations to discuss strategies regarding competitive and cost-effective benefit programs. We have found that these meetings can pay large dividends by narrowing the focus of potential pension or OPEB plan changes, often eliminating unnecessary cost estimates.

We understand that the work related to union negotiations is time sensitive, and we make responding to these inquiries a top priority. When cost estimates are needed, we will provide a fee quote and project time table in advance of beginning the project. If possible, and if it meets the City's needs, we can often provide a "ball park" estimate within 24-hours of the request. More complicated cost estimates are typically provided within 2 weeks of the request, but always tailored to meet the City's deadline.

INSURANCE

If awarded this contract, our firm can provide a certificate of insurance indicating the following minimum coverage:

- a) Worker's Compensation – As required by law
- b) General Liability with the Client as additionally insured, \$1,000,000 CSL, aggregate of \$2,000,000
- c) Automobile Liability - Hired automobiles; combined single limit of \$1,000,000 per occurrence
- d) Professional Liability - Minimum limits of \$5,000,000 per occurrence

If the policy is on a claims-made basis, the policy shall be continually renewed for two years beyond the termination date of this contract and its renewals.

INFORMATION TECHNOLOGY

Because information systems are so important to the delivery of quality services, we have made a significant commitment to our information technology (IT) area – both in personnel and leading-edge computer systems and equipment.

Staff

Our experienced IT department provides support in a wide range of areas, including systems design, programming, use of commercial software and hardware maintenance. Our professional IT staff consists of a senior systems analyst and a network supervisor.

Hardware

All of our computer equipment is owned and is located onsite in our West Hartford office. We maintain industry-standard hardware. Our process includes scheduled replacement of servers and workstations on a regular and disciplined basis. The emphasis of this plan is to ensure that our equipment is continually updated to reflect current technical advances.

Software

Hooker & Holcombe utilizes state-of-the-art information systems to provide defined benefit and profit sharing plan services to assist our clients in the administration of their retirement plans. The following summarizes our primary software systems for our defined benefit and post-retirement medical services:

- Software for Actuarial Valuation Computations – ProVal, by Winklevoss Consultants, Inc.
ProVal is a widely respected product utilized by many pension and OPEB providers.

- Microsoft Excel is used for a number of varied and complex actuarial calculations provided to our Clients.

ProVal integrated valuation and projection software is continually monitored and upgraded by professionals, and allows us flexibility and efficiency in each client's valuation process.

ProVal allows us to provide the following services:

- Pension & OPEB funding projections
- Asset liability modeling
- Early retirement window plans
- Workforce projections
- Retiree medical and life insurance benefits
- A broad range of pension and OPEB formulas for all types of plans
- Negotiated future benefit changes and grandfathered benefits
- Unlimited assumptions
- Calculations of multiple liabilities at differing interest rates
- Unlimited contribution and expense scenarios
- Analysis of "what if" scenarios based on differing assets returns, accounting discount rates, inflation, funding interest rates and cost of living increases.

Secure Message Center

The need to protect the exchange of confidential information via email is a priority. All email that contains confidential information will be exchanged using the Hooker & Holcombe Secure Message Center. The Message Center should also be used by clients to send secure messages and files to H&H.

SECURITY / BUSINESS CONTINUITY

Physical Security

H&H maintains physical security and accountability through the use of locked offices and rooms, visitor registers at the main entrance and server room, and a policy that all visitors must be escorted at all times.

Network Authentication

H&H requires strong passwords to access our internal network. Passwords must be changed on a regular basis. H&H policy requires that passwords not be shared with anyone. Access to sensitive data is limited to those who need this information to perform their roles.

Data Recovery

H&H utilizes procedures to ensure the availability of our data which include nightly backups of all data and applications, and offsite storage of critical applications and data. The reliability of backup procedures and media are verified on a frequent basis.

Data Integrity

H&H ensure data integrity by implementing industry standard firewalls, anti-viruses, and intrusion detection on all servers, desktops and laptops. All computers are patched on a scheduled basis to prevent security issues. IT monitors audit logs and external sources to remain aware of emerging threats.

Encryption

All H&H laptops are encrypted using 256-bit AES encryption. Sensitive Email is encrypted using ZixMail by Zix Corp.

Destruction of Paper and Media

H&H employs InfoShred for paper and media disposal. InfoShred is National Association for Information Destruction (NAID) AAA certified and maintains stringent security practices. InfoShred complies with all requirements of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) the Gramm Leach Bailey Act (GLB) and the Fair and Accurate Credit Transaction Act (FACTA). Media including diskettes, CD's, and computer hard drives are destroyed by shredding and melting. H&H staff audits InfoShred procedures on a regular basis.

CONCLUDING STATEMENT

Our firm has a proven track record and the consulting depth BERS requires to achieve its fiscal goals:

- We have been serving public sector clients including municipalities, school districts and Boards of Education since 1956.
- Superior service and a focus on building solid client relationships is the hallmark of our firm. Your service team is readily accessible and you will be a priority.
- Our consultants have excellent communication skills which translate into the ability to turn complex issues and ideas into understandable language and actionable advice.
- We have in-depth experience with union negotiations and arbitration. We do not provide services to municipal unions, thus we have no conflicts of interest.
- We do not have multiple offices with layers of management. Our corporate structure is relatively flat which enables us to keep our fees competitive.
- We understand state laws and all of our services are in accordance with such laws.
- We know the municipal marketplace and realize that many municipalities have begun to move away from defined benefit plans. Our pro-active culture has enabled us to provide answers to municipalities that are confronting the challenges of funding their long-term pension and post-retirement medical liabilities.

Put us to work for your community. We look forward to developing a lasting and beneficial relationship with the Burlington Employees Retirement System.