

AGREEMENT

THIS AGREEMENT is made and entered into this 24th day of November, 2020, by and between the COUNTY OF FRESNO, a Political Subdivision of the State of California, hereinafter referred to as "COUNTY", and Northwest Capital Management, an Oregon corporation, whose address is 13333 SW 68th Pkwy, Suite 230, Portland, OR 97223, hereinafter referred to as "CONTRACTOR".

WITNESSETH:

WHEREAS, the COUNTY intends to maintain the "County of Fresno 457(b) Deferred Compensation Plan", hereinafter referred to as "Deferred Compensation Plan", for its eligible employees in accordance with Section 457 of the Internal Revenue Code for the purpose of providing certain benefits to its employees, and;

WHEREAS, the COUNTY desires to contract for consultation services as described in Request for Proposals number 20-056 (RFP number 20-056), and;

WHEREAS, CONTRACTOR has demonstrated their ability to provide such consultation services in their response to RFP number 20-056.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties hereto agree as follows:

1. OBLIGATIONS OF THE CONTRACTOR

CONTRACTOR shall provide the following consultation services, as described in COUNTY's RFP number 20-056, attached hereto as Exhibit A and incorporated herein by reference) and CONTRACTOR'S Response to RFP number 20-056, attached hereto as Exhibit B and incorporated herein by reference:

A. Investment Oversight

- 1) Develop investment objectives, including reviewing and updating the Investment Policy Statement.
- 2) Make recommendations regarding the current investment lineup.
- 3) Attend the quarterly regular meetings of the Deferred Compensation

1 Management Council (hereinafter "DCMC") in-person and special in-person DCMC meetings as
2 needed. If approved by COUNTY, CONTRACTOR may attend such regular or special DCMC
3 meetings via electronic medium.

4 B. Assist the DCMC with regard to fiduciary responsibilities

5 1) Provide training to the DCMC and staff on fiduciary duties as well as
6 industry or regulatory developments and best practices.

7 2) Ensure that the Plan adheres to industry best practices, including
8 compliance with ERISA, where appropriate.

9 3) Provide an annual review of the Plan Document with regard to
10 changes in governing law, industry best practices, and other developments affecting Plan design
11 and make recommendations for modifications to the Plan Document.

12 C. Assist the DCMC and staff in the development, implementation, and
13 monitoring of participant enrollment, contribution, and education objectives.

14 D. Monitor the performance of the Plan Record-keeper

15 1) Ensure that record-keeping, enrollment, and participant education
16 services meet or exceed what is required in the current record-keeping agreement.

17 2) By request of the DCMC or staff or when appropriate, act as an
18 intermediary with the record keeper, including participating in problem resolution and strategic
19 planning.

20 3) Attend monthly virtual meetings with the Plan Record-keeper and
21 COUNTY staff.

22 E. Plan Record-keeper RFP process

23 1) Create RFP for record-keeper services.

24 2) Identify and distribute RFP to appropriate vendors.

25 3) Evaluate respondent proposals, including, but not limited to the
26 following aspects of each proposal:

27 a) Analysis of vendor fees/expenses;

28 b) Participant services and education;

- 1 c) Plan sponsor services;
- 2 d) Ability and experience of the organization and client service
- 3 team;
- 4 e) Record-keeping system stability and capabilities;
- 5 f) Conversion project plan;
- 6 g) Investment platform.
- 7 4) Provide recommendation of finalists with a summary comparison
- 8 report.
- 9 5) Assist with contract review and negotiation.
- 10 6) Oversee all aspects of the transition (if necessary) including:
- 11 a) Attend weekly conference calls with County and selected
- 12 record-keeper;
- 13 b) Monitoring progress of established timeline;
- 14 c) Review and make recommendations regarding participant
- 15 communication and education materials developed by the selected record-keeper;
- 16 d) As required, assist the DCMC and County staff in meeting
- 17 with or making presentations to various Plan stakeholder groups regarding the new record-
- 18 keeper and the transition process;
- 19 e) Oversee the migration of the current investment options,
- 20 investment managers and record-keeping services to the selected service provider.

21 F. Additional Services. At the written request of COUNTY's Director of Human
22 Resources or their designee, CONTRACTOR shall:

- 23 1) Attend additional in-person meetings exceeding 5 per year.
- 24 2) Provide additional services pursuant to the terms of this Agreement.

25 2. OBLIGATIONS OF THE COUNTY

26 COUNTY will authorize the Deferred Compensation Plan Administrator to provide
27 CONTRACTOR with current Deferred Compensation Plan investment data, including but not
28 limited to the following:

- 1 A. Deferred Compensation Plan asset and asset allocation data.
- 2 B. Deferred Compensation Plan participation information.
- 3 C. Access to the Deferred Compensation Plan Sponsor website for the
- 4 purpose of viewing and retrieving reports. Said access shall not include access to individual
- 5 participant accounts.
- 6 D. Other relevant Deferred Compensation Plan reports and data as required
- 7 for CONTRACTOR to provide consultation services.

8 3. TERM

9 The term of this Agreement shall be for a period of five (5) years and 18 days, commencing

10 on December 13, 2020, through and including December 31, 2025.

11 4. TERMINATION

12 A. Non-Allocation of Funds - The terms of this Agreement, and the services to

13 be provided hereunder, are contingent on the approval of funds by the appropriating government

14 agency. Should sufficient funds not be allocated, the services provided may be modified, or this

15 Agreement terminated, at any time by giving the CONTRACTOR thirty (30) days advance written

16 notice.

17 B. Breach of Contract - The COUNTY may immediately suspend or terminate

18 this Agreement in whole or in part, where in the determination of the COUNTY there is:

- 19 1) An illegal or improper use of funds;
- 20 2) A failure to comply with any term of this Agreement;
- 21 3) A substantially incorrect or incomplete report submitted to the
- 22 COUNTY;
- 23 4) Improperly performed service.

24 In no event shall any payment by the COUNTY constitute a waiver by the COUNTY of any

25 breach of this Agreement or any default which may then exist on the part of the CONTRACTOR.

26 Neither shall such payment impair or prejudice any remedy available to the COUNTY with respect

27 to the breach or default. The COUNTY shall have the right to demand of the CONTRACTOR the

28 repayment to the COUNTY of any funds disbursed to the CONTRACTOR under this Agreement,

1 which in the judgment of the COUNTY were not expended in accordance with the terms of this
2 Agreement. The CONTRACTOR shall promptly refund any such funds upon demand.

3 C. Without Cause - Under circumstances other than those set forth above, this
4 Agreement may be terminated by COUNTY upon the giving of thirty (30) days advance written
5 notice of an intention to terminate to CONTRACTOR.

6 5. COMPENSATION/INVOICING:

7 A. COUNTY agrees to pay CONTRACTOR and CONTRACTOR agrees to
8 receive compensation as follows:

9 1) A quarterly fee of \$10,625.00 (\$42,500.00 annualized).

10 2) In any quarter where the COUNTY agrees to replace its in-person
11 regular Deferred Compensation Management Council meeting with a virtual meeting where
12 CONTRACTOR does not incur travel expenses, up to two (2) quarters per calendar year, the
13 quarterly fee referenced in subparagraph 1 of Section 5.A will be reduced to \$8,125.00. Under this
14 subparagraph 2 of Section 5.A. –

15 a) CONTRACTOR agrees to receive a reduced quarterly fee in
16 a maximum of two (2) quarters per calendar year; and

17 b) The minimum annual fee paid to CONTRACTOR will be
18 \$37,500.00.

19 3) An additional fee of \$30,000.00 for providing services described in
20 paragraph E of Section 1 (OBLIGATIONS OF CONTRACTOR), above, upon request by
21 COUNTY.

22 4) An additional fee of \$1,500.00 to attend on-site meetings, in excess of
23 five (5) per calendar year.

24 5) An hourly rate of \$250 for services performed which are outside of
25 those listed in Section 1 (OBLIGATIONS OF CONTRACTOR) of this Agreement, as agreed upon
26 by the DCMC and CONTRACTOR.

1 B. CONTRACTOR shall submit quarterly invoices to the County of Fresno
2 Human Resources Department and COUNTY shall remit payment to CONTRACTOR within 90
3 days of receipt of invoice.

4 In no event shall services performed under this Agreement be in excess of \$250,000.00
5 during the term of this Agreement. It is understood that all expenses incidental to
6 CONTRACTOR'S performance of services under this Agreement shall be borne by
7 CONTRACTOR.

8 6. INDEPENDENT CONTRACTOR: In performance of the work, duties and
9 obligations assumed by CONTRACTOR under this Agreement, it is mutually understood and
10 agreed that CONTRACTOR, including any and all of the CONTRACTOR'S officers, agents, and
11 employees will at all times be acting and performing as an independent contractor, and shall act in
12 an independent capacity and not as an officer, agent, servant, employee, joint venturer, partner, or
13 associate of the COUNTY. Furthermore, COUNTY shall have no right to control or supervise or
14 direct the manner or method by which CONTRACTOR shall perform its work and function.
15 However, COUNTY shall retain the right to administer this Agreement so as to verify that
16 CONTRACTOR is performing its obligations in accordance with the terms and conditions thereof.

17 CONTRACTOR and COUNTY shall comply with all applicable provisions of law and the
18 rules and regulations, if any, of governmental authorities having jurisdiction over matters the
19 subject thereof.

20 Because of its status as an independent contractor, CONTRACTOR shall have absolutely
21 no right to employment rights and benefits available to COUNTY employees. CONTRACTOR
22 shall be solely liable and responsible for providing to, or on behalf of, its employees all
23 legally-required employee benefits. In addition, CONTRACTOR shall be solely responsible and
24 save COUNTY harmless from all matters relating to payment of CONTRACTOR'S employees,
25 including compliance with Social Security withholding and all other regulations governing such
26 matters. It is acknowledged that during the term of this Agreement, CONTRACTOR may be
27 providing services to others unrelated to the COUNTY or to this Agreement.

28 7. MODIFICATION: Any matters of this Agreement may be modified from time to time

1 by the written consent of all the parties without, in any way, affecting the remainder.

2 8. NON-ASSIGNMENT: Neither party shall assign, transfer or sub-contract this
3 Agreement nor their rights or duties under this Agreement without the prior written consent of the
4 other party.

5 9. HOLD HARMLESS: CONTRACTOR agrees to indemnify, save, hold harmless, and
6 at COUNTY'S request, defend the COUNTY, its officers, agents, and employees from any and all
7 costs and expenses (including attorney's fees and costs), damages, liabilities, claims, and losses
8 occurring or resulting to COUNTY in connection with the performance, or failure to perform, by
9 CONTRACTOR, its officers, agents, or employees under this Agreement, and from any and all
10 costs and expenses (including attorney's fees and costs), damages, liabilities, claims, and losses
11 occurring or resulting to any person, firm, or corporation who may be injured or damaged by the
12 performance, or failure to perform, of CONTRACTOR, its officers, agents, or employees under this
13 Agreement.

14 10. INSURANCE

15 Without limiting the COUNTY's right to obtain indemnification from CONTRACTOR or any
16 third parties, CONTRACTOR, at its sole expense, shall maintain in full force and effect, the
17 following insurance policies or a program of self-insurance, including but not limited to, an
18 insurance pooling arrangement or Joint Powers Agreement (JPA) throughout the term of the
19 Agreement:

20 A. Commercial General Liability

21 Commercial General Liability Insurance with limits of not less than One Million Dollars
22 (\$1,000,000.00) per occurrence and an annual aggregate of Three Million Dollars
23 (\$3,000,000.00). This policy shall be issued on a per occurrence basis. COUNTY may require
24 specific coverages including completed operations, products liability, contractual liability,
25 Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed
26 necessary because of the nature of this contract.

27 B. Automobile Liability

28 Comprehensive Automobile Liability Insurance with limits of not less than One Million

1 Dollars (\$1,000,000.00) per accident for bodily injury and for property damages. Coverage should
2 include any auto used in connection with this Agreement.

3 C. Professional Liability

4 If CONTRACTOR employs licensed professional staff, (e.g., Ph.D., R.N., L.C.S.W.,
5 M.F.C.C.) in providing services, Professional Liability Insurance with limits of not less than One
6 Million Dollars (\$1,000,000.00) per occurrence, Three Million Dollars (\$3,000,000.00) annual
7 aggregate.

8 D. Worker's Compensation

9 A policy of Worker's Compensation insurance as may be required by the California
10 Labor Code.

11 Additional Requirements Relating to Insurance

12 CONTRACTOR shall obtain endorsements to the Commercial General Liability insurance
13 naming the County of Fresno, its officers, agents, and employees, individually and collectively, as
14 additional insured, but only insofar as the operations under this Agreement are concerned. Such
15 coverage for additional insured shall apply as primary insurance and any other insurance, or
16 self-insurance, maintained by COUNTY, its officers, agents and employees shall be excess only
17 and not contributing with insurance provided under CONTRACTOR's policies herein. This
18 insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written
19 notice given to COUNTY.

20 CONTRACTOR hereby waives its right to recover from COUNTY, its officers, agents, and
21 employees any amounts paid by the policy of worker's compensation insurance required by this
22 Agreement. CONTRACTOR is solely responsible to obtain any endorsement to such policy that
23 may be necessary to accomplish such waiver of subrogation, but CONTRACTOR's waiver of
24 subrogation under this paragraph is effective whether or not CONTRACTOR obtains such an
25 endorsement.

26 Within Thirty (30) days from the date CONTRACTOR signs and executes this Agreement,
27 CONTRACTOR shall provide certificates of insurance and endorsement as stated above for all of
28 the foregoing policies, as required herein, to the County of Fresno, Paul Nerland, Director of

1 Human Resources, 2220 Tulare Street, 14th Floor, Fresno, CA 93721, stating that such insurance
2 coverage have been obtained and are in full force; that the County of Fresno, its officers, agents
3 and employees will not be responsible for any premiums on the policies; that such Commercial
4 General Liability insurance names the County of Fresno, its officers, agents and employees,
5 individually and collectively, as additional insured, but only insofar as the operations under this
6 Agreement are concerned; that such coverage for additional insured shall apply as primary
7 insurance and any other insurance, or self-insurance, maintained by COUNTY, its officers, agents
8 and employees, shall be excess only and not contributing with insurance provided under
9 CONTRACTOR's policies herein; and that this insurance shall not be cancelled or changed
10 without a minimum of thirty (30) days advance, written notice given to COUNTY.

11 In the event CONTRACTOR fails to keep in effect at all times insurance coverage as herein
12 provided, the COUNTY may, in addition to other remedies it may have, suspend or terminate this
13 Agreement upon the occurrence of such event.

14 All policies shall be issued by admitted insurers licensed to do business in the State of
15 California, and such insurance shall be purchased from companies possessing a current A.M.
16 Best, Inc. rating of A FSC VII or better.

17 11. AUDITS AND INSPECTIONS: The CONTRACTOR shall at any time during
18 business hours, and as often as the COUNTY may deem necessary, make available to the
19 COUNTY for examination all of its records and data with respect to the matters covered by this
20 Agreement. The CONTRACTOR shall, upon request by the COUNTY, permit the COUNTY to
21 audit and inspect all of such records and data necessary to ensure CONTRACTOR'S compliance
22 with the terms of this Agreement.

23 If this Agreement exceeds ten thousand dollars (\$10,000.00), CONTRACTOR shall be
24 subject to the examination and audit of the Auditor General for a period of three (3) years after
25 final payment under contract (Government Code Section 8546.7).

26 12. NOTICES: The persons and their addresses having authority to give and receive
27 notices under this Agreement include the following:

28 COUNTY

CONTRACTOR

COUNTY OF FRESNO
Paul Nerland, Director of Human Resources
2220 Tulare Street, 14th Floor
Fresno, CA 93721

Northwest Capital Management
Brent Petty, President
13333 SW 68th Pkwy, Suite 230
Portland, OR 97223

All notices between the COUNTY and CONTRACTOR provided for or permitted under this Agreement must be in writing and delivered either by personal service, by first-class United States mail, by an overnight commercial courier service, or by telephonic facsimile transmission. A notice delivered by personal service is effective upon service to the recipient. A notice delivered by first-class United States mail is effective three COUNTY business days after deposit in the United States mail, postage prepaid, addressed to the recipient. A notice delivered by an overnight commercial courier service is effective one COUNTY business day after deposit with the overnight commercial courier service, delivery fees prepaid, with delivery instructions given for next day delivery, addressed to the recipient. A notice delivered by telephonic facsimile is effective when transmission to the recipient is completed (but, if such transmission is completed outside of COUNTY business hours, then such delivery shall be deemed to be effective at the next beginning of a COUNTY business day), provided that the sender maintains a machine record of the completed transmission. For all claims arising out of or related to this Agreement, nothing in this section establishes, waives, or modifies any claims presentation requirements or procedures provided by law, including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code, beginning with section 810).

13. GOVERNING LAW: Venue for any action arising out of or related to this Agreement shall only be in Fresno County, California.

The rights and obligations of the parties and all interpretation and performance of this Agreement shall be governed in all respects by the laws of the State of California.

14. DISCLOSURE OF SELF-DEALING TRANSACTIONS

This provision is only applicable if the CONTRACTOR is operating as a corporation (a for-profit or non-profit corporation) or if during the term of the agreement, the CONTRACTOR changes its status to operate as a corporation.

Members of the CONTRACTOR's Board of Directors shall disclose any self-dealing

1 transactions that they are a party to while CONTRACTOR is providing goods or performing
2 services under this agreement. A self-dealing transaction shall mean a transaction to which the
3 CONTRACTOR is a party and in which one or more of its directors has a material financial
4 interest. Members of the Board of Directors shall disclose any self-dealing transactions that
5 they are a party to by completing and signing a Self-Dealing Transaction Disclosure Form,
6 attached hereto as Exhibit C and incorporated herein by reference, and submitting it to the
7 COUNTY prior to commencing with the self-dealing transaction or immediately thereafter.

8 15. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between
9 the CONTRACTOR and COUNTY with respect to the subject matter hereof and supersedes all
10 previous Agreement negotiations, proposals, commitments, writings, advertisements, publications,
11 and understanding of any nature whatsoever unless expressly included in this Agreement. In the
12 event of any inconsistency in interpreting the documents which constitute this Agreement, the
13 inconsistency shall be resolved by giving precedence in the following order of priority: (1) the text
14 of this Agreement (excluding Exhibit "A", COUNTY'S Request for Proposal No. 20-056 and Exhibit
15 "B", the CONTRACTOR'S Proposal in response thereto); (2) Exhibit "A"; and (3) Exhibit B.

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1 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day
2 and year first hereinabove written.

3
4 **CONTRACTOR**

5 Brent Petty
6 (Authorized Signature)

7 Brent Petty, President

8 Print Name & Title

9 13333 SW 68th Pkwy, Suite 230
10 Portland, OR 97223

11 Mailing Address

COUNTY OF FRESNO

Ernest Buddy Mendes

Ernest Buddy Mendes, Chairman of
the Board of Supervisors of the
County of Fresno

ATTEST:

Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

12
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14
15
16 By: Josie Angel

Deputy

17 FOR ACCOUNTING USE ONLY:

18 Fund:

19 Subclass:

20 ORG:

21 Account:
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EXHIBIT A

COUNTY OF FRESNO



REQUEST FOR PROPOSAL

NUMBER: 20-056

DEFERRED COMPENSATION PLAN CONSULTANT

Issue Date: May 13, 2020

Closing Date: JUNE 11, 2020 AT 10:00 AM

All Questions and Responses must be electronically submitted on the Bid Page on Public Purchase.

For assistance, contact **Mr. Shannon W. Kirby** at Phone (559) 600-7116.

BIDDER TO COMPLETE

Undersigned agrees to furnish the commodity or service stipulated in the attached at the prices and terms stated in this RFP.
Bid must be signed and dated by an authorized officer or employee.

COMPANY

CONTACT PERSON

ADDRESS

CITY

STATE

ZIP CODE

()

TELEPHONE NUMBER

E-MAIL ADDRESS

AUTHORIZED SIGNATURE

PRINT NAME

TITLE

COUNTY OF FRESNO



ADDENDUM NUMBER: ONE (1)

RFP NUMBER: 20-056

DEFERRED COMPENSATION PLAN CONSULTANT

Issue Date: May 22, 2020

Closing Date: June 11, 2020 at 10:00 AM

All Questions and Proposals must be electronically submitted to the Bid Page on Public Purchase.

For assistance, contact Mr. Shannon W. Kirby at (559) 600-7116.

NOTE THE FOLLOWING AND ATTACHED ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF REQUEST FOR PROPOSAL NUMBER: 20-056 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

- **Change Page 12, A. (c) to: Attend quarterly DCMC meetings and special DCMC meetings as needed; please note that the last special meeting was in 2016.**
- **Questions and Answers (Attached)**

ACKNOWLEDGMENT OF ADDENDUM NUMBER ONE (1) TO RFP 20-056

COMPANY NAME: _____ (PRINT)

SIGNATURE: _____

NAME & TITLE: _____ (PRINT)

Purchasing Use: SWKst

ORG/Requisition: 89250200 / 8922000189

QUESTIONS AND ANSWERS

Q1. It appears that the County underwent a recordkeeping RFP in 2019 and began working with Nationwide in January 2020. Are there additional changes or updates that will be made to the Plan throughout the course of 2020, for instance timing issues with a stable value fund transition or plan design updates?

A1. *The Plan will likely amend the Plan Document in 2020 or 2021 to incorporate SECURE Act provisions. The Plan is also considering the optional changes provided by the CARES Act.*

Q2. What is the current structure of the stable value fund?

A2. *The assets are owned by the Deferred Compensation Plan and managed by Great-West.*

Q3. What is the current consulting fee? Was a separate fee charged for the recordkeeping RFP project completed in 2019?

A3. *The annual consulting fee is \$40,000 and the fee for the 2019 RFP project was \$30,000.*

Q4. How many times did the DCMC meet in 2019 (both regular and special meetings)? In 2018?

A4. *The DCMC met four (4) times in both 2018 and 2019. All meeting agendas and supporting documentation can be found on the [Deferred Compensation Management Council website](#).*

Q5. What are some examples of topics covered at the DCMC's special meetings? Would you consider sharing the agenda for 2019 special meetings?

A5. *All meeting agendas and supporting documentation can be found on the [Deferred Compensation Management Council website](#).*

Q6. Does the County have a preference for a 3(38) or 3(21) advisor?

A6. *The incumbent Plan Consultant currently serves in a 3(21) capacity. However, if your firm feels that serving in a 3(38) capacity is preferable, please include both options in your response.*

Q7. The scope of work indicated attendance at semi-annual meetings. Is the DCMC requesting 2 reports per year, or do you require reporting on a quarterly basis? If you are seeking quarterly reports, would you prefer to have quarterly meetings?

A7. *The DCMC currently meets four (4) times per year, not semi-annually – the Scope of Work has been updated accordingly. The Plan Consultant attends those meetings and presents their quarterly reports.*

Q8. What deliverables are typically provided special DCMC meetings? How much advance notification is provided for these meetings? How often have special meetings occurred in the previous three years? Would the DCMC allow for attendance via teleconference?

A8. *All meeting agendas and supporting documentation can be found on the [Deferred Compensation Management Council website](#). While the DCMC has not called a special meeting since 2016, County staff work very closely with our Plan Consultant to schedule and prepare for any special meeting, so one would not be called without advance notice. The DCMC would allow for attendance via teleconference in extreme situations, such as what we're experiencing with COVID-19, but under normal conditions, it is expected that the Plan Consultant would attend DCMC meetings in person.*

Q9. Does the Plan currently use Nationwide to provide plan document services?

A9. The Plan uses a custom Plan Document.

Q10. Will certain sections of the award criteria be weighted differently or is everything equal-weighted?

A10. The County does not assign weights to any of the Award Criteria.

Q11. Is the Insurance requirement for Commercial General Liability Insurance required to be \$4m Aggregate?

A11. Bidders will not be disqualified if they do not have \$4 million in aggregate Commercial General Liability insurance. If a bidder has less insurance than what is requested in the Model County Contract, they should note this as an exception in their response. If a bidder with such an exception is selected, this exception will be noted when the agreement is taken to the Board of Supervisors for approval.

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OVERVIEW

The County of Fresno (County) is requesting proposals from qualified vendors to provide consulting services for the County of Fresno 457(b) Deferred Compensation Plan (the "Plan"). The current consultant is Northwest Capital Management (NWCM). NWCM has been the Plan's consultant since 2011. This RFP is being issued due to the expiration of the current agreement between the County and NWCM on December 13, 2020.

The winning bidder will report to the Deferred Compensation Management Council (DCMC). The winning bidder must provide objective and independent advice to the DCMC and their support staff, solely in the interest of Plan participants and their beneficiaries. It is the County's intent to contract with the winning bidder for a term of three (3) years with the option to renew for up to two (2) additional one (1) year periods.

Currently, Nationwide Retirement Solutions (NRS) provides all record-keeping, investment, and related vendor services. The current three (3) year Agreement with NRS began in January of 2020 and has the option to renew for up to two (2) additional one (1) year periods.

The County has offered a deferred compensation plan to its employees since 1978. As of May 7, 2020, the Plan has assets of \$257 million and there are 6,792 participants with 4,069 actively contributing.

KEY DATES

RFP Issue Date: **May 13, 2020**

Written Questions for RFP Due: **May 21, 2020 at 10:00 AM**
Questions must be submitted on the Bid Page.

RFP Closing Date: **June 11, 2020 at 10:00 AM**
Proposals must be electronically submitted on the Bid Page.

BIDDERS' CONFERENCE & SITE INSPECTION:

There will be no bidders' conference held due to the logistics of many employees working from home offices. Please submit all questions to Public Purchase by the date and time listed above. Addenda will be prepared and distributed to all bidders if questions are submitted.

GENERAL REQUIREMENTS & CONDITIONS

TERM: It is County's intent to contract with the successful bidder for a term of three years with the option to renew for up to two additional one year periods based on mutual written consent.

The County reserves the right to terminate any resulting contract upon written notice.

AWARD: The award will be made to the vendor offering the proposal that is deemed the most advantageous to the County. Past performance (County contracts within the past seven years) and references may factor into awarding of a contract. The County will be the sole judge in making such determination. The County reserves the right to reject any and all proposals. Award Notices are tentative. Acceptance of an offer made in response to this RFP shall occur only upon execution of an agreement by both parties or issuance of a valid Purchase Order by Purchasing. After award, all bids shall be open to public inspection. The County assumes no responsibility for the confidentiality of information offered in a bid.

Award may require approval by the County of Fresno – Board of Supervisors.

PARTICIPATION: The bidder may agree to extend the terms of the resulting contract to other political subdivisions, municipalities, and tax-supported agencies. Such participating governmental bodies may make purchases in their own name, make payment directly to the bidder, and be liable directly to the bidder, holding the County of Fresno harmless.

CONFIDENTIALITY: Services performed by the bidder shall be in strict conformance with all applicable Federal, State of California and/or local laws and regulations relating to confidentiality, including but not limited to, California Civil Code, California Welfare and Institutions Code, Health and Safety Code, California Code of Regulations, Code of Federal Regulations.

The bidder shall submit to County's monitoring of said compliance.

The bidder may be a Business associate of County, as that term is defined in the "Privacy Rule" enacted by the Health Insurance Portability and Accountability Act of 1996 (HIPAA). As a HIPAA Business Associate, vendor may use or disclose protected health information ("PHI") to perform functions, activities or services for or on behalf of County, as specified by the County, provided that such use or disclosure shall not violate HIPAA and its implementing regulations. The uses and disclosures of PHI may not be more expansive than those applicable to County, as the "Covered Entity" under HIPAA's Privacy Rule, except as authorized for management, administrative or legal responsibilities of the Business Associate.

The bidder shall not use or further disclose PHI other than as permitted or required by the County, or as required by law without written notice to the County. The bidder shall ensure that any agent, including any subcontractor, to which vendor provides PHI received from, or created or received by the vendor on behalf of County, shall comply with the same restrictions and conditions with respect to such information.

SELF-DEALING TRANSACTION DISCLOSURE: Contractor agrees that when operating as a corporation (a for-profit or non-profit corporation), or if during the term of the agreement the Contractor changes its status to operate as a corporation, members of the Contractor's Board of Directors shall disclose any self-dealing transactions that they are a party to while Contractor is providing goods or performing services under the agreement with the County. A self-dealing transaction shall mean a transaction to which the Contractor is a party and in which one or more of its directors has a material financial interest. Members of the Board of Directors shall disclose any self-dealing transactions that they are a party to by completing and signing a Fresno County Self-Dealing Transaction Disclosure Form and submitting it to the County prior to commencing with the self-dealing transaction or immediately thereafter.

LOCAL VENDOR PREFERENCE: The Local Vendor Preference **does not** apply to this Request for Proposal.

CONFLICT OF INTEREST: The County shall not contract with, and shall reject any bid or proposal submitted by the persons or entities specified below, unless the Board of Supervisors finds that special circumstances exist which justify the approval of such contract:

1. Employees of the County or public agencies for which the Board of Supervisors is the governing body.

2. Profit-making firms or businesses in which employees described in Subsection (1) serve as officers, principals, partners or major shareholders.
3. Persons who, within the immediately preceding twelve (12) months, came within the provisions of Subsection (1), and who were employees in positions of substantial responsibility in the area of service to be performed by the contract, or participated in any way in developing the contract or its service specifications.
4. Profit-making firms or businesses in which the former employees described in Subsection (3) serve as officers, principals, partners or major shareholders.
5. No County employee, whose position in the County enables him to influence the selection of a contractor for this RFP, or any competing RFP, and no spouse or economic dependent of such employee, shall be employees in any capacity by a bidder, or have any other direct or indirect financial interest in the selection of a contractor.
6. In addition, no County employee will be employed by the selected vendor to fulfill the vendor's contractual obligations to the County.

DISCLOSURE: The bidder is required to disclose if, within the three-year period preceding the proposal, their owners, officers, corporate managers and partners have been convicted of, or had a civil judgment rendered against them for:

- fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction;
- violation of a federal or state antitrust statute;
- embezzlement, theft, forgery, bribery, falsification, or destruction of records; or
- false statements or receipt of stolen property

Within a three-year period preceding their proposal, they have had a public transaction (federal, state, or local) terminated for cause or default.

ORDINANCE 3.08.130 – POST-SEPARATION EMPLOYMENT PROHIBITED: No officer or employee of the County who separates from County service shall for a period of one year after separation enter into any employment, contract, or other compensation arrangement with any County consultant, vendor, or other County provider of goods, materials, or services, where the officer or employee participated in any part of the decision making process that led to the County relationship with the consultant, vendor or other County provider of goods, materials or services.

Pursuant to Government Code section 25132(a), a violation of the ordinance may be enjoined by an injunction in a civil lawsuit, or prosecuted as a criminal misdemeanor.

TIE BIDS: In the event of a tie score between two or more proposals at the completion of the evaluation process, the evaluation team will break the tie by re-evaluating the proposals and coming to a consensus on which proposal to award. Additional information or interviews may be requested from bidders with the tied proposals.

DATA SECURITY: Individuals and/or agencies that enter into a contractual relationship with the County for the purpose of providing services must employ adequate controls and data security measures, both internally and externally to ensure and protect the confidential information and/or data provided to contractor by the County, preventing the potential loss, misappropriation or inadvertent access, viewing, use or disclosure of County data including sensitive or personal client information; abuse of County resources; and/or disruption to County operations.

Individuals and/or agencies may not connect to or use County networks/systems via personally owned mobile, wireless or handheld devices unless authorized by County for telecommuting purposes and provide a secure connection; up to date virus protection and mobile devices must have the remote wipe feature enabled. Computers or computer peripherals including mobile storage devices may not be used (County or Contractor device) or brought in for use into the County's system(s) without prior authorization from County's Chief Information Officer and/or designee(s).

No storage of County's private, confidential or sensitive data on any hard-disk drive, portable storage device or remote storage installation unless encrypted according to advance encryption standards (AES of 128 bit or higher).

The County will immediately be notified of any violations, breaches or potential breaches of security related to County's confidential information, data and/or data processing equipment which stores or processes County data, internally or externally.

County shall provide oversight to Contractor's response to all incidents arising from a possible breach of security related to County's confidential client information. Contractor will be responsible to issue any notification to affected individuals as required by law or as deemed necessary by County in its sole discretion. Contractor will be responsible for all costs incurred as a result of providing the required notification.

AUDITS & RETENTION: The Contractor shall maintain in good and legible condition all books, documents, papers, data files and other records related to its performance under this contract. Such records shall be complete and available to Fresno County, the State of California, the federal government or their duly authorized representatives for the purpose of audit, examination, or copying during the term of the contract and for a period of at least three (3) years following the County's final payment under the contract or until conclusion of any pending matter (e.g., litigation or audit), whichever is later. Such records must be retained in the manner described above until all pending matters are closed.

PAYMENT: County will make partial payments for all purchases made under the contract and accumulated during the month. Terms of payment will be net forty-five (45) days.

DISPUTE RESOLUTION: The ensuing contract shall be governed by the laws of the State of California.

Any claim which cannot be amicably settled without court action will be litigated in the U. S. District Court for the Eastern District of California in Fresno, CA or in a state court for Fresno County.

ASSIGNMENTS: The ensuing proposed contract will provide that the vendor may not assign any payment or portions of payments without prior written consent of the County of Fresno.

ASSURANCES: Any contract awarded under this RFP must be carried out in full compliance with The Civil Rights Act of 1964, The Americans With Disabilities Act of 1990, their subsequent amendments, and any and all other laws protecting the rights of individuals and agencies. The County of Fresno has a zero tolerance for discrimination, implied or expressed, and wants to ensure that policy continues under this RFP. The contractor must also guarantee that services, or workmanship, provided will be performed in compliance with all applicable local, state, or federal laws and regulations pertinent to the types of services, or project, of the nature required under this RFP. In addition, the contractor may be required to provide evidence substantiating that their employees have the necessary skills and training to perform the required services or work.

LICENSES AND CERTIFICATIONS: Any license(s) and/or certification(s) required in this RFP must be obtained by the bidder prior to submitting a proposal and must be active and in good standing. Proposals submitted without the proper license(s) and/or certification(s) will be deemed non-responsive.

PUBLIC CONTRACT CODE SECTION 7028.15: Where the State of California requires a Contractor's license; it is a misdemeanor for any person to submit a bid unless specifically exempted.

INSURANCE REQUIREMENTS

Without limiting the County's right to obtain indemnification from contractor or any third parties, contractor, at its sole expense, shall maintain in full force and effect, the following insurance policies or a program of self-insurance, including but not limited to, an insurance pooling arrangement or Joint Powers Agreement (JPA) throughout the term of the Agreement:

- A. Commercial General Liability: Commercial General Liability Insurance with limits of not less than Two Million Dollars (\$2,000,000.00) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000.00). This policy shall be issued on a per occurrence basis. County may require specific coverage including completed operations, product liability, contractual liability, Explosion-Collapse-Underground, fire legal liability or any other liability insurance deemed necessary because of the nature of the contract.
- B. Automobile Liability: Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per accident for bodily injury and for property damages. Coverage should include any auto used in connection with this Agreement.
- C. Professional Liability: If Contractor employs licensed professional staff, (e.g., Ph.D., R.N., L.C.S.W., M.F.C.C.) in providing services, Professional Liability Insurance with limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, Three Million Dollars (\$3,000,000.00) annual aggregate.

This coverage shall be issued on a per claim basis. Contractor agrees that it shall maintain, at its sole expense, in full force and effect for a period of three years following the termination of this Agreement, one or more policies of professional liability insurance with limits of coverage as specified herein.
- D. Worker's Compensation: A policy of Worker's Compensation insurance as may be required by the California Labor Code.

Additional Requirements Relating to Insurance:

Contractor shall obtain endorsements to the Commercial General Liability insurance naming the County of Fresno, its officers, agents, and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned. Such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by County, its officers, agents and employees shall be excess only and not contributing with insurance provided under Contractor's policies herein. This insurance shall not be cancelled or changed without a minimum of thirty (30) days advance written notice given to County.

Contractor hereby waives its right to recover from County, its officers, agents, and employees any amounts paid by the policy of worker's compensation insurance required by this Agreement. Contractor is solely responsible to obtain any endorsement to such policy that may be necessary to accomplish such waiver of subrogation, but Contractor's waiver of subrogation under this paragraph is effective whether or not Contractor obtains such an endorsement.

Within thirty (30) days from the date Contractor executes this Agreement, Contractor shall provide certificates of insurance and endorsement as stated above for all of the foregoing policies, as required herein, to the **County of Fresno, Department of Human Resources, Attn: Mr. David Joseph, 2220 Tulare Ave., 14th Floor, Fresno, CA 93721**, stating that such insurance coverage have been obtained and are in full force; that the County of Fresno, its officers, agents and employees will not be responsible for any premiums on the policies; that such Commercial General Liability insurance names the County of Fresno, its officers, agents and employees, individually and collectively, as additional insured, but only insofar as the operations under this Agreement are concerned; that such coverage for additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained by County, its officers, agents and employees, shall be excess only and not contributing with insurance provided under Contractor's policies herein; and that this insurance shall not be cancelled or changed without a minimum of thirty (30) days advance, written notice given to County.

In the event Contractor fails to keep in effect at all times insurance coverage as herein provided, the County may, in addition to other remedies it may have, suspend or terminate this Agreement upon the occurrence of such event.

All policies shall be with admitted insurers licensed to do business in the State of California. Insurance purchased shall be purchased from companies possessing a current A.M. Best, Inc. rating of A FSC VII or better.

BID INSTRUCTIONS

- All prices and notations must be typed or written in ink.
- Unless otherwise noted, prices shall remain firm for 180 days after the closing date of the bid.
- Proposals must be electronically submitted on the forms provided in this RFP with all pages numbered.
- Additional material may be submitted with the proposal as attachments. Any additional descriptive material that is used in support of any information in your proposal must be referenced by the appropriate paragraph(s) and page number(s).
- Bidders must electronically submit their proposal in .pdf format, no later than the proposal closing date and time as stated on the front of this document, to the Bid Page on Public Purchase. The County will not be responsible for and will not accept late bids due to slow internet connection or incomplete transmissions.
- County of Fresno will not be held liable for any costs incurred by vendors in responding to this RFP.
- Bidders are instructed not to submit confidential, proprietary and related information within the request for proposal. If you are submitting trade secrets, it must be electronically submitted in a separate PDF file clearly named "TRADE SECRETS" and marked as Confidential, see Trade Secret Acknowledgement section.
- If a bidder finds any discrepancies or has any questions, submit all inquiries to the Bid Page on Public Purchase or contact **Mr. Shannon W. Kirby** at (559) 600-7116. Any change in the RFP will be made only by written addendum issued by the County. The County will not be responsible for any other explanations or interpretations.
- Failure to respond to all questions or to not supply the requested information could result in rejection of your proposal. Merely offering to meet the specifications is insufficient and will not be accepted. Each bidder shall submit a complete proposal with all information requested.
- Proposals received after the closing date and time will NOT be considered.
- Proposals will be evaluated by an evaluation team led by County Purchasing and may consist of County of Fresno department staff, community representatives from advisory boards, and other members as appropriate. If a proposal does not respond adequately to the RFP or the bidder is deemed unsuitable or incapable of delivering services, the proposal may be eliminated from consideration. Upon review and evaluation, the evaluation team will make the final recommendation to the County department.
- Appeals must be submitted in writing within seven (7) working days after notification of proposed recommendations for award. A "Notice of Award" is not an indication of County's acceptance of an offer made in response to this RFP. Appeals shall be submitted to County of Fresno Purchasing, 333 W. Pontiac Way, Clovis, CA 93612 and in Word format to gcornuelle@FresnoCountyCA.gov. Appeals should address only areas regarding RFP contradictions, procurement errors, proposal rating discrepancies, legality of procurement context, conflict of interest, and inappropriate or unfair competitive procurement grievance regarding the RFP process.

Purchasing will provide a written response to the complainant within seven (7) working days unless the complainant is notified more time is required. If the appealing bidder is not satisfied with the decision of Purchasing, bidder shall have the right to appeal to the County Administrative Office within seven (7) working days after Purchasing's notification; if the appealing bidder is not satisfied with CAO's decision, the final appeal is with the Board of Supervisors. Please contact Purchasing if the appeal will be going to the Board of Supervisors.

- All communication regarding this RFP shall be directed to an authorized representative of County Purchasing. The specific Analyst managing this RFP is identified on the cover page, along with his or her contact information, and he or she should be the primary point of contact for discussions or information pertaining to the RFP. Contact with any other County representative, including elected officials, for the purpose of discussing this RFP, its content, or any other issue concerning it, is prohibited unless authorized by Purchasing. Violation of this clause, by the vendor having unauthorized contact (verbally or in writing) with such other County representatives, may constitute grounds for rejection by Purchasing of the vendor's quotation.

The above stated restriction on vendor contact with County representatives shall apply until the County has awarded a purchase order or contract to a vendor or vendors, except as follows. First, in the event that a vendor initiates a formal appeal against the RFP, such vendor may contact the Purchasing Manager who manages that appeal as outlined in the County's established appeal procedures. All such contact must be in accordance with the sequence set forth under the appeal procedures. Second, in the event a public hearing is scheduled before the Board of Supervisors to hear testimony prior to its approval of a purchase order or contract, any vendor may address the Board at scheduled Board Meeting.

SCOPE OF WORK

The scope of work the County is seeking is as follows:

- A. Investment Oversight
 - (a) Develop investment objectives, including reviewing and updating the Investment Policy Statement ([Available at County Deferred Compensation Plan Website](#))
 - i) Please provide a sample Investment Policy Statement
 - (b) Make recommendations regarding the current investment lineup (Exhibit A)
 - i) Please provide sample Investment Evaluation Report(s)
 - (c) Attend regular DCMC meetings at least semi-annually, and special DCMC meetings as needed (Currently, there are 1-3 special meetings per year)
- B. Assist the DCMC with regard to fiduciary responsibilities, including:
 - (a) Provide training to the DCMC and staff on fiduciary duties as well as industry or regulatory developments and best practices
 - i) Please provide sample(s) of fiduciary training materials
 - (b) Ensure that the Plan adheres to industry best practices, including compliance with ERISA, where appropriate
 - (c) Provide an annual review of the Plan Document with regard to changes in governing law, industry best practices, and other developments affecting Plan design and make recommendations for modifications to the Plan Document (Available at County Deferred Compensation Plan Website)
- C. Assist the DCMC and staff in the development, implementation, and monitoring of participant enrollment, contribution, and education objectives
- D. Monitor the performance of the Plan record-keeper, including:
 - (a) Ensuring that record-keeping, enrollment, and participant education services meet or exceed what is required in the current record-keeping agreement ([Available at County Deferred Compensation Plan Website](#))
 - (b) By request of the DCMC or staff or when appropriate, act as an intermediary with the record keeper, including participating in problem resolution and strategic planning
- E. Future Plan Record-keeper RFP processes
 - (a) Creation of RFP for record-keeper services
 - (b) Identify and distribute RFP to appropriate vendors
 - (c) Evaluation of respondent proposals, including, but not limited to the following aspects of each proposal:
 - i) Analysis of vendor fees/expenses
 - ii) Participant services and education

- iii) Plan sponsor services
- iv) Ability and experience of the organization and client service team
- v) Record-keeping system stability and capabilities
- vi) Conversion project plan
- vii) Investment platform
- (d) Provide recommendation of finalists with a summary comparison report
- (e) Assist with contract review and negotiation
- (f) Oversee all aspects of the transition (if necessary) including:
 - i) Attend weekly conference calls with County and selected record-keeper
 - ii) Monitoring progress of established timeline
 - iii) Review and make recommendations regarding participant communication and education materials developed by the selected record-keeper
 - iv) As required, assist the DCMC and County staff in meeting with or making presentations to various Plan stakeholder groups regarding the new record-keeper and the transition process
 - v) Oversee the migration of the current investment options, investment managers and record-keeping services to the selected service provider
- (g) Please provide sample RFP materials, including a sample RFP and sample reporting documents, such as an executive summary

SCOPE OF WORK REQUIREMENTS

- A. Briefly describe your firm’s capabilities and qualifications as they relate to 457(b) deferred compensation plans.
- B. Identify the person(s) who would work with our Plan and provide a description of the qualifications for each one. How many clients does the lead consultant assigned to the County provide consulting services for?
- C. State the number of clients and their total assets by client type for the following December 31 dates:

| Year | 457(b) Clients | 457(b) Funds | 401(k) Clients | 401(k) Funds | Total Clients | Total Funds |
|------|----------------|--------------|----------------|--------------|---------------|-------------|
| 2019 | | \$ | | \$ | | \$ |
| 2018 | | \$ | | \$ | | \$ |
| 2017 | | \$ | | \$ | | \$ |

- D. Provide a detailed description of your firm’s investment selection process. What level of access does your firm have, and how frequently does your firm have contact with, fund companies and fund managers?
- E. Describe your firm’s ongoing investment evaluation criteria and provide sample reports. Please include the criteria for the following in your response:
 - (a) Putting an investment on a performance watch list.
 - (b) Removing an investment from the watch list.
 - (c) Removing an investment from the fund line up.
- F. Provide a detailed sample of your firm’s training program for Plan Fiduciaries regarding their duties to the Plan and participants. How often is the training program provided?
- G. Describe and provide examples of the ongoing support, tools and process your firm provides to help Plan sponsors meet and maintain their fiduciary responsibilities?
- H. Describe your firm's process to stay current with applicable California and Federal laws and regulations, including ERISA, as they pertain to 457(b) plans.
- I. What is your firm’s approach to the development, implementation, and monitoring of participant enrollment, contribution, and education objectives?
- J. Discuss how your firm monitors the performance of the Plan record-keeper and reports the performance to the DCMC and staff.
- K. Discuss your firm's experience conducting the Plan Administrator/Bookkeeper RFP process, specifically the services listed in part E of the Scope of Work.
- L. State the number of record-keeper RFP projects your firm completed for the following December 31 dates:

| Year | 457(b) RFP Projects | Total RFP Projects |
|------|---------------------|--------------------|
| 2019 | | |
| 2018 | | |
| 2017 | | |

- M. It is expected that the final agreement between the winning bidder and the County will be in the model County contract format (**Exhibit B**). Please confirm that you have reviewed the Model County Contract and are able to comply with the terms and conditions, including: 4. Termination, 9. Hold Harmless, 10. Insurance, and 13. Governing Law. Please note any exceptions and provide a detailed remedy.
- N. Is your firm registered as an investment advisor under the Investment Advisor's Act of 1940? Please provide a copy of your most recent Form ADV.
- O. Will your firm contract as a co-fiduciary? If not, why not?
- P. If your firm engages in business activities other than consulting, are there any areas of potential conflict of interest between such business activities and your consulting function? If so, please identify these activities and the potential conflict, and explain the safeguards implemented by your firm to prevent the occurrence of conflicts. How does your firm identify and manage other potential conflicts of interest?
- Q. Has your firm adopted the CFA Institute's Code of Ethics and Standards of Professional Conduct? If not, does your firm have its own written code of conduct or set of standards for professional behavior? How is your code of conduct/ethics monitored and enforced?
- R. Please provide the following as exhibits:
 - (a) Your firm's code of ethics, if applicable
 - (b) Any material (including letters of support or endorsement) indicative of the bidder's capability.

COST PROPOSAL

- A. Provide the annual flat fee to provide day-to-day services to the Plan, as described in Sections A, B, C, and D of the Scope of Work, based on a three-year contract term with two one-year renewals.
- B. Provide the one-time flat fee to administer the Plan record-keeper RFP process as described in Section E of the Scope of Work.
- C. Additional Charges:
 - (a) Please indicate how many in-person/on-site meetings your cost proposal includes, and the additional charges per in-person/on-site meeting.
 - (b) List all possible administrative charges that **would not be included** in the flat rate fee structure.
 - (c) Describe and provide expense estimates for all non-standard or optional services not addressed above.
 - (d) Identify any other charges or limitations not described in the previous responses.

AWARD CRITERIA

Selection of the winning bidder will be based on the following criteria (The list below is not ordered by level of importance; proposals will be judged on how well they meet all of the criteria):

- A. Proposing firm's responsiveness to the RFP.
- B. Proposing firm's inclination and ability to accept the terms and conditions of the model County of Fresno contract.
- C. Qualifications and capability of proposing firm and key personnel assigned to the County Plan, as demonstrated in the Scope of Work Requirements section.
- D. Demonstrated ability of proposing firm to successfully provide the services outlined in the Scope of Work with emphasis on experience providing these services to 457(b) deferred compensation plans of comparable size and nature in California.
- E. Cost, as submitted under the Cost Proposal section. Please note that the County intends to award the contract to the proposing firm whose proposal is determined to be most advantageous to the Plan and its participants, taking into account both technical merit and price.

PROPOSAL CONTENT REQUIREMENTS

It is required that the vendor submit his/her proposal in accordance with the format and instructions provided under this section.

- I. RFP PAGE 1 AND ADDENDUM(S) PAGE 1 (IF APPLICABLE) completed and signed by participating individual or agency.
- II. COVER LETTER: A one-page cover letter and introduction including the company name and address of the bidder and the name, address and telephone number of the person or persons to be used for contact and who will be authorized to make representations for the bidder.
 - A. Whether the bidder is an individual, partnership or corporation shall also be stated. It will be signed by the individual, partner, or an officer or agent of the corporation authorized to bind the corporation, depending upon the legal nature of the bidder. A corporation submitting a proposal may be required before the contract is finally awarded to furnish a certificate as to its corporate existence, and satisfactory evidence as to the officer or officers authorized to execute the contract on behalf of the corporation.
- III. TABLE OF CONTENTS
- IV. CONFLICT OF INTEREST STATEMENT: The Contractor may become involved in situations where conflict of interest could occur due to individual or organizational activities that occur within the County. **The Contractor must provide a statement addressing the potential, if any, for conflict of interest and indicate plans, if applicable, to address potential conflict of interest.** This section will be reviewed by County Counsel for compliance with conflict of interest as part of the review process. The Contractor shall comply with all federal, state and local conflict of interest laws, statutes and regulations.
- V. TRADE SECRET:
 - A. Sign where required.
- VI. CERTIFICATION – DISCLOSURE – CRIMINAL HISTORY & CIVIL ACTIONS
- VII. REFERENCES
- VIII. PARTICIPATION
- IX. EXCEPTIONS: This portion of the proposal will note any exceptions to the requirements and conditions taken by the bidder. If exceptions are not noted, the County will assume that the bidder's proposals meet those requirements. The exceptions shall be noted as follows:
 - A. Exceptions to General Conditions.
 - B. Exceptions to General Requirements.
 - C. Exceptions to Specific Terms and Conditions.
 - D. Exceptions to Scope of Work and/or Scope of Work Proposal Requirements.
 - E. Exceptions to Proposal Content Requirements.
 - F. Exceptions to any other part of this RFP.
- X. VENDOR COMPANY DATA: This section should include:
 - A. A narrative which demonstrates the vendor’s basic familiarity or experience with problems associated with this service/project.
 - B. Descriptions of any similar or related contracts under which the bidder has provided services.
 - C. Descriptions of the qualifications of the individual(s) providing the services.

- D. Any material (including letters of support or endorsement) indicative of the bidder's capability.
 - E. A brief description of the bidder's current operations, and ability to provide the services.
 - F. Copies of the audited Financial Statements for the last three (3) years for the agency or program that will be providing the service(s) proposed. If audited statements are not available, compiled or reviewed statements will be accepted with copies of three years of corresponding federal tax returns. This information is to be provided after the RFP closes, if requested. **Do not provide with your proposal.**
 - G. Describe all contracts that have been terminated before completion within the last five (5) years:
 - 1. Agency contract with
 - 2. Date of original contract
 - 3. Reason for termination
 - 4. Contact person and telephone number for agency
 - H. Describe all lawsuit(s) or legal action(s) that are currently pending; and any lawsuit(s) or legal action(s) that have been resolved within the last five (5) years:
 - 1. Location filed, name of court and docket number
 - 2. Nature of the lawsuit or legal action
 - I. Describe any payment problems that you have had with the County within the past three (3) years:
 - 1. Funding source
 - 2. Date(s) and amount(s)
 - 3. Resolution
 - 4. Impact to financial viability of organization.
- XI. SCOPE OF WORK:
- A. Bidders are to use this section to describe the essence of their proposal.
 - B. This section should be formatted as follows:
 - 1. A general discussion of your understanding of the project, the Scope of Work proposed and a summary of the features of your proposal.
 - 2. A detailed description of your proposal as it relates to each item listed under the "Scope of Work Proposal Requirements" section of this RFP. Bidder's response should be stated in the same order as are the "Scope of Work Proposal Requirements" items. Each description should begin with a restatement of the "Scope of Work Proposal Requirements" item that it is addressing. Bidders must explain their approach and method of satisfying each of the listed items.
 - C. When reports or other documentation are to be a part of the proposal a sample of each must be submitted. Reports should be referenced in this section and submitted in a separate section entitled "REPORTS."
 - D. A complete description of any alternative solutions or approaches to accomplishing the desired results.
- XII. COST PROPOSAL: Quotations may be prepared in any manner to best demonstrate the worthiness of your proposal. Include details and rates/fees for all services, materials, equipment, etc. to be provided or optional under the proposal.
- XIII. CHECK LIST

TRADE SECRET ACKNOWLEDGEMENT

Each proposal submitted is public record under the California Public Records Act (Cal. Gov. Code, secs. 6250 and following) and is therefore open to inspection by the public as required by Section 6253 of the California Government Code. This section generally states that "every person has a right to inspect any public record". The County will not exclude any proposal or portion of a proposal from treatment as a public record except information that it is properly submitted as a "trade secret" (defined below), and determined by the County to be a "trade secret" (if not otherwise subject to disclosure, as stated below). Information submitted as "proprietary", "confidential" or under any other terms that might state or suggest restricted public access will not be excluded from treatment as public record.

"Trade secrets" as defined by Section 6254.7 of the California Government Code are not treated as a public record under that section. This section defines trade secrets as:

"...Trade secrets," as used in this section, may include, but are not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data or compilation of information that is not patented, which is known only to certain individuals within a commercial concern who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it."

Such information must be submitted in a separate PDF file named "Trade Secret" and marked as "Confidential" in the Public Purchase system. Bidders must include a clear and concise statement that sets out the reasons for confidentiality in accordance with the foregoing definition of "trade secret." Examples of information not considered trade secrets are pricing, cover letter, promotional materials, references, and the like.

Information submitted by a bidder as "trade secret" will be reviewed by County of Fresno's Purchasing Division, with the assistance of the County's legal counsel, to determine conformance or non-conformance to the foregoing definition.

Information that is properly identified as "trade secret" and which the County determines to conform to the definition will not become public record (if not otherwise subject to disclosure, as stated below). The County will safeguard this information in an appropriate manner, provided however, in the event of a request, demand, or legal action by any person or entity seeking access to the "trade secret" information, the County will inform the bidder of such request, demand, or legal action, and the bidder shall defend, indemnify, and hold harmless the County, including its officers and employees, against any and all claims, liabilities, damages, or costs or expenses, including attorney's fees and costs, relating to such request, demand or legal action, seeking access to the "trade secret" information.

Information submitted by bidder as trade secret and determined by the County not to be in conformance with the foregoing California Government Code definition shall be excluded from the proposal and deleted by the County.

The County shall not in any way be liable or responsible for the disclosure of any proposals or portions thereof, if (1) they are not electronically submitted in a separate PDF that is marked "Trade Secret" and marked as Confidential in the Public Purchase system; or (2) disclosure thereof is required or allowed under the law or by order of court.

Bidders are advised that the County does not wish to receive trade secrets and that bidders are not to supply trade secrets unless they are absolutely necessary.

I have read and understand, and agree to the above "Trade Secret Acknowledgement."

BIDDER MUST CHECK ONE OF THE FOLLOWING:

Has bidder submitted certain bid information that is a "trade secret," as defined by Section 6254.7 of the California Government Code, and in compliance with the requirements of this Trade Secrets Acknowledgement?

By marking "NO", bidder does not claim any confidentiality of any bid information submitted to the County.

YES NO

ACKNOWLEDGED AND AGREED BY BIDDER:

Signature

Date

Print Name

Title

DISCLOSURE – CRIMINAL HISTORY & CIVIL ACTIONS

In their proposal, the bidder is required to disclose if any of the following conditions apply to them, their owners, officers, corporate managers and partners (hereinafter collectively referred to as "Bidder"):

1. Within the three-year period preceding the proposal, they have been convicted of, or had a civil judgment rendered against them for:
 - a. fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction;
 - b. violation of a federal or state antitrust statute;
 - c. embezzlement, theft, forgery, bribery, falsification, or destruction of records; or
 - d. false statements or receipt of stolen property
2. Within a three-year period preceding their proposal, they have had a public transaction (federal, state, or local) terminated for cause or default.

Disclosure of the above information will not automatically eliminate a Bidder from consideration. The information will be considered as part of the determination of whether to award the contract and any additional information or explanation that a Bidder elects to submit with the disclosed information will be considered. If it is later determined that the Bidder failed to disclose required information, any contract awarded to such Bidder may be immediately voided and terminated for material failure to comply with the terms and conditions of the award.

Any Bidder who is awarded a contract must sign an appropriate Certification Regarding Debarment, Suspension, and Other Responsibility Matters. Additionally, the Bidder awarded the contract must immediately advise the County in writing if, during the term of the agreement: (1) Bidder becomes suspended, debarred, excluded or ineligible for participation in federal or state funded programs or from receiving federal funds as listed in the excluded parties list system (<http://www.epls.gov>); or (2) any of the above listed conditions become applicable to Bidder. The Bidder will indemnify, defend and hold the County harmless for any loss or damage resulting from a conviction, debarment, exclusion, ineligibility or other matter listed in the signed Certification Regarding Debarment, Suspension, and Other Responsibility Matters.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS**

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, debarred, suspended, ineligible, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

CERTIFICATION

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it, its owners, officers, corporate managers and partners:
 - (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature: _____

Date: _____

(Printed Name & Title)

(Name of Agency or Company)

REFERENCE LIST

VENDOR MUST COMPLETE AND RETURN WITH REQUEST FOR PROPOSAL

Firm: _____

Provide a list of at least five (5) customers for whom you have recently provided similar services. If you have held a contract for similar services with the County of Fresno within the past seven (7) years, list the County as one of your customers. Please list the person most familiar with your contract. Be sure to include all requested information.

Reference Name: _____ Contact: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone No.: (_____) _____ Project Date: _____
 Service Provided: _____

Reference Name: _____ Contact: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone No.: (_____) _____ Project Date: _____
 Service Provided: _____

Reference Name: _____ Contact: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone No.: (_____) _____ Project Date: _____
 Service Provided: _____

Reference Name: _____ Contact: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone No.: (_____) _____ Project Date: _____
 Service Provided: _____

Reference Name: _____ Contact: _____
 Address: _____
 City: _____ State: _____ Zip: _____
 Phone No.: (_____) _____ Project Date: _____
 Service Provided: _____

Failure to provide a list of at least five (5) customers may be cause for rejection of this RFP.

PARTICIPATION

The County of Fresno is a member of the California Association of Public Procurement Officials (CAPPO) Central Valley Chapter. This group consists of Fresno, Kern, Kings, and Tulare Counties and all governmental, tax supported agencies within these counties.

Whenever possible, these and other tax supported agencies co-op (piggyback) on contracts put in place by one of the other agencies.

Any agency choosing to avail itself of this opportunity, will make purchases in their own name, make payment directly to the contractor, be liable to the contractor and vice versa, per the terms of the original contract, all the while holding the County of Fresno harmless. If awarded this contract, please indicate whether you would extend the same terms and conditions to all tax supported agencies within this group as you are proposing to extend to Fresno County.

*** Note: This form/information is not rated or ranked for evaluation purposes.**

Yes, we will extend contract terms and conditions to all qualified agencies within the California Association of Public Procurement Officials (CAPPO) Central Valley Chapter and other tax supported agencies.

No, we will not extend contract terms to any agency other than the County of Fresno.

(Authorized Signature)

Title

CHECK LIST

This Checklist is provided to assist vendors in the preparation of their RFP response. Included are important requirements the bidder is responsible to submit with the RFP package in order to make the RFP compliant.

Check off each of the following (*if applicable*):

1. Signed cover page of Request for Proposal (RFP).
2. Check <http://www.FresnoCountyCA.gov/departments/internal-services/purchasing/bid-opportunities> for any addenda.
3. Signed cover page of each Addendum.
4. Provide a Conflict of Interest Statement.
5. Signed *Trade Secret Form* as provided with this RFP (Trade Secret Information, if provided, must be electronically submitted in a separate PDF file and marked as Confidential).
6. Signed *Criminal History Disclosure Form* as provided with this RFP.
7. Signed *Participation Form* as provided with this RFP.
8. The completed *Reference List* as provided with this RFP.
9. Indicate all of bidder exceptions to the County's requirements, conditions and specifications as stated within this RFP.
10. Bidder's proposal, in PDF format, electronically submitted to the Bid Page on Public Purchase.

Return Checklist with your RFP response

EXHIBITS

A. Plan Asset Report

B. Model County Contract

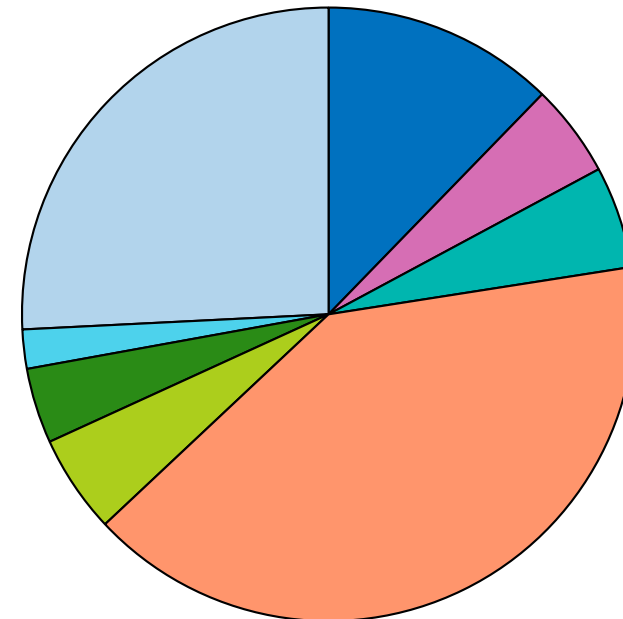
Plan Asset Report

| | | | | | |
|-------------------|---------------------|---------------------|---------|-----------|----------|
| Report date | 05/07/2020 | Plan IRS code(s) | 457 | Age range | All ages |
| Plan sponsor name | COUNTY OF FRESNO CA | Plan sponsor number | 0051910 | Date | 5/6/2020 |

| | Age range for effective date | Plan total | Percentage of total |
|---------------------|------------------------------|------------------|---------------------|
| Participants | 6,792 | 6,792 | 100% |
| Assets | \$257,944,091.88 | \$257,944,091.88 | 100% |

Asset class breakdown

| | | |
|-------------------|------------------|--------|
| Asset Allocation | \$31,650,063.33 | 12.27% |
| Bonds | \$12,613,760.03 | 4.89% |
| International | \$13,859,494.45 | 5.37% |
| Large Cap | \$104,386,418.12 | 40.47% |
| Mid Cap | \$13,355,935.23 | 5.18% |
| Small Cap | \$10,233,131.90 | 3.97% |
| Specialty | \$5,324,711.37 | 2.06% |
| Fixed Assets/Cash | \$66,520,577.45 | 25.79% |



| Investment | Participants | Money source | Balance | Percent of total |
|---|--------------|--------------------|------------------------|------------------|
| Asset Allocation | | | | |
| Great West Lftm 2015 Tr | 214 | Rollover (Pre-Tax) | \$346,104.33 | 0.13% |
| | | Rollover 457 | \$285,785.17 | 0.11% |
| | | Roth Contribution | \$56.77 | 0.00% |
| | | Salary Reduction | \$3,423,825.32 | 1.33% |
| Great West Lftm 2015 Tr Subtotal | | | \$4,055,771.59 | 1.57% |
| Great West Lftm 2020 Tr | 3 | Salary Reduction | \$4,123.10 | 0.00% |
| Great West Lftm 2025 Tr | 476 | Rollover (Pre-Tax) | \$753,422.67 | 0.29% |
| | | Rollover 457 | \$3,527.20 | 0.00% |
| | | Roth Contribution | \$12,038.90 | 0.00% |
| | | Salary Reduction | \$9,290,331.56 | 3.60% |
| Great West Lftm 2025 Tr Subtotal | | | \$10,059,320.33 | 3.89% |
| Great West Lftm 2030 Tr | 6 | Roth Contribution | \$12.50 | 0.00% |
| | | Salary Reduction | \$402,702.92 | 0.16% |
| Great West Lftm 2030 Tr Subtotal | | | \$402,715.42 | 0.16% |
| Great West Lftm 2035 Tr | 706 | Rollover (Pre-Tax) | \$485,673.69 | 0.19% |
| | | Rollover 457 | \$188,155.42 | 0.07% |
| | | Roth Contribution | \$8,641.86 | 0.00% |
| | | Salary Reduction | \$5,983,932.97 | 2.32% |
| Great West Lftm 2035 Tr Subtotal | | | \$6,666,403.94 | 2.58% |
| Great West Lftm 2040 Tr | 6 | Roth Contribution | \$187.94 | 0.00% |
| | | Salary Reduction | \$8,618.80 | 0.00% |
| Great West Lftm 2040 Tr Subtotal | | | \$8,806.74 | 0.00% |
| Great West Lftm 2045 Tr | 1,073 | Rollover (Pre-Tax) | \$504,599.52 | 0.20% |
| | | Rollover 457 | \$33,762.73 | 0.01% |
| | | Roth Contribution | \$11,852.55 | 0.00% |
| | | Roth Rollover 457 | \$1,969.05 | 0.00% |

| Investment | Participants | Money source | Balance | Percent of total |
|---|--------------|----------------------|------------------------|------------------|
| Great West Lftm 2045 Tr | 1,073 | Salary Reduction | \$5,874,500.54 | 2.28% |
| Great West Lftm 2045 Tr Subtotal | | | \$6,426,684.39 | 2.49% |
| Great West Lftm 2050 Tr | 7 | Rollover (Pre-Tax) | \$554.18 | 0.00% |
| | | Roth Contribution | \$129.38 | 0.00% |
| | | Salary Reduction | \$67,230.40 | 0.03% |
| Great West Lftm 2050 Tr Subtotal | | | \$67,913.96 | 0.03% |
| Great West Lftm 2055 Tr | 1,265 | Rollover (Pre-Tax) | \$141,449.61 | 0.05% |
| | | Rollover 457 | \$25,740.24 | 0.01% |
| | | Roth Contribution | \$6,465.29 | 0.00% |
| | | Roth Rollover 457 | \$4,058.61 | 0.00% |
| | | Salary Reduction | \$3,780,610.11 | 1.47% |
| Great West Lftm 2055 Tr Subtotal | | | \$3,958,323.86 | 1.53% |
| Asset Allocation Total | | | \$31,650,063.33 | 12.27% |
| Bonds | | | | |
| BlkRk US Db Indx W | 829 | Rollover (Pre-Tax) | \$206,155.23 | 0.08% |
| | | Rollover 457 | \$42,294.62 | 0.02% |
| | | Roth Contribution | \$506.03 | 0.00% |
| | | Salary Reduction | \$5,307,434.40 | 2.06% |
| BlkRk US Db Indx W Subtotal | | | \$5,556,390.28 | 2.16% |
| FnklnTmp Glbl Bd R6 | 822 | Rollover (Pre-Tax) | \$55,590.87 | 0.02% |
| | | Rollover 457 | \$843.04 | 0.00% |
| | | Roth Contribution | \$483.08 | 0.00% |
| | | Salary Reduction | \$1,800,348.93 | 0.70% |
| | | Salary Reduction IRR | \$8,132.99 | 0.00% |
| FnklnTmp Glbl Bd R6 Subtotal | | | \$1,865,398.91 | 0.72% |
| MetWest Ttl Rtn Bd Pln | 1,126 | Rollover (Pre-Tax) | \$110,471.14 | 0.04% |
| | | Rollover 457 | \$2,448.77 | 0.00% |

| Investment | Participants | Money source | Balance | Percent of total |
|--|--------------|--------------------|------------------------|------------------|
| MetWest Ttl Rtn Bd Pln | 1,126 | Roth Contribution | \$1,653.09 | 0.00% |
| | | Salary Reduction | \$5,077,397.84 | 1.97% |
| MetWest Ttl Rtn Bd Pln Subtotal | | | \$5,191,970.84 | 2.01% |
| Bonds Total | | | \$12,613,760.03 | 4.89% |
| Fixed Assets/Cash | | | | |
| Fresno Stbl Val | 1,827 | Rollover (Pre-Tax) | \$2,013,888.39 | 0.78% |
| | | Rollover 457 | \$567,267.94 | 0.22% |
| | | Roth Contribution | \$7,331.32 | 0.00% |
| | | Salary Reduction | \$63,932,089.80 | 24.79% |
| Fresno Stbl Val Subtotal | | | \$66,520,577.45 | 25.79% |
| Fixed Assets/Cash Total | | | \$66,520,577.45 | 25.79% |
| International | | | | |
| BlkRk EAFE Eq Indx T | 938 | Rollover (Pre-Tax) | \$150,584.40 | 0.06% |
| | | Rollover 457 | \$4,797.71 | 0.00% |
| | | Roth Contribution | \$4,925.04 | 0.00% |
| | | Salary Reduction | \$3,641,118.54 | 1.41% |
| BlkRk EAFE Eq Indx T Subtotal | | | \$3,801,425.69 | 1.47% |
| Invsco Opp Devl Mkt R6 | 1,070 | Rollover (Pre-Tax) | \$74,215.89 | 0.03% |
| | | Rollover 457 | \$2,245.01 | 0.00% |
| | | Roth Contribution | \$1,655.75 | 0.00% |
| | | Salary Reduction | \$1,978,608.36 | 0.77% |
| Invsco Opp Devl Mkt R6 Subtotal | | | \$2,056,725.01 | 0.80% |
| WR Ivy Intl Cor Eq N | 1,540 | Rollover (Pre-Tax) | \$148,637.86 | 0.06% |
| | | Rollover 457 | \$3,773.69 | 0.00% |
| | | Roth Contribution | \$2,473.00 | 0.00% |
| | | Salary Reduction | \$7,846,459.20 | 3.04% |

| Investment | Participants | Money source | Balance | Percent of total |
|--------------------------------------|--------------|----------------------|-------------------------|------------------|
| WR Ivy Intl Cor Eq N Subtotal | | | \$8,001,343.75 | 3.10% |
| International Total | | | \$13,859,494.45 | 5.37% |
| Large Cap | | | | |
| Alger Spectra Z | 2,327 | Rollover (Pre-Tax) | \$923,738.26 | 0.36% |
| | | Rollover 457 | \$18,001.73 | 0.01% |
| | | Roth Contribution | \$8,742.58 | 0.00% |
| | | Salary Reduction | \$44,979,971.60 | 17.44% |
| | | Salary Reduction IRR | \$22,313.83 | 0.01% |
| Alger Spectra Z Subtotal | | | \$45,952,768.00 | 17.82% |
| BlkRk Eq Indx M | 2,139 | Rollover (Pre-Tax) | \$677,487.74 | 0.26% |
| | | Rollover 457 | \$269,921.99 | 0.10% |
| | | Roth Contribution | \$13,928.65 | 0.01% |
| | | Roth Rollover 457 | \$679.68 | 0.00% |
| | | Salary Reduction | \$44,194,010.67 | 17.13% |
| BlkRk Eq Indx M Subtotal | | | \$45,156,028.73 | 17.50% |
| Col Divd Inc Y | 1,549 | Rollover (Pre-Tax) | \$299,392.53 | 0.12% |
| | | Rollover 457 | \$3,343.11 | 0.00% |
| | | Roth Contribution | \$3,513.80 | 0.00% |
| | | Salary Reduction | \$12,971,371.95 | 5.03% |
| Col Divd Inc Y Subtotal | | | \$13,277,621.39 | 5.15% |
| Large Cap Total | | | \$104,386,418.12 | 40.47% |
| Mid Cap | | | | |
| BlkRk MdCap Eq Indx M | 932 | Rollover (Pre-Tax) | \$189,707.29 | 0.07% |
| | | Rollover 457 | \$8,551.85 | 0.00% |
| | | Roth Contribution | \$5,668.48 | 0.00% |
| | | Salary Reduction | \$6,974,998.48 | 2.70% |

| Investment | Participants | Money source | Balance | Percent of total |
|--|--------------|----------------------|------------------------|------------------|
| BlkRk MdCap Eq Indx M Subtotal | | | \$7,178,926.10 | 2.77% |
| TRowePr MdCap Gr I | 1,088 | Rollover (Pre-Tax) | \$93,959.87 | 0.04% |
| | | Rollover 457 | \$1,366.53 | 0.00% |
| | | Roth Contribution | \$5,240.09 | 0.00% |
| | | Salary Reduction | \$6,076,442.64 | 2.36% |
| TRowePr MdCap Gr I Subtotal | | | \$6,177,009.13 | 2.40% |
| Mid Cap Total | | | \$13,355,935.23 | 5.18% |
| Small Cap | | | | |
| BlkRk Rssl 2000 Indx M | 1,171 | Rollover (Pre-Tax) | \$83,968.35 | 0.03% |
| | | Rollover 457 | \$2,155.80 | 0.00% |
| | | Roth Contribution | \$5,438.17 | 0.00% |
| | | Salary Reduction | \$3,480,683.44 | 1.35% |
| BlkRk Rssl 2000 Indx M Subtotal | | | \$3,572,245.76 | 1.38% |
| JnsHndrsn SmCap Val N | 997 | Rollover (Pre-Tax) | \$22,325.17 | 0.01% |
| | | Rollover 457 | \$838.79 | 0.00% |
| | | Roth Contribution | \$1,080.19 | 0.00% |
| | | Salary Reduction | \$1,185,949.01 | 0.46% |
| JnsHndrsn SmCap Val N Subtotal | | | \$1,210,193.16 | 0.47% |
| Nchls Ltd Edtn Inst | 453 | Rollover (Pre-Tax) | \$111,662.07 | 0.04% |
| | | Rollover 457 | \$610.96 | 0.00% |
| | | Roth Contribution | \$1,990.52 | 0.00% |
| | | Salary Reduction | \$5,303,544.54 | 2.06% |
| | | Salary Reduction IRR | \$32,884.89 | 0.01% |
| Nchls Ltd Edtn Inst Subtotal | | | \$5,450,692.98 | 2.11% |
| Small Cap Total | | | \$10,233,131.90 | 3.97% |

| Investment | Participants | Money source | Balance | Percent of total |
|---|--------------|----------------------|-----------------------|------------------|
| Specialty | | | | |
| FidAdv RealEst Inc Inst | 804 | Rollover (Pre-Tax) | \$45,709.38 | 0.02% |
| | | Rollover 457 | \$798.13 | 0.00% |
| | | Roth Contribution | \$1,664.95 | 0.00% |
| | | Salary Reduction | \$1,564,594.08 | 0.61% |
| FidAdv RealEst Inc Inst Subtotal | | | \$1,612,766.54 | 0.63% |
| Fnkln Util R6 | 324 | Rollover (Pre-Tax) | \$68,596.16 | 0.03% |
| | | Rollover 457 | \$692.74 | 0.00% |
| | | Roth Contribution | \$3,984.70 | 0.00% |
| | | Salary Reduction | \$3,634,922.13 | 1.41% |
| | | Salary Reduction IRR | \$3,749.10 | 0.00% |
| Fnkln Util R6 Subtotal | | | \$3,711,944.83 | 1.44% |
| Specialty Total | | | \$5,324,711.37 | 2.06% |

| | | |
|--------------|-------------------------|-------------|
| Total | \$257,944,091.88 | 100% |
|--------------|-------------------------|-------------|

* Data is up to date as of the close of business the previous market day.

** Asset balances do NOT include outstanding loans, Self-directed option, or TPA assets, if applicable to your plan.

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AGREEMENT

THIS AGREEMENT is made and entered into this ____ day of [Month], [Year], by and between the COUNTY OF FRESNO, a Political Subdivision of the State of California, hereinafter referred to as "COUNTY", and [Contractor], a (Type of business) (Note to County staff: Type of business the contractor is; such as a corporation – including the state in which they are incorporated, e.g., a California corporation; a partnership; a private, non-profit corporation; or a sole proprietorship), whose address is "[Contractor's Address]", hereinafter referred to as "CONTRACTOR".

WITNESSETH:

(Add WHEREAS Clauses) (Note to County staff: explains the need/purpose for the contract and the process by which the Contractor was chosen)

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions herein contained, the parties hereto agree as follows:

1. OBLIGATIONS OF THE CONTRACTOR

- A.
B. (etc.)

2. OBLIGATIONS OF THE COUNTY

- A.
B. (etc.)

3. TERM

The term of this Agreement shall be for a period of three (3) years, commencing on (Effective Date) through and including (Last day of three year period). This Agreement may be extended for two (2) additional consecutive twelve (12) month periods upon written approval of both parties no later than thirty (30) days prior to the first day of the next twelve (12) month extension period. The (Title of department head) or his or her designee is authorized to execute such written approval on behalf of COUNTY based on CONTRACTOR'S satisfactory performance.

4. TERMINATION

- A. Non-Allocation of Funds - The terms of this Agreement, and the services to

1 be provided hereunder, are contingent on the approval of funds by the appropriating government
2 agency. Should sufficient funds not be allocated, the services provided may be modified, or this
3 Agreement terminated, at any time by giving the CONTRACTOR thirty (30) days advance written
4 notice.

5 B. Breach of Contract - The COUNTY may immediately suspend or terminate this
6 Agreement in whole or in part, where in the determination of the COUNTY there is:

- 7 1) An illegal or improper use of funds;
- 8 2) A failure to comply with any term of this Agreement;
- 9 3) A substantially incorrect or incomplete report submitted to the COUNTY;
- 10 4) Improperly performed service.

11 In no event shall any payment by the COUNTY constitute a waiver by the COUNTY of any breach
12 of this Agreement or any default which may then exist on the part of the CONTRACTOR. Neither shall such
13 payment impair or prejudice any remedy available to the COUNTY with respect to the breach or default.
14 The COUNTY shall have the right to demand of the CONTRACTOR the repayment to the COUNTY of any
15 funds disbursed to the CONTRACTOR under this Agreement, which in the judgment of the COUNTY were
16 not expended in accordance with the terms of this Agreement. The CONTRACTOR shall promptly refund
17 any such funds upon demand.

18 C. Without Cause - Under circumstances other than those set forth above, this
19 Agreement may be terminated by COUNTY upon the giving of thirty (30) days advance written notice of an
20 intention to terminate to CONTRACTOR.

21 5. COMPENSATION/INVOICING: (Note to County staff: If sales tax is applicable and to be
22 paid to an out-of-state vendor, it must be separated from the total compensation and the vendor must have
23 a California Sales Tax Permit Number.) COUNTY agrees to pay CONTRACTOR and CONTRACTOR
24 agrees to receive compensation as follows: "[Enter compensation]". CONTRACTOR shall submit monthly
25 invoices in triplicate to the County of Fresno "[Enter Department Name]".

26 In no event shall services performed under this Agreement be in excess of
27 "[Enter maximum contract amount]" during the term of this Agreement. It is understood that all expenses
28 incidental to CONTRACTOR'S performance of services under this Agreement shall be borne by

1 CONTRACTOR. (Note to County staff: If the number of days within which payment must be made is
2 specified, this paragraph must provide for payment after a minimum of forty-five (45) days from date of
3 receipt of invoice by the COUNTY.)

4 6. INDEPENDENT CONTRACTOR: In performance of the work, duties and obligations
5 assumed by CONTRACTOR under this Agreement, it is mutually understood and agreed that
6 CONTRACTOR, including any and all of the CONTRACTOR'S officers, agents, and employees will at all
7 times be acting and performing as an independent contractor, and shall act in an independent capacity and
8 not as an officer, agent, servant, employee, joint venturer, partner, or associate of the COUNTY.
9 Furthermore, COUNTY shall have no right to control or supervise or direct the manner or method by which
10 CONTRACTOR shall perform its work and function. However, COUNTY shall retain the right to administer
11 this Agreement so as to verify that CONTRACTOR is performing its obligations in accordance with the
12 terms and conditions thereof.

13 CONTRACTOR and COUNTY shall comply with all applicable provisions of law and the rules and
14 regulations, if any, of governmental authorities having jurisdiction over matters the subject thereof.

15 Because of its status as an independent contractor, CONTRACTOR shall have absolutely no right
16 to employment rights and benefits available to COUNTY employees. CONTRACTOR shall be solely liable
17 and responsible for providing to, or on behalf of, its employees all legally-required employee benefits. In
18 addition, CONTRACTOR shall be solely responsible and save COUNTY harmless from all matters relating
19 to payment of CONTRACTOR'S employees, including compliance with Social Security withholding and all
20 other regulations governing such matters. It is acknowledged that during the term of this Agreement,
21 CONTRACTOR may be providing services to others unrelated to the COUNTY or to this Agreement.

22 7. MODIFICATION: Any matters of this Agreement may be modified from time to time by the
23 written consent of all the parties without, in any way, affecting the remainder.

24 8. NON-ASSIGNMENT: Neither party shall assign, transfer or sub-contract this Agreement
25 nor their rights or duties under this Agreement without the prior written consent of the other party.

26 9. HOLD HARMLESS: CONTRACTOR agrees to indemnify, save, hold harmless, and at
27 COUNTY'S request, defend the COUNTY, its officers, agents, and employees from any and all costs and
28 expenses (including attorney's fees and costs), damages, liabilities, claims, and losses occurring or

1 resulting to COUNTY in connection with the performance, or failure to perform, by CONTRACTOR, its
2 officers, agents, or employees under this Agreement, and from any and all costs and expenses (including
3 attorney's fees and costs), damages, liabilities, claims, and losses occurring or resulting to any person, firm,
4 or corporation who may be injured or damaged by the performance, or failure to perform, of
5 CONTRACTOR, its officers, agents, or employees under this Agreement.

6 10. INSURANCE

7 Without limiting the COUNTY's right to obtain indemnification from CONTRACTOR or any third
8 parties, CONTRACTOR, at its sole expense, shall maintain in full force and effect, the following insurance
9 policies or a program of self-insurance, including but not limited to, an insurance pooling arrangement or
10 Joint Powers Agreement (JPA) throughout the term of the Agreement:

11 A. Commercial General Liability

12 Commercial General Liability Insurance with limits of not less than Two Million Dollars
13 (\$2,000,000.00) per occurrence and an annual aggregate of Four Million Dollars (\$4,000,000.00). This
14 policy shall be issued on a per occurrence basis. COUNTY may require specific coverages including
15 completed operations, products liability, contractual liability, Explosion-Collapse-Underground, fire legal
16 liability or any other liability insurance deemed necessary because of the nature of this contract.

17 B. Automobile Liability

18 Comprehensive Automobile Liability Insurance with limits of not less than One Million Dollars
19 (\$1,000,000.00) per accident for bodily injury and for property damages. Coverage should include any auto
20 used in connection with this Agreement.

21 C. Professional Liability

22 If CONTRACTOR employs licensed professional staff, (e.g., Ph.D., R.N., L.C.S.W., M.F.C.C.) in
23 providing services, Professional Liability Insurance with limits of not less than One Million Dollars
24 (\$1,000,000.00) per occurrence, Three Million Dollars (\$3,000,000.00) annual aggregate.

25 D. Worker's Compensation

26 A policy of Worker's Compensation insurance as may be required by the California Labor
27 Code.

28 E. Molestation

1 [Note to County Staff: Include this paragraph E. only for agreements relating to services to
2 vulnerable classes of persons (e.g., children, elderly).] Sexual abuse / molestation liability insurance with
3 limits of not less than One Million Dollars (\$1,000,000.00) per occurrence, Two Million Dollars
4 (\$2,000,000.00) annual aggregate. This policy shall be issued on a per occurrence basis.

5 Additional Requirements Relating to Insurance

6 CONTRACTOR shall obtain endorsements to the Commercial General Liability insurance naming
7 the County of Fresno, its officers, agents, and employees, individually and collectively, as additional
8 insured, but only insofar as the operations under this Agreement are concerned. Such coverage for
9 additional insured shall apply as primary insurance and any other insurance, or self-insurance, maintained
10 by COUNTY, its officers, agents and employees shall be excess only and not contributing with insurance
11 provided under CONTRACTOR's policies herein. This insurance shall not be cancelled or changed without
12 a minimum of thirty (30) days advance written notice given to COUNTY.

13 CONTRACTOR hereby waives its right to recover from COUNTY, its officers, agents, and
14 employees any amounts paid by the policy of worker's compensation insurance required by this
15 Agreement. CONTRACTOR is solely responsible to obtain any endorsement to such policy that may be
16 necessary to accomplish such waiver of subrogation, but CONTRACTOR's waiver of subrogation under
17 this paragraph is effective whether or not CONTRACTOR obtains such an endorsement.

18 Within Thirty (30) days from the date CONTRACTOR signs and executes this Agreement,
19 CONTRACTOR shall provide certificates of insurance and endorsement as stated above for all of the
20 foregoing policies, as required herein, to the County of Fresno, (Name and Address of the official who will
21 administer this contract), stating that such insurance coverage have been obtained and are in full force; that
22 the County of Fresno, its officers, agents and employees will not be responsible for any premiums on the
23 policies; that such Commercial General Liability insurance names the County of Fresno, its officers, agents
24 and employees, individually and collectively, as additional insured, but only insofar as the operations under
25 this Agreement are concerned; that such coverage for additional insured shall apply as primary insurance
26 and any other insurance, or self-insurance, maintained by COUNTY, its officers, agents and employees,
27 shall be excess only and not contributing with insurance provided under CONTRACTOR's policies herein;
28 and that this insurance shall not be cancelled or changed without a minimum of thirty (30) days advance,

1 written notice given to COUNTY.

2 In the event CONTRACTOR fails to keep in effect at all times insurance coverage as herein
3 provided, the COUNTY may, in addition to other remedies it may have, suspend or terminate this
4 Agreement upon the occurrence of such event.

5 All policies shall be issued by admitted insurers licensed to do business in the State of California,
6 and such insurance shall be purchased from companies possessing a current A.M. Best, Inc. rating of A
7 FSC VII or better.

8 11. AUDITS AND INSPECTIONS: The CONTRACTOR shall at any time during business
9 hours, and as often as the COUNTY may deem necessary, make available to the COUNTY for examination
10 all of its records and data with respect to the matters covered by this Agreement. The CONTRACTOR
11 shall, upon request by the COUNTY, permit the COUNTY to audit and inspect all of such records and data
12 necessary to ensure CONTRACTOR'S compliance with the terms of this Agreement.

13 If this Agreement exceeds ten thousand dollars (\$10,000.00), CONTRACTOR shall be subject to
14 the examination and audit of the Auditor General for a period of three (3) years after final payment under
15 contract (Government Code Section 8546.7).

16 12. NOTICES: The persons and their addresses having authority to give and receive notices
17 under this Agreement include the following:

| <u>COUNTY</u> | <u>CONTRACTOR</u> |
|---|---|
| COUNTY OF FRESNO | [click here to enter Contractor] |
| [click here to enter County Address] | [click here to enter Contractor Address] |
| [click here to enter County Address] | [click here to enter Contractor Address] |
| [click here to enter County City/State] | [click here to enter Contractor City/State] |

21 All notices between the COUNTY and CONTRACTOR provided for or permitted under this
22 Agreement must be in writing and delivered either by personal service, by first-class United States mail, by
23 an overnight commercial courier service, or by telephonic facsimile transmission. A notice delivered by
24 personal service is effective upon service to the recipient. A notice delivered by first-class United States
25 mail is effective three COUNTY business days after deposit in the United States mail, postage prepaid,
26 addressed to the recipient. A notice delivered by an overnight commercial courier service is effective one
27 COUNTY business day after deposit with the overnight commercial courier service, delivery fees prepaid,
28 with delivery instructions given for next day delivery, addressed to the recipient. A notice delivered by

1 telephonic facsimile is effective when transmission to the recipient is completed (but, if such transmission is
2 completed outside of COUNTY business hours, then such delivery shall be deemed to be effective at the
3 next beginning of a COUNTY business day), provided that the sender maintains a machine record of the
4 completed transmission. For all claims arising out of or related to this Agreement, nothing in this section
5 establishes, waives, or modifies any claims presentation requirements or procedures provided by law,
6 including but not limited to the Government Claims Act (Division 3.6 of Title 1 of the Government Code,
7 beginning with section 810).

8 13. GOVERNING LAW: Venue for any action arising out of or related to this Agreement shall
9 only be in Fresno County, California.

10 The rights and obligations of the parties and all interpretation and performance of this Agreement
11 shall be governed in all respects by the laws of the State of California.

12 14. DISCLOSURE OF SELF-DEALING TRANSACTIONS

13 This provision is only applicable if the CONTRACTOR is operating as a corporation (a for-profit
14 or non-profit corporation) or if during the term of the agreement, the CONTRACTOR changes its status
15 to operate as a corporation.

16 Members of the CONTRACTOR's Board of Directors shall disclose any self-dealing transactions
17 that they are a party to while CONTRACTOR is providing goods or performing services under this
18 agreement. A self-dealing transaction shall mean a transaction to which the CONTRACTOR is a party
19 and in which one or more of its directors has a material financial interest. Members of the Board of
20 Directors shall disclose any self-dealing transactions that they are a party to by completing and signing a
21 Self-Dealing Transaction Disclosure Form, attached hereto as Exhibit A and incorporated herein by
22 reference, and submitting it to the COUNTY prior to commencing with the self-dealing transaction or
23 immediately thereafter.

24 15. ENTIRE AGREEMENT: This Agreement constitutes the entire agreement between the
25 CONTRACTOR and COUNTY with respect to the subject matter hereof and supersedes all previous
26 Agreement negotiations, proposals, commitments, writings, advertisements, publications, and
27 understanding of any nature whatsoever unless expressly included in this Agreement. **If applicable, add**
28 **the following:** *In the event of any inconsistency in interpreting the documents which constitute this*

1 Agreement, the inconsistency shall be resolved by giving precedence in the following order of priority: (1)
2 the text of this Agreement (excluding Attachment "A", the COUNTY'S Request for Quotation/Proposal No.
3 "[Enter RFQ/RFP No.]" and the CONTRACTOR'S Quote/Proposal in response thereto); (2) Attachment
4 "A"; (3) the COUNTY'S Request for Quotation/Proposal No. "[Enter RFQ/RFP No.]"; and (4) the
5 CONTRACTOR'S quotation/proposal made in response to COUNTY'S Request for Quotation/Proposal No.
6 "[Enter RFQ/RFP No.]"

7 ///
8 ///
9 ///
10 ///

11 IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year
12 first hereinabove written.

13

CONTRACTOR

COUNTY OF FRESNO

14 _____
15 (Authorized Signature)

16 _____
17 [Note: Insert Current Chairman's Name],
18 Chairman of the Board of Supervisors of
19 the County of Fresno

18 _____
19 Print Name & Title

20 _____
21 Mailing Address

ATTEST:
Bernice E. Seidel
Clerk of the Board of Supervisors
County of Fresno, State of California

22

23

24

25

By: _____
Deputy

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FOR ACCOUNTING USE ONLY:

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Fund:

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1 Subclass:

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EXHIBIT B

COUNTY OF FRESNO



REQUEST FOR PROPOSAL

NUMBER: 20-056

DEFERRED COMPENSATION PLAN CONSULTANT

Issue Date: May 13, 2020

Closing Date: JUNE 11, 2020 AT 10:00 AM

All Questions and Responses must be electronically submitted on the Bid Page on Public Purchase.

For assistance, contact **Mr. Shannon W. Kirby** at Phone (559) 600-7116.

BIDDER TO COMPLETE

Undersigned agrees to furnish the commodity or service stipulated in the attached at the prices and terms stated in this RFP.
Bid must be signed and dated by an authorized officer or employee.

Northwest Capital Management, Inc.
COMPANY

Brent Petty
CONTACT PERSON

13333 SW 68th Pkwy Suite #230
ADDRESS

Tigard OR 97223
CITY STATE ZIP CODE

(503) 597-1641 BRENTP@nwcm.com
TELEPHONE NUMBER E-MAIL ADDRESS

Brent Petty
AUTHORIZED SIGNATURE

Brent Petty President
PRINT NAME TITLE

COUNTY OF FRESNO



ADDENDUM NUMBER: ONE (1)

RFP NUMBER: 20-056

DEFERRED COMPENSATION PLAN CONSULTANT

Issue Date: May 22, 2020

Closing Date: June 11, 2020 at 10:00 AM

All Questions and Proposals must be electronically submitted to the Bid Page on Public Purchase.

For assistance, contact Mr. Shannon W. Kirby at (559) 600-7116.

NOTE THE FOLLOWING AND ATTACHED ADDITIONS, DELETIONS AND/OR CHANGES TO THE REQUIREMENTS OF REQUEST FOR PROPOSAL NUMBER: 20-056 AND INCLUDE THEM IN YOUR RESPONSE. PLEASE SIGN AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

- **Change Page 12, A. (c) to: Attend quarterly DCMC meetings and special DCMC meetings as needed; please note that the last special meeting was in 2016.**
- **Questions and Answers (Attached)**

ACKNOWLEDGMENT OF ADDENDUM NUMBER ONE (1) TO RFP 20-056

COMPANY NAME: Northwest Capital Management, Inc.

SIGNATURE:  (PRINT)

NAME & TITLE: Brent Petty, President (PRINT)

Purchasing Use: SWKst

ORG/Requisition: 89250200 / 8922000189

II. Cover Letter

June 11, 2020

County of Fresno
2220 Tulare Street, 14th Floor
Fresno, CA 93721

Dear Deferred Compensation Management Council (DCMC),

On behalf of Northwest Capital Management, Inc. (NWCM), it is my pleasure to present our proposal for the County of Fresno 457 DC Plan. I am also pleased to be your primary point of contact for the RFP and to continue as the lead consultant for our service team.

Our Organization

Northwest Capital Management, Inc. (NWCM) is an independent, privately held Registered Investment Advisor (RIA) based in Portland, Oregon that advises on \$3.69 billion in assets as of March 31st, 2020. We have offices in Portland, Seattle, and Phoenix. Our firm has been serving retirement plans, foundations and endowments, and private wealth clients since 1998. For over two decades we have provided fiduciary advisory services, plan design, and consulting services for retirement plan and private wealth management clients. We are also proud to be one of few certified B Corporations in the financial services industry. The focus on community and doing well by doing good allows us to think about all sorts of ways to help our clients beyond the financial aspect.

It should be noted that in early 2020, NWCM executed a formal succession plan providing organizational stability and solidly positioning the firm for the future. We are also pleased to inform you that since the beginning of the year we have strengthened our consulting and research teams through the addition of four new colleagues, all with ten years or more of industry experience. We are excited about all the enhancements these new resources will contribute to our ongoing efforts to serve our clients.

Our Experience with the County

As a longstanding partner of the County of Fresno, NWCM is excited for the opportunity to continue serving the County and its plan participants. Over the past nine years, we have grown to understand the unique workings of the plan, its servicing requirements, and how to best collaborate with staff and the DCMC to implement solutions that meet both the needs of the County and plan participants.

During our tenure with the County there have been numerous collaborative accomplishments. These include a successful recordkeeper RFP process, which resulted in a reduction of plan-related fees and ultimately improved the effectiveness of participant engagement efforts, the implementation of monthly status report calls (with staff and vendors), annual NAGDCA collaboration, and the implementation of DCMC training sessions (e.g., Stable Value 101, Fiduciary Best Practices, and Target Date Due Diligence, etc.). These collective efforts have simultaneously improved the plan and assisted the County in meeting its fiduciary obligations.

The County should be proud of these successes as it constitutes a model that other peer group employers would do well to emulate. These accomplishments were a collective effort of staff, the DCMC, the plan's recordkeeper, and NWCM. Our team is excited for the opportunity to continue this successful partnership for years to come.

With kind regards,



Brent Petty, CFP®,
President
Northwest Capital Management, Inc.
13333 SW 68th Pkwy
Suite 230
Portland, OR 97223
(503) 597-1641
brentp@nwcm.com

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IV. CONFLICT OF INTEREST STATEMENT

The Contractor may become involved in situations where conflict of interest could occur due to individual or organizational activities that occur within the County. In this section the bidder should address the potential, if any, for conflict of interest and indicate plans, if applicable, to address potential conflict of interest. This section will be reviewed by County Counsel for compliance with conflict of interest as part of the review process. The Contractor shall comply with all federal, state and local conflict of interest laws, statutes and regulations.

NWCM and its employees are not in violation of the items listed below in the County's Conflict of Interest Statement.

CONFLICT OF INTEREST: The County shall not contract with, and shall reject any bid or proposal submitted by the persons or entities specified below, unless the Board of Supervisors finds that special circumstances exist which justify the approval of such contract:

1. Employees of the County or public agencies for which the Board of Supervisors is the governing body.
2. Profit-making firms or businesses in which employees described in Subsection (1) serve as officers, principals, partners or major shareholders.
3. Persons who, within the immediately preceding twelve (12) months, came within the provisions of Subsection (1), and who were employees in positions of substantial responsibility in the area of service to be performed by the contract, or participated in any way in developing the contract or its service specifications.
4. Profit-making firms or businesses in which the former employees described in Subsection (3) serve as officers, principals, partners or major shareholders.
5. No County employee, whose position in the County enables him to influence the selection of a contractor for this RFP, or any competing RFP, and no spouse or economic dependent of such employee, shall be employees in any capacity by a bidder, or have any other direct or indirect financial interest in the selection of a contractor.
6. In addition, no County employee will be employed by the selected vendor to fulfill the vendor's contractual obligations to the County.

TRADE SECRET ACKNOWLEDGEMENT

Each proposal submitted is public record under the California Public Records Act (Cal. Gov. Code, secs. 6250 and following) and is therefore open to inspection by the public as required by Section 6253 of the California Government Code. This section generally states that "every person has a right to inspect any public record". The County will not exclude any proposal or portion of a proposal from treatment as a public record except information that it is properly submitted as a "trade secret" (defined below), and determined by the County to be a "trade secret" (if not otherwise subject to disclosure, as stated below). Information submitted as "proprietary", "confidential" or under any other terms that might state or suggest restricted public access will not be excluded from treatment as public record.

"Trade secrets" as defined by Section 6254.7 of the California Government Code are not treated as a public record under that section. This section defines trade secrets as:

"...Trade secrets," as used in this section, may include, but are not limited to, any formula, plan, pattern, process, tool, mechanism, compound, procedure, production data or compilation of information that is not patented, which is known only to certain individuals within a commercial concern who are using it to fabricate, produce, or compound an article of trade or a service having commercial value and which gives its user an opportunity to obtain a business advantage over competitors who do not know or use it."

Such information must be submitted in a separate PDF file named "Trade Secret" and marked as "Confidential" in the Public Purchase system. Bidders must include a clear and concise statement that sets out the reasons for confidentiality in accordance with the foregoing definition of "trade secret." Examples of information not considered trade secrets are pricing, cover letter, promotional materials, references, and the like.

Information submitted by a bidder as "trade secret" will be reviewed by County of Fresno's Purchasing Division, with the assistance of the County's legal counsel, to determine conformance or non-conformance to the foregoing definition.

Information that is properly identified as "trade secret" and which the County determines to conform to the definition will not become public record (if not otherwise subject to disclosure, as stated below). The County will safeguard this information in an appropriate manner, provided however, in the event of a request, demand, or legal action by any person or entity seeking access to the "trade secret" information, the County will inform the bidder of such request, demand, or legal action, and the bidder shall defend, indemnify, and hold harmless the County, including its officers and employees, against any and all claims, liabilities, damages, or costs or expenses, including attorney's fees and costs, relating to such request, demand or legal action, seeking access to the "trade secret" information.

Information submitted by bidder as trade secret and determined by the County not to be in conformance with the foregoing California Government Code definition shall be excluded from the proposal and deleted by the County.

The County shall not in any way be liable or responsible for the disclosure of any proposals or portions thereof, if (1) they are not electronically submitted in a separate PDF that is marked "Trade Secret" and marked as Confidential in the Public Purchase system; or (2) disclosure thereof is required or allowed under the law or by order of court.

Bidders are advised that the County does not wish to receive trade secrets and that bidders are not to supply trade secrets unless they are absolutely necessary.

I have read and understand, and agree to the above "Trade Secret Acknowledgement."

BIDDER MUST CHECK ONE OF THE FOLLOWING:

Has bidder submitted certain bid information that is a "trade secret," as defined by Section 6254.7 of the California Government Code, and in compliance with the requirements of this Trade Secrets Acknowledgement?

By marking "NO", bidder does not claim any confidentiality of any bid information submitted to the County.

___ YES X NO

ACKNOWLEDGED AND AGREED BY BIDDER:

Brent Petty (handwritten signature)

6/8/2020

Signature

Date

Brent Petty

President

Print Name

Title

DISCLOSURE – CRIMINAL HISTORY & CIVIL ACTIONS

In their proposal, the bidder is required to disclose if any of the following conditions apply to them, their owners, officers, corporate managers and partners (hereinafter collectively referred to as “Bidder”):

1. Within the three-year period preceding the proposal, they have been convicted of, or had a civil judgment rendered against them for:
 - a. fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction;
 - b. violation of a federal or state antitrust statute;
 - c. embezzlement, theft, forgery, bribery, falsification, or destruction of records; or
 - d. false statements or receipt of stolen property
2. Within a three-year period preceding their proposal, they have had a public transaction (federal, state, or local) terminated for cause or default.

Disclosure of the above information will not automatically eliminate a Bidder from consideration. The information will be considered as part of the determination of whether to award the contract and any additional information or explanation that a Bidder elects to submit with the disclosed information will be considered. If it is later determined that the Bidder failed to disclose required information, any contract awarded to such Bidder may be immediately voided and terminated for material failure to comply with the terms and conditions of the award.

Any Bidder who is awarded a contract must sign an appropriate Certification Regarding Debarment, Suspension, and Other Responsibility Matters. Additionally, the Bidder awarded the contract must immediately advise the County in writing if, during the term of the agreement: (1) Bidder becomes suspended, debarred, excluded or ineligible for participation in federal or state funded programs or from receiving federal funds as listed in the excluded parties list system (<http://www.epls.gov>); or (2) any of the above listed conditions become applicable to Bidder. The Bidder will indemnify, defend and hold the County harmless for any loss or damage resulting from a conviction, debarment, exclusion, ineligibility or other matter listed in the signed Certification Regarding Debarment, Suspension, and Other Responsibility Matters.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS**

INSTRUCTIONS FOR CERTIFICATION

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, debarred, suspended, ineligible, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

CERTIFICATION

- (1) The prospective primary participant certifies to the best of its knowledge and belief, that it, its owners, officers, corporate managers and partners:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - (c) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.
- (2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Signature: Brent Petty

Date: 6/8/2020

Brent Petty, President
(Printed Name & Title)

Northwest Capital Management, Inc.
(Name of Agency or Company)

VII. REFERENCES

VENDOR MUST COMPLETE AND RETURN WITH REQUEST FOR PROPOSAL

Firm: Northwest Capital Management, Inc.

Provide a list of at least five (5) customers for whom you have recently provided similar services. If you have held a contract for similar services with the County of Fresno within the past seven (7) years, list the County as one of your customers. Please list the person most familiar with your contract. Be sure to include all requested information.

Reference Name: County of Fresno Contact: David Joseph
 Address: 2220 Tulare Street, 14th Floor
 City: Fresno State: CA Zip: 93721
 Phone No.: (559) 600-1810 Project Date: 2011 - present
 Service Provided: Committee Meetings, Investment Monitoring, IPS Review and Monitoring, Plan Governance Document Review, Legislative and Fiduciary Guidance, Recordkeeper RFP Search, Monthly Committee Calls, Stable Value Search

Reference Name: Sacramento County Contact: Bernard Santo Domingo
 Address: 700 H Street Suite 4667
 City: Sacramento State: CA Zip: 95814
 Phone No.: (916) 874-7320 Project Date: 2012 - present
 Service Provided: Fee Monitoring, Investment Monitoring, IPS Review and Monitoring, Legislative and Fiduciary Guidance, Committee Meetings

Reference Name: City of Lake Oswego Contact: Megan Phelan
 Address: 380 A Avenue PO Box 369
 City: Lake Oswego State: OR Zip: 97034
 Phone No.: (503) 635-0281 Project Date: 2013 - present
 Service Provided: Investment Monitoring, IPS Review and Monitoring, Legislative and Fiduciary Guidance, Committee Meetings, Fee Analysis

Reference Name: Clackamas County Contact: Kristi Durham
 Address: 2051 Kaen Rd Suite 310
 City: Oregon City State: OR Zip: 97045
 Phone No.: (503) 742-5470 Project Date: 2007 - present
 Service Provided: Committee Meetings, Investment Monitoring, IPS Review and Monitoring, Plan Document Review, Plan Governance Document Review, Legislative and Fiduciary Guidance, Fiduciary Portfolios, Fee Negotiations, Relationship Manager and Service Team Review

Reference Name: Grand Valley State University (GVSU) Contact: Dave Smith
 Address: One Campus Drive
 City: Allendale State: MI Zip: 49401
 Phone No.: (616) 331-2212 Project Date: 2009 - 2019
 Service Provided: Ongoing Investment Review & Maintenance, Retirement Committee Support, Strategic Menu Redesign, Master Administrator Search & Selection

Failure to provide a list of at least five (5) customers may be cause for rejection of this RFP.

VIII. PARTICIPATION

The County of Fresno is a member of the California Association of Public Procurement Officials (CAPPO) Central Valley Chapter. This group consists of Fresno, Kern, Kings, and Tulare Counties and all governmental, tax supported agencies within these counties.

Whenever possible, these and other tax supported agencies co-op (piggyback) on contracts put in place by one of the other agencies.

Any agency choosing to avail itself of this opportunity, will make purchases in their own name, make payment directly to the contractor, be liable to the contractor and vice versa, per the terms of the original contract, all the while holding the County of Fresno harmless. If awarded this contract, please indicate whether you would extend the same terms and conditions to all tax supported agencies within this group as you are proposing to extend to Fresno County.

*** Note: This form/information is not rated or ranked for evaluation purposes.**

Yes, we will extend contract terms and conditions to all qualified agencies within the California Association of Public Procurement Officials (CAPPO) Central Valley Chapter and other tax supported agencies.

No, we will not extend contract terms to any agency other than the County of Fresno.



(Authorized Signature)

President

Title

IX. EXCEPTIONS

Northwest Capital Management has one exception to the County's requested services listed below.

VIII. EXCEPTIONS: This portion of the proposal will note any exceptions to the requirements and conditions taken by the bidder. If exceptions are not noted, the County will assume that the bidder's proposals meet those requirements. The exceptions shall be noted as follows:

- A. Exceptions to General Conditions.
- B. Exceptions to General Requirements.

We confirm that we are able to comply with all the terms and conditions with the exception of the annual aggregate of four million dollars General Liability Insurance requirement. We currently have an annual aggregate of three million dollars. We would be open to discussing increasing our liability limits if it was critical to our ability to retain the relationship.

- C. Exceptions to Specific Terms and Conditions.
- D. Exceptions to Scope of Work.
- E. Exceptions to Proposal Content Requirements.
- F. Exceptions to any other part of this RFP.

X. VENDOR COMPANY DATA

- A. A narrative which demonstrates the vendor's basic familiarity or experience with problems associated with this service/project.

Northwest Capital Management, Inc. has been serving retirement plans, foundations and endowments, and private wealth clients since 1998. For over two decades we have provided fiduciary advisory, plan design, and consulting services for retirement plan and private wealth management clients.

We currently provide services for twelve public entities, with an asset total of \$1.59 billion as of March 31, 2020. NWCM has recently added three 457(b) clients (one in 2020, one in 2018, and another in 2016). NWCM has a strong mix of public and corporate sector experience and we have dedicated our resources and expertise to providing customized service to each of our clients.

As your plan advisor, it is our goal to address any challenges that arise quickly and efficiently, while at the same time, applying what we learn from each experience to assist Fresno in building methods and procedures designed to reduce vendor process errors and inefficiencies. We draw from our experience with your vendor to help us anticipate difficulties before they arise and keep you apprised of industry and market developments that keep your plan functioning at the ideal level of effectiveness for you and your participants. Our collective experience with the public plan sector, as well as our personal knowledge of the Fresno County plan, makes us uniquely qualified to manage and guide the County through its fiduciary oversight duties. By partnering with NWCM, we help ensure you meet your regulatory and compliance obligations. In the event of a problem, our team will act as a backstop, stepping in to help resolve the wide range of challenges faced by plan fiduciaries. Our services are designed to prevent or mitigate potential problems, through rigorous due diligence and risk management.

NWCM has been fortunate to have provided investment advisory and plan management services to Fresno County since 2011. During this time, NWCM has become thoroughly familiar with the plan, its servicing requirements, and how to best implement solutions that meet your needs. There have been numerous success stories with County's 457 plan over the past several years, including a successful record-keeper RFP process which resulted in the transition to a vendor that better aligned with the County's goals and objectives, the reduction of plan related fees (including the cost of the investments), the participant education experience has been revamped and enhanced (resulting in a NACo Aspire Award for innovative leadership in promoting employee retirement savings), and the DCMC has participated in numerous training and education sessions to ensure that your fiduciary obligations are met. The County should be proud of this success. It is a model that should be respected and emulated by its industry peers. NWCM shares the common goal of continuing efforts to improve the plan for County participants and we look forward to continuing to provide professional guidance to staff and the DCMC.

- B. Descriptions of any similar or related contracts under which the bidder has provided services.

NWCM seeks to partner with plan sponsors that are looking for a full-service consulting firm with a high touch boutique style approach. The NWCM model provides comprehensive education and guidance on the full range of retirement plan administration issues and responsibilities. Our model is designed to serve as an extension of your existing staff and operations. While we leverage what we learn from our engagements across our business, we strive to see each client’s unique challenges and circumstances fully in view and we work to resolve issues and difficulties in the operation of your plan. Our experience with a variety of public and corporate plans allows us to tailor our services to meet the unique needs of each organization. We’ve found that many of our clients prefer their advisor to take the time to get to know the unique characteristics, preferences, and goals for their retirement plan. We provide consultation and guidance within this framework, rather than taking a “cookie-cutter” approach. In short, we assist our clients with meeting their oversight obligations without losing their unique identity.

We hold strong government public-sector knowledge and currently provide comprehensive consulting services to 12 public-sector clients. We understand that each client, regardless of size or sector, has a unique set of needs and objectives that require a customized strategy. Through the delivery of unbiased investment consulting services, we will continue to develop and implement investment strategies to ensure that the County achieves its goals and objectives.

Below is a table of similar public entities we advise and their asset value:

| Public Sector Client | Approximate Asset Value (3/31/2020) |
|-----------------------------|-------------------------------------|
| County in California | \$1,027,168,593 |
| County in California | \$240,606,406 |
| County in Oregon | \$153,173,618 |
| City in Oregon | \$45,612,752 |
| Utility in Oregon | \$41,045,159 |
| City in Oregon | \$29,018,103 |
| Utility in Oregon | \$21,808,339 |
| Government Office in Oregon | \$13,733,604 |
| City in Oregon | \$7,781,526 |
| City in Oregon | \$7,518,197 |
| Special District in Oregon | \$4,382,013 |
| Government Office in Oregon | \$4,170,681 |

Listed below are examples of some of our clients, as well as a brief description of the services we have provided to each:

Sacramento County – Similar to the County of Fresno, NWCM has provided advisory services to the County of Sacramento 457(b) and 401(a) Plans since 2012. These services include the following: Fee Monitoring, Investment Monitoring, IPS Review and Monitoring, Legislative and Fiduciary Guidance, Committee Meetings.

City of Lake Oswego – The City of Lake Oswego, near our base of operations, has been a client since 2013. NWCM has serviced the Plan with Investment Monitoring, IPS Review and Monitoring, Legislative and Fiduciary Guidance, Committee Meetings, Fee Analysis.

Clackamas County – NWCM has provided advisory services to Clackamas County since 2007. These services include the following: Committee Meetings, Investment Monitoring, IPS Review and Monitoring, Plan, Document Review, Plan Governance Document Review, Legislative and Fiduciary Guidance, Fiduciary Portfolios, Fee Negotiations, Relationship Manager and Service Team Review, and Vendor RFPs.

C. Descriptions of the qualifications of the individual(s) providing the services.

If retained, Brent Petty would continue to be the main point-of-contact for the County. Brent has nearly two decades of experience with 457(b) plans and is currently advising on nine 457(b) accounts with over \$1.5 billion in assets. Brent also services 30 non-457(b) accounts, including 403(b), 401(a), 457(b), and profit-sharing plans.

NWCM recently completed a formal succession plan for its founder in late 2019. Early in 2020, NWCM added two senior advisors and two senior research staff as the firm is positioned to grow going forward. One of the new advisors, Scott Fisher, would serve as co-consultant and support Brent with servicing the County's plan. Scott brings an array of insights and experience to the NWCM team. Scott previously worked at Aon Hewitt Investment Consulting and has worked in the public plan sector for over 20 years. He focuses his efforts on Committee education, guidance, and decision support. He provides added resources to the County, both as an excellent source of knowledge and as an aid to Brent when advising the County's Plan. Scott has held the Chartered Financial Analyst (CFA) designation and been a member of the CFA Institute since 1994.

Further details on both advisors are outlined on the following two pages:



BRENT PETTY

CONTACT:

DESK:
503.597.1641

CELL:
503.913.4168

EMAIL:
brentp@nwcm.com

LOCATION:

PORTLAND OFFICE
13333 SW 68th PKWY
Suite 230
Portland, Oregon 97223

HIGHLIGHTS:

- 20+ years of experience
- Certified Financial Planner®
- Accredited Investment Fiduciary®
- Member of NAGDCA
- Member of the Portland Chapter of the Western Pension & Benefits Council

CFP®, AIF®, PRESIDENT, SENIOR CONSULTANT

Brent Petty will serve as the lead consultant and primary point of contact for the County. Brent began his career over 20 years ago working for a national 457(b) provider. In 2003, he transitioned into the consulting industry with Arnerich Massena, before joining NWCM in 2005. A graduate of Northern Arizona University, Brent is a Certified Financial Planner® and is an Accredited Investment Fiduciary®. Brent is a member of the Financial Planning Association, the National Association of Government Defined Contribution Administrators (NAGDCA), and the Portland Chapter of the Western Pension & Benefits Council.

Brent's primary responsibilities include assisting plan sponsors with plan governance (e.g., investment policies, education policies, committee charters, etc.), investment menu construction and monitoring, and vendor due-diligence. Brent played a key role in the development of NWCM's annual "best practices" checklist which reviews key plan documents including vendor fee disclosure reports, participant disclosures, vendor service agreements, and also provides an annual independent fee reconciliation report.

Brent has been a member of the National Association of Government Defined Contribution Administrators, Inc. (NAGDCA) for 17 years. Brent attends the annual NAGDCA conference, staying on the cutting edge of best practices for public sector retirement plans, relevant legislative updates, and current trends. Many of our clients attend this and other industry-sponsored conferences and collaborate with Brent and team on future initiatives. Brent provides the critical information obtained from these conferences with NWCM's clients to help them improve and manage their plans.



SCOTT T. FISHER

CONTACT:

PHONE:
206.707.7596

EMAIL:
scottf@nwcm.com

LOCATION:

SEATTLE OFFICE
601 Union St Suite 2600
Seattle, WA 98101

HIGHLIGHTS:

- 30 years of experience
- Chartered Financial Analyst (CFA)
- Speaker at upcoming NAGDCA 2020 conference
- Experience consulting for multi-billion-dollar public entities

CFA, VP ADVISORY SERVICES

Scott T. Fisher will serve as co-consultant and will provide consulting support and continuity with, and in the absence of, the lead consultant. Scott has been an investment professional since 1985 and an employee benefits consultant specializing in retirement programs for over 30 years.

From finance professionals to benefits administrators to employee representatives with little or no investment experience, Scott thrives on presenting complex subject matter to fiduciaries with a broad range of financial acumen in ways that can be readily consumed and used to make effective plan management decisions. He works with plan fiduciaries providing investment counsel and advice aimed at allowing them to make plan stewardship decisions with high confidence.

His experience includes the full range of investment interactions, from individual education sessions on how to invest to counselling retirement and other fiduciary committees of multi-billion-dollar state university and governmental retirement systems on plan management best practices.

Scott's areas of focus include:

- Management of all aspects of DC plan fiduciary stewardship from the Committee process to the implementation of plan management decisions
- Optimizing plan structure for efficient and effective achievement of the best possible participant outcomes
- Elicitation of priority goals and objectives for plan management and ensuring strategic alignment of practices to achieve them
- Design and Management of Custom Target Date Fund platforms
- Design and implementation of Defined Benefit de-risking programs
- Presentation to industry groups on the keys to successful guidance and support of plan fiduciaries

Scott was awarded the Chartered Financial Analyst (CFA) charter in 1994. He holds a Bachelor of Arts degree from Bucknell University majoring in both Economics and Biology. He speaks and writes frequently on the importance of having both an enduring investment philosophy and an effective strategy for its implementation and maintenance.

D. Any material (including letters of support or endorsement) indicative of the bidder's capability.

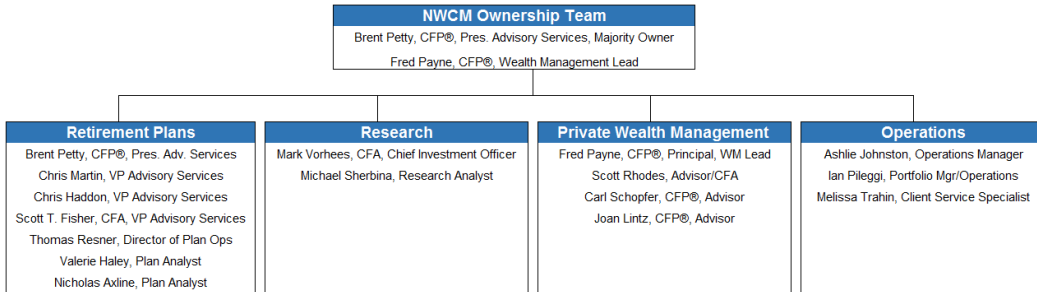
As an organization that is regulated by the SEC, NWCM has opted to not pursue client testimonials. Additionally, our internal Code of Ethics prohibits the publication of client testimonials or endorsements. In order to protect our clients' privacy, NWCM does not share client communications without their express consent. A copy of NWCM's Code of Ethics has been provided as Exhibit B in the Appendices. For more information on our ability to meet the scope of work outlined in this RFP we would encourage contacting our list of references.

With that being said, we believe the collective strength and capabilities of our team is the foundation of our success. Our team constantly strives for excellence, which is demonstrated by an ongoing pursuit of further education and industry expertise. Within our 16-person team, we have three individuals who have received a CFA (Chartered Financial Analyst) designation and three who have received a CFP (Certified Financial Planner) designation. Our advisors have been recognized as industry experts and have been called on to share their expertise both locally and nationally. In 2019, Brent Petty was invited to speak at the national FI360 conference on fiduciary due diligence with regards to managed accounts. This year, Scott Fisher has been invited to host a panel at the upcoming NAGDCA conference titled "At a crossroads: Health and Wealth". We strive to share our expertise with our clients and our community. And if retained, NWCM will continue to provide Fresno County with tangible evidence of our capabilities and further proof of our commitment to your success.

E. A brief description of the bidder's current operations, and ability to provide the services.

Having worked with the County since 2011, we have a vested interest in the County's continued success. NWCM is prepared to hit the ground running and continue to build upon the progress made. NWCM is well versed in preparing for DCMC meetings and participating in the monthly call with staff and the County's recordkeeper. Due to our familiarity with the needs and preferences of the DCMC and our readiness to provide the services outlined, there would be no learning curve or potential disruption of services to contend with.

Recent shifts in our firm, including the succession of Brent Petty to majority owner, have positioned NWCM to strengthen our model and take the services we currently provide the County to the next level. Over the past year, we have hired several new advisors with industry experience and public sector expertise that can support the County's needs, we have increased outreach with new educational resources, and we have recently expanded our research department. If given the opportunity, we look forward to leveraging these expanded capabilities to the benefit of the County. On the following page is a chart showing the current breakdown of NWCM's staff:



COVID-19 and Current Remote Operations

We have long recognized the importance of establishing a reliable business continuity plan in the event of an emergency or major disruption in our operations. During the COVID-19 public health crisis, NWCM seamlessly switched to remote operations.

The following is a summary of measures NWCM had previously established in our continuity plan, as well as some additional measures we have recently adopted:

- Anticipating challenges in maintaining secure systems, NWCM decided just under two years ago to transfer our computer network from our Portland offices to a “co-location” at a secure data facility just west of Portland (supported by backup capabilities in the Midwest).
- Secure data is accessed via our “terminal server” connection, which requires multi-factor authentication. For the past 18 months, we have effectively been accessing NWCM’s computer network “remotely”. This has allowed our team to continue working without disruption both before and during the current pandemic crisis.
- The majority of our applications are accessed via a cloud-based Software as a Service (SaaS) model (e.g., Salesforce Microsoft Outlook, Office 365, ShareFile), which allows full access to any staff member with an internet connection at home.
- In the fourth quarter of 2019, we began using Microsoft Teams to facilitate internal group communication and project coordination. Microsoft Teams provides built-in group and one-on-one audio and video conferencing. Teams also incorporates real-time collaboration with Office products such as Word, Excel, and PowerPoint. Teams has allowed our team to stay connected while working remotely.
- We have been conducting modified meetings using video-conferencing technology, including Microsoft Teams and Zoom. This technology allows us to have a “face-to-face” meeting experience with the ability to review documents with you in real time.

NWCM continues to benefit from the measures we took before the pandemic became a worldwide reality. Our staff has been able to work from home and advisors have had access to remotely meet with clients. Because of the steps NWCM enacted, you can be confident that you will continue to receive the same level of service and support during both ‘normal’ times and in periods of emergency (natural or otherwise).

- F. Copies of the audited Financial Statements for the last three (3) years for the agency or program that will be providing the service(s) proposed. If audited statements are not available, compiled or reviewed statements will be accepted with copies of three years of

corresponding federal tax returns. This information is to be provided after the RFP closes, if requested. Do not provide with your proposal.

- G. Describe all contracts that have been terminated before completion within the last five (5) years
1. Agency contract with
 2. Date of original contract
 3. Reason for termination
 4. Contact person and telephone number for agency

No contracts have been terminated before completion within the last five (5) years.

- H. Describe all lawsuit(s) or legal action(s) that are currently pending; and any lawsuit(s) or legal action(s) that have been resolved within the last five (5) years:
1. Location filed, name of court and docket number
 2. Nature of the lawsuit or legal action

We have no pending or resolved lawsuits.

- I. Describe any payment problems that you have had with the County within the past three (3) years:
1. Funding source
 2. Date(s) and amount(s)
 3. Resolution
 4. Impact to financial viability of organization.

There have been no payment problems over the last three (3) years.

XI. SCOPE OF WORK

1. A general discussion of your understanding of the project, the Scope of Work proposed and a summary of the features of your proposal.

Northwest Capital Management, Inc. is an independent and privately-held, B Corporation, Registered Investment Advisor (RIA) based in Portland, Oregon that advises on over \$3.6 billion in assets. Our firm has been serving retirement plans, foundations and endowments, and private wealth clients since 1998. For over two decades we have provided fiduciary advisory, plan design, and consulting services for retirement plans and trusts — including 401(k), 403(b), 401(a), 457(b), Defined Benefit, and profit-sharing plans. In addition, our private wealth management practice develops and implements best-in-class investment strategies to achieve retirement and financial planning objectives for individuals and families.

NWCM has reviewed the Scope of Work and we can confirm that we possess the experience required to ably perform the tasks listed. Our service model has been developed and successfully employed to meet these objectives as we believe they are instrumental to maintaining effective client relationships. NWCM has strong public-sector experience and we have dedicated our resources to this business. NWCM has enjoyed the opportunity to provide these services to the County of Fresno for the better part of a decade.

NWCM's consulting philosophy starts from the premise that each client has a unique set of considerations and priorities that require a customized strategy to understand and address in order for the client to achieve their objectives. It is our job to work with retirement plan committees to tailor these strategies around industry best practices, and to ensure that our services fully comply with all applicable laws and regulations. The Scope of Work, as described in this RFP, is well-suited to our comprehensive service model. We provide retirement plan consulting services to assist plan sponsors proactively monitor and improve upon the performance of their plans, while also assisting in managing the associated fiduciary responsibilities. We are confident that you will find that our service model, as outlined within this proposal, closely aligns with your needs.

NWCM has enjoyed the opportunity to provide service to Fresno County since 2011. During this time, NWCM has become thoroughly familiar with the plan, its servicing requirements, and how to best implement solutions that meet your needs. There have been numerous success stories with County's 457 plan over the past several years, including a successful record-keeper RFP process which resulted in the transition to a vendor that better aligned with the County's goals and objectives, the reduction of plan related fees (including the cost of the investments), the participant education experience has been revamped and enhanced (resulting in a NACo Aspire Award for innovative leadership in promoting employee retirement savings), and the DCMC has participated in numerous training and education sessions to ensure that your fiduciary obligations are met. The County should be proud of this success. It is a model that

should be emulated by its peers. NWCM shares the common goal of continuing efforts to continually improve the plan for County participants and we look forward to providing professional guidance to staff and the DCMC.

2. A detailed description of your proposal as it relates to each item listed under the "Scope of Work Proposal Requirements" section of this RFP. Bidder's response should be stated in the same order as are the "Scope of Work Proposal Requirements" items. Each description should begin with a restatement of the "Scope of Work Proposal Requirements" item that it is addressing. Bidders must explain their approach and method of satisfying each of the listed items.

- A) Briefly describe your firm's capabilities and qualifications as they relate to 457(b) deferred compensation plans.

NWCM has over two decades worth of experience servicing 457(b) plans. We currently contract with twelve public entities, 10 of which have 457(b) plans, with an asset total of \$1.53 billion as of March 31st, 2020. NWCM has recently added three 457(b) clients (one in 2020, one in 2018, and another in 2016). As you know firsthand, NWCM has strong public-sector experience with these unique plans and we have dedicated our resources to this business. NWCM has enjoyed the opportunity to provide these services to Fresno County since 2011.

- B) Identify the person(s) who would work with our Plan and provide a description of the qualifications for each one. How many clients does the lead consultant assigned to the County provide consulting services for?

NWCM has been privileged to service the County's Plan since 2011. If retained, Brent Petty would continue to be the point-of-contact for the County and facilitate Committee meetings. Brent has over 20 years of experience with 457(b) plans and currently serves as lead advisor on nine 457(b) accounts with over \$1.5 billion in assets. Brent also services 30 non-457(b) accounts, including 403(b), 401(a), 457(b), and profit-sharing plans. Additionally, Scott Fisher has recently joined our team at NWCM. He is well experienced, having worked in the public plan sector for over 20 years with a specialization in Committee education. He provides added resources to the County as both an excellent source of knowledge and as an aid to Brent when advising the County's Plan.

Brent Petty, CFP®, AIF®, President, Senior Consultant

Brent Petty, President of Advisory Services, and a voting member of the NWCM Investment Committee, began his career over 20 years ago working for a national 457(b) provider. In 2003, he transitioned into the consulting industry with Americh Massena, before joining NWCM in 2005. A graduate of Northern Arizona University, Brent is a Certified Financial Planner® and is an Accredited Investment Fiduciary®. Brent is a member of the Financial Planning Association, the National Association of Government Defined Contribution Administrators (NAGDCA), and the Portland Chapter of the Western Pension & Benefits Conference.

Brent has been a member of the National Association of Government Defined Contribution Administrators, Inc. (NAGDCA) for 14 years. Brent attends the annual NAGDCA conference, staying on the cutting edge of best practices for public sector retirement plans, relevant legislative updates, and current trends. Many of our clients attend this conference and collaborate with Brent on future initiatives. Brent provides the critical information obtained from the conference with NWCM's clients to help them improve and manage their plans.

Scott T. Fisher, Vice President of Advisory Services

For over 20 years, Scott has been a Senior Investment Consultant with a primary focus on all aspects of Defined Contribution and Defined Benefit retirement plans. He works with plan fiduciaries providing investment counsel and advice aimed at allowing them to make plan stewardship decisions with high confidence.

Scott thrives on presenting complex subject matter to fiduciaries with a broad range of financial acumen, from finance professionals to benefits administrators to employee representatives with little or no investment experience, in ways that can be readily consumed and used to make effective plan management decisions. Scott's particular areas of focus include:

- Management of all aspects of DC plan fiduciary stewardship from the Committee process to the implementation of plan management decisions
- Optimizing plan structure for efficient and effective achievement of the best possible participant outcomes
- Elicitation of priority goals and objectives for plan management and ensuring strategic alignment of practices to achieve them
- Design and management of custom target date fund platforms
- Design and implementation of Defined Benefit de-risking programs
- Presentation to industry groups on the keys to successful guidance and support of plan fiduciaries

Scott has been an investment professional since 1985 and an employee benefits consultant specializing in retirement programs for over 30 years. Scott has delivered retirement education and advice throughout his career. His experience includes the full range of investment interactions, from individual education sessions on how to invest to counselling retirement and other fiduciary committees of multi-billion-dollar state university and governmental retirement systems on plan management best practices.

Scott was awarded the Chartered Financial Analyst (CFA) charter in 1994. He holds a Bachelor of Arts degree from Bucknell University majoring in both Economics and Biology. He speaks and writes frequently on the importance of having both an enduring investment philosophy and an effective strategy for its implementation and maintenance.

C) State the number of clients and their total assets by client type for the following December 31 dates:

| Year | 457(b) Clients | 457(b) Funds | 401(k) Clients | 401(k) Funds | Total Clients | Total Funds |
|------|----------------|-----------------|----------------|-----------------|---------------|-----------------|
| 2019 | 9 | \$1,688,211,733 | 86 | \$1,780,278,262 | 96 | \$3,468,489,995 |
| 2018 | 9 | \$1,378,991,482 | 84 | \$1,430,257,428 | 93 | \$2,809,248,910 |
| 2017 | 8 | \$1,318,901,944 | 81 | \$1,539,490,107 | 89 | \$2,858,392,051 |

D) Provide a detailed description of your firm’s investment selection process. What level of access does your firm have, and how frequently does your firm have contact with, fund companies and fund managers?

In early 2020, NWCM brought on two new team members for our Research Group, Chief Investment Officer (CIO), Mark Vorhees, and Research Analyst, Michael Sherbina. Both are strong additions to our research department capabilities. Mark has over 30 years of experience working with defined benefit and defined contribution pension plans. He spent 14 years at Aon Hewitt Investment Consulting (AHIC) where he designed and managed their discretionary investment advisor service model. He concluded his tenure as the US Head of Fixed Income Research responsible for overseeing more than \$600 billion in assets invested across the fixed income product universe. Mark earned his Chartered Financial Analyst (CFA) charter in 2003. He holds an MBA in Finance from University of Detroit as well as a BA in Economics and Business from Principia College.

Michael has over 20 years of experience working with defined contribution plans. He spent 14 of those years within AHIC’s investment practice, 10 of which were as a research analyst with the firm’s equity research team. He holds a BA in Foreign Affairs from University of Virginia.

This expansion of our Research Group is a prime example of the continuing enhancements we are making to better advise and serve our clients. NWCM’s dedicated Research Group has a high degree of access and frequency of contact with fund companies. As part of our comprehensive research process, the team conducts regular due diligence on fund companies and fund managers. Our research team participates in quarterly fund calls and maintains ongoing communication with fund managers. Additionally, fund representatives are always encouraged to meet our research team at our office, or now virtually. During normal operations, the research team conducts at least one in depth manager meeting per week and three to five conference calls with other firms.

General Investment Strategy

Our consulting philosophy starts from the premise that each client has a unique set of considerations which require a customized strategy. Although 457 plans are not directly governed by The Employee Retirement Income Security Act of 1974

(ERISA), NWCM believes it is best practice for plan sponsor fiduciaries to design and review their plans through this lens. As a starting point for this strategy, we work in tandem with our public sector clients to recommend policies, procedures, and processes to develop a sound structure which serves as the foundation for all decision making and execution. One of the key components of these recommendations is the creation and maintenance of an Investment Policy Statement (IPS). This important document identifies and formalizes the goals of the plan and sets the structure for plan design, investment selection, and monitoring. The IPS then serves as a blueprint for designing and monitoring the performance of the plan.

In addition, NWCM recognizes that the design of the plan structure, and specifically the design of the investment menu, plays an important role in the success of the plan. NWCM strives to design investment menus that meet the needs of all types of investors and all levels of experience. We consider many factors in creating the investment menu structure, including the plan's unique objectives and plan-specific demographics, to determine which investments are most prudent and appropriate.

To provide the best results, we recommend a streamlined lineup that includes two main tiers of investments. The first tier is a suite of target retirement date funds for those investors that are seeking professional management that can also serve as the Qualified Default Investment Alternative (QDIA). As a second tier, we recommend offering individual funds (both passively and actively managed) that provide exposure to the traditional asset classes (equity, fixed income, and cash) to enable participants to build well-diversified portfolios that meet their risk and return objectives.

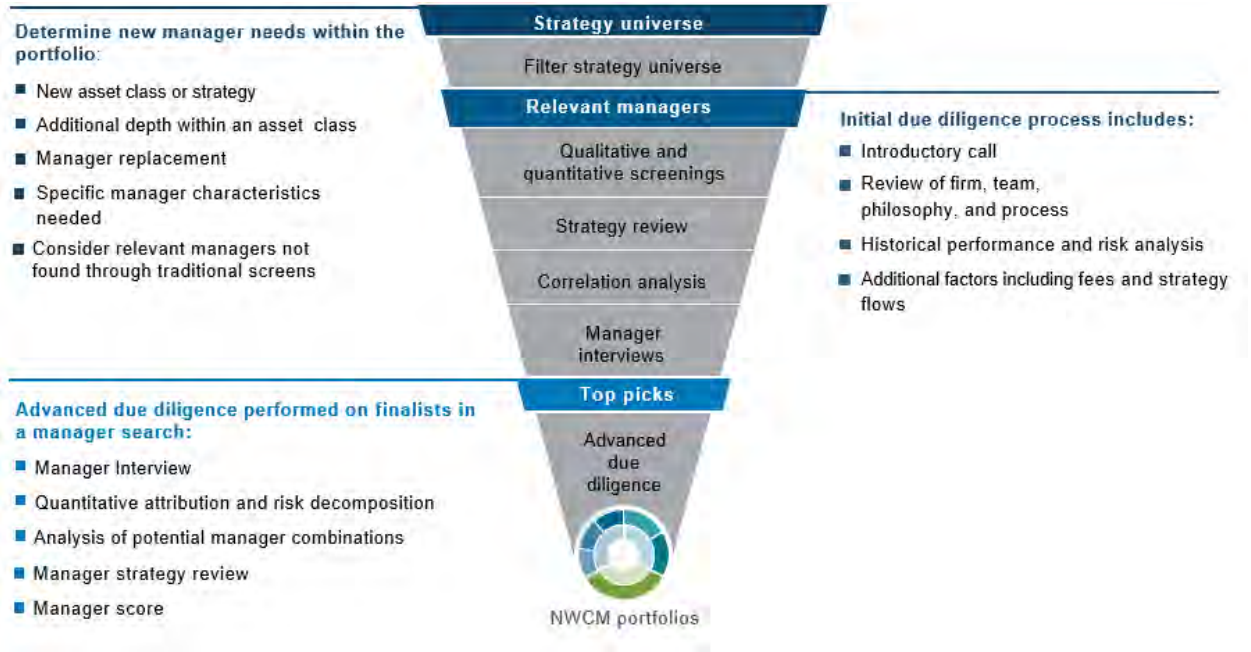
NWCM does proprietary research utilizing industry standard analysis tools. We do not buy "off the shelf" third-party research but instead use the economic and fund-level research of several Wall Street investment firms to augment our own proprietary work. Most of the research acquired from external sources is macroeconomic or broad asset class analysis since our analysts are focused on manager-specific or portfolio-specific research. Multiple types of quantitative tools are utilized to monitor the investments for each underlying strategy, and for the portfolios in aggregate. Bloomberg Terminal Platform and Morningstar Direct are the two platforms most used by our research team.

NWCM has two decades of experience completing fund manager searches. Our extensive investment selection process includes a careful evaluation of each fund we recommend including thorough manager interviews, and quantitative and qualitative measures. With these factors in mind, our detailed investment selection process is below.

Investment Selection Process

When choosing an investment selection, we first identify the eligible universe defined using the standard Morningstar™ fund categorization. We then perform a series of quantitative screens. Some of the investment policy criteria we screen for includes performance, peer ranking, expenses, manager tenure, style fit, and consistency. Additional constraints, such as platform availability, minimum assets under management, or other plan-specific requirements can be incorporated into this initial

quantitative screen to refine the list of potential options. Our fund selection process is depicted graphically below:



During this screening process, we take a more comprehensive look at the remaining managers, removing any clear misfits. Reasons for removal could include recent changes in portfolio management, unresolved regulatory issues, and fund strategies or objectives that are not consistent with the purposes of the search performed.

The universe, once narrowed, is then subjected to more in-depth analysis both qualitatively (e.g., business management, team philosophy and process) and quantitatively (e.g., volatility and risk adjusted performance). The objective of our due diligence work is to identify managers that can consistently provide the stated investment objective of the strategy and that can provide excess return versus the stated benchmark over a reasonable period of time, typically a full business cycle. NWCM places greater emphasis on the assessment of qualitative variables when evaluating organizations and their respective products over their historical performance.

NWCM believes that the most important step, and most time consuming, in manager selection is qualitative evaluation. NWCM conducts meetings both at our office and on-site at manager offices, with supplementation of email and telephone communication. Our research department formalizes the due diligence process through a written evaluation. Our written evaluations synthesize the quantitative, qualitative and in-person meetings into a comprehensive view on the investment strategy.

The objective of quantitative analysis during the manager research process is to analyze the historical risk and return of the strategy and to ascertain whether it was

attributable to skill or not. Our investment professionals utilize multiple third-party systems, such as Morningstar Direct and the Bloomberg Terminal, to perform quantitative analysis on managers during the due diligence process. Our analytical work includes a review of absolute risk and returns, risk adjusted returns, consistency and skill analytics (look-through attribution), universe comparisons, holdings and returns based style analysis, and historical allocations.

The highest conviction managers are fully vetted, and best-of-class products are identified and presented to the NWCM Investment Committee for review and approval. This fluid process serves as a filter for investment selection and will be unique for each asset class and for each client.

In addition to the investment selection process above, NWCM conducts additional due diligence on Stable Value products as these have unique characteristics and have had large increases in participant usage in the past two decades. Our selection process for this asset class is listed below.

Stable Value Selection

Stable Value funds can play a unique role in defined contribution plans and are often considered as an alternative investment option to money market accounts. Stable Value products can vary significantly in terms of basic design portfolio holdings, contract details, and discontinuance options. Which is why when it comes to analysis and oversight, NWCM considers additional data points beyond the most frequently quoted criteria (e.g., crediting rate, market-to-book ratio). NWCM conducts due diligence on insurance general account products, commingled investment trust (CIT) “pooled” products, as well as separate accounts. NWCM considers each client’s unique circumstances in the selection of product type and investment managers. We believe the most important step – and the most time consuming – in stable value due diligence is the qualitative evaluation. Our qualitative framework is comprised of separate and distinct components that represent a comprehensive and forward-looking analysis:

1. **Organizational Strength** – Examination of a firm’s business strength and resiliency, tenure of senior professionals, commitment to retaining overall personnel, and history of legal and regulatory proceedings.
2. **Investment Experience** – Consideration of a firm’s history of managing stable value assets, the scale of stable value assets under management, and depth of staff specializing in stable value management.
3. **Investment Approach** - This evaluation factor assesses a manager’s strategic approach, consistency of the approach, appropriate adjustments made, and ability to align strategy with the County’s policy guidelines.
4. **Investment Performance** – Examination of a manager’s asset allocation decisions, historical performance and source of returns over time. (1) Duration, or the degree to which a manager might take interest rate risk to attain higher yield. (2) Utilization of external managers versus proprietary investments. (3) Cash positioning or structure to meet cash flow needs. (4) Risk management capabilities.
5. **Portfolio Transition** – Analysis of the product’s put provision. Examine the manager’s ability to assume the incumbent portfolios for plans undergoing stable value searches.

6. **Administrative and Performance Reporting** – Review the manager’s capabilities for interfacing with the plan’s TPA, providing timely performance reporting to the plan, supporting plan participant communication, and providing the client with back-office support as issues arise.
7. **Fees** – Evaluation on a total cost basis reflecting investment management fees paid to the manager, wrap fees, and fees – if any – paid to external managers and/or spreads earned.

We believe it is critical to periodically update plan sponsors with this important product information, such as key contract provisions like the put provision, credit quality of the insurer and the underlying wrap providers, and how returns and other quantitative metrics rank against other products in the marketplace. With these considerations in mind, we provide a timely report to plan sponsors demonstrating their stable value option’s absolute and relative competitiveness.

Ongoing Investment Due Diligence

Our quarterly report provides updates on the investment lineup and fund compliance, as well as an updated manager score using our proprietary scoring methodology. For unique investments that require more in-depth analysis, such as stable value or target date series, we provide timely reports on a regular basis. At the most recent committee meeting, we provided an in-depth stable value analysis and determined that the current Stable Value Separate Account remains a prudent option for the Plan. In addition to this, NWCM is planning on providing a comprehensive Target Date analysis at the Third Quarter Committee Meeting and a review of the Investment Policy Statement at the Fourth Quarter Committee Meeting.

- E) Describe your firm’s ongoing investment evaluation criteria and provide sample reports. Please include the criteria for the following in your response:
- (a) Putting an investment on a performance watch list.

A central part of our comprehensive research process is ongoing investment evaluations. NWCM’s research department is continually conducting due diligence on its funds. The Research Group’s findings are then presented at the weekly NWCM Investment Committee meetings where a final decision on the fund is made. In the following circumstances, NWCM would recommend putting a fund ‘on watch’ to the County after providing supporting documentation:

Fund management or objectives that are not consistent with the investment policy criteria

If the fund no longer reflects the values, objectives, and strategies of the sponsors and participants, it may be recommended for the watch list or to be removed as a plan option. Specific emphasis may include, but is not limited to:

- Changes in ownership structure
- Regulatory or litigation issues
- Deterioration in quality of team or resources
- Style drift or inappropriate exposures

Underperformance

NWCM's proprietary scoring methodology compares and ranks fund managers based on performance and other quantitative metrics, such as manager tenure and fund expenses. NWCM's proprietary database is updated monthly and analyzes each investment menu through our proprietary fund compliance methodology:

- Returns 40% (Absolute Return)
- Risk Adjusted Returns 20% (Sharpe Ratio)
- Risk 30% (Standard Deviation = 10%, Upside / Downside Capture = 20%)
- Other 10% (Expense Ratio = 5%, Average Manager Tenure = 5%)

Each of the performance-based metrics are equally weighted across trailing three (3)-, five (5)-, and ten (10)-year periods. Additionally, each of the abovementioned metrics are weighted according to their peer group percentile ranking.

Funds receive an overall numerical score from 1 – 10; a score of 5 or higher is a passing score. If a fund's score falls below 5 it will be recommended to be put on the watch list. Once on the watch list, the fund is thoroughly re-reviewed, and, if it continues to score poorly, may be recommended to be removed from the plan menu. To be recommended to be removed from the watchlist, the fund needs to score a 5 or higher for two (2) consecutive quarters.

Recent changes in portfolio management

When a change in fund management occurs, the fund will be recommended for the watch list. NWCM will fully vet new management teams to determine if there will be a change in the fund's strategies or objectives. The fund will remain on watch for four (4) consecutive quarters regardless if NWCM determines prudence in the interim. On a discretionary basis, NWCM may keep the fund on watch for longer than four (4) quarters for gradual management transitions.

(b) Removing an investment from the watch list.

To be recommended for removal from the watch list, the fund needs to score a 5 or higher for two (2) consecutive quarters. If the fund is on watch due to a manager change, it will remain there for four (4) consecutive quarters regardless if NWCM determines prudence in the interim. On a discretionary basis, NWCM may recommend keeping the fund on watch for longer than four (4) quarters for gradual management transitions.

(c) Removing an investment from the fund line up.

Once on the watch list, the fund is thoroughly re-reviewed, and, if it continues to score poorly, will be recommended for replacement to the Committee. As per the Committees procedures, the removal of the fund will then be voted on.

In the Q4 2019 Committee Meeting, NWCM provided the investment evaluation document attached as Report 2 and recommended the following changes to the investment lineup:

- Replace Ivy International Core Equity N with T Rowe Overseas Stock I
- Replace Templeton Global Bond R6 with Vanguard Total Int'l Bond Index Adm
- Replace Alger Spectra Z with a cheaper share class (Alger Spectra Y)

The Committee then voted to approve these changes, which are scheduled to be effective on June 16, 2020.

F) [Provide a detailed sample of your firm's training program for Plan Fiduciaries regarding their duties to the Plan and participants. How often is the training program provided?](#)

Developing a clear education strategy along with concise messaging for committees and fiduciaries is an important element to a plan's success. Our advisors have decades of experience educating fiduciaries who hold varying degrees of investment expertise. Education is done onsite or via webinar at the County's request, but the advisor is available for any Plan questions by phone or email intra-quarter as the need arises.

Our committee education typically begins with a fiduciary education seminar designed to inform new committee members, or to refresh seasoned members about the fiduciary aspects of retirement plan management. This education seminar is designed to review the basic duties of a fiduciary, provide best practices for compliance with statutory requirements, and offer ways to reduce fiduciary risk. Additionally, we provide educational initiatives on industry topics of interest to plan committees. Recently, we have conducted fiduciary seminars for the County's committee members on the following topics:

- Understanding Stable Value Investment Products
- Target Date Best Practices
- Fiduciary Best Practices Training

Some of the additional topics we offer are listed below:

- Income for Life Products: A Fiduciary Due-Diligence Guide (in development)
- Managed Accounts 101: Best Practices
- Understanding Retirement Plan Fees

If the County is interested in a specific topic not mentioned above, we are more than happy to create a customized fiduciary education seminar at no extra cost.

G) Describe and provide examples of the ongoing support, tools and process your firm provides to help Plan sponsors meet and maintain their fiduciary responsibilities?

NWCM will work with the County to stay compliant with its fiduciary duties. We have structured our institutional advisory services on what we believe constitute the four key practice areas of successful defined contribution plans: Governance, Investment Research, Education, and Vendor Management. NWCM's four practice areas are shown in the following graphic:



As the graphic indicates, NWCM would continue to help the County stay compliant in the following areas: updating investment documents if the need arises based on new legislation or rulings, vendor management, fund fee reductions, and providing sponsor and participant resources. This process includes facilitating meetings with the County, to ensure that the Council is properly maintaining its fiduciary duties at the forefront and by providing quarterly reports. These quarterly reports include legislative and regulatory updates and relevant issues brought up by the DOL, IRS, and ERISA over the trailing quarter and one-year periods. Although 457 plans are not directly governed by ERISA, NWCM believes it is in best practice of the Fiduciary to persistently review the Plan through this lens.

Our research department constantly monitors the investment industry space for legislative and regulatory trends that affect plan fiduciary responsibilities. Our team makes ourselves available to fiduciaries if any questions arise on changes

happening in the industry intra-quarter. We also provide resources should the event arise, such as a major piece of legislation passing or the market having a significant move. Recent examples of flash memos include pieces on the SECURE Act and COVID-19's impact on the market. This information is sent electronically and may be provided during quarterly meetings in hard copy. Additionally, NWCM sends out a quarterly e-newsletter that provides up to date market and legislative news specific to our plan sponsors.

We are actively involved in the annual NAGDCA conference, staying on the cutting edge of best practices for public sector retirement plans, relevant legislative updates, and current trends. Many of our clients attend this conference and collaborate with us while attending the annual conferences on what practices might be prudent initiatives for their respective plans. We've enjoyed this specific activity with delegates from Fresno County. The information obtained from this conference and others (e.g., Western Pension and Benefits Conference, FI360, and the National Association of Public Pension Attorneys) are shared with our clients to help them improve and manage their Plans. NWCM's Vice President of Advisory Services, Scott Fisher, is scheduled to host a panel titled "At a crossroads: Health and Wealth" at the upcoming NAGDCA 2020 conference. We follow industry experts and leverage our recordkeeping partnerships to stay abreast of the latest industry-related trends and information. Importantly, any changes to state-specific regulations or requirements are integrated into our quarterly legislative update to ensure that our plan fiduciary clients remain compliant and well-informed.

Furthermore, in 2020 NWCM launched a new series of webinars on plan sponsor best practices. During these recorded sessions, hosted by Scott Fisher, are interviews speaks with industry experts on topics such as fiduciary responsibility in offering stable value products and fiduciary risk management best practices . You can view the latest recorded webinar [here](#). These videos are also available on our website under '[Plan Video Library](#)'.

H) Describe your firm's process to stay current with applicable California and Federal laws and regulations, including ERISA, as they pertain to 457(b) plans.

NWCM has extensive experience working with the County's DCMC in adhering to all applicable state and federal laws and regulations. We stay current with all the fiduciary duties and obligations of 457(b) Plans, including the specific rules that have been incorporated into California state law, which make many ERISA requirements applicable to California public plans. We also understand the importance of the notice and agenda preparation and dissemination requirements mandated under the Brown Act. We have working relationships with several prominent law firms that specialize in matters relating to employee benefits in the State of California.

Our research department constantly monitors the legislative and regulatory landscape for changes that affect plan fiduciary responsibilities. We also follow industry experts and leverage our recordkeeping partnerships to stay abreast of the latest industry-related trends and information. To keep the County up to date on these legislative trends and changes, NWCM provides legislative updates in our quarterly report and in our quarterly e-newsletter. Importantly, any changes to state-

specific regulations or requirements are integrated into these reports. We will also provide resources intra-quarter should the event arise, such as a major piece of legislation passing or the market having a significant move. Recent examples of flash memos include pieces on the SECURE Act and COVID-19's impact on the market. If the County's fiduciaries have any questions, we are always available via phone or email.

l) [What is your firm's approach to the development, implementation, and monitoring of participant enrollment, contribution, and education objectives?](#)

Education for participants can take many forms, from simple employee enrollment presentations, to appropriate investment allocation, to budgeting, and even individual financial planning.

Although many decision-support tools are available to participants, we have found while working with over 100 retirement plans over the course of two decades, that it's simply unrealistic to expect many participants to have the time or the initiative to research and implement a prudent investment strategy. This is why we emphasize ease of use in plan design, implemented through investment programs that include options whose objectives are clearly articulated, so that participants can focus on the more critical and important aspects of plan participation. These include the commitment to contribute and to have a clear idea of what sort of risk profile is most suitable to their needs, resources and overall goals.

NWCM has significant experience working with the County and Nationwide's communication professionals to help create education materials and communication campaigns that are appropriate for their employee demographics. Since we do not employ third party education firms to service our Plan clients, we look to leverage our collective expertise in retirement plan education in conjunction with the education capabilities of the Plan's recordkeeper. We collaborate with Nationwide's education representatives to identify areas of improvement to target within your Plan. Once these areas are identified, we work closely with the County and Nationwide to develop education and communication initiatives for the Plan's employees. We then utilize plan health metrics from the recordkeeping platform to monitor and analyze how education initiatives are impacting plan participation, deferral rates, participant investment allocations, and retirement readiness across participant cohorts. Over the past ten years, the collective effort of staff, the DCMC, and the vendors associated with the Plan resulted in major progress toward the County's goals. For example, the move to Nationwide as the County's recordkeeper resulted in a major overhaul in education initiatives and a stark increase in participation rates. In 2011, participation was 34.09%, as of December 2019, participation had increased to 54.82%. The County should be proud of this success, as it is a model that should be emulated by its peers.

Put simply, we have decades worth of experience coordinating and monitoring education campaigns to achieve success with participants. We look forward to discussing how we can continue aiding the County with its initiatives to further improve of the Plan.

J) Discuss how your firm monitors the performance of the Plan record-keeper and reports the performance to the DCMC and staff.

Implementing sound governance policies and keeping a constant line of communication open with all Plan vendors is essential in minimizing the potential for audit failures. At the onset of every client relationship, NWCM will review current procedures as well as applicable plan documents. In addition to the review process, we help our clients ensure that they are maintaining a proper record of all pertinent documents, policies, and procedures in a fiduciary audit file throughout our relationship. While implementing policies is one piece of the equation, monitoring procedures and remaining attentive are essential as well. We review annual reports and audit packages from the Plan's recordkeeper with our clients to ensure the Plan remains in good standing.

As the former owner of a recordkeeping firm, Heintzberger | Payne & Co., LLC, NWCM has unique insight into both what makes a good recordkeeping partner as well as what services should be available to the Plan. While we have divested our ownership of this business to focus solely on investment advisory, the knowledge and resources we gained from the experience is immeasurable. With this knowledge and our years of experience of conducting vendor reviews and searches for project and retainer clients, NWCM is well equipped to support the with any vendor-related issues that need to be addressed.

NWCM has resolved numerous quality and service delivery issues with our clients' current service providers without causing disruption to the Plan Sponsor or Plan Participants. We work as an intermediary between the client and plan service provider to ensure the client is receiving the best value and service. We have had several instances in the past where a plan sponsor has not been satisfied with the performance of its vendor's relationship manager or primary field representative, and in most instances, we have resolved personnel issues without the need for a vendor change.

Additionally, NWCM assists Plan Sponsors with the negotiation of third-party record keeper contract terms including performance standards and financial guarantees, as well as administrative service agreements. While the negotiation of terms with current providers may be sufficient in some relationships, additional measures such as conducting an RFP may be necessary. Utilizing the knowledge and experience as the former owner of a recordkeeping firm has been vital when evaluating vendor replacements

K) Discuss your firm's experience conducting the Plan Administrator/Bookkeeper RFP process, specifically the services listed in part E of the Scope of Work.

At NWCM, we have a long history of executing vendor searches and negotiations for both private and public sector clients. In the past five years, NWCM has managed and completed 37 vendor search projects with seven full scope RFPs for public sector clients. Most governmental projects involved 457(b) plans alongside

401(a) plans. Many involved multiple vendors that resulted in moves to a single provider and consolidation of 457(b) and 401(a) plans to one plan each. We have also completed large scale governmental RFPs on a project-only basis.

NWCM's RFP Methodology



NWCM has invested considerable time developing a seven phase RFP methodology that evaluates vendors and enables us to assist plan sponsors in identifying best fit providers. The initial phases of this process involve plan document and data gathering. During these phases, NWCM works with the plan sponsor to gain an understanding of the purchasing/procurement process and collates key plan data needed to draft the RFP. NWCM also meets with the plan sponsor's personnel to finalize the scope of services for the RFP, discusses any plan design or potential lineup changes, finalizes the selection criteria, and develops a custom scoring methodology. NWCM aggregates this information and drafts the RFP for the client's review and approval.

After approval of the RFP, NWCM will issue the RFP to several national and regional vendors. NWCM will oversee the RFP response process by responding to inquiries, issuing addendums as needed, and providing information on the general course of the RFP process.

When conducting the RFP, potential vendors are evaluated in several key areas including fees, participant services, plan sponsor services, participant education, vendor experience and organizational structure, investment platform, conversion project plan, client service team, and systems and technology. The flexibility of our scoring methodology allows us to weight the areas clients deem most important in meeting their needs.

NWCM will collect and evaluate all vendor responses and assign scores based on the criteria determined in advance. As part of this review process, NWCM will evaluate the proposed investments relative to the IPS, calculate estimated fees, review sample communication materials, and explore both plan sponsor and participant web sites and tools. NWCM will collate the information and deliver a comprehensive evaluation report to the client.

After the report is delivered, NWCM meets with the client to review the results and select finalists. During this meeting, we will develop interview questions that highlight areas of concern or areas where more information is needed from the vendor. NWCM will then finalize our due-diligence and conduct reference checks. With NWCM's guidance, the client will conduct finalist interviews and select the winning vendor.

NWCM works with our clients and their legal counsel to ensure a successful negotiation of contract terms for the administrative service agreement. While we are not attorneys, our clients benefit from our involvement in a variety of ways, one of

which includes reconciling the terms that were quoted in the RFP process with the final agreement. NWCM will also work with the client and the winning vendor to finalize the investment menu and help draft participant communication. During this final phase, NWCM will act as a vital resource to assist with any transition issues that arise.

With this knowledge and our years of experience conducting vendor reviews and searches for project and retainer clients, NWCM is well equipped to support the County with any vendor-related issues. A sample timeline of our full scope RFP process is shown in the table below:

| RFP Timeline | | | | |
|---|-------------|------------|-------------|-------------|
| Vendor Search and Selection (RFP Process) | Weeks 1-4 | Weeks 5-9 | Weeks 10-13 | Weeks 14-15 |
| Phase I: Gather Plan Document and Data | | | | |
| Understand Procurement/Purchasing Process and Rules | NWCM/Client | | | |
| Gather and Include Key Plan Data | NWCM/Client | | | |
| Phase II: Customize RFP Criteria | | | | |
| Finalize Scope of Services | NWCM/Client | | | |
| Finalize Custom Scoring Methodology | NWCM/Client | | | |
| Draft RFP | NWCM | | | |
| Approve RFP | Client | | | |
| Phase III: Distribute to Vendors | | | | |
| Solicit Interest | | NWCM | | |
| Issue RFPs | | NWCM | | |
| Provide Responses to Inquiries | | NWCM | | |
| Vendors Respond | | Vendors | | |
| Phase IV: Evaluate Responses | | | | |
| Analyze and Document Vendor Responses | | | NWCM | |
| Complete Written Evaluation Report | | | NWCM | |
| Phase V: Summarize Results | | | | |
| Present Written Evaluation Report | | | NWCM | |
| Reference Checks | | | NWCM | |
| Select Finalists with NWCM Guidance | | | Client | |
| Coordinate Finalist Meeting (agenda, questions, etc.) | | | NWCM | |
| Interview Finalists with NWCM Guidance | | | | Client |
| Select Vendor with NWCM Guidance | | | | Client |
| Manage Transition | | | | |
| | Weeks 16-18 | Week 19-20 | Week 21+ | |
| Phase VI: Negotiate Contract | | | | |
| Finalize/Revise Menu | NWCM | | | |
| Negotiate Service Agreement | NWCM | | | |
| Phase VII: Oversee Transition | | | | |
| Review Written Communication Materials | | NWCM | | |
| Assist with Transition Issues, if any | | | NWCM | |

- L) State the number of record-keeper RFP projects your firm completed for the following December 31 dates:

| Year | 457(b) RFP Projects | Total RFP Projects |
|------|---------------------------|--------------------------|
| 2019 | 1 | 4 |
| 2018 | 2 | 14 |
| 2017 | 3 | 12 |

- M) It is expected that the final agreement between the winning bidder and the County will be in the model County contract format (Exhibit B). Please confirm that you have reviewed the Model County Contract and are able to comply with the terms and conditions, including: 4. Termination, 9. Hold Harmless, 10. Insurance, and 13. Governing Law. Please note any exceptions and provide a detailed remedy.

We confirm that we are able to comply with all the terms and conditions with the exception of the annual aggregate of four million dollars General Liability Insurance requirement. We currently have an annual aggregate of three million dollars. We would be open to discussing increasing our liability limits if it was critical to our ability to retain the relationship.

- N) Is your firm registered as an investment advisor under the Investment Advisor's Act of 1940? Please provide a copy of your most recent Form ADV.

Yes. See Exhibit A in the Appendices.

- O) Will your firm contract as a co-fiduciary? If not, why not?

NWCM currently contracts as a §3(21) Investment Consultant Co-Fiduciary Advisor to the County of Fresno. We have specifically designed our services to the County to comply with the requirements of fiduciary duty under the laws of ERISA while concurrently satisfying the needs of the Plan and its participants. NWCM considers itself a fiduciary under ERISA and will acknowledge in writing our firm's continued level of fiduciary responsibility. Although 457 plans are not directly governed by ERISA, NWCM believes it is in best practice of the Fiduciary to persistently review the Plan through this lens.

- P) If your firm engages in business activities other than consulting, are there any areas of potential conflict of interest between such business activities and your consulting function? If so, please identify these activities and the potential conflict, and explain the safeguards implemented by your firm to prevent the occurrence of conflicts. How does your firm identify and manage other potential conflicts of interest?

As required by NWCM's Code of Ethics (attached as Exhibit B on pages 6-8), all employees must get pre-approval from NWCM's Chief Compliance Officer (CCO) for making political contributions over \$150 (for a candidate employee could not vote for) or \$350 (for a candidate employee could vote for), charitable donations

over \$250 annually, and certain gifts. Employees must also report personal brokerage accounts to the CCO.

NWCM has a Private Wealth Management division, providing asset management and financial planning for individuals and families. Currently NWCM has over \$300 Million in Private Wealth Management assets.

As a Registered Investment Advisor (RIA), we are independent of banks, insurance companies, trust companies, investment broker/dealers, mutual fund companies, or other organizations that sell investment, auditing, legal, or related services to retirement plans or individuals. Due to this independence, our clients benefit from open-architecture platforms free from proprietary product offerings marketed by any one company, allowing us to utilize the best available resources customized for each client's needs. We maintain arms-length working relationships with all the mutual fund companies that we research, whether used as an option in our lineup or to monitor competing funds for possible use in the future, as well as all recordkeeping platforms that we utilize.

NWCM receives no benefits from fund companies or other service providers to service our plans. Our contract is always directly with the plan sponsor. We are not able, as a plan fiduciary, to accept 12b-1 fees, or any other revenue sharing payments from mutual fund companies for our advisory services. All revenue sharing is credited back to the plan to offset plan expenses, or directly back to participant accounts if the recordkeeping platform has this capability. In addition, we fund our own travel expenses to visit vendors or mutual fund companies, rather than accepting vendor-paid due diligence trips. This avoids any potential conflicts of interest.

Q) Has your firm adopted the CFA Institute's Code of Ethics and Standards of Professional Conduct? If not, does your firm have its own written code of conduct or set of standards for professional behavior? How is your code of conduct/ethics monitored and enforced?

NWCM has not adopted the CFA Institute's Code of Ethics and Standards of Professional Conduct but rather has authored both an internal Code of Ethics and Investment Advisor Policies and Procedures Manual (attached as Exhibits B and C). These documents speak to the various issues or conflicts of interest that can arise in our business, including trading personal securities, proxy voting, insider information, etc.

All NWCM employees must acknowledge receipt and agree to adhere to the requirements of these manuals. Our code of conduct/employee ethics is monitored and enforced primarily through our internal Chief Compliance Officer who is responsible for the implementation and monitoring of our Policies and Procedures. All employees receive a copy of these manuals, agree to the content in writing, and are subject to periodic reporting to ensure compliance. Additionally, every employee and manager is responsible for monitoring others to detect, prevent, and report any

activities inconsistent with the firm's procedures, policies, professional standards, and legal/regulatory requirements.

As an SEC registered advisor, NWCM conducts an annual review of the firm's policies and procedures to reflect any changes in the firm's business or regulatory environment, and conducts quarterly reporting of employees' activities (e.g., securities trading).

R) Please provide the following as exhibits:

(a) Your firm's code of ethics, if applicable

Attached as Exhibit B in the Appendices.

(b) Any material (including letters of support or endorsement) indicative of the bidder's capability.

As an organization that is regulated by the SEC, NWCM has opted to not pursue client testimonials. Additionally, our internal Code of Ethics prohibits the publication of client testimonials or endorsements. In order to protect our clients' privacy, NWCM does not share client communications without their express consent. A copy of NWCM's Code of Ethics has been provided as Exhibit B in the Appendices. For more information on our ability to meet the scope of work outlined in this RFP we would encourage contacting our list of references.

With that being said, we believe the collective strength and capabilities of our team is the foundation of our success. Our team constantly strives for excellence, which is demonstrated by an ongoing pursuit of further education and industry expertise. Within our 16-person team, we have three individuals who have received a CFA (Chartered Financial Analyst) designation and three who have received a CFP (Certified Financial Planner) designation. Our advisors have been recognized as industry experts and have been called on to share their expertise both locally and nationally. In 2019, Brent Petty was invited to speak at the national FI360 conference on fiduciary due diligence with regards to managed accounts. This year, Scott Fisher has been invited to host a panel at the upcoming NAGDCA conference titled "At a crossroads: Health and Wealth". We strive to share our expertise with our clients and our community. And if retained, NWCM will continue to provide Fresno County with tangible evidence of our capabilities and further proof of our commitment to your success.

XII. COST PROPOSAL

- A) Provide the annual flat fee to provide day-to-day services to the Plan, as described in Sections A, B, C, and D of the Scope of Work, based on a three-year contract term with two one-year renewals.

The fee schedule below covers sections A-D of the Scope of Work for this engagement. We have provided two flat fee options for the County’s assessment. If the County elects a 3-year contract with two one-year renewals, our annual fee will be \$45,000. If the County selects a 5-year contract, there is a fee of \$42,500.

| Fee for Services | | |
|--------------------|--|------------|
| Contract Term | Services Provided | Annual Fee |
| 3-yr contract term | Annual flat fee for services provided in Sections A-D of the Scope of Work <i>Includes 4 on-site committee meetings, monthly calls, investment oversight, Plan governance, Committee education, Participant education coordination, Plan-related documents review and implementation</i> | \$45,000 |
| 5-yr contract term | Annual flat fee for services provided in Sections A-D of the Scope of Work <i>Includes 4 on-site committee meetings, monthly calls, investment oversight, Plan governance, Committee education, Participant education coordination, Plan-related documents review and implementation</i> | \$42,500 |

¹ If the County is open to a **two virtual | two in-person** annual meeting format, the annual fee for both contract terms would be reduced by \$5,000. For example, the 3-year contract term would be reduced to \$40,000 annually and the 5-year term would be \$37,500 annually.

² Additional on-site meetings for special sessions or Committee training would be billed at a rate of \$1,500 per occurrence.

- B) Provide the one-time flat fee to administer the Plan record-keeper RFP process as described in Section E of the Scope of Work.

The fee schedule below covers section E of the Scope of Work for this engagement.

| Fee for Services | |
|---|-------------|
| Services Provided | Project Fee |
| Full scope recordkeeper RFP & implementation <i>Includes draft, submission, review, scoring, client deliverable, interviews, and implementation</i> | \$30,000 |

- C) Additional Charges:

- (a) Please indicate how many in-person/on-site meetings your cost proposal includes, and the additional charges per in-person/on-site meeting.

Our proposal stated above, includes four on-site meetings. If the County has interest in a format of two virtual meetings and two on-site meetings annually, a discount of \$5,000 would be credited to our annual retainer fee. Additional on-site trainings

or special sessions will be billed at \$1,500 per occurrence. There are no additional charges for the monthly calls with staff and the plan's recordkeeper.

- (b) List all possible administrative charges that would not be included in the flat rate fee structure.

The flat fee rate covers all services mentioned in the Scope of Work excluding the vendor RFP.

- (c) Describe and provide expense estimates for all non-standard or optional services not addressed above.

If another project outside of the scope of work is required, it will be billed at NWCM's flat rate of \$250 per hour.

- (d) Identify any other charges or limitations not described in the previous responses.

None

XIII. CHECK LIST

This Checklist is provided to assist vendors in the preparation of their RFP response. Included are important requirements the bidder is responsible to submit with the RFP package in order to make the RFP compliant.

Check off each of the following (*if applicable*):

1. X Signed cover page of Request for Proposal (RFP).
2. X Check <http://www.FresnoCountyCA.gov/departments/internal-services/purchasing/bid-opportunities> for any addenda.
3. X Signed cover page of each Addendum.
4. X Provide a Conflict of Interest Statement.
5. X Signed *Trade Secret Form* as provided with this RFP (Trade Secret Information, if provided, must be electronically submitted in a separate PDF file and marked as Confidential).
6. X Signed *Criminal History Disclosure Form* as provided with this RFP.
7. X Signed *Participation Form* as provided with this RFP.
8. X The completed *Reference List* as provided with this RFP.
9. X Indicate all of bidder exceptions to the County's requirements, conditions and specifications as stated within this RFP.
10. X Bidder's proposal, in PDF format, electronically submitted to the Bid Page on Public Purchase.

Return Checklist with your RFP response



Request for Proposal – Deferred Compensation Plan Consultant

Reports and Appendices

Northwest Capital Management, Inc.
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Brent Petty
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June 11, 2020

Report and Appendices

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- d. [Sample Regulatory Developments and Best Practices Materials](#) REPORT 4
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XV. Appendices

- a. [Form ADV](#) EXHIBIT A
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- c. [Compliance Policy & Procedure](#) EXHIBIT C
- d. [Sample Quarterly Report](#) EXHIBIT D

Reports

Statement of Investment Objective and Policy Guidelines for the Fresno County 457 Deferred Compensation Plan (“Plan”)

Part I: The Plan

The County of Fresno (County) sponsors the Fresno County 457 Deferred Compensation Plan (the Plan) for the benefit of its employees. The Plan is intended to provide eligible employees with the long-term accumulation of retirement savings through employee and employer contributions to individual participant accounts and the earnings thereon.

The Plan is a qualified employee benefit plan intended to comply with all applicable federal laws and regulations, including the Internal Revenue Code of 1986, as amended. The Plan, being sponsored by a public sector entity, is not bound by ERISA. The Plan intends to be consistent with its obligation under the California Constitution and use ERISA, where applicable and prudent, as a guiding resource.

The County has appointed an Investment Committee, hereinafter referred to as the Deferred Compensation Management Council (DCMC), which is responsible for implementing the provisions of this Statement of Investment Policy, either directly or through delegation to qualified service providers.

The Plan’s participants and beneficiaries (Participants) are expected to have different investment objectives, time horizons, and risk tolerances. To meet these varying investment needs, Participants will be permitted to direct their account balances among a range of core investments offerings (Investment Alternatives) in order to construct prudently diversified portfolios of substantially different aggregate risk and return characteristics within the range normally appropriate for a Participant. Participants alone bear the risk associated with their selections. Investment Alternatives may consist of individual funding vehicles—investment companies registered under the provisions of the Investment Company Act of 1940, and/or other vehicles subject to established investment criteria.

Part II: The Purpose of this Statement

This Statement is intended to assist the Plan’s fiduciaries in making investment-related decisions in a prudent manner. It outlines the underlying philosophies and processes for the selection, monitoring and evaluation of the investments utilized by the Plan. Specifically, this Statement documents the decisions of the DCMC defining:

- The Plan’s investment objectives
- Roles and responsibilities of the DCMC and the Investment Consultant
- The criteria and procedures for selecting Investment Alternatives
- The Plan’s investment selection, monitoring processes and performance measurement standards.

Part III: Plan Investment and Structural Objectives

Implementation of the Plan's Investment Policy has as its objectives the following:

- Prudent investment management (as defined by ERISA Section 404(a)(1)) of Plan assets not subject to the control of a Participant.
- Access by Participants to Investment Alternatives whose returns are commensurate with the risk associated with their respective management style and asset class characterization.
- Competitive investment performance of each Investment Alternative relative to other similarly categorized investment vehicles.
- Reasonable expenses associated with the services necessitated by Plan investment management.
- Fulfillment of the requirements of the Department of Labor's Final Regulations Regarding Participant Directed Individual Account Plans (Section 404(c) Regs.) to achieve the liability protection from losses arising from the control by Participants of their Plan balances.

Part IV: Roles and Responsibilities

The DCMC has designated Heintzberger|Payne Advisors as a fiduciary in the role of Investment Consultant. Pursuant to this section, the Investment Consultant acknowledges it is a fiduciary to the Plan as defined in guidelines set forth within ERISA Section 3(21)(A) with respect to the Plan assets under its supervision. The Investment Consultant is registered with the Securities and Exchange Commission (IARD/CRD# 108091; SEC# 801-56420) under the Investment Advisors Act of 1940 and agrees that it will maintain all fiduciary bonding required under ERISA Section 412.

As fiduciaries to the Plan, the DCMC and the Investment Consultant will discharge their duties with respect to the Plan solely in the interests of the Participants, for the exclusive purpose of providing benefits to Participants and of defraying reasonable expenses, and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of a like character and with like aims.

The DCMC is responsible for establishing and maintaining this Statement of Investment Policy, and for selecting and overseeing the Investment Consultant, Custodian, Recordkeeper and Third Party Administrator.

The Investment Consultant will have responsibility to regularly review the performance of the Plan's Investment Alternatives and recommend to the DCMC any action that may be appropriate given the terms of this Statement of Investment Policy. The Investment Consultant will monitor the performance, fees, and characteristics of all authorized Investment Alternatives, reporting to the DCMC with a written report on no less than a quarterly basis.

Part V: Investment Alternatives

Using ERISA Section 404(c) as a guide, the Plan will provide a variety of "Core" Investment Alternatives—each of which are diversified and have materially different risk and return characteristics—into which Participants may direct the investment of their Plan balances and contributions for their benefit. Through various combinations of Investment Alternatives, a Participant is to have the ability to construct a prudently-diversified portfolio with aggregate risk and return characteristics within a range normally appropriate for a Participant saving for retirement.

In general, all Investment Alternatives will be characterized as an Equity (stocks) or Fixed Income (bonds and cash) investment (or combination thereof). Within these two broad asset classes, several Sub-Asset Classes

exist, e.g. U.S. Large Cap stocks, Foreign Stocks, Intermediate Bonds, etc. The Investment Consultant is to identify Investment Alternatives within various Sub-Asset Classes it deems appropriate for a well-diversified Core Menu of options. Where practical, passively-managed indexed options are to be made available.

Additionally, the Plan will provide diversified Investment Alternatives that are representative of, at minimum, one of the following two Sub-asset Classes:

- Cash Equivalents
- Stable Value

The Investment Consultant may select, as appropriate, additional Investment Alternatives to provide diversity of management style within each Sub-Asset Class, such as “value” and “growth”.

The Plan will allow, at the sole determination of, and selection by, the DCMC, Investment Alternatives that will be referred to as “Specialty Options.” Specialty Options will offer Participants access to diverse investment management styles, asset classes, regional exposures, and/or industry sector or management strategies that may not broadly be representative of a core Sub-Asset Class investment, but are believed to be beneficial in constructing portfolios. Examples of Specialty Options include real estate, commodities, precious metals and multi-asset/balanced strategies. The securities within a Specialty Option may span more than one of the Sub-Asset Classes identified in this Statement.

Part VI: Target Date Funds

As additional Investment Alternatives to the core investment menu, the Investment Consultant will recommend a suite of Target Date Funds to act as predetermined asset allocation strategies for participants. A target-date portfolio’s investment strategy is to over time regularly adjust the mix of Investment Alternatives within the portfolio to reflect a decreasing level of expected market risk—primarily determined by the Portfolio’s allocation to Equities.

Each Target Date Fund will normally be identified by a calendar year. Participants of various ages may choose the target-date funds whose identified dates would correspond approximately with their own expected retirement dates, or based upon their preferred level of investment risk currently embodied within that Target Date Fund.

The number of Target Date Funds to be offered is at the discretion of the DCMC, provided that sufficient portfolios exist which represent an appropriate and diverse range of risk-based options ranging from conservative to long-term growth.

Selection of a Target Date Fund is a decision of the Participant. The allocation of each Investment Alternative within a Target Date Fund is the decision of the Fund Company and not that of the Investment Consultant. Participants, at their option, may elect to have some or all of their Plan Account Balance and/or Future Contributions invested within any Target Date Fund, subject to any limitations of the software systems of the Plan’s Recordkeeper.

Part VII: Investment Alternative Selection Criteria

The Investment Consultant will identify Investment Alternatives for the Core Menu and the Target Date Funds, subject to the following Investment Alternative Selection Criteria:

- Each Investment Alternative will be managed by an investment adviser who meets certain minimum criteria. The adviser will be a bank, insurance company, or investment management company or investment adviser registered under the Investment Advisors Act of 1940, in good standing with regulators. An Investment Alternative may be a registered mutual fund, collective trust, or a separately managed account. The Investment Consultant is to secure information on the history of the advisor's firm, its investment philosophy and approach, its principals, portfolio composition, fee schedules, and other relevant information.
- When recommending an Investment Alternative, the Investment Consultant may rely upon industry-standard databases in addition to its own research and judgment to identify the Sub-Asset Class exposure(s) and management style of a particular Investment Alternative. For the purposes of allocation, categorization and performance reporting, the Investment Consultant may assume that the asset category of all securities purchased by an Investment Alternative is that of the particular fund's industry-standard classification even though some of the securities purchased by the Investment Alternative may actually be of a different asset class. In addition, the Investment Consultant may categorize the Investment Alternative as an allocation among multiple Sub-Asset Classes.
- All Investment Alternatives selected must have a readily ascertainable market value and must be readily marketable. The Plan must be able to purchase each Investment Alternative without an upfront sales charge. No Investment Alternative may be subject to a contingent deferred sales charge. However, an Investment Alternative may be subject to a Short-Term Redemption Fee or reasonable trading restrictions.

Additional Criteria for the initial selection of an Investment Alternative include the following:

- An Investment Alternative should have at least a three-year track record. In making this and similar performance-based determinations, the Investment Consultant may include the performance of an Investment Alternative's manager whose investment performance at another fund is "portable" as defined by the SEC in its No-Action Letter of 9/13/96, or of a different share class of the same Investment Alternative, or the Investment Alternative manager's relevant strategy performance composite.
- Except in the instance of a market index fund, the Investment Alternative's performance will be measured against the performance of other managers with similar investment styles over the most recent 3-, 5-, and 10-year trailing period. The following components may be considered:
 - Investment performance (Absolute performance, benchmark-relative performance, etc.)
 - Risk-Adjusted performance (such as Shape Ratio, Information Ratio, etc.)
 - Risk Level (such as Standard Deviation, Upside Capture Ratio, Downside Capture Ratio, etc.)
- The Investment Alternative should have an expense ratio at or below the median for its general peer group.

The Investment Consultant, consistent with applicable professional and fiduciary standards, may determine additional criteria for the selection of an Investment Alternative, and apply those criteria as if contained within this Policy providing it communicates those criteria to the DCMC in advance of their application.

The Investment Consultant may exercise some judgment in the recommendation of Investment Alternatives, even if the investment does not comply with all of the criteria identified above as Additional Criteria. In such instances, the Investment Consultant must present to the DCMC its reasons for having selected the Investment Alternative.

Part VIII: Investment Alternative Oversight

The Investment Consultant shall regularly review the performance of each Investment Alternative to determine if it should continue to be retained within the Plan, and communicate its findings in its Quarterly Performance Report to the DCMC.

For each Investment Alternative, the Investment Consultant will identify an investment benchmark and peer group to be used for the purpose of ongoing monitoring. A blended benchmark comprised of industry accepted market indices or a sub-component of an index (e.g. S&P 400 Value) may be used for additional comparison if the Investment Consultant deems it to be relevant.

In its Quarterly Performance Reports to the DCMC, the Investment Consultant will provide the DCMC with up-to-date benchmark and peer group identification. To the extent practicable, investment benchmarks will be predefined, passive, and reflective of the Fund's current investment strategy.

The Investment Consultant shall use an industry-accepted database of mutual funds for the compilation of peer group universes. The Investment Consultant may rely upon the database's identification of each Investment Alternative's category when compiling the universe. The Investment Consultant, however, may override the database's characterization of one or more Investment Alternatives and also may create its own set of universes.

From time to time, asset class designations, Investment Alternative selections, data sources, benchmarks, and peer groups may change. Such changes, as they occur, will be reflected in the Quarterly Performance Report.

Except in the instance of a market index fund, events or criteria that may indicate an Investment Alternative is to be removed and/or replaced as a Plan Investment Alternative include, but are not limited to, the following:

- There has been a material change in the Investment Alternative's management, or the Alternative is subject to sanctions for noncompliance with laws or regulations affecting the Alternative's investment performance.
- Performance of the Investment Alternative no longer ranks competitively versus the performance of funds with a similar investment style.

The Investment Consultant, consistent with applicable professional and fiduciary standards, may determine additional criteria for the monitoring of an Investment Alternative, and apply those criteria as if contained within this Policy providing it communicates those criteria to the DCMC in advance of their application.

With each Quarterly Performance Report to the DCMC, the Investment Consultant shall certify as to each Investment Alternative one of the following statements:

- The Investment Alternative remains suitable as the funding vehicle for an asset class;
- The Investment Alternative should be Replaced;

- The Investment Alternative is under Watch and might need to be replaced, or it should remain as the funding vehicle for an asset class for reasons to be enunciated within the Investment Consultant's report to the Plan.

No less than semi-annually, an authorized representative of the DCMC will acknowledge receipt of the Investment Consultant's certification.

An Investment Alternative may continue to serve within the Plan even if it fails to meet all of the criteria identified herein if the Investment Consultant believes there are compelling reasons for the Plan to hold the Investment Alternative. In such an event, the Investment Consultant shall communicate such reasons within its Quarterly Performance Report to the DCMC.

Consistent with the provisions of this Statement, and in the event the Investment Consultant determines that an Investment Alternative should be replaced, the Investment Consultant shall notify the DCMC of such recommendation. The Investment Consultant may provide assistance to the DCMC in the communication of Investment Alternative changes to the Plan's Recordkeeper and other service providers. However, the ultimate responsibility for authorizing the addition, removal, and mapping of Investment Alternatives to the appropriate service provider(s) is that of the DCMC.

Part IX: Target Date Fund Oversight

For each Target-Date Fund, the Investment Consultant shall establish a Policy Index (a hypothetical portfolio whose investment return is calculated as if the Portfolio contained assets whose performance mirrors that of their respective Benchmark market index.) The Investment Consultant shall report to the DCMC no less than quarterly the performance of each Target Date Fund and its Policy Index.

Part X: Default Investment

In the event a Participant fails to make an affirmative investment election for his or her account balance, the Participant's account balance will be placed in a Target Date Fund whose identifying date is identical to, or alternatively, closest preceding the year the Participant will be age 65. If the Participant is older than age 65 and there is no corresponding date associated with their retirement date, the default investment is the most conservative target date fund.

Part XI: Disclosure of Fees, Commissions and Charges

All fees, commissions and charges for each selected investment option must be fully disclosed to the Committee before the option can be made available to plan participants. That is, in its review of a fund's performance history, the Committee must be shown the fund's gross performance less all applicable fees, commissions and charges, and the resulting net return.

In addition, these fees, commissions and charges will be disclosed to all participants at enrollment and at any other time as appropriate. It will be disclosed to plan participants the nature of all variances between gross return and net return.

Part XII: Investment Communications to Participants

Information about each investment option will be given or made available to Plan participants to help them to make informed investment choices. The Providers shall provide at least quarterly statements of fund performance to each participant.

Upon request, copies of investment fund prospectuses or similar equivalent information will be provided to participants as well as such other information as the Committee has available such as a list of underlying investments for a given fund.

Part XIII: Investment Education

It is the Committee's objective to provide participants with ongoing investment education. The purpose of the investment education program is to provide information and tools to assist in the development of a personal investment strategy for employees and facilitate the achievement of savings and retirement goals.

Part XIV: Portfolio Risk

At times, some of the funds to be selected for the day-to-day management of the Investment Alternatives may experience high degrees of price volatility and periods of substantial, negative performance. The DCMC views the existence of market volatility as necessary to achieve each Investment Alternative's long-term investment objectives and understands that future market conditions may result in a negative performance that could fall below the historic experience of the Investment Alternative or its Benchmark Index.

Part XV: Investment Prohibitions

In addition to any restrictions imposed on the Investment Consultant in other sections of this Policy Statement, the following additional restrictions, if any, apply:

Part XVI: Power to Amend

Nothing in this Statement shall preclude the DCMC from modifying the scope or content of this Statement, or changing or imposing additional investment restrictions. Any such modifications will be delivered to the Investment Consultant and other service providers for acknowledgement of receipt and acceptance.

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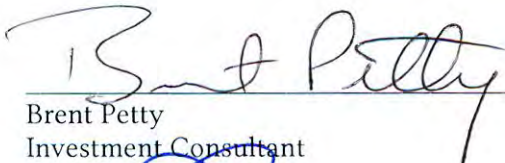
Part XVII: Adoption of Statement of Investment Policy

The DCMC met and reviewed this Statement of Investment Policy on this 5th day of October, 2012. By unanimous consent, it was resolved to adopt the Policy in the form herein described.

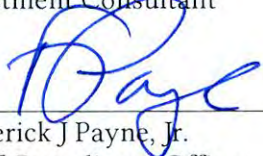


DCMC Committee Chair

Receipt of this Statement by the undersigned is acknowledged.



Brent Petty
Investment Consultant



Frederick J Payne, Jr.
Chief Compliance Officer



**REPORT 2:
Sample Investment
Evaluation Report**

Fund Review

**County of Fresno
457 Deferred Compensation Plan**

Brent Petty
503-597-1641 | brentp@nwcm.com
Northwest Capital Management, Inc.
March 2020



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- II. Ivy International Review**
- III. Global Fixed Income Review**

County of Fresno 457 DC Plan

Summary of Proposed Investment Changes

Data as of 12/31/2019

| Legend | |
|--------------------|-------------|
| Keep | Fund Change |
| Share Class Change | Add |

| Current Lineup | | | | | | Proposed Lineup | | | | |
|--|-------------|----------------------|-----------------|---------------|---------------|----------------------------------|--|------------------------|---------------|------------------------|
| Fund Name | % of Assets | Assets | Gross Exp Ratio | Revenue Share | Net Exp Ratio | Action | Fund Name | Gross Exp Ratio | Revenue Share | Net Exp Ratio |
| US Large Cap | | | | | | US Large Cap | | | | |
| Alger Spectra Z (aspzx) | 16.94% | \$47,074,377 | 0.94% | 0.00% | 0.94% | Share Class Change | Alger Spectra Y (aspyx) | 0.89% | 0.00% | 0.89% |
| Columbia Dividend Income Inst3 (cddyx) | 5.49% | \$15,253,539 | 0.58% | 0.00% | 0.58% | Keep | Columbia Dividend Income Inst3 (cddyx) | 0.58% | 0.00% | 0.58% |
| Blackrock Equity Index Fund M (02cff1) | 18.40% | \$51,136,343 | 0.02% | 0.00% | 0.02% | Keep | Blackrock Equity Index Fund M (02cff1) | 0.02% | 0.00% | 0.02% |
| US Mid Cap | | | | | | US Mid Cap | | | | |
| T. Rowe Price Mid-Cap Growth I (rptix) | 2.45% | \$6,804,761 | 0.62% | 0.00% | 0.62% | Keep | T. Rowe Price Mid-Cap Growth I (rptix) | 0.62% | 0.00% | 0.62% |
| Blackrock Mid Cap Equity Index - Fund M (03cff2) | 3.36% | \$9,327,638 | 0.03% | 0.00% | 0.03% | Keep | Blackrock Mid Cap Equity Index - Fund M (03cff2) | 0.03% | 0.00% | 0.03% |
| US Small Cap | | | | | | US Small Cap | | | | |
| Nicholas Limited Edition I (nclex) | 2.31% | \$6,405,959 | 0.86% | 0.00% | 0.86% | Keep | Nicholas Limited Edition I (nclex) | 0.86% | 0.00% | 0.86% |
| Perkins Small Cap Value N (jdsnx) | 0.58% | \$1,612,633 | 0.68% | 0.00% | 0.68% | Keep | Perkins Small Cap Value N (jdsnx) | 0.68% | 0.00% | 0.68% |
| Blackrock Russell 2000 Index Fund M (03cff3) | 1.56% | \$4,344,438 | 0.03% | 0.00% | 0.03% | Keep | Blackrock Russell 2000 Index Fund M (03cff3) | 0.03% | 0.00% | 0.03% |
| International - Developed | | | | | | International - Developed | | | | |
| Ivy International Core Equity R6 (iincx) | 3.60% | \$10,013,135 | 0.79% | 0.00% | 0.79% | Fund Change | T. Rowe Price Overseas Stock I (troix) | 0.66% | 0.00% | 0.66% |
| Blackrock Eafe Equity Index Fund T (10cff5) | 1.51% | \$4,207,621 | 0.10% | 0.00% | 0.10% | Keep | Blackrock Eafe Equity Index Fund T (10cff5) | 0.10% | 0.00% | 0.10% |
| International - Emerging | | | | | | International - Emerging | | | | |
| Invesco Oppenheimer Developing Markets I (odvix) | 0.82% | \$2,289,519 | 0.83% | 0.00% | 0.83% | Keep | Invesco Oppenheimer Developing Markets I (odvix) | 0.83% | 0.00% | 0.83% |
| Specialty | | | | | | Specialty | | | | |
| Fidelity Advisor Real Estate Income I (frirx) | 0.72% | \$1,994,866 | 0.75% | 0.25% | 0.50% | Keep | Fidelity Advisor Real Estate Income I (frirx) | 0.75% | 0.25% | 0.75% |
| Franklin Utilities R6 (fufrx) | 1.69% | \$4,698,527 | 0.50% | 0.00% | 0.50% | Keep | Franklin Utilities R6 (fufrx) | 0.50% | 0.00% | 0.50% |
| Fixed Income | | | | | | Fixed Income | | | | |
| Blackrock US Debt Index Fund W (04cff4) | 1.87% | \$5,194,775 | 0.04% | 0.00% | 0.04% | Keep | Blackrock US Debt Index Fund W (04cff4) | 0.04% | 0.00% | 0.04% |
| County Of Fresno Stable Value Fund (fressv) | 23.45% | \$65,156,632 | 0.34% | 0.00% | 0.34% | Keep | County Of Fresno Stable Value Fund (fressv) | 0.34% | 0.00% | 0.34% |
| Metropolitan West Total Return Bond Plan (mwtsx) | 1.91% | \$5,297,627 | 0.37% | 0.00% | 0.37% | Keep | Metropolitan West Total Return Bond Plan (mwtsx) | 0.37% | 0.00% | 0.37% |
| Templeton Global Bond R6 (fbrnx) | 0.76% | \$2,117,397 | 0.57% | 0.00% | 0.57% | Fund Change or Fund Change | QDIA (Great-West Trust Lifetime Series) or Vanguard Total Intl Bd Idx Admiral™ (vtabx) | 0.41% 0.11% | 0.00% | 0.41% 0.11% |
| Target Date | | | | | | Target Date | | | | |
| Great-West Lifetime 2015 Trust (grwl15) | 1.57% | \$4,356,872 | 0.40% | 0.00% | 0.40% | Keep | Great-West Lifetime 2015 Trust (grwl15) | 0.40% | 0.00% | 0.40% |
| Great-West Lifetime 2020 Trust (grwl20) | 0.00% | \$3,129 | 0.40% | 0.00% | 0.40% | Keep | Great-West Lifetime 2020 Trust (grwl20) | 0.40% | 0.00% | 0.40% |
| Great-West Lifetime 2025 Trust (grwl25) | 4.22% | \$11,728,698 | 0.40% | 0.00% | 0.40% | Keep | Great-West Lifetime 2025 Trust (grwl25) | 0.40% | 0.00% | 0.40% |
| Great-West Lifetime 2030 Trust (grwl30) | 0.13% | \$371,751 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2030 Trust (grwl30) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2035 Trust (grwl35) | 2.60% | \$7,237,242 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2035 Trust (grwl35) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2040 Trust (grwl40) | 0.00% | \$1,025 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2040 Trust (grwl40) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2045 Trust (grwl45) | 2.52% | \$7,004,948 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2045 Trust (grwl45) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2050 Trust (grwl50) | 0.00% | \$86 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2050 Trust (grwl50) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2055 Trust (grwl55) | 1.52% | \$4,214,966 | 0.42% | 0.00% | 0.42% | Keep | Great-West Lifetime 2055 Trust (grwl55) | 0.42% | 0.00% | 0.42% |
| Total | 100% | \$277,848,504 | 0.429% | 0.002% | 0.427% | | | 0.414% / 0.412% | 0.002% | 0.413% / 0.410% |



Ivy International Review

County of Fresno 457 Deferred Compensation Plan

Brent Petty
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Northwest Capital Management, Inc.
March 2020



Executive Summary

This document has been prepared to provide analysis of several potential replacement candidates in the Foreign Developed Blend asset class. The current option, Ivy International Core Equity N, has worsened in the Foreign Developed Blend space due to continued underperformance relative to the benchmark and peer group, and the availability of more competitive options in the Foreign Developed Blend category.

Northwest Capital Management (NWCM) has conducted a manager search in the Foreign Developed Blend space to find appropriate replacements. The candidates presented generally include management teams that have satisfied the following criteria:

1. Investment track record of no less than three years
2. Expense ratio below Foreign Developed Blend category average
3. Fund performance ranked within top 50th percentile of category peers over the trailing three- and five-year periods.
4. Reasonable portfolio diversification and risk (volatility) characteristics
5. Investment Style consistency over evaluation periods

We have provided the top two alternative candidates in the Foreign Developed Blend asset class category along with the incumbent investment option for review. NWCM has determined that T. Rowe Price Overseas Stock I is a prudent replacement candidate. In making the investment recommendation, NWCM analyzed the following traits:

- Historical performance - T. Rowe Price Overseas Stock I substantially outperforms the MSCI ACWI Ex USA NR USD for the trailing three-, five-, and ten-year periods.
- Risk adjusted returns - T. Rowe Price Overseas Stock I has a greater sharpe ratio (return / standard deviation) over each trailing period.
- Peer group rankings - T. Rowe Price Overseas Stock I is in the top half of its peer group for trailing one-, three-, five-, and ten-year periods.
- Upside / downside capture - T. Rowe Price Overseas Stock I has participated to the upside while limiting the downside.

We believe the best strategies have consistently impressive performance, established management with a proven track record, and appear best-suited to perform well in the spaces they are being slotted to fill. **From our universe of over 26,000 managers, we recommend replacing Ivy International Core Equity N with T. Rowe Price Overseas Stock I.**

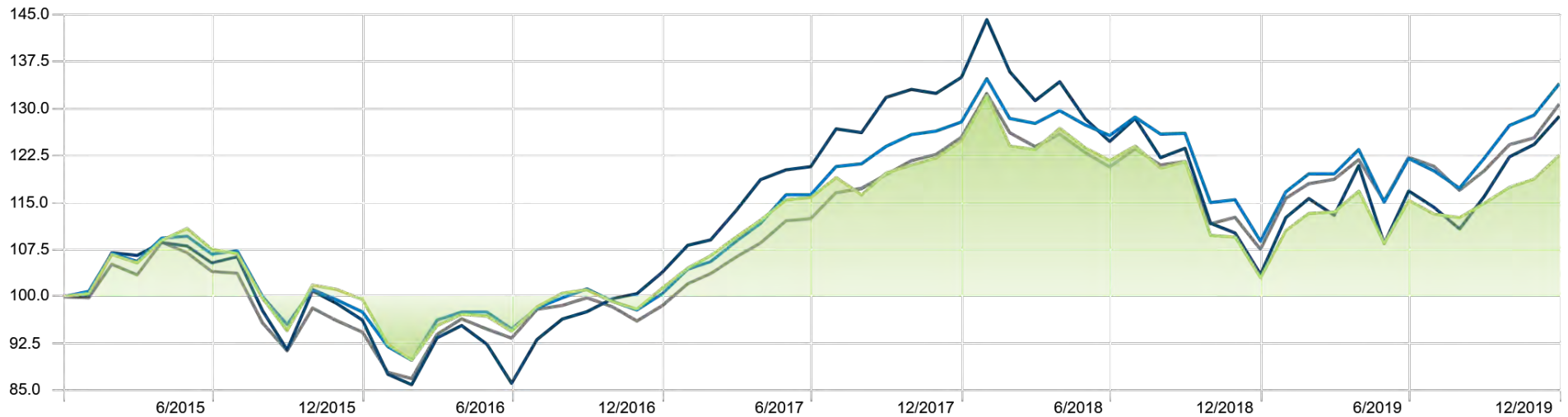
Foreign Large Blend Manager Search Report

| | Ivy International Core Equity N | T. Rowe Price Overseas Stock I | Oakmark International Institutional |
|------------------------------------|--|---|---|
| Firm City | Overland Park | Baltimore | Chicago |
| Year Firm Founded | 1/1/1937 | 1/1/1937 | 1/1/1976 |
| Firm % Owned by Employees | 14.00 | 13.00 | 0.00 |
| GIPS Compliance | Yes | Yes | Yes |
| Firm Total Assets | 57,560,000,000.00 | 1,206,800,000,000.00 | 120,000,000,000.00 |
| Fund Size | 3,938,424,731.00 | 17,927,436,425.00 | 31,272,962,575.00 |
| Turnover Ratio % | 52.00 | 18.20 | 35.00 |
| Turnover Ratio % Date | 3/31/2019 | 10/31/2019 | 9/30/2019 |
| Investment Type | Open-End Fund | Open-End Fund | Open-End Fund |
| Minimum Investment (Base Currency) | 1,000,000 | 1,000,000 | 1,000,000 |
| Prospectus Net Expense Ratio | 0.79 | 0.66 | 0.81 |
| Portfolio Manager(s) | John C. Maxwell since 2/17/2006 Catherine L. Murray since 1/25/2017 | Raymond A. Mills since 12/29/2006 | David G. Herro since 9/30/1992 Michael L. Manelli since 11/30/2016 |

Foreign Large Blend Manager Search Report

Investment Growth

Time Period: 1/1/2015 to 12/31/2019



■ Ivy International Core Equity N
 — T. Rowe Price Overseas Stock I
 — Oakmark International Institutional
— MSCI ACWI Ex USA NR USD

Performance

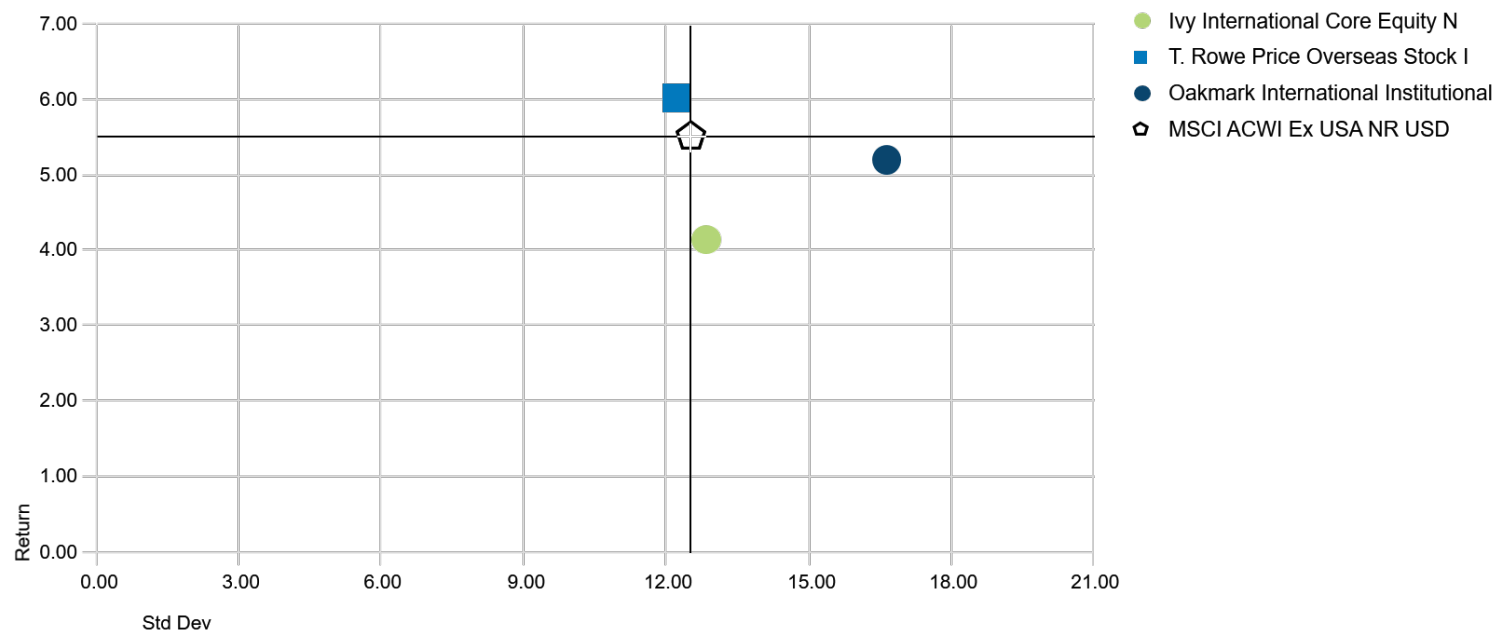
Time Period: 1/1/2015 to 12/31/2019 Calculation Benchmark: MSCI ACWI Ex USA NR USD

| | Return | Std Dev | Alpha | Beta | Sharpe Ratio | Treynor Ratio (arith) | Information Ratio (arith) | R2 |
|-------------------------------------|--------|---------|-------|------|--------------|-----------------------|---------------------------|--------|
| Ivy International Core Equity N | 4.15 | 12.84 | -1.15 | 0.98 | 0.29 | 3.11 | -0.36 | 91.29 |
| T. Rowe Price Overseas Stock I | 6.02 | 12.23 | 0.71 | 0.95 | 0.45 | 5.17 | 0.18 | 94.90 |
| Oakmark International Institutional | 5.19 | 16.67 | -0.91 | 1.24 | 0.32 | 3.30 | -0.05 | 86.60 |
| MSCI ACWI Ex USA NR USD | 5.51 | 12.53 | 0.00 | 1.00 | 0.40 | 4.40 | | 100.00 |

Foreign Large Blend Manager Search Report

Risk-Reward

Time Period: 1/1/2015 to 12/31/2019



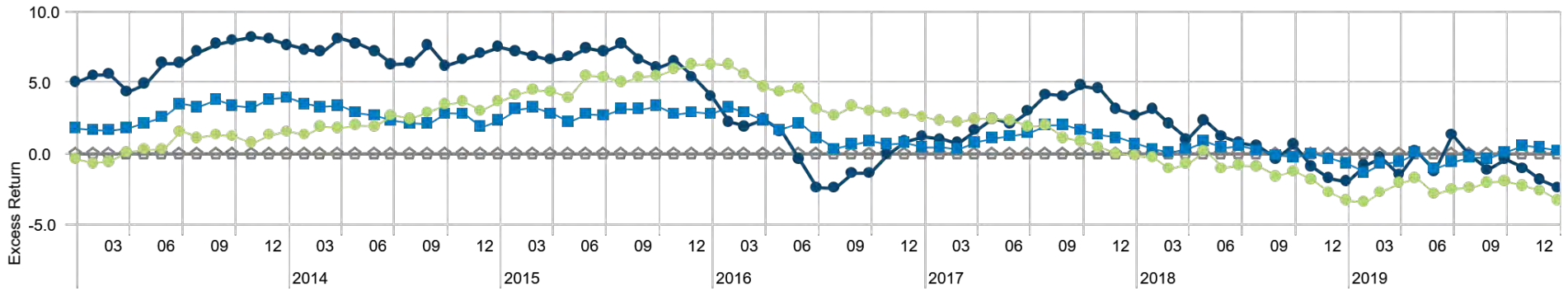
Risk

Time Period: 1/1/2015 to 12/31/2019

| | Return | Std Dev | Downside Deviation | Upside Std Dev | Value at Risk | Excess Return | Gain/Loss Ratio | Tracking Error |
|-------------------------------------|--------|---------|--------------------|----------------|---------------|---------------|-----------------|----------------|
| Ivy International Core Equity N | 4.15 | 12.84 | 2.76 | 2.64 | 7.91 | -1.36 | 1.32 | 3.80 |
| T. Rowe Price Overseas Stock I | 6.02 | 12.23 | 1.97 | 1.59 | | 0.52 | 1.48 | 2.83 |
| Oakmark International Institutional | 5.19 | 16.67 | 4.86 | 3.91 | | -0.32 | 1.32 | 6.81 |
| MSCI ACWI Ex USA NR USD | 5.51 | 12.53 | 0.00 | | 7.62 | 0.00 | 1.42 | 0.00 |

Foreign Large Blend Manager Search Report

36 Month Rolling Excess Returns



— Ivy International Core Equity N
— MSCI ACWI Ex USA NR USD

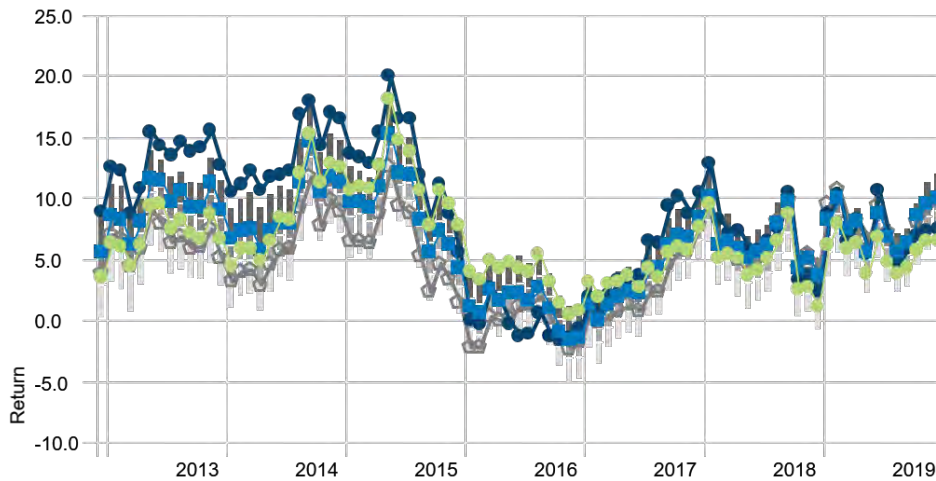
— T. Rowe Price Overseas Stock I

— Oakmark International Institutional

Rolling Returns vs. Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

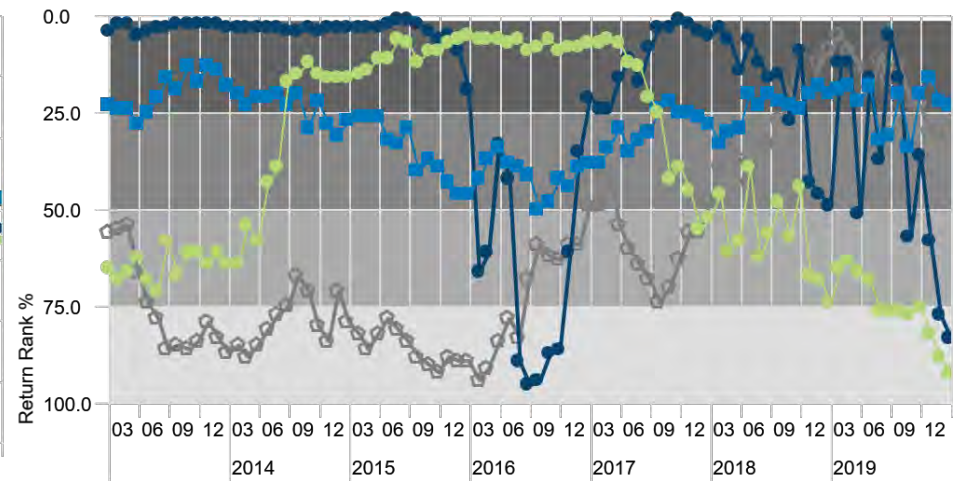
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Return Quartiles

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

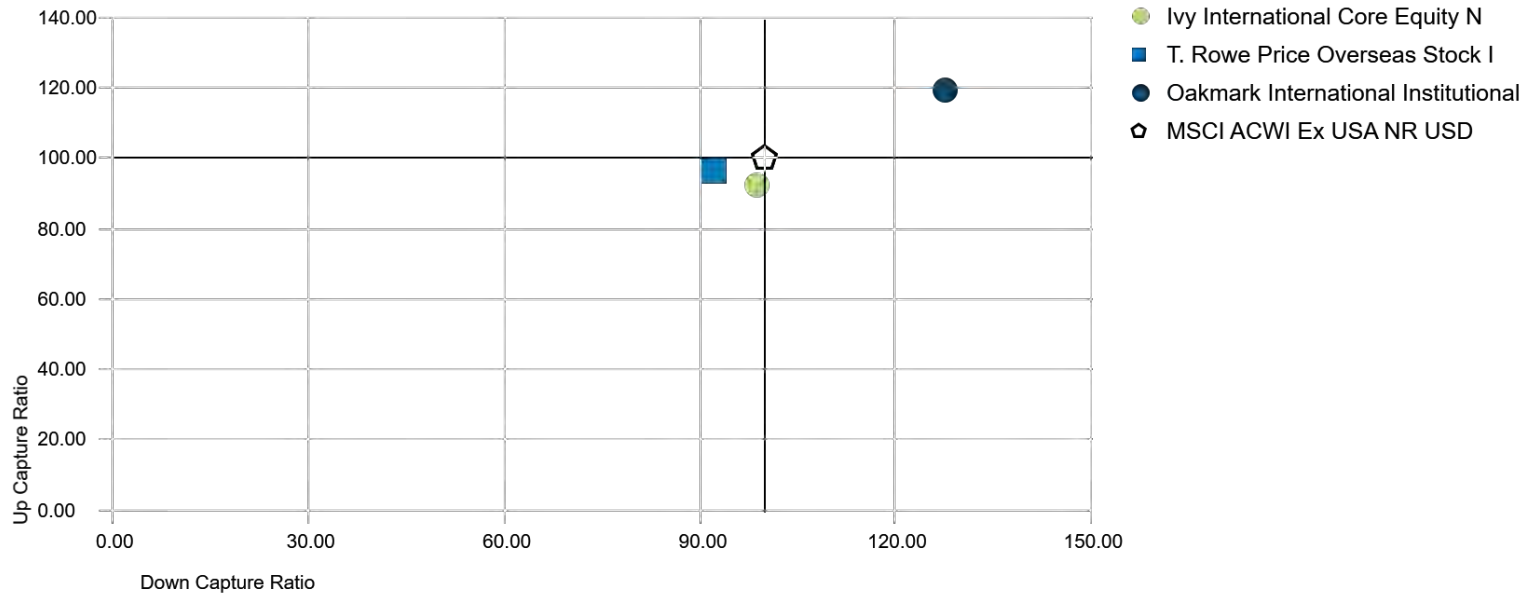
■ 1st to 25th Percentile ■ 26th to Median ■ 51st to 75th Percentile ■ 76th to 100th Percentile



Foreign Large Blend Manager Search Report

Upside-Downside Capture

Time Period: 1/1/2015 to 12/31/2019



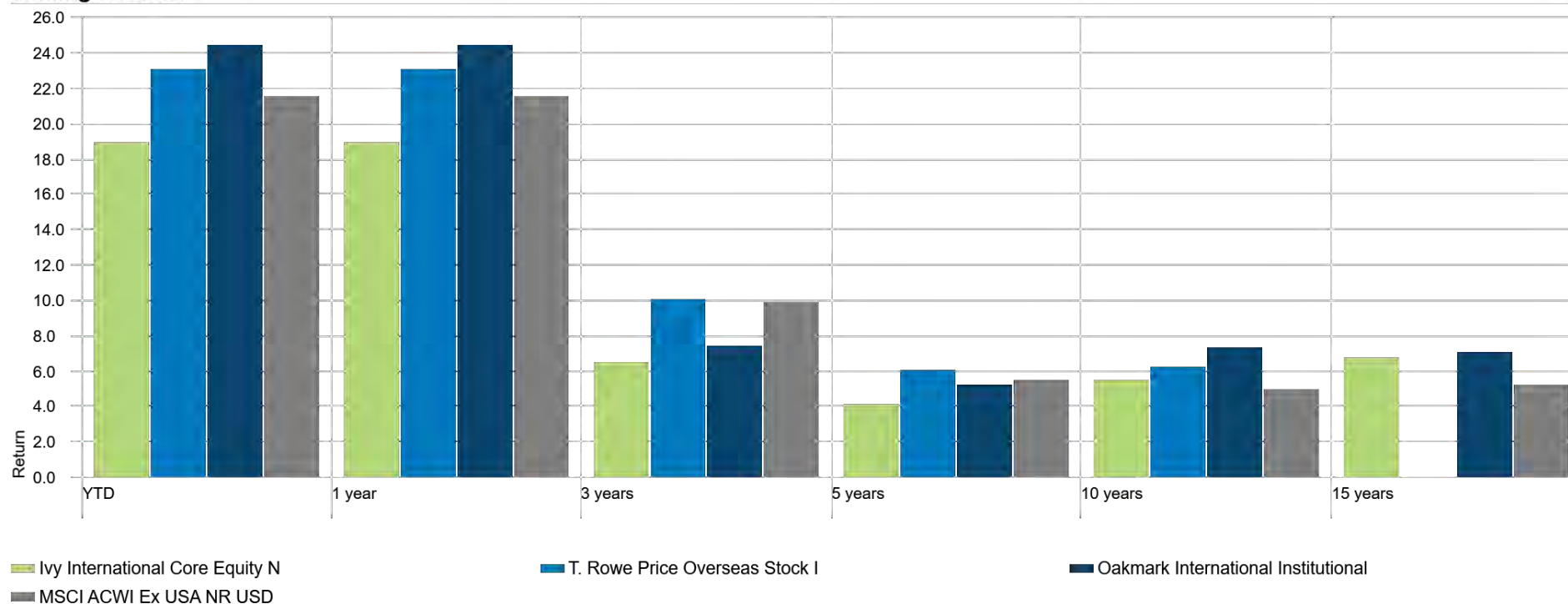
Market Performance

Time Period: 1/1/2015 to 12/31/2019

| | Up Period Percent | Down Period Percent | Best Month | Worst Month | Best Quarter | Worst Quarter | Up Capture Ratio | Down Capture Ratio | R2 |
|-------------------------------------|-------------------|---------------------|------------|-------------|--------------|---------------|------------------|--------------------|--------|
| Ivy International Core Equity N | 58.33 | 41.67 | 7.66 | -9.69 | 10.16 | -15.25 | 92.56 | 98.74 | 91.29 |
| T. Rowe Price Overseas Stock I | 65.00 | 35.00 | 7.21 | -8.72 | 9.81 | -13.60 | 96.62 | 92.27 | 94.90 |
| Oakmark International Institutional | 58.33 | 41.67 | 10.31 | -10.31 | 13.28 | -16.30 | 119.59 | 127.69 | 86.60 |
| MSCI ACWI Ex USA NR USD | 58.33 | 41.67 | 8.13 | -8.13 | 10.31 | -12.17 | 100.00 | 100.00 | 100.00 |

Foreign Large Blend Manager Search Report

Trailing Returns

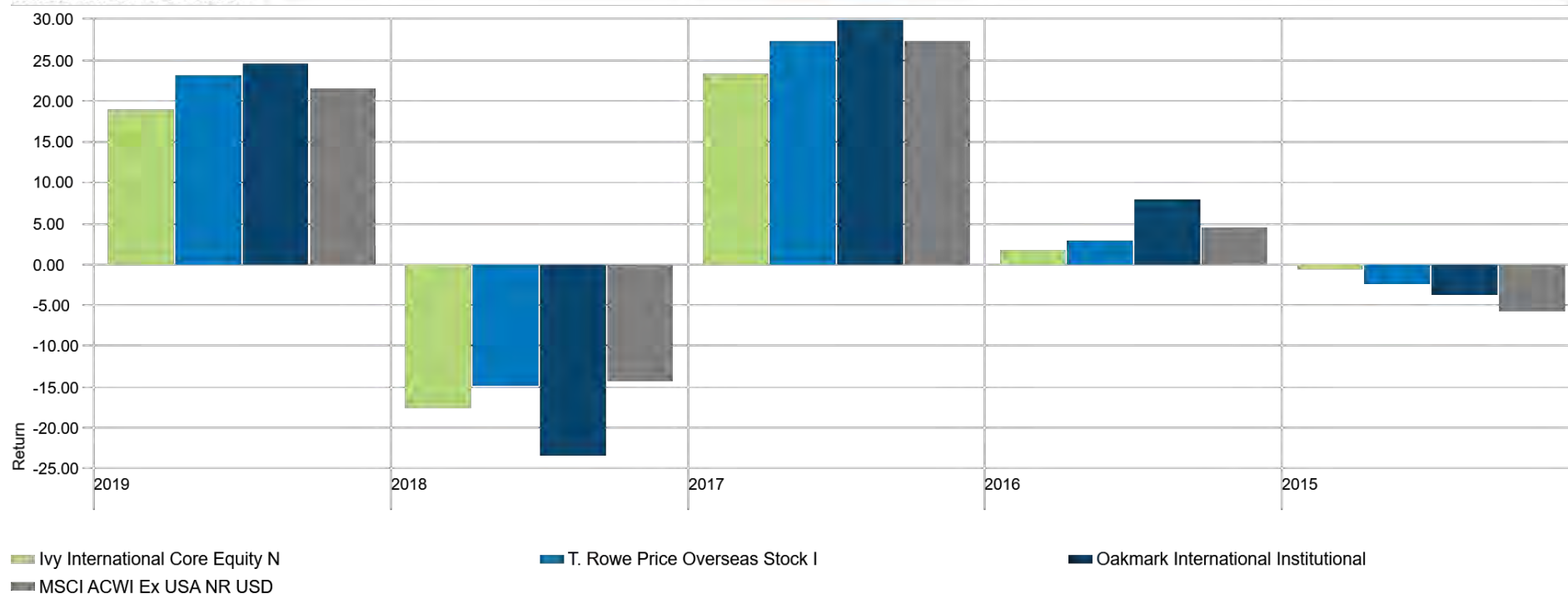


Trailing Returns

| | YTD | 1 year | 3 years | 5 years | 10 years | 15 years |
|-------------------------------------|-------|--------|---------|---------|----------|----------|
| Ivy International Core Equity N | 19.01 | 19.01 | 6.56 | 4.15 | 5.51 | 6.80 |
| T. Rowe Price Overseas Stock I | 23.05 | 23.05 | 10.06 | 6.02 | 6.27 | |
| Oakmark International Institutional | 24.43 | 24.43 | 7.44 | 5.19 | 7.35 | 7.05 |
| MSCI ACWI Ex USA NR USD | 21.51 | 21.51 | 9.87 | 5.51 | 4.97 | 5.25 |

Foreign Large Blend Manager Search Report

Calendar Year Returns

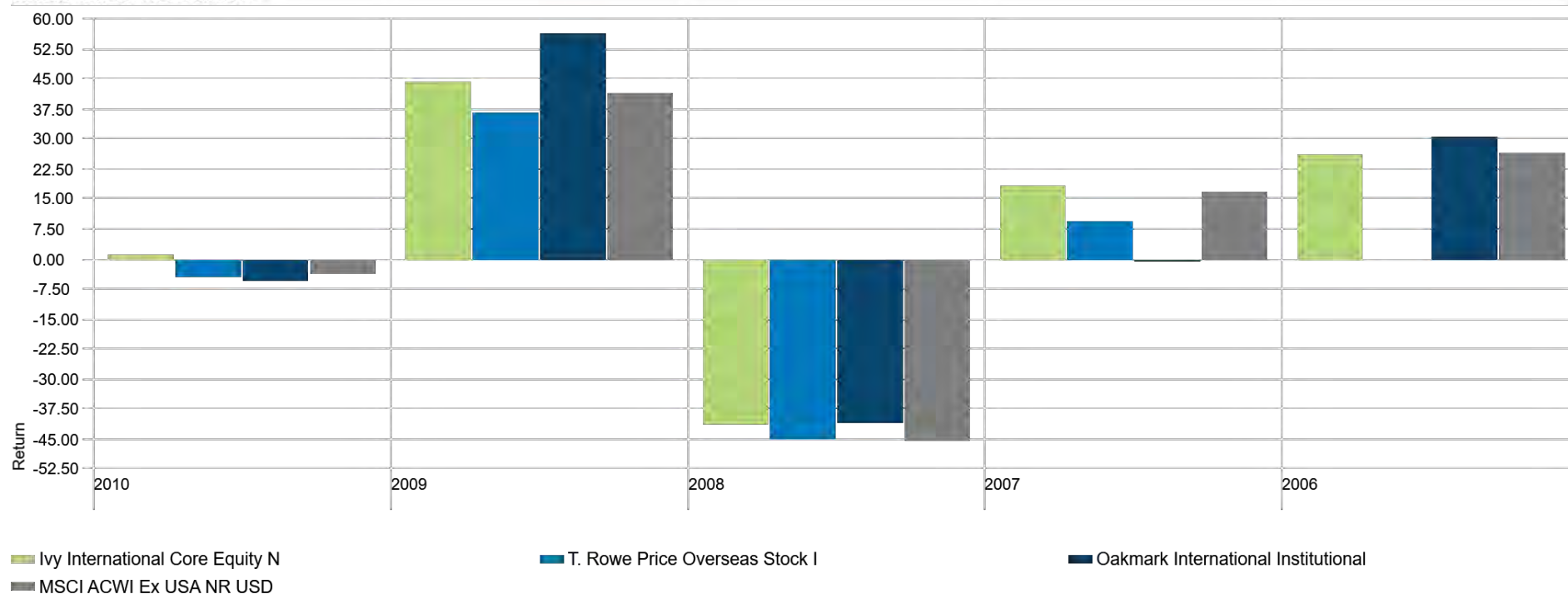


Calendar Year Returns

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------------|-------|--------|-------|------|-------|
| Ivy International Core Equity N | 19.01 | -17.53 | 23.28 | 1.79 | -0.52 |
| T. Rowe Price Overseas Stock I | 23.05 | -14.83 | 27.22 | 3.01 | -2.45 |
| Oakmark International Institutional | 24.43 | -23.32 | 30.00 | 7.96 | -3.83 |
| MSCI ACWI Ex USA NR USD | 21.51 | -14.20 | 27.19 | 4.50 | -5.66 |

Foreign Large Blend Manager Search Report

Calendar Year Returns

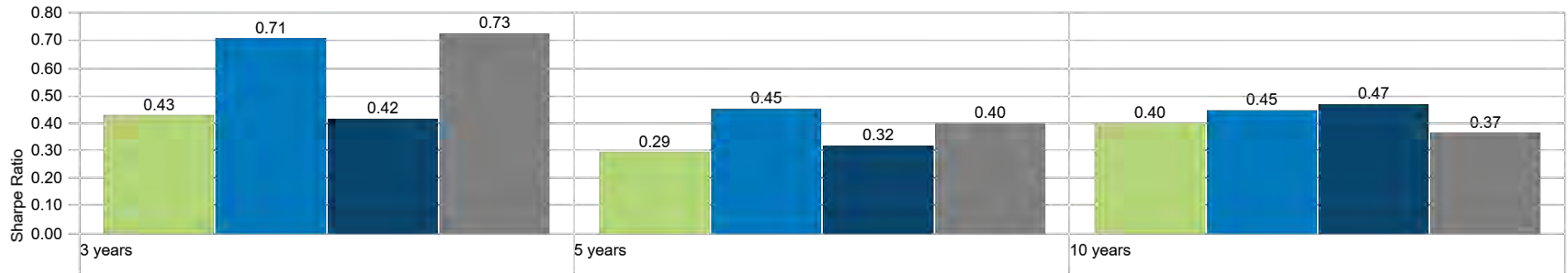


Calendar Year Returns

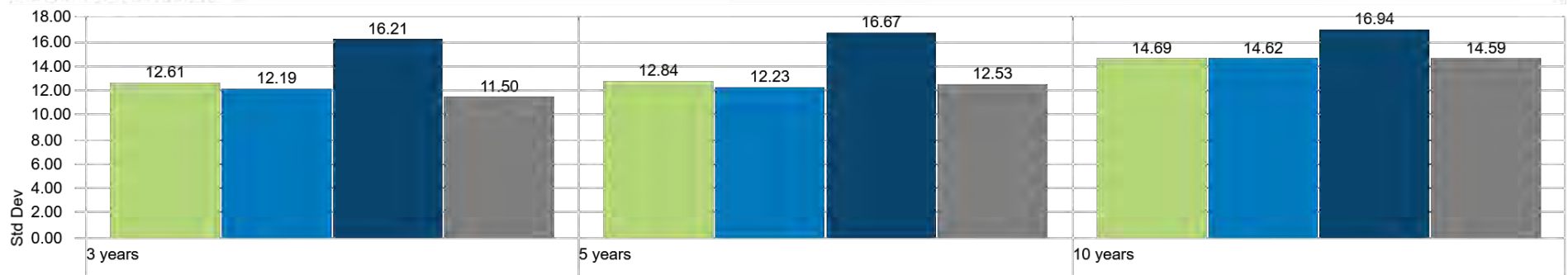
| | 2010 | 2009 | 2008 | 2007 | 2006 |
|-------------------------------------|-------|-------|--------|-------|-------|
| Ivy International Core Equity N | 1.19 | 44.24 | -41.50 | 18.36 | 26.13 |
| T. Rowe Price Overseas Stock I | -4.49 | 36.70 | -45.06 | 9.43 | |
| Oakmark International Institutional | -5.41 | 56.30 | -41.06 | -0.51 | 30.60 |
| MSCI ACWI Ex USA NR USD | -3.87 | 41.45 | -45.53 | 16.65 | 26.65 |

Foreign Large Blend Manager Search Report

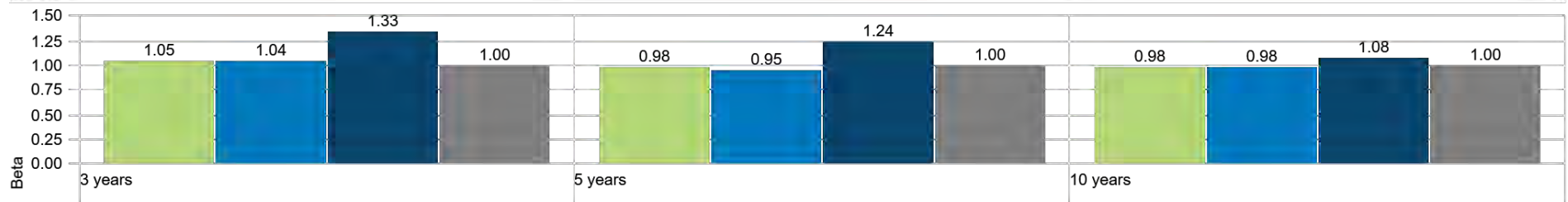
Sharpe Ratio



Standard Deviation



Beta



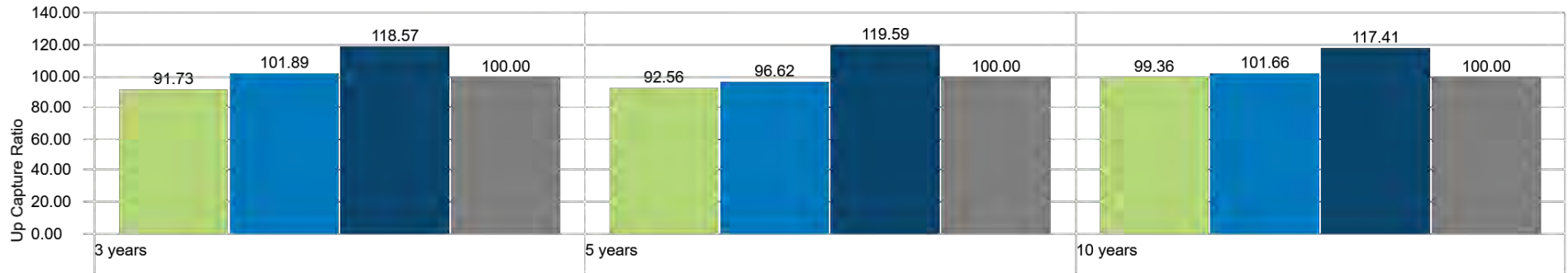
Ivy International Core Equity N
MSCI ACWI Ex USA NR USD

T. Rowe Price Overseas Stock I

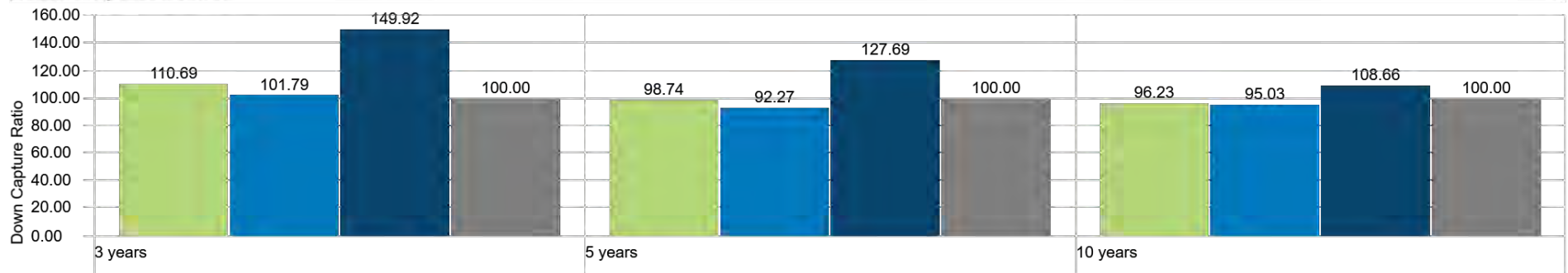
Oakmark International Institutional

Foreign Large Blend Manager Search Report

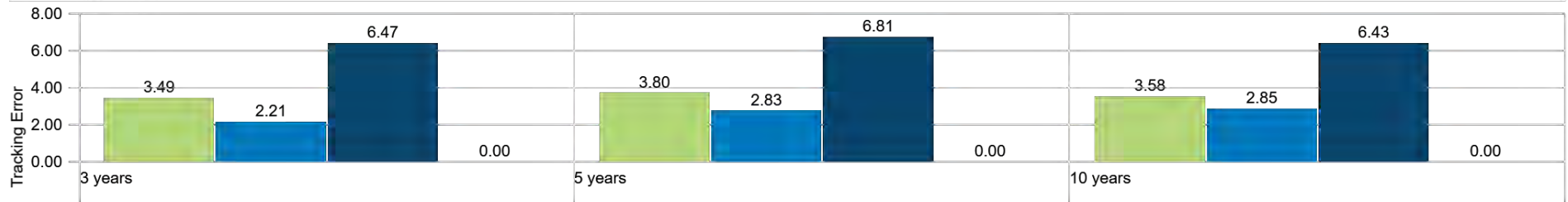
Up Capture Ratio



Down Capture Ratio



Tracking Error



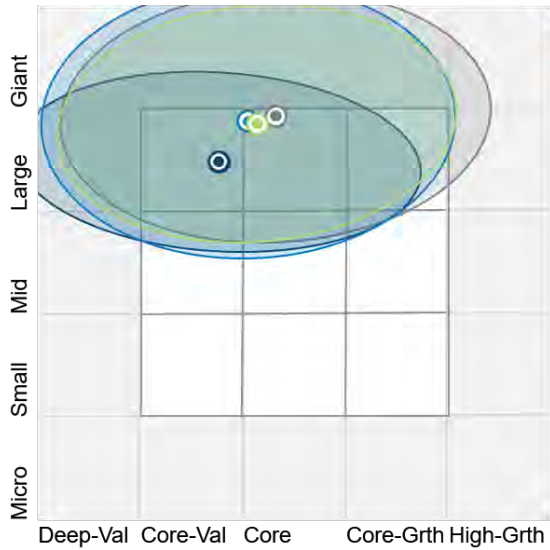
Ivy International Core Equity N
MSCI ACWI Ex USA NR USD

T. Rowe Price Overseas Stock I

Oakmark International Institutional

Foreign Large Blend Manager Search Report

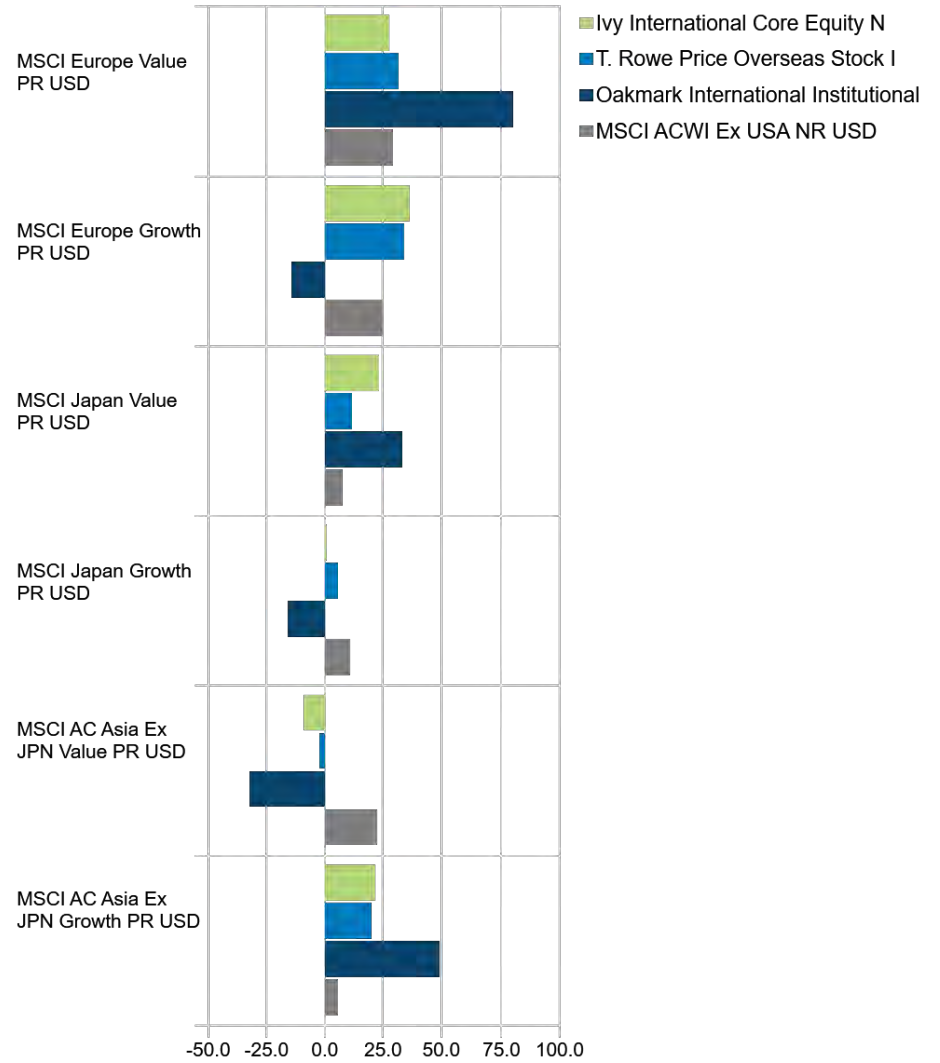
Holdings-Based Style Map



- Ivy International Core Equity N 12/31/2019
- T. Rowe Price Overseas Stock I 12/31/2019
- Oakmark International Institutional 12/31/2019
- MSCI ACWI Ex USA NR USD 12/31/2019

Returns-Based Style Allocation

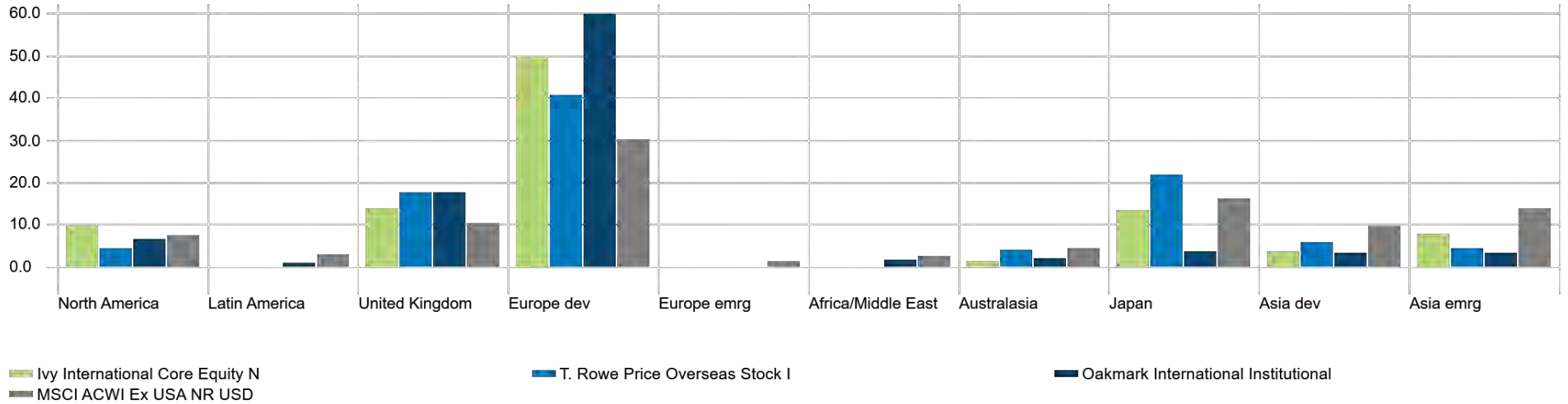
Time Period: 1/1/2015 to 12/31/2019



Foreign Large Blend Manager Search Report

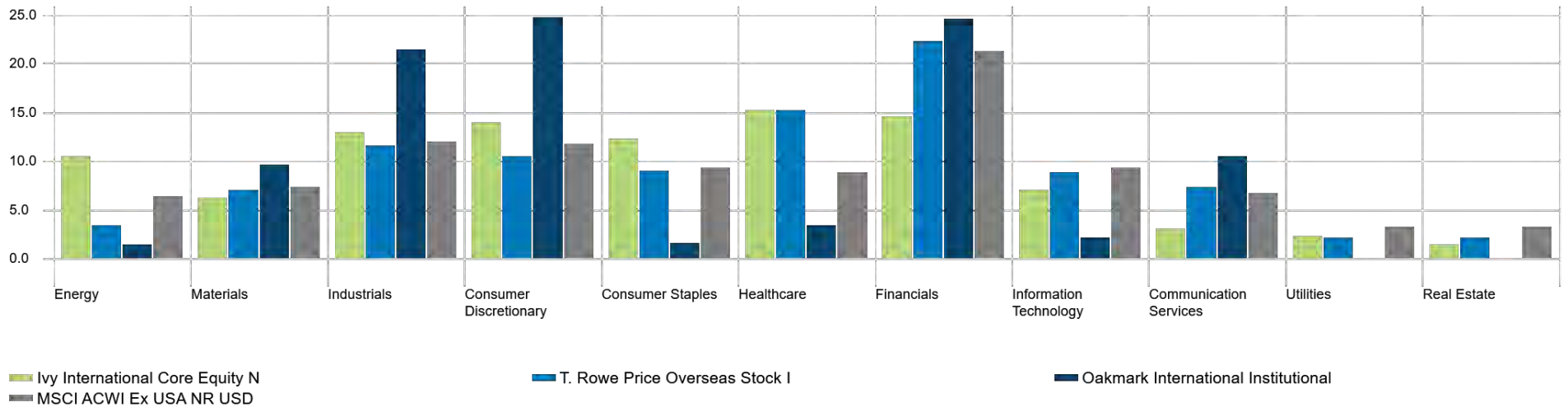
Region Exposure

Portfolio Date: 12/31/2019



Sector Exposure

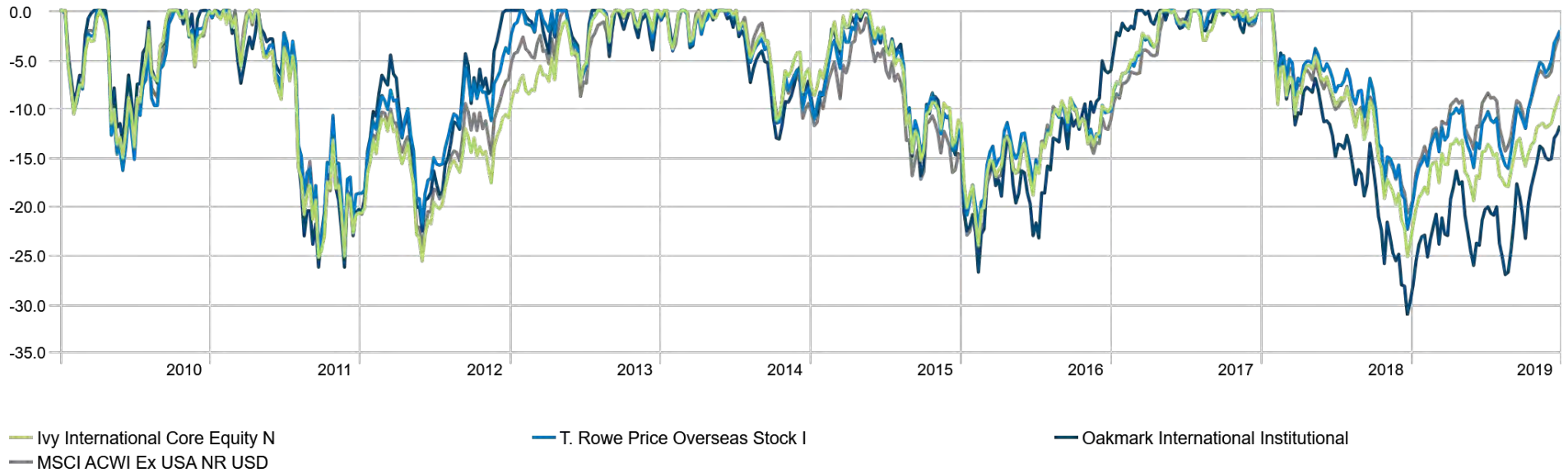
Portfolio Date: 12/31/2019



Foreign Large Blend Manager Search Report

Drawdown

Time Period: 1/3/2010 to 12/28/2019



Drawdown

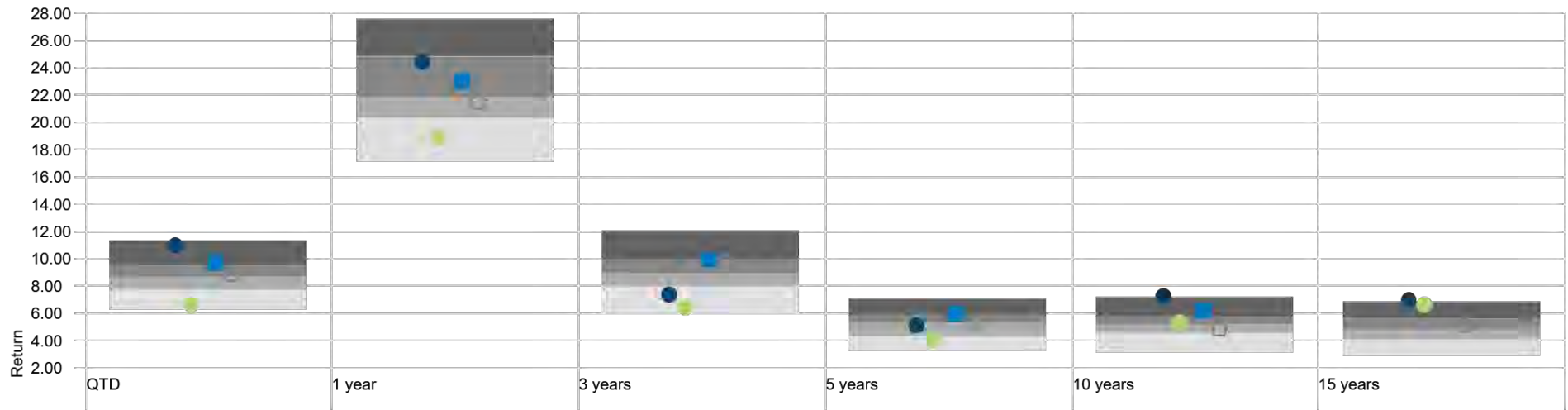
Time Period: 1/1/2010 to 12/31/2019

| | Max Drawdown | Max Drawdown # of Periods | Max Drawdown Peak Date | Max Drawdown Valley Date | Omega |
|-------------------------------------|--------------|---------------------------|------------------------|--------------------------|-------|
| Ivy International Core Equity N | -24.58 | 5 | 5/1/2011 | 9/30/2011 | 1.29 |
| T. Rowe Price Overseas Stock I | -23.21 | 5 | 5/1/2011 | 9/30/2011 | 1.35 |
| Oakmark International Institutional | -28.22 | 11 | 2/1/2018 | 12/31/2018 | 1.34 |
| MSCI ACWI Ex USA NR USD | -23.29 | 5 | 5/1/2011 | 9/30/2011 | 1.26 |

Foreign Large Blend Manager Search Report

Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



- Ivy International Core Equity N
- T. Rowe Price Overseas Stock I
- Oakmark International Institutional
- ☆ MSCI ACWI Ex USA NR USD

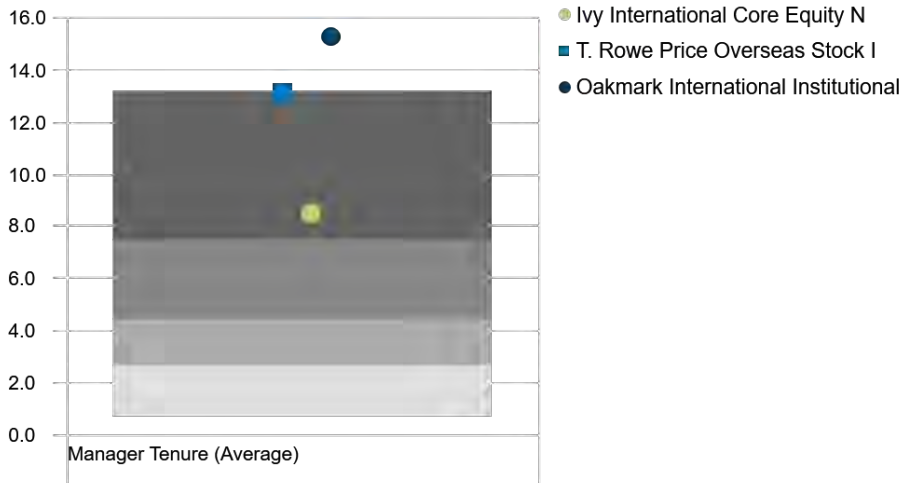
Trailing Peer Group Performance

| | QTD | % rank | 1 year | % rank | 3 years | % rank | 5 years | % rank | 10 years | % rank | 15 years | % rank |
|-------------------------------------|-------|--------|--------|--------|---------|--------|---------|--------|----------|--------|----------|--------|
| Ivy International Core Equity N | 6.71 | 92 | 19.01 | 84 | 6.56 | 92 | 4.15 | 81 | 5.51 | 39 | 6.80 | 6 |
| T. Rowe Price Overseas Stock I | 9.81 | 20 | 23.05 | 36 | 10.06 | 23 | 6.02 | 22 | 6.27 | 11 | | |
| Oakmark International Institutional | 11.11 | 8 | 24.43 | 28 | 7.44 | 83 | 5.19 | 54 | 7.35 | 4 | 7.05 | 4 |
| MSCI ACWI Ex USA NR USD | 8.92 | 43 | 21.51 | 58 | 9.87 | 29 | 5.51 | 42 | 4.97 | 64 | 5.25 | 35 |
| 5th Percentile | 11.38 | | 27.57 | | 12.08 | | 7.07 | | 7.23 | | 6.90 | |
| 25th Percentile | 9.57 | | 24.81 | | 10.00 | | 5.90 | | 5.83 | | 5.74 | |
| 50th Percentile | 8.78 | | 21.87 | | 9.01 | | 5.30 | | 5.26 | | 4.83 | |
| 75th Percentile | 7.85 | | 20.40 | | 8.01 | | 4.40 | | 4.67 | | 4.15 | |
| 95th Percentile | 6.37 | | 17.23 | | 6.12 | | 3.37 | | 3.18 | | 2.97 | |

Foreign Large Blend Manager Search Report

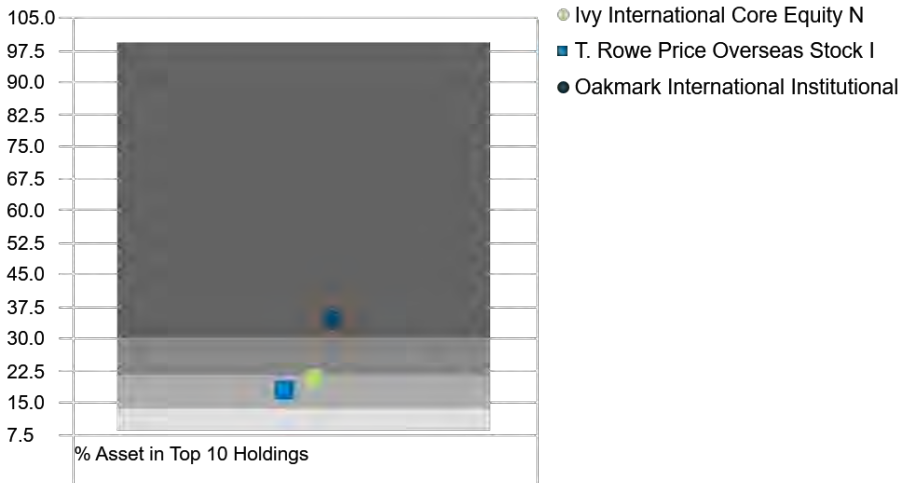
Manager Tenure (Years) Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



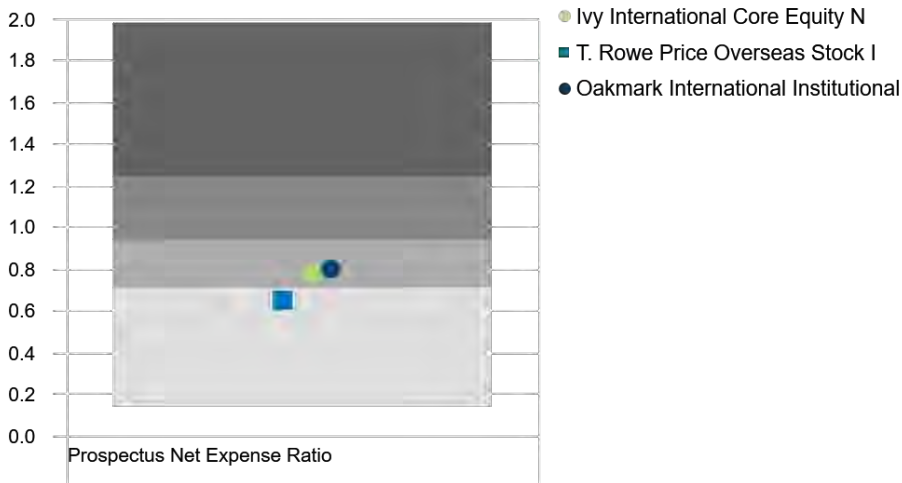
Portfolio Concentration Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



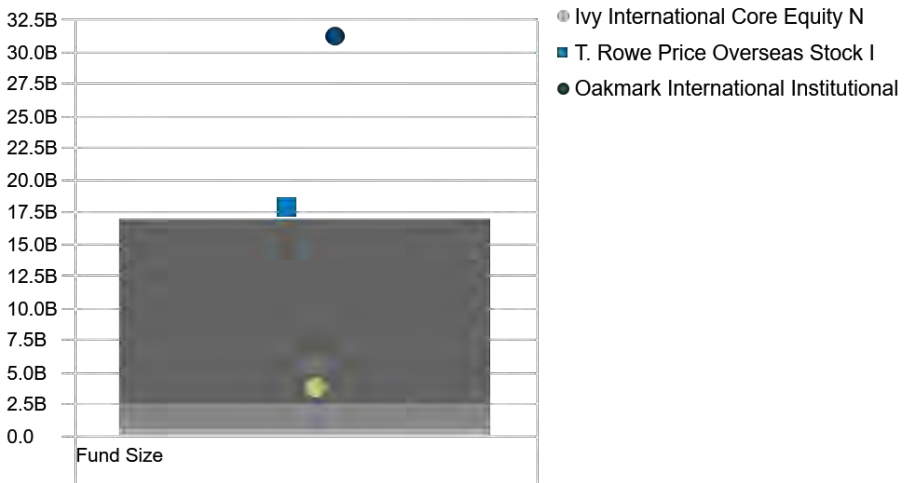
Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



Fund Size Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



Foreign Large Blend Manager Search Report

Snapshot

| | Ticker | Morningstar Category | Fixed Inc Style Box | Fund Size | Closed to New Inv | Prospectus Net Expense Ratio |
|-------------------------------------|--------|-----------------------------|---------------------|-------------------|-------------------|------------------------------|
| Ivy International Core Equity N | IINCX | US Fund Foreign Large Blend | | 3,938,424,731.00 | No | 0.79 |
| T. Rowe Price Overseas Stock I | TROIX | US Fund Foreign Large Blend | | 17,927,436,425.00 | No | 0.66 |
| Oakmark International Institutional | OANIX | US Fund Foreign Large Blend | | 31,272,962,575.00 | No | 0.81 |

NWCM Fund Score

| Overall Fund Score | Fund Name | Return vs Peer Group Peer Rank (%) | | | Risk Adjusted Return Sharpe Peer Rank (%) | | | Risk | | | | | | | | | Other | |
|--------------------|---------------------------------|---------------------------------------|----|-----|---|----|-----|-------------------------------------|----|-----|-----------------------------|----|-----|-------------------------------|----|-----|--------------|----------------|
| | | Peer Rank (%) | | | Peer Rank (%) | | | Standard Deviation Peer Rank (%) | | | Up Capture Peer Rank (%) | | | Down Capture Peer Rank (%) | | | Expense Rank | Tenure |
| | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Expense Rank | Avg Mgr Tenure |
| 3 | Ivy International Core Equity N | 91 | 79 | 37 | 93 | 81 | 36 | 82 | 79 | 59 | 72 | 52 | 39 | 88 | 80 | 45 | 31 | 8 |
| 7 | T. Rowe Price Overseas Stock I | 29 | 27 | 12 | 43 | 28 | 14 | 73 | 60 | 53 | 18 | 28 | 21 | 65 | 54 | 40 | 33 | 13 |

Foreign Large Blend Manager Search Report

Ivy International Core Equity N's performance has deteriorated relative to its benchmark and has not performed well in supportive environments for the strategy. The following areas were assessed to determine Ivy International Core Equity N's prudence to be offered in an investment menu.

| Status | Criteria | Comment |
|--------------|---|---|
| Underperform | Composite Performance | Underperformance relative to benchmark over the trailing 3- and 5-years |
| Underperform | Performance versus Foreign Large Blend Peer Group | Has performed in the bottom half of peers over the trailing 3- and 5-year periods |
| Neutral | Investment Approach | Poor top-down bets, was coupled with disappointing bottom-up selection which may derive from prior organizational changes and talent disruption |
| Pass | Stability of Management | Seasoned team, with the lead PM running the fund since 2006 |

Concluding Thoughts

An underperform rating of Ivy International Core Equity N's performance versus its benchmark exists due to the fund's inability to outperform over multiple periods. Their strategy offers active management to discover attractive opportunities in the marketplace and add value on a risk-adjusted basis. However, Ivy International Core Equity's sector allocations and poor security selection have detracted from relative returns. Given its poor relative performance and higher fees, we recommend replacing with T. Rowe Price Overseas Stock I.

Strategy Overview

T. Rowe Price Overseas

Strategy Overview

T. Rowe Price Overseas Stock I (TROIX)

| Firm | Ownership Structure | Asset Class | Portfolio Details | Benchmark |
|---|---|--|---|-------------------------|
| T. Rowe Price, 100 East Pratt Street, Baltimore MD 21202 | 13.00% Employee Owned Founded 1/1/1937 | Primary: Equity Sub-Style: US Fund Foreign Large Blend | Inception Date: 8/28/2015 # Holdings: 160 25.00% From External Research | MSCI ACWI Ex USA NR USD |

Strategy Summary

T. Rowe Price Overseas has personnel and other advantages over its rivals. Ray Mills has been at the helm of this fund for 13 years; he has been in charge of a foreign large-blend separate account for two decades; and he managed a foreign large-value fund from late 2002 through mid-2010. Thus, he has more portfolio-management experience than most foreign large-cap skippers. He has delivered superior long-term total and risk-adjusted returns at the foreign large-value fund during his tenure there, so he is talented as well as experienced. The process that Mills uses here--which is similar to the one he followed at the foreign large-value fund and the same as the one he uses at his foreign large-blend separate account--is diversified and risk-conscious without being dull or too cautious. Mills invests across the style spectrum by buying a healthy mix of traditional bargain stocks, classic core holdings, and mainstream growth names. He takes a moderate approach to emerging-markets stocks. He permits his stock selection to lead to moderate country and sector overweightings and underweightings but avoids sizable ones. He pays ample attention to issue diversification as well. Mills has earned good results with this approach in various investment climates over the years here, and this fund has posted strong total returns and risk-adjusted returns since opening at the end of 2006. He has exceptional resources to draw on for investment research and support. And T. Rowe Price is an excellent asset manager that has enjoyed ample success with its international-stock funds. This fund is a good source of foreign-stock exposure for the long haul.

Investment Philsophy

Ray Mills pursues companies with fundamental strengths and long-term prospects that are better than their stock prices indicate. He looks for attributes such as accelerating earnings and cash flows, healthy financials, barriers to entry, and managements with sound strategic and operational vision. When it comes to valuations, he examines a variety of earnings, cash flow, sales, and asset-based metrics; he emphasizes different metrics for different industries and stocks, and he evaluates them from historical, relative, and absolute perspectives.

Meanwhile, Mills spreads the portfolio across 140 to 180 names, and he consistently makes full use of the style spectrum. Indeed, the portfolio usually includes some deep-value stocks and fast growers, as well as a plethora of classic core equities. He allows his stock selection to drive the portfolio's sector, country, and regional weightings, but he tends to avoid sizable over- and underweightings and cannot deviate more than 10 percentage points from the weightings of this fund's MSCI EAFE benchmark. Although that index does not include any emerging-markets stocks, he has the freedom to invest in such names and regularly puts about 4% to 8% of the portfolio in such issues. As such, we believe it is more appropriate to benchmark the fund to the MSCI ACWI Ex USA, which includes emerging-markets equities.

While the material contained herein is believed to be reasonable, no guarantee can be provided to its accuracy or completeness. Data included in this document is as of indicated date and subject to change. Past performance does not guarantee future results. Any investment and/or asset allocation, no matter how conservative, can lose money. See disclosure at the end of this document regarding other important information

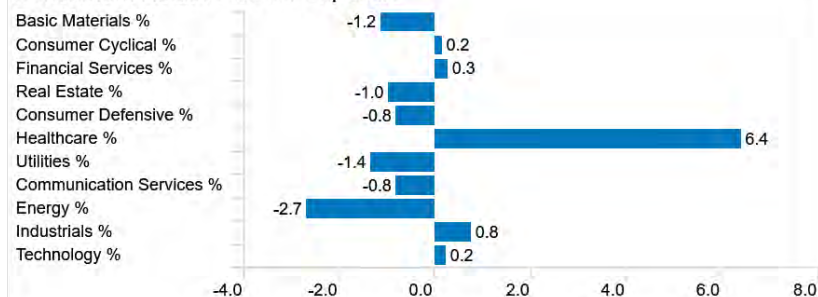
Morningstar Style Box

Portfolio Date: 12/31/2019

| | Value | Blend | Growth |
|-------|-------|-------|--------|
| Large | 33.7 | 36.6 | 10.6 |
| Mid | 6.3 | 5.7 | 6.1 |
| Small | 0.5 | 0.0 | 0.4 |

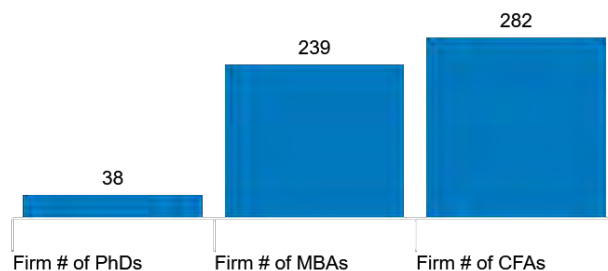
| Market Cap | % |
|--------------------|------|
| Market Cap Giant % | 48.5 |
| Market Cap Large % | 32.7 |
| Market Cap Mid % | 17.9 |
| Market Cap Small % | 0.9 |
| Market Cap Micro % | 0.0 |

Benchmark Relative Sector Exposure



T. Rowe Price Overseas Stock I (TROIX)

Firm Personnel

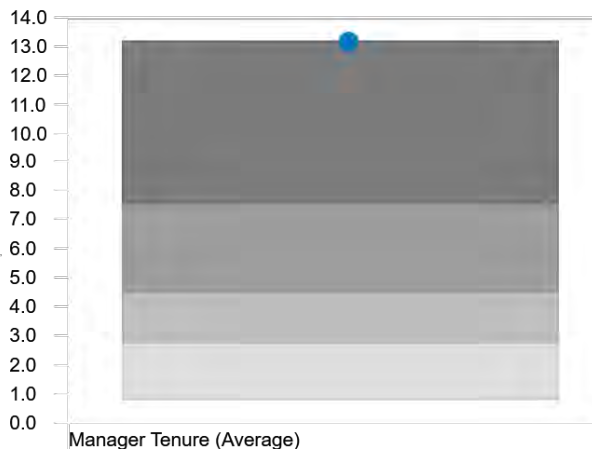


| | |
|-----------------------------|-----|
| Errors Insured | Yes |
| Fiduciary Liability Insured | Yes |
| Disaster Recovery Plan | Yes |
| GIPS Compliance | Yes |
| Pending SEC Investigation | No |
| Pending Litigation | No |

Manager Tenure Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

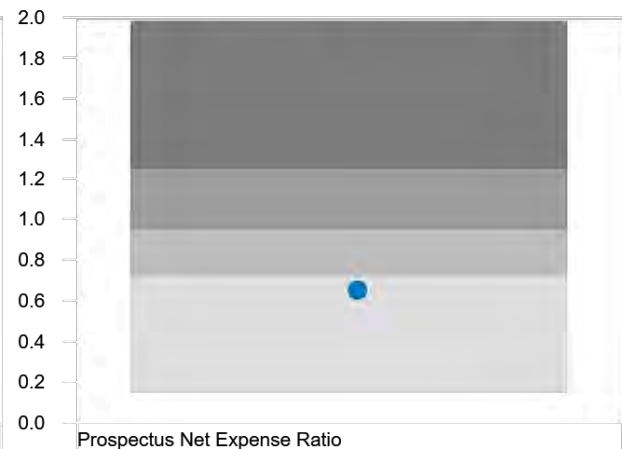
Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Prospectus Net Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Fund Management

T. Rowe Price's success is rooted in its fundamental approach to active management and deep analyst bench. Investors benefit from managers' generally long tenures at the firm, well-planned manager transitions, reasonable costs, and attention to capacity. Many top executives, including CEO Bill Stromberg, rose from the analyst ranks, which helps keep a focus on investors at the forefront, even as the firm expands its distribution footprint outside the United States and bolsters its technology resources. The investment side has received resources, too. The multi-asset team has grown in size, reflecting its importance to the firm's future beyond the esteemed target-date lineup. Despite headwinds facing active managers, T. Rowe remains a powerhouse within U.S. and international equities.

Lead manager Ray Mills has managed this foreign large-blend fund since it opened at the end of 2006 and its younger clone since it opened in 2010. Mills, who is based in Baltimore and has a doctorate in aeronautical and astronautical engineering from Stanford, joined T. Rowe Price in 1997 and started off as a generalist in equity analysis. He managed T. Rowe Price International Value Equity TRIGX from December 2002 through June 2010 using a similar but more value-oriented strategy and produced good results there. He has 21 years of investment experience overall. Mill's collaborates with the firm's 18 other foreign-stock managers, and also makes use of T. Rowe Price's team of more than 160 sector managers, equity analysts, and regional specialist who are spread across six offices around the globe.

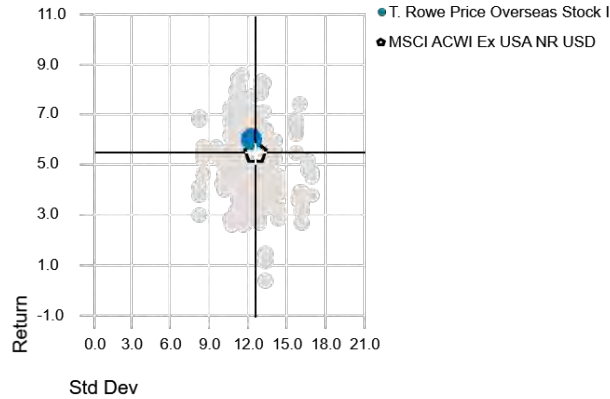
Fees

The share class on this report levies a fee that ranks in category's cheapest quintile. Given the other positive considerations, we believe the lower fees boost the prospects of positive alpha relative to peers.

T. Rowe Price Overseas Stock I (TROIX)

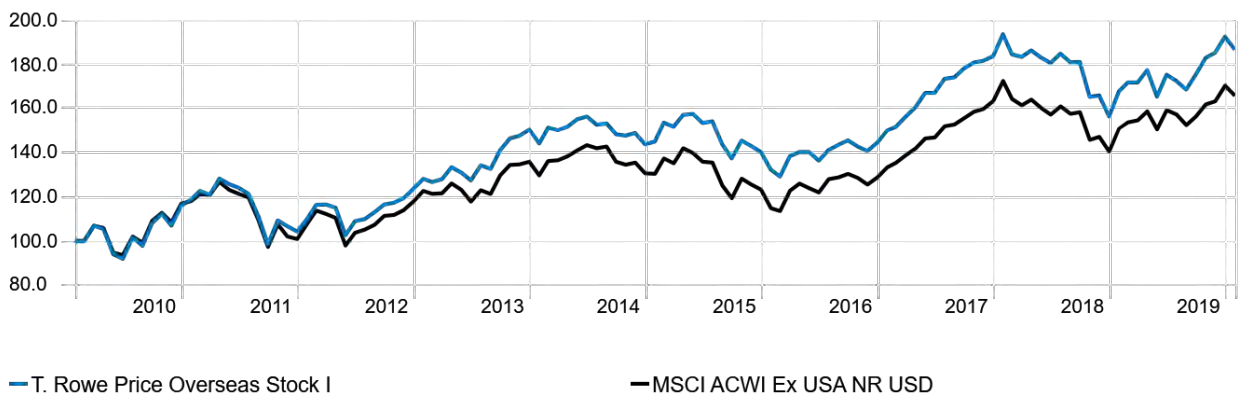
Risk-Reward

Time Period: 1/1/2015 to 12/31/2019



Investment Growth

Time Period: 2/1/2010 to 1/31/2020



Performance Statistics

Time Period: 1/1/2015 to 12/31/2019 Calculation Benchmark: MSCI ACWI Ex USA NR USD

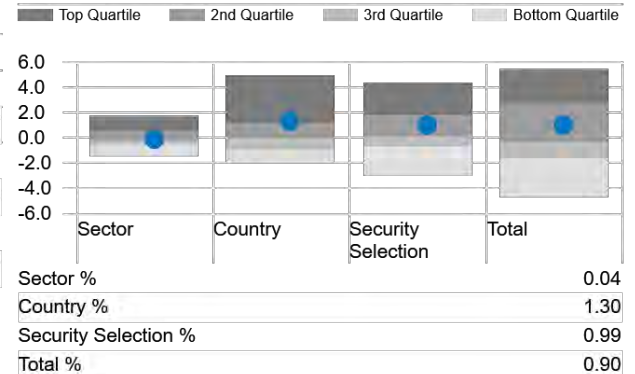
| | T. Rowe Price Overseas Stock I | MSCI ACWI Ex USA NR USD | US Fund Foreign Large Blend |
|---------------------------|--------------------------------|-------------------------|-----------------------------|
| Return | 6.02 | 5.51 | 5.20 |
| Std Dev | 12.23 | 12.53 | 11.65 |
| Sharpe Ratio | 0.45 | 0.40 | 0.40 |
| Information Ratio (arith) | 0.18 | — | -0.14 |
| Beta | 0.95 | 1.00 | 0.92 |
| Tracking Error | 2.83 | 0.00 | 2.29 |

Trailing Peer Group Performance

Peer Group: Open End Funds - U.S. - Foreign Large Blend

| | 1 Year | 3 Years | 5 Years | 10 Years |
|--------------------------------|--------|---------|---------|----------|
| T. Rowe Price Overseas Stock I | 23.05 | 10.06 | 6.02 | 6.27 |
| MSCI ACWI Ex USA NR USD | 21.51 | 9.87 | 5.51 | 4.97 |
| 5th Percentile | 27.57 | 12.08 | 7.07 | 7.23 |
| 25th Percentile | 24.81 | 10.00 | 5.90 | 5.83 |
| 50th Percentile | 21.87 | 9.01 | 5.30 | 5.26 |
| 75th Percentile | 20.40 | 8.01 | 4.40 | 4.67 |
| 95th Percentile | 17.23 | 6.12 | 3.37 | 3.18 |

1-Year Performance Attribution



Performance

This foreign large-blend fund posted mixed results as most international markets earned nice gains over the past 12 months. Several of manager Ray Mills' technology and other picks flourished during the period, but a number of his communication-services and other holdings languished. All told, this share class of this fund returned 23.05% for the year ended Dec. 31, 2019, while the typical foreign large-blend fund gained 21.87.0%, the MSCI EAFE Index returned 22.01% and the MSCI ACWI ex USA Index gained 21.51%.

This fund has earned solid and consistent results over the middle run as well. It has comfortably outpaced the average foreign large blend offering over the three- and five-year periods, but investors should not expect large bouts of out- or underperformance relative to the benchmark. This fund remains risk controlled around the benchmark generating consistent incremental excess returns that compounds and benefits investors for the long haul.

While the material contained herein is believed to be reasonable, no guarantee can be provided as to its accuracy or completeness. The data, methodologies, and conclusions presented in this document may change over time without notice. There can be no assurance that the investments and/or asset classes referred to in this document will perform in a manner consistent with their historical performance and/or any forward-looking assumptions or opinions stated verbally or in this document. Any investment and/or asset allocation, no matter how conservative, can lose money. Historical performance results do not reflect the deduction of transaction fees, custodial charges, and/or investment management fees, which would serve to decrease historical performance results. This report in and of itself does not constitute a recommendation or investment advice offered by Northwest Capital Management, Inc. This report is provided solely for informational purposes and therefore is not an offer to buy or sell a security. Unless Northwest Capital Management, Inc. is making a separate, written recommendation to its client, or is exercising discretionary authority to affect a transaction involving this security for its clients, Northwest Capital Management, Inc. shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. The extent of liability Northwest Capital Management, Inc. may have, if any, to its clients will be determined by applicable law. Some of the data contained within this report has been provided by third party sources including but not limited to Morningstar and Lipper.



Global Fixed Income Review

County of Fresno 457 Deferred Compensation Plan

Brent Petty
503-597-1641 | brentp@nwcm.com
Northwest Capital Management, Inc.
March 2020



Global Fixed Income

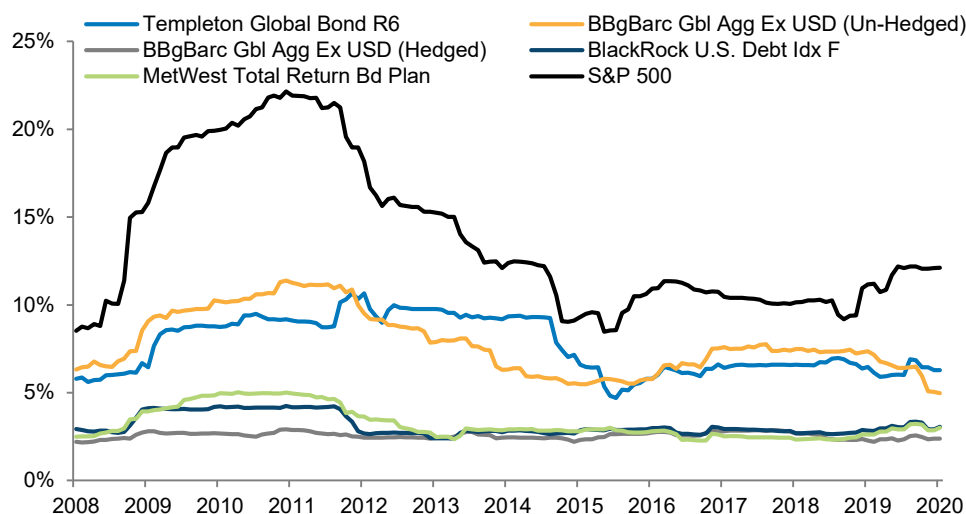
As of December 31, 2019

This document has been prepared to provide an analysis of the incumbent option, Templeton Global Bond, and whether to replace with a passive currency hedged manager or eliminate the asset class from the menu.

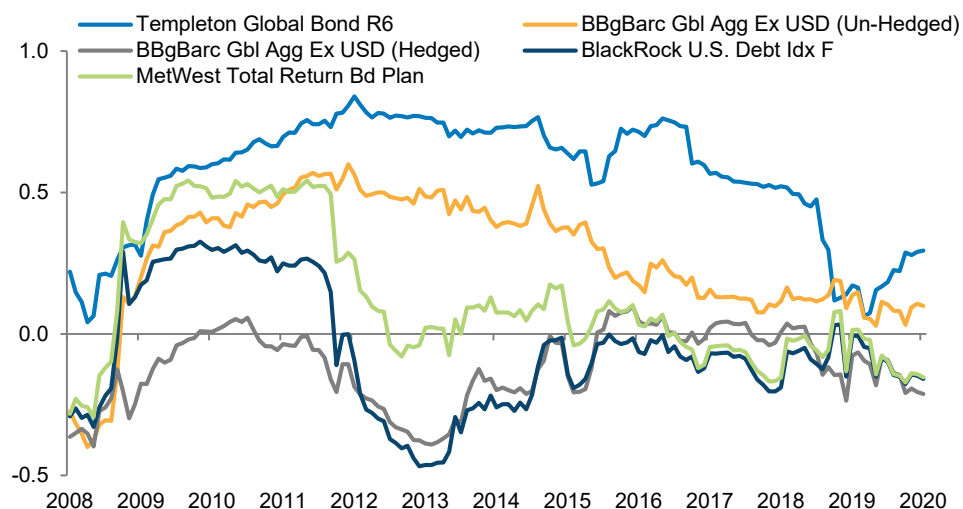
UPDATE OF TEMPLETON GLOBAL BOND

- The Global Bond Fund was reclassified to Nontraditional from World Bond under Morningstar's categorization methodology due to its aggressive negative interest rate and currency positioning. The parent company, Franklin Resources, cited the fund's reclassification as a major contributor to the significant outflows of \$27.3 billion in 2019.
- We do not mark this reclassification as a change in strategy since management has maintained its unconstrained approach. However, given the fund's high correlation to equity and high volatility profile, we do not believe that this fund offers participants an equity diversifier nor a typical fixed income generator.
- The fund's poor performance metrics have brought the fund's score down to a 4 under our scoring methodology. The strategy has recovered lost ground quickly in the past, but the team's contrarian calls have made for a volatile ride. One that participants may not recognize in a fixed income fund.

Rolling 3-Year Volatility (St. Dev.)



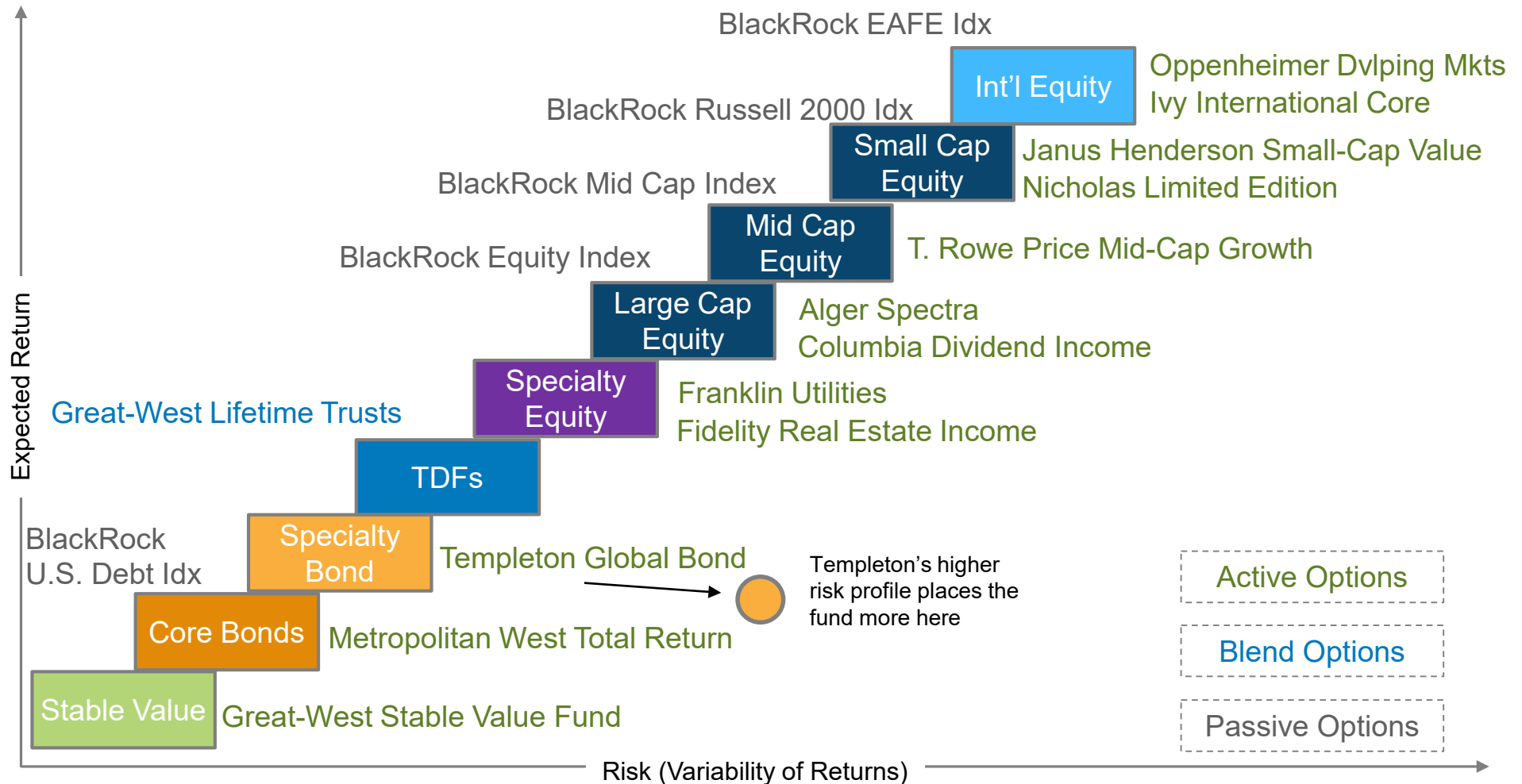
Rolling 3-Year Correlation With S&P 500



Source: Morningstar, NWC

Fresno Investment Menu Risk/Return Spectrum

As of December 31, 2019



Fund Scoring

As of December 31, 2019

- Templeton's fund score dropped to a 4 in the fourth quarter as a result of underperformance that can be contributed to its negative duration positioning.
- Additionally, the fund's tactical currency positioning have created a bumping ride leading the fund to rank amongst the top in volatility and lowest for risk-adjusted returns relative to peers.

Trailing Fund Scores

| 4Q19 | 3Q19 | 2Q19 | 1Q19 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 4Q17 |
|------|------|------|------|------|------|------|------|------|
| 4 | 5 | 7 | 6 | 6 | 7 | 5 | 6 | 6 |

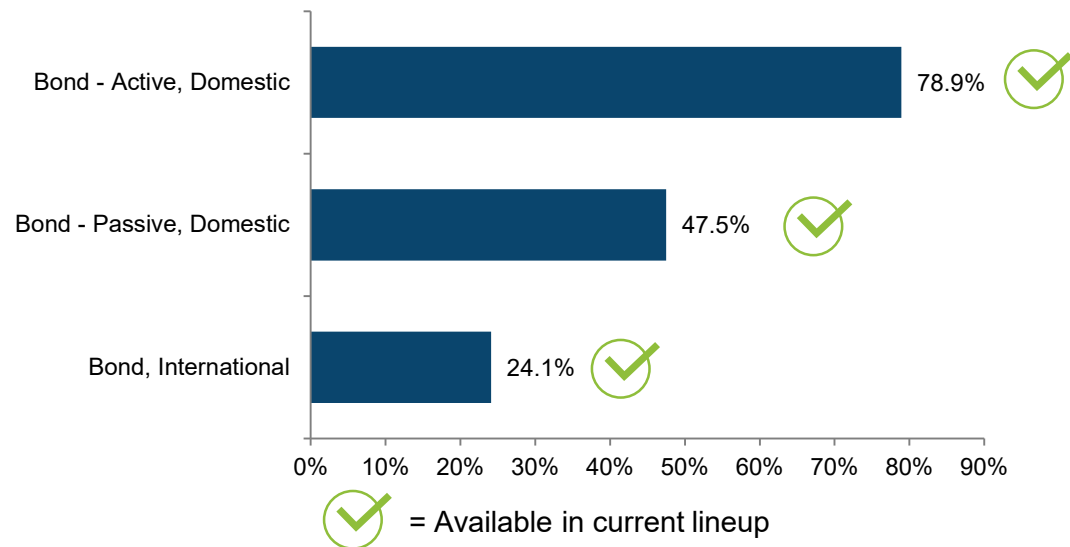
| | Overall Fund Score | Return | | | Risk Adjusted Return (Sharpe) | | | Standard Deviation | | | Up Capture | | | Down Capture | | | Expense | Tenure |
|----------------|--------------------|--------|------|------|-------------------------------|------|------|--------------------|------|------|------------|--------|-------|--------------|---------|--------|--------------|----------------|
| | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Expense Rank | Avg Mgr Tenure |
| Peer ranking → | 4 | 96 | 70 | 30 | 97 | 78 | 52 | 91 | 86 | 91 | 98 | 97 | 93 | 1 | 1 | 1 | 14 | 10 |
| Absolute | | 1.79 | 1.59 | 3.71 | 0.04 | 0.11 | 0.44 | 6.28 | 6.70 | 7.50 | -39.47 | -17.75 | 39.90 | -211.15 | -102.22 | -58.39 | 0.57 | 18.17 |

Source: Morningstar, NWCM

Fixed Income Menu Trends

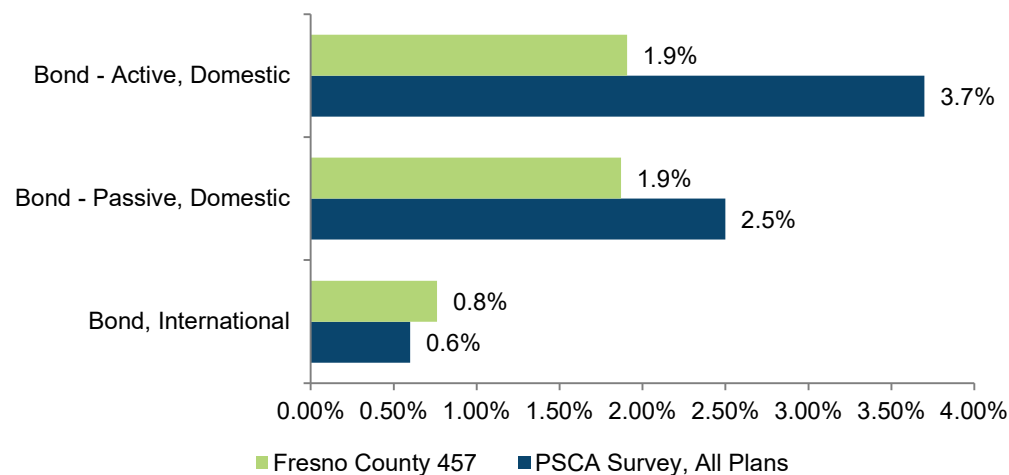
As of December 31, 2019

Percentage of Plans Offering



- Most commonly, DC plans offer an active U.S. fixed income option.
- Passive fixed income funds have also become more prevalent as a component of the passive tier
- International or specialty bond funds (high yield, unconstrained, etc.) can often be misunderstood or misused
- NWCM continues to recommend the plan's current domestic fixed income strategy (MetWest) to opportunistically invest in high yield and other US dollar issues the core active fixed income offering.
- The County of Fresno offers passive high-quality, active-core plus strategies, and active global unconstrained.

Asset Allocation When Offered



Source: Plan Sponsor Council of America "61st Annual Survey – PSCA's Annual Survey of Profit Sharing and 401(k) Plans." 2018.

Benefits of Global Fixed Income

As of December 31, 2019

- An allocation to global bond markets gives investors exposure to a greater number of securities, markets, and economic and inflation environments than they would have with a portfolio composed purely of local market fixed income.
- In theory, this diversification can help reduce a portfolio's volatility without necessarily decreasing its total return.
- We have found the best way to realize the diversification potential of global bonds is to hedge the currency exposure back to the investor's local currency.
- Vanguard Total International Bond Index (VTABX) tracks a similar index as displayed in the column to the right of Templeton in the correlation table. This index composes of international bonds while hedging currency exposure back to the U.S. dollar.

Higher Correlation to U.S. and International Equities Negative Correlation to Core Equities

10-Year Correlation
Monthly returns
12/31/2009 – 12/31/2019

| | | Templeton Global Bond R6 | Int'l Fixed Income (USD Hedged)* | BlackRock U.S. Debt Index | Metropolitan West Total Return Bd Plan |
|--------------|--------------------------------------|--------------------------|----------------------------------|---------------------------|--|
| Large Cap | BlackRock Equity Index | 0.59 | -0.18 | -0.22 | -0.05 |
| | Alger Spectra Z | 0.52 | -0.16 | -0.17 | -0.02 |
| | Columbia Dividend Income Inst3 | 0.60 | -0.12 | -0.18 | -0.05 |
| Mid Cap | T. Rowe Price Mid-Cap Growth I | 0.52 | -0.20 | -0.22 | -0.06 |
| | Blackrock Mid Cap Eq Idx Fund | 0.58 | -0.18 | -0.21 | -0.05 |
| Small Cap | BlackRock Russell 2000® Index | 0.53 | -0.26 | -0.28 | -0.12 |
| | Nicholas Limited Edition I | 0.48 | -0.27 | -0.27 | -0.12 |
| | Janus Henderson Small Cap Value N | 0.55 | -0.25 | -0.28 | -0.13 |
| Int'l Equity | BlackRock EAFE® Equity Index | 0.68 | -0.14 | -0.10 | 0.07 |
| | Ivy International Core Equity N | 0.67 | -0.17 | -0.13 | 0.03 |
| | Invesco Oppenheimer Dvloping Mkts R6 | 0.70 | -0.10 | -0.02 | 0.12 |

| Name | Templeton Global Bond R6 | Vanguard Total Intl Bd Idx Admiral™ |
|------------------------|-----------------------------|---|
| Ticker | FBNRX | VTABX |
| NWCM Category | Global Bonds Hedged | Global Bonds Hedged |
| Morningstar Category | US Fund Nontraditional Bond | US Fund World Bond-USD Hedged |
| Index Fund | No | Yes |
| Prospectus Benchmark | FTSE WGBI USD | BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD |
| Fund Size USD | 26,312,736,685 | 26,091,608,692 |
| Prospectus Net Expense | 0.57 | 0.11 |
| US Bond % | 18.84 | 3.18 |
| Non-US Bond % | 57.63 | 96.52 |
| Cash % | 22.87 | 0.04 |

*Bloomberg Barclays Global Aggregate ex USD Hedged USD
Source: Morningstar

Poor interest rate and currency decisions has led to Templeton Global Bond being recommended to be listed as To Be Removed. As a fixed income fund, the volatility embedded in Templeton may not be properly understood by participants. Many plan sponsors do not offer international fixed income within plan lineups. If they do, like the County of Fresno, the fund does not receive much allocation from participants. However, Global fixed income, particularly when hedged, has demonstrated diversification benefits with core equities that have domestic-like volatility. Below lays out the pros and cons of (1) replacing the fund with Vanguard Total International Bond Index or (2) eliminating the asset class by mapping to age-appropriate QDIA.

1 Replace Templeton with Vanguard Total International Bond Index

Pros

- Eliminates poor performing fund that is recommended To Be Removed.
- Allows participants to continue to access global fixed! income markets.
- Reduces fund expenses for some participants.
- All fixed income options will offer diversification benefits for! participants.

Cons

- The current passive suite is managed by BlackRock, which may confuse participants – BlackRock does not offer a mutual fund or CIT of hedged international fixed income.

2 Eliminate asset class and map assets to age-appropriate QDIA.

Pros

- Eliminates poor performing fund that is recommended To Be Removed.
- Eliminates asset classes that only nearly 1 in 4 plan sponsors offer, and when offered, participants typically do not utilize.
- Slims menu down to reduce participant confusion or selection paralysis.
- Participants mapped to the QDIA still receive the benefits of global fixed income inside the target-date funds.

Cons

- Participants cannot chose their allocation to global bonds and may only invest in foreign fixed income within the target-date funds.

Strategy Overview

Strategy Overview

Vanguard Total Intl Bd Idx Admiral™ (VTABX)

| Firm | Ownership Structure | Asset Class | Portfolio Details | Benchmark |
|--|--|--|--|---|
| Vanguard, 100 Vanguard Boulevard, Malvern, PA 19355, USA | 'Mutual' ownership structure owned by its funds, which are owned by fund investors | Primary: Fixed Income Sub-Style: US Fund World Bond-USD Hedged | Inception Date: 5/31/2013 # Holdings: 5,605 | BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD |

Strategy Summary

This strategy will invest by sampling the index to provide returns consistent with the performance of the index, a market-weighted index of global government, government-related agencies, corporate, and securitized fixed income investments. The objective of the fund is to target a tracking error of zero while seeking returns in line with the benchmark, after fees. Vanguard's global approach to passive management is logical and pragmatic, the manager's scale, depth and experience provide a competitive advantage relative to peers in the passive arena. The experience and stability of the team have permitted continuous refinement of techniques for reducing tracking error. The group uses proprietary tools to maintain close correlation with index performance and to implement fund flows efficiently. Vanguard has built on its long-time success in passive management and is now one of the largest investment management companies offering a range of active and passive products for both the institutional and retail market.

Investment Philsophy

To Vanguard, "passive" does not mean "no decisions". The firm believes that active decisions, where the risk taken is deemed sufficiently low, are made to reduce tracking error and transaction costs, not to add alpha. Vanguard's approach to managing assets by geography is sensible. Trading takes place around the clock across three regions, (Asia Pacific, UK, and US) allowing local traders to make timely decisions. Vanguard believes that local portfolio management allows for a better understanding of local broker/bank axes (i.e. interest shown in buying/selling a bond), and regional nuances which aid implementation.

The team matches the benchmark for all primary and secondary risk factors, and maintains duration and yield curve positioning in line with the Index. Sector weights and various other key risk factors are kept roughly in line with the Index. The firm monitors sector, industry, and quality exposure based on spread duration, contribution to duration (CTD), and duration times spread (DTS), in addition to market value weights, which provides better tracking fit.

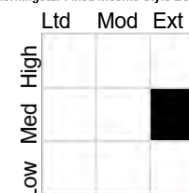
Vanguard uses some techniques to gain a very slight performance advantage relative to the benchmark (in an effort to offset expenses). For example, within the corporate sector, the team tilts toward bonds that are rated highly by its internal credit research team while tilting away from lower rated issuers. That said, the corporate basis is constructed with only modest sampling, as the portfolio is built to mirror the quality, sub-sector classification, and spread distribution of the Index. The trading team is encouraged to provide liquidity when it is to the firm's advantage and replacement securities can be easily purchased to maintain neutrality versus the Index.

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Morningstar Style Box

Portfolio Date: 12/31/2019

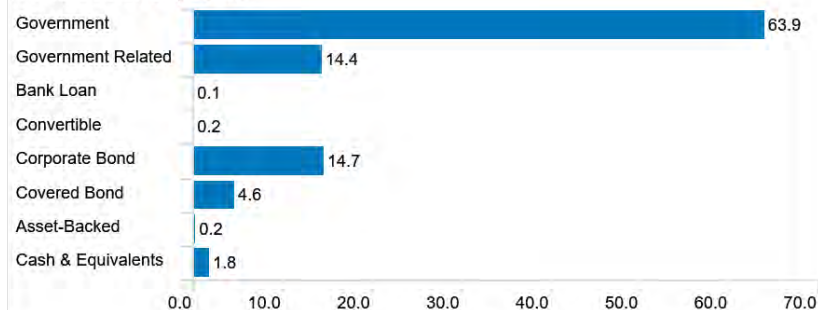
Morningstar Fixed Income Style Box™



Fixed-Income Stats

| | |
|----------------------|-------|
| Average Eff Duration | 8.3 |
| Average Eff Maturity | 9.9 |
| Average Coupon | 2.2 |
| Average Price | 108.4 |

Fund Sector Exposure



Vanguard Total Intl Bd Idx Admiral™ (VTABX)

Manager Tenure Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - World Bond-USD Hedged

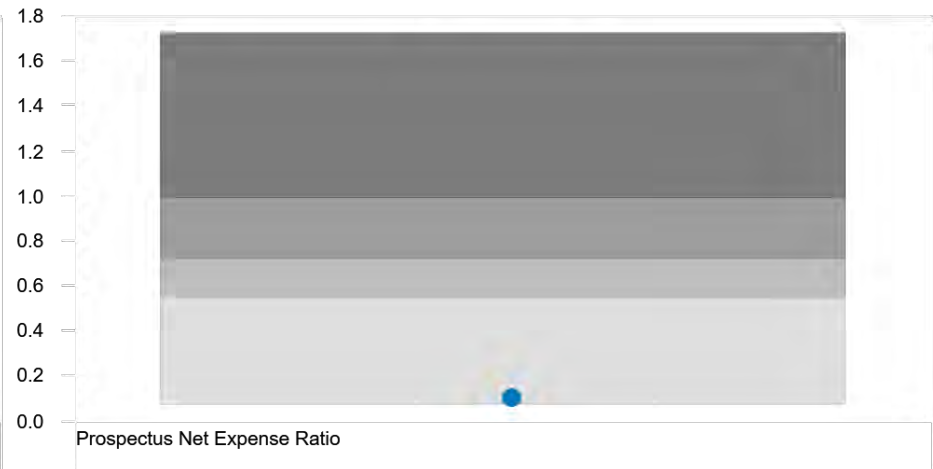
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Prospectus Net Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - World Bond-USD Hedged

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Fund Management

Vanguard was founded in 1975 as a part of Wellington Management, which continues to sub-advise a large portion of assets for Vanguard. Vanguard is one of the largest investment management companies with over \$4 trillion in assets under management. The firm is headquartered in Malvern, PA with investment offices across North America, Europe, Australia and Asia. Instead of being publicly traded or owned by a small group of individuals, Vanguard is owned by the Vanguard family of mutual funds. The Vanguard funds, in turn, are owned by their shareholders—or client-owners. We believe this aligns interest with clients and should enable the firm to keep the costs of funds at the lowest reasonable level. Vanguard is currently unable to replicate this mutual ownership structure outside the US for legal reasons but they apply the same cultural and philosophical principles of not pursuing short term asset growth or generating profits for third party owners. Economies of scale at a firm-wide level should help with keeping costs down everywhere they do business.

Joshua Barrickman was named as manager in 2013. He has worked in investment management at Vanguard since 1999 and managed investment portfolios since 2005. In 2013, he was promoted to head of Vanguard's bond index group. Portfolio management at Vanguard is a team effort, so key-person risk is not a concern. A team of over 20 portfolio managers / traders dedicated to managing fixed income index funds are responsible for the management of funds that track a series of US and non-US indices. Vanguard's portfolio manager/trader model allows for most portfolio managers to also execute trades, resulting in strong ownership and familiarity between portfolio managers and portfolio trades. Vanguard has over 150 investment professionals in the Fixed Income Group, separate from the firm's extensive Risk Management Group.

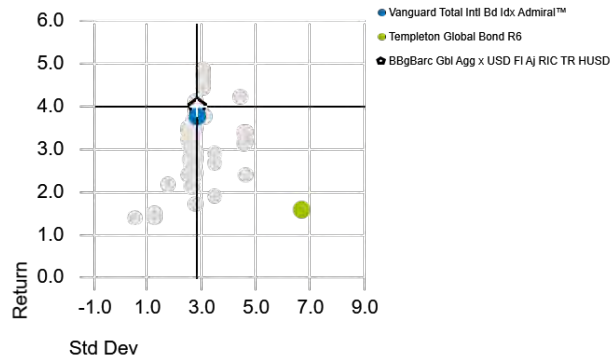
Fees

The fees charged by Vanguard on its passive products are largely in line with passive competitors. The firm uses its breadth, asset base and unique ownership structure to reduce transaction costs, maximize efficiency and pass savings on to its investors. We note that Vanguard's preference is for mutual/pooled funds rather than segregated accounts although they will consider this for very large mandates. This ties-in with Vanguard wanting to capitalize as much as possible on economies of scale and keep running costs low. Given Vanguard's lack of other higher margin business and securities lending handled by third-parties rather than in house, we recognize that they could lose out on passive business because its rivals are able to undercut pricing in order to capture higher margin areas of clients' portfolio or receive less transparent revenue through securities lending.

Vanguard Total Intl Bd Idx Admiral™ (VTABX)

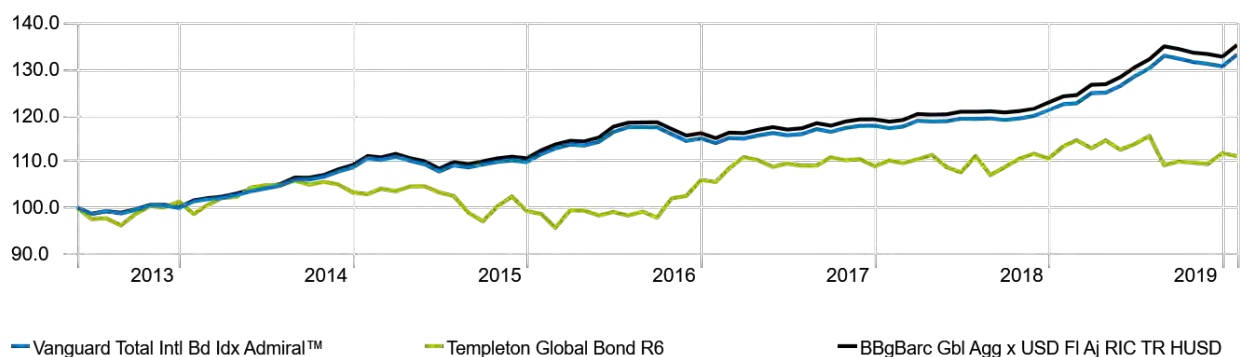
Risk-Reward

Time Period: 1/1/2015 to 12/31/2019



Investment Growth

Time Period: 6/1/2013 to 1/31/2020



Performance Statistics

Time Period: 1/1/2015 to 12/31/2019

| | Vanguard Total Intl Bd Idx Admiral™ | Templeton Global Bond R6 | BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD |
|---------------------------|-------------------------------------|--------------------------|---|
| Return | 3.76 | 1.59 | 3.98 |
| Std Dev | 2.82 | 6.70 | 2.84 |
| Sharpe Ratio | 0.95 | 0.10 | 1.02 |
| Information Ratio (arith) | -1.34 | -0.31 | — |
| Beta | 0.99 | -0.47 | 1.00 |
| Tracking Error | 0.17 | 7.75 | 0.00 |

Trailing Peer Group Performance

Peer Group: Open End Funds - U.S. - World Bond-USD Hedged

| | 1 Year | 3 Years | 5 Years | 10 Years |
|---|--------|---------|---------|----------|
| Vanguard Total Intl Bd Idx Admiral™ | 7.88 | 4.37 | 3.76 | — |
| Templeton Global Bond R6 | 1.01 | 1.79 | 1.59 | 3.71 |
| BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD | 8.06 | 4.57 | 3.98 | — |
| 5th Percentile | 14.56 | 6.66 | 4.72 | 5.77 |
| 25th Percentile | 9.85 | 5.14 | 3.75 | 5.17 |
| 50th Percentile | 8.60 | 4.09 | 3.23 | 4.13 |
| 75th Percentile | 7.40 | 3.50 | 2.81 | 3.70 |
| 95th Percentile | 6.01 | 2.56 | 1.79 | 1.56 |

Trailing Peer Group Sharpe Ratio

Peer Group: Open End Funds - U.S. - World Bond-USD Hedged

| | 1 Year | 3 Years | 5 Years | 10 Years |
|---|--------|---------|---------|----------|
| Vanguard Total Intl Bd Idx Admiral™ | 1.66 | 1.07 | 0.95 | — |
| Templeton Global Bond R6 | -0.11 | 0.04 | 0.10 | 0.44 |
| BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD | 1.71 | 1.14 | 1.02 | — |
| 5th Percentile | 3.55 | 1.54 | 1.18 | 1.65 |
| 25th Percentile | 2.61 | 1.26 | 0.95 | 1.36 |
| 50th Percentile | 2.04 | 0.98 | 0.79 | 1.22 |
| 75th Percentile | 1.77 | 0.79 | 0.59 | 1.09 |
| 95th Percentile | 1.47 | 0.43 | 0.31 | 0.54 |

Performance

The strategy's returns have been in-line with its respective benchmark and has been strong compared with its category peers. The fund's longer-than-peer-average duration helped performance, as interest rates have decline in major markets during global central bank easing. The fund does take less credit risk than most of its category active peers, owing to its benchmark weight position in government bonds. This has helped it hold up better in turbulent periods such as the fourth quarter of 2019, when the fund outpaced the category average by 100 basis points.

Tracking error has been solid over trailing periods and we like that benchmark out-performance is treated with the same enquiry as underperformance. The portfolio managers may only seek to add incremental value in order to offset transaction costs when the active risk is deemed sufficiently small. Vanguard's primary method of adding value is via participating in primary issuance ahead of inclusion in a bond index. We believe Vanguard to have the necessary experience and ability to take marginal active risk in portfolios in order to help negate some degree of transaction costs. However, in order to ensure that any risk taking is truly margins, we like that out-performance is treated with the same enquiry as underperformance. Vanguard lends securities only from its equity funds. They lent securities from their fixed income funds until 2009, when market conditions made the risk-reward unattractive, they continually monitor market conditions and other factoring, periodically reevaluating their securities lending program to ensure they are proving clients the best chance of investing success.

Appendix

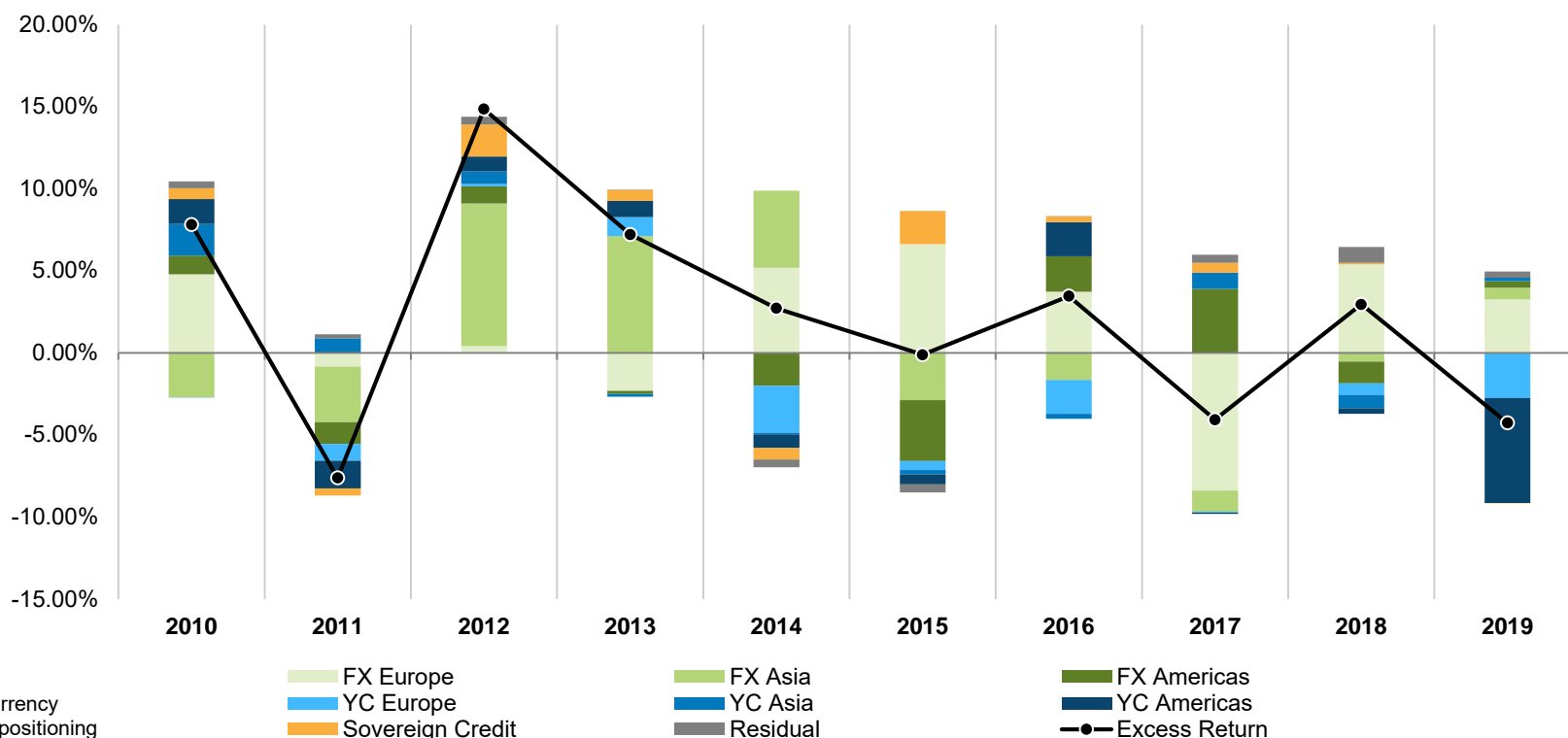
Performance Attribution

As of December 31, 2019

| Annual Total Return (%) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|----------------------------|-------|-------|-------|-------|-------|-------|------|------|-------|------|
| Templeton Global Bond R6 | 12.68 | -2.37 | 15.81 | 2.36 | 1.97 | -3.91 | 6.78 | 2.79 | 1.57 | 1.01 |
| FTSE WGBI USD | 5.17 | 6.35 | 1.65 | -4.00 | -0.48 | -3.57 | 1.60 | 7.49 | -0.84 | 5.90 |
| Peer: Global Bond Unhedged | 6.80 | 3.29 | 7.75 | -2.88 | 1.69 | -4.13 | 3.80 | 6.88 | -1.41 | 6.83 |
| Peer: Global Bond Hedged | 6.38 | 3.00 | 7.47 | -0.75 | 5.86 | -0.05 | 4.15 | 3.77 | 0.77 | 8.70 |

Fixed Income Attribution

Benchmark: FTSE World Government Bond Index (WGBI)



FX: Foreign exchange / currency
YC: Yield curve / duration positioning

Source: Morningstar, Franklin Templeton Investments (via Barclays POINT), and NWCM. Fund returns in italics indicate Extended Performance. Extended performance is an estimate based on the performance of the fund's oldest share class, adjusted for fees. The data is presumed to be accurate although Franklin Templeton Investments makes no guarantee of such. The performance attribution shown is calculated based on end-of-day portfolio holdings and not on specific fund portfolio transactions. As a result, the performance shown will differ from that shown in third party sources and reported by Franklin Templeton Investments which is calculated on the basis of specific fund transaction data. Past performance does not guarantee future results.

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**REPORT 3:
Sample Fiduciary
Education Deck**



Target Date Fund
Committee Education

December 2016

Agenda

I Brief Committee Fiduciary Best Practices Review

II QDIA Overview

III Selecting a QDIA

IV Fiduciary Consideration When Selecting Target Date Funds

V Overview of The Target Date Fund Universe

VI Fresno County's Target Date Overview

Fiduciary Best Practices

Three Facets to Fiduciary Responsibility

Regulatory

Operate the plan in the best interests of participants

Governance

Operate the plan so that it is consistent with the goals and objectives of the organization

Stewardship

Operate the plan with an understanding that a well-run plan helps to build employee trust and loyalty

Role Of An Investment Committee

Though not technically governed by ERISA many governmental plans will implement these best practices:

- › Prudent
- › In the sole interest of the plan participants and beneficiaries
- › Diversified investment offering to minimize the risk of large losses
- › Operate in accordance with the plan document

Follow a “Prudent Process”

- › Analyze
- › Decide
- › Document
- › Monitor
- › Hire and enlist experts where they are needed

QDIA Overview

Selecting the right QDIA

| | Risk Based Allocation | Target Dates “To” | Target Dates “Through” |
|-----------------------------------|--|--|---|
| What this looks like in practice: | 3-5 fund options ranging from conservative to aggressive allocations | Funds available in 5-year increments from 2000 to 2060 | Funds available in 5-year increments from 2000 to 2060 |
| Goals: | Manage to a <u>set risk tolerance</u> | Get participants to a <u>balance that they can retire on</u> | Help participants mitigate the risk of <u>outliving their assets</u> |
| Key features: | <u>Participants have to change their selection</u> as their risk tolerance changes | <u>The vehicle gets more conservative</u> over time and becomes most conservative <u>at</u> the stated target date of mutual fund. | The vehicle gets more conservative over time and becomes most conservative at some point after the stated retirement target date. |
| Key assumptions: | Participants control their risk level | Assumes participants <u>cannot</u> withstand large fluctuations in their portfolio balance as they approach retirement age | Assumes participants <u>can</u> withstand large fluctuations in their portfolio balance as they approach retirement age |

What is a QDIA

- › QDIA= Qualified Default Investment Alternative
 - › ERISA section 404(c) and the corresponding DOL regulations define how a plan sponsor can establish protective relief from liability as a fiduciary for investment decisions made by plan participants
 - › Introduced in the Pension Protection Act of 2006, plan sponsors have the option to designate a default fund, qualifying as a QDIA
 - › If the plan complies with the requirements of the regulation, the fiduciary will not be liable for the losses that result from investments in the QDIA
- › What is a default
 - › When a participant fails to make investment elections and decision must be made to invest on behalf of the participant
 - › Examples of when this would be appropriate:
 - Incomplete enrollment forms
 - Beneficiary/alternative payee balances
 - QDROs (divorce)
 - Removal of investment options from the plan
 - Rollovers
- › Types of QDIAs
 - › Lifecycle or target date fund
 - › A balanced fund
 - › Managed Account

Fiduciary Considerations When Selecting Target Date Funds as QDIA

Fiduciary Responsibility When Selecting TDFs

Plan sponsors, as fiduciaries, are subject to the prudent selection and monitoring of a plan's investment options (including TRDs)

Specifically, as the DOL has recently advised, it is important to understand the design and operation of TRDs relative to the Plan demographics

- › Design and operation areas of focus include:
 - Explanation of the asset allocation and how it changes over time
 - Point in time the glide path will reach its most conservative allocation;
 - Sub asset class allocation
 - Fees

- › Plan demographic areas of focus include:
 - Plan participant funding level
 - DC Plan dependency
 - Goal of DC Plan
 - Participant actions at or near retirement
 - Record keeper distribution capabilities

What to Remember When Choosing Target Date Funds

- › Establish a process for comparing and selecting TDFs
- › Establish a process for the periodic review of selected TDFs
- › Understand the fund's investments– the allocation in different asset classes (stocks, bonds, cash) and how they will change over time
- › Review the fund's fees and investment expenses
- › Inquire about whether a custom or non-proprietary TDF would be a better fit for your plan
- › Develop effective employee communication
- › Document selection and review process

Universe of Target Date Funds

Background

- › Originated in the mid-1990's (20+ year history)
- › Created as a single fund solution for Defined Contribution (DC) plan participants seeking professional management
- › According to BrightScope*, as of February 2015, TRD assets in mutual fund vehicles grew to over \$700B, an increase of 12% over last year
- › Under the Pension Protection Act (PPA) of 2006, the Department of Labor (DOL) established TRDs as one of three options to serve as a qualified default investment alternative (QDIA) providing plan sponsors fiduciary protection in directing assets to these funds

How TRDs Work

Designed to provide a simple way to invest in a broadly diversified portfolio that will automatically adjust to become more conservative as the investor approaches the retirement date

TRDs are typically offered in increments of 5 or 10 years, with funds corresponding to future retirement dates such as “2020”

Participants need to make a single decision - what year do you expect to retire - and then select the TRD that aligns closest with that year

Asset allocation of the portfolio automatically gradually changes by replacing equity with fixed income investments as the target retirement date gets closer to reduce risk

› This asset allocation change over time is known as the “glide path”

TRDs with the same retirement date can look very different

- › This is primarily due to the fund managers philosophical and risk management views on how to balance market, longevity and inflation risks

Some of the biggest differentiating factors include:

- › Amount of equity at and near the retirement date
- › Point in time the glide path stops “gliding”; this distinction is known as a “To” or a “Through” glide path
 - A “To” glide path transitions to the final, most conservative allocation at the retirement date
 - A “Through” glide path continues to transition for several years (10-20) after the retirement date
- › Asset classes represented in the portfolios (traditional versus alternative)
- › Strategic asset allocation versus Tactical
- › Use of active and/or passive investment management
- › Multi-manager (open architecture) vs. single fund family managed funds
- › Fees

As an alternative to investing in a pre-packaged product solution, plan sponsors are increasingly implementing customized TRD solutions

- Plan Sponsor have the option of selecting a pre-packaged “product” solution from dozens of mutual fund providers
 - Convenience of reviewing an established performance track record
 - Ticker symbols for each portfolio that can be easily tracked in Morningstar and Quicken
 - Brand-named recognition

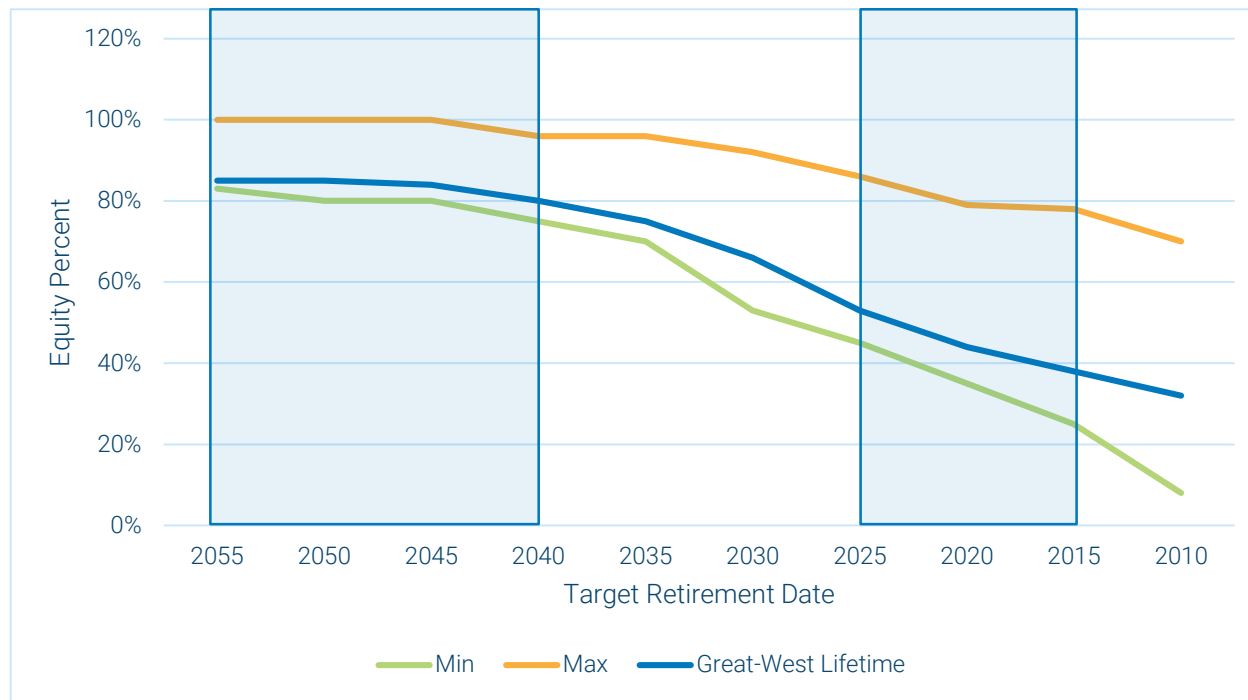
Product vs. Custom Solutions

Reasons plan sponsors implement a customized TRD solution include:

- › Ability to create a more diverse asset allocation
- › Incorporate the plan's existing core funds in the TRD option
- › Maintain control over underlying managers
- › Construct the glide path to address unique plan demographics (e.g. existence of a defined benefit plan)
- › Alleviate fiduciary concerns over buying pre-packaged product solutions
- › Provide better fee transparency
- › Private-label portfolios to the plan, e.g., Fresno County's Target Date Portfolios

Equity At and Near the Retirement Date

Longer dated funds (2040-2055) show little difference in the amount of equity across the different provider glide paths, while the dispersion in shorter dated funds(2015-2025) is much greater

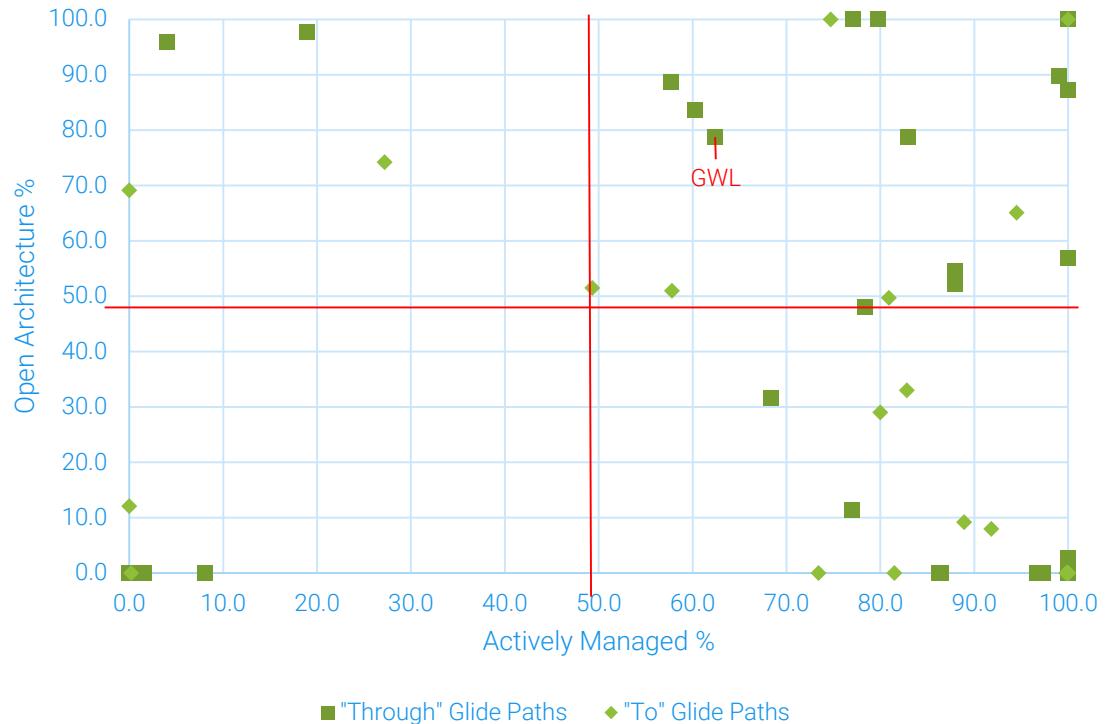


Other Differentiating Factors

“To” vs. “Through”

Active vs. Passive

Open Architecture vs.
Single Fund Family



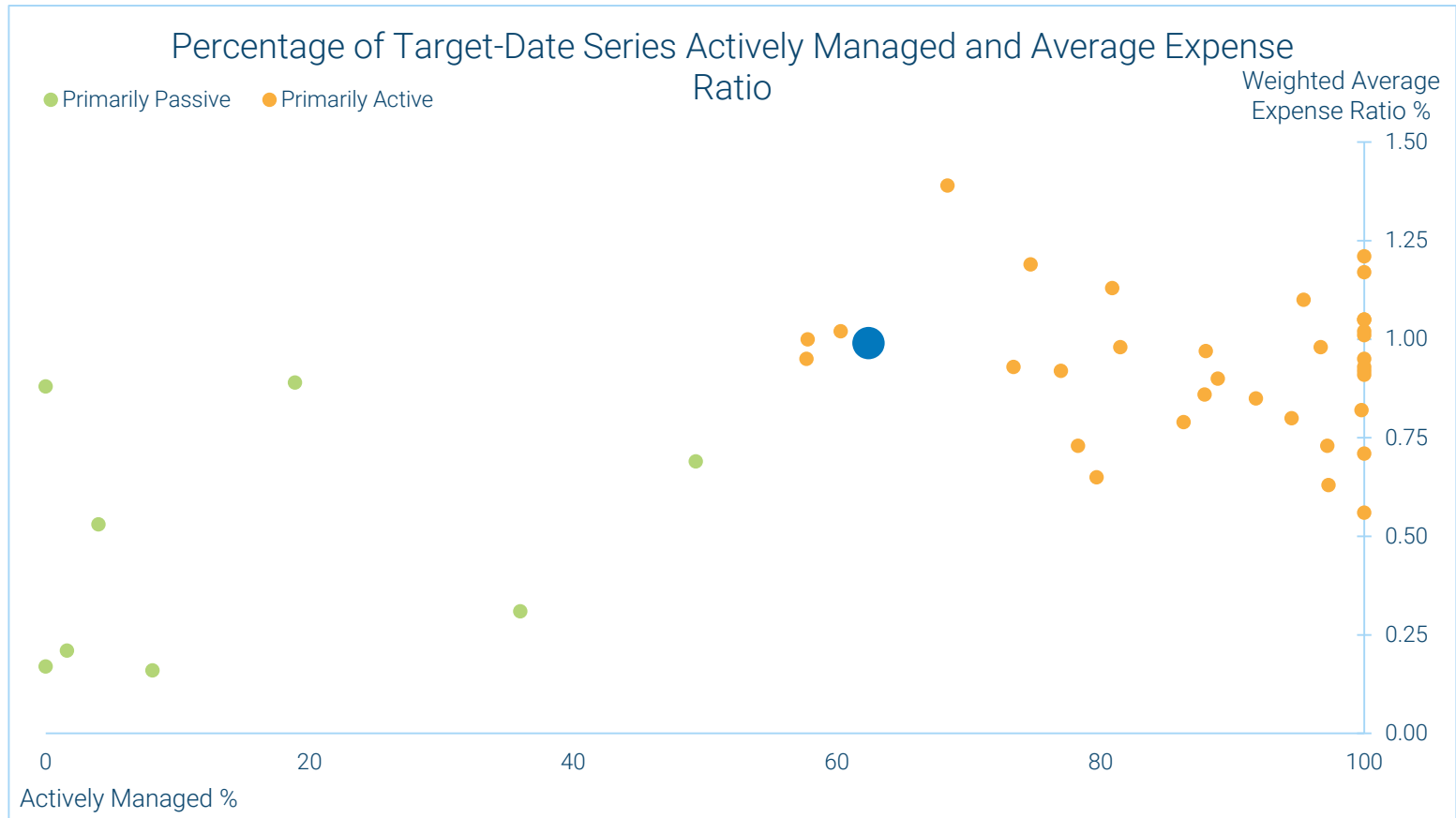
Of the 49 total glide paths analyzed in the 2014 Morningstar Target-Date Research Paper¹

- › 29 are “Through” (including Vanguard, T. Rowe Price and Fidelity); 20 are “To”
- › 40 are primarily actively managed (approx. 50%+); 9 are primarily passive (including Vanguard)
- › 23 are primarily open architecture (approx. 50%+ in non-proprietary funds)

Fees

There is a wide variance in fees across the 49 glide paths analyzed in the 2014 Morningstar Target-Date Research Paper¹

- › Fees range from 0.16% on the low end to 1.39% on the high end



Big three still dominate¹: Fidelity, T. Rowe Price and Vanguard combined represent 75% of TRD assets under management

Shift to passive strategies¹: Actively managed strategies comprise 67% of the market share, down from 90% in 2005

› Approximately 75% of TRDs have at least some exposure to an index-based fund

Notable change in domestic vs. international exposure¹: Funds still have a home country bias, but have recently increased international exposure

Expenses continue to fall¹: TRD expenses have fallen for five years in a row since Morningstar started tracking the data in its annual survey

Use of custom vs. pre-packaged product solutions continues to increase

Summary

There are several varieties of TRDs with some of the major sources of differentiation being:

- › the glide path structure and shifting allocations over time;
- › the asset classes represented and resulting diversification benefits;
- › the use of active vs. passive;
- › open architecture (multi-manager) vs. single fund company; and
- › fees

The largest driver of the performance variation is due to the glide path and how it changes over time

It is important as a plan sponsor to understand your provider's glide path and be comfortable that it is a good fit for your participant demographics

Another option gaining a lot of traction is custom target retirement date solutions

Fresno County's Target Fund Overview: Great-West Lifetime Portfolios

Great West Target Date

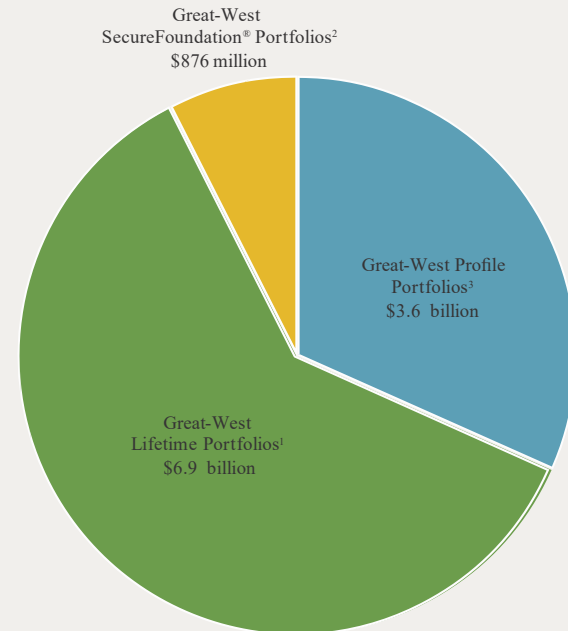
- › Organization overview
 - Experience
 - Team
 - Process
- › Glidepath
- › Asset Class Components
- › Active / Passive and Propriety / Non-Proprietary
- › Fees
- › Fresno Demographics

Asset allocation solutions

Great-West Financial® has a long history of developing asset allocation solutions designed for retirement investors

- 1997: Great-West Profile Series I
- 1999: Great-West Profile Series II
- 2009: Great-West Lifetime Funds
- 2009: Great-West SecureFoundation® Funds
- 2011: Great-West Lifetime and SecureFoundation® Trusts

AUM as of March 31, 2016



¹ Includes Great-West Lifetime Funds and Great-West Lifetime Trusts offered by Great-West Funds, Inc. and Great-West Trust Company, LLC, respectively.

² Includes Great-West SecureFoundation Funds and Great-West SecureFoundation Trusts offered by Great-West Funds and Great-West Trust, respectively.

³ Includes Great-West Profile Funds and other unregistered, risk-based asset allocation portfolios offered by GWL&A. FOR INSTITUTIONAL INVESTOR AND ADVISOR USE ONLY.

The Great-West Lifetime Portfolios are managed by and experienced investment team

| ASSET ALLOCATION COMMITTEE | YEAR ENTERED INDUSTRY | YEAR JOINED FIRM |
|--|-----------------------|------------------|
| Catherine Tocher, CFA <i>Senior Vice President and Chief Investment Officer, Great-West Financial Separate Accounts and Great-West Capital Management, LLC (GWCM)</i> | 1985 | 1987 |
| Jack Brown, CFA <i>Portfolio Manager</i> | 1995 | 2015 |
| Jonathan Kreider, CFA <i>Portfolio Manager</i> | 2005 | 2012 |
| Andrew Corwin, CFA <i>Assistant Portfolio Manager</i> | 2009 | 2011 |

Our four core beliefs ...

Translate into our key differentiators for the Lifetime Portfolios

FOUR CORE BELIEFS

Effective diversification allocates across managers in addition to asset classes



FOUR KEY DIFFERENCES

Open architecture

Asset allocation is critical to retirement savings success



Third-party expert asset allocation consultation in the development of the glide paths

There are benefits to both active and passive management



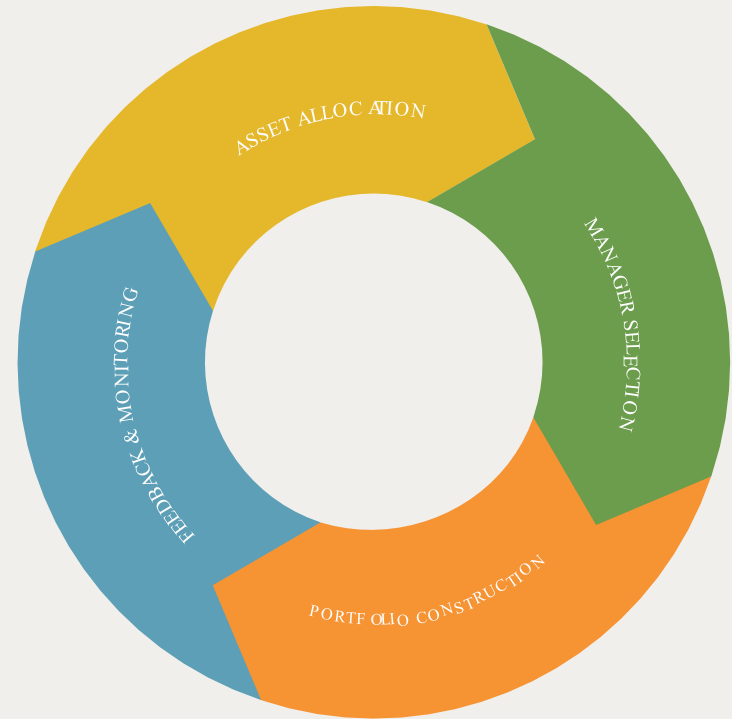
Blend of active and passive management

Asset allocation is not a one-size-fits-all decision



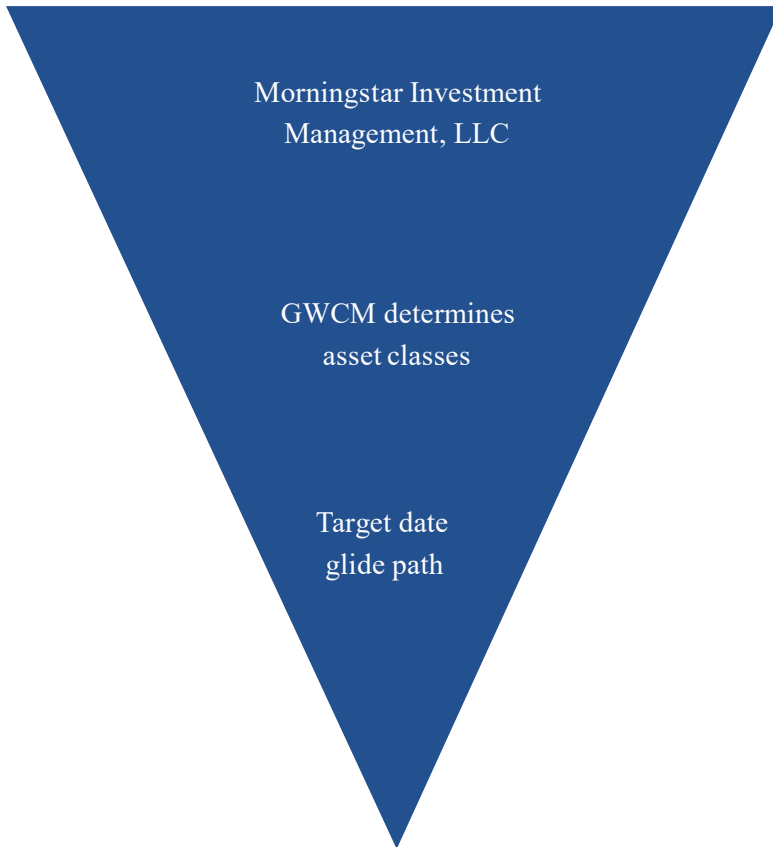
Two glide paths

Great-West Capital
Management (GWCM)
views target date
investing as a
continuous process



Great-West Lifetime Funds: Process

- › Great-West has retained Morningstar Investment Management, LLC to consult in the development of their asset allocation

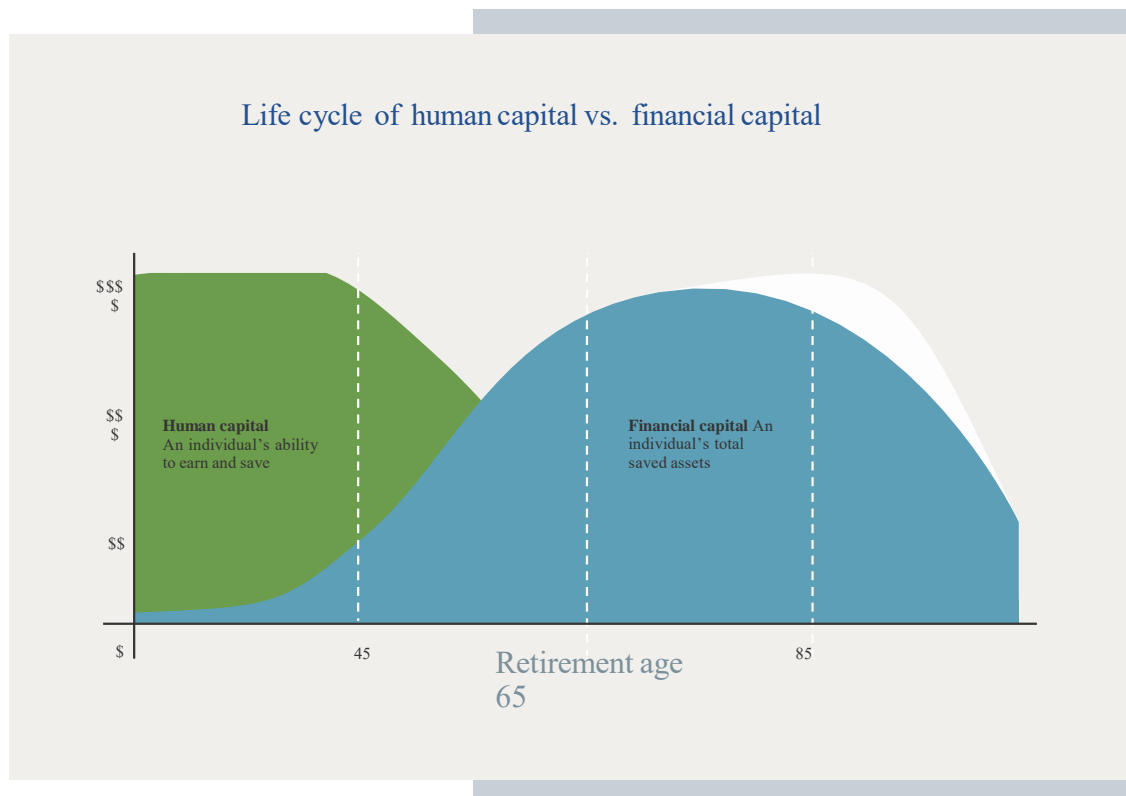


- Morningstar Investment Management, LLC is retained by GWCM for its expertise in asset allocation and glide path services.*
- The GWCM Asset Allocation Committee holds final authority for the asset allocation decisions.
- The committee determines input into which asset classes are utilized in the funds and trusts.
- Morningstar Investment Management, LLC constructs proposed optimized asset allocations and glide paths for the portfolios.
- Each year Morningstar Investment Management, LLC updates its set of capital market assumptions, resulting in a newly optimized set of glide paths for the portfolios.

* Morningstar Investment Management, LLC is a registered investment adviser and a subsidiary of Morningstar, Inc. Morningstar Investment Management, LLC and Morningstar are not affiliated with GWCM, its parent company Great-West Life & Annuity Insurance Company, or any other affiliated companies and/or subsidiaries

Morningstar Investment Management, LLC is and industry leader in the asset allocation space

- Morningstar Investment Management, LLC is a leading provider of investment advisory services
 - \$59.9 billion in assets under advisement for investment consulting¹
 - \$43.1 billion in assets under management for managed accounts, with services available to more than 10 million participants¹
- Part of Morningstar Investment Management, LLC proprietary process includes analysis of one's human capital vs. financial capital to set the appropriate allocations
- Experienced investment professionals
 - Staff averages 10 years of investment experience
 - Most have a Ph.D., CFA, MBA or combination
- Award-winning research
 - Two patents granted for asset allocation and human capital
 - 75 research papers written or co-authored



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¹ Source: Morningstar Investment Management, LLC
March 31, 2014

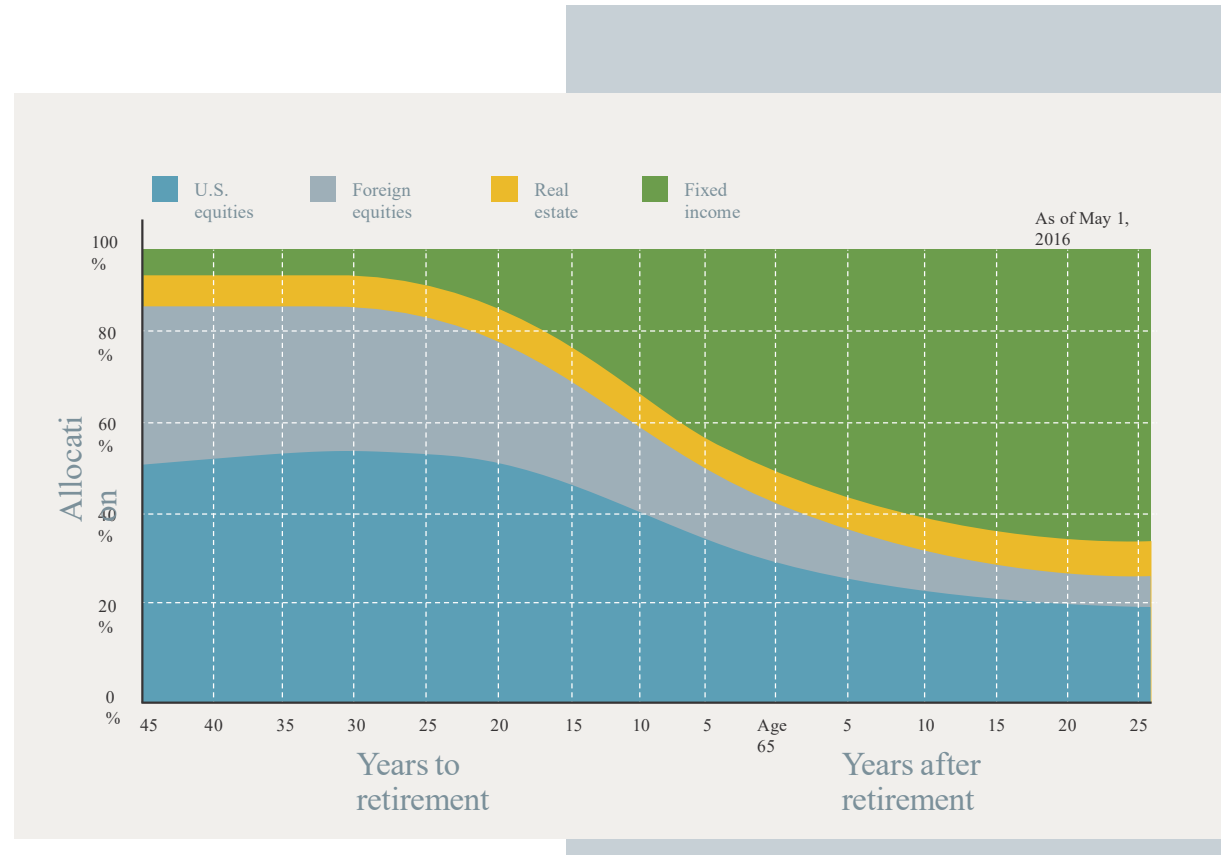
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Overview: Page 7

The glide path for Great-West Lifetime Portfolio

- The glide path begins steepening approximately 30 years from the target date.
- As investors move down the glide path, international equity is reduced relative to domestic equity.
- Real estate is utilized throughout the glide path, but it increases slightly toward retirement.

As investors move toward their retirement date, the allocations adjust automatically with less equity exposure and more fixed income exposure.



Portfolios utilize 20 distinct asset classes

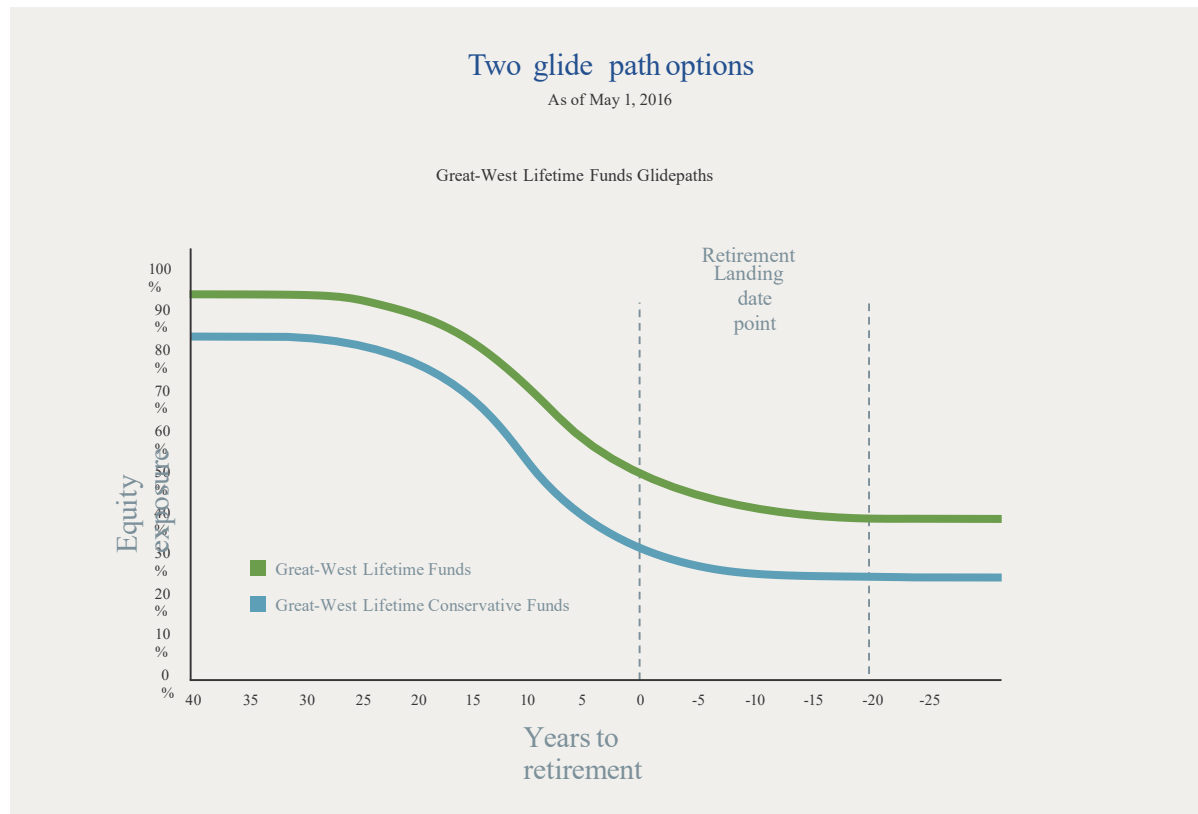
Current strategic asset class allocation: Great-West Lifetime 2035 Portfolio

| Equity asset classes | U.S. equity | | Non-U.S. equity | | Real estate | Fixed income asset classes | | | |
|----------------------|-------------|--------------------|-----------------|------------------------------|-----------------|----------------------------|--------------------------|----------------------------|-------|
| | Category | Sub-category | Category | Sub-category | | | | | |
| Equity asset classes | U.S. equity | Large-cap | Large value | 8.7% | Non-U.S. equity | Fixed income asset classes | | | |
| | | | Large blend | 15.81% | | | Intermediate-term bond | 7.35% | |
| | | | Large growth | 7.12% | | | High-yield bond | 1.45% | |
| | | Mid-cap | Mid value | 3.72% | | | Global bond | 1.94% | |
| | | | Mid blend | 6.77% | | | Inflation-protected bond | 0.86% | |
| | | | Mid growth | 3.05% | | | Short-term income/cash | 0.79% | |
| | Small-cap | Small value | 3.08% | Small growth | | | 1.66% | International large value | 5.79% |
| | | Small blend | 4.74% | International large blend | | | 10.53% | International large growth | 4.74% |
| | | Small growth | 1.66% | Diversified emerging markets | | | 6.46% | Real estate | 4.04% |
| | | Global real estate | 1.4% | | | | | | |

The data in the tables above is illustrative and reflects the strategic allocations for the Great-West Lifetime 2035 III Fund as of March 31, 2016. Strategic allocations vary by fund. The Great-West Lifetime Trusts use the same allocations as their Great-West Lifetime Fund counterpart with the same target date and investment strategy. FOR FINANCIAL INVESTOR AND ADVISOR USE ONLY.

The Lifetime Portfolios offer multiple glide paths for plan sponsors to match to participant needs

- We recognize that different plans have different workforces — a single glide path may not provide a close match with participant needs.
- The Great-West Lifetime Portfolios allow flexibility for plan sponsors to tailor their target dates and equity exposure to participant needs.



The area of manager selection is a key tenet of Great-West Financial's value-add to the target date fund space

- Largest true open-architecture target date provider¹
- Depth and breadth of investment management experience
- Diversification across investment firms
- Manager selection flexibility

Investment manager partners



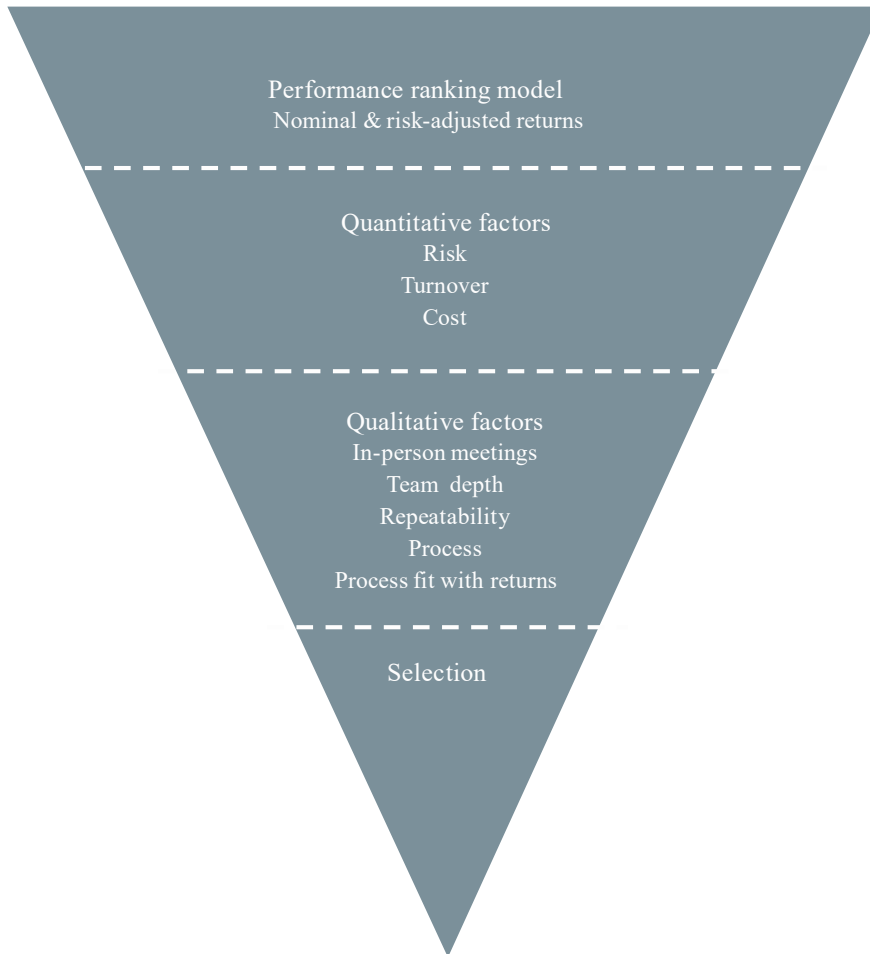
¹ Source: Morningstar® DirectSM

The investment advisers listed above include managers and sub-advisers of underlying funds for Great-West Lifetime Funds and/or Great-West Lifetime Trusts. The companies represented on this page, other than Putnam Investments, are not affiliated with Great-West Life & Annuity Insurance Company or its subsidiaries or affiliates.

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Over view: Page 11

GWCM's approach to manager selection



We seek to identify and select managers who have:

- Delivered long-term and consistent value to investors.
- A clearly defined and repeatable investment process.
- The necessary infrastructure and teams in place to continue to deliver exceptional investment performance.

Manager selection

How does GWCM evaluate potential new managers?

1

Proprietary performance-ranking model

- Used throughout the organization to evaluate the record of each investment strategy
- Incorporates both nominal and risk-adjusted returns over the long term
- Designed to favor both strong long-term returns and consistency in performance

2

Incorporate additional quantitative metrics not considered in the model

- Tenure of the manager(s) on the strategy
- Consistency with respect to investment style
- Risk
- Turnover

3

Qualitative factors

- In-person investment personnel meetings
- Depth of team
- Evidence supporting repeatability in process
- Alignment of risk management with portfolio management process
- Process description fits pattern of returns

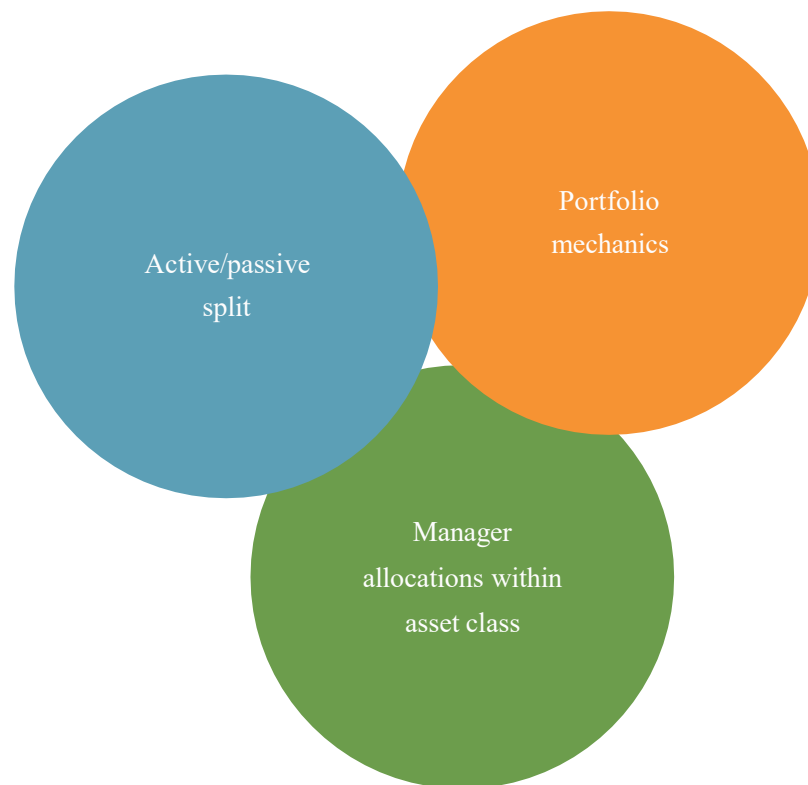
Underlying funds have been replaced for a variety of reasons

| ASSET CLASS | | ACTION | | RATIONALE |
|-------------------------------|---|------------------|---|--|
| Core bond | ➔ | Fund addition | ➔ | Added a fixed income fund with a broad mandate to combat difficult interest rate environment |
| Small growth | ➔ | Fund replacement | ➔ | Replaced fund after the majority of portfolio management team left |
| International large-cap value | ➔ | Fund replacement | ➔ | Replaced fund after significant period of underperformance that was inconsistent with track record |

See Appendix for more details.
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Over view: Page 14

Once asset allocation and manager selection decisions have been made, the next step is portfolio construction



GWCM's portfolio construction methodology is then applied to the investment options

ACTIVE/PASSIVE ALLOCATION

Active management can add value over the long run

Passive management helps reduce costs

Approximately 40% of Lifetime Portfolios are passively invested



UNDERLYING MANAGER ALLOCATION

Determine underlying fund weights within asset classes

Each underlying fund will approach investing in its asset class in a slightly different manner



DAY-TO-DAY MECHANICS

Open architecture

Each fund is rebalanced to its target allocation on a periodic basis

Majority of underlying funds have securities-lending programs that add incremental returns

GWCM has chosen to split asset class allocations between active and passive mandates

- GWCM believes that active management can add alpha to a portfolio over the long run.
- However, we also recognize that in periods of high correlation within markets (such as those experienced over recent years), it can be difficult for active managers to generate benchmark-beating returns.
 - In these types of market environments, a passively managed strategy is often the better investment option.
- In addition, in the target date space cost is a key consideration for investors, plan sponsors and their advisors.
 - A blended mix of active and passive strategies in a portfolio allows us the opportunity to generate alpha from the active strategies while lowering costs to our investors.

Example of small-cap manager allocations



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Over view: Page 17

Great-West Lifetime Funds

- › Fresno County's Utilization
 - 9 target date options to choose from

| Years To Retirement | | | | | | | | | | | | | |
|---------------------|--------------|---------------|--------------|---------------|--------------|---------------|--------------|--------------|-------------|-------|-------|-------|-------|
| Funds | 40 (2055) | 35* (2050) | 30 (2045) | 25* (2040) | 20 (2035) | 15* (2030) | 10 (2025) | 5* (2020) | 0 (2015) | -5 | -10 | -15 | -20 |
| GWL Lifetime | 93% | 93% | 92% | 90% | 84% | 74% | 63% | 54% | 47% | 42% | 38% | 36% | 35% |
| Fees | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% | 0.46% |
| Assets | \$845K | - | \$2.4M | - | \$3.5M | - | \$5.1M | - | \$2.6M | N/A | N/A | N/A | N/A |
| % of Assets | 0.40% | - | 1.18% | - | 1.71% | - | 2.44% | - | 1.25% | N/A | N/A | N/A | N/A |
| # of participants | 402 | - | 524 | - | 443 | - | 295 | - | 167 | N/A | N/A | N/A | N/A |


1. 2014 Morningstar Target-Date Research Paper

- › <http://corporate.morningstar.com/us/documents/MethodologyDocuments/MethodologyPapers/2014-Target-Date-Series-Research-Paper.pdf>

REPORT 4: Sample Regulatory Developments and Best Practices Materials

Plan Legislative and Regulatory Update

Congress Passes Monumental CARES Act



In the wake of the COVID-19 outbreak in early 2020, Congress passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act. It was voted on by the House and signed by President Trump on March 27th³. The legislation serves to address the massive impact the virus is having on governments, businesses, schools, and individuals¹.

Optional Plan Provisions

The Coronavirus-Related Distribution and loans are optional provisions that plan sponsors can opt in/out. Contact your recordkeeper if you are unsure on the status of these provisions.

1. Coronavirus-Related Distribution

Plans can allow participants to take a penalty-free withdrawal of up to \$100,000 (known as a Coronavirus-Related Distribution or a "CRD"). The financial hardship conditions which must be met to qualify for a "CRD" include the following²:

- being diagnosed with COVID-19;
- having a spouse or dependent who is diagnosed with COVID-19;
- experiencing adverse financial consequences as a result of being quarantined, furloughed, laid off or having work hours reduced, being unable to work due to a lack of childcare as a result of COVID-19, closing or reducing hours of a business owned or operated by the individual due to COVID-19; or
- other factors as determined by the Treasury Secretary.

For tax purposes, individuals can spread reported income over three years from a "CRD".

2. Retirement Plan Loans

Plans can allow increased loan withdrawal limits and ease repayment due dates:

- doubles the maximum loan from a DC plan to \$100,000 or 100% of the vested balance.
- allows individuals who have a repayment due to delay their loan repayment for up to a year.

Further Participant and Plan Relief

Participants

- provides a temporary waiver for 2020 RMDs from DC plans and IRAs.

Plan Sponsors

- extends the plan amendment deadline for adopting participant relief to at least Dec 31, 2022;
- extends due date to July 15th, 2020 to make deductible retirement contributions for 2019 if employer's tax due date is April 15th, 2020; and
- gives Department of Labor expanded authority to delay certain ERISA deadlines.

Bill Would Allow CITs in 403(b)s

On March 12th, a bill was introduced by U.S. Representative, Jimmy Panetta, D-California, that would allow 403(b) plans the same access to CIT investments as for-profit plans. These investments, known as collective investment trusts (CITs), typically have lower costs and more flexibility than what is currently permitted in 403(b) plans⁴. The bill has received bi-partisan backing, as well as support from several organizations and unions.

Intel Corp V. Sulyma



The Supreme Court has ruled against Intel in the case *Intel Corp V. Sulyma*. The case centered around the statute of limitations for fiduciary breach claims. Under ERISA, the six-year statute of limitations can be reduced to three years from the date a plaintiff obtains "actual knowledge" of an alleged fiduciary breach. The ruling found that "actual knowledge" cannot be established simply by providing plan documents. This decision places further responsibility on sponsors to ensure that participants not only receive but understand and accept the information provided in plan disclosures.⁵

Q2 2020 Compliance Calendar

April 15th – Deadline for processing corrective distributions for previous plan year 402(g) excess deferral amounts.

June 30th – Deadline for processing corrective distributions for failed ADP/ACP test for plans with EACA (Eligible Automatic Contribution Arrangement) without 10% excise tax.

¹Chappelow, Jim. "Coronavirus Aid, Relief, and Economic Security (CARES) Act" Investopedia, 23 March 2020.

²Iekel, John and Ted Godbout. "ARA Presses for Retirement Plan Relief in Coronavirus Stimulus Bill" NAPA, 17 March 2020.

³Grisales, Claudia, Kelsey Snell, Susan Davis and Barbara Sprunt. "President Trump Signs \$2 Trillion Coronavirus Rescue Practice Into Law." NPR, 27 March 2020.

⁴Moore, Rebecca. "Legislation Would Allow 403(b)s to Invest in CITs" Planadviser, 13 March 2020.

⁵Manganaro, John. "Supreme Court Rules for Plaintiffs in Intel ERISA Lawsuit" Planadviser, 26 February 2020.

Plan Sponsor Best Practices Webinar: FIDUCIARIES IN A TURBULENT WORLD

In this edition of NWCM's Plan Sponsor Best Practices webinar series, Advisor Scott Fisher joined up with ERISA attorney Christine Moehl to discuss compliance best practices for plan fiduciaries. Below is a recap with our key takeaways. Click [here](#) to view the full presentation and stay tuned for details about upcoming webinars in this ongoing series!

KEY TAKEAWAYS

Common Fiduciary Risks:

- Lack of documentation
- Not ensuring reasonable fees
- Not reviewing plan investments quarterly
- Not monitoring TDF funds/QDIAs
- Not following through with plan decisions
- Not adhering to plan documents
- Cybersecurity threats
- Making radical plan changes during times of crisis



Tips to Mitigate Risk:

- **Hold** regular committee meetings
 - ❑ Take meeting minutes
 - ❑ Review notes & follow up items
- **Hire** experts to provide advice & reduce liability
- **Monitor** your service providers
 - ❑ Regularly review fees & services
- **Review** investments regularly
 - ❑ Document your review
- **Follow** your plan documents
 - ❑ Make sure any plan amendments are completed & documented
- **Consider** selecting a cybersecurity officer
- **Review** existing insurance & consider fiduciary liability insurance

The information contained should not be considered official legal advice. Please contact your legal counsel for specific advice.

REPORT 5: Sample Vendor RFP Materials

SCOPE OF WORK

The County of Fresno on behalf of the Department of Personnel Services is requesting proposals from qualified vendors to provide the following:

Vendors must be able to, **at minimum**, provide the services outlined below. The Vendor Question section of the RFP will address your organization's approach and method for satisfying each of the listed items. All quoted fees should include providing the requested services outlined below.

Communication & Education

- I. Provide representatives to deliver communication and marketing services
 - A. Representative(s) available 200 days out of the year for communication and education campaign, including participant education
 - B. Includes an education specialist who will conduct both group meetings and individual sessions
 - C. Attendance with a short presentation at all New Employee Orientation classes (approx. 26 per year)
 - D. Attend annual benefit fairs (one to two week event)
 - E. "Save Today" (Week long vendor coordinated event promoting retirement savings)
**See flyer sample in appendix*
 1. Participant communications
 2. Site scheduling
 3. Availability to assist employees with questions
 - F. Once a month host a table with FCERA representative for drop-in participant consultations
 - G. Incorporate pension and social security benefits into education materials and in-person education sessions
 - H. 2-3 (recorded) educational webinars annually
 - I. Present participant activity report to the DCMC at each quarterly meeting
 - J. County would prefer that representatives, working directly with County employees, have several years of industry experience, advanced certifications (such as Series 7, Certified Financial Planner, Charter Financial Analyst, Certified Investment Management Analyst)
 - K. Representative(s) should excel at group presentations and individual consultations
- II. Communications
 - A. Participant enrollment
 1. Electronic
 2. Paper
- III. Participant education materials

- A. Enrollment kits
- B. Newsletters
- C. Fliers
- D. Annual Reports
- E. All participant communications, including required disclosures
- F. Two targeted marketing campaigns
- G. One annual statement stuffer or e-mail blast
- H. Preference would be given to vendors that excel at employee/participant communication/education
 1. Assist the County with developing an Education Policy Statement with perpetual and annual goals
 2. Assist the County in the identification and monitoring of key metrics that lead to a successful participant outcomes
 3. Have the systems and logistical wherewithal to measure
 - a) Effectiveness of communication campaign
 - b) Participants' awareness of available resources and the utilization of said resources?
 - c) Is the communication campaign driving behaviors that will impact long-term outcomes?
 - d) Are employees on track to achieve adequate retirement income?
 - e) The ability to incorporate the County's Defined Benefit program into materials and educational initiatives.

Recordkeeping and Plan Administration

- I. Provide robust software with the capabilities to track and maintain participant and beneficiary records
- II. Provide comprehensive payroll services including:
 - A. Changes in contribution rates
 - B. Investment contributions according to participant elections
 - C. Contribution limit monitoring
 1. The County monitors contribution limits by contribution source (regular, age-50 catch-up, special catch-up) in its Payroll system. However, if a change is made mid-year (i.e. from regular to age-50 catch-up), the County loses the ability to track the maximum accurately in that payroll year. The ability to receive a report and/or notification from a vendor would be preferred.
 - D. Balance tracking by source and fund
- III. Provide comprehensive distribution and administrative (recordkeeping, tax reporting, compliance, etc.) services including:
 - A. In-service, Hardship and Terminations

- B. Loan withdrawals and ongoing maintenance
- IV. Proposer must accept full responsibility for processing errors it makes, and they must be reported within a reasonable period of time. If a participant incurs a loss or a lost opportunity due to such error, the Proposer will adjust the participant's account to the same level as if the processing error had not occurred.

Plan Sponsor Services

- I. Keep plan sponsor apprised of regulatory and legislative updates
- II. Provide plan documents for 401(a) and 457(b) plans
- III. Assist in the identification and monitoring of key metrics that lead to participant success
 - A. Ensure plan is designed to meet these goals
- IV. Preparation and delivery of communication materials:
 - A. Annual participant notices, including all required disclosures
 - B. Participant enrollment and education
 - C. Annual targeted statement stuffer or e-mail blast
 - D. Assist with developing an education policy statement
 - E. Have the ability to monitor and report the results of participant campaigns
- V. Provide outsourcing of participant services (hardships, distributions, etc.) with limited or no sponsor involvement
- VI. Provide Sponsor with robust plan level reporting package
 - A. Present participant activity report to the County at an annual meeting (meeting can be conducted via internet)
 - B. Ability to run ad hoc reports including, but not limited to, the following elements
 - 1. Participation rates
 - 2. Deferral rates
 - 3. GAP analysis showing projected income in retirement for all County eligible plan participants (active and not contributing)
 - a) Ability to integrate social security and FCERA
 - 4. Asset allocation
- VII. Ability to provide plan sponsor with a transparent fee summary of all vendor compensation (both direct and indirect).
- VIII. Offer complete plan sponsor web experience

Participant Services

- I. Proposer shall not sell ancillary products (such as life insurance) to participants without the express written consent of the County. Participant data is the sole property of the County and may not be used to market other products or be sold to other organizations without the express written consent of the County.
- II. Provide a licensed education specialist who will:

- A. Help participants assess their retirement goals
 - 1. Provide financial planning services
- B. Conduct participant educational webinars as requested (at least two per year)
- C. Design participant education campaigns around plan-specific needs
- III. Offer complete participant web experience, including:
 - A. Transaction processing
 - B. Participant loan and distribution processing, with appropriate tax reporting
 - C. Participant Education
 - 1. Investment education
 - 2. Retirement readiness
- IV. Call center availability for participants
 - A. Provide multilingual phone support
- V. FCERA benefit integration
 - A. On-site representative must be licensed to provide participant advice and have the skill and knowledge to assist participants with education related to retirement under FCERA, including eligibility, pension calculations and estimates, beneficiary options, and possible taxation issues. The on-site representative must be able to provide FCERA counseling to ensure employees nearing retirement understand the process to access FCERA pension and Individual Account Program (“IAP”) benefits.
 - B. Participant website tools
 - C. Include information on participant statements
 - D. Include integration of FCERA with participant education materials and communications
- VI. Provide quarterly statements

Investment Platform

- I. Open architecture investment platform
- II. Ability to credit revenue sharing back at the participant level
- III. Ability to utilize the Great West Target Date CIT suite as the QDIA
- IV. Ability to record keep custom white label stable value fund held at Great West Trust
- V. Offer a competitive interest rate on a fixed or cash equivalent account with no back-end charges or penalties.

Conversion

- I. Provide transition timeline for documents and data
- II. Coordinate and provide support throughout plan transition
- III. Create and deliver to participants all required education communications
 - A. Including retirees

IV. Provide transition specific participant education along with initial and re-enrollment support

Fee Proposal

Scoring for this RFP will be based on proposed pricing for the Plan's current menu. For informational purposes, the County would also like to gather pricing inclusive of your proprietary stable value.

- I. Bidder acknowledges that The County will only consider proposals which include:
 - A. A stable value/collective trust investments with at least \$500 million in assets and a minimum of a three-year performance track record
 1. Termination provisions must be no greater than a 12-month put that will be liquidated at book value.
 2. The stable value product may not contain any market value adjustment or installment payout provisions, or
 - B. A 1940 Act money market option.

Any pricing scenarios presented that do not meet these criteria will not be considered or scored.



**REPORT 6:
Sample Vendor
RFP Reporting
Documents**

Recordkeeping and Administration
Vendor RFP Analysis

County of Fresno



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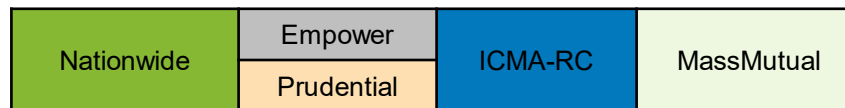
Executive Summary

Scope of Project

In April of 2019, the County of Fresno (the County) retained the services of Northwest Capital Management, Inc. (NWCM) to assist with a request for proposals (RFP) for recordkeeping and administration services, inclusive of proposal review, evaluation, and the potential transition of the Plan.

Nationwide, the incumbent provider, has been servicing the County's 457(b) plan since 2015. The primary goal of this project is to ensure the services being provided to the County and plan participants (and the fees associated for said services) are competitive with the marketplace.

RFP responses were due June 12, 2019. **Five vendors responded to the RFP:**



NWCM evaluated each vendor's response for the following sections:

- Organization
- Recordkeeping, Administration and Education Services
- Transition Management
- Investments
- Trust/Custody Services
- Additional Services
- Cost Proposal

Each question received a score 1-5 (5 being the highest score). Each section of the responses were equally weighted. If a vendor provided a response that was standard for the marketplace, they would receive a score of 3.


If their response was unique or more compelling than the industry norm, they would receive a higher score. Responses that were less compelling or inferior to the industry standards would receive lower scores.

NWCM Recommendation

Based on review of the proposals received, **NWCM recommends the County retain Nationwide as the service provider for the 457(b) deferred compensation plan.**

As shown in the table below, Nationwide has the platform capabilities and service offerings necessary to successfully recordkeep the plan, while offering the most competitive fees of all the respondents. They also provide a dedicated participant education representative for the County. Additionally, retaining Nationwide would allow the County to avoid any potential disruption that may occur from transitioning the plan to another provider.

Detailed section summaries are provided on the following pages.

| | Your Organization | Recordkeeping, Administrative and Education Services | Transition Management | Investments | Trust / Custody Services | | Fee Proposal | | Additional Services * | | Final Ranking | | |
|---|-------------------------------------|--|-----------------------|-------------|--------------------------|------------|--------------|------------|-----------------------|------------|---------------|------------|------------|
| Best  Worst | ICMA-RC | | Nationwide | Nationwide | Prudential | Empower | Prudential | Nationwide | | Empower | | Nationwide | |
| | Nationwide Empower MassMutual | Prudential | ICMA-RC | Empower | Empower | | | Prudential | Prudential | ICMA-RC | MassMutual | Prudential | Prudential |
| | | Empower | Prudential | ICMA-RC | | Nationwide | | | Empower | ICMA-RC | Nationwide | ICMA-RC | |
| | | MassMutual | MassMutual | Nationwide | MassMutual | ICMA-RC | MassMutual | ICMA-RC | | | | Nationwide | MassMutual |
| | Prudential | | ICMA-RC | Empower | MassMutual | MassMutual | | | ICMA-RC | MassMutual | ICMA-RC | | Nationwide |
| Weight | 14% | | 14% | 14% | 14% | | 14% | 14% | | | | 14% | |
| Category Winner | ICMA-RC | | Nationwide | Nationwide | Prudential | Empower | Prudential | Nationwide | | Empower | | Nationwide | |

* MassMutual, Prudential, ICMA-RC, and Nationwide tied for second in the additional services category

Section Summaries

Section Summary

Your Organization

ICMA-RC is unique in that they are 100% dedicated to the public sector DC space. All other vendors have multiple lines of business. ICMA-RC also does not segment their service to clients based on asset size. They, along with Nationwide, provide the same base service to all clients. Additional resources are available as the clients' needs change.

Nationwide currently provides a dedicated contact to the County for participant education and has proposed to continue this service. Mass Mutual proposed hiring a dedicated contact, but does not have someone currently on staff to service The County. None of the other vendors offered a dedicated contact.

Overall, Empower, MassMutual and Prudential provided very similar responses in this section. However, Prudential has the least experience with a 457(b) plan the size of the County's plan and did not provide enough information for indemnification against cyber and fraud attempts.

| Your Organization | | | |
|-------------------|---------|------------|------|
| ICMA-RC | | | 3.16 |
| Nationwide | Empower | MassMutual | 3.05 |
| Prudential | | | 2.95 |

Recordkeeping, Administration and Education Services

| Recordkeeping, Administration and Education Services | |
|--|------|
| Nationwide | 3.09 |
| Prudential | 3.06 |
| Empower | 3.04 |
| MassMutual | 2.97 |
| ICMA-RC | 2.90 |

Nationwide earned the highest score in this category, because they provided the most comprehensive responses and offer all the services requested by the County. Nationwide excels in participant education, payroll services, and call center accessibility. Additionally, they have not had any system security breaches in the past 5 years.

Prudential earned the second-highest score, because their responses were thorough, and they satisfy nearly all of the County's requirements except for providing additional services to participants with large balances. Although Prudential's responses were adequate, they did not excel in as many areas as Nationwide.

ICMA-RC received the lowest score, because they are unable to provide some of the services requested by the County. They do not allow the plan sponsor to create plan-specific video education sessions, and they do not actively notify the plan sponsor of contribution changes or participants eligible for catch-up contributions.

Section Summary – Cont.

Transition Management

Nationwide stands out in this category as the incumbent provider, therefore no transition and no disruptions to participants or the County.

While vendors have a defined process for plan transition, ICMA-RC stood out in this category due to their comprehensive conversion process targeting all classes of employees.

Empower did not score well here due to transition communication, website availability and lack of provided information related to disclosure fulfillment services.

| Transition Management | |
|-----------------------|------|
| Nationwide | 4.00 |
| ICMA-RC | 3.06 |
| Prudential | 2.82 |
| MassMutual | 2.71 |
| Empower | 2.65 |

Investments

| Investments | |
|-------------|------|
| Prudential | 3.02 |
| Empower | 3.00 |
| ICMA-RC | 2.97 |
| Nationwide | 2.94 |
| MassMutual | 2.84 |

Prudential, Empower, and ICMA-RC excelled with their managed account solution, and their willingness to get agreements for the County's preferred lineup. Despite Prudential's inability to hold the County's stable value product on an ongoing basis, their managed account option, revenue share crediting flexibility and self-directed brokerage offerings were compelling enough to give them the most points in this section.

At the other end, MassMutual's incomplete answers, high fees, and inability to utilize managed accounts as the QDIA hurt their performance. Nationwide already holds the County's current lineup, however their supplemental options such as managed accounts and self-directed brokerage were less than compelling solutions with higher costs relative to other vendors.

Section Summary – Cont.

Trust/Custody Services

All vendors were extremely similar in this category. Both Empower, and Prudential earned the highest scores for their detailed descriptions of the check distribution processing and their extensive experience with their custodians and public DC assets. ICMA-RC's inability to break out the amount of public DC assets proved detrimental, while MassMutual failed to provide an adequate response regarding the check distribution processing. Nationwide had the benefit of already holding the County's preferred lineup and has a moderate amount of public DC assets and experience relative to other vendors

| Trust / Custody Services | | |
|--------------------------|------------|------|
| Empower | Prudential | 3.50 |
| Nationwide | | 3.25 |
| MassMutual | ICMA-RC | 3.00 |

Additional Services

| Additional Services | | |
|---------------------|------------|------|
| Empower | | 3.00 |
| MassMutual | Prudential | 2.75 |
| ICMA-RC | Nationwide | |

The Additional Services category includes ROTH administration, in-plan ROTH conversions and qualified ROTH rollovers. Empower earned the highest score in this category, because they were the only vendor to provide an adequate response to every question.

All other vendors tied for second-place. Nationwide and ICMA-RC scored lower than Empower, because they did not describe their processes for in-plan ROTH conversions. MassMutual scored lower than Empower, because they only offer in-plan ROTH conversions if a participant has a distributable event or is over age 59 1/2. Prudential scored lower than Empower, because they do not allow participants to allocate ROTH deferrals differently than pre-tax deferrals.

Section Summary – Cont.

Fee Proposals

Scores in this section were based on fee quote #1 and questions 4-15 from the RFP. Questions 1-3 related to fee quote #2, which was provided to the County for informational purposes.

Nationwide is the least expensive provider with a bid of 0.10%, which includes most transaction fees such as QDROs, distributions, etc. for no additional cost. Prudential had the second lowest recordkeeping expense, however additional fees for SDBA, IRA and participant transaction fees lowered their score. ICMA-RC's stated recordkeeping fee was the third cheapest, however their participant transaction fees, and additional services were cheaper than their competitors putting it on level terms with Prudential. MassMutual received a lower score because of their higher recordkeeping expense and additional fees for miscellaneous services such as mailing, managed accounts, and transaction fees.

Fee quote #1 was provided under the assumption of open architecture for the Plan's investment line-up and the continued utilization of the County's preferred lineup. **The proposed prices for fee quote #1 are displayed in the table below.**


| Fee Proposal | | |
|--------------|---------|------|
| Nationwide | | 3.23 |
| Prudential | ICMA-RC | 3.15 |
| Empower | | 3.00 |
| MassMutual | | 2.77 |

| Vendor | Three Year Contract | | Five Year Contract (if different) | |
|------------|--|-----------------|--|-----------------|
| | Per Participant Bid (Estimated % of Assets) | % of Assets Bid | Per Participant Bid (Estimated % of Assets) | % of Assets Bid |
| Nationwide | \$43 (0.115%) | 0.100% | | |
| Prudential | \$40 (0.107%) | 0.110% | \$38 (0.102%) | 0.105% |
| ICMA-RC | \$54 (0.145%) | 0.132% | \$51 (0.137%) | 0.124% |
| Empower | \$67 (0.180%) | 0.180% | | |
| MassMutual | \$75 (0.201%) | 0.190% | | |

Conclusion

Overall Section Summary

- Nationwide’s responses regarding Recordkeeping, Admin, Education, Transition Management, and Fees made them the most competitive vendor despite relative weaknesses in the Investments and Trust & Custody categories.
- Prudential, ICMA-RC, and Empower had minimal differences in overall rank and capabilities.
- MassMutual was the least competitive vendor overall.

| | Your Organization | Recordkeeping, Administrative and Education Services | Transition Management | Investments | Trust / Custody Services | | Fee Proposal | Additional Services * | | Final Ranking | | |
|---|-------------------------------------|--|-----------------------|-------------|--------------------------|------------|--------------|-----------------------|------------|---------------|------------|------------|
| Best  Worst | ICMA-RC | | Nationwide | Nationwide | Prudential | Empower | Prudential | Nationwide | | Empower | Nationwide | |
| | Nationwide Empower MassMutual | Prudential | ICMA-RC | Empower | ICMA-RC | | | Nationwide | Prudential | ICMA-RC | MassMutual | Prudential |
| | | Empower | Prudential | ICMA-RC | | Nationwide | Empower | | ICMA-RC | Nationwide | ICMA-RC | Nationwide |
| | | MassMutual | MassMutual | Nationwide | MassMutual | | | ICMA-RC | | | | |
| | Prudential | | ICMA-RC | Empower | MassMutual | MassMutual | ICMA-RC | MassMutual | ICMA-RC | Nationwide | MassMutual | |
| Weight | 14% | | 14% | 14% | 14% | 14% | 14% | 14% | | | | |
| Category Winner | ICMA-RC | | Nationwide | Nationwide | Prudential | Empower | Nationwide | Empower | | Nationwide | | |
| | | | | | Prudential | Prudential | | | | | | |

* MassMutual, Prudential, ICMA-RC, and Nationwide tied for second in the additional services category

Conclusion

Based on review of the proposals received, **NWCM recommends the County retain Nationwide as the service provider to the 457(b) plan.**

Nationwide has the platform capabilities and service offerings necessary to successfully recordkeep the plan, while offering the most competitive fees of all respondents. They also provide a dedicated participant education representative dedicated to servicing the County's plan. Additionally, retaining Nationwide would allow the County to avoid any potential disruption that may occur from transitioning the plan to another provider

Over the past 18 months, Nationwide has experienced significant turnover regarding the service team assigned to the County. Unfortunately, these changes led to a few services disruptions and increased work for County Staff. That said, Nationwide's senior management has taken swift action in implementing changes to the service team. NWCM is optimistic that the new service team will be able to fulfill the County's service expectations, as the initial service team had done.

It should be noted that over the course of Nationwide's first contract period, reflective of contributions from both the County's benefit staff and the Nationwide service team, participation rates in the 457 plan has increased from 36% to 54%.

| Final Score | | |
|-------------|---------|------|
| Nationwide | | 3.19 |
| Prudential | Empower | 3.04 |
| ICMA-RC | | 3.00 |
| MassMutual | | 2.87 |

Appendix

Vendor Category Scores

Your Organization

| Section Score | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|--------------------------|--|---------|------------|------------|------------|--|
| | 3.1 | 3.2 | 3.1 | 3.1 | 2.9 | |
| Your Organization | | | | | | |
| Q1 | Provide a simple chart showing the structure of your organization, including where and how the retirement plan business fits within your company model. | | | | | Vendor with the highest score is 100% dedicated to DC space. Vendor with the low score did not provide firm chart. |
| | 3 | 4 | 2 | 3 | 3 | |
| Q2 | Describe any significant changes to structure or leadership, specifically within the retirement plan business, in the past three years, or any anticipated changes in the foreseeable future. | | | | | Most vendors experience change regularly. Vendor with high score had the least. |
| | 3 | 3 | 3 | 4 | 3 | |
| Q3 | Provide summaries of insurance coverages your firm maintains. Include occurrence/per claim and aggregate limits for each policy of insurance. Provide explanatory memoranda regarding coverages, endorsements, policy language, and self-insured or deductible retentions to the extent necessary to help the County understand your firm's insurance program. | | | | | All vendors provide appropriate coverage. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q4 | Disclose any current and pending litigation, sanctions or administrative actions against your firm, including any affiliate companies, in the past five years. | | | | | All vendors have been named in some sort of case. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q5 | What is your company's privacy policy regarding sharing client or account information? | | | | | All vendors have a privacy policy that prevents that sharing of data |
| | 3 | 3 | 3 | 3 | 3 | |
| Q6 | Describe your company's indemnification policy for cyber and fraud events. | | | | | Vendors with the low score did not provide policy into specific to cyber and fraud events |
| | 3 | 3 | 3 | 2 | 2 | |
| Q7 | Describe in detail the fiduciary responsibility your firm assumes as a service provider. | | | | | All vendors provide oversight to transaction they approve. Some also provide oversight to platform investments, |
| | 3 | 3 | 3 | 3 | 3 | |
| Q8 | Describe any exceptions your firm has with the Model County Contract in Exhibit A (if applicable) | | | | | All vendors had exceptions to the County language |
| | 3 | 3 | 3 | 3 | 3 | |
| Q9 | Please complete the following table: | | | | | Most vendors have common number of plans of the size of the County |
| | 3 | 3 | 3 | 3 | 2 | |
| Q10 | If you segment the marketplace differently for services and staffing capabilities, please describe your firm's segmentation methodology and provide details on how services and staffing differ. | | | | | Vendors with the highest score focus on consistent service across the sectors or as client need defines |
| | 4 | 4 | 3 | 4 | 3 | |

Your Organization

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|----------------|-------------------|-------------------|-------------------|--|
| Q11 | Describe the types of plans that comprise "other plans" as identified in A8, if applicable. | | | | | All vendors used "other" for similar purposes |
| | 3 | 3 | 3 | 3 | 3 | |
| Q12 | How many clients have you won or acquired (and continue to maintain) in the past three years? | | | | | All vendors have added 100+ plans over the past 3 years |
| | 3 | 3 | 3 | 3 | 3 | |
| Q13 | Complete the following table listing the number of Plans that have terminated services with your firm in the past three years. Indicate which plans left due to merger or plan termination. | | | | | All but one vendor lost less than 5 plans the size of the County plan |
| | 3 | 3 | 3 | 2 | 3 | |
| Q14 | Populate the information regarding the proposed service team in the following table: | | | | | All vendors have low client to contact ratios, those with the high scores provided a dedicated contact to the County |
| | 3 | 3 | 4 | 4 | 3 | |
| Q15 | Provide references for the proposed team. | | | | | All vendors provided references |
| | 3 | 3 | 3 | 3 | 3 | |
| Q16 | Would any of the on-site team members be bilingual? | | | | | All vendors provide one or both on-site or telephone bi-lingual services |
| | 3 | 3 | 3 | 3 | 3 | |
| Q17 | What credentials, certifications and licensing will field representatives have? Specifically, will the County's field representatives hold CFP or CFA designations? | | | | | Vendors with the highest score provide additional support from CFP's |
| | 3 | 4 | 4 | 3 | 4 | |
| Q18 | Representatives that have contact with participants will not be permitted to cross-sell other services such as insurance, IRAs, annuities, brokerage services, etc. How will your process ensure this restriction is in place? | | | | | All vendors either prohibit cross-selling or allow County to forbid it. Reps are paid on a comp basis, some with incentive bonuses |
| | 3 | 3 | 3 | 3 | 3 | |

Recordkeeping, Administration and Education Services

| Section Score | Empower 3.0 | ICMA-RC 2.9 | MassMutual 3.0 | Nationwide 3.1 | Prudential 3.1 | Comments |
|---|--|----------------|-------------------|-------------------|-------------------|--|
| Recordkeeping, Administrative and Education Services | | | | | | |
| Q1 | Do you provide fiduciary training and committee best practice education to plan sponsors? (Yes/No) If so, provide details including the frequency of training and education that would be offered. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q2 | Describe website or report generation training available to County staff. | | | | | Vendors with higher scores provided more comprehensive descriptions of resources and gave specific education contacts. |
| | 3 | 4 | 3 | 4 | 3 | |
| Q3 | The County would like to adhere to ERISA "best practices". Describe how annual and ongoing participant communications and disclosures are handled (e.g. fund, provision, and fee changes). List provided notices and disclosures, include who is responsible for fulfillment, along with any additional fees that apply. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q4 | Do you provide 408(b)(2) compliant fee disclosure reports to your governmental clients? Yes/No If no, what fee disclosures do you provide? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q5 | Describe the quarterly and annual demographic reports and notifications available to plan sponsors. Can a sponsor set up certain reports to be pushed to them? (Yes/No) If yes, list the reports available. | | | | | Vendors with lower scores provided incomplete answers or cannot have reports pushed to plan sponsor. |
| | 3 | 2 | 2 | 3 | 3 | |
| Q6 | How do you report key plan metrics and plan financial information to the plan sponsor? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q7 | Provide demo access to your plan sponsor website in the chart below: | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q8 | Describe the key features of your plan sponsor website. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q9 | Does your recordkeeping platform monitor participant annual contribution limits? (Yes/No) If so, and an issue is detected, how is the sponsor notified? | | | | | Vendors with lower scores place more burden on plan sponsor to monitor contribution limits. |
| | 3 | 2 | 2 | 3 | 3 | |
| Q10 | Does the system identify participants eligible for catch-up contributions? (Yes/No) If so, and an issue is detected, how is the sponsor notified? | | | | | ICMA received the lowest score because they do not actively notify plan sponsor. |
| | 3 | 2 | 3 | 3 | 3 | |

Recordkeeping, Administration and Education Services

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|---------|------------|------------|------------|---|
| Q11 | Describe how the system handles participants utilizing the "special catch-up" contribution deferrals, including monitoring limits and eligibility. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q12 | Confirm you can service the plan with an outside document provider. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q13 | Do you provide plan design technical support to assist the County when looking at plan design changes? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q14 | What legal resources are available to your firm to obtain legal opinions or interpretations of regulations and plan compliance issues? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q15 | What support do you provide for plan audits, as well as regulatory audits? Include any additional costs that may apply. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q16 | Do you provide additional professional services (e.g. plan design)? (Yes/No) If so, please list services and indicate if the services are included in your bid, or are they charged separately. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q17 | Based on the County's objectives outlined in the Ongoing Participant Experience (page 7), provide a 12-month (first year) participant education and communication calendar. Provide a detailed summary of the participant education initiatives your firm would seek to accomplish. Be sure to create a separate calendar for any transition education and communications. | | | | | Vendors with lower scores provided less comprehensive information and no calendar. Vendors with higher scores provided more detailed information and calendars. |
| | 3 | 2 | 3 | 3 | 4 | |
| Q18 | Do you offer plan sponsors the ability to create and record video education sessions specific to their plan? (Yes/No) If so, describe what resources are available and the logistics involved in the process. | | | | | Vendors with lower scores do not have this ability. Vendors with higher scores have more sophisticated programs. |
| | 3 | 2 | 2 | 4 | 4 | |
| Q19 | How does your firm ensure the information and guidance offered to participants on-site and virtually, is consistent and accurate? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q20 | How would your ongoing participant education improve participation, deferral rates, appropriate asset allocation and other "plan health" metrics? Please provide a case study (preferably similar in size to the County's Plan) that supports your education capabilities. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |

Recordkeeping, Administration and Education Services

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|----------------|-------------------|-------------------|-------------------|--|
| Q21 | How does your firm measure the effectiveness of its education and communication initiatives? | | | | | Vendors with higher scores described additional tools. |
| | 3 | 3 | 4 | 3 | 4 | |
| Q22 | Do you provide a monetary guarantee for the quality and effectiveness of meeting "plan health" related metric goals? (Yes/No) | | | | | Vendors with higher scores offered more specific guarantees and put more at risk. Vendors with lower scores gave less specific guarantees. |
| | 2 | 3 | 4 | 4 | 3 | |
| Q23 | Does your firm conduct satisfaction surveys at the participant level? (Yes/No) If so, please provide a recent survey. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q24 | Do you provide additional services (e.g. financial planning) for participants with larger account balances? | | | | | Prudential received the lowest score because they do not offer additional services to participants with large balances. |
| | 3 | 3 | 3 | 3 | 2 | |
| Q25 | What mediums of participant communication are available (e.g. statement stuffers, email, video, etc.)? Which are available bilingually? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q26 | Can you support targeted communications (e.g., life stages, savings rates, asset allocations, etc.)? (Yes/No) Is this integrated into your annual education initiatives or does the plan sponsor need to initiate segmented communication campaigns? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q27 | What services, tools and functionality does your firm specifically offer to participants post-retirement? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q28 | What kind of customization does a sponsor have over participant-initiated service forms such as, hardship, in-service, loan, etc.? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q29 | Provide demo access to your participant website in the chart below: | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q30 | Describe the key features of your participant website. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |

Recordkeeping, Administration and Education Services

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|---|---------|------------|------------|------------|--|
| Q31 | Is balance, deferral rate, rate of return, investment allocation, future monthly income or % of retirement goal, and suggested changes or next best steps, visible on the participant landing page? (Yes/No) If not, which of these are captured? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q32 | How many clicks does it take to view the investment menu? How does your website display custom models within the investment menu section of the website? | | | | | Vendors with higher scores require the fewest clicks. |
| | 4 | 3 | 3 | 4 | 4 | |
| Q33 | Are there any anticipated enhancements or updates scheduled in the next 12-24 months? (Yes/No) If so, please describe. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q34 | Provide a detailed list of historical data which can be exported by plan participants (e.g., performance, transactions, balances etc.). | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q35 | Describe in detail the capabilities of your mobile experience: | | | | | Vendors with higher scores have more robust capabilities. Vendors with lower scores have less robust capabilities. |
| | 5 | 4 | 2 | 3 | 3 | |
| Q36 | What are the call center hours of operation? | | | | | Vendors with higher scores have longer hours and Saturday availability. |
| | 4 | 3 | 3 | 4 | 3 | |
| Q37 | Describe how the call center will be able to answer 'County-specific' questions from plan participants. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q38 | Are calls recorded in the event there is a dispute? (Yes / No) If so, how long are recordings archived? Do you make recorded conversations available for the sponsor to review? | | | | | All vendors retain phone call recordings for 2-7 years. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q39 | Does your firm offer web upload/download capabilities? (Yes/No) If so, please describe. | | | | | All vendors have upload/download capabilities. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q40 | Please provide a sample (as an appendix) of your payroll layout that will allow the plan sponsor to maximize the capabilities of your platform. | | | | | Vendors with lower scores either did not provide payroll layout or provided more limited file. |
| | 3 | 2 | 1 | 3 | 3 | |

Recordkeeping, Administration and Education Services

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|---------|------------|------------|------------|--|
| Q41 | If this data is submitted with each payroll, what services can your system provide to assist plan sponsors? | | | | | Vendors with higher scores provided a more comprehensive list of services. MassMutual's response did not explicitly answer the question. |
| | 4 | 3 | 2 | 4 | 3 | |
| Q42 | Describe your participant statement delivery process, include delivery methods and timing. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q43 | Would the plan sponsor be able to customize statements? (Yes/No) If so, describe what types of customizations are available. | | | | | Empower offers additional customization options over other vendors. |
| | 4 | 3 | 3 | 3 | 3 | |
| Q44 | Would the plan sponsor be able to provide information or communication that could be included in a statement mailing? (Yes/No) | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q45 | Provide a sample participant statement that includes details on participant fees and credits. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q46 | Describe your ability to integrate Defined Benefit, Social Security, 457(b), 401(a) and any additional assets on participant statements. | | | | | Vendors with lower scores either do not provide the requested integration or did not answer the question. Vendors with higher scores provide more comprehensive integration. |
| | 3 | 2 | 4 | 2 | 3 | |
| Q47 | Does the statement include any information regarding the Participant's "retirement readiness"? (Yes/No) For example, percentage towards retirement goal? How is this information displayed on the website? | | | | | All vendors have some info on "retirement readiness" either online or in the participant statements. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q48 | Describe your participant enrollment process. Include information on mobile, online and quick enroll methods. | | | | | All vendors have an adequate participant enrollment process. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q49 | Does your system track and report contribution changes? (Yes/No) Are those changes pushed to the plan sponsor? (Yes/No) | | | | | ICMA received a lower score, because they do not push changes to plan sponsor. |
| | 3 | 2 | 3 | 3 | 3 | |
| Q50 | Can you support automatic enrollment and/or automatic increases? | | | | | All vendors have this capability where state laws permit. |
| | 3 | 3 | 3 | 3 | 3 | |

Recordkeeping, Administration and Education Services

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|---|---------|------------|------------|------------|---|
| Q51 | Can participants manually elect automatic increases and rebalancing? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q52 | Describe how beneficiary information is obtained from the participant? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q53 | Briefly describe your participant loan process. Include details from request through receipt of loan funds. Please also include any required interaction from the plan sponsor. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q54 | Do you offer paperless loans? (Yes/No) | | | | | All vendors offer paperless loans. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q55 | Briefly describe how participant hardship requests are processed. Include information related to tracking and reporting to the plan sponsor. | | | | | Vendors with lower scores did not describe process. Vendors with higher scores have more thorough, automated processes. |
| | 2 | 3 | 4 | 3 | 4 | |
| Q56 | How long does it take for a hardship to be processed? | | | | | Vendors with higher scores process hardships more quickly. |
| | 3 | 3 | 4 | 3 | 3 | |
| Q57 | Briefly describe how you process participant in-service requests. | | | | | ICMA received a lower score, because they did not describe their process. |
| | 3 | 2 | 3 | 3 | 3 | |
| Q58 | Do you offer paperless in-service requests? (Yes/No) | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q59 | Describe the expected processing time for participant in-service requests. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q60 | Do you offer paperless terminated participant distributions? (Yes/No) | | | | | MassMutual received a lower score because they do not have this capability. |
| | 3 | 3 | 2 | 3 | 3 | |

Recordkeeping, Administration and Education Services

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|---|---------|------------|------------|------------|---|
| Q61 | Can the plan sponsor fully outsource the processing and approval of terminated participant distributions to your firm? (Yes/No) | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q62 | Can your system handle installment distributions? (Yes/No) | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q63 | The County handles QDRO processing. Briefly describe how The County will interact with your firm to complete the distributions, include timing. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q64 | Populate the following table describing performance standards and any monetary penalties your firm is willing to risk for failures: | | | | | MassMutual received a higher score because they put more dollars at risk. |
| | 3 | 3 | 4 | 3 | 3 | |
| Q65 | Complete the following table indicating service availability and processing: | | | | | MassMutual received a lower score because they do not offer transfers to current elections by specific dollar. |
| | 3 | 3 | 2 | 3 | 3 | |
| Q66 | Is your current recordkeeping software proprietary? (Yes/No) If it is non-proprietary, what software and version are utilized? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q67 | Who is responsible for keeping the system compliant with current regulations? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q68 | Describe any specific enhancements for the system that are planned in the next 12 months. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q69 | Briefly describe your maintenance and backup procedures. Include information on daily backups, retention timetables, and off-site backup storage routines. Also, include a description of how access to participant data (current and archived) is controlled and monitored (i.e., who specifically can view participant account data, who can print this data, who can remove this data from your facility either on a laptop, memory stick, CD or as a printed report). | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q70 | Provide the number of outages that have occurred in the past five years. Provide details regarding each outage and a description of the final resolution to fix the issue(s). | | | | | Vendors with higher scores have had no outages in the past 5 years. Empower received the lowest score because they provided an incomplete answer. |
| | 2 | 3 | 4 | 4 | 3 | |
| Q71 | Briefly describe your information security protocols. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |

Transition Management

| Section Score | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|------------------------------|---|---------|------------|------------|------------|--|
| | 2.6 | 3.1 | 2.7 | 4.0 | 2.8 | |
| Transition Management | | | | | | |
| Q1 | Why is your transition process better than your competitors? What differentiates it? | | | | | All vendors have well defined transition processes. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 3 | |
| Q2 | Are you willing to include a performance guarantee for your conversion process? (Yes/No) | | | | | All vendors provide guarantees. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 3 | |
| Q3 | Do you provide education and training support for the plan sponsor, specific to a plan conversion? (Yes/No) | | | | | All vendors provide education. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 3 | |
| Q4 | Based on the County's objectives outlined in the ONGOING PARTICIPANT EXPERIENCE REQUIREMENTS section, provide a detailed summary of the participant education initiatives your firm would seek to accomplish during the conversion. | | | | | Vendors with the lowest score did not provide detail specific to a transition. Others provided clear thorough information that was inclusive of all participants classifications or groups. Incumbent does not require transition. |
| | 3 | 4 | 3 | 4 | 2 | |
| Q5 | Provide a detailed transition communication plan. | | | | | Vendors with the low scores did not provide detailed information for all sections of the transition detail. Vendors with the higher score provided comprehensive information for all areas. Incumbent does not require transition. |
| | 2 | 4 | 2 | 4 | 2 | |
| Q6 | Based on the County's unique demographics and geographic locations, complete the following table: | | | | | Vendors with the highest scores provided the most accessible schedule with number of reps to support the process. Incumbent does not require transition. |
| | 3 | 3 | 1 | 4 | 2 | |
| Q7 | Describe any training available for County staff on payroll and census data submissions. When is this training typically completed (i.e., how far in advance of a conversion date)? | | | | | All but one vendor define training offered. Incumbent does not require transition. |
| | 3 | 3 | 2 | 4 | 3 | |
| Q8 | What transactions are prohibited during the blackout period? | | | | | Vendor with the highest score allows for some account access during transition. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 4 | |
| Q9 | Describe how participant historical investment performance would be handled in the conversion. | | | | | All vendors can handle historical data IF it can be provided at transition. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 3 | |
| Q10 | Describe how current beneficiary information would be handled at conversion. | | | | | All vendors can import bene data if provided by prior provider. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 3 | |

Transition Management

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|---|----------------|-------------------|-------------------|-------------------|--|
| Q11 | How are installment distributions already in process handled? | | | | | Vendor with the low score did not provide details. All other vendors will work with installment schedule. Incumbent does not require transition. |
| | 2 | 3 | 3 | 4 | 3 | |
| Q12 | How are existing loans handled? | | | | | All vendors have a process to handle existing loan records. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 3 | |
| Q13 | Can you support participant re-enrollment and /or strategic mapping to a QDIA (if participant fails to provide investment direction) at conversion? | | | | | Vendors with the low score did not provide appropriate detail. Incumbent does not require transition. |
| | 2 | 2 | 3 | 4 | 3 | |
| Q14 | Do you provide a conversion website? (Yes/No) If so, please provide a demo user ID and password: | | | | | All but one vendor provide transition website. Incumbent does not require transition. |
| | 2 | 3 | 3 | 4 | 3 | |
| Q15 | Provide a detailed overview of the team assigned to this conversion. | | | | | All vendors have a team assigned to transition. Incumbent does not require transition. |
| | 3 | 3 | 3 | 4 | 3 | |
| Q16 | Describe the experience of the conversion project manager that will be assigned, including the number and size (assets and headcount) of the conversions completed over the past 3 years. | | | | | Vendors with the low score did not provide experience detail. Incumbent does not require transition. |
| | 2 | 3 | 3 | 4 | 2 | |
| Q17 | Provide references for the conversion team that would be assigned to this account. References should include industry, length of relationship, plan type, services provided. References should be similar in size to the County's plan. | | | | | Vendors with the low score did not provide thorough reference detail. Incumbent does not require transition. |
| | 2 | 3 | 2 | 4 | 3 | |

Investments

| Section Score | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|--------------------|---|---------|------------|------------|------------|--|
| | 3.0 | 3.0 | 2.8 | 2.9 | 3.0 | |
| Investments | | | | | | |
| Q1 | Are you willing to provide the services requested in this RFP without the use of proprietary investments? (Yes/No) | | | | | Empower needs to clarify their proposals |
| | 3 | 3 | 3 | 3 | 3 | |
| Q2 | The County currently uses a white label stable value fund via Great West. | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q3 | How many fund families does your firm have trading agreements with? | | | | | Prudential and Empower can both do >18000 funds |
| | 4 | 3 | 3 | 3 | 4 | |
| Q4 | Do you have trading agreements with the County's preferred fund families outlined in the "PREFERRED LINEUP" section immediately preceding question D95? (Yes/No) | | | | | Nationwide and Empower can retain the preferred lineup. MassMutual is willing to get additions. Prudential and ICMA-RC say they can not do either the Stable Value or Target Date Fund |
| | 4 | 2 | 3 | 4 | 2 | |
| Q5 | Would the County be able to use the preferred target date families on your platform? (Yes/No) | | | | | ICMA-RC says the GW trusts are only available on the GWL platform. MassMutual and Prudential are willing to work with the fund companies to get agreements. |
| | 4 | 2 | 3 | 4 | 3 | |
| Q6 | Describe how these funds would be incorporated into enrollment kits, communication materials and the participant website (specifically address how they are displayed and characterized). | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q7 | Do you provide a proprietary managed account service? (Yes/No) | | | | | Everyone has one provider that they use for managed accounts |
| | 3 | 3 | 3 | 3 | 3 | |
| Q8 | Describe what makes your managed account program unique in the industry. | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q9 | Would you permit the County to utilize a third-party managed account provider, such as Financial Engines, Morningstar, ProManage, etc.? (Yes/No) | | | | | Prudential utilizes Morningstar, but also offers "GoalMaker" portfolios where the County can select the advisor of its choice to create custom portfolios. |
| | 3 | 3 | 3 | 3 | 4 | |
| Q10 | If you contract with a third-party managed account provider, how much of the managed account service fee do you receive as the recordkeeper? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |

Investments

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|---------|------------|------------|------------|---|
| Q11 | What are the fees for the managed account options available on your platform? | | | | | ICMA-RC-RC, Empower, & Prudential are cheaper than Nationwide and MassMutual |
| | 4 | 4 | 3 | 3 | 4 | |
| Q12 | How are the fees for this service disclosed to participants? Does it appear on their statements or any other disclosure after the initial enrollment? | | | | | Empower and Prudential don't mention fee disclosures |
| | 2 | 3 | 3 | 3 | 2 | |
| Q13 | Describe the portfolio construction process incorporating a plan's unique investment line - up. | | | | | Empower not very descriptive. ICMA-RC & Prudential use Morningstar which is best process, MassMutual ERS process is decent, Nationwide's Wilshire process is weaker |
| | 3 | 4 | 3 | 2 | 4 | |
| Q14 | How does the managed account service handle a participant who is enrolled in a target date fund when signing up for the service? Does it sell them out of the fund? (Yes/No) | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q15 | Describe the methodology used to allocate between active and passive investments in its model creation. | | | | | Prudential, Empower, ICMA-RC detailed response, Nationwide made no mention of Active/Passive |
| | 4 | 4 | 3 | 1 | 4 | |
| Q16 | Describe any ongoing management that is applied to the portfolios. | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q17 | Who serves as 3(38) advisor on these services? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q18 | Describe the complete participant experience for this service. | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q19 | Describe your methodologies in working with individual plan participants and address both the accumulation and the decumulation (participant distribution) phases. | | | | | Nationwide didn't describe the methodology |
| | 3 | 3 | 4 | 2 | 3 | |
| Q20 | How do you document performance results using your methodology to the plan sponsor? | | | | | ICMA-RC doesn't track managed account metrics unless requested |
| | 3 | 2 | 3 | 3 | 3 | |

Investments

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|---|----------------|-------------------|-------------------|-------------------|--|
| Q21 | Describe the plan sponsor reporting capabilities of this service. | | | | | ICMA-RC doesn't track managed account metrics unless requested. MassMutual provides detailed reporting capabilities |
| | 3 | 2 | 4 | 3 | 3 | |
| Q22 | Provide 1, 3, and 5-year annualized returns for plans using your service. | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q23 | What are the benefits to participants who utilize your managed account services? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q24 | Provide justification for the value participants receive relative to the cost for the service. | | | | | Empower missed this question, Nationwide provided the best justification |
| | 1 | 3 | 3 | 4 | 3 | |
| Q25 | Can this service be used as a QDIA? (Yes/No) If so, would there be a fee reduction for the managed account services? | | | | | Empower didn't say if it will reduce cost. MassMutual and Prudential can't use as QDIA |
| | 2 | 3 | 2 | 3 | 2 | |
| Q26 | What census data does the County need to provide to leverage the full potential of your managed account services? | | | | | Providers only provided the minimum, ICMA-RC provided minimum and recommended datapoints |
| | 2 | 3 | 2 | 2 | 2 | |
| Q27 | Describe how this service is integrated into the website and statements. Please provide a sample participant statement for this service. | | | | | ICMA-RC didn't provide a participant statement with Managed Account |
| | 3 | 2 | 3 | 3 | 3 | |
| Q28 | Describe how participant information is obtained/solicited to ensure one is allocated to the most appropriate portfolio (e.g., participant enters data online, meets with a representative in-person, call center, etc.). | | | | | Empower and MassMutual don't explain how they reach out to participants to update information or how often information is reviewed |
| | 2 | 4 | 2 | 3 | 3 | |
| Q29 | How many unique portfolios would participants be potentially allocated to? Please provide a portfolio allocation for review. | | | | | Empower didn't answer question, Nationwide didn't provide an allocation, Prudential has the most portfolios and provided a sample |
| | 1 | 3 | 3 | 2 | 4 | |
| Q30 | Describe in detail what factors are considered, and their respective weighting, when calculating a specific allocation for a participant. | | | | | Nationwide only utilizes a 5 question risk tolerance quiz. All other providers use more datapoints |
| | 3 | 3 | 3 | 2 | 3 | |

Investments

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|---|---------|------------|------------|------------|--|
| Q31 | Describe how your managed account service makes contribution recommendations. | | | | | Nationwide does not make contribution recommendations |
| | 3 | 3 | 3 | 2 | 3 | |
| Q32 | Is there a call center available to assist participants with managed account questions? (Yes/No) | | | | | MassMutual call center reps don't hold securities licenses. |
| | 3 | 3 | 2 | 3 | 3 | |
| Q33 | Is the amount of revenue received by your organization for managed accounts disclosed on both the 408(b)(2) and the 404(a)(5), or equivalent disclosure? (Yes/No) | | | | | Nationwide provides much detail on the revenue, Empower does not disclose |
| | 2 | 3 | 3 | 4 | 3 | |
| Q34 | Do you offer self-directed brokerage services? (Yes/No) | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q35 | What institutions do you support? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q36 | What fees are associated with opening a brokerage account? | | | | | MassMutual is \$100/yr, others are \$50/yr, ICMA-RC has no annual fee |
| | 3 | 4 | 2 | 3 | 3 | |
| Q37 | Could this service restrict usage to only account balances over a minimum value determined by the County? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q38 | Do you require participants to maintain minimum balances in the "core" menu to utilize the SDBA service? (Yes/No) | | | | | Nationwide can customize the minimum balance |
| | 3 | 3 | 3 | 4 | 3 | |
| Q39 | What information do you provide participants on linked brokerage accounts? | | | | | MassMutual, Prudential, Empower have single sign on capability or detailed information |
| | 4 | 3 | 4 | 3 | 4 | |
| Q40 | Is your recordkeeping fee assessed against assets held in self-directed accounts? (Yes/No) | | | | | ICMA-RC and Nationwide use SDBA assets when calculating the fee |
| | 3 | 2 | 3 | 2 | 3 | |

Investments

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|---------|------------|------------|------------|---|
| Q41 | What information is displayed on participant fee disclosures regarding self-directed accounts? | | | | | Prudential provides the most information, MassMutual says it may cost fees to disclose information |
| | 4 | 3 | 2 | 3 | 4 | |
| Q42 | Describe how your firm handles participant notices relating to investment changes? | | | | | Prudential does not send out notices, only provides a template to the plan sponsor to distribute |
| | 3 | 3 | 3 | 3 | 2 | |
| Q43 | Describe your firm's fund change process. | | | | | Empower and ICMA-RC provide detailed response with short time frames |
| | 4 | 4 | 3 | 3 | 3 | |
| Q44 | Is there a limit to the number of fund changes that can be made without incurring additional fees? | | | | | Empower may have additional fees for non-standard funds |
| | 2 | 3 | 3 | 3 | 3 | |
| Q45 | Post conversion, are you willing to add funds if a trading agreement isn't already in place? | | | | | ICMA-RC has operational requirement (daily price by 3pm) that must be met |
| | 3 | 2 | 3 | 3 | 3 | |
| Q46 | Operationally, are there any limits to what a plan sponsor can designate as the QDIA? | | | | | MassMutual's managed accounts can't be used as QDIA |
| | 3 | 3 | 2 | 3 | 3 | |
| Q47 | Describe how your firm handles revenue sharing received from fund families. | | | | | Prudential and MassMutual use either an expense account or simply use revenue share to offset admin fees |
| | 3 | 3 | 2 | 3 | 2 | |
| Q48 | How do you communicate to advisors and plan sponsors when revenue sharing agreements are renegotiated (i.e., increase or decrease in revenue sharing) and/or when lower cost share classes become available on the platform? | | | | | ICMA-RC provides information quarterly but it is not presented by an RM. Prudential, MassMutual, and Empower present information on an annual basis. Nationwide does not do this. |
| | 3 | 3 | 3 | 2 | 3 | |
| Q49 | Does your platform permit revenue sharing to be credited back at the participant level—specifically to those participants that held the fund where revenue sharing was received? | | | | | All providers can credit revenue share pro-rata to participants |
| | 3 | 3 | 3 | 3 | 3 | |
| Q50 | Are there additional fees associated with this pricing methodology? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |

Investments

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|---------|------------|------------|------------|---|
| Q51 | How is levelized pricing shown on participant statements? | | | | | ICMA-RC can break out revenue share credits or roll them into earnings. Other vendors just have one option |
| | 3 | 4 | 3 | 3 | 3 | |
| Q52 | How is levelized pricing shown on the participant website? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q53 | What is the frequency participant accounts are credited with revenue sharing reimbursements? | | | | | MassMutual credits revenue share annually, Empower and ICMA-RC do it monthly, Nationwide and Prudential do it quarterly |
| | 4 | 4 | 2 | 3 | 3 | |
| Q54 | Where is the revenue sharing held until it's credit back to participants' accounts? | | | | | Empower can specify which fund to hold the rev share in. |
| | 4 | 3 | 3 | 3 | 3 | |
| Q55 | Does the plan earn interest on these dollars while they are waiting to be credited back to participants? | | | | | Empower can specify which fund to hold the rev share in and gets interest from the fund |
| | 4 | 3 | 3 | 3 | 3 | |
| Q56 | What happens when a participant leaves the plan prior to receiving their rebate? | | | | | ICMA-RC and Prudential don't credit the participant if the participant leaves prior to receiving their rebate. |
| | 3 | 2 | 3 | 3 | 2 | |
| Q57 | Describe the process for correcting trade errors? | | | | | Empower had a detailed response with multiple options for correcting errors |
| | 4 | 3 | 3 | 3 | 3 | |
| Q58 | Describe how your platform notifies a participant when a trade is being placed that a redemption fee will apply? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |
| Q59 | Does your system flag equity wash rule violations? | | | | | MassMutual does not flag equity wash rule violations |
| | 3 | 3 | 2 | 3 | 3 | |
| Q60 | Are all the above funds available on your platform? (Yes/No) If not, please identify. | | | | | Prudential can't use the stable value, MassMutual and ICMA-RC need agreements with the fund companies, Empower and Nationwide can use the lineups |
| | 4 | 3 | 3 | 4 | 2 | |

Investments

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|--|----------------|-------------------|-------------------|-------------------|---|
| Q61 | Provide expense ratio and revenue sharing currently in place for the plan's preferred lineup in the table provided above. | | | | | MassMutual has the least revenue share. Other vendors have similar amounts of revenue share |
| | 3 | 3 | 2 | 3 | 3 | |
| Q62 | Does your platform offer cheaper share classes of these funds? (Yes/No) If yes, clearly indicate where applicable. | | | | | Empower didn't answer the question. MassMutual does not offer cheaper products |
| | 1 | 3 | 2 | 3 | 3 | |
| Q63 | Does your firm have a financial relationship with any of the investment options requested in the preferred lineup table? (Yes/No) If so, please describe. | | | | | ICMA-RC didn't provide an adequate answer |
| | 3 | 1 | 3 | 3 | 3 | |
| Q64 | Does your platform have the ability of limiting a participant's allocation to certain percentage (e.g., 10%) to certain investment options offered in the core menu? | | | | | MassMutual & Empower only provide prospectus, other vendors provide additional disclosure with Prudential providing the most detail |
| | 2 | 3 | 2 | 3 | 4 | |

Trust / Custody Services

| Section | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|---------------------------------|--|---------|------------|------------|------------|---|
| Score | 3.5 | 3.0 | 3.0 | 3.3 | 3.5 | |
| Trust / Custody Services | | | | | | |
| Q1 | For the Trust/Custody services you propose, what is the name of the provider, the total number of years that they have been in operation, and the assets under custody, as of December 31, 2018? | | | | | Empower & MassMutual have no restrictions, lots of experience with current Custodian and some Public DC experience. Prudential has lots of experience with the current Custodian and Public DC plans, but has investment restrictions. ICMA-RC can't disclose public DC numbers |
| | 4 | 2 | 4 | 3 | 3 | |
| Q2 | Confirm that you will trustee outside investment funds. | | | | | Nationwide already has all funds. Others are willing to add funds to custodian |
| | 3 | 3 | 3 | 4 | 3 | |
| Q3 | Please fully describe your check distribution process, including frequency. Are you able to rush off-cycle checks for special situations? If so, are there additional fees for rush services? | | | | | Prudential provided an extremely detailed explanation with varying types of distributions. MassMutual partly answered the question. |
| | 4 | 4 | 2 | 3 | 5 | |
| Q4 | Will the County be required to execute a separate custodial agreement with your custodial trustee or will the custodial trustee services be part of the contract with the County? | | | | | All vendors provided similar answers |
| | 3 | 3 | 3 | 3 | 3 | |

Fee Proposal

| Section Score | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|---------------------|---|---------|------------|------------|------------|--|
| | 3.0 | 3.2 | 2.8 | 3.2 | 3.2 | |
| Fee Proposal | | | | | | |
| Q0 | Overall cost using fee quote #1 | | | | | Nationwide is the cheapest. Prudential and ICMA are slightly more expensive. Empower and MassMutual are quite a bit more expensive. |
| | 2 | 3 | 2 | 5 | 4 | |
| Q1 | Describe the proprietary product being used in the fee quote including the following: | | | | | Empower: Transfer is conducted at market value, with a 75 day written notice. Nationwide's Guaranteed Fund uses an MVA (from disclosure), unless they withdraw assets over a 5 yr period. MassMutual's SAGIC can either do MVA or Book value over period of max ten years. Prudential's proprietary option is a GIC with less transparency, likely single wrapper, and unknown fees (based on spread), however it can be distributed using a 12 mo put at Book Value |
| | N/A | N/A | N/A | N/A | N/A | |
| Q2 | Are any service offerings contingent on the use of the proprietary product? (Yes/No) | | | | | For fee quote #2, service offerings are not contingent on the use of the proprietary product. |
| | N/A | N/A | N/A | N/A | N/A | |
| Q3 | The County would like the following contingent language included in the service agreement if they choose to utilize a proprietary product: | | | | | Prudential didn't answer and Empower reserves the right to renegotiate fees if the stable value is removed. |
| | N/A | N/A | N/A | N/A | N/A | |
| Q4 | Using a per-participant pricing model, would your platform support a tiered system (e.g., participants with account balances from \$1-\$5,000 pay "x", participants with account balances from \$5,001-\$25,000 pay "y", and participants with balances over \$25,000 would pay "z"? (Yes/No) | | | | | Nationwide and Empower don't support a tiered structure |
| | 2 | 3 | 3 | 2 | 3 | |
| Q5 | Would your platform allow the County to assess a specific line-item fee to cover internal— County specific—plan related expenses? (Yes/No) | | | | | Nationwide didn't explain how it would appear on the website and statements |
| | 3 | 3 | 3 | 2 | 3 | |
| Q6 | Would the County be able to assess plan related fees (using a formula similar to that described in question F3) to assets held in the SDBA? (Yes/No) | | | | | Prudential can assess plan related fees using formula to assets held in SDBA, no ne else can |
| | 3 | 3 | 3 | 3 | 4 | |
| Q7 | Provide a complete list of non-asset based fee assessed to participants. For example, loans, QDRO, distributions, wire transfers, etc. Expand the table if necessary. | | | | | Prudential, MassMutual are most expensive, Nationwide includes most fees, Empower and ICMA-RC include some fees |
| | 3 | 3 | 2 | 4 | 2 | |
| Q8 | Provide a complete list of plan sponsor related fees. | | | | | MassMutual charges for mailings and has additional fees, Prudential charges for audit support, all others include everything else (some limits on plan document generation/maintenance) |
| | 4 | 4 | 2 | 4 | 3 | |
| Q9 | Provide details on all the fees associated with your SDBA service: | | | | | Nationwide and ICMA-RC provided complete answers with initiation, maintenance fees, and trading fees. |
| | 2 | 3 | 2 | 3 | 2 | |
| Q10 | Provide a list of all fees associated with your de minimis IRA services: | | | | | Prudential and MassMutual have additional fees |
| | 3 | 3 | 2 | 3 | 2 | |

Fee Proposal

| | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|-----|---|----------------|-------------------|-------------------|-------------------|--|
| Q11 | Provide a summary of fees associated with your proposed managed accounts services. | | | | | Nationwide and MassMutual are more expensive |
| | 4 | 4 | 3 | 3 | 4 | |
| Q12 | If offered, summarize fees associated with County employees receiving comprehensive financial planning services? | | | | | ICMA-RC charges for additional planning, others do not |
| | 4 | 3 | 4 | 4 | 4 | |
| Q13 | Does the fee proposal provided cover all travel related expenses from ALL employees over the course of the contract? (Yes/No) | | | | | All vendors incorporate travel expenses in their fee proposal |
| | 3 | 3 | 3 | 3 | 3 | |
| Q14 | Please identify any additional service offerings not covered in this RFP along with their associated fees. | | | | | Prudential has additional plan sponsor analytics for an additional fee. MassMutual has additional investment services, admin services, and regulatory services for a fee. Others did not provide additional info |
| | 3 | 3 | 4 | 3 | 4 | |
| Q15 | If required by the County, would you document in writing all sources of revenue received by your firm, and any affiliated organizations, resulting from being awarded this contract? (Yes/No) | | | | | All vendors would document all sources of revenue. |
| | 3 | 3 | 3 | 3 | 3 | |

Additional Services

| Section Score | Empower | ICMA-RC | MassMutual | Nationwide | Prudential | Comments |
|----------------------------|---|---------|------------|------------|------------|--|
| | 3.0 | 2.8 | 2.8 | 2.8 | 2.8 | |
| Additional Services | | | | | | |
| Q1 | The County is planning on offering ROTH 457. Please describe your platform's capabilities regarding ROTH administration. | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |
| Q2 | Would participants be able to allocate ROTH source money differently than pre-tax deferrals? | | | | | Prudential received the lowest score because they do not have this capability. |
| | 3 | 3 | 3 | 3 | 2 | |
| Q3 | Does your platform offer ROTH in-plan conversions? (Yes/No) If yes, describe the process, including applicable tax reporting. | | | | | ICMA and Nationwide received scores of "2" because they did not describe the process. MassMutual received a "2" because their process does not satisfy the County's objective. |
| | 3 | 2 | 2 | 2 | 3 | |
| Q4 | Would participants be able to roll qualified ROTH assets into the County's plan? | | | | | All vendors provided adequate responses. |
| | 3 | 3 | 3 | 3 | 3 | |

| | Empower | ICMA-RC | Mass Mutual | Nationwide | Prudential |
|---|--|---|--|--|---|
| Your Organization | Empower showed the best on the client service model being consistent across the segments. All other responses were "middle of the road" - scoring 3's | ICMA-RC scored the highest with their specific focus on the public sector and its unique needs. They offer CFP support to participants and do not segment clients by asset size but rather by specific need | Low client to contact ratio, CFP support to participants. Org chart was not at the Mass level, was specific to people in charge of the plan. | Nationwide has a consistent service offering across all market segments, low client to contact ratios and has experiences the least amount of management turnover. | Has the least number of clients same size as the County. They do offer CFP support. |
| Recordkeeping, Administration and Education Services | Empower offers the most robust mobile experience of all vendors. They also showed well on call center availability and customizable participant statements. A lack of description regarding hardship request processing, outages, and monetary guarantee for meeting goals detracted from their score relative to Nationwide and Prudential. | ICMA-RC showed well on training available to County staff, and mobile experience through their app. They performed worse than peers on report capabilities, and administrative services for monitoring contribution limits and eligibility for catch-up contributions. They also offered fewer education services than other vendors and they do not have the ability to record plan specific education sessions. They recieved the lowest score overall, because their weaknesses outnumbered their strengths (AKA they didn't get enough 4s to make up for their 2s). | MassMutual showed well on measuring effectiveness of education and communication initiatives and on their hardship processing capabilities. They failed to provide a sample payroll layout, which lowered their score relative to other vendors. Additional detractors include a less robust mobile experience and that they don't monitor annual contribution limits. They also do not have the ability to record plan specific education sessions. They got the second lowest score overall, but beat ICMA-RC because they earned more 4s. | Nationwide showed well on training available to county staff, participant education capabilities, monetary guarantee, call center availability, and payroll services. Their only weakness was a less robust system for integrating additional assets on participant statements. They scored the highest overall. | Prudential showed well on participant education and hardship processing. Their only weakness is that they do not offer additional services for participants with larger account balances. Most other answers were "middle of the road" - scoring 3s. Their lack of weaknesses allowed them to earn the second highest score, although they did not have as many strengths Nationwide. |
| Transition Management | Empower's response did not provide details specific to the installment payments during transition, steps of the process and experience of the transition team. Also lacking in reference detail. | ICMA-RC scored out the highest of the remaining vendors due to very thorough responses specific to proces | Response was lacking in detail regarding the process, training and available support in comparison to current vendor and other bidders. Also lacking in reference detail | Nationwide scored the best overall as the incumbent vendor - no need for transition disruption | Response was lacking in detail regarding the process, timeline and experience of transition contact. |
| Investments | Empower didn't go into enough detail regarding disclosures or managed accounts methodology. They skipped question 24. Their overall fund availability, ability to hold the plan's lineup and revenue share crediting improved their score. | ICMA-RC provided extremely detailed responses, regarding the fund change process, managed accounts, and gathering participant information, however they failed to provide an adequate response on their financial relationship with the investment options in the lineup. The utilization of Morningstar as a Managed Accounts provider further boosted performance in this section. | MassMutual provided detailed responses on plan sponsor reporting, and their managed account methodology, however their inability to use managed accounts as QDIA, unlicensed call center representatives, and high SDBA and fund disclosure costs hampered performance. | Nationwide can hold the preferred lineup, but they failed to adequately answer many questions and had the weakest managed account solution out of all the vendors. | Prudential provided detailed responses, and utilized Morningstar as a managed account provider for a cheaper cost than most vendors. They also had compelling SDBA options and revenue share crediting flexibility. However, they are unable to use the county's stable value product. |
| Trust / Custody Services | Empower provided a full description of the check distribution process and has lots of experience with the custodian with no investment restrictions | ICMA-RC was unable to publicly disclose public DC numbers. The majority of their assets are public, however their recent move into the private sector means not all their assets are public anymore. | MassMutual has a lot of experience with public DC plans, but failed to adequately answer the question regarding the check distribution process. | Nationwide already holds all of the county's current funds and were average in all other categories. | Prudential provided extreme detailed on all the various types of check distribution processes. Were average in all other categories |
| Fee Proposal | Empower was one of the more expensive vendors for overall recordkeeping fees and had limitations with a tiered per-participant pricing model. | ICMA-RC was the third cheapest vendor regarding rk fees, included all mailings, and had cheaper managed account services than average | MassMutual was much more expensive, charges for mailings, and other miscellaneous fees that other vendors do for free | Nationwide provided the cheapest recordkeeper fee, and includes most transaction and mailing fees. | Prudential was the second cheapest recordkeeper fee, but had additionla transaction, mailing, and miscellaneous fees that other vendors included for free. They also have additional plan sponsor analytic services for an additional fee. |
| Additional Services | Empower can provide all requested services and gave sufficient answers to each question. They scored the highest, because they earned a 3 on every question. Other vendors scored lower on various questions (they all tied for second place). | ICMA-RC's one weakness was that they did not describe the process for in-plan roth conversions. | MassMutual's one weakness was that they ONLY offer in-plan roth conversions if a participant has a distributable event or is over age 59 1/2. | Nationwide's one weakness was that they did not describe the process for in-plan roth conversions. | Prudential's one weakness was that they do not allow participants to to allocate roth source money differently than pre-tax deferrals. |

Appendices

EXHIBIT A: FORM ADV

UNIFORM APPLICATION FOR INVESTMENT ADVISER REGISTRATION AND REPORT BY EXEMPT REPORTING ADVISERS

Primary Business Name: NORTHWEST CAPITAL MANAGEMENT INC.

CRD Number: 108091

Other-Than-Annual Amendment - All Sections

Rev. 10/2017

2/26/2020 2:01:18 PM

WARNING: Complete this form truthfully. False statements or omissions may result in denial of your application, revocation of your registration, or criminal prosecution. You must keep this form updated by filing periodic amendments. See Form ADV General Instruction 4.

Item 1 Identifying Information

Responses to this Item tell us who you are, where you are doing business, and how we can contact you. If you are filing an *umbrella registration*, the information in Item 1 should be provided for the *filing adviser* only. General Instruction 5 provides information to assist you with filing an *umbrella registration*.

A. Your full legal name (if you are a sole proprietor, your last, first, and middle names):

NORTHWEST CAPITAL MANAGEMENT INC

B. (1) Name under which you primarily conduct your advisory business, if different from Item 1.A.

NORTHWEST CAPITAL MANAGEMENT INC.

List on Section 1.B. of Schedule D any additional names under which you conduct your advisory business.

(2) If you are using this Form ADV to register more than one investment adviser under an *umbrella registration*, check this box

If you check this box, complete a Schedule R for each relying adviser.

C. If this filing is reporting a change in your legal name (Item 1.A.) or primary business name (Item 1.B.(1)), enter the new name and specify whether the name change is of

your legal name or your primary business name:

D. (1) If you are registered with the SEC as an investment adviser, your SEC file number: **801-56420**

(2) If you report to the SEC as an *exempt reporting adviser*, your SEC file number:

(3) If you have one or more Central Index Key numbers assigned by the SEC ("CIK Numbers"), all of your CIK numbers:

No Information Filed

E. (1) If you have a number ("CRD Number") assigned by the FINRA's CRD system or by the IARD system, your CRD number: **108091**

If your firm does not have a CRD number, skip this Item 1.E. Do not provide the CRD number of one of your officers, employees, or affiliates.

(2) If you have additional CRD Numbers, your additional CRD numbers:

No Information Filed

F. *Principal Office and Place of Business*

(1) Address (do not use a P.O. Box):

Number and Street 1:

13333 SW 68TH PKWY

City:

PORTLAND

State:

Oregon

Number and Street 2:

SUITE 230

Country:

United States

ZIP+4/Postal Code:

97223

If this address is a private residence, check this box:

List on Section 1.F. of Schedule D any office, other than your principal office and place of business, at which you conduct investment advisory business. If you are applying for registration, or are registered, with one or more state securities authorities, you must list all of your offices in the state or states to which you are applying for registration or with whom you are registered. If you are applying for SEC registration, if you are registered only with the SEC, or if you are reporting to the SEC as an exempt reporting adviser, list the largest twenty-five offices in terms of numbers of employees as of the end of your most recently completed fiscal year.

(2) Days of week that you normally conduct business at your *principal office and place of business*:

Monday - Friday Other:

Normal business hours at this location:

8:30 AM TO 4:00 PM

(3) Telephone number at this location:

503-597-1616

(4) Facsimile number at this location, if any:

866-611-9560

(5) What is the total number of offices, other than your *principal office and place of business*, at which you conduct investment advisory business as of the end of your most recently completed fiscal year?

1

G. Mailing address, if different from your *principal office and place of business* address:

Number and Street 1: _____ Number and Street 2: _____
City: _____ State: _____ Country: _____ ZIP+4/Postal Code: _____

If this address is a private residence, check this box:

H. If you are a sole proprietor, state your full residence address, if different from your *principal office and place of business* address in Item 1.F.:

Number and Street 1: _____ Number and Street 2: _____
City: _____ State: _____ Country: _____ ZIP+4/Postal Code: _____

I. Do you have one or more websites or accounts on publicly available social media platforms (including, but not limited to, Twitter, Facebook and LinkedIn)?

Yes No

If "yes," list all firm website addresses and the address for each of the firm's accounts on publicly available social media platforms on Section 1.I. of Schedule D. If a website address serves as a portal through which to access other information you have published on the web, you may list the portal without listing addresses for all of the other information. You may need to list more than one portal address. Do not provide the addresses of websites or accounts on publicly available social media platforms where you do not control the content. Do not provide the individual electronic mail (e-mail) addresses of employees or the addresses of employee accounts on publicly available social media platforms.

J. Chief Compliance Officer

(1) Provide the name and contact information of your Chief Compliance Officer. If you are an *exempt reporting adviser*, you must provide the contact information for your Chief Compliance Officer, if you have one. If not, you must complete Item 1.K. below.

Name: _____ Other titles, if any: _____
Telephone number: _____ Facsimile number, if any: _____
Number and Street 1: _____ Number and Street 2: _____
City: _____ State: _____ Country: _____ ZIP+4/Postal Code: _____

Electronic mail (e-mail) address, if Chief Compliance Officer has one:

(2) If your Chief Compliance Officer is compensated or employed by any *person* other than you, a *related person* or an investment company registered under the Investment Company Act of 1940 that you advise for providing chief compliance officer services to you, provide the *person's* name and IRS Employer Identification Number (if any):

Name: _____
IRS Employer Identification Number: _____

K. Additional Regulatory Contact Person: If a person other than the Chief Compliance Officer is authorized to receive information and respond to questions about this Form ADV, you may provide that information here.

Name: _____ Titles: _____
Telephone number: _____ Facsimile number, if any: _____
Number and Street 1: _____ Number and Street 2: _____
City: _____ State: _____ Country: _____ ZIP+4/Postal Code: _____

Electronic mail (e-mail) address, if contact person has one:

Yes No

L. Do you maintain some or all of the books and records you are required to keep under Section 204 of the Advisers Act, or similar state law, somewhere other than your *principal office and place of business*?

If "yes," complete Section 1.L. of Schedule D.

Yes No

M. Are you registered with a *foreign financial regulatory authority*?

Answer "no" if you are not registered with a foreign financial regulatory authority, even if you have an affiliate that is registered with a foreign financial regulatory authority. If "yes," complete Section 1.M. of Schedule D.

Yes No

N. Are you a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934?

Yes No

O. Did you have \$1 billion or more in assets on the last day of your most recent fiscal year?

If yes, what is the approximate amount of your assets:

- \$1 billion to less than \$10 billion
- \$10 billion to less than \$50 billion
- \$50 billion or more

For purposes of Item 1.O. only, "assets" refers to your total assets, rather than the assets you manage on behalf of clients. Determine your total assets using the total assets shown on the balance sheet for your most recent fiscal year end.

P. Provide your *Legal Entity Identifier* if you have one:

A *legal entity identifier* is a unique number that companies use to identify each other in the financial marketplace. You may not have a *legal entity identifier*.

SECTION 1.B. Other Business Names

No Information Filed

SECTION 1.F. Other Offices

Complete the following information for each office, other than your *principal office and place of business*, at which you conduct investment advisory business. You must complete a separate Schedule D Section 1.F. for each location. If you are applying for SEC registration, if you are registered only with the SEC, or if you are an *exempt reporting adviser*, list only the largest twenty-five offices (in terms of numbers of *employees*).

Number and Street 1:

601 UNION STREET

City:

SEATTLE

State:

Washington

Number and Street 2:

SUITE 2600

Country:

United States

ZIP+4/Postal Code:

98101-4000

If this address is a private residence, check this box:

Telephone Number:

206-707-7599

Facsimile Number, if any:

If this office location is also required to be registered with FINRA or a *state securities authority* as a branch office location for a broker-dealer or investment adviser on the Uniform Branch Office Registration Form (Form BR), please provide the *CRD* Branch Number here:

How many *employees* perform investment advisory functions from this office location?

1

Are other business activities conducted at this office location? (check all that apply)

(1) Broker-dealer (registered or unregistered)

(2) Bank (including a separately identifiable department or division of a bank)

(3) Insurance broker or agent

(4) Commodity pool operator or commodity trading advisor (whether registered or exempt from registration)

(5) Registered municipal advisor

(6) Accountant or accounting firm

(7) Lawyer or law firm

Describe any other *investment-related* business activities conducted from this office location:

SECTION 1.I. Website Addresses

List your website addresses, including addresses for accounts on publicly available social media platforms where you control the content (including, but not limited to, Twitter, Facebook and/or LinkedIn). You must complete a separate Schedule D Section 1.I. for each website or account on a publicly available social media platform.

Address of Website/Account on Publicly Available Social Media Platform: [HTTP://WWW.NWCM.COM](http://www.nwcm.com)

Address of Website/Account on Publicly Available Social Media Platform: [HTTPS://WWW.BCORPORATION.NET/COMMUNITY/NORTHWEST-CAPITAL-MANAGEMENT-INC](https://www.bcorporation.net/community/northwest-capital-management-inc)

Address of Website/Account on Publicly Available Social Media Platform: [HTTPS://TWITTER.COM/NWCMINC](https://twitter.com/nwcminc)

SECTION 1.L. Location of Books and Records

No Information Filed

SECTION 1.M. Registration with Foreign Financial Regulatory Authorities

No Information Filed

Item 2 SEC Registration/Reporting

Responses to this Item help us (and you) determine whether you are eligible to register with the SEC. Complete this Item 2.A. only if you are applying for SEC registration or submitting an *annual updating amendment* to your SEC registration. If you are filing an *umbrella registration*, the information in Item 2 should be provided for the *filing adviser* only.

A. To register (or remain registered) with the SEC, you must check **at least one** of the Items 2.A.(1) through 2.A.(12), below. If you are submitting an *annual updating amendment* to your SEC registration and you are no longer eligible to register with the SEC, check Item 2.A.(13). Part 1A Instruction 2 provides information to help you determine whether you may affirmatively respond to each of these items.

You (the adviser):

- (1) are a **large advisory firm** that either:
- (a) has regulatory assets under management of \$100 million (in U.S. dollars) or more; or
 - (b) has regulatory assets under management of \$90 million (in U.S. dollars) or more at the time of filing its most recent *annual updating amendment* and is registered with the SEC;
- (2) are a **mid-sized advisory firm** that has regulatory assets under management of \$25 million (in U.S. dollars) or more but less than \$100 million (in U.S. dollars) and you are either:
- (a) not required to be registered as an adviser with the *state securities authority* of the state where you maintain your *principal office and place of business*; or
 - (b) not subject to examination by the *state securities authority* of the state where you maintain your *principal office and place of business*;
- Click [HERE](#) for a list of states in which an investment adviser, if registered, would not be subject to examination by the state securities authority.*
- (3) Reserved
- (4) have your *principal office and place of business* **outside the United States**;
- (5) are an **investment adviser (or subadviser) to an investment company** registered under the Investment Company Act of 1940;
- (6) are an **investment adviser to a company which has elected to be a business development company** pursuant to section 54 of the Investment Company Act of 1940 and has not withdrawn the election, and you have at least \$25 million of regulatory assets under management;
- (7) are a **pension consultant** with respect to assets of plans having an aggregate value of at least \$200,000,000 that qualifies for the exemption in rule 203A-2(a);
- (8) are a **related adviser** under rule 203A-2(b) that *controls*, is *controlled* by, or is under common *control* with, an investment adviser that is registered with the SEC, and your *principal office and place of business* is the same as the registered adviser;
- If you check this box, complete Section 2.A.(8) of Schedule D.*
- (9) are an **adviser** relying on rule 203A-2(c) because you **expect to be eligible for SEC registration within 120 days**;
- If you check this box, complete Section 2.A.(9) of Schedule D.*
- (10) are a **multi-state adviser** that is required to register in 15 or more states and is relying on rule 203A-2(d);
- If you check this box, complete Section 2.A.(10) of Schedule D.*
- (11) are an **Internet adviser** relying on rule 203A-2(e);
- (12) have **received an SEC order** exempting you from the prohibition against registration with the SEC;
- If you check this box, complete Section 2.A.(12) of Schedule D.*
- (13) are **no longer eligible** to remain registered with the SEC.

State Securities Authority Notice Filings and State Reporting by Exempt Reporting Advisers

C. Under state laws, SEC-registered advisers may be required to provide to *state securities authorities* a copy of the Form ADV and any amendments they file with the SEC. These are called *notice filings*. In addition, *exempt reporting advisers* may be required to provide *state securities authorities* with a copy of reports and any amendments they file with the SEC. If this is an initial application or report, check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to direct your *notice filings* or reports to additional state(s), check the box(es) next to the state(s) that you would like to receive notice of this and all subsequent filings or reports you submit to the SEC. If this is an amendment to your registration to stop your *notice filings* or reports from going to state(s) that currently receive

them, uncheck the box(es) next to those state(s).

Jurisdictions

| | | | |
|--|-----------------------------|--|--|
| <input type="checkbox"/> AL | <input type="checkbox"/> IL | <input type="checkbox"/> NE | <input type="checkbox"/> SC |
| <input type="checkbox"/> AK | <input type="checkbox"/> IN | <input type="checkbox"/> NV | <input type="checkbox"/> SD |
| <input checked="" type="checkbox"/> AZ | <input type="checkbox"/> IA | <input type="checkbox"/> NH | <input type="checkbox"/> TN |
| <input type="checkbox"/> AR | <input type="checkbox"/> KS | <input type="checkbox"/> NJ | <input type="checkbox"/> TX |
| <input checked="" type="checkbox"/> CA | <input type="checkbox"/> KY | <input type="checkbox"/> NM | <input type="checkbox"/> UT |
| <input type="checkbox"/> CO | <input type="checkbox"/> LA | <input type="checkbox"/> NY | <input type="checkbox"/> VT |
| <input type="checkbox"/> CT | <input type="checkbox"/> ME | <input type="checkbox"/> NC | <input type="checkbox"/> VI |
| <input type="checkbox"/> DE | <input type="checkbox"/> MD | <input type="checkbox"/> ND | <input type="checkbox"/> VA |
| <input type="checkbox"/> DC | <input type="checkbox"/> MA | <input type="checkbox"/> OH | <input checked="" type="checkbox"/> WA |
| <input type="checkbox"/> FL | <input type="checkbox"/> MI | <input type="checkbox"/> OK | <input type="checkbox"/> WV |
| <input type="checkbox"/> GA | <input type="checkbox"/> MN | <input checked="" type="checkbox"/> OR | <input type="checkbox"/> WI |
| <input type="checkbox"/> GU | <input type="checkbox"/> MS | <input type="checkbox"/> PA | <input type="checkbox"/> WY |
| <input type="checkbox"/> HI | <input type="checkbox"/> MO | <input type="checkbox"/> PR | |
| <input checked="" type="checkbox"/> ID | <input type="checkbox"/> MT | <input type="checkbox"/> RI | |

If you are amending your registration to stop your notice filings or reports from going to a state that currently receives them and you do not want to pay that state's notice filing or report filing fee for the coming year, your amendment must be filed before the end of the year (December 31).

SECTION 2.A.(8) Related Adviser

If you are relying on the exemption in rule 203A-2(b) from the prohibition on registration because you *control*, are *controlled* by, or are under common *control* with an investment adviser that is registered with the SEC and your *principal office and place of business* is the same as that of the registered adviser, provide the following information:

Name of Registered Investment Adviser

CRD Number of Registered Investment Adviser

SEC Number of Registered Investment Adviser

-

SECTION 2.A.(9) Investment Adviser Expecting to be Eligible for Commission Registration within 120 Days

If you are relying on rule 203A-2(c), the exemption from the prohibition on registration available to an adviser that expects to be eligible for SEC registration within 120 days, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations. You must make both of these representations:

- I am not registered or required to be registered with the SEC or a *state securities authority* and I have a reasonable expectation that I will be eligible to register with the SEC within 120 days after the date my registration with the SEC becomes effective.
- I undertake to withdraw from SEC registration if, on the 120th day after my registration with the SEC becomes effective, I would be prohibited by Section 203A(a) of the Advisers Act from registering with the SEC.

SECTION 2.A.(10) Multi-State Adviser

If you are relying on rule 203A-2(d), the multi-state adviser exemption from the prohibition on registration, you are required to make certain representations about your eligibility for SEC registration. By checking the appropriate boxes, you will be deemed to have made the required representations.

If you are applying for registration as an investment adviser with the SEC, you must make both of these representations:

- I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of 15 or more states to register as an investment adviser with the *state securities authorities* in those states.
- I undertake to withdraw from SEC registration if I file an amendment to this registration indicating that I would be required by the laws of fewer than 15 states to register as an investment adviser with the *state securities authorities* of those states.

If you are submitting your *annual updating amendment*, you must make this representation:

- Within 90 days prior to the date of filing this amendment, I have reviewed the applicable state and federal laws and have concluded that I am required by the laws of at least 15 states to register as an investment adviser with the *state securities authorities* in those states.

SECTION 2.A.(12) SEC Exemptive Order

If you are relying upon an SEC *order* exempting you from the prohibition on registration, provide the following information:

Application Number:

Date of order:

Item 3 Form of Organization

If you are filing an *umbrella registration*, the information in Item 3 should be provided for the *filing adviser* only.

A. How are you organized?

- Corporation
- Sole Proprietorship
- Limited Liability Partnership (LLP)
- Partnership
- Limited Liability Company (LLC)
- Limited Partnership (LP)
- Other (specify):

If you are changing your response to this Item, see Part 1A Instruction 4.

B. In what month does your fiscal year end each year?

DECEMBER

C. Under the laws of what state or country are you organized?

State Country

Oregon United States

If you are a partnership, provide the name of the state or country under whose laws your partnership was formed. If you are a sole proprietor, provide the name of the state or country where you reside.

If you are changing your response to this Item, see Part 1A Instruction 4.

Item 4 Successions

A. Are you, at the time of this filing, succeeding to the business of a registered investment adviser, including, for example, a change of your structure or legal status (e.g., form of organization or state of incorporation)?

Yes No

If "yes", complete Item 4.B. and Section 4 of Schedule D.

B. Date of Succession: (MM/DD/YYYY)

If you have already reported this succession on a previous Form ADV filing, do not report the succession again. Instead, check "No." See Part 1A Instruction 4.

SECTION 4 Successions

No Information Filed

Item 5 Information About Your Advisory Business - Employees, Clients, and Compensation

Responses to this Item help us understand your business, assist us in preparing for on-site examinations, and provide us with data we use when making regulatory policy. Part 1A Instruction 5.a. provides additional guidance to newly formed advisers for completing this Item 5.

Employees

If you are organized as a sole proprietorship, include yourself as an employee in your responses to Item 5.A. and Items 5.B.(1), (2), (3), (4), and (5). If an employee performs more than one function, you should count that employee in each of your responses to Items 5.B.(1), (2), (3), (4), and (5).

A. Approximately how many *employees* do you have? Include full- and part-time *employees* but do not include any clerical workers.

12

B. (1) Approximately how many of the *employees* reported in 5.A. perform investment advisory functions (including research)?

- (2) Approximately how many of the *employees* reported in 5.A. are registered representatives of a broker-dealer?
0
- (3) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives*?
7
- (4) Approximately how many of the *employees* reported in 5.A. are registered with one or more *state securities authorities* as *investment adviser representatives* for an investment adviser other than you?
1
- (5) Approximately how many of the *employees* reported in 5.A. are licensed agents of an insurance company or agency?
0
- (6) Approximately how many firms or other *persons* solicit advisory *clients* on your behalf?
0

In your response to Item 5.B.(6), do not count any of your employees and count a firm only once – do not count each of the firm's employees that solicit on your behalf.

Clients

In your responses to Items 5.C. and 5.D. do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.

- C. (1) To approximately how many *clients* for whom you do not have regulatory assets under management did you provide investment advisory services during your most recently completed fiscal year?
0
- (2) Approximately what percentage of your *clients* are non-United States persons?
0%

- D. For purposes of this Item 5.D., the category "individuals" includes trusts, estates, and 401(k) plans and IRAs of individuals and their family members, but does not include businesses organized as sole proprietorships.

The category "business development companies" consists of companies that have made an election pursuant to section 54 of the Investment Company Act of 1940. Unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, do not answer (d)(1) or (d)(3) below.

Indicate the approximate number of your *clients* and amount of your total regulatory assets under management (reported in Item 5.F. below) attributable to each of the following type of *client*. If you have fewer than 5 *clients* in a particular category (other than (d), (e), and (f)) you may check Item 5.D.(2) rather than respond to Item 5.D.(1).

The aggregate amount of regulatory assets under management reported in Item 5.D.(3) should equal the total amount of regulatory assets under management reported in Item 5.F.(2)(c) below.

If a *client* fits into more than one category, select one category that most accurately represents the *client* to avoid double counting *clients* and assets. If you advise a registered investment company, business development company, or pooled investment vehicle, report those assets in categories (d), (e), and (f) as applicable.

| Type of Client | (1) Number of Client(s) | (2) Fewer than 5 Clients | (3) Amount of Regulatory Assets under Management |
|---|-------------------------|--------------------------|--|
| (a) Individuals (other than <i>high net worth individuals</i>) | 174 | <input type="checkbox"/> | \$ 52,320,650 |
| (b) <i>High net worth individuals</i> | 104 | <input type="checkbox"/> | \$ 330,304,000 |
| (c) Banking or thrift institutions | 0 | <input type="checkbox"/> | \$ |
| (d) Investment companies | 0 | | \$ |
| (e) Business development companies | 0 | | \$ |
| (f) Pooled investment vehicles (other than investment companies and business development companies) | 0 | | \$ |
| (g) Pension and profit sharing plans (but not the plan participants or government pension plans) | 95 | <input type="checkbox"/> | \$ 1,248,102,255 |
| (h) Charitable organizations | 4 | <input type="checkbox"/> | \$ 10,376,595 |
| (i) State or municipal <i>government entities</i> (including government pension plans) | 11 | <input type="checkbox"/> | \$ 1,601,073,180 |
| (j) Other investment advisers | 0 | <input type="checkbox"/> | \$ |
| (k) Insurance companies | 0 | <input type="checkbox"/> | \$ |
| (l) Sovereign wealth funds and foreign official institutions | 0 | <input type="checkbox"/> | \$ |
| (m) Corporations or other businesses not listed above | 2 | <input type="checkbox"/> | \$ 7,838,188 |
| (n) Other: SOVEREIGN INDIAN TRIBE | 1 | <input type="checkbox"/> | \$ 13,475,699 |

Compensation Arrangements

- E. You are compensated for your investment advisory services by (check all that apply):

- (1) A percentage of assets under your management
- (2) Hourly charges

- (3) Subscription fees (for a newsletter or periodical)
- (4) Fixed fees (other than subscription fees)
- (5) Commissions
- (6) *Performance-based fees*
- (7) Other (specify):

Item 5 Information About Your Advisory Business - Regulatory Assets Under Management

Regulatory Assets Under Management

Yes No

F. (1) Do you provide continuous and regular supervisory or management services to securities portfolios?

(2) If yes, what is the amount of your regulatory assets under management and total number of accounts?

| | U.S. Dollar Amount | Total Number of Accounts |
|--------------------|----------------------|--------------------------|
| Discretionary: | (a) \$ 1,144,119,436 | (d) 960 |
| Non-Discretionary: | (b) \$ 2,119,371,131 | (e) 73 |
| Total: | (c) \$ 3,263,490,567 | (f) 1,033 |

Part 1A Instruction 5.b. explains how to calculate your regulatory assets under management. You must follow these instructions carefully when completing this Item.

(3) What is the approximate amount of your total regulatory assets under management (reported in Item 5.F.(2)(c) above) attributable to *clients* who are non-United States persons?

\$ 0

Item 5 Information About Your Advisory Business - Advisory Activities

Advisory Activities

G. What type(s) of advisory services do you provide? Check all that apply.

- (1) Financial planning services
- (2) Portfolio management for individuals and/or small businesses
- (3) Portfolio management for investment companies (as well as "business development companies" that have made an election pursuant to section 54 of the Investment Company Act of 1940)
- (4) Portfolio management for pooled investment vehicles (other than investment companies)
- (5) Portfolio management for businesses (other than small businesses) or institutional *clients* (other than registered investment companies and other pooled investment vehicles)
- (6) Pension consulting services
- (7) Selection of other advisers (including *private fund* managers)
- (8) Publication of periodicals or newsletters
- (9) Security ratings or pricing services
- (10) Market timing services
- (11) Educational seminars/workshops
- (12) Other(specify):

Do not check Item 5.G.(3) unless you provide advisory services pursuant to an investment advisory contract to an investment company registered under the Investment Company Act of 1940, including as a subadviser. If you check Item 5.G.(3), report the 811 or 814 number of the investment company or investment companies to which you provide advice in Section 5.G.(3) of Schedule D.

H. If you provide financial planning services, to how many *clients* did you provide these services during your last fiscal year?

- 0
- 1 - 10
- 11 - 25
- 26 - 50
- 51 - 100
- 101 - 250
- 251 - 500
- More than 500

If more than 500, how many?
(round to the nearest 500)

In your responses to this Item 5.H., do not include as "clients" the investors in a private fund you advise, unless you have a separate advisory relationship with those investors.

Yes No

I. (1) Do you participate in a *wrap fee program*?

(2) If you participate in a *wrap fee program*, what is the amount of your regulatory assets under management attributable to acting as:

(a) *sponsor* to a *wrap fee program*

\$

(b) *portfolio manager* for a *wrap fee program*?

\$

(c) sponsor to and portfolio manager for the same wrap fee program?

\$

If you report an amount in Item 5.I.(2)(c), do not report that amount in Item 5.I.(2)(a) or Item 5.I.(2)(b).

If you are a portfolio manager for a wrap fee program, list the names of the programs, their sponsors and related information in Section 5.I.(2) of Schedule D.

If your involvement in a wrap fee program is limited to recommending wrap fee programs to your clients, or you advise a mutual fund that is offered through a wrap fee program, do not check Item 5.I.(1) or enter any amounts in response to Item 5.I.(2).

Yes No

J. (1) In response to Item 4.B. of Part 2A of Form ADV, do you indicate that you provide investment advice only with respect to limited types of investments?

(2) Do you report client assets in Item 4.E. of Part 2A that are computed using a different method than the method used to compute your regulatory assets under management?

K. Separately Managed Account Clients

Yes No

(1) Do you have regulatory assets under management attributable to clients other than those listed in Item 5.D.(3)(d)-(f) (separately managed account clients)?

If yes, complete Section 5.K.(1) of Schedule D.

(2) Do you engage in borrowing transactions on behalf of any of the separately managed account clients that you advise?

If yes, complete Section 5.K.(2) of Schedule D.

(3) Do you engage in derivative transactions on behalf of any of the separately managed account clients that you advise?

If yes, complete Section 5.K.(2) of Schedule D.

(4) After subtracting the amounts in Item 5.D.(3)(d)-(f) above from your total regulatory assets under management, does any custodian hold ten percent or more of this remaining amount of regulatory assets under management?

If yes, complete Section 5.K.(3) of Schedule D for each custodian.

SECTION 5.G.(3) Advisers to Registered Investment Companies and Business Development Companies

No Information Filed

SECTION 5.I.(2) Wrap Fee Programs

No Information Filed

SECTION 5.K.(1) Separately Managed Accounts

After subtracting the amounts reported in Item 5.D.(3)(d)-(f) from your total regulatory assets under management, indicate the approximate percentage of this remaining amount attributable to each of the following categories of assets. If the remaining amount is at least \$10 billion in regulatory assets under management, complete Question (a). If the remaining amount is less than \$10 billion in regulatory assets under management, complete Question (b).

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise.

End of year refers to the date used to calculate your regulatory assets under management for purposes of your annual updating amendment. Mid-year is the date six months before the end of year date. Each column should add up to 100% and numbers should be rounded to the nearest percent.

Investments in derivatives, registered investment companies, business development companies, and pooled investment vehicles should be reported in those categories. Do not report those investments based on related or underlying portfolio assets. Cash equivalents include bank deposits, certificates of deposit, bankers' acceptances and similar bank instruments.

Some assets could be classified into more than one category or require discretion about which category applies. You may use your own internal methodologies and the conventions of your service providers in determining how to categorize assets, so long as the methodologies or conventions are consistently applied and consistent with information you report internally and to current and prospective clients. However, you should not double count assets, and your responses must be consistent with any instructions or other guidance relating to this Section.

| (a) | Asset Type | Mid-year | End of year |
|------|---------------------------------------|----------|-------------|
| (i) | Exchange-Traded Equity Securities | % | % |
| (ii) | Non Exchange-Traded Equity Securities | % | % |

| | | |
|--|---|---|
| (iii) U.S. Government/Agency Bonds | % | % |
| (iv) U.S. State and Local Bonds | % | % |
| (v) <i>Sovereign Bonds</i> | % | % |
| (vi) Investment Grade Corporate Bonds | % | % |
| (vii) Non-Investment Grade Corporate Bonds | % | % |
| (viii) Derivatives | % | % |
| (ix) Securities Issued by Registered Investment Companies or Business Development Companies | % | % |
| (x) Securities Issued by Pooled Investment Vehicles (other than Registered Investment Companies or Business Development Companies) | % | % |
| (xi) Cash and Cash Equivalents | % | % |
| (xii) Other | % | % |

Generally describe any assets included in "Other"

| | |
|--|--------------------|
| (b) Asset Type | End of year |
| (i) Exchange-Traded Equity Securities | 1 % |
| (ii) Non Exchange-Traded Equity Securities | 0 % |
| (iii) U.S. Government/Agency Bonds | 0 % |
| (iv) U.S. State and Local Bonds | 0 % |
| (v) <i>Sovereign Bonds</i> | 0 % |
| (vi) Investment Grade Corporate Bonds | 0 % |
| (vii) Non-Investment Grade Corporate Bonds | 0 % |
| (viii) Derivatives | 0 % |
| (ix) Securities Issued by Registered Investment Companies or Business Development Companies | 87 % |
| (x) Securities Issued by Pooled Investment Vehicles (other than Registered Investment Companies or Business Development Companies) | 5 % |
| (xi) Cash and Cash Equivalents | 5 % |
| (xii) Other | 2 % |

Generally describe any assets included in "Other"

VARIABLE ANNUITIES, LIMITED PARTNERSHIPS AND PRIVATE HOLDINGS

SECTION 5.K.(2) Separately Managed Accounts - Use of Borrowings and Derivatives

No information is required to be reported in this Section 5.K.(2) per the instructions of this Section 5.K.(2)

If your regulatory assets under management attributable to separately managed accounts are at least \$10 billion, you should complete Question (a). If your regulatory assets under management attributable to separately managed accounts are at least \$500 million but less than \$10 billion, you should complete Question (b).

(a) In the table below, provide the following information regarding the separately managed accounts you advise. If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise. End of year refers to the date used to calculate your regulatory assets under management for purposes of your *annual updating amendment*. Mid-year is the date six months before the end of year date.

In column 1, indicate the regulatory assets under management attributable to separately managed accounts associated with each level of gross notional exposure. For purposes of this table, the gross notional exposure of an account is the percentage obtained by dividing (i) the sum of (a) the dollar amount of any *borrowings* and (b) the *gross notional value* of all derivatives, by (ii) the regulatory assets under management of the account.

In column 2, provide the dollar amount of *borrowings* for the accounts included in column 1.

In column 3, provide aggregate *gross notional value* of derivatives divided by the aggregate regulatory assets under management of the accounts included in column 1 with respect to each category of derivatives specified in 3(a) through (f).

You may, but are not required to, complete the table with respect to any separately managed account with regulatory assets under management of less than \$10,000,000.

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

(i) Mid-Year

| Gross Notional Exposure | (1) Regulatory Assets Under Management | (2) Borrowings | (3) Derivative Exposures | | | | | |
|-------------------------|--|----------------|------------------------------|---------------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| | | | (a) Interest Rate Derivative | (b) Foreign Exchange Derivative | (c) Credit Derivative | (d) Equity Derivative | (e) Commodity Derivative | (f) Other Derivative |
| Less than 10% | \$ | \$ | % | % | % | % | % | % |

| | | | | | | | | |
|--------------|----|----|---|---|---|---|---|---|
| 10-149% | \$ | \$ | % | % | % | % | % | % |
| 150% or more | \$ | \$ | % | % | % | % | % | % |

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

(ii) End of Year

| Gross Notional Exposure | (1) Regulatory Assets Under Management | (2) Borrowings | (3) Derivative Exposures | | | | | |
|-------------------------|--|----------------|------------------------------|---------------------------------|-----------------------|-----------------------|--------------------------|----------------------|
| | | | (a) Interest Rate Derivative | (b) Foreign Exchange Derivative | (c) Credit Derivative | (d) Equity Derivative | (e) Commodity Derivative | (f) Other Derivative |
| Less than 10% | \$ | \$ | % | % | % | % | % | % |
| 10-149% | \$ | \$ | % | % | % | % | % | % |
| 150% or more | \$ | \$ | % | % | % | % | % | % |

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

(b) In the table below, provide the following information regarding the separately managed accounts you advise as of the date used to calculate your regulatory assets under management for purposes of your *annual updating amendment*. If you are a subadviser to a separately managed account, you should only provide information with respect to the portion of the account that you subadvise.

In column 1, indicate the regulatory assets under management attributable to separately managed accounts associated with each level of gross notional exposure. For purposes of this table, the gross notional exposure of an account is the percentage obtained by dividing (i) the sum of (a) the dollar amount of any *borrowings* and (b) the *gross notional value* of all derivatives, by (ii) the regulatory assets under management of the account.

In column 2, provide the dollar amount of *borrowings* for the accounts included in column 1.

You may, but are not required to, complete the table with respect to any separately managed accounts with regulatory assets under management of less than \$10,000,000.

Any regulatory assets under management reported in Item 5.D.(3)(d), (e), and (f) should not be reported below.

| Gross Notional Exposure | (1) Regulatory Assets Under Management | (2) Borrowings |
|-------------------------|--|----------------|
| Less than 10% | \$ | \$ |
| 10-149% | \$ | \$ |
| 150% or more | \$ | \$ |

Optional: Use the space below to provide a narrative description of the strategies and/or manner in which *borrowings* and derivatives are used in the management of the separately managed accounts that you advise.

SECTION 5.K.(3) Custodians for Separately Managed Accounts

Complete a separate Schedule D Section 5.K.(3) for each custodian that holds ten percent or more of your aggregate separately managed account regulatory assets under management.

(a) Legal name of custodian:

CHARLES SCHWAB & CO., INC.

(b) Primary business name of custodian:

CHARLES SCHWAB & CO., INC.

(c) The location(s) of the custodian's office(s) responsible for *custody* of the assets :

City:

SAN FRANCISCO

State:

California

Country:

United States

Yes No

(d) Is the custodian a *related person* of your firm?

(e) If the custodian is a broker-dealer, provide its SEC registration number (if any)

8 - 16514

(f) If the custodian is not a broker-dealer, or is a broker-dealer but does not have an SEC registration number, provide its *legal entity identifier* (if any)

(g) What amount of your regulatory assets under management attributable to separately managed accounts is held at the custodian?

\$ 608,303,804

| | | | | |
|-----|--|-------------------------|---------------------------|--|
| (a) | Legal name of custodian: FIDELITY BROKERAGE SERVICES LLC | | | |
| (b) | Primary business name of custodian: FIDELITY BROKERAGE SERVICES LLC | | | |
| (c) | The location(s) of the custodian's office(s) responsible for <i>custody</i> of the assets : | | | |
| | City: BOSTON | State: Massachusetts | Country: United States | |
| (d) | Is the custodian a <i>related person</i> of your firm? | | | Yes No <input type="radio"/> <input checked="" type="radio"/> |
| (e) | If the custodian is a broker-dealer, provide its SEC registration number (if any) 8 - 23292 | | | |
| (f) | If the custodian is not a broker-dealer, or is a broker-dealer but does not have an SEC registration number, provide its <i>legal entity identifier</i> (if any) | | | |
| (g) | What amount of your regulatory assets under management attributable to separately managed accounts is held at the custodian? \$ 1,640,211,113 | | | |

Item 6 Other Business Activities

In this Item, we request information about your firm's other business activities.

A. You are actively engaged in business as a (check all that apply):

- (1) broker-dealer (registered or unregistered)
- (2) registered representative of a broker-dealer
- (3) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- (4) futures commission merchant
- (5) real estate broker, dealer, or agent
- (6) insurance broker or agent
- (7) bank (including a separately identifiable department or division of a bank)
- (8) trust company
- (9) registered municipal advisor
- (10) registered security-based swap dealer
- (11) major security-based swap participant
- (12) accountant or accounting firm
- (13) lawyer or law firm
- (14) other financial product salesperson (specify):

If you engage in other business using a name that is different from the names reported in Items 1.A. or 1.B.(1), complete Section 6.A. of Schedule D.

| | | |
|--------|---|--|
| B. (1) | Are you actively engaged in any other business not listed in Item 6.A. (other than giving investment advice)? | Yes No <input type="radio"/> <input checked="" type="radio"/> |
| (2) | If yes, is this other business your primary business? | Yes No <input type="radio"/> <input type="radio"/> |

If "yes," describe this other business on Section 6.B.(2) of Schedule D, and if you engage in this business under a different name, provide that name.

| | | |
|-----|---|--|
| (3) | Do you sell products or provide services other than investment advice to your advisory <i>clients</i> ? | Yes No <input type="radio"/> <input checked="" type="radio"/> |
|-----|---|--|

If "yes," describe this other business on Section 6.B.(3) of Schedule D, and if you engage in this business under a different name, provide that name.

SECTION 6.A. Names of Your Other Businesses

No Information Filed

SECTION 6.B.(2) Description of Primary Business

Describe your primary business (not your investment advisory business):

If you engage in that business under a different name, provide that name:

SECTION 6.B.(3) Description of Other Products and Services

Describe other products or services you sell to your *client*. You may omit products and services that you listed in Section 6.B.(2) above.

If you engage in that business under a different name, provide that name:

Item 7 Financial Industry Affiliations

In this Item, we request information about your financial industry affiliations and activities. This information identifies areas in which conflicts of interest may occur between you and your *clients*.

A. This part of Item 7 requires you to provide information about you and your *related persons*, including foreign affiliates. Your *related persons* are all of your *advisory affiliates* and any *person* that is under common *control* with you.

You have a *related person* that is a (check all that apply):

- (1) broker-dealer, municipal securities dealer, or government securities broker or dealer (registered or unregistered)
- (2) other investment adviser (including financial planners)
- (3) registered municipal advisor
- (4) registered security-based swap dealer
- (5) major security-based swap participant
- (6) commodity pool operator or commodity trading advisor (whether registered or exempt from registration)
- (7) futures commission merchant
- (8) banking or thrift institution
- (9) trust company
- (10) accountant or accounting firm
- (11) lawyer or law firm
- (12) insurance company or agency
- (13) pension consultant
- (14) real estate broker or dealer
- (15) sponsor or syndicator of limited partnerships (or equivalent), excluding pooled investment vehicles
- (16) sponsor, general partner, managing member (or equivalent) of pooled investment vehicles

Note that Item 7.A. should not be used to disclose that some of your employees perform investment advisory functions or are registered representatives of a broker-dealer. The number of your firm's employees who perform investment advisory functions should be disclosed under Item 5.B.(1). The number of your firm's employees who are registered representatives of a broker-dealer should be disclosed under Item 5.B.(2).

Note that if you are filing an umbrella registration, you should not check Item 7.A.(2) with respect to your relying advisers, and you do not have to complete Section 7.A. in Schedule D for your relying advisers. You should complete a Schedule R for each relying adviser.

For each related person, including foreign affiliates that may not be registered or required to be registered in the United States, complete Section 7.A. of Schedule D.

You do not need to complete Section 7.A. of Schedule D for any related person if: (1) you have no business dealings with the related person in connection with advisory services you provide to your clients; (2) you do not conduct shared operations with the related person; (3) you do not refer clients or business to the related person, and the related person does not refer prospective clients or business to you; (4) you do not share supervised persons or premises with the related person; and (5) you have no reason to believe that your relationship with the related person otherwise creates a conflict of interest with your clients.

You must complete Section 7.A. of Schedule D for each related person acting as qualified custodian in connection with advisory services you provide to your clients (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)), regardless of whether you have determined the related person to be operationally independent under rule 206(4)-2 of the Advisers Act.

SECTION 7.A. Financial Industry Affiliations

No Information Filed

Item 7 Private Fund Reporting

Yes No

B. Are you an adviser to any *private fund*?

If "yes," then for each private fund that you advise, you must complete a Section 7.B.(1) of Schedule D, except in certain circumstances described in the next sentence and in Instruction 6 of the Instructions to Part 1A. If you are registered or applying for registration with the SEC or reporting as an SEC exempt reporting adviser, and another SEC-registered adviser or SEC exempt reporting adviser reports this information with respect to any such private fund in Section 7.B.(1) of Schedule D of its Form ADV (e.g., if you are a subadviser), do not complete Section 7.B.(1) of Schedule D with respect to that private fund. You must, instead, complete Section 7.B.(2) of Schedule D.

In either case, if you seek to preserve the anonymity of a private fund client by maintaining its identity in your books and records in numerical or alphabetical code, or similar designation, pursuant to rule 204-2(d), you may identify the private fund in Section 7.B.(1) or 7.B.(2) of Schedule D using the same code or designation in place of the fund's name.

SECTION 7.B.(1) Private Fund Reporting

No Information Filed

SECTION 7.B.(2) Private Fund Reporting

No Information Filed

Item 8 Participation or Interest in *Client* Transactions

In this Item, we request information about your participation and interest in your *clients'* transactions. This information identifies additional areas in which conflicts of interest may occur between you and your *clients*. Newly-formed advisers should base responses to these questions on the types of participation and interest that you expect to engage in during the next year.

Like Item 7, Item 8 requires you to provide information about you and your *related persons*, including foreign affiliates.

Proprietary Interest in *Client* Transactions

- | A. Do you or any <i>related person</i> : | Yes | No |
|--|----------------------------------|----------------------------------|
| (1) buy securities for yourself from advisory <i>clients</i> , or sell securities you own to advisory <i>clients</i> (principal transactions)? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) buy or sell for yourself securities (other than shares of mutual funds) that you also recommend to advisory <i>clients</i> ? | <input checked="" type="radio"/> | <input type="radio"/> |
| (3) recommend securities (or other investment products) to advisory <i>clients</i> in which you or any <i>related person</i> has some other proprietary (ownership) interest (other than those mentioned in Items 8.A.(1) or (2))? | <input type="radio"/> | <input checked="" type="radio"/> |

Sales Interest in *Client* Transactions

- | B. Do you or any <i>related person</i> : | Yes | No |
|--|-----------------------|----------------------------------|
| (1) as a broker-dealer or registered representative of a broker-dealer, execute securities trades for brokerage customers in which advisory <i>client</i> securities are sold to or bought from the brokerage customer (agency cross transactions)? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) recommend to advisory <i>clients</i> , or act as a purchaser representative for advisory <i>clients</i> with respect to, the purchase of securities for which you or any <i>related person</i> serves as underwriter or general or managing partner? | <input type="radio"/> | <input checked="" type="radio"/> |
| (3) recommend purchase or sale of securities to advisory <i>clients</i> for which you or any <i>related person</i> has any other sales interest (other than the receipt of sales commissions as a broker or registered representative of a broker-dealer)? | <input type="radio"/> | <input checked="" type="radio"/> |

Investment or Brokerage Discretion

- | C. Do you or any <i>related person</i> have <i>discretionary authority</i> to determine the: | Yes | No |
|---|----------------------------------|----------------------------------|
| (1) securities to be bought or sold for a <i>client's</i> account? | <input checked="" type="radio"/> | <input type="radio"/> |
| (2) amount of securities to be bought or sold for a <i>client's</i> account? | <input checked="" type="radio"/> | <input type="radio"/> |
| (3) broker or dealer to be used for a purchase or sale of securities for a <i>client's</i> account? | <input checked="" type="radio"/> | <input type="radio"/> |
| (4) commission rates to be paid to a broker or dealer for a <i>client's</i> securities transactions? | <input checked="" type="radio"/> | <input type="radio"/> |
| D. If you answer "yes" to C.(3) above, are any of the brokers or dealers <i>related persons</i> ? | <input type="radio"/> | <input checked="" type="radio"/> |
| E. Do you or any <i>related person</i> recommend brokers or dealers to <i>clients</i> ? | <input checked="" type="radio"/> | <input type="radio"/> |
| F. If you answer "yes" to E. above, are any of the brokers or dealers <i>related persons</i> ? | <input type="radio"/> | <input checked="" type="radio"/> |
| G. (1) Do you or any <i>related person</i> receive research or other products or services other than execution from a broker-dealer or a third party ("soft dollar benefits") in connection with <i>client</i> securities transactions? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) If "yes" to G.(1) above, are all the "soft dollar benefits" you or any <i>related persons</i> receive eligible "research or brokerage services" under section 28(e) of the Securities Exchange Act of 1934? | <input type="radio"/> | <input type="radio"/> |
| H. (1) Do you or any <i>related person</i> , directly or indirectly, compensate any <i>person</i> that is not an <i>employee</i> for <i>client</i> referrals? | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) Do you or any <i>related person</i> , directly or indirectly, provide any <i>employee</i> compensation that is specifically related to obtaining <i>clients</i> for the firm (cash or non-cash compensation in addition to the <i>employee's</i> regular salary)? | <input type="radio"/> | <input checked="" type="radio"/> |
| I. Do you or any <i>related person</i> , including any <i>employee</i> , directly or indirectly, receive compensation from any <i>person</i> (other than you or any <i>related person</i>) for <i>client</i> referrals? | <input type="radio"/> | <input checked="" type="radio"/> |

In your response to Item 8.I., do not include the regular salary you pay to an employee.

In responding to Items 8.H. and 8.I., consider all cash and non-cash compensation that you or a related person gave to (in answering Item 8.H.) or received from (in answering Item 8.I.) any person in exchange for client referrals, including any bonus that is based, at least in part, on the number or amount of client referrals.

Item 9 Custody

In this Item, we ask you whether you or a *related person* has *custody* of *client* (other than *clients* that are investment companies registered under the Investment Company Act of 1940) assets and about your custodial practices.

- | A. (1) Do you have <i>custody</i> of any advisory <i>clients'</i> : | Yes | No |
|---|----------------------------------|-----------------------|
| (a) cash or bank accounts? | <input checked="" type="radio"/> | <input type="radio"/> |
| (b) securities? | <input checked="" type="radio"/> | <input type="radio"/> |

If you are registering or registered with the SEC, answer "No" to Item 9.A.(1)(a) and (b) if you have custody solely because (i) you deduct your advisory fees directly from your clients' accounts, or (ii) a related person has custody of client assets in connection with advisory services you provide to clients, but you have overcome the presumption that you are not operationally independent (pursuant to Advisers Act rule 206(4)-2(d)(5)) from the related person.

(2) If you checked "yes" to Item 9.A.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which you have custody:

| U.S. Dollar Amount | Total Number of <i>Clients</i> |
|--------------------|--------------------------------|
| (a) \$ 154,597,510 | (b) 84 |

If you are registering or registered with the SEC and you have custody solely because you deduct your advisory fees directly from your clients' accounts, do not include the amount of those assets and the number of those clients in your response to Item 9.A.(2). If your related person has custody of client assets in connection with advisory services you provide to clients, do not include the amount of those assets and number of those clients in your response to 9.A.(2). Instead, include that information in your response to Item 9.B.(2).

- B. (1) In connection with advisory services you provide to *clients*, do any of your *related persons* have custody of any of your advisory *clients*':
- | | Yes | No |
|----------------------------|-----------------------|----------------------------------|
| (a) cash or bank accounts? | <input type="radio"/> | <input checked="" type="radio"/> |
| (b) securities? | <input type="radio"/> | <input checked="" type="radio"/> |

You are required to answer this item regardless of how you answered Item 9.A.(1)(a) or (b).

(2) If you checked "yes" to Item 9.B.(1)(a) or (b), what is the approximate amount of *client* funds and securities and total number of *clients* for which your *related persons* have custody:

| U.S. Dollar Amount | Total Number of <i>Clients</i> |
|--------------------|--------------------------------|
| (a) \$ | (b) |

- C. If you or your *related persons* have custody of *client* funds or securities in connection with advisory services you provide to *clients*, check all the following that apply:
- (1) A qualified custodian(s) sends account statements at least quarterly to the investors in the pooled investment vehicle(s) you manage.
 - (2) An *independent public accountant* audits annually the pooled investment vehicle(s) that you manage and the audited financial statements are distributed to the investors in the pools.
 - (3) An *independent public accountant* conducts an annual surprise examination of *client* funds and securities.
 - (4) An *independent public accountant* prepares an internal control report with respect to custodial services when you or your *related persons* are qualified custodians for *client* funds and securities.

If you checked Item 9.C.(2), C.(3) or C.(4), list in Section 9.C. of Schedule D the accountants that are engaged to perform the audit or examination or prepare an internal control report. (If you checked Item 9.C.(2), you do not have to list auditor information in Section 9.C. of Schedule D if you already provided this information with respect to the private funds you advise in Section 7.B.(1) of Schedule D).

- D. Do you or your *related person(s)* act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*?
- | | Yes | No |
|---|-----------------------|----------------------------------|
| (1) you act as a qualified custodian | <input type="radio"/> | <input checked="" type="radio"/> |
| (2) your <i>related person(s)</i> act as qualified custodian(s) | <input type="radio"/> | <input checked="" type="radio"/> |

If you checked "yes" to Item 9.D.(2), all *related persons* that act as qualified custodians (other than any mutual fund transfer agent pursuant to rule 206(4)-2(b)(1)) must be identified in Section 7.A. of Schedule D, regardless of whether you have determined the *related person* to be operationally independent under rule 206(4)-2 of the Advisers Act.

- E. If you are filing your *annual updating amendment* and you were subject to a surprise examination by an *independent public accountant* during your last fiscal year, provide the date (MM/YYYY) the examination commenced:
12/2018

- F. If you or your *related persons* have custody of *client* funds or securities, how many *persons*, including, but not limited to, you and your *related persons*, act as qualified custodians for your *clients* in connection with advisory services you provide to *clients*?
2

SECTION 9.C. Independent Public Accountant

You must complete the following information for each *independent public accountant* engaged to perform a surprise examination, perform an audit of a pooled investment vehicle that you manage, or prepare an internal control report. You must complete a separate Schedule D Section 9.C. for each *independent public accountant*.

- (1) Name of the *independent public accountant*:
GEFFEN MESHER AND COMPANY

- (2) The location of the *independent public accountant's* office responsible for the services provided:

| | | | |
|---|--------|---|--------------------|
| Number and Street 1: 888 SW 5TH AVE City: | State: | Number and Street 2: SUITE 800 Country: | ZIP+4/Postal Code: |
|---|--------|---|--------------------|

Yes No

(3) Is the *independent public accountant* registered with the Public Company Accounting Oversight Board?

If "yes," Public Company Accounting Oversight Board-Assigned Number:

3912

(4) If "yes" to (3) above, is the *independent public accountant* subject to regular inspection by the Public Company Accounting Oversight Board in accordance with its rules?

(5) The *independent public accountant* is engaged to:

- A. audit a pooled investment vehicle
 B. perform a surprise examination of *clients'* assets
 C. prepare an internal control report

(6) Since your last *annual updating amendment*, did all of the reports prepared by the *independent public accountant* that audited the pooled investment vehicle or that examined internal controls contain unqualified opinions?

- Yes
 No
 Report Not Yet Received

If you check "Report Not Yet Received", you must promptly file an amendment to your Form ADV to update your response when the accountant's report is available.

Item 10 Control Persons

In this Item, we ask you to identify every *person* that, directly or indirectly, *controls* you. If you are filing an *umbrella registration*, the information in Item 10 should be provided for the *filing adviser* only.

If you are submitting an initial application or report, you must complete Schedule A and Schedule B. Schedule A asks for information about your direct owners and executive officers. Schedule B asks for information about your indirect owners. If this is an amendment and you are updating information you reported on either Schedule A or Schedule B (or both) that you filed with your initial application or report, you must complete Schedule C.

Yes No

A. Does any *person* not named in Item 1.A. or Schedules A, B, or C, directly or indirectly, *control* your management or policies?

If yes, complete Section 10.A. of Schedule D.

B. If any *person* named in Schedules A, B, or C or in Section 10.A. of Schedule D is a public reporting company under Sections 12 or 15(d) of the Securities Exchange Act of 1934, please complete Section 10.B. of Schedule D.

SECTION 10.A. Control Persons

No Information Filed

SECTION 10.B. Control Person Public Reporting Companies

No Information Filed

Item 11 Disclosure Information

In this Item, we ask for information about your disciplinary history and the disciplinary history of all your *advisory affiliates*. We use this information to determine whether to grant your application for registration, to decide whether to revoke your registration or to place limitations on your activities as an investment adviser, and to identify potential problem areas to focus on during our on-site examinations. One event may result in "yes" answers to more than one of the questions below. In accordance with General Instruction 5 to Form ADV, "you" and "your" include the *filing adviser* and all *relying advisers* under an *umbrella registration*.

Your *advisory affiliates* are: (1) all of your current *employees* (other than *employees* performing only clerical, administrative, support or similar functions); (2) all of your officers, partners, or directors (or any *person* performing similar functions); and (3) all *persons* directly or indirectly *controlling* you or *controlled* by you. If you are a "separately identifiable department or division" (SID) of a bank, see the Glossary of Terms to determine who your *advisory affiliates* are.

If you are registered or registering with the SEC or if you are an exempt reporting adviser, you may limit your disclosure of any event listed in Item 11 to ten years following the date of the event. If you are registered or registering with a state, you must respond to the questions as posed; you may, therefore, limit your disclosure to ten years following the date of an event only in responding to Items 11.A.(1), 11.A.(2), 11.B.(1), 11.B.(2), 11.D.(4), and 11.H.(1)(a). For purposes of calculating this ten-year period, the date of an event is the date the final order, judgment, or decree was entered, or the date any rights of appeal from preliminary orders, judgments, or decrees lapsed.

You must complete the appropriate Disclosure Reporting Page ("DRP") for "yes" answers to the questions in this Item 11.

Yes No

Do any of the events below involve you or any of your supervised persons?

For "yes" answers to the following questions, complete a Criminal Action DRP:

A. In the past ten years, have you or any *advisory affiliate*:

Yes No

(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to any *felony*?

(2) been *charged* with any *felony*?

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.A.(2) to charges that are currently pending.

B. In the past ten years, have you or any *advisory affiliate*:

(1) been convicted of or pled guilty or nolo contendere ("no contest") in a domestic, foreign, or military court to a *misdemeanor* involving: investments or an *investment-related* business, or any fraud, false statements, or omissions, wrongful taking of property, bribery, perjury, forgery, counterfeiting, extortion, or a conspiracy to commit any of these offenses?

(2) been *charged* with a *misdemeanor* listed in Item 11.B.(1)?

If you are registered or registering with the SEC, or if you are reporting as an exempt reporting adviser, you may limit your response to Item 11.B.(2) to charges that are currently pending.

For "yes" answers to the following questions, complete a Regulatory Action DRP:

C. Has the SEC or the Commodity Futures Trading Commission (CFTC) ever:

Yes No

(1) *found* you or any *advisory affiliate* to have made a false statement or omission?

(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of SEC or CFTC regulations or statutes?

(3) *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted?

(4) entered an *order* against you or any *advisory affiliate* in connection with *investment-related* activity?

(5) imposed a civil money penalty on you or any *advisory affiliate*, or *ordered* you or any *advisory affiliate* to cease and desist from any activity?

D. Has any other federal regulatory agency, any state regulatory agency, or any *foreign financial regulatory authority*:

(1) ever *found* you or any *advisory affiliate* to have made a false statement or omission, or been dishonest, unfair, or unethical?

(2) ever *found* you or any *advisory affiliate* to have been *involved* in a violation of *investment-related* regulations or statutes?

(3) ever *found* you or any *advisory affiliate* to have been a cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted?

(4) in the past ten years, entered an *order* against you or any *advisory affiliate* in connection with an *investment-related* activity?

(5) ever denied, suspended, or revoked your or any *advisory affiliate's* registration or license, or otherwise prevented you or any *advisory affiliate*, by *order*, from associating with an *investment-related* business or restricted your or any *advisory affiliate's* activity?

E. Has any *self-regulatory organization* or commodities exchange ever:

(1) *found* you or any *advisory affiliate* to have made a false statement or omission?

(2) *found* you or any *advisory affiliate* to have been *involved* in a violation of its rules (other than a violation designated as a "*minor rule violation*" under a plan approved by the SEC)?

(3) *found* you or any *advisory affiliate* to have been the cause of an *investment-related* business having its authorization to do business denied, suspended, revoked, or restricted?

(4) disciplined you or any *advisory affiliate* by expelling or suspending you or the *advisory affiliate* from membership, barring or suspending you or the *advisory affiliate* from association with other members, or otherwise restricting your or the *advisory affiliate's* activities?

F. Has an authorization to act as an attorney, accountant, or federal contractor granted to you or any *advisory affiliate* ever been revoked or suspended?

G. Are you or any *advisory affiliate* now the subject of any regulatory *proceeding* that could result in a "yes" answer to any part of Item 11.C., 11.D., or 11.E.?

For "yes" answers to the following questions, complete a Civil Judicial Action DRP:

H. (1) Has any domestic or foreign court:

Yes No

(a) in the past ten years, *enjoined* you or any *advisory affiliate* in connection with any *investment-related* activity?

(b) ever *found* that you or any *advisory affiliate* were *involved* in a violation of *investment-related* statutes or regulations?

(c) ever dismissed, pursuant to a settlement agreement, an *investment-related* civil action brought against you or any *advisory affiliate* by a state or *foreign financial regulatory authority*?

(2) Are you or any *advisory affiliate* now the subject of any civil *proceeding* that could result in a "yes" answer to any part of Item 11.H.(1)?

Item 12 Small Businesses

The SEC is required by the Regulatory Flexibility Act to consider the effect of its regulations on small entities. In order to do this, we need to determine whether you meet the definition of

"small business" or "small organization" under rule 0-7.

Answer this Item 12 only if you are registered or registering with the SEC **and** you indicated in response to Item 5.F.(2)(c) that you have regulatory assets under management of less than \$25 million. You are not required to answer this Item 12 if you are filing for initial registration as a state adviser, amending a current state registration, or switching from SEC to state registration.

For purposes of this Item 12 only:

- Total Assets refers to the total assets of a firm, rather than the assets managed on behalf of *clients*. In determining your or another *person's* total assets, you may use the total assets shown on a current balance sheet (but use total assets reported on a consolidated balance sheet with subsidiaries included, if that amount is larger).
- *Control* means the power to direct or cause the direction of the management or policies of a *person*, whether through ownership of securities, by contract, or otherwise. Any *person* that directly or indirectly has the right to vote 25 percent or more of the voting securities, or is entitled to 25 percent or more of the profits, of another *person* is presumed to *control* the other *person*.

A. Did you have total assets of \$5 million or more on the last day of your most recent fiscal year? Yes No

If "yes," you do not need to answer Items 12.B. and 12.C.

B. Do you:
 (1) *control* another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?

(2) *control* another *person* (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?

C. Are you:
 (1) *controlled by* or under common *control* with another investment adviser that had regulatory assets under management (calculated in response to Item 5.F.(2)(c) of Form ADV) of \$25 million or more on the last day of its most recent fiscal year?

(2) *controlled by* or under common *control* with another *person* (other than a natural person) that had total assets of \$5 million or more on the last day of its most recent fiscal year?

Schedule A

Direct Owners and Executive Officers

1. Complete Schedule A only if you are submitting an initial application or report. Schedule A asks for information about your direct owners and executive officers. Use Schedule C to amend this information.

2. Direct Owners and Executive Officers. List below the names of:

- (a) each Chief Executive Officer, Chief Financial Officer, Chief Operations Officer, Chief Legal Officer, Chief Compliance Officer (Chief Compliance Officer is required if you are registered or applying for registration and cannot be more than one individual), director, and any other individuals with similar status or functions;
- (b) if you are organized as a corporation, each shareholder that is a direct owner of 5% or more of a class of your voting securities, unless you are a public reporting company (a company subject to Section 12 or 15(d) of the Exchange Act);
 Direct owners include any *person* that owns, beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 5% or more of a class of your voting securities. For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.
- (c) if you are organized as a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 5% or more of your capital;
- (d) in the case of a trust that directly owns 5% or more of a class of your voting securities, or that has the right to receive upon dissolution, or has contributed, 5% or more of your capital, the trust and each trustee; and
- (e) if you are organized as a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 5% or more of your capital, and (ii) if managed by elected managers, all elected managers.

3. Do you have any indirect owners to be reported on Schedule B? Yes No

4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner or executive officer is an individual.

5. Complete the Title or Status column by entering board/management titles; status as partner, trustee, sole proprietor, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).

6. Ownership codes are: NA - less than 5% B - 10% but less than 25% D - 50% but less than 75%
 A - 5% but less than 10% C - 25% but less than 50% E - 75% or more

7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.

(b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.

(c) Complete each column.

| FULL LEGAL NAME (Individuals: Last Name, First Name, Middle Name) | DE/FE/I | Title or Status | Date Title or Status Acquired MM/YYYY | Ownership Code | Control Person | PR | CRD No. If None: S.S. No. and Date of Birth, IRS Tax No. or Employer ID No. |
|---|---------|---|---------------------------------------|----------------|----------------|----|---|
| PAYNE, FREDERICK, JOSEPH | I | SECRETARY TRESURER CHIEF COMPLIANCE OFFICER | 11/2019 | E | Y | N | 1290237 |
| PETTY, BRENT, JAMESON | I | PRESIDENT | 06/2005 | B | Y | N | 4033087 |
| RHODES, SCOTT, ALAN | I | PRINCIPAL | 09/2017 | NA | N | N | 1389335 |

Schedule B

Indirect Owners

1. Complete Schedule B only if you are submitting an initial application or report. Schedule B asks for information about your indirect owners; you must first complete Schedule A,

which asks for information about your direct owners. Use Schedule C to amend this information.

2. Indirect Owners. With respect to each owner listed on Schedule A (except individual owners), list below:

- (a) in the case of an owner that is a corporation, each of its shareholders that beneficially owns, has the right to vote, or has the power to sell or direct the sale of, 25% or more of a class of a voting security of that corporation;

For purposes of this Schedule, a *person* beneficially owns any securities: (i) owned by his/her child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, sharing the same residence; or (ii) that he/she has the right to acquire, within 60 days, through the exercise of any option, warrant, or right to purchase the security.

- (b) in the case of an owner that is a partnership, all general partners and those limited and special partners that have the right to receive upon dissolution, or have contributed, 25% or more of the partnership's capital;
- (c) in the case of an owner that is a trust, the trust and each trustee; and
- (d) in the case of an owner that is a limited liability company ("LLC"), (i) those members that have the right to receive upon dissolution, or have contributed, 25% or more of the LLC's capital, and (ii) if managed by elected managers, all elected managers.

3. Continue up the chain of ownership listing all 25% owners at each level. Once a public reporting company (a company subject to Sections 12 or 15(d) of the Exchange Act) is reached, no further ownership information need be given.

4. In the DE/FE/I column below, enter "DE" if the owner is a domestic entity, "FE" if the owner is an entity incorporated or domiciled in a foreign country, or "I" if the owner is an individual.

5. Complete the Status column by entering the owner's status as partner, trustee, elected manager, shareholder, or member; and for shareholders or members, the class of securities owned (if more than one is issued).

6. Ownership codes are: C - 25% but less than 50% E - 75% or more
D - 50% but less than 75% F - Other (general partner, trustee, or elected manager)

7. (a) In the *Control Person* column, enter "Yes" if the *person* has *control* as defined in the Glossary of Terms to Form ADV, and enter "No" if the *person* does not have *control*. Note that under this definition, most executive officers and all 25% owners, general partners, elected managers, and trustees are *control persons*.

(b) In the PR column, enter "PR" if the owner is a public reporting company under Sections 12 or 15(d) of the Exchange Act.

(c) Complete each column.

No Information Filed

Schedule D - Miscellaneous

You may use the space below to explain a response to an Item or to provide any other information.

Schedule R

No Information Filed

DRP Pages

CRIMINAL DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

REGULATORY ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

CIVIL JUDICIAL ACTION DISCLOSURE REPORTING PAGE (ADV)

No Information Filed

Part 2

Exemption from brochure delivery requirements for SEC-registered advisers

SEC rules exempt SEC-registered advisers from delivering a firm brochure to some kinds of clients. If these exemptions excuse you from delivering a brochure to *all* of your advisory clients, you do not have to prepare a brochure.

Are you exempt from delivering a brochure to all of your clients under these rules?

Yes No

If no, complete the ADV Part 2 filing below.

Amend, retire or file new brochures:

Execution Pages

DOMESTIC INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint the Secretary of State or other legally designated officer, of the state in which you maintain your *principal office and place of business* and any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such *persons* may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding*, or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of the state in which you maintain your *principal office and place of business* or of any state in which you are submitting a *notice filing*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct, and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:
FREDERICK J PAYNE, JR.

Date: MM/DD/YYYY
02/24/2020

Printed Name:
FREDERICK J PAYNE, JR.

Title:
CHIEF COMPLIANCE OFFICER

Adviser *CRD* Number:
108091

NON-RESIDENT INVESTMENT ADVISER EXECUTION PAGE

You must complete the following Execution Page to Form ADV. This execution page must be signed and attached to your initial submission of Form ADV to the SEC and all amendments.

1. Appointment of Agent for Service of Process

By signing this Form ADV Execution Page, you, the undersigned adviser, irrevocably appoint each of the Secretary of the SEC, and the Secretary of State or other legally designated officer, of any other state in which you are submitting a *notice filing*, as your agents to receive service, and agree that such persons may accept service on your behalf, of any notice, subpoena, summons, *order* instituting *proceedings*, demand for arbitration, or other process or papers, and you further agree that such service may be made by registered or certified mail, in any federal or state action, administrative *proceeding* or arbitration brought against you in any place subject to the jurisdiction of the United States, if the action, *proceeding* or arbitration (a) arises out of any activity in connection with your investment advisory business that is subject to the jurisdiction of the United States, and (b) is *founded*, directly or indirectly, upon the provisions of: (i) the Securities Act of 1933, the Securities Exchange Act of 1934, the Trust Indenture Act of 1939, the Investment Company Act of 1940, or the Investment Advisers Act of 1940, or any rule or regulation under any of these acts, or (ii) the laws of any state in which you are submitting a *notice filing*.

2. Appointment and Consent: Effect on Partnerships

If you are organized as a partnership, this irrevocable power of attorney and consent to service of process will continue in effect if any partner withdraws from or is admitted to the partnership, provided that the admission or withdrawal does not create a new partnership. If the partnership dissolves, this irrevocable power of attorney and consent shall be in effect for any action brought against you or any of your former partners.

3. *Non-Resident* Investment Adviser Undertaking Regarding Books and Records

By signing this Form ADV, you also agree to provide, at your own expense, to the U.S. Securities and Exchange Commission at its principal office in Washington D.C., at any Regional or District Office of the Commission, or at any one of its offices in the United States, as specified by the Commission, correct, current, and complete copies of any or all records that you are required to maintain under Rule 204-2 under the Investment Advisers Act of 1940. This undertaking shall be binding upon you, your heirs, successors and assigns, and any *person* subject to your written irrevocable consents or powers of attorney or any of your general partners and *managing agents*.

Signature

I, the undersigned, sign this Form ADV on behalf of, and with the authority of, the *non-resident* investment adviser. The investment adviser and I both certify, under penalty of perjury under the laws of the United States of America, that the information and statements made in this ADV, including exhibits and any other information submitted, are true and correct,

and that I am signing this Form ADV Execution Page as a free and voluntary act.

I certify that the adviser's books and records will be preserved and available for inspection as required by law. Finally, I authorize any *person* having *custody* or possession of these books and records to make them available to federal and state regulatory representatives.

Signature:

Date: MM/DD/YYYY

Printed Name:

Title:

Adviser *CRD* Number:

108091

EXHIBIT B:

NORTHWEST CAPITAL MANAGEMENT, INC.
CODE OF ETHICS
(INCLUDING INSIDER TRADING POLICIES AND PROCEDURES)

THIS MANUAL IS THE PROPERTY OF NORTHWEST CAPITAL MANAGEMENT, INC. AND MUST BE RETURNED TO THE COMPANY SHOULD AN EMPLOYEE'S ASSOCIATION WITH THE COMPANY TERMINATE FOR ANY REASON. THE CONTENTS OF THIS MANUAL ARE CONFIDENTIAL AND SHOULD NOT BE REVEALED TO UNAFFILIATED THIRD PARTIES WITHOUT PERMISSION FROM THE CHIEF COMPLIANCE OFFICER.

October 1, 2018

NORTHWEST CAPITAL MANAGEMENT, INC.
CODE OF ETHICS
DATED: OCTOBER 1, 2018

This Code of Ethics (the “Code”) applies to all Access Persons, as defined in Section 1(a) below, of **Northwest Capital Management, Inc.** (“NWCM” or the “Firm”). This Code supersedes all previous versions of the Firm’s Code.

1. Definitions

- (a) **“Access Persons”** means all employees, directors, officers, partners or members of the Firm who (i) have access to nonpublic information regarding advisory clients’ purchases or sales of securities, (ii) are involved in making securities recommendations to advisory clients, (iii) have access to nonpublic recommendations or the portfolio holdings of an affiliate or (iv) all of the Company’s investment management personnel. Operations and client service personnel who regularly communicate with advisory clients also may be deemed to be Access Persons, and also certain independent contractors.
- (b) **“Beneficial Ownership”** means any interest in a security for which an Access Person can directly or indirectly receive a monetary benefit, which may include the right to buy or sell a security, to direct the purchase or sale of a security, or to vote or direct the voting of a security (*see Appendix 1* of this section for *Examples of Beneficial Ownership*). **NOTE:** This broad definition of “beneficial ownership” does not necessarily apply for purposes of other securities laws or for purposes of estate or income tax reporting or liability. An employee may declare that the reporting or recording of any securities transaction should not be construed as an admission that he or she has any direct or indirect beneficial ownership in the security for other purposes.
- (c) **“Exchange Traded Funds”** (“ETFs”) are shares of ownership in either funds, unit investment trusts or depository receipts that hold portfolios of common stocks that closely track the performance and dividend yield of specific indices.
- (d) **“Exempt Securities”** include the following:
- Shares of an open-end mutual fund (except ETFs, which need to be reported but not pre-cleared)
 - U.S. treasury bonds, treasury notes, treasury bills, U.S. Savings Bonds, and other instruments issued by the U.S. government or its agencies or instrumentalities
 - Debt instruments issued by a banking institution, such as bankers’ acceptances and bank certificates of deposit (not including corporate or high yield bonds)
 - Money market funds
 - Commercial paper
 - Repurchase agreements
- (e) **“Exempt Transactions”** means any transaction exempt from the pre-clearance, holding and/or reporting requirements under the Code. Such transactions are still subject to the Code of Ethics, and may still be reviewed by the CCO or designee.
- (f) **“Federal Securities Laws”** means the Securities Act of 1933, the Securities Exchange Act of 1934, the Investment Company Act of 1940, the Investment Advisers Act of 1940, the Bank

Secrecy Act of 1970, as it applies to fund and investment advisers, Title V of the Gramm-Leach-Bliley Act of 1999, the Sarbanes-Oxley Act of 2002, any rules adopted by the SEC under any of these statutes and any rules adopted there under by the SEC, Department of Labor or the Department of Treasury.

- (g) **“Initial Public Offering”** means an offering of securities registered under the Securities Act of 1933, as amended, the issuer of which, immediately before the registration, was not subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act.
- (h) **“Limited Offering”** means an offering that is exempt from registration under the Securities Act of 1933 pursuant to section 4(2) or section 4(6) (15 U.S.C. 77d(2) or 77(d)(6)) or pursuant to 230.504, 230.505, or 230.506 of this chapter.
- (i) **“Personal Account”** means every account for which an Access Person may directly or indirectly influence or control the investment decisions of the account and otherwise be deemed to have Beneficial Ownership. This typically includes, but may not be limited to, accounts of (a) any Access Person, (b) the spouse of such Access Person, (c) any children living in the same household of such Access Person, and/or (d) any other person residing in the same household of such Access Person, if such Access person has a beneficial interest in such account(s). Each of the above accounts is considered a personal account of the Access Person.
- (j) **“Prohibited Transactions”** means a personal securities transaction prohibited by this Code.
- (k) **“Purchase or sale of a security”** means the buying or selling of any stock and includes, among other things, the writing of an option to purchase or sell a security or the purchase or sale of a security that is exchangeable for or convertible into a security.
- (l) **“Restricted Securities”** means Covered Securities that have been identified by the Chief Compliance Officer (“CCO”) as securities that are under consideration for either purchase or sale in client portfolios or being actively traded in client portfolios.
- (m) **“Reportable Fund”** means (i) any mutual fund for which the Firm may serve as an investment adviser or sub-adviser as defined in section 2(a)(2) of the Investment Company Act of 1940; or (ii) any fund whose investment adviser or principal underwriter controls the Firm, is controlled by the Firm, or is under common control with the Firm. For purposes of this section, control has the same meaning as it does in section 2(a)(9) of the Investment Company Act. NWCM does not presently serve as an investment adviser or sub-adviser to a Reportable Fund.
- (n) **“Secondary Offering”** means an offering of securities of a publicly traded company that prior to the offering were not registered under the Securities Act of 1933, as amended.
- (o) **“Securities”** or **“Covered Securities”** means securities that are covered by the Code. Such covered securities include, but are not necessarily limited to:
- Equity securities including common and preferred stock, which do not fall within the Exempted Transactions listed in section 4(b)(1) below
 - Restricted Securities
 - Reportable Funds
 - Corporate and Municipal bonds
 - Exchange Trade Funds
 - Investments convertible into, or exchangeable for, stock or debt securities

- Any derivative instrument relating to any of the above securities, including options, warrants and futures
- Any initial placement offerings (“IPOs”) or interests in a limited offering (such as a private placement investment) in any of the foregoing

2. Fiduciary Obligations and Ethical Principles

The Firm and its Access Persons have an ongoing fiduciary responsibility to the Firm’s clients and must ensure that the needs of the clients always come first. The Firm holds its Access Persons to a very high standard of integrity and business practices. In serving its clients, the Firm and its Access Persons must always deal with clients in an honest and ethical manner and comply with all the Federal Securities Laws.

While affirming its confidence in the integrity and good faith of its Access Persons, the Firm understands that the knowledge of present or future client portfolio transactions and the power to influence client portfolio transactions, if held by such individuals, places them in a position where their personal interests might become conflicted with the interests of the Firm’s clients. Such conflicts of interest could arise, for example, if securities are bought or sold for personal accounts in a manner that either competes with the purchase or sale of securities for clients results in an advantageous position for the personal accounts.

Because the Firm is a fiduciary to its clients, Access Persons must avoid actual and potential conflicts of interest with the Firm’s clients. Therefore, in view of the foregoing and in accordance with the provisions of Rule 204a-1 under the Investment Advisers Act (“Advisers Act”) and Rule 17j-1 under the Investment Company Act of 1940 (“1940 Act”), the Firm has adopted this Code to outline and prohibit certain types of activities that are deemed to create conflicts of interest (or at least the potential for or the appearance of such a conflict) and to outline pre-approval, reporting and review requirements, along with enforcement procedures. Please note that for all pre-approval, reporting and review requirements listed below, the Firm’s Chief Compliance Officer (“CCO”) will report to and/or obtain pre-approval from the President/CEO. In addition, Access Persons must adhere to the following general principles as well as to the Code’s specific provisions:

- (a) At all times, the interests of the Firm’s clients must come first;
- (b) Personal securities transactions must be conducted consistent with the Code in a manner that avoids any actual or potential conflict of interest; and,
- (c) No inappropriate advantage should ever be taken that is contrary to the Firm’s responsibilities and duties to its clients

3. Unlawful Actions

It is unlawful for any Access Person:

- (a) To employ any device, scheme or artifice to defraud a client;
- (b) To make any untrue statement of a material fact to any of the Firm’s clients or omit to state a material fact necessary to make the statements made to a client, in light of the circumstances under which they are made, not misleading;
- (c) To engage in any act, practice or course of business that operates or would operate as a fraud or deceit on a client; and,
- (d) To engage in any manipulative practice with respect to a client.

4. Procedures regarding trading in Personal Accounts

Generally, all Access Persons must obtain pre-approval for transactions in Covered Securities. To facilitate compliance, the following requirements and exceptions are set forth.

(a) Custodial Arrangements:

- (i) Any account for which an Access Person has a beneficial interest **and that will contain a Covered Security** must be custodied at Charles Schwab so that NWCM is able to receive electronic downloads into its portfolio management software of all positions and transactions.
- (ii) An Access Person must receive the CCO's approval to hold an account at a custodian other than Charles Schwab which currently only holds Exempt Securities but in which Covered Securities could be purchased providing:
 - a. NWCM receives electronic downloads of transaction and positions into its portfolio management software system;
 - b. No Covered Securities are purchased therein; and
 - c. The Access Person completes a Pre-Approval form (found at [N:/Compliance/Preclearance of Outside Brokerage](#)) and agrees to the conditions listed on the form.
- (iii) The CCO at its discretion can make written exceptions to the custodial requirements given the particulars of the beneficiary interest or the type of investment.
- (iv) Reasonable efforts will be taken by NWCM to keep private the personal account data of Access Persons from other staff members. Such efforts, however, will not preclude a determined staff member with access to NWCM's portfolio management software from discovering an Access Person's account. Any authorized effort on the part of the Firm's staff to discover such personal data is grounds for immediate termination of employment.

(b) Restricted Securities: No Access Person **under any circumstances** may purchase or sell any Covered Securities if it is on NWCM's Restricted Securities List. The Restricted Securities List is available for viewing on NWCM's network: [N:/Compliance/Restricted Securities List](#).

(c) Exempt Transactions:

- (i) A purchase or sale of shares of an open-end mutual fund (except ETFs, which need to be reported but not pre-cleared)
- (ii) U.S. treasury bonds, treasury notes, treasury bills, U.S. Savings Bonds, and other instruments issued by the U.S. government or its agencies or instrumentalities
- (iii) Debt instruments issued by a banking institution, such as bankers' acceptances and bank certificates of deposit (not including corporate or high yield bonds)
- (iv) Commercial paper
- (v) Repurchase agreements

(d) Pre-clearance Approval for Effecting Personal Transactions Not Required:

- (i) Exempt Transactions
- (ii) Except for securities listed on NWCM's Restricted List, a *de minimis* exception exists: no Access Person shall be required to pre-clear the purchase or sale of not more than 1,000 shares **and** \$20,000 or less in value per week in a Covered Security providing the security's market capitalization is \$500 million or more.
- (iii) If a Covered Security is not owned within a Client account, pre-clearance is not required. The transaction can occur that day at the discretionary timing of the Access Person within an account established per the requirements of 4(a) above.

- (iv) Transactions in Covered Securities which do not require pre-clearance approval will be captured by NWCM's portfolio managements software system for subsequent review by the CCO.

(e) Pre-clearance Approval for Effecting Personal Transactions Required:

- (i) The purchase of an Initial Public Offering (IPO)
- (ii) An interest in a private placement
- (iii) But for the exception noted in 4(d)(ii), transactions in Covered Securities owned within NWCM Client accounts require pre-clearance approval. NWCM will use its best efforts to review the pre-clearance request in a timely fashion, and will not be responsible for any losses that might occur given a delay in its review. Any pre-approved trades must be completed by the close of business on the trading day after written approval is received. To submit all pre-clearance requests, please use the *NWCM Personal Securities Transaction Pre-Clearance Form* found on NWCM's network: [N:/Compliance/Forms/Pre-Clearance of Personal Transactions](#). Denial of pre-approval will occur at the sole discretion of the CCO, but generally for the following reasons:
 - a. The firm anticipates it will purchase or sell the Covered Security in a substantial amount within the next three days.
 - b. The requested trade is for the sale of a Covered Security recently purchased as a substantial position within Client accounts within the past four days.
- (iv) But for the exception noted in 4(d)(ii), if the Covered Security is within a Client account and NWCM contemplates that trades for that security will occur in one or more Client accounts within the next three days, that trade must be part of the block trade, executed by NWCM's Portfolio Manager, and the timing of execution of the block at the sole discretion of NWCM.
 - a. In the event there are not enough shares available in the block trade, the Access Person will be left out of the allocation or shorted.
- (v) **It is the responsibility of the Access Person to determine if his or her pending transaction of a Covered Security is also owned in a Client account.** A report is available within NWCM's Axys software to assist Access Persons in making this determination. **The Access Person must also determine the market capitalization of a Covered Security to take advantage of the exception noted in 4(d)(ii).**

(f) Transaction Reporting:

Quarterly and annually, Access Persons must complete reports in a firm-specified format, copies of which will be emailed to them for each reporting period. In these reports, Access Persons must report on their personal trading accounts.

- (i) Exempt Transactions need not be reported.
- (ii) Reporting obligations can be fulfilled if NWCM receives duplicate statements and/or an electronic feed from the brokerage custodian.

- (f) Misuse of Non-Public Information:** No Access Person shall divulge or act upon any material, non-public information as such activity is defined and as further detailed in *Appendix 2*, NWCM's *Insider Trading Policies and Procedures*, which are incorporated herein.

5. Conflicts of Interest Issues

NWCM and all Access Persons should make every effort to minimize, if not eliminate completely, conflicts of interest. The Firm in its annual Brochure discloses potential conflicts of interest to its clients and prospects.

- (a) **Pay to Play and Political Contribution Limitations:** NWCM has adopted the following policies and related payments to elected officials to influence the awarding of an advisory contract.

The Firm, any solicitor on behalf of the Firm, all Access Persons, and any Firm employee that is considered a “Covered Associate” (as defined below) may not make, without first obtaining prior written approval from the CCO, a Political Contribution (as defined below) to any one candidate or official, per election that in the aggregate would exceed \$150.00 if the Covered Associate could not vote for the candidate or official, or \$350.00 if the Covered Associate could vote for the candidate or official. Pre-approval requests are to be made on a form on NWCM’s network: [N:/Compliance/Forms/ Pre-Approval of Political Contributions](#).

In addition, new employees, any promoted employees and any new solicitors that fall within the definition of Covered Associate will be required to report all political contributions they made within the last six months from date of hire, promotion, or engagement, or within the last two years, if their employment or promotion requires the Covered Associate to solicit clients on behalf of the Firm. This reporting form can be found on NWCM’s network: [N:/Compliance/Forms/Report of Political Contributions](#).

Covered Associate of the Firm means:

- (i) Any general partner, managing member or executive officer, or other individual with a similar status or function;
- (ii) Any employee or independent contractor who solicits a government entity for the Firm and any person who supervises, directly or indirectly, such employee or independent contractor;
- (iii) Any political action committee controlled by the Firm or by any person described in paragraphs (i) and (ii) above.

Political Contribution means any gift, subscription, loan, advance, or deposit of money or anything of value made:

- (i) To a political candidate in any election for federal, state or local office;
- (ii) Payment of debt incurred in connection with any such election;
- (iii) Transition or inaugural expenses of the successful candidate for state or local office.

- (b) **Charitable Donations:** In order to avoid any potential or real conflicts of interests with clients, the Firm and its Access Persons must obtain pre-approval from the CCO prior to making any type of charitable donation either directly or indirectly, and with a value of more than \$250 annually, to any non-affiliated charitable organization:

- (i) That is a client or potential client of the Firm
- (ii) Where a donation has been requested by a client, potential client or consultant
- (iii) Where it could have the appearance of “pay to play” activity

To request preapproval when required, please use the form found on NWCM’s network: [N:/Compliance/Forms/ Pre-clearance of Charitable Donations](#).

- (c) **Gifts:** For this Code, “gifts” include but are not limited to cash, merchandise, prizes, travel expenses, entertainment tickets. **NWCM does not allow its Access Persons to provide or make available gifts to ERISA clients.**

To avoid any potential or real conflicts of interests with clients, the Firm and its Access Persons must obtain pre-approval from the CCO prior to making any type of gift either directly or indirectly, and with a value of more than \$100 annually, to any individual or organization:

- (i) That is a client or potential client of the Firm

- (ii) Where a donation has been requested by a client, potential client or consultant
- (iii) Where it could have the appearance of “pay to play” activity

To request preapproval when required, please use the form found on NWCM’s network:
[N:/Compliance/Forms/ Pre-clearance of Non-Charitable Gifts.](#)

Receipt of gifts from Clients, any person or entity that does business with or on behalf of the Firm, or prospect thereof, are restricted as follows:

- (i) All gifts received from any one recipient whose annual value is more than \$100 must be reported to the CCO or designee at the time of receipt. The CCO will determine if the gift can be retained, returned or redirected to a charity.
- (ii) Meals, entertainment and travel more than \$100 sponsored by an industry person or entity that does or seeks to do business with the Firm are permitted if for legitimate training and educational purposes but must be pre-cleared and approved by the CCO or designee prior to the event.

To request preapproval when required, please use the form found on NWCM’s network:
[N:/Compliance/Forms/ Pre-clearance for Receipt of Non-Charitable Gifts.](#)

6. Outside Business Activities

Employees must disclose to the CCO all “Outside Activities.” Disclosure is required prior to hiring, within 10 days prior to the initiation of an Outside Activity, and no less than annually on the Annual Employee Questionnaire.

- (a) **Definition:** Outside Activities are defined as:
 - (i) Employment by, consulting with or other provision of services for compensation to, any organization other than NWCM or its subsidiaries.
 - (ii) Serving as an officer or member of the board of directors or trustees (or in a similar management function), or on an advisory board, of any organization (including a non-profit corporation) other than NWCM or its subsidiaries, regardless of whether any compensation is offered for such service.
 - (iii) Ownership of shares or other investment in any non-publicly traded corporation or organization whose products or services compete with the business of NWCM or its subsidiaries.
 - (iv) any association, investment or other activity not included in the definition of “Outside Activities” that they believe could cause their interests to conflict with the interests of NWCM’s clients.
- (b) **Information Request:** Each employee shall disclose to the CCO upon request any information regarding the employee’s Outside Activities as the CCO may require making disclosures and properly resolve conflicts of interest and other regulatory issues.
- (c) **Consent of NWCM:** If NWCM considers an employee’s ownership of a non-publicly traded business—subject to disclosure in this section—creates a conflict of interest (real or perceived), NWCM can require assurance that, in its sole and absolute evaluation, mitigates that risk. In addition, NWCM need not permit its employee to have employment with a third party or have a Board Membership if, in its sole and absolute evaluation, NWCM determines such employment or Board Membership:
 - (i) Competes with the business of NWCM, or its subsidiaries;
 - (ii) Creates a potential conflict of interest;
 - (iii) Puts at risk Confidential Information of NWCM; or
 - (iv) Would adversely impact the employee’s performance at NWCM.

7. Electronic Communications

NWCM Systems are the sole property of NWCM and are made available to facilitate each employee's ability to do his or her job efficiently and productively. To that end, employees are to use NWCM Systems for the benefit of NWCM and its clients only.

- (a) **Correspondence:** Any written electronic communication sent or received by an employee to or from a client, potential client, service provider or another employee, including email, instant messaging, social media or fax, regarding NWCM's advisory business should be treated in the same manner and with the same importance as if such communication was sent or received in paper format. In addition, such communication is subject to the recordkeeping requirements under the Advisers Act, which mandates that certain documentation be maintained by an adviser generally for a period of at least five years from the date the communication was created – the first two years in the office of the adviser. Examples of some of the types of communication that have to be retained are given in section 2 below. It is the responsibility of the employee who sends or receives the written electronic communication to ensure that such communication is maintained in accordance with NWCM's books and record-keeping retention requirements as outlined in the NWCM's Compliance Policies and Procedures Manual. This includes assessing whether or not the communication falls within the definition of what has to be retained, and also taking appropriate steps to retain documents which do.
- (b) **Electronic Mail (Email):** Employees must take great care in preparing and sending both internal and external emails. Certain emails that are sent to more than one person (including clients, prospective clients, etc.) may be considered to be advertisements that are subject to the marketing and advertising rules under the Advisers Act. Thus, the same care should be taken in creating such emails as would be taken when creating a new marketing or promotional piece.
- (c) The more common types of email correspondence that are required to be maintained by NWCM employees, include, but are not limited to:
 - (i) Email between an employee, client, service provider or another employee regarding a client or a client's account;
 - (ii) Email containing or relating to advertising of NWCM's advisory business, including the dissemination of pitch books, fact sheets and other promotional materials;
 - (iii) Email related to the placement or execution of a client's securities transactions, including, among other things, trade orders and trade confirmations; and
 - (iv) Email to or from any client or prospective client regarding NWCM's advisory business.

All business purpose email should only be affected from within NWCM's email system in order that emails sent and received are automatically captured by NWCM's email archiving service.

As always, all email, whether business or personal, must be appropriate in both tone and content. Employees should be aware that all emails that they send or receive through NWCM's computers are maintained by NWCM and at any time and without notice to the employee are subject to monitoring and review by NWCM senior management or others as permitted or required by law.

- (d) **Instant Messaging:** Access Persons are not permitted to utilize instant messaging for NWCM business purposes except for internal correspondence.
- (e) **Social Media Sites:**

- (i) Social media sites used for business purposes must be pre-approved by the CCO or designee. Please use the pre-approval form for this purpose found on NWCM's network: [N:/Compliance/Forms/Pre-Clearance of Social Media](#).
 - (ii) All business purpose postings must be reported to the CCO each calendar quarter as an attachment to the Quarterly Report of Access Person which will be emailed quarterly to each Access Person.
- (f) **Prohibited Communications:** NWCM employees are prohibited from using NWCM Systems to do any of the following:
- (i) Download or transmit harassing, discriminatory, pornographic, obscene, violent, defamatory, offensive, derogatory, or otherwise unlawful, inappropriate, or unprofessional images or materials;
 - (ii) Transmit externally any documents marked "For Internal Use Only";
 - (iii) "Hack" or attempt to gain unauthorized access to computers or databases, tamper or interfere with electronic security mechanisms, misrepresent a user's identity (e.g., "spoofing") or disseminate intentionally any viruses or other destructive programs;
 - (iv) Transmit chain letters or unapproved mass solicitations for non-NWCM approved purposes;
 - (v) Establish a personal business or use NWCM Systems for personal profit; or
 - (vi) Download, install or execute software, including patches and upgrades, without prior approval from the CCO.
- (g) **Security:** The Internet is not a secure environment. Files and email can be intercepted and read by technically savvy Internet users, including NWCM's competitors. All employees should attempt to limit the amount of confidential non-public client information, classified, or proprietary information that is transmitted electronically to only that which is absolutely necessary and required to conduct one's job. All electronic communications containing these types of confidential information must adhere to all procedures and requirements outlined in Chapter VII of NWCM's Compliance Policies and Procedures Manual.
- (h) **Reporting Problems:** The CCO must be notified if an employee discovers that: 1) confidential non-public information or sensitive and/or inside information regarding NWCM's clients or business has been lost, disclosed to unauthorized parties or suspected of being lost or disclosed; or 2) unauthorized use of NWCM Systems has taken place, or is suspected of taking place; or 3) passwords or other system access control mechanisms are lost, stolen, or disclosed, or suspected of being lost, stolen, or disclosed. In addition, all unusual system behavior, such as missing files, frequent systems crashes, misrouted messages and the like should be reported immediately to the CCO as one of these issues may indicate a computer virus infection or similar security problem.
- (i) **Monitoring and Surveillance Program:** To ensure compliance with these procedures, NWCM reserves the right, subject to applicable law, to monitor (which includes, without limitation, the right to access, intercept, disclose, record or review) all communications created, delivered and/or stored via NWCM Systems. Thus, employees should be mindful that their emails, blogs, social media sites and instant messages may be reviewed on a random basis. At any time, NWCM's senior management may require an employee to provide them with any of their electronic access codes, user names and/or passwords.

NWCM may monitor the electronic communications of employees for legitimate business purposes. These purposes include, but are not limited to: regulatory requirements, investigating possible employee theft or potential insider trading, monitoring work flow, retrieving missing business data in an employee's absence, reviewing and evaluating employee performance, ensuring that NWCM Systems are used for legitimate purposes and not for the transmittal of

discriminatory or offensive messages, finding illegal software installed on an employee's computer, or ensuring that employees are not using NWCM Systems for personal gain.

9. Amendment

NWCM may, from time to time, amend the EC Policy and Procedures, or adopt such interpretations as it deems appropriate, provided however, that such changes are approved by NWCM's senior management and communicated to all employees. Any questions or concerns regarding the EC Policy and Procedures, or whether a record (electronic or otherwise) is required to be maintained, are to be directed to the CCO.

10. Record Retention

NWCM's Policy applies to all physical records generated during NWCM's operation, including both original documents and reproductions. Access Persons should be aware of the that the following records to be retained include, but are not limited to the following:

- (a) **Correspondence.** Scanned copies or originals of written paper or electronic communications received, and copies of written communications sent from and to advisory clients and general business correspondence relating to recommendations or advice or receipt, disbursement, delivery of funds or placing or execution of any order.
- (b) **Advertisements.** A copy of each notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication (paper or electronic version) sent to 1 or more persons, as well as back-up documentation verifying the information in such advertisements and/or of the reasons for any purchase or sale transactions.

11. Additional Reporting and Compliance Procedures

- (a) **Submission of Quarterly Personal Securities Transaction Reports:** In order for the Firm to monitor compliance with the Code and to comply with Rule 204A-1 of the Advisers Act and Rule 17j-1 of 1940 Act, every Access Person is required to submit to the CCO within 10 days following quarter-end a Quarterly Report using the form that will be emailed to each Access Person on or about the 1st day of each calendar quarter.
- (b) **Initial and Annual Holdings Reports:** No later than 10 days after becoming an Access Person, and by January 31 annually thereafter, each Access Person is required to submit to the CCO an *Access Person Questionnaire and Disclosure Report*. The form for this purpose will be emailed to each Access Person on or about each January 1.

12. Administration of the Code

- (a) The CCO or designee will review all reports and other information submitted under this Code to determine is Access Persons are following required procedures and acting in the best interests of clients.
- (b) Access Persons are required to immediately report any potential violation or violation of this Code of which he or she becomes aware to the CCO. No Access Person will be sanctioned for reporting a potential violation or violation.
- (c) Each Access Person shall receive a copy of the Code annually and anytime the Code is amended. Upon receipt, each Access Person is required to read and acknowledge his or her understanding of the requirements of the Code through the submission of NWCM's Code of Ethics Acknowledgment Form, which in addition provides that the Access Person agrees to abide by the Code. This Acknowledgment Form must be submitted no later than 30 days from the date of

receipt of the Code, including any amendments thereto. When required to submit the form, it will be emailed to each Access.

13. Violations of the Code

The CCO or designee will assess whether any violation has occurred and report to the NWCM Senior Managers. If it is determined that a violation has occurred, the Senior Managers may impose such sanctions as they deem appropriate, including, but not limited to suspension of personal trading privileges for a period, disgorging of profits made by the violator, fines and/or dismissal from the Firm.

While facts and circumstances will greatly influence those actions and steps taken by NWCM, generally, the Senior Managers will administer the appropriate disciplinary action against the Access Persons who committed the violation, using the general guidelines outlined below:

- (a) A verbal warning and mandatory training on those policies and procedures that were violated (for a first minor violation).
- (b) A written warning and mandatory training on those policies and procedures that were violated (for a first time instance of misconduct or a second minor violation).
- (c) A final written warning, a minimum fine of \$100 and mandatory training on those policies and procedures that were violated (for a second instance of misconduct or a third minor violation).
- (d) Dismissal (for gross misconduct, repeated instances of misconduct or more than five minor violations).

The Senior Managers have discretion to waive any of the above guidelines or take additional action depending on the facts and circumstances of the violation.

The following are examples of some of the violations that, if found to have occurred, will be deemed to be instances of misconduct unless there are exceptional mitigating circumstances:

- (a) Failure to report new brokerage accounts within 10 days;
- (b) Entering into personal security transactions which are either unauthorized or without the appropriate pre-authorization; and
- (c) Failing to timely file personal trading quarterly reports.

The CCO or designee will document all disciplinary actions taken against any Access Person(s) and a copy of such documentation will be maintained in the Access Person's personnel file. The documentation will include the nature of the cause for the disciplinary action, the specific fines or penalties imposed, and all corrective actions taken by NWCM. In addition, NWCM encourages all Access Persons to immediately notify the CCO whenever he/she believes there may have been a violation of the Firm's Code.

14. Exceptions

The CCO or a Senior Manager may grant written exceptions to the provisions of the Code based on equitable considerations (*e.g.*, rapid markets, hardship, satisfaction of a court order, etc.). The exceptions may be granted to individuals or classes of individuals with respect to particular transactions, classes of transactions or all transactions, and may apply to past as well as future transactions, provided that no exception will be granted where the exceptions would result in a violation of Rule 204A-1 of the Advisers Act, Rule 17j-1 of the 1940 Act, or any other Federal Securities Law.

15. Recordkeeping Requirements

The CCO or designee will be responsible for maintaining the following records pertaining to the Code for the time specified in Rule 204-2 of the Advisers Act and Rule 17j-1 of the 1940 Act, as applicable.

- (a) A list of all the Firm's Access Persons, which will include every person who was deemed an Access Person at any time within the past five years, even if they are no longer deemed as such;
- (b) Copies of the Code and all amendments thereto;
- (c) Copies of all the written acknowledgments required in section 7(c) above submitted by each Access Person;
- (d) A record of any violation of the Code and any action taken because of the violation;
- (e) Copies of each report submitted by an Access Person required in sections 6(b) and (c) above;
- (f) Copies of all brokerage statements submitted in accordance with section 6(a) above;
- (g) All pre-clearance decisions and the reasons supporting the decision; and
- (h) Copies of all written exceptions granted under section 9 above.

Any Access Person having questions relating to the Code should contact the CCO.

APPENDIX 1

NORTHWEST CAPITAL MANAGEMENT, INC. EXAMPLES OF BENEFICIAL OWNERSHIP

- Securities held by an Access Person for their own benefit, regardless of the form in which held;
- Securities held by others for an Access Person's benefit, such as securities held by a spouse, joint account, custodians, brokers, relatives, executors or administrators;
- Securities held by a pledge for an Access Person's account;
- Securities held by a trust in which an Access Person has an income or remainder interest, unless the Access Person's only interest is to receive principal (a) if some other remainderman dies before distribution or (b) if some other person can direct by Will a distribution of trust property or income to the Access Person;
- Securities held by an Access Person as trustee or co-trustee, where the Access Person or any member of their immediate family (i.e., spouse, children or their descendants, stepchildren, parents and their ancestors, and stepparents, in each case treating a legal adoption as a blood relationship) has an income or remainder interest in the trust;
- Securities held by a trust of which the Access Person is the settlor, if the Access Person has the power to revoke the trust without obtaining the consent of all the beneficiaries;
- Securities held by a general or limited partnership in which the Access Person is either the general partner of such partnership or a controlling partner of such entity (e.g., Access Person owns more than 25% of the partnership's general or limited partnership interests);
- Securities held by a personal holding company controlled by an Access Person alone or jointly with others;
- Securities held in the name of minor children of an Access Person or in the name of any relative of an Access Person or of their spouse (including an adult child) who is presently sharing the Access Person's home;
- Securities held in the name of any person other than an Access Person and those listed above, if by reason of any contract, understanding, relationship, agreement, or other arrangement the Access Person obtains benefits equivalent to those of ownership; and
- Securities held in the name of any person other than an Access Person, even though the Access Person does not obtain benefits equivalent to those of ownership (as described above), if the Access Person can vest or re-vest title in himself.

APPENDIX 2

NWCM'S INSIDER TRADING POLICIES AND PROCEDURES

Updated October 1, 2018

The Insider Trading and Securities Fraud Enforcement Act of 1988 ("1988 Act") further extends the safeguards of the Securities Exchange Act of 1934 as it pertains to "insider trading." The purpose of this Insider Trading Policies and Procedures is to comply with the 1988 Act and the Investment Advisers Act of 1940, as amended. In addition, the policies and procedures herein are designed to provide a program for educating, detecting and preventing insider trading by Access Persons of the Firm.

1. DEFINITIONS

"Insider" is a person with access to material key information about a publicly traded company before it is announced to the public. Typically, the term refers to corporate officers, directors and key personnel, but may be extended to include family members, relatives and/or others in a position to capitalize on insider information. Additionally, persons may be characterized as "temporary" or "constructive" insiders if they have access to material non-public information for a legitimate purpose in the context of performing a service for a company. Examples include, but are not limited to accountants, attorneys, IT service providers, and even printers who print financial information.

"Insider Information" describes material non-public information regarding corporate events that have not yet been made public. For example, the officers of a firm know in advance if the company is about to be acquired or if the latest earning report is going to differ significantly from information previously released. If information reasonably influences the purchase, sale or market value of a company's securities and such information has not yet been publicized in a widely used medium, then it is considered insider information.

"Misappropriation" usually occurs when a person acquires inside information about one company in violation of a duty owed to another company. For example, if an employee of ABC Public Company has knowledge that NWCM Public Company is negotiating a merger with ABC Company, that employee has material nonpublic information about both companies and must not trade in such companies' stocks or pass on the information to anyone that does not already know.

"Tipping" is passing along inside information to others. A tip occurs when an insider (the "tipper") discloses inside information to another person (the "recipient"), which causes the recipient to become an insider and therefore subject to a duty not to trade or pass along the information while in possession of that information. The act of tipping violates the 1988 Act and both the tipper and the recipient may be subject to liability for insider trading regardless of whether a benefit was derived from the action.

2. PENALTIES FOR INSIDER TRADING

Penalties for trading on or communicating material, nonpublic information are severe, both for the individuals involved in the unlawful conduct and for the employers. A person can be subject

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to some or all the penalties set forth below even if he or she does not personally benefit from the violation. Penalties may include:

- civil injunctions;
- disgorgement of profits;
- jail sentences;
- fines for the person who committed the violation of up to three times the profit gained or loss avoided (per violation, or illegal trade), whether the person actually benefited from the violation; and
- Criminal penalties that can result in a maximum fine of up to \$5,000,000 and twenty (20) years imprisonment.

3. POLICY

NWCM and its Access Persons are prohibited from acting upon material non-public information, which includes tipping.

There may be times that an Access Person receives insider information during the ordinary course of employment with the Firm and regardless if the receipt of such information is advertent or inadvertent, that person will be deemed an “insider”. This may occur under a variety of circumstances, including but not limited to the following:

Example 1: NWCM client may be an officer or director of a publicly traded company that is undergoing material structural changes and discloses these changes to an Access Person.

Example 2: An Access Person inadvertently receives insider information during a research call with a public company, an expert network consultant, a broker-dealer, an investment manager, or others with such information.

Example 3: An Access Person receives non-public information regarding a tender offer.

If an Access Person is unsure or suspects that he/she may have obtained or may be perceived to have obtained insider information, they should notify the CCO immediately.

Prohibited activity while in receipt of material non-public information includes but is not limited to the following activities:

- Purchasing or selling a security (or a derivative of such security) for any NWCM client, in a Personal Account or any proprietary account, or in any other account while in possession of material, non-public information relating to that security or its issuer or affiliates; and
- Communicating material, non-public information to another (except for the CCO), whether such communication leads to or was intended to lead to, a purchase or sale of securities.

To help avoid possible violations, senior management of NWCM will exercise great care, in accordance with the procedures outlined below, in the supervision of Access Persons and of the

APPENDIX 2

securities transactions of their personnel. If there is any question as to whether a contemplated purchase or sale would violate the insider trading rules, Access Persons must consult with the CCO prior to effecting the transaction.

4. PROCEDURES

Use of Expert Networks Providing Research

Expert networks are defined as “A group of professionals who are paid by outsiders for their specialized information and research services.” Access Persons must notify the CCO prior to engaging/contracting with an expert network firm to provide specialized research. The CCO or designee will perform and document a due diligence review of the expert network firm, including a review of the controls in place at the firm regarding insider trading and for ensuring that material non-public information is not passed on to their clients. Additionally, all contracts entered into with the expert network firm must contain a certification by the expert network firm that they will not at any time provide material non-public information to NWCM or any of the firm’s Access Persons.

Contacts with Publicly Traded Companies

If any Access Person that has contact with an employee, director, officer, or majority shareholder of any publicly traded company to obtain research information or to discuss matters that relate to any investment advisory account of NWCM, the Access Person will:

1. Maintain a log of all meetings and calls with such employee, director, officer, or majority shareholder; and
2. Immediately notify the CCO if the Access Person believes that he or she has received any material non-public information during such contact.

Clients Who Are Officers of Public Companies

From time to time, NWCM may have clients who are majority shareholders, directors, officers, or employees of publicly traded companies. When this occurs, the IAR assigned to such client(s) is responsible for immediately notifying the CCO, who will determine whether that security should be added to the Firm’s Restricted Securities List.

Restricted Securities List

A security will be placed on the firm’s Restricted Securities List, when it has been determined that the firm may have inside information pertaining to the security, or the security should not be traded by the firm or employees for other reasons determined by senior management (“Restricted Security”). When a security is placed on the List, Access Persons are prohibited from purchasing or selling such Restricted Security in any personal brokerage account or on behalf of any client account during the time period the security is included on the List. The CCO shall be responsible for maintaining the Firm’s Restricted Securities List. The list will be posted on NWCM’s computer network, currently at [N:/Compliance](#).

Notification of Receipt of Material Non-Public Information

Any Access Person who becomes aware of material, non-public information, or becomes aware of any Access Person that may have or has obtained such information should immediately advise the CCO, or in the absence of the CCO, either Brent Petty or Aalok Shah. Access Persons are prohibited from discussing such with any other firm personnel.

APPENDIX 2

Ongoing Responsibility of Access Persons

All Access Persons must make an ongoing diligent effort to ensure that a violation of these Insider Trading Policies and Procedures does not occur. This requires all Access Persons to:

- (a) Read, understand and agree in writing to comply with the Firm's Insider Trading Policies and Procedures. Access Persons are required to sign the "*Northwest Capital Management, Inc. Insider Trading Policies and Procedures Acknowledgment Form*" initially upon hire, when amendments are made, and annually thereafter (the form will be provided all Access Persons when it is required to be signed);
- (b) Disclose to the CCO any employment, relationship, or other involvement (such as board membership or employment by a family member or relative) with a publicly traded company;
- (c) Ensure that no trading occurs in their Personal Account(s) in any security (or derivative of such security) for which they have material, non-public information;
- (d) Make periodic (no less than annual) written certifications to the Firm that they have not traded upon or communicated material nonpublic information;
- (e) Not disclose insider information obtained from any source whatsoever to any person not already having such knowledge (except the CCO when reporting receipt of such insider information);
- (f) Attend all mandatory educational and training required by the Firm and read all insider trading materials provided by the CCO or designee;
- (g) Consult with the CCO when questions arise regarding potential receipt of material, non-public information or when potential violations of these Insider Trading Policies and Procedures are suspected;
- (h) Adhere to all requirements under the Firm's Code of Ethics and this Insider Trading Policies and Procedures; and
- (i) Cooperate fully with the CCO and any Senior Managers during any investigation of potential violations of these Insider Trading Policies and Procedures.

5. EMPLOYEE TRAINING AND EDUCATION

Access Persons will be provided a copy of this Insider Trading Policies and Procedures initially upon hire, annually, and anytime an amendment is made, and must execute acknowledgments as outlined in 4 above. NWCM will provide periodic educational training with respect to the prohibitions of insider trading, and the Firm's Insider Trading Policies and Procedures.

6. VIOLATIONS AND SANCTIONS

Any potential violation of NWCM's Insider Trading Policies and Procedures will result in an internal review and could result in immediate sanctions (including those outlined in Item 2 above), and termination of employment for all Access Person(s) involved. No Access Person will be sanctioned for the reporting of any potential or actual violation of the Firm's Insider Trading Policies and Procedure.

EXHIBIT C:

NORTHWEST CAPITAL MANAGEMENT, INC.
COMPLIANCE POLICIES & PROCEDURES MANUAL

THIS MANUAL IS THE PROPERTY OF NORTHWEST CAPITAL MANAGEMENT, INC. AND MUST BE RETURNED TO THE COMPANY SHOULD AN EMPLOYEE'S ASSOCIATION WITH THE COMPANY TERMINATE FOR ANY REASON. THE CONTENTS OF THIS MANUAL ARE CONFIDENTIAL AND SHOULD NOT BE REVEALED TO UNAFFILIATED THIRD PARTIES WITHOUT PERMISSION FROM THE CHIEF COMPLIANCE OFFICER.

October 1, 2018

FOREWORD

Northwest Capital Management, Inc. (hereinafter “NWCM”, “We” “our firm”, and “us”) is a Registered Investment Adviser (“RIA”) with the Securities and Exchange Commission (“SEC”). Our firm is a Certified B Corporation® formed under the laws of the State of Oregon.

NWCM is an institutional money manager providing asset allocation studies, manager searches, investment management, performance reporting, retirement and pension plan consulting, and financial planning to institutional and private clients. We are not a sub-adviser to either registered investment company funds or investment advisers, nor are we an adviser to any private funds. Accordingly, this Policies and Procedures Manual (the “Manual”) has been customized based upon our specific business model and may not necessarily contain policies and procedures related to practices outside of the scope of our business.

The home office and principal place of business is located at 13333 SW 68th Parkway, Suite 230, Portland, OR 97223.

In accordance with the above regulations, NWCM has developed this Policies and Procedures Manual (the “Manual”) to outline in writing its compliance practices for the Firm and its officers, directors, employees and any other supervised persons of NWCM (“Access Persons”). Further, NWCM's Chief Compliance Officer, Fred Payne, (“CCO”), is responsible for overseeing the Firm’s compliance program. Designated Managers within the Firm administer the Access Persons’ adherence to the provisions of this Manual and applicable securities laws governing the Firm and its Access Persons.

The Manual is a proprietary item of NWCM. Providing copies of the Manual to anyone not employed by NWCM is strictly prohibited without specific authorization by the Firm.

The Manual is divided into several sections, each addressing specific regulatory issues and/or requirements. The Manual is designed as a reference book and is not intended to be all encompassing and rigid in application. Circumstances may arise that are not specifically covered by the Manual or that require a flexible approach. Consequently, the purpose of the Manual is to set forth a structure and approach for NWCM which creates an environment in which regulatory compliance and fiduciary obligations are defined, which includes requisite procedural requirements. If an issue or matter is not clearly defined in the Manual, it should be brought promptly to the CCO’s attention. As needed, NWCM will amend the Manual to reflect changes in securities regulations or Firm policies. New versions of the Manual and/or revised sections within the Policies & Procedures Manual will be distributed whenever an update occurs.

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I. GENERAL OVERVIEW

A. INTRODUCTION

NWCM requires that this Manual be delivered by the Chief Compliance Officer (“CCO”) to each Access Person in a paper or electronic format as follows:

- Upon commencement of employment or registration;
- Annually; and
- Each time an amendment is made to the Manual.

Each Access Person must read, understand and sign an Acknowledgement Form, which attests to the individual’s receipt, review, understanding and agreement to comply with the terms of this Manual. Each Access Person will be provided the form at the time acknowledgement is required.

Access Persons are encouraged to ask questions when reading the Manual if there are any policies and/or procedures that are unclear to them. Failure of an employee to comply with these policies and procedures and the requirements thereunder may result in prompt disciplinary action including, but not limited to, termination of employment.

B. STANDARDS OF CONDUCT

The securities industry, which includes all national securities and commodities exchanges, is one of the most regulated in America. The U.S. Government and its Agencies, the 50 states and Self-Regulatory Organizations (“SROs”) regulate these industries. All NWCM Access Persons should have, at a minimum, a basic knowledge regarding the industries’ laws, rules, regulations and interpretations.

C. INSPECTIONS BY REGULATORS

The SEC and state regulators conduct periodic risk-based inspections and examinations of registered investment advisory firms, to ensure compliance with state and federal securities laws. Examination cycles may vary from adviser to adviser based on the type of systemic risks associated with that firm’s business model.

In the event of a regulatory inspection, Access Persons must adhere to the following procedures.

- If a document request list is received in advance of the examination, the CCO will coordinate the production, assembly and/or mailing of the requested documentation.
- As applicable, if or when the inspection team arrives, immediately contact the CCO.
- The CCO is responsible for overseeing the inspection and coordinating all interviews with Access Persons and document production.
- Be courteous and cooperate with the inspection team members, but make sure that all staff requests are referred directly to the CCO. The CCO will oversee the production and delivery of information and documents requested.
- The examination team should be accompanied always by an assigned NWCM employee (typically the CCO) when moving about the firm. If you notice an examiner roaming the office without an appropriate escort, ask if you can be of assistance and then immediately notify the CCO.
- NWCM employees should avoid engaging in any business-related conversations with the examiners without the CCO being present.

In the event of an unannounced inspection by the SEC or state regulators, the CCO must be notified immediately upon the examination team's arrival. Under these circumstances, it may be unlikely that NWCM will receive a document request list prior to the examination team's arrival. All other practices listed above regarding regulatory inspections will apply.

The regulators may examine the firm outside of its normal inspection cycle. These inspections may be conducted for a variety of reasons, including clarification of a regulatory filing or because of a tip, referral or customer complaint. Any letter, document request or contact from a regulator must be directed to the CCO promptly. The CCO will coordinate NWCM's response to all regulatory matters.

During onsite examinations, the regulators may request face-to-face meetings with certain firm personnel, including but not limited to, The Chief Executive Officer ("CEO"), President, CCO, the Secretary/Treasurer, and certain Principals, as applicable. In each case, the CCO or his designee will consult with everyone to prepare them for the face-to-face meeting to explain the interview process and what to expect. Please do not speak with the inspection team without first meeting with the CCO.

II. NWCM'S COMPLIANCE PROGRAM

A. INTRODUCTION

Fred Payne has been designated as the Firm's CCO. If for any reason Fred Payne cannot fulfill the responsibilities as CCO, then the Firm's Senior Managers will appoint a new qualified individual to serve as NWCM's CCO.

The CCO, among other things, oversees the activities of NWCM's Access Persons to ensure compliance with applicable securities laws, rules and regulations.

NWCM also uses reasonable care to ensure that its Access Persons are provided with guidance and training for them to adequately fulfill their job responsibilities. Access Persons are required to:

- At the inception of employment and throughout their association with NWCM, to become thoroughly familiar with the Firm's policies and procedures as stated in this Manual, and other applicable internal desktop manuals that may be created from time to time;
- Use reasonable care to ensure that all activities are conducted in accordance with applicable federal securities laws and those policies and procedures adopted by the Firm;
- Escalate potential concerns or errors to Compliance in accordance with this Manual; and
- Immediately report any potential or actual violations of federal securities laws and/or the Firm's policies and procedures to the CCO.

B. ROLE OF THE CHIEF COMPLIANCE OFFICER ("CCO")

The CCO is responsible for all compliance efforts at the Firm and is competent and knowledgeable regarding the applicable state and federal securities laws that NWCM must adhere to.

Except where specifically stated in this Manual, the CCO's responsibilities do not necessarily extend to performing those tasks which would ensure adherence to the stated policy. In many instances, the CCO's role is only to oversee and monitor the performance of those tasks by the appropriate Access Persons as designated in this Manual. The CCO may, when appropriate, delegate certain responsibilities to certain designees. When this occurs, all references to the CCO in this Manual that relate to such responsibilities extend to that qualified designee.

The CCO may, from time to time, delegate the performance of some or all the above responsibilities to a third-party, with the acknowledgment that the CCO is ultimately responsible for ensuring that the firm maintains a strong compliance program always.

C. DEVELOPMENT OF POLICIES AND PROCEDURES

NWCM's CCO or designee is responsible for overseeing the implementation of required written policies and procedures that are reasonably designed to prevent violations of federal securities laws. Each area manager is responsible for informing the CCO whenever a Firm policy or procedure requires updating. Whenever changes to regulatory requirements or Firm procedures occur, the CCO will amend the Manual and send an email to all Access Persons indicating the section(s) of the Manual that have been updated, along with a copy of the updated Manual.

D. RISK ASSESSMENT

Managing risk is essential to maintaining a compliant practice and is accomplished by periodically reviewing the regulatory, operational, compliance, systemic, financial and other risks (collectively, “enterprise risk”) that the Firm faces. As a fiduciary, NWCM is obligated to consider whether its compliance testing, controls, and procedures are reasonably designed to prevent violations of securities laws and adequate to mitigate, or eliminate, identified risks and conflicts of interest.

1. POLICY

NWCM will conduct a risk assessment of the Firm each year to help identify high, medium and low risks within the enterprise. NWCM either may perform this using internal personnel or by engaging an independent third-party.

2. PROCEDURE

The CCO will be responsible for overseeing the risk assessment.

E. ANNUAL REVIEW

Pursuant to Rule 206(4)- 7 of the Advisers Act of 1940, as amended (“Advisers Act”), NWCM shall, no less than annually, review and test the adequacy of its written policies and procedures to ensure they are effectively designed and are not being circumvented in some way.

1. RISK ASSESSMENTS

NWCM shall conduct a risk assessment to identify higher risk areas for the Firm, including areas of potential conflicts of interest.

2. COMPLIANCE TESTING

Upon completion of the Risk Assessment, NWCM shall begin the process of testing the Firm’s policies and procedures.

F. SANCTIONS FOR VIOLATIONS

If it has been determined that an Access Person has violated any of NWCM’s policies or procedures, or applicable securities laws, rules or regulations, Fred Payne, as CCO, will document and report material or repeat violations to the Access Person’s manager and the Firm’s Senior Managers and provide a recommended sanction considering the facts and circumstances. After review, Fred Payne, as CEO, will make the final determination of any appropriate sanctions and implement accordingly. Violation of the Firm’s policies and/or procedures may result in sanctions up to and including termination of employment.

III. REGISTRATION AND DISCLOSURE REQUIREMENTS

A. RIA REGISTRATION REQUIREMENTS

The SEC and the state securities authorities have created an electronic filing system, the Investment Adviser Registration Depository (“IARD”), through which investment advisers make filings with the SEC and the states over the Internet. The Financial Industry Regulatory Authority (“FINRA”) operates the IARD under contract with the SEC and the North American State Securities Administrators (“NASAA”). FINRA is responsible for certain ministerial tasks as the operator of the IARD but does not act as a self-regulatory organization for advisers.

Unless otherwise permitted by regulation, the Adviser may not solicit or render investment advice for any client domiciled in a state where the Adviser is not properly registered.

1. FORM ADV

Form ADV is the uniform form used by investment advisers to register with both the SEC and state securities authorities. The form consists of two parts. Part 2 requires investment advisers to prepare narrative brochures, written in plain English that contain information such as the types of advisory services offered, the adviser’s fee schedule, disciplinary information, conflicts of interest, and the educational and business background of management and key advisory personnel of the adviser. The brochure serves as the primary disclosure document that investment advisers provide to their clients.

a. FORM ADV PART 2 – Disclosure Brochure

The Form ADV Part 2 narrative brochure consists of two parts: Part 2A and Part 2B.

1. Part 2A

In its Form ADV Part 2A, NWCM provides important required disclosure information to the Firm’s clients, which is viewable by the SEC and the Firm’s existing and prospective clients.

2. Part 2B

Form ADV Part 2B (the “Brochure Supplement”) requires NWCM to create a narrative brochure for each supervised person who: (1) provides advisory services and has direct contact with NWCM clients; or (2) makes discretionary investment decisions for the client even if the supervised person will have no direct client contact.

b. PROCEDURES FOR FILING AND DELIVERY REQUIREMENTS

1. Filings

NWCM makes its annual amendment filings of Forms ADV Part 1 and Part 2A electronically using the IARD (www.iard.com) within 90 days of the Firm’s fiscal year-end, which is December 31st. As an SEC registered investment adviser, NWCM is not required to file its Forms ADV Part 2B electronically; however, the form must be updated and delivered to clients anytime there is a change to Item 3 – Disciplinary Information, and/or when any other information contained in the Part 2B becomes materially inaccurate.

2. Delivery Requirements

NWCM is required to deliver Form ADV Part 2A to clients before, or at the time of entering into an advisory agreement with the client. Form ADV Part 2B is required to be delivered initially for each supervised person meeting the definition in Item A.2 above, before or at the time that supervised person begins to provide advisory services to a client.

Within 120 days of the end of each fiscal year, NWCM may be required to deliver to its clients either: (i) an updated Form ADV Part 2A that either includes or is accompanied by a summary of material changes; or (ii) a summary of material changes that includes an offer to provide a copy of the updated Form ADV Part 2A and information on how a client may obtain such copy.

Form ADV Part 2B must be promptly re-delivered to clients anytime there is a change to any information in Item 3 – Disciplinary Information, and/or when there has been a material change to any other information contained in the document.

Should an NWCM client request a copy of the Firm’s Form ADV Part 2A, NWCM will send this document no later than seven (7) business days after receipt of the request.

B. ADDITIONAL REGULATORY REPORTING REQUIREMENTS

State Filings: The CCO is responsible for ensuring that NWCM files and maintains its state notice filings and pays the appropriate annual fees to all applicable states.

Form PF: In the event NWCM manages more than \$150 million attributable to private funds, NWCM will be required to file a Form PF with the SEC.

Schedule 13D: Schedule 13D must be filed electronically with the SEC within 10 days of NWCM’s clients, control persons, and/or proprietary accounts acquiring beneficial ownership of more than 5% of any class of publicly traded securities in a public company. Further, NWCM will promptly amend its Schedule 13D to reflect the occurrence of a material change to the information disclosed therein. The CCO is responsible for overseeing the monitoring and filing of Schedule 13D.

Form 13-F: Because NWCM exercises investment discretion over \$100 million or more in Section 13(f) securities¹, the Firm must file Form 13-F electronically.

Form 13-H: In the event NWCM becomes a “large trader,” the CCO will file a Form 13-H.

C. INVESTMENT ADVISER REPRESENTATIVE REGISTRATION

1. POLICY

Anyone who solicits investment advisory arrangements or provides investment advice on behalf of NWCM must contact the CCO in advance of any client solicitation or advisement in any new jurisdictions, including foreign jurisdictions, to review applicable registration requirements.

2. PROCEDURES

Each Access Person should contact the CCO to review his/her registration requirements whenever any solicitation, advisory activities or job duties change to ensure that the Access Person is properly licensed. In addition, Access Persons must not solicit or provide any advisory services prior to ensuring that they are properly licensed. As appropriate, the CCO will notify the Access Person when his/her registration becomes effective.

NOTE: Failure to comply with these procedures may result in a fine, license revocation and/or criminal prosecution by a state, as well as disciplinary action by the Firm, including but not limited to termination of employment.

3. MAINTAINING REGISTRATION

Each registered IAR will have the ongoing responsibility to promptly inform the CCO should any information on the IAR's completed Form U4 changes or becomes inaccurate. No less than annually, each registered IAR should review his or her Form U4 and provide the CCO with any information that may need to be updated.

D. WHISTLEBLOWER POLICY

1. INTRODUCTION

Based on whistle-blower provisions enacted pursuant to the Dodd-Frank Act, NWCM encourages all employees and Access Persons to confidentially notify the CCO if there is a suspicion that there has been a violation of any laws, industry rules or policies and/or procedures contained in this Manual. Such reporting should be done in person and will be treated with the strictest of confidentiality and sensitivity.

2. INVESTIGATION

Upon the suspicion of a potential breach of a NWCM policy and/or procedure, the CCO will promptly conduct an internal investigation by gathering facts and ascertaining the circumstances surrounding the alleged violation. All Access Persons must cooperate with and help the CCO in assisting with the internal review and inquiry.

3. ANALYSIS AND DISCIPLINARY ACTION

If a violation occurred, the CCO will decide whether the violation constitutes a minor infraction, breach, or gross and material misconduct, which will be customized to each situation, facts, and circumstances:

In addition, NWCM requires all Access Persons to immediately notify the CCO whenever he/she is:

- The subject of any investigation or inquiry by any government agency or self-regulatory body;
- Requested to formally or informally testify before or provide documents to any regulator;
- A defendant or respondent in any litigation, proceeding or arbitration alleging violation of any rule or regulation of any securities laws;
- The subject of any bankruptcy or contempt proceeding;
- The subject of any verbal or written complaint by a client or subject to any claim for damages filed by a client; and/or

- The subject of any law enforcement investigation alleging felony misconduct, even if the allegations are not investment related.

Such disclosures are required prior to commencement of employment or association with NWCM and ongoing thereafter.

If you have any questions, please contact the CCO.

E. TERMINATION OR RESIGNATION NOTICE

NWCM retains the authority to terminate any Access Person at any time and for any reason. In addition, should an Access Person opt to resign from employment with NWCM, the Firm requests that written notification be provided to one of the Firm's Managing Members. If the Access Person is registered, the CCO will file electronically a Form U5 by way of the Central Registration Depository ("CRD") system and will send the terminated or resigned Access Person an original, signed copy of Form U5 within 30 days of the date of termination.

F. CLIENT DISCLOSURE OF PRIVACY PRACTICES

NWCM is required to deliver to its clients initially at the time of engagement and thereafter if a change is made to the Notice of Privacy Practices

IV. FIDUCIARY STANDARDS

A. INTRODUCTION

NWCM is a fiduciary who owes its clients undivided loyalty. Therefore, it is essential to avoid and/or mitigate the effects of engaging in activities which could pose a conflict of interest with our clients. An adviser's breach of fiduciary duty to its clients may constitute a violation of the anti-fraud provisions of the Advisers Act. Our duty of care and fiduciary obligation requires that NWCM and its Access Persons must act fairly and in the best interest of our clients. In addition, this obligation imposes numerous responsibilities including the duty to render disinterested and impartial advice; to make suitable recommendations to clients within the context of their total portfolio and in light of their individual needs, financial circumstances and investment objectives; to exercise a high degree of care to ensure that all material facts are disclosed to clients and adequate and accurate representations of its business and other information about NWCM's services and investment advice are presented using fair, ethical, and equitable practices.

Every Access Person must read and acknowledge receipt of NWCM's Code of Ethics (the "Code"), published as a separate document, which addresses how the Firm and its Access Persons shall fulfill its fiduciary duty to its clients, avoid prohibited transactions and mitigate or eliminate conflicts of interest.

B. PROHIBITED SALES PRACTICES

As a SEC registered investment adviser, NWCM has a statutory duty to oversee the investment advisory activities of its Access Persons who act on its behalf. Therefore, NWCM has adopted the following prohibitions and standards that must be followed by all Access Persons.

1. PROHIBITED SALES TACTICS

No Access Person may engage in fraudulent, deceptive, or manipulative practices, such as misrepresenting or omitting material facts. Furthermore, Access Persons must not utilize any methods that are designed to induce potential or existing clients, consultants and/or other financial advisers with undue pressure. Due to inherent conflicts of interest, Access Persons must not extend, arrange for, or participate in arranging credit for any client except those available through the facility of the Client's custodial account.

Moreover, Access Persons must not borrow money or securities from, or lend money to a client and are prohibited from co-mingling funds by depositing personal funds in a client's account or depositing client's funds into their personal account.

2. THIRD-PARTY INSTRUCTIONS

Access Persons must not accept instructions regarding a client's account, including any orders to effect securities transactions or liquidate a client's account, from any person other than the client, unless the client has provided written authorization to NWCM (typically through contract or power of attorney) to do so.

3. SELLING AWAY

Access Persons must not engage in the sale or promotion of any investment advisory service other than for products or services of NWCM without prior written permission from the CCO. Please also refer to the Code's policies on "Outside Business Activities" and procedures for reporting.

4. SHARING IN ACCOUNTS

Access Persons must not share in the profits or losses nor have a beneficial interest in the account of any client, unless the Access Person is an owner of the account or can otherwise demonstrate in writing a beneficial interest (*e.g.*, spouses in community property states, such as Arizona, Washington, California, for accounts acquired by the spouse during the marriage).

5. FRAUDULENT PRACTICES

Access Persons must not engage in any act, practice, or course of business which is fraudulent, deceptive, or manipulative.

B. STANDARDS TO PROTECT CLIENTS

Every agreement between NWCM and its clients must be in writing and must disclose, in substance, the services to be provided, the term of the contract, the advisory fee or the formula for computing the fee.

In addition, each advisory agreement will address assignments, notifications, confidentiality of provisions, services and a dispute resolution method. Only NWCM's Senior Managers may agree to any written modifications to NWCM's investment advisory agreements.

All fees charged by NWCM shall be explicitly stated in the advisory agreement.

C. INSIDER TRADING

1. POLICY

It is unlawful for NWCM or any of its Access Persons to engage in any type of insider trading for client accounts or employee personal securities accounts, which generally means that no "insider" may:

- Purchase or sell a security based on material, non-public information; or
- Communicate material, non-public information to another where the communication leads to, or is intended to lead to, a purchase or sale of securities.

2. PROCEDURES

To help ensure the prohibition of insider trading activities, NWCM has adopted Insider Trading Policies and Procedures, regarding the use and treatment of all material non-public information, which are contained in the firm's written Code of Ethics.

D. CODE OF ETHICS – PERSONAL TRADING OF ACCESS PERSONS

In accordance with the Rule 204(a)-1, NWCM has adopted provisions within its Code which address, among other things, personal trading, gifts and entertainment, pay to play and political contribution limitations, charitable contributions, outside business activities, insider trading and sanctions for violations. Every Access Person is required to read and sign an Acknowledgment of the Code at the commencement of employment, anytime an amendment is made and at least annually. NWCM's Code of Ethics may be found in its entirety on NWCM's network at [N:/COMPLIANCE](#).

The core principles of the Code of Ethics are as follows:

- The interests of clients will be placed ahead of the Firm’s or any employee’s own investment interests.
- Employees are expected to conduct their personal securities transactions in accordance with the Code of Ethics always and will strive to avoid any actual or perceived conflict of interest with NWCM’s clients.
- Employees must not take inappropriate advantage of their position with the firm.

NWCM’s Code of Ethics contains the Firm’s policies on political contribution limitations and reporting, which are designed to help NWCM and its Access Persons comply with the above requirements.

E. CONFLICTS OF INTEREST POLICY

In conjunction with the policies and procedures in the Manual and Code of Ethics, NWCM has adopted this conflict of interest policy and procedures (“Conflicts Policy”) to assist in the identification, monitoring, and mitigation of certain conflicts of interest pertaining to the Firm’s business practices, including conflicts related to affiliated companies.

1. POLICY

NWCM is required to treat its clients fairly and ensure that clients’ interests are placed ahead of the Firm’s own and those of its Access Persons. To that end, the Senior Managers as applicable will:

- Identify circumstances which may give rise to conflicts of interest;
- Establish and maintain appropriate procedures and internal controls, including written policies and procedures to help manage and mitigate identified and unavoidable conflicts; and
- Disclose such conflicts to clients, where applicable, including information on how the Firm addresses these identified conflicts of interest.

2. IDENTIFICATION OF CONFLICTS OF INTEREST

NWCM has identified certain conflicts of interest that exist within its business and has implemented certain procedures and internal controls to help monitor, manage, and mitigate, to the extent possible, the potential impact of those conflicts on its clients. Among other things, the Firm will evaluate its compensation arrangements, outside business activities of its employees and inducements (such as monies, goods or services received outside of standard advisory fees) to help detect potential and actual conflicts.

3. MONITORING AND MITIGATION OF CONFLICTS OF INTEREST

1. *Written Policies & Procedures:* NWCM has adopted various written compliance policies and procedures, which are memorialized in the Manual and Code of Ethics.
2. *Disclosures to Clients:* NWCM discloses applicable conflicts and how the Firm addresses such conflicts, in several documents that are provided to clients including, but not limited to, NWCM’s investment management agreement, Forms ADV Part 1, 2A and 2B, standalone disclosures, and marketing disclosures. The CCO is responsible for overseeing the process of how required disclosures are delivered to clients.

3. *Training Access Persons on Conflicts of Interest Policy:* The CCO or designee will provide periodic (at least annual) training to employees regarding the Firm's conflicts policy, procedures and internal control protocols.
4. *Information Barriers:* NWCM's has established physical and electronic information barriers where deemed appropriate to help ensure the prevention of exchange or misuse of confidential information.
5. *Separation of Functions:* NWCM's, to the extent possible has implemented separate functions for certain areas where conflicts exist.
6. *Utilizing Compliance Consulting Service Provider:* NWCM may at times engage an outside compliance consulting firm to assist in performing periodic onsite reviews, which includes assisting the CCO with training on SEC regulations, compliance program development and guidance on how to identify, control and disclose risks and conflicts pertaining to the Firm's business practices.
7. *Performance of Periodic Testing:* As part of NWCM's Annual Review, the CCO or designee will perform testing to help ensure that these policies and procedures are being adhered to and are reasonably designed to identify, mitigate and eliminate to the extent possible the firm's conflicts of interest.

4. REPORTING CONFLICTS OF INTEREST

If a new or emerging conflict appears, it should be reported immediately to the CCO. The CCO will document known conflicts of interest and memorialize how each conflict is addressed (such as through elimination, mitigation, disclosure, and internal control/policy deployment, or confirmation that a potential conflict is not actually a conflict).

V. BOOKS AND RECORDS

The following records are required to be maintained by NWCM:

Agreements / Contracts: All written agreements entered into by NWCM with any client and any other business arrangements will be scanned and all electronic copies filed in corresponding electronic client files, vendor files or corresponding business files, including copies with legible client signatures.

Advertisements and Performance Marketing Materials: A copy of each notice, circular, advertisement, newspaper article, investment letter, bulletin or other communication (paper or electronic version) sent to 1 or more persons, as well as back-up documentation verifying the information in such advertisements and/or of the reasons for any purchase or sale transactions are to be archived for easy retrieval. This includes, but not limited to:

- Special Presentations;
- Pitch Books; and/or
- Market Update Emails, including appropriate disclosures.

Checkbooks: All checkbooks, bank statements, canceled checks, paid or unpaid bills, statements and cash reconciliations will be maintained by the CFO, with periodic reviews conducted by the CCO or designee.

Client Records: Generally, client records are maintained electronically and typically include the following:

- Investment advisory agreements;
- Correspondence documents;
- Client Risk Profile/Investment Objective information;
- Information on investments, client directives and cash movements;
- Presentations and miscellaneous sales or marketing materials provided; and
- Client complaints, if applicable.

Code of Ethics: A copy of NWCM's current Code of Ethics and any Code that was in effect within the past five years, as well as records related to violations by any access person required to pre-clear trades and approvals of any trades; records of any violation of the Code; any actions taken as a result of the violation; and records of all written acknowledgments for each person who is currently, or within the past five years was, a supervised person of NWCM, shall be maintained by the CCO either in hard copy or electronic format.

Correspondence: Originals (or electronic scans thereof) of written paper or electronic communications received and copies of written communications sent (from and to advisory clients and general business correspondence) relating to recommendations or advice or receipt, disbursement, delivery of funds or placing or execution of any order.

Discretionary Accounts: A list of accounts in which NWCM has discretionary authority will be maintained and will denote whether an active or terminated account, with rationale supporting the termination (when known).

Financial Statements: All trial balances, financial statements and internal audit working papers will be maintained by the CFO.

Forms ADV: A copy of each written disclosure brochure (Form ADV Part 2A) and brochure supplement (Form ADV Part 2B) and all amendments/revisions thereof given to any client or prospective client will be maintained by the CFO.

Internal Control Report: A copy of any internal control report obtained or received pursuant to the Custody Rule (Rule 206(4)-2 of the Advisers Act), as applicable, will be maintained by the CFO.

Investment Records: A record that reflects the investments held by each client advised by NWCM, which shows each investment's name and the current ownership of each investment shall be maintained electronically by the custodian or issuer with oversight by the CCO or his designee.

Journals: All NWCM journals that include cash receipts and disbursements will be maintained by the CFO.

Ledgers: General and auxiliary ledgers for NWCM reflecting asset, liability, reserve, capital, income and expense accounts will be maintained by the CFO and periodically reviewed by the CCO or designee.

Performance Calculations: All accounts, books, internal working papers and other records necessary to form the basis for or demonstrate the calculation of the performance or rate of return published in any newsletter, sales literature or advertisement will be maintained by the marketing department and periodically reviewed by the CCO or designee.

Policies and Procedures Manual: A copy of NWCM's current written policies and procedures for the investment adviser, along with policies and procedures that were effective within the past five years, shall be maintained by the CCO or designee.

Powers of Attorney / Discretionary Authority: All evidences of the granting of any discretionary authority by any client to NWCM shall be maintained in the client's network folder by the Operations Department.

Proxy Voting Records: In instances NWCM exercises voting authority with respect to client securities, the Firm shall develop requisite policies and procedures, including books and records requirements, which will be overseen by the CCO or his designee.

Security Records by Client and Security: A Firm-wide security record that reflects every security held by NWCM clients and shows each client's name and current ownership interest in each security, including the securities bought and sold, the date, amount and price at the point of sale or purchase will be maintained by Operations with oversight by the CCO or his designee.

Trade Order Memoranda: A record of all trades (orders entered) to buy or sell a security, which includes the following information: the terms and conditions of the order, instruction, modification or cancellation; the account for which trade was entered; the date of entry of trade; the identity of the bank or broker-dealer that executed the trade; and whether the orders was entered pursuant to the exercise of discretionary power will be maintained by operations and overseen by the CCO or his designee.

Trade Error Records: All cancel / rebills, regardless if prior to settlement or not; those cancelled trades resulting in use of the error account; and trade error correction forms and back-up documentation, shall be maintained by the Operations team with oversight by the CCO or his designee.

The above list is not all inclusive. The CCO may deem additional records necessary. Access Persons should check with the CCO anytime they have a question regarding what records to keep prior to disposing of any records.

F. RESPONSIBILITY

NWCM's designated supervisors are responsible for maintenance of books and records in their respective areas of supervision. The CCO is responsible for implementing and monitoring a system designed to maintain the Firm's books and records in a manner that allows for their retrieval in a reasonable period and ensure that all such books and records shall be kept current, accurate and complete.

G. PROCEDURES

NWCM shall maintain a filing system that provides for organization of its books and records sufficient to allow their retrieval within a reasonable amount of time. The Firm may rely upon one or more third parties to create and retain certain of the records referred to above if it obtains an undertaking from that third-party to provide a copy of the documents promptly upon request.

H. RECORD RETENTION AND DESTRUCTION

The firm has adopted a record retention and destruction policy. It is NWCM's policy that when shredding is required, each employee deposits the material into the Firm's locked shredding bins. The shredded residue is impossible to reconstruct.

VI. SALES LITERATURE, ADVERTISING AND COMMUNICATIONS

A. INTRODUCTION

All communications with the public are subject to the standards and regulations set forth in Rule 206(4)-1 and various guidance provided by the Advisers Act and the SEC. In the sale or promotion of NWCM's investment advisory services, Access Persons are only authorized to use those marketing materials produced by NWCM, which must be approved by the CCO.

B. DEFINITIONS

1. SALES LITERATURE

Sales literature is defined as any written material issued by an investment adviser that explains the advantages of the adviser's investment product or service offerings. Such literature must be truthful and comply with disclosure requirements issued by the SEC. Examples include: research analyses, performance reports, form letters, pitch-books, co-branded pieces and seminar text.

2. ADVERTISEMENTS

Under Rule 206(4)-1 of the Advisers Act, an advertisement is defined as any notice, circular, letter or other written communication (paper or electronic) addressed to more than one person, or any notice or other announcement in any publication, (including newspaper, magazine, periodical, the Internet posting, websites or computer bulletin boards), or broadcast (such as radio or television) which offers any investment advisory services with regard to securities. Advertisements also may involve communications designed to maintain existing clients or solicit new clients. Communications or announcements in other media, such as films or videos DVDs or certain blogs, also could be deemed to be advertisements.

Should any Access Person decide to conduct a media broadcast or interview, they must obtain prior approval from the CCO and keep the tape and/or recording from the broadcast and forward one copy to the CCO for inclusion in the Firm's marketing/advertising files.

5. COMMUNICATION WITH THE PUBLIC

Communications with the public must be designed to ensure they are fair and balanced. Such communications include, but are not limited to: written communications, correspondence, verbal communications and advertisements (including letterhead and business cards).

C. GENERAL INVESTMENT ADVISER GUIDELINES FOR PROMOTIONAL MARKETING MATERIALS AND COMMUNICATION

1. GUIDELINES FOR COMMUNICATIONS

All communication must be truthful and complete. Omissions of material facts, exaggerations or inaccuracies are fraudulent and misleading. Product specific communications must disclose in writing all risks associated with the investment.

6. WRITTEN AND ELECTRONIC COMMUNICATIONS

a. Correspondence

Correspondence is defined as any written or electronic communication prepared for delivery to a single client or prospective client and not for dissemination to multiple persons or the public. Although correspondence is not considered an “advertisement,” misleading statements are still prohibited in communications. Once correspondence is distributed to more than one individual it is considered sales literature and subject to the rules outlined above.

b. Written Communications

Certain disclosures should be included on all written communications to help ensure compliance with the anti-fraud provisions under Rule 206.

c. Electronic Communications

Electronic communications are subject to supervisory reviews, policies, procedures and recordkeeping requirements.

- NWCM only permits the use of LinkedIn by Access Persons for business purposes. No other Social Media Site can be used by NWCM Access Persons for advertising, marketing or business communications pertaining to NWCM.
- Access Persons using LinkedIn must ensure that the “recommendations” and “endorsement” features are not active and/or any recommendations received are not viewable by the public.

1. Pre-Approval of Social Media Material

- All Access Persons of NWCM must obtain written pre-approval for Social Media business communication posts from the CCO or designee in accordance with the instructions provided therein.

2. Supervision of and Recordkeeping Requirements for Social Media

- Business communications on Social Media Sites generally fall under the categories of advertisements and correspondence, and thus such communications (*e.g.* Twitter updates, LinkedIn entries) must comply always with NWCM’s policies and procedures regarding marketing, correspondence and record-keeping requirements.
- NWCM prohibits Access Persons from participating in chat rooms for business use. Further, NWCM strictly forbids Access Persons during business hours (except for scheduled breaks and upon logging out for the day) from participating in any Social Media Sites for personal use, including chat rooms and instant messaging.
- The use of Social Media Sites that refer to NWCM are subject to periodic review by the CCO at any time and for any reason.

3. Consequences for Failure to Adhere to Social Media Policy

The use of Social Media Sites for business purposes is a privilege for NWCM Access Persons. An Access Person that does not comply with these policies and procedures will be subject to sanctions that may include, but not be limited to, termination of employment.

d. Verbal Communications

Verbal communications, including sales presentations and teleconferences must comply with the same high standards of accuracy, completeness and integrity as are required of written communications.

1. Media/News Interviews

All interviews, submissions, photographs, etc., involving NWCM must be cleared by the CCO or designee prior to any Access Person granting a publication's request for comment or giving information on NWCM. For purposes of this policy, media includes any third-party reporting source (*i.e.*, newspapers, newsletters, magazine and radio and television stations). It also includes internet publications, email newsletters and public relations firms.

2. Radio Broadcasts

Generally, radio broadcasts are prohibited unless an exception is granted by the CCO. In the event such broadcast occurs, the Access Person will be provided guidance on appropriate disclosures and format to include within the recording.

D. PERFORMANCE ADVERTISING AND MARKETING

1. PERFORMANCE DATA

Pursuant to the Advisers Act, investment advisers must retain documentation supporting performance claims in all advertising, sales literature and marketing materials.

Designated NWCM personnel who produce or use third-party sourced information are responsible for maintaining all back-up documents, which must be presented to the CCO upon request.

2. PERFORMANCE RESTATEMENT

If the Firm's performance numbers are materially misstated or inaccurately communicated, the correct performance number(s) will be restated and immediately sent to the same recipients in the same manner as the original communication. The CCO must approve all restatement figures and provide applicable disclosure language as required to accompany the restatement.

3. MODEL AND ACTUAL PERFORMANCE

Advertisements, sales literature and marketing materials containing either model hypothetical performance data must adhere to the Advisers Act and certain SEC interpretations and no-action letters which impose requirements and/or restrictions on an investment adviser's ability to show both actual (historical results) model performance and hypothetical data.

E. MANDATORY SUBMISSION OF MATERIALS TO THE CCO

All advertising, promotional materials and marketing pieces provided to existing and prospective clients must be submitted to the CCO for review and approval prior to use or distribution.

VII. ADVISORY SALES AND SERVICES

A. INTRODUCTION

NWCM expects Access Persons to follow all applicable federal and state laws and SEC rules and regulations, in conjunction with internal NWCM policies always.

B. CLIENT AGREEMENTS

1. POLICY

Prior to providing advisory services, NWCM enters into one or more agreements (each a “Client Agreement” and collectively the “Client Agreements”) with each client that outlines the services, terms and conditions of the advisory relationship with that client. All Client Agreements will be in the format approved by the Firm. Only the CCO has the authority to edit, alter, or amend the “boiler plate” substance of Client Agreements (staff being permitted to “fill out” the Agreement for Client execution). Only the CCO has the authority to execute Client Agreements on behalf of NWCM.

C. CUSTODY OF CLIENT ASSETS

1. POLICY

NWCM, consistent with SEC Rule 206(4)-7, has evaluated its business model and determined that it is deemed to have custody for the following reasons: (i) the firm has the authority and ability to debit its fees directly from certain client accounts, (ii) certain clients have, and can in the future, sign a Standing Letter of Authorization (SLOA) that gives NWCM the authority to transfer funds to a third-party as directed by the client in the SLOA, and (iii) having bill pay authority and serving as a trustee to certain client accounts.

Therefore, it is NWCM’s policy to ensure compliance with the Custody Rule. To assist in this process, NWCM has adopted policies and procedures in accordance with the guidance provided in the Custody Rule, as amended. This includes NWCM doing the following:

- Reasonable Basis Assurance, After Due Inquiry, of Client’s Receipt of Custodial Statements
- Client Custodial Statements - How and When Received
- Client Billing – How and When Conducted
- Client Inquiries – What Triggers Such Action
- Periodic Testing

The CCO is responsible for ensuring that NWCM continually remains in compliance with the Custody Rule as outlined above. Should NWCM become subject to the Custody Rule for any reason other than what is outlined above, the CCO or designee will promptly revise these procedures to include the reason for the custody and any additional procedures and controls that must be followed in accordance with the Custody Rule.

7. OTHER CONSIDERATIONS

a. NWCM Performance Reports and Account Statement

If NWCM sends its own account statements or reports to clients in addition to statements sent by the custodian, it shall provide a legend on such statement, urging the client to compare the account statements prepared by NWCM with that which is received from the qualified custodian.

b. Privately Offered Securities

For NWCM client assets held in privately offered investments (such as private funds, interests in a limited partnership or other pooled investment vehicle subject to annual audit), client ownership is recorded only on the books of the issuer and in the designated client file maintained by NWCM.

c. Receipt of Checks and/or Securities

Access persons should direct Clients to send to their account's custodian all checks and securities for deposit by providing them with deposit instructions and if appropriate a stock power. Access Persons should not accept, on behalf of a client, any checks and/or securities payable to a party other than the Client, except in very limited circumstances with the approval of the CCO. Upon receipt of any check or securities, the following procedures must be followed:

- (i) Checks and securities are immediately given to the Operations Department ("Ops").
- (ii) If a security is received, the CCO is to be immediately notified;
- (iii) Ops is to make a copy of the check or security certificate(s) received;
- (iv) Checks and securities are to be kept under lock and key until which time they are sent to the custodian;
- (v) Checks and securities are to be sent by Ops to the custodian by overnight delivery the day of receipt, if possible; otherwise, the next business morning.
- (vi) Ops is to document the date of receipt, who sent the item to the Firm, who at the Firm received it, whether it was forwarded or returned, the date it was forwarded or return, and the reason; and
- (vii) Ops is to maintain all required documentation as part of the Firm's required books and records.

d. Serving as Trustee/Executor/Grantor

Access Persons are prohibited from serving as trustee, co-trustee, or successor trustee of a client's trust account, executor of a client estate, grantor, or obtain any power of attorney over a client's account without the prior written approval from the CCO.

e. Standing Letters of Authorization with Custodians (SLOA)

For any SLOAs the Firm accepts, the CCO will ensure that NWCM adheres to all the requirements in the SEC's IAA No Action Letter issued February 21, 2017.

Should the Firm become subject to the Custody Rule for any reason other than what is outlined in these policies and procedures, the CCO or designee will promptly revise these procedures to include the reason for the custody and any additional procedures and controls that must be followed in accordance with the Custody Rule.

D. CLIENT SERVICING

NWCM prides itself in offering a full range of services, which include investment advisory services. Such services are tailored to each client and can include but are not limited to, asset allocation, investment recommendations. Complete details on NWCM's wide range of services are outlined in NWCM's Form ADV Part 2A.

1. REQUIRED CLIENT DOCUMENTATION

Prior to opening an account, NWCM requires each client to execute NWCM's Client Agreement. NWCM will not provide any advisory services to a client until all required documentation is complete, executed and on file.

The personnel responsible for opening client accounts are responsible for ensuring that required documentation is obtained and complete. During the account opening process, should any required documentation be missing, the operations personnel will inform the IAR assigned to the client to obtain such missing documentation. NWCM will not provide services to such client until all required documentation has been obtained and is complete.

The CCO will perform periodic reviews to help ensure that all necessary documentation is received by clients and maintained in an appropriately designated client file.

2. SUITABILITY VERIFICATION

NWCM must obtain appropriate information from each client to substantiate suitability determinations. The information may vary depending on the types of clients, but at a minimum will include information on the client's age, financial situation (*i.e.*, annual income, net worth) investment experience, risk tolerance, and overall investment objectives and restrictions for the assets being managed by NWCM.

8. THIRD-PARTY FEES

Depending on the types of investments made in a client's account, a client may also incur certain fees and charges that are imposed by third parties other than NWCM. These fees and charges are separate and distinct from NWCM's advisory fees and charges and may include, but not be limited to: transaction fees; custodial fees; mutual fund 12b-1 fees; certain deferred sales charges on mutual funds sold in an account; and other associated fees charged by banks, investment companies and/or broker-dealers. NWCM is not responsible for and does not receive any of these fees or charges. NWCM maintains disclosures in its Form ADV Part 2A and Client Agreement regarding these additional fees.

E. CUSTOMER COMPLAINTS

1. DEFINITION

All written communications primarily expressing a grievance should be considered a complaint. Complaints may arise in connection with any product or service that NWCM provides.

9. POLICY AND PROCEDURES

NWCM's policy is to handle complaints as expediently as possible. Therefore, the following procedures must be adhered to by all Access Persons:

- Report all complaints to the CCO:
- Fully disclose all information to the CCO:
- Responses to a complaint must be reviewed by the CCO:

Settlement of complaints: Under no circumstances may any Access Person commit NWCM to settle any monetary or in-kind claim regardless of the amount, without the consent of the CCO.

F. REGULATION S-AM CONSIDERATIONS

In 2009, the SEC adopted Regulation S-AM, which prohibits investment advisory firms (among others) from marketing its services to potential clients using the potential client’s “eligibility information” (as such term is defined in the SEC’s release of the regulation and summarized below) that the advisory firm received/obtained from an affiliate; unless:

- the potential client has received notice from the affiliate of the potential marketing use of the information;
- the potential client has been provided a reasonable opportunity and a simple method to opt out of receiving the marketing solicitation from the affiliate; and
- the potential client did not opt out.

NWCM has one affiliate, Harbour Investment Management, LLC. Both firms do not share clients’ eligibility information with each other either directly and indirectly.

NWCM cannot market its services in any way to any potential client that is a client of an affiliate, unless the potential client has received an opt-out notice from the affiliate and the potential client has not opted out. Prior to any marketing efforts taking place to potential clients that are clients of an affiliate, the Supervised Person must confirm that the potential client has received an opt out notice from the affiliate and has not opted out after a reasonable amount of time has passed since sending the opt out notice.

G. PRIVACY OF CLIENT CONFIDENTIAL PERSONAL INFORMATION

1. POLICY

NWCM’s highest priority is to maintain its clients’ trust and confidence. NWCM wants its clients to know that it is committed to protecting the confidentiality of their personal information. For purposes of this policy, confidential non-public personal information includes: name, address, social security or tax ID number, assets in a client’s account, history of a client’s account and all non-public financial and health information obtained from a client in connection with NWCM providing a financial product or service to such client. It also includes similar personally identifiable data relating to NWCM’s Access Persons.

NWCM and its Access Persons have an obligation to protect the security and confidentiality of such information and prevent unauthorized access to and the use of this information, which could result in harm or inconvenience to NWCM’s clients.

NWCM has adopted a comprehensive privacy and security program, including detailed written procedures, designed to (i) maintain the security and confidentiality of client records and information; (ii) protect such client information against anticipated threats or hazards during maintenance and disposal processes; and (iii) prohibit unauthorized access to or use of client records or information that may result in actual or potential harm to the client.

NWCM has adopted a written Privacy Notice which outlines: (1) the information it collects from clients, (2) the reasons the information is collected, and (3) to what extent, if any, the information is disclosed to non-affiliated third parties. This Privacy Notice must be delivered to clients.

2. PROCEDURES

a. Sharing Client Non-Public Information

NWCM only shares client non-public information with non-affiliates:

- to assist NWCM in providing services to its clients;
- in cases where the client has given permission;
- in cases where the client has an established relationship with the non-affiliate; and as permitted or required by law.

Access Persons are prohibited from providing client non-public information to any non-affiliate for any other purposes (*e.g.*, for marketing to the client), without prior approval from the CCO.

b. Privacy Notice Delivery Procedures

NWCM's Privacy Notice is provided to new clients before or at the time of engagement. In addition, NWCM will offer its client provide them with a copy of its Privacy Policy any time a change is made. NWCM's Privacy Notice may not be changed without obtaining prior approval from the CCO and only when circumstances warrant a change.

10. Safeguarding Client Non-Public Personal Information

NWCM and its Access Persons have an ongoing responsibility to safeguard client confidential non-public personal information and therefore must adhere to the following mandates:

- Files containing confidential non-public personal information must be maintained in areas that provide the greatest physical security (*e.g.*, locked filing cabinets or offices). Access Persons must lock file cabinets containing personal information each night to prevent potential intruders from access.
- Remote or offsite access to an Access Person's email or the Firm's network requires the use of 'strong' passwords.
- NWCM may consider using encrypted data, firewalls, patches, routers, filters and 'strong' passwords to prevent unauthorized access to confidential client information stored electronically. Each Access Person must shut down their computer at the end of the work day to block potential hackers.
- NWCM's electronic systems contain automatic lockout features for unsuccessful login attempts and prevent simultaneous logins. Automatic session timeout parameters must be utilized to minimize periods of session inactivity.
- Access Persons are not permitted to store client information on external computers or PDAs, unless such devices have strong security protocols as identified by the Firm. In any event, all computers, PDAs or similar devices which an Access Person plans to use in connection with his or her duties or responsibilities for the Firm must be reviewed and authorized by the CCO prior to such use. Access to data held on such devices must be protected by 'strong' passwords.
- Access Persons must abide by all security procedures and records retention guidelines designed to protect the firm's records and systems and the integrity of the data accessed through them.

- Access Persons must not release confidential non-public personal information except in accordance with NWCM's procedures and only with the written authorization of the client or as required by law (e.g., pursuant to a valid subpoena or court order).
- Access Person should not leave confidential non-public personal information in plain sight or on their desk for extended periods of time.
- When transmitting confidential non-public personal information electronically, Access Persons must ensure that such information is password protected for security.
- Contracts with any non-affiliated entity or service provider receiving access to non-public personal information to perform services on behalf of NWCM and/or client must include a confidentiality provision which prohibits disclosure or use of client information other than to provide the services for which the information was provided.
- All contractual agreements the Firm or a client might execute involving the sharing of non-public personal information need to be reviewed by the CCO prior to execution to ensure the inclusion of the appropriate provisions.
- All client information and company data processed by computers, and stored or transmitted electronically or otherwise, must be adequately safeguarded against damage, loss, alteration, theft and unauthorized disclosure.
- Upon leaving the Firm, Access Persons are not permitted to take any nonpublic personal information relating to any clients of the Firm. To protect information after an Access Person has been terminated, the Firm will take steps to secure the electronic and hard copies of all documentation, including preventing access to online systems and physically safeguarding records and other documentation.
- Access Persons must agree that, upon termination of their relationship with the Firm, all NWCM blank forms must be destroyed, and any stationary, business cards or websites must no longer contain any reference to NWCM.

H. GUIDELINES ON THE USE OF SOLICITORS

Currently NWCM does not use solicitors to obtain new advisory business.

I. IDENTITY THEFT PREVENTION PROGRAM

The Firm's policy is to protect its clients from identity theft and to comply with Regulation S-ID. The Senior Management has approved NWCM's ITPP and the CCO has the responsibility of overseeing the Firm's ITPP.

1. PROCEDURES

a. Identification and Detection of Red Flags

Prior to opening a new account for any individual client or investor, *identifying information* must be obtained to verify the identity of the person opening the account. Such information/documentation will be maintained in each client file.

No Access Person is permitted to perform the following actions without first determining the identity of the person requesting such actions; instructions are only to be processed once identity is in fact verified and client authorization is received.

Action Requested:

- Provide ANY information regarding the client whether verbal or written;

- Change an address; or
- Send monies from the account to a different address or third-party (Please note that any requests for sending monies to a third-party must be approved by the CCO prior to processing. Also, the banking and account information on same name transfers should be verified or confirmed with the client).

In their day-to-day activities, Access Persons may come across some red flags that alert them of possible or actual identity theft. Examples of potential red flags may include:

- Notification from a client, service provider, or credit reporting agency of fraud on a client's credit report or a notice of a freeze on a client's account;
- Receiving a document, such as personal identification, application or letter from a client or potential client that appears to be altered and/or forged;
- Receiving personal identification information, including documents that do not match the potential client providing such information or documents;
- Receiving verbal or written information that is supposedly from a client that does not match with information the Firm has on file (*e.g.*, incorrect or invalid social security number, address or phone number);
- Notification of a change of address to a P.O. Box that appears out of the ordinary;
- Receiving a request for account assets to be redeemed and a check sent to an address that is different than the address on record for the account;
- Notification from a client that they are not receiving their account statements in the mail;
- Notification from a client that they have been the victim of identity theft;
- Notification from a custodian or broker-dealer that is concerned with account activity or closure of an account for cause, including abuse of account privileges;
- Omission of certain new account requested information (such as birth date, net worth, etc.) and non-responsiveness to subsequent requests for that information;
- A person calling in to obtain account information cannot provide identifying information, such as account number, social security number, account registration and address of record;
- After a recent change of address, the Firm is asked to add another person to the account and/or provide replacement means for accessing account information; and/or
- Unexplained large withdrawal of assets.

11. Responding to Red Flags Detected

Should any Access Person identify any of the red flags listed above for any client account, or have any other reason for believing that identity theft may be taking place, the Access Person should report it to the CCO immediately.

The CCO will review the information provided, investigate further as necessary, and determine appropriate steps to help prevent or mitigate identity theft, which may include but are not limited to:

- Monitoring a Covered Account for evidence of identity theft;
- Contacting the client;
- Changing any passwords, security codes, or other security devices that permit access to a client's account;
- Reopening a Covered Account with a new account number;
- Not opening a new Covered Account;
- Closing an existing Covered Account;
- Not attempting to collect fees on a Covered Account or not selling a Covered Account to a debt

- collector;
- Notifying law enforcement; and/or
- Determining that no response is warranted under the circumstances.

In the unlikely event that an Access Person is responsible for identity theft, such Access Person will be subject to severe sanctions up to and including termination of employment as well as referral to the appropriate civil and/or criminal legal authorities, which could result in large fines and imprisonment.

Each reporting will be fully documented by the CCO, including the date the suspicious activity occurred, the findings, and a description and date of steps taken.

J. DEALING WITH DIMINISHED CAPACITY

Diminished capacity is a condition whereby an individual has an impaired mental state or condition caused by disease, trauma or intoxication. In the context of providing investment advisory services to clients, clients may demonstrate diminished capacity due to the onset of dementia, Alzheimer's disease, bipolar disorder or simply age-related memory changes.

1. POLICY

It is the firm's policy for its IARs to continuously communicate with their supervisors whether they suspect any client has diminished capacity. Prior to meeting with the supervisor, check the client's file to see if there is any guidance notated on the new account documents regarding action steps to take if the client demonstrates diminished capacity. If so, forward those protocols to the supervisor for review.

2. PROCEDURE

Supervisors should meet with the IAR to further evaluate whether the client is showing signs of diminished capacity. If so, the supervisor should:

- Immediately notify the CCO to request guidance;
- Check the client file to see if an executed trading authorization form, or durable power of attorney form or emergency/family contact information is on file. If so, contact that person to share concerns;
- If appropriate, suggest that the client bring a close family member or friend to the next meeting and discuss what should happen if the client gets diminished capacity;
- Contact the client's custodian to notify them of the firm's concern about the client's diminished capacity and receive guidance on what forms they may need completed, if any.

For new clients IARs should complete emergency contact information. This should detail, who, if anyone, the client wishes the firm to contact if the adviser has concerns related to diminished capacity. For more information, please contact the CCO.

K. IDENTIFYING ELDER FINANCIAL ABUSE

1. POLICY

It is the firm's policy for its IARs to continuously communicate with their supervisors whether they suspect any client is the victim of elder financial abuse.

2. PROCEDURE

Supervisors should meet with the IAR to further investigate any suspicious activity and/or identified red flags. If so, the supervisor should:

- Immediately notify the CCO to request guidance;
- Check the client file to see if there is emergency/family contact information. If so, contact that person to share concerns (assuming it is not the person suspected of the abuse);
- Contact the client's custodian to notify them of the firm's concern and receive guidance on what forms they may need completed, if any.

For new clients IARs should complete emergency contact information. This should detail, who, if anyone, the client wishes the firm to contact if the adviser has concerns related to elder financial abuse. For more information, please contact the CCO.

L. DEATH OR INCAPACITY OF A CLIENT

1. DEATH OF A CLIENT:

When a client passes away, the account assets often become subject to the provisions contained within a trust, will, or other estate planning documents or may become subject to probate as governed by that client's home state.

Upon notification of a client's death, NWCM will take the following actions.

- Request a copy of the death certificate from the client's next of kin or another identified person. Until the death certificate is received, NWCM shall continue managing the client's account in accordance with the terms of the investment advisory agreement or until such time the account is frozen by the client's custodian.
- Upon receipt of the death certificate, notify the client's custodian who will freeze the assets.
- Once legal distribution has been determined, request written instructions on how assets should be distributed. This can be obtained from the executor of the estate and will be outlined in the legal documents obtained from the estate planning or probate attorney.

To help facilitate these steps, NWCM should:

- Identify the duly appointed legal representative, such as the executor, successor trustee, named beneficiary or joint tenant
- Obtain legal documentation related to the client's death and distribution of assets
- Update the firm's contact management system and notify appropriate personnel within the firm
- Immediately notify the client's custodian(s)
- Check the investment advisory agreement (and other pertinent documents in the firm's possession) as to whether the firm should continue actively managing the account while awaiting legal documentation and instructions from the executor or appointed legal representative.

2. INCAPACITY OF A CLIENT

When a client becomes incapacitated, certain steps must be taken to establish who has legal authority to act on behalf of the client's account(s). When a client becomes incapacitated, NWCM should:

- Notify compliance and obtain guidance on how to proceed with servicing the client's account.
- Request documentation of whom has been appointed as the client's legal representative, such as a conservator, guardian or individual with a Durable Power of Attorney.
- Update the firm's contact management system and notify appropriate firm personnel (e.g., accounting for billable purposes)
- Notify the client's custodian accordingly.

For additional information relating to servicing elderly clients or clients with diminished capacity, please refer to section VII of this Manual.

VIII. TRADING IN CLIENTS' ACCOUNTS

A. INVESTMENT MANAGEMENT PROCESS

In managing discretionary clients' portfolios, it is important that NWCM consider the desirability of buying or selling certain securities and how the costs of implementing these transactions will affect the overall benefit to its clients. In addition, NWCM needs to:

- Determine each client's trading requirements;
- Select appropriate trading techniques, venues and agents;
- Strive to avoid excessive market impact when trading;
- Protect the interests of its clients and the proprietary information of decisions made; and
- Monitor and review trading results on a periodic and systematic basis.

B. BEST EXECUTION

When placing client trades, NWCM strives to seek "best execution." In seeking best execution, NWCM evaluates its execution on a variety of criteria, including the range of services the broker-dealer can provide. The following factors generally are used for purposes of this analysis:

- Execution capabilities;
- The confidentiality provided by the broker-dealer;
- Availability of technological aids to process trade data;
- Opportunity for price improvement;
- The promptness of execution of securities transactions;
- Competent block trading coverage ability, if necessary;
- Capital strength and stability;
- Reliable and accurate communications and settlement capabilities;
- Administrative ability;
- Commissions/trading costs;
- Knowledge of other buyers and sellers;
- The broker-dealer's ability and willingness to position a portion of the order;
- Research provided;
- Breadth of services provided to Clients; and
- Availability of information regarding the most favorable market for executing the trade.

The brokerage practices of NWCM will be fully disclosed in the Form ADV Part 2, including a summary of factors NWCM considers when selecting broker-dealers and determining the reasonableness of their commissions. NWCM will maintain records regarding brokerage transactions in client accounts and soft dollar arrangements, including each client order placed by NWCM and the broker-dealer that executed the transaction.

C. AGGREGATION AND ALLOCATION OF ORDERS

From time to time NWCM may determine, based on a variety of reasons, that the purchase or sale of a security, including initial or secondary public offerings ("Public Offerings"), is appropriate for multiple client accounts. NWCM has adopted the policies and procedures below regarding allocation of investment opportunities, with the goal of providing an objective and equitable method so that all clients are treated fairly.

1. TIMING CONSIDERATIONS

The timing of NWCM's trade allocations follows these protocols:

- All trades will be allocated to client accounts on trade date. Revisions of initial allocations will be made on an exception basis only and must be documented by the trading desk.
- If an order is not completed by the end of the day, the trading system will allocate the executed shares.
- Because trades generally are not "held over" or "warehoused" by a broker-dealer, there may be instances, especially in foreign stocks, when the Trading Desk executes only a small portion of the order, which is held over until a meaningful order size can be allocated. When this occurs, the CCO should be notified.

2. ALLOCATION OF BUNCHED TRADES

Fully Executed Trades: Occasions may arise when one or more accounts may desire to purchase or sell the same security at approximately the same time. On those occasions, "bunched" trades may be executed, at the discretion of the CCO. In the case of fully executed orders, participating accounts will be allocated the full amounts initially ordered. Where the aggregate order is executed in a series of transactions at various prices on a given day, each participating account's proportionate share of such order will reflect the average price paid or received with respect to the total order. All transaction costs will be shared by each participating account on a pro rata basis, based on each account's participation in the trade.

Partially Executed Trades: When the full amount of a bunched order is not executed, the partial amount executed shall be allocated among the participating accounts on a pro rata basis to the extent practicable in proportion to the amounts initially ordered by each account, subject to rounding of "odd lot" amounts. With respect to an order that is partially executed in a series of transactions at various prices on a given day, each participating account's proportionate share of such order will reflect the average price paid or received with respect to the part of the order that is partially executed on that day. All transaction costs will be shared by each participating account on a pro rata basis, based on each account's participation in the trade. If the allocation of a partial receipt of a bunched order is impractical because of relatively low numbers and high costs, the first account(s) eligible for receipt of a partial fill will receive the partial amount. Either one account will receive the full partial amount, if the requested amount is lower or the same, or several accounts (one more account than can be completely filled with the partial amount) will receive a pro-rata allocation based on the amounts initially ordered by each of the participating accounts. Accounts will become eligible for receipt of partial amounts on a rotating basis, based on the client number and the last account that received partial amounts.

Additional Trades in the Same Security on the Same Day: If the Trading Desk has begun or completed execution of a bunched trade and an additional order for the same security is submitted to the Trading Desk (including cases where trading may have been halted on the relevant exchange or other trading facility), traders may use their best judgment in deciding whether the new order should be allowed to join the bunched trade already in process (including at the same average price where able), in making this determination, the traders will consider, among other things, the extent to which earlier orders have been completed, the lapse of time, the movement in the market price of the security and the size of the orders involved. If necessary, the trader will consult with the portfolio managers whose trades would be affected.

Trade Reconciliation: The firm reviews its clients' cash ledger daily to ensure trade reports and other cash

transactions (*i.e.*, dividends, interest income and expense, fees among others) are accurate. If any discrepancies are identified, we notify our custodian to correct or verify the veracity of the transactions in question. In addition, the Firm's CCO reviews cash ledgers for transactions as well.

D. DIRECTED BROKERAGE

In some cases, a client may direct NWCM to use a specific broker-dealer to execute all or a portion of the transactions for that client's account. In those circumstances, the Firm's policy is to instruct clients that NWCM generally will not negotiate commissions on their behalf and that directing the use of a specific broker-dealer may result in the client not receiving best execution and/or paying higher commissions compared to other NWCM clients. In addition, there is an inherent conflict of interest between the client's interest in receiving best execution and the Firm's interest in potentially receiving future client referrals from the designated broker-dealer.

These disclosures are included in NWCM's Form ADV Part 2A, which is delivered to every new client and offered to current clients on an annual basis. In addition, NWCM requires the client to provide such direction in writing prior to NWCM directing any transactions for such client to the broker-dealer.

E. PRINCIPAL TRADING, AGENCY AND INTERNAL CROSS TRANSACTIONS

It is NWCM's policy not to engage in principal trading (*i.e.*, buying or selling securities from/to a proprietary account from/to a client's account) or agency cross transactions (*i.e.*, where NWCM acts as a broker-dealer and sells a security from one advisory account to another account and receives a brokerage commission).

F. TRADE MEMORANDUM

NWCM's policy is to create and maintain trade memorandum in accordance with the Advisers Act [and requirements of the State]. The CCO is responsible for the creation and maintenance of trade memorandum for each executed, partially executed and cancelled trade placed by NWCM in client accounts. Such trade memorandum also must contain the following information and be retained for all cancelled or partially executed orders:

- The terms and conditions of the order, instruction, modification and/or cancellation;
- The account for which the transaction was placed;
- The date the transaction was placed;
- The broker-dealer who executed the transaction; and
- Whether NWCM was exercising discretion or non-discretion when placing the transaction.

G. TRADE ERRORS

NWCM has adopted the following policies and procedures regarding the handling of trade errors.

1. POLICY

If a trade is placed for a client's account, which was either inadvertently placed or which causes a breach of any regulatory, contractual, investment objective or restriction parameters ("Trade Error"), such Trade Error will be immediately reported to the Investment Adviser Representative and the CCO for prompt review, direction and/or action. The client should not be disadvantaged. In resolving any Trade Error, NWCM's policy is that its clients' interests will always come first, and such Trade Error should be

resolved promptly and efficiently to help minimize damages. Generally, clients will be reimbursed for any loss that is incurred due to a NWCM Trade Error. Any gains resulting from a NWCM trade error will either remain with the client or, be accumulated in a trade error account, to offset trade error losses.

H. SOFT DOLLAR ARRANGEMENTS

The SEC defines “soft dollar” practices as arrangements under which products or services other than execution of securities transactions are obtained by an adviser either from or through a broker-dealer in exchange for the adviser directing transactions to that broker-dealer. Congress enacted Section 28(e) of the Securities Exchange Act of 1934 (“Section 28(e)”) to allow investment managers who exercise discretion the ability to “pay up” to obtain certain brokerage services and research without breaching their fiduciary duty. Whereas NWCM currently has no soft dollar arrangements, it has adopted the following policies and procedures governing its soft dollar arrangements should it ever do so.

1. POLICY

NWCM may receive indirect benefits from broker-dealers, such as compliance tools or trainings, which may be deemed to fall outside the safe harbor of Section 28(e) of the Securities Exchange Act of 1934 (“Section 28(e)”). In those cases, NWCM will disclose these indirect benefits in its Form ADV.

In selecting a broker-dealer, NWCM will make a good faith determination that the amount of the commission charged is reasonable in relation to the qualitative value of the brokerage and research services received, viewed in terms of either the specific transactions or NWCM’s overall responsibility to the accounts for which it exercises investment discretion.

Subject to Section 28(e), NWCM may pay a broker-dealer a brokerage commission more than that which another broker-dealer might have charged for effecting the same transaction, in recognition of the value of the brokerage and/or research services provided by the broker-dealer. This practice is commonly referred to as “soft dollars.” NWCM believes it is imperative to its investment decision-making process to have access to this type of research and brokerage.

Research services provided by broker-dealers may be used by NWCM in servicing any or all NWCM’s clients, and may be used in connection with clients other than those making the payment of commissions to a broker-dealer, as permitted by Section 28(e).

Additionally, in some cases, NWCM may receive both non-research (*e.g.*, administrative or accounting services etc.) and research benefits from the services provided by the broker-dealers. When this happens, NWCM will make a good faith allocation between the non-research and research portion of the services received (also known as “mixed use” products and services), and will pay “hard dollars” (*i.e.*, NWCM will pay from their own source of funds) for any of the non-research portion. In making a good faith allocation between research services and non-research services, a conflict of interest may exist by reason of NWCM’s allocation of the costs of such services and benefits between those that primarily benefit NWCM and those that primarily benefit clients.

2. PROCEDURES

All soft dollar arrangements must be approved by the President/CCO prior to implementation.

I. PROXY VOTING POLICY

NWCM's policy is to vote proxies that are solicited for securities held in clients' accounts, unless the client has retained the right, in writing, to vote such proxies. NWCM's general policy is to vote proxies in the best interest of its clients. In communicating its proxy voting policy to clients in accordance with Rule 206(4)-6 of the Adviser's Act, NWCM discloses a summary of its practices in the Firm's standard client agreement and Form ADV Part 2A. NWCM's proxy voting policies are created, implemented and maintained by the CCO.

J. FAIR PRICE AND VALUATION

1. POLICY

Typically, each client's custodian is responsible for providing daily prices for all publicly traded securities held in client accounts. In cases where a market price is not readily available or provided by the custodian for a security held in client's account, then the security will be fair valued by NWCM.

IX. OPERATIONS

A. ANTI-MONEY LAUNDERING

NWCM is committed to detecting and preventing possible money laundering. This Firm has implemented procedures in place that include:

- Confirm the identity of a client, either through governmental-issued identification cards or long-term, personal acquaintance;
- Monitoring accounts for suspicious activity such as frequent money flows in and out of the account;
- Investigating suspicious activities and as necessary, reporting the activity to the appropriate authorities without notifying the client; and
- Creating and maintaining records of required account activity in accordance with the Firm's required books and records procedures.

NWCM has implemented the following protocols.

I. ESTABLISHING CUSTOMER IDENTIFICATION – “KYC”

A fundamental consideration in AML Programs is to take effective steps to know your client (“KYC”). To that end, during the initial interview with a new or potential client, the IAR will gather information about that client including, but not limited to, current residence and business address, financial information, investment objectives, current source of funds for proposed transactions, current sources of income and any other assets held by the client. Should any new or potential client not be forthcoming with this information, the IAR should immediately notify the CCO.

II. PERFORMING DUE DILIGENCE ON SOURCE OF FUNDS

NWCM will perform due diligence if a client attempts to provide a third-party check to open a new account or if NWCM discovers that an account regularly receives deposits from foreign wires. Should this occur, that the client's account will be placed on high alert status and closely monitored to watch for any suspicious activity.

1. PROCEDURE

An Access Person who becomes aware of any suspicious activity must immediately notify the CCO once a suspicious activity is identified, the CCO is responsible for monitoring and recording all due diligence efforts undertaken. If necessary, the Firm will communicate with clients, as necessary, for any accounts which may have been compromised.

2. RED FLAGS

The CCO will monitor account activity to identify “red flag” activity in a client's account.

NWCM considers a multitude of red flags that could potentially signal possible money laundering. These red flags include, but are not limited to, the following:

- The client exhibits unusual concern about Firm's compliance with government reporting requirements and the Firm's AML policies, particularly on his or her identity, business activities,

source of funds and/or assets, or is reluctant or refuses to provide requested information to the Firm, or furnishes unusual or suspect identification or business documents;

- The client wishes to engage in transactions that lack business sense or apparent investment strategy or are inconsistent with the client's stated business or investment strategy;
- The information provided by the client that identifies a legitimate source for funds is false, misleading, or substantially incorrect;
- Upon request, the client refuses to identify or fails to indicate any legitimate source for his or her funds and other assets;
- The client (or a person publicly associated with the customer) has a questionable background or is the subject of news reports indicating possible criminal, civil, or regulatory violations;
- The client appears to be acting as an agent for an undisclosed principal, but declines or is reluctant, without legitimate commercial reasons, to provide information or is otherwise evasive regarding that person or entity;
- The client has difficulty describing the nature of his or her business or lacks general knowledge of his or her industry;
- For no apparent reason, the client has multiple accounts under a single name or multiple names, with many inter-account or third-party transfers;
- The client's account has unexplained or sudden extensive transfer activity, especially in accounts that had little or no previous activity;
- The client makes a deposit followed by an immediate request that the money be wired out or transferred to a third-party, or to another firm, without any apparent business purpose;
- The client makes a deposit for purchasing a long-term investment followed shortly thereafter by a request to liquidate the position and transfer the proceeds out of the account; and
- The client requests that a transaction be processed not in conformance with the Firm's normal documentation requirement.

3. ESCALATION PROCESS

a. Policy

NWCM requires the Access Person that detects a red flag to escalate such information to the CCO as soon as the suspicious "red flag" is detected.

12. Procedure

The CCO will review all escalated suspicious activity items and will document the findings. If believed necessary, NWCM may call federal law enforcement. The contact number for the Financial Crimes Enforcement Network ("FinCEN") Financial Institutions Hotline is: 1-866-556-3974. This HOTLINE provides law enforcement and other authorized recipients of Suspicious Activity Report ("SAR") information with details of the suspicious activity in an expedited fashion. Using the HOTLINE is voluntary and is not a substitute for an institution's responsibility to file a SAR in accordance with applicable regulations. Examples of when NWCM may contact government emergency response teams include, but are not limited to, the following situations:

- A legal or beneficial account holder or person with whom the account holder is engaged in a transaction is listed on or located in a country or region listed on the OFAC List;
- An account is held by an entity that is owned or controlled by a person or entity listed on the OFAC List;
- A customer tries to use bribery, coercion, or similar means to open an account or carry out a suspicious activity;

- NWCM has reason to believe the client is trying to move illicit cash out of the government's reach; or
- NWCM has reason to believe the client is about to use the funds to further an act of terrorism.

B. ACCOUNT REVIEW AND RECONCILIATION PROCESS

1. POLICY

NWCM's policy is to review and reconcile all client transactions and account statements to help ensure accuracy and completeness.

2. PROCEDURES

The operations personnel perform a daily reconciling of previous day transactions and security holding information from each client's custodian with trade and security holding information in NWCM's portfolio management system. Any discrepancies found by the reviewers are resolved promptly. Clients' accounts are also reconciled with custodian statements, account information.

C. ACCOUNT STATEMENTS

The custodian sends written monthly statements showing values of all securities held in the account over the covered period and other related information. Clients are also sent confirmations following each brokerage account transaction unless confirmations have been waived. Clients are urged to compare the statements received from NWCM to those received from the account custodian.

Additionally, NWCM may provide clients with quarterly reports, which detail all account activity and the deduction of the advisory fee.

D. ASSESSMENT AND BILLING OF ADVISORY FEES

1. POLICY

It is NWCM's policy to charge clients an annual advisory fee, which is billed quarterly in advance and is based upon a percentage of each client's assets under management at the time of billing. The advisory fee for each investment program and method of calculation are described in the Firm's ADV Part 2A and each client agreement.

For accounts that have paid advisory fees to NWCM in advance, NWCM will upon termination of the account refund any prepaid, unearned advisory fees promptly to the terminated client.

If a client has more than one account being managed by NWCM, then NWCM may at its discretion, aggregate the client's accounts (commonly referred to as "householding") for computing tiered advisory fees. No Access Person is permitted to change a client's stated advisory fee or change the method of fee calculation without prior written approval from the CCO.

Currently, NWCM does not charge any clients based upon a performance fee.

E. TERMINATION OF CLIENT ACCOUNTS

NWCM's policy is that the Client Agreement may be terminated by either party in accordance with the client's advisory contract, upon written notice. A client or NWCM may terminate the Client Agreement for any reason, upon written notice to the other party.

F. REVIEW OF THIRD-PARTY SERVICE PROVIDERS

1. POLICY

NWCM utilizes unaffiliated third-parties to assist it in providing investment advisory services to clients. Upon entering into agreements with such parties, NWCM will ensure that the parties are completing the contracted services. Failure by the third-party service providers to meet their obligations could not only subject NWCM to a precarious situation, but more concerning, could subject clients to unnecessary risks associated with the inadequate or failed completion of the contracted services.

In conducting due diligence and evaluating the soundness of a third-party service provider, NWCM considers the material risks associated with its reliance on services provided by third-parties. This analysis includes risks such as:

- Third-party service providers ability to adequately meet their contractual obligation and therefore exposing clients to unnecessary risk, conditions, and
- Service agreements are outdated and inaccurate;
- Specific performance.

NWCM has established the following guidelines to effectuate and monitor NWCM's policy to evaluate its relationships with, and the services provided by, third-party service providers.

2. PROCEDURE

NWCM must conduct due diligence of service providers and supervise any service providers retained by the Firm to assist in the furnishing of advisory services to clients.

Employees responsible for the evaluation of outside service providers must:

- Determine the exact services to be provided by the service provider and include precise descriptions of the services in NWCM's agreement with the service provider.
- Obtain an executed written agreement with the service provider that acknowledges the services being provided to NWCM under the terms of the agreement.
- Employees that utilize the service are kept apprised of the required components of the service and NWCM's expectations of the service. In addition, the overall quality of the service shall be discussed with Employees that utilize the service.
- As necessary, the Employee responsible for managing the relationship with the service provider shall follow-up on any issues associated with the service provider. If an Employee has any reason to believe that the service provider is failing to meet the terms of its agreement with NWCM, the Employee must report the issue to the President/CEO.
- On an annual basis, NWCM makes it a general policy to informally review its agreements with service providers. Any recommended contract terminations with service providers must be approved by the President/CEO.

Employees consuming the services of outside service providers are responsible for ensuring a reasonable quality of services is being provided to NWCM. The President/CEO is responsible for reviewing the arrangements no less frequently than annually and conducting follow-up inquiries as necessary.

X. CYBERSECURITY POLICY AND PROCEDURES

NWCM has designated Fred Payne as its Information Security Officer (“ISO”). The ISO is responsible for working with Systems Users and the Firm’s IT personnel (both internal and external) to develop, implement, and maintain prudent security policies, procedures, and controls, all subject to the approval of senior management.

1. SYSTEMS USERS RESPONSIBILITIES

Every Systems User is required at a minimum to comply with the following:

- Access information only in support of their authorized job responsibilities.
- Comply always with this Cybersecurity Policy and the Firm’s Electronic Communications Policy.
- Follow established procedures and internal protocols for protecting files, including but not limited to managing passwords, using encryption technology, and storing back-up copies of files.
- Protect the physical and electronic integrity of equipment, networks, software, and information on any NWCM Electronic Systems in any location, which includes:
 - Not visiting non-business related websites;
 - Not opening email from unknown senders or email that seems suspicious;
 - Not knowingly introducing any worms, viruses or other malicious code into NWCM Electronic Systems or disabling protective measures (*i.e.*, antivirus, spyware firewalls);
 - Not installing unauthorized software;
 - Not sending restricted or confidential data over the Internet or from the Firm’s network unless appropriately encrypted;
 - Not connecting unauthorized equipment or media, which includes but is not limited to: thumb drives, removable drives, disks, wireless access points, PDAs, and MP3 players, to NWCM Electronic Systems;
 - Not using any personal electronic devices for business purposes and/or to access the Firm’s network without written permission from the ISO.
- Keep personal authentication information (*e.g.*, passwords, login pins, etc.) confidential
- Immediately report to the ISO the suspected misuse of or unauthorized access to NWCM Electronic Systems.

Systems Users are to use NWCM Electronic Systems only for business of the Firm and not for personal activities. Unauthorized use of these systems may be in violation of the law and may be punishable by law. Therefore, unauthorized use of NWCM Electronic Systems may constitute grounds for dismissal and either civil or criminal prosecution.

System Users are prohibited from engaging in activity with the intent to: harass other users, degrade the performance of NWCM Electronic Systems; divert system resources to their own use; or gain access to any NWCM Electronic Systems for which they do not have authorization.

Systems Users shall not attach unauthorized devices (including mobile devices) to any NWCM Electronic System, unless they have received specific written authorization from the ISO.

Systems Users shall not download unauthorized software from the Internet onto any NWCM Electronic System. If a Systems User needs to download software to an NWCM Electronic System for a business purpose, they must seek approval from the ISO.

Strong password policy: All Systems Users will be required to have unique user IDs and passwords for access to NWCM Electronic Systems. Each System User is responsible for keeping all their user IDs and passwords confidential always and are prohibited from sharing such confidential information with anyone unless instructed by the ISO or a Senior Manager. All Systems Users must comply with the following rules regarding the creation and maintenance of user IDs and passwords:

- User IDs and passwords should not be posted on or near computer terminals or otherwise be readily accessible in the area of the terminal.
- Passwords must, when possible, contain a minimum of six characters, with a combination of letters, numbers and symbols.
- Passwords should not be saved when prompted by any electronic application.
- Access will be blocked after 4 failed logon attempts.
- User IDs and/or passwords sent electronically must be encrypted.

Systems Users' user IDs and passwords will be deactivated immediately anytime a Systems User is terminated, fired, suspended, placed on leave, or otherwise leaves the employment of NWCM or no longer does business with NWCM.

Supervisors / Managers shall immediately contact the ISO to report changes in employee status that requires terminating or modifying a Systems User's login access privileges.

Systems Users are prohibited from logging into an NWCM Electronic System and then allowing another individual to use the NWCM Electronic System or otherwise share access to such systems. Systems Users will be responsible for all activities occurring on an NWCM Electronic System during logged in sessions initiated by use of the Systems User's user ID and password.

Systems Users are prohibited from engaging in activity with the intent to: harass other users; degrade the performance of the NWCM Electronic Systems; divert system resources to their own use; or gain access to any NWCM Electronic Systems for which they do not have authorization.

2. MONITORING BY FIRM

The Firm has the right and capability to monitor electronic information created and/or communicated by Systems Users via NWCM Electronic Systems, including but not limited to e-mail messages and usage of the Internet. It is not the Firm's intent to continuously monitor all usage by Systems Users of NWCM Electronic Systems. However, Systems Users should be aware that NWCM may monitor usage, including, but not limited to, patterns of usage of the Internet (*e.g.*, sites accessed, on-line length, time of day of access), and employees' electronic files and messages to the extent necessary to ensure that the Internet and other electronic communications are being used in compliance with the law and with Firm policy.

3. ACCESS CONTROL

System Users: A fundamental component of NWCM's Cybersecurity Policy is controlling access to NWCM Electronic Systems and the information contained on its network. Systems Users must obtain permission from the ISO for accessing NWCM Electronic Systems and the Firm's network. The ISO will

issue a user ID to each approved Systems User. The Firm has the authority to deny access and terminate user IDs at any time.

Third-party Vendors: Certain vendors, consultants and business partners ("Third-party Vendors") doing business with NWCM may have a need to exchange information with the Firm electronically via connection to NWCM's network. No third-party connection may be made to any NWCM Electronic Systems or the Firm's network without first obtaining written approval by the ISO. The ISO will ensure that due diligence is performed on the Third-party Vendor both initially and periodically thereafter to confirm that the Third-party Vendor has strong cybersecurity procedures and controls in place. The ISO also will confirm that NWCM's safety protocols are in place to limit access by the third-party to only the NWCM Electronic Systems and information necessary to perform their services to NWCM.

Client Portals: NWCM provides clients with detailed information regarding their accounts, along with various reports through a web-based access system ("Client Portal"). All clients that have agreed to use the Client Portal are provided initial orientation training by the operations personnel and then given a link to create a username and password. All information contained on the Client Portal is encrypted. The ISO will work with NWCM's IT personnel to monitor and perform testing to ensure that the Client Portal remains secure.

4. INCIDENT RESPONSE

Security breach defined: The term "security breach incident" is defined as any irregular or adverse event that threatens the security, integrity, or availability of the information resources on any NWCM Electronic Systems or network. Some examples of security breach incidents are:

- Illegal access to a firm's computer system. For example, a hacker logs onto a production server and copies the password file.
- Damage to the Firm's computer system or network caused by illegal access. Releasing a virus or worm would be an example.
- Denial of Service attack against the Firm's web server. For example, a hacker will initiate a bot which will flood the web server with external communication requests causing the system to overload or need to restart.
- Malicious use of system resources to launch an attack against other computers outside of the Firm's network. For example, the system administrator notices a connection to an unknown network and a strange process accumulating a lot of server time.

Please note that these are only a few examples and security breach incidents come in many shapes and sizes. Systems Users who believe that any NWCM Electronic System has been subjected to a security breach incident, has otherwise been improperly accessed or used, or attempts have been made to improperly access or use the systems should report the situation to the ISO immediately. **In the event of a security incident, the Systems User should not turn off the system being used or delete suspicious files. Leaving the system in the condition it was in when the security incident was discovered will assist in identifying the source of the problem and in determining the steps that should be taken to remedy the problem.**

Breach response: Upon learning of a potential or real security breach incident, the ISO will immediately inform the CCO of such incident and together they will perform the following:

- Notify senior management;
- Take prompt remediation steps to prevent further access/damage;

- Assess damage caused by breach;
- Ascertain which clients were harmed, if any;
- Determine applicable state client notification requirements;
- Confirm client notification and reimbursement is made when necessary; and
- Ensure mitigation and corrective steps are implemented to prevent same and similar cybercrimes in the future.

Senior management will determine once notified, whether an insurance claim should be filed and whether legal counsel, law enforcement, and/or appropriate regulators should be notified and proceed accordingly.

The ISO and CCO are responsible for maintaining documentation detailing each incident including client notifications, reimbursements, and reports provided to insurance company, law enforcement and/or regulators. Such documentation will be maintained as part of the Firm's books and records.

XI. RETIREMENT ACCOUNTS AND ERISA POLICIES AND PROCEDURES

A. INTRODUCTION

1. POLICY

It is NWCM's policy to identify retirement accounts based on additional guidelines set forth by the Department of Labor.

2. GIFTING TO ERISA CLIENTS

NWCM does not allow its Access Persons to provide or make available gifts to ERISA clients. NWCM as part of its Code of Ethics, requires that all gifts given and received be reported to the CCO or designee.

B. COMPLIANCE WITH ERISA REQUIREMENTS

All NWCM Access Persons have an ongoing responsibility to help ensure that NWCM adheres to ERISA requirements. Any potential violation must be reported promptly to the CCO. The CCO will perform internal reviews to determine if a violation has occurred, promptly correct any violation that has occurred and implement any additional procedures and/or controls to help ensure the same violation does not occur again.

The CCO is responsible for general oversight of all activities undertaken by NWCM in dealing with retirement investors and will serve as the BIC Officer referenced above. The CCO also will periodically monitor NWCM activities that may impact retirement investors to help ensure that the protocols set forth above are being adhered to.

EXHIBIT D: Sample Quarterly Report

Northwest Capital Management Inc.

PHONE: 503.597.1616

FAX: 503.597.1605

13333 SW 68TH PARKWAY #230

PORTLAND, OR 97223



Item 7

DATE: March 11, 2020

TO: Deferred Compensation Management Council

FROM: Brent Petty, NWCM, Inc.

SUBJECT: Fourth Quarter Investment Performance Report (Executive Summary)

Capital Markets

| Name | YTD (01/31/2020) | Q4 2019 | 1-Year (01/31/2020) |
|----------------------------|------------------|---------|---------------------|
| S&P 500 TR USD | -0.04 | 9.07 | 21.68 |
| S&P MidCap 400 TR | -2.61 | 7.06 | 11.27 |
| S&P SmallCap 600 TR USD | -3.97 | 8.21 | 6.57 |
| MSCI EAFE NR USD | -2.09 | 8.17 | 12.10 |
| MSCI EM NR USD | -4.66 | 11.84 | 3.81 |
| BBgBarc US Agg Bond TR USD | 1.92 | 0.18 | 9.64 |

| | 1/30/2020 | 12/31/2019 | 1/31/2019 |
|------------------------|-----------|------------|-----------|
| 10-Year Treasury Yield | 1.57% | 1.92% | 2.63% |

Fourth Quarter (Complete Quarterly Investment Report is provided as **Exhibit A**)

The fourth quarter was characterized by declining recession fears and renewed optimism, with global equity markets up double digits. Trade conflict de-escalated, as Phase 1 of the US-China trade deal was reached. Favorable policy conditions, including further monetary easing by the Federal Reserve and accommodative central banks provided additional momentum.

- **U.S. Equities** made strong gains amid positive geopolitical developments. Growth outpaced value and small cap stocks were positive for the quarter. The S&P 500 rose 9% during the quarter and was up 31.5% for the year, marking the S&P 500's largest annual gain since 2013.
- **International Equities** rallied as trade negotiations advanced. A weakened U.S. dollar also contributed to returns. Emerging markets outpaced U.S. and developed international. Chinese equities benefited from the decreasing trade uncertainty, with tech conglomerate, Alibaba, landing as the top contributor.

- In **Fixed Income**, riskier credit categories outperformed this quarter and had strong full-year results, while demand for safe-haven assets declined. As global market sentiment improved, the US Treasury Yield Curve steepened and is no longer inverted. The easing of global central banks and benign credit conditions have pushed bond yields to their lowest decile relative to history.

Economic Factors

- GDP grew at a slower, but steady rate of 2.1% in the third quarter. A moderation in government spending and personal consumption growth was offset by a drag from inventories and net exports.
- Fourth quarter job gains remained at a healthy pace, with the unemployment rate dipping to a 50-year low of 3.5%. Overall, the labor market continues to be consistent with demand-side data suggesting a moderate pace of economic growth.
- Overall inflation remains manageable as various headline CPI rose 2.3%. The PCE index remained soft at 1.6% below the Fed's target of 2%.
- Looking ahead, some of the positive effects spurred by Fed rate easing and fiscal stimulus could be offset in 2020 by the uncertainty surrounding the Phase 2 US-China trade negotiations, the emerging coronavirus pandemic, as well as a contentious electoral season. We expect periodic bouts of volatility given heightened policy uncertainties, late-cycle risks, and elevated valuations. Following an exceptional year, we expect modest returns in 2020 as equities are already pricing in a broad economic recovery.
- The SECURE Act was signed into law in December 2019. This landmark legislation includes several provisions addressing annuities and other lifetime income products. A memo on the three major lifetime income-related provisions is provided as **Exhibit B**.

Investments

An investment lineup review was completed for potential share class changes. Ivy International and Templeton Global Bond scored a 3 and 4 this quarter and are now listed as To Be Removed. The remaining investment options are compliant with the County's investment policy performance criteria.

- An updated fund watch report has been included as **Exhibit C**.
- A summary of proposed investment changes is provided as **Exhibit D**.
- Ivy International Core Equity Fund – Class N (IINCX) is listed as To Be Removed. An in-depth fund review and recommendation is included as **Exhibit E**.
- Templeton Global Bond R6 (FBNRX) has been listed as To Be Removed. An in-depth fund review and recommendation is included as **Exhibit F**.
- An in-depth review on County of Fresno Stable Value (FRESSV) is included as **Exhibit G**.

Recommended Actions

- 1. Classify Ivy International Core Equity Fund – Class N (IINCX) and Templeton Global Bond fund (FBNRX) as To Be Removed;**
- 2. Add the following funds: T. Rowe Price Overseas (TROIX) and Alger Spectra – Class Y (ASPYX);**
- 3. Remove the Ivy International Core Equity Fund – Class N (IINCX) and map all assets to the T. Rowe Price Overseas (TROIX) fund;**
- 4. Remove the Alger Spectra Z (ASPZX) fund and map all assets to the Alger Spectra Y (ASPYX) fund;**
- 5. Remove the Templeton Global Bond R6 fund (FBNRX) and map all assets to either: a participant’s age-appropriate Great West Lifetime Target Date fund or the Vanguard Total International Bond Index fund (VTABX);**
- 6. Pursuant to direction in Item 7.f, add the Vanguard Total International Bond Index fund (VTABX).**

Item 7 - Exhibit A



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Decade Closes with a Bang

Global Stock Annual Performance

2019 Cumulative Return %

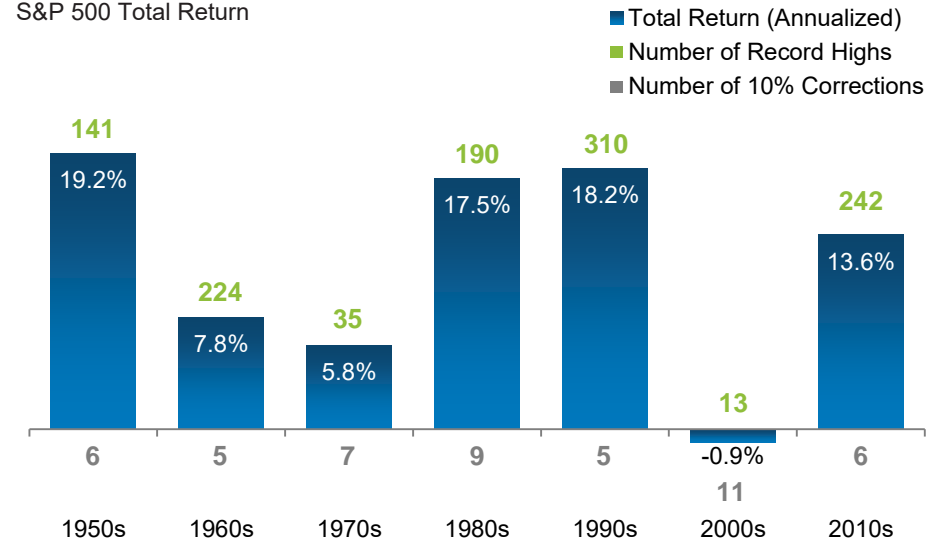


As 2019 drew to a close, the central bank induced rally ended with global equity markets up double digits as recession fears that pervaded at the end of 2018 were replaced by renewed optimism. Emerging Market equities led the fourth quarter finish after the announcement of a framework agreement between the U.S. and China brought relief from trade war anxiety.

Dubbed Phase I, the signed trade agreement rolled back a portion of U.S. tariffs on imported Chinese goods initiated earlier this year and removed planned increases on a range of consumer-focused products that were set to take effect on December 15th. In exchange, China agreed to purchase U.S. goods and services, refrain from currency manipulation, protect intellectual property and curtail forced technology transfers, as well as open up U.S. companies' participation in China's financial markets. President Trump stated that the existing tariffs will be removed only as part of a Phase two deal.

U.S. Equity Returns By Decade

S&P 500 Total Return



Following the 2000's, one of the worst decades on record, the S&P 500 returned with a vengeance on both an absolute and relative basis. The index outpaced most other asset classes and was in positive territory in 9 of the 10 years, with 2018 serving as the single down year. The same annual batting averages occurred during the 80s and 90s, although those decades saw higher annual returns.

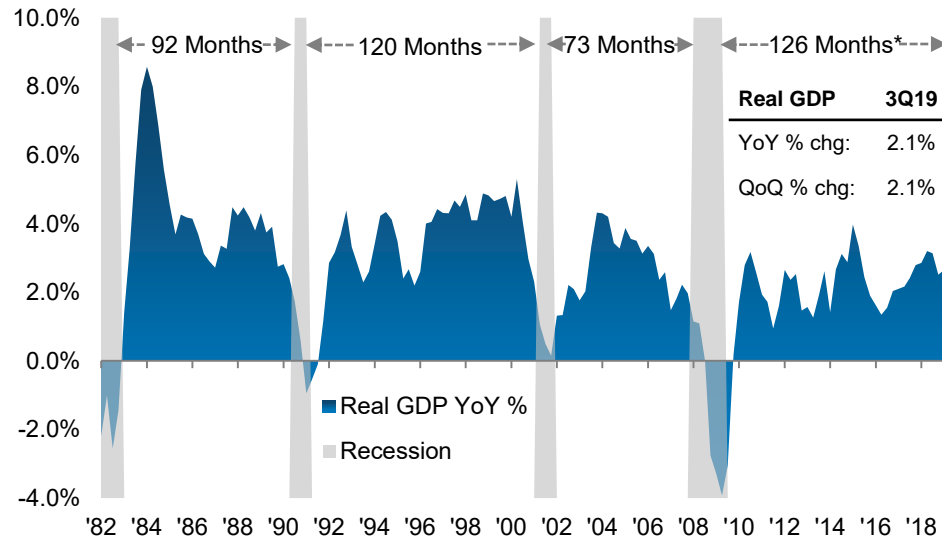
The 10-year Treasury yield began the decade just shy of 4%, and touched an all-time low of 1.37% in July, 2015. Generally, rates remained in a range between 1.5% and 3.5% for the majority of the decade. The Federal Reserve launched quantitative easing and left policy rates near 0% from the depths of the Financial Crisis in December 2008 through December 2015. Then, the Fed embarked on a series of hikes, pauses, and cuts, ending the decade at a midpoint of 1.63%. Despite global political turmoil and economic angst, this marks the first decade in American history without a recession.

Sources: Bloomberg, Morningstar, Northwest Capital Management. Past performance does not guarantee future results. For illustrative purposes only. A correction is when a stock index closes 10% or more below a 52-week high. All indexes are unmanaged and cannot be invested into directly. December 31, 2019.

Growth and Fed Policy Rate Sync Lower

The Longest U.S. Economic Expansion On Record

% Year-Over-Year

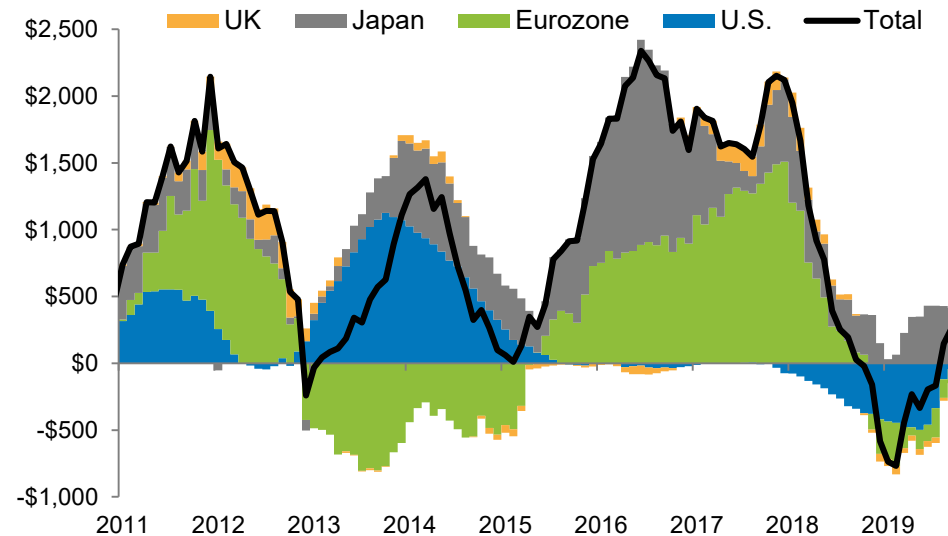


GDP: The U.S. economy grew at a slower, but steady rate of 2.1% in the third quarter. The data showed a moderation in government spending and personal consumption growth, but was offset by a smaller drag from inventories and net exports.

Labor Market: Job gains for December were 145,000, putting the fourth quarter average pace at a healthy 184,000 per month. The unemployment rate dipped back down to a 50-year low of 3.5%. The year-ago gain in average hourly earnings eased to 2.9%, well off the cycle high of 3.4% reached back in February of 2019. At a lighter 34.5 hours, the average workweek last quarter indicated less intensive business utilization of labor resources. Overall, the labor market continues to be consistent with demand-side data suggesting a moderate pace of economic growth.

Central Bank Balance Sheets

USD Billions (12-Month Change)



Inflation: Inflation remains manageable, as headline CPI rose 2.3% and core CPI (excluding food and energy) held steady at 2.3% in December. The Fed's closely monitored core PCE index remained soft at 1.6% in November below the Fed's target of 2%.

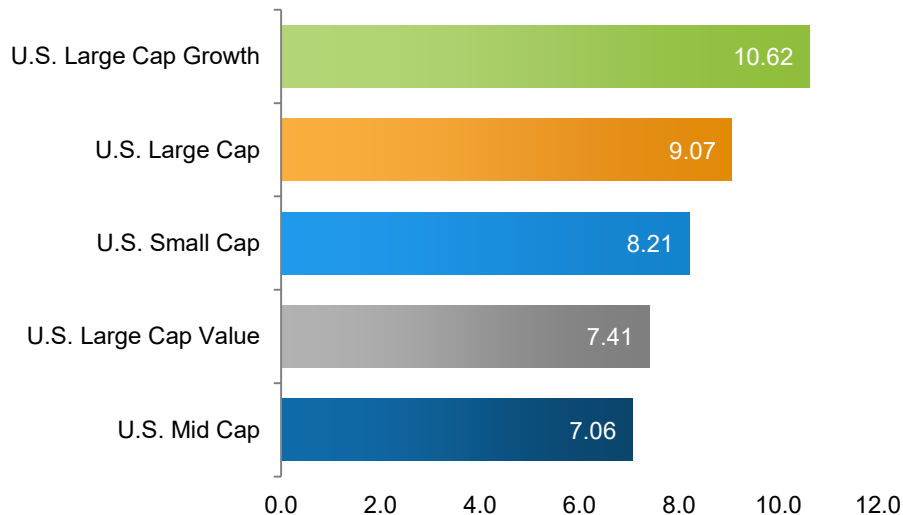
Fed Speak: The U.S. Federal Reserve cut interest rates for the third time this year in October, with the target federal funds range currently between 1.5%-1.75%. Federal Reserve Chair Jerome Powell indicated that the Committee was comfortable with a pause in cuts and left rates unchanged in their December meeting. Major central banks re-engaged in extraordinary monetary policy in 2019. The ECB restarted QE with 20 billion euros of monthly security purchases, and the Fed began buying \$60B of Treasury bills monthly and expanded its repo operations to relieve money market stress. These actions helped provide a positive liquidity environment to close 2019.

Source: Bloomberg, BEA, NBER (left), Bloomberg (right). *Chart assumes current expansion started in July 2009 and continued through December 2019, lasting 126 months so far. Data for length of economic expansions and recessions obtained from the National Bureau of Economic Research (NBER). Data are as of December 31, 2019.

Markets at a Glance

U.S. Equity Quarterly Performance

% Total Return USD

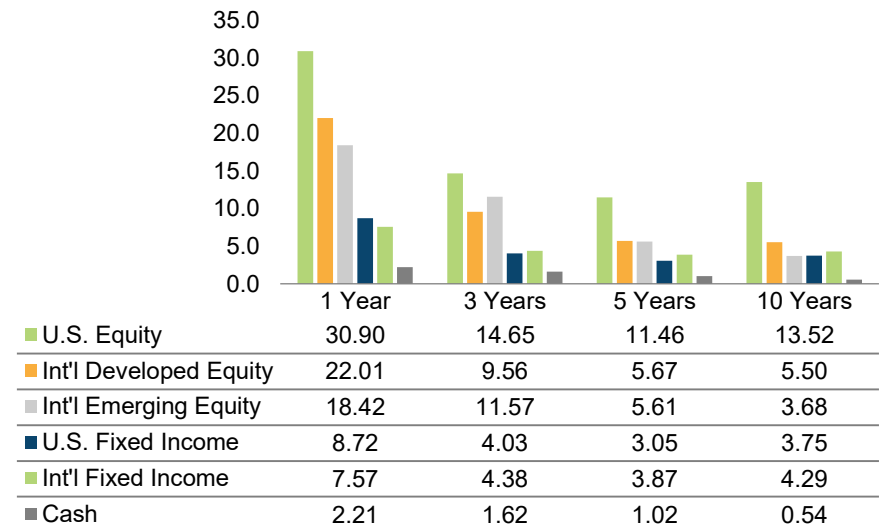


U.S. Equities: The S&P 500 (U.S. Large Cap) rose 9% during the quarter and 31.5% for the year, marking the best annual performance for the index since 2013. Growth outpaced value for the quarter, as the Russell 1000 Growth Index rallied 10.6%. Within growth, Tesla was the top performer returning 73.7% for the quarter. Small Cap stocks were positive for the quarter as investors increased risk appetite following constructive geopolitical developments.

International Equities: The improved economic and trade outlook sparked a rally in international equities and a weakening of the U.S. dollar. Emerging Markets rose 11.8%, outpacing its U.S. and international developed counterparts. Alleviation in trade concerns boosted Chinese equities 15.3%, with tech conglomerate, Alibaba, as the top contributor up 26.8%.

Trailing Returns

% Total Return USD



Fixed Income: Demand for safe haven assets waned during the quarter. Revived economic hopefulness lifted U.S. Treasury rates and steepened the yield curve, which alleviated inversion concerns. Riskier credit categories such as high yield corporates and emerging market debt outperformed in Q4 and had strong full-year results. As a result of accommodative global central banks and benign credit conditions, bond yields generally remain in their lowest decile relative to history. With a long-term average of 5.1% and a high of 16.5% in 1981, broad U.S. fixed income* ended the quarter with a yield of 2.3%.

*Bloomberg Barclays U.S. Aggregate Index yield to worst 1/30/1976-12/31/2019. The index is a broad-based flagship benchmark that measures the investment grade, U.S. dollar-denominated, fixed-rate taxable bond market. Yield to worst is the lowest yield of either the yield to maturity, yield to call, or yield to refunding.

Source: Bloomberg, Morningstar Direct as of December 31, 2019. Performance greater than one year is annualized. Past performance does not guarantee future results. Asset classes are represented by the following benchmarks: U.S. Equity (S&P 1500 Index), Int'l Developed Equity (MSCI EAFE), Int'l Emerging Equity (MSCI EM), U.S. Large Cap (S&P 500), U.S. Large Cap Growth (Russell 1000 Growth), U.S. Large Cap Value (Russell 1000 Value), U.S. Mid Cap (S&P MidCap 400), U.S. Small Cap (S&P SmallCap 600), U.S. Fixed Income (BBgBarc US Agg Bond), Int'l Fixed Income (BBgBarc Gbl Agg Ex USD Hdg USD), Cash (ICE BofAML 0-3 M US Trsy Bill). Total Return in USD.

Plan Legislative and Regulatory Update



The SECURE Act Becomes Law

In December, the SECURE Act passed through both chambers of Congress as part of a bipartisan spending bill and was signed into law by President Trump on December 20, 2019. The bill has been described as the most impactful retirement plan legislation since the Pension Protection Act of 2006.¹ The provisions contained in the SECURE Act aim to expand and protect retirement savings options, improve plan administration, and reform existing rules.

Some of the notable provisions included in the spending bill²:

- Allows more flexibility for small businesses to offer multiple employer plans ("MEPs")
- Increases the age for required minimum distributions from 70^{1/2} to 72
- Eliminates the age limit for traditional IRA contributions
- Allows in-service distributions from defined benefit plans and governmental 457(b) plans at age 59^{1/2}
- Increases the eligibility of long-term, part-time workers to participate in retirement plans
- Creates a safe harbor provision for annuities and increases the portability of annuities offered in plans
- Provides a tax credit up to \$500 per year for small employers (100 or fewer employees) who implement automatic enrollment
- Allows automatic-enrollment safe harbor plans to increase the cap on raising payroll contributions from 10% to 15% of wages
- Allows the use of 529 accounts for qualified student loan repayment (lifetime limit of \$10,000 per 529 plan beneficiary)
- Accelerates the timeframe for distributions and taxes on inherited IRAs, also known as "stretch IRAs"

Many of the SECURE Act provisions will go into effect on January 1, 2020. While most of the changes apply only to private sector plans covered by the Employee Retirement Income Security Act of 1974 (ERISA), the provisions can provide best practices for non-ERISA government plans as well. In the coming months, plan sponsors should review how the SECURE Act will impact their plans, particularly when it comes to the administration and compliance requirements associated with the new legislation.



Proposed Bill Would Help Students Save for Retirement

Senator Rand Paul, R-Kentucky, has introduced legislation which would allow the use of retirement funds for tuition and student loan repayment.



The Higher Education Loan Payment and Enhanced Retirement (HELPER) Act would allow participants to withdraw up to \$5,250 annually from a 401(k) or IRA to pay for qualified educational expenses, tax and penalty free. Additionally, under the proposed bill, participants could elect to take employer contributions as Roth contributions, in order to receive tax-free withdrawals after retirement.^{3,4}

Student loan repayment remains a bipartisan concern. Last year, Senator Ron Wyden, D-Oregon, re-introduced the Retirement Parity for Student Loans Act. If passed, the bill would allow 401(k), 403(b), and SIMPLE retirement plans to make matching contributions based on qualified student loan payments.⁵

DOL Proposes New Electronic Disclosure Rules

In October, the Department of Labor (DOL) proposed new regulations that would allow plan documents to be delivered electronically. Under the proposed electronic disclosure safe harbor rule, employers will have the option to make retirement plan disclosures of "covered documents" accessible online to "covered individuals". Participants can opt out of e-delivery if they prefer paper notices.⁶

¹Anderson, Brian. "It's In! SECURE Act Included in 2020 Spending Package" *401KSpecialist*, 19 December 2019.

²LaBrecque, Leon. "The SECURE Act And Your 401(k) & IRA: 5 Things You Need To Know Right Now" *Forbes*, 21 December 2019.

³Associated Press. "Rand Paul to offer bill allowing families to use 401(k), IRA savings on student loans" *MarketWatch*, 4 December 2019.

⁴Senator Rand Paul Official Website. "Dr. Rand Paul Introduces HELPER Act to Reduce Student Loan Debt and Increase Retirement Savings" *Senator Rand Paul Official Website*, 3 December 2019.

⁵Umpierrez, Amanda. "Addressing Employees' Student Loan Debt in 2020" *Plansponsor*, 30 December 2019.

⁶Lazarrotti, Joseph. "DOL Proposed NEW Electronic Disclosures Rule" *JDSUPRA*, 23 October 2019.

2020 Compliance Calendar for ERISA Governed Retirement Plans

2020 January

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | | | 01 | 02 | 03 | 04 |
| 05 | 06 | 07 | 08 | 09 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |

01 Reminder for all payroll runs: participant contributions should be made no later than 3-5 days past the employee pay date.

31 Deadline to mail IRS Forms 1099-R to participants who received distributions the previous year. NOTE: 1099's for distributions are typically handled by the plan's trust company or record keeper.

31 Census data should be submitted to Record keepers for calculation that 402(g) limit has not been exceeded for previous plan year. **Off-calendar plans within 3 days following plan year end.**

2020 February

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | | | | | | 01 |
| 02 | 03 | 04 | 05 | 06 | 07 | 08 |
| 09 | 10 | 11 | 12 | 13 | 14 | 15 |
| 16 | 17 | 18 | 19 | 20 | 21 | 22 |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |

28 Form 1099-R information transmitted to IRS.

2020 March

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| 01 | 02 | 03 | 04 | 05 | 06 | 07 |
| 08 | 09 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | 31 | | | | |

15 Deadline for processing corrective distributions for nondiscrimination test failures of ADP (ave deferral %) / ACP (ave contribution %) for Highly Compensated Employees (HCEs). **Off-calendar plans corrections must be made 2 1/2 months following the end of the plan year.**

16 Deadline for employers to submit profit sharing or matching contributions in order to take a deduction for previous year taxes (unless corporate extension is filed). **Off-calendar plans 2 1/2 months following plan year end, unless extension filed.**

31 Deadline for electronic filing of Form 1099-R to report distributions for previous year.

2020 April

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | | | 01 | 02 | 03 | 04 |
| 05 | 06 | 07 | 08 | 09 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | | |

01 Initial age 70 1/2 Required Minimum Distributions (RMDs) due to inactive participants who turned age 70 1/2 during previous year.

15 Deadline for processing corrective distributions for previous plan year 402(g) excess deferral amounts.

2020 May

- No key deadlines.

2020 June

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | 01 | 02 | 03 | 04 | 05 | 06 |
| 07 | 08 | 09 | 10 | 11 | 12 | 13 |
| 14 | 15 | 16 | 17 | 18 | 19 | 20 |
| 21 | 22 | 23 | 24 | 25 | 26 | 27 |
| 28 | 29 | 30 | | | | |

30 Deadline for processing corrective distributions for failed ADP/ACP test for plans with EACA (Eligible Automatic Contribution Arrangement) without 10% excise tax.

*This chart is intended to provide plan sponsors with a list of notable deadlines and is not a substitute for consultation with ERISA counsel and in no way represents legal advice.

2020 July

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | | | 01 | 02 | 03 | 04 |
| 05 | 06 | 07 | 08 | 09 | 10 | 11 |
| 12 | 13 | 14 | 15 | 16 | 17 | 18 |
| 19 | 20 | 21 | 22 | 23 | 24 | 25 |
| 26 | 27 | 28 | 29 | 30 | 31 | |

31 Deadline for filing Form 5500 (without extension). Off-calendar plans, last day of the 7th month after the plan year end.

31 Last day to submit Form 5558 to request automatic extension to file Form 5500 October 15th (2 1/2 months). **Off-calendar plans, last day of the 7th month after the plan year end.**

2020 August

- No key deadlines.

2020 September

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | | 01 | 02 | 03 | 04 | 05 |
| 06 | 07 | 08 | 09 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | | | |

15 Extended deadline for filing corporate tax returns and contribution deadline for deductibility.

30 Deadline for distributing Summary Annual Report (SAR) to participants if Form 5500 submission was not extended, December 15 if 5500 extended. Rule is the later of 9 months after close of plan year or 2 months after due date of Form 5500).

2020 October

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | | | | 01 | 02 | 03 |
| 04 | 05 | 06 | 07 | 08 | 09 | 10 |
| 11 | 12 | 13 | 14 | 15 | 16 | 17 |
| 18 | 19 | 20 | 21 | 22 | 23 | 24 |
| 25 | 26 | 27 | 28 | 29 | 30 | 31 |

01 If plan sponsor is considering a plan design change for the coming plan year, requested changes should be delivered to your record keeper by Nov 1 to ensure processing and 30-day participant notice requirement.

15 Extended deadline for filing Form 5500 for plans that requested a Form 5558 extension. **Off-calendar plans, extension deadline is 2 1/2 months following extension filing or 9 1/2 months following plan year end.**

2020 November

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| 01 | 02 | 03 | 04 | 05 | 06 | 07 |
| 08 | 09 | 10 | 11 | 12 | 13 | 14 |
| 15 | 16 | 17 | 18 | 19 | 20 | 21 |
| 22 | 23 | 24 | 25 | 26 | 27 | 28 |
| 29 | 30 | | | | | |

01 Sponsors with terminated participants who have turned 70 1/2 should be contacted by your record keeper (typically in November) with a list of participants due to receive RMDs (Required Minimum Distributions).

20 Recommended distribution of annual notices to participants. **Off-calendar plans, notice distribution 45 days before plan year end.**

2020 December

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|-----|-----|-----|-----|-----|-----|-----|
| | | 01 | 02 | 03 | 04 | 05 |
| 06 | 07 | 08 | 09 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | 31 | | |

01 Deadline for sending annual 401(k) notices to participants: Safe Harbor notice, Qualified Default Investment Alternative (QDIA) notice, Automatic Contribution Arrangement (ACA) notice, Summary Annual Report (SAR) deadline is December 15, for extended 5500 filing. For administrative ease, a combined notice may be provided for these notices. **Off-calendar plans, 30 days prior to the end of the plan year.**

15 Summary Annual Report (SAR) deadline for extended 5500 filing.

31 Deadline for eligible participants to receive Required Minimum Distribution (RMD) for the current year.

31 Deadline for processing corrective distributions for failed ADP/ACP test for previous year with 10% excise tax.

31 Deadline for correcting a failed ADP/ACP test for previous year with qualified nonelective contributions (QNEC).

31 Deadline for amendment to convert existing 401(k) plan to safe harbor design or remove safe harbor design for next plan year.

31 Deadline for amending plan for discretionary changes implemented during plan year (certain exceptions apply, e.g. adding salary deferrals, cutting back accrued benefits).

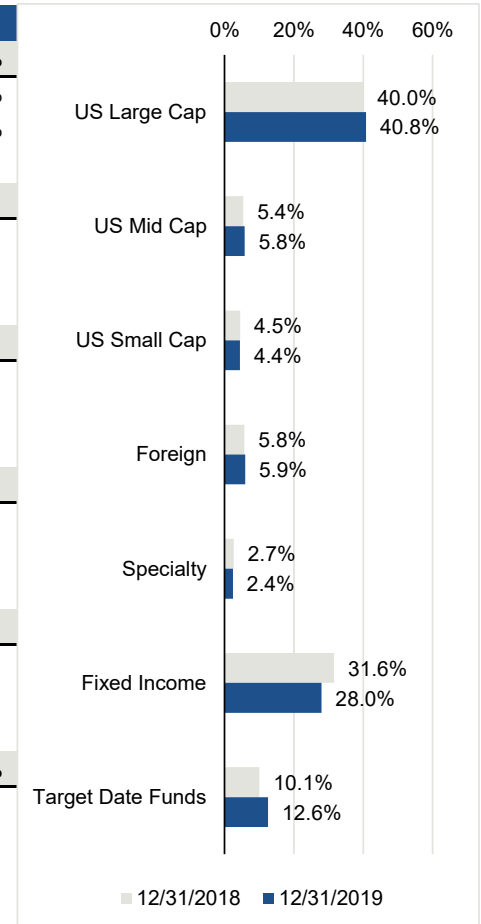
*This chart is intended to provide plan sponsors with a list of notable deadlines and is not a substitute for consultation with ERISA counsel and in no way represents legal advice.

County of Fresno 457 DC Plan

Summary of Assets

As of 12/31/2019

| Asset Class | Ticker | % | 12/31/2018 | Net Increases/Decreases | 12/31/2019 | % |
|--|--------|---------------|----------------------|-------------------------|----------------------|---------------|
| US Large Cap | | 40.04% | \$93,176,292 | \$20,287,967 | \$113,464,259 | 40.84% |
| BlackRock Equity Index - Collective M | 02cff1 | 17.99% | \$41,853,359 | \$9,282,983 | \$51,136,343 | 18.40% |
| Alger Spectra Z | aspzx | 16.77% | \$39,016,009 | \$8,058,369 | \$47,074,377 | 16.94% |
| Columbia Dividend Income Inst3 | cddyx | 5.29% | \$12,306,924 | \$2,946,615 | \$15,253,539 | 5.49% |
| US Mid Cap | | 5.38% | \$12,523,348 | \$3,609,051 | \$16,132,399 | 5.81% |
| BlackRock MidCap Idx - Collective M | 03cff2 | 3.32% | \$7,719,246 | \$1,608,392 | \$9,327,638 | 3.36% |
| T. Rowe Price Mid-Cap Growth I | rptix | 0.00% | \$0 | \$6,804,761 | \$6,804,761 | 2.45% |
| Hennessy Focus Institutional | hfcix | 2.06% | \$4,804,102 | (\$4,804,102) | \$0 | 0.00% |
| US Small Cap | | 4.50% | \$10,460,272 | \$1,902,758 | \$12,363,030 | 4.45% |
| BlackRock Russell 2000 Index Coll M | 03cff3 | 1.60% | \$3,712,450 | \$631,987 | \$4,344,438 | 1.56% |
| Nicholas Limited Edition I | nclex | 2.39% | \$5,552,562 | \$853,398 | \$6,405,959 | 2.31% |
| Janus Henderson Small Cap Value N | jdsnx | 0.51% | \$1,195,260 | \$417,373 | \$1,612,633 | 0.58% |
| Foreign | | 5.76% | \$13,403,912 | \$3,106,364 | \$16,510,275 | 5.94% |
| BlackRock EAFE Equity Index Coll T | 10cff5 | 1.34% | \$3,127,893 | \$1,079,728 | \$4,207,621 | 1.51% |
| Ivy International Core Equity N | iincx | 3.62% | \$8,413,438 | \$1,599,697 | \$10,013,135 | 3.60% |
| Invesco Oppenheimer Developing Mkts R6 | odvix | 0.80% | \$1,862,580 | \$426,939 | \$2,289,519 | 0.82% |
| Specialty | | 2.66% | \$6,185,953 | \$507,441 | \$6,693,393 | 2.41% |
| Fidelity Advisor Real Estate Income I | frirx | 0.40% | \$941,021 | \$1,053,845 | \$1,994,866 | 0.72% |
| Franklin Utilities R6 | fufrx | 1.42% | \$3,303,158 | \$1,395,369 | \$4,698,527 | 1.69% |
| Oakmark Equity And Income Investor | oakbx | 0.83% | \$1,941,773 | (\$1,941,773) | \$0 | 0.00% |
| Fixed Income | | 31.58% | \$73,483,152 | \$4,283,279 | \$77,766,431 | 27.99% |
| BlackRock US Debt Index Fund Coll W | 04cff4 | 2.00% | \$4,658,706 | \$536,069 | \$5,194,775 | 1.87% |
| Templeton Global Bond R6 | fbnrx | 0.73% | \$1,697,007 | \$420,390 | \$2,117,397 | 0.76% |
| Virtus Seix Total Return Bond R6 | samzx | 1.64% | \$3,821,062 | (\$3,821,062) | \$0 | 0.00% |
| Metropolitan West Total Return Bd Plan | mwtsx | 0.00% | \$0 | \$5,297,627 | \$5,297,627 | 1.91% |
| Fresno County Stable Value | fressv | 27.21% | \$63,306,377 | \$1,850,255 | \$65,156,632 | 23.45% |
| Target Date Funds | | 10.08% | \$23,448,291 | \$11,470,426 | \$34,918,717 | 12.57% |
| Great-West Lifetime 2015 Trust | grwl15 | 1.35% | \$3,145,342 | \$1,211,530 | \$4,356,872 | 1.57% |
| Great-West Lifetime 2020 Trust | grwl20 | 0.00% | \$0 | \$3,129 | \$3,129 | 0.00% |
| Great-West Lifetime 2025 Trust | grwl25 | 3.34% | \$7,762,368 | \$3,966,330 | \$11,728,698 | 4.22% |
| Great-West Lifetime 2030 Trust | grwl30 | 0.00% | \$0 | \$371,751 | \$371,751 | 0.13% |
| Great-West Lifetime 2035 Trust | grwl35 | 2.29% | \$5,334,206 | \$1,903,036 | \$7,237,242 | 2.60% |
| Great-West Lifetime 2040 Trust | grwl40 | 0.00% | \$0 | \$1,025 | \$1,025 | 0.00% |
| Great-West Lifetime 2045 Trust | grwl45 | 2.04% | \$4,746,278 | \$2,258,671 | \$7,004,948 | 2.52% |
| Great-West Lifetime 2050 Trust | grwl50 | 0.00% | \$0 | \$86 | \$86 | 0.00% |
| Great-West Lifetime 2055 Trust | grwl55 | 1.06% | \$2,460,098 | \$1,754,867 | \$4,214,966 | 1.52% |
| Total | | 100.0% | \$232,681,220 | \$45,167,284 | \$277,848,504 | 100.0% |



County of Fresno 457 DC Plan

Investment Summary

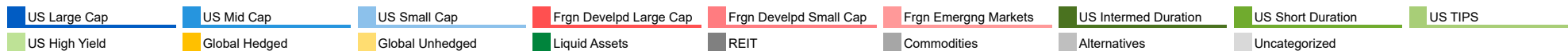
As of 12/31/2019

Passively-Managed and Cash Funds

| Investment | Ticker | Equities | | | | | | Fixed Income | | | | | | Liquid | Other | | | | Exp | Qtr | YTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr | 10 Yr | | | | | | |
|---------------------------------------|--------|----------|-----|-----|---------|---|---|--------------|---|---|---------|---|---|--------|-------|---|---|---|-----|-----|-----|------|------|------|------|-------|-------|-------|-------|-------|-------|-------|-------|
| | | US | | | Foreign | | | US | | | Foreign | | | | R | C | A | U | | | | | | | | | | | | | | | |
| | | L | M | S | L | S | E | I | S | T | Y | H | U | | C | R | C | A | | | | | | | | | | U | | | | | |
| BlackRock Equity Index - Collective M | 02cff1 | 100 | | | | | | | | | | | | | | | | | | | | | | 0.02 | 9.07 | 31.54 | 31.54 | 12.19 | 15.35 | 14.50 | 11.77 | 13.64 | |
| BlackRock MidCap Idx - Collective M | 03cff2 | | 100 | | | | | | | | | | | | | | | | | | | | | | 0.03 | 7.08 | 26.23 | 26.23 | 6.01 | 9.24 | 11.88 | 8.87 | 12.67 |
| BlackRock Russell 2000 Index Coll M | 03cff3 | | | 100 | | | | | | | | | | | | | | | | | | | | | 0.03 | 9.97 | 30.18 | 30.18 | 7.69 | 10.05 | 12.84 | 9.21 | 12.45 |
| BlackRock EAFE Equity Index Coll T | 10cff5 | | | | 100 | | | | | | | | | | | | | | | | | | | | 0.10 | 8.21 | 22.49 | 22.49 | 2.97 | 9.95 | 7.94 | 6.18 | 5.81 |
| BlackRock US Debt Index Fund Coll W | 04cff4 | | | | | | | 100 | | | | | | | | | | | | | | | | | 0.04 | 0.18 | 8.77 | 8.77 | 4.32 | 4.09 | 3.75 | 3.16 | |
| Fresno County Stable Value | fressv | | | | | | | | | | | | | 100 | | | | | | | | | | | 0.34 | 0.41 | 2.13 | 2.13 | 2.10 | 2.06 | 2.07 | 2.09 | 2.38 |

Actively-Managed Funds

| Style | Investment | Ticker | L | M | S | L | S | E | I | S | T | Y | H | U | C | R | C | A | U | Exp | Qtr | YTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr | 10 Yr |
|--------------|--|--------|----|----|----|----|---|----|----|---|---|----|----|----|----|---|---|----|------|------|-------|-------|-------|-------|-------|-------|-------|-------|
| Income | Columbia Dividend Income Inst3 | CDDYX | 92 | 3 | | 2 | | | | | | | | | 3 | | | | | 0.58 | 6.64 | 28.33 | 28.33 | 10.83 | 14.11 | 13.99 | 11.23 | 12.78 |
| Growth | Alger Spectra Z | ASPZX | 88 | 5 | | 1 | | 5 | | | | | | | | | | | 1 | 0.94 | 9.84 | 32.61 | 32.61 | 14.82 | 20.12 | 14.79 | 13.27 | 14.71 |
| Utilities | Franklin Utilities R6 | FUFRX | 69 | 23 | 3 | 4 | | | | | | | | | 1 | | | | | 0.50 | 0.26 | 27.10 | 27.10 | 14.38 | 13.20 | 14.41 | 9.73 | 11.85 |
| Growth | T. Rowe Price Mid-Cap Growth I | RPTIX | 35 | 51 | 4 | 2 | | 1 | | | | | | | 6 | | | | 1 | 0.62 | 6.67 | 31.69 | 31.69 | 13.66 | 17.33 | 14.51 | 12.88 | 15.13 |
| Growth | Nicholas Limited Edition I | NCLEX | | 32 | 57 | 2 | 4 | | | | | | | | 5 | | | | | 0.86 | 7.59 | 27.38 | 27.38 | 12.31 | 14.79 | 14.18 | 10.78 | 13.33 |
| Blend | Janus Henderson Small Cap Value N | JDSNX | | 38 | 53 | 2 | 2 | | | | | | | | 4 | 1 | | | | 0.68 | 7.00 | 26.30 | 26.30 | 4.85 | 7.47 | 11.96 | 8.93 | 10.36 |
| Global Blend | Ivy International Core Equity N | IINCX | 6 | 1 | | 74 | 1 | 7 | 2 | | | | | | 6 | | 1 | | 2 | 0.79 | 6.70 | 19.03 | 19.03 | -0.92 | 6.57 | 5.35 | 4.15 | 5.51 |
| Emerging Gr | Invesco Oppenheimer Developing Mkts R6 | ODVIX | 1 | | | 24 | | 64 | | | | | | | 5 | | | | 6 | 0.83 | 11.88 | 24.53 | 24.53 | 4.81 | 14.13 | 12.40 | 6.63 | 6.12 |
| Intermediate | Metropolitan West Total Return Bd Plan | MWTSX | | | | | | | 77 | 9 | 3 | 5 | | 3 | 3 | | | | 0.37 | 0.28 | 9.23 | 9.23 | 4.66 | 4.27 | 3.84 | 3.11 | 4.96 | |
| Real Estate | Fidelity Advisor Real Estate Income I | FRIRX | 6 | 8 | 7 | | | | 6 | 1 | | 28 | | 1 | 8 | 9 | | 24 | 2 | 0.75 | 1.41 | 17.90 | 17.90 | 8.24 | 7.94 | 8.50 | 7.13 | 9.37 |
| Global Bond | Templeton Global Bond R6 | FBNRX | | | | | | | 8 | 7 | | 4 | 43 | 15 | 23 | | | | 0.57 | 1.60 | 1.01 | 1.01 | 1.29 | 1.79 | 3.01 | 1.59 | 3.71 | |



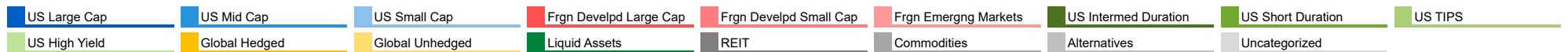
County of Fresno 457 DC Plan

Investment Summary









As of 12/31/2019

Target-Date Funds

| Style | Investment | Ticker | Equities | | | | | | Fixed Income | | | | | | Liquid | Other | | | | Exp | Qtr | YTD | 1 Yr | 2 Yr | 3 Yr | 4 Yr | 5 Yr | 10 Yr |
|-------------|--------------------------------|--------|----------|----|----|---------|----|----|--------------|----|---|---------|---|---|--------|-------|---|---|---|------|------|-------|-------|------|-------|-------|------|-------|
| | | | US | | | Foreign | | | US | | | Foreign | | | | R | C | A | U | | | | | | | | | |
| | | | L | M | S | L | S | E | I | S | T | Y | H | U | | | | | | | | | | | | | | |
| Target Date | Great-West Lifetime 2015 Trust | GRWL15 | 17 | 8 | 4 | 10 | 3 | 20 | 8 | 13 | 5 | 5 | | 4 | 3 | | | | | 0.40 | 3.49 | 15.57 | 15.57 | 5.65 | 7.74 | 7.81 | 6.00 | |
| Target Date | Great-West Lifetime 2020 Trust | GRWL20 | 19 | 8 | 5 | 12 | 4 | 21 | 6 | 9 | 5 | 5 | | 3 | 3 | | | | | 0.40 | 3.88 | 16.87 | 16.87 | 6.00 | 8.42 | | | |
| Target Date | Great-West Lifetime 2025 Trust | GRWL25 | 22 | 9 | 6 | 14 | 5 | 19 | 5 | 6 | 5 | 4 | | 2 | 3 | | | | | 0.40 | 4.56 | 18.44 | 18.44 | 6.35 | 9.25 | 9.18 | 7.07 | |
| Target Date | Great-West Lifetime 2030 Trust | GRWL30 | 25 | 11 | 7 | 17 | 6 | 16 | 3 | 4 | 4 | 3 | | 1 | 3 | | | | | 0.41 | 5.32 | 20.44 | 20.44 | 6.45 | 9.94 | | | |
| Target Date | Great-West Lifetime 2035 Trust | GRWL35 | 29 | 12 | 8 | 21 | 7 | 11 | 1 | 2 | 2 | 2 | | 1 | 4 | | | | | 0.41 | 6.22 | 22.51 | 22.51 | 7.21 | 11.12 | 10.88 | 8.35 | |
| Target Date | Great-West Lifetime 2040 Trust | GRWL40 | 30 | 13 | 10 | 23 | 9 | 8 | 1 | | 2 | 1 | | | 3 | | | | | 0.41 | 6.97 | 23.99 | 23.99 | 6.90 | 11.37 | | | |
| Target Date | Great-West Lifetime 2045 Trust | GRWL45 | 31 | 13 | 10 | 24 | 10 | 6 | | | 1 | 1 | | | 4 | | | | | 0.41 | 7.39 | 24.80 | 24.80 | 7.53 | 11.98 | 11.59 | 8.86 | |
| Target Date | Great-West Lifetime 2050 Trust | GRWL50 | 30 | 13 | 11 | 25 | 10 | 5 | | | 1 | 1 | | | 4 | | | | | 0.41 | 7.50 | 25.00 | 25.00 | 6.82 | 11.58 | | | |
| Target Date | Great-West Lifetime 2055 Trust | GRWL55 | 29 | 13 | 11 | 25 | 11 | 5 | | | 1 | 1 | | | 4 | | | | | 0.42 | 7.64 | 24.96 | 24.96 | 7.34 | 12.00 | 11.60 | 8.82 | |



CALCULATION METHODOLOGY OF OVERALL FUND 1 (Worst) — 10 (Best)

| Factor | Weight | Explanation | Score Calculation | | |
|--|--|---|---|---|--|
| <p>RETURNS</p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</p> |  <p>40% Overall</p> | <p>Absolute Returns</p> <p>Peer Group Percentile Rankings: 3.5, 10 Year Periods</p> | <p>Proportional Score Ranks in the top 75% of Peer Group</p> | <p>No Score Ranks in the bottom 25% of Peer Group</p> | |
| <p>RISK ADJUSTED RETURNS</p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</p> |  <p>20% Overall</p> | <p>Sharpe Ratio</p> <p>Peer Group Percentile Rankings: 3.5, 10 Year Periods</p> | <p>Proportional Score Ranks in top 75% of Peer Group</p> | <p>No Score Ranks in bottom 25% of Peer Group</p> | |
| <p>RISK</p> <p>Summary compliance report shows the average peer group quartile rank for all time periods (no credit for bottom quartile performance)</p> |  <p>30% Overall</p> |  <p>10% Overall</p> | <p>Standard Deviation</p> <p>Peer Group Percentile Rankings: 3.5, 10 Year Periods</p> | <p>Proportional Score Ranks in top 75% of Peer Group</p> | <p>No Score Ranks in bottom 25% of Peer Group</p> |
| | |  <p>20% Overall</p> | <p>Upside/Downside Capture</p> <p>Peer Group Percentile Rankings: 3.5, 10 Year Periods</p> | <p>Proportional Score Ranks in top 75% of Peer Group</p> | <p>No Score Ranks in bottom 25% of Peer Group</p> |
| <p>OTHER</p> <p>Fund expense quartile rank</p> <p>Manager tenure is greater than 3 years</p> |  <p>10% Overall</p> |  <p>5% Overall</p> | <p>Expense Ratio</p> <p>For current period</p> | <p>Proportional Score Ranks in top 75% of Peer Group</p> | <p>No Score Ranks in bottom 25% of Peer Group</p> |
| | |  <p>5% Overall</p> | <p>Average Tenure</p> <p>Number of years</p> | <p>Full Score Manager Tenure more than 3 years</p> | <p>No Score Manager Tenure less than 3 years</p> |

For peer group rankings, a rank of 1-50 indicates the manager performed favorably and ranked in the top half of its peer group for that metric. For example: when measuring risk, a rank of 1 would mean the manager had a very low standard deviation compared to its peer group, whereas when measuring return, a rank of 1 would mean the manager had a very high return compared to its peer group.

Summary of Fund Compliance

Passively-Managed and Cash Funds

| Type | Assets % | Fund Name | Ticker |
|--------------|----------|---------------------------------------|--------|
| LC Index | 18.40% | BlackRock Equity Index - Collective M | 02cff1 |
| MC Index | 3.36% | BlackRock MidCap Idx - Collective M | 03cff2 |
| SC Index | 1.56% | BlackRock Russell 2000 Index Coll M | 03cff3 |
| GI Index | 1.51% | BlackRock EAFE Equity Index Coll T | 10cff5 |
| TB Index | 1.87% | BlackRock US Debt Index Fund Coll W | 04cff4 |
| Stable Value | 23.45% | Fresno County Stable Value | fressv |

Actively-Managed Funds

Underperforming ◀ (Yellow) (White) (Light Green) (Dark Green) ▶ Outperforming

| Status | Assets % | Fund Name | Ticker | Return (40%) | Risk Adjusted Return (20%) | Risk (30%) | Expense (5%) | Tenure (5%) |
|---------------|----------|--|--------|--------------|----------------------------|------------|--------------|-------------|
| Pass | 5.49% | Columbia Dividend Income Inst3 | CDDYX | ● | ● | ● | ● | ● |
| Pass | 16.94% | Alger Spectra Z | ASPZX | ● | ● | ○ | ● | ● |
| Pass | 1.69% | Franklin Utilities R6 | FUFRX | ● | ● | ○ | ● | ● |
| Pass | 2.45% | T. Rowe Price Mid-Cap Growth I | RPTIX | ● | ● | ● | ● | ● |
| Pass | 2.31% | Nicholas Limited Edition I | NCLEX | ● | ● | ● | ● | ● |
| Pass | 0.58% | Janus Henderson Small Cap Value N | JDSNX | ● | ● | ● | ● | ● |
| To Be Removed | 3.60% | Ivy International Core Equity N | IINCX | ● | ● | ○ | ● | ● |
| Pass | 0.82% | Invesco Oppenheimer Developing Mkts R6 | ODVIX | ● | ● | ● | ● | ● |
| Pass | 1.91% | Metropolitan West Total Return Bd Plan | MWTSX | ● | ● | ● | ● | ● |
| Pass | 0.72% | Fidelity Advisor Real Estate Income I | FRIRX | ○ | ● | ● | ● | ● |
| To Be Removed | 0.76% | Templeton Global Bond R6 | FBNRX | ○ | ● | ○ | ● | ● |

Underperforming ◀ (Yellow) (White) (Light Green) (Dark Green) ▶ Outperforming

Target-Date Funds

| Status | Assets % | Fund Name | Ticker | Return (40%) | Risk Adjusted Return (20%) | Risk (30%) | Expense (5%) | Tenure (5%) |
|--------|----------|--------------------------------|--------|--------------|----------------------------|------------|--------------|-------------|
| Pass | 1.57% | Great-West Lifetime 2015 Trust | GRWL15 | ● | ● | ● | ● | ● |
| Pass | 0.00% | Great-West Lifetime 2020 Trust | GRWL20 | ● | ● | ● | ● | ● |
| Pass | 4.22% | Great-West Lifetime 2025 Trust | GRWL25 | ● | ● | ● | ● | ● |
| Pass | 0.13% | Great-West Lifetime 2030 Trust | GRWL30 | ● | ● | ● | ● | ● |
| Pass | 2.60% | Great-West Lifetime 2035 Trust | GRWL35 | ● | ● | ● | ● | ● |
| Pass | 0.00% | Great-West Lifetime 2040 Trust | GRWL40 | ● | ● | ● | ● | ● |
| Pass | 2.52% | Great-West Lifetime 2045 Trust | GRWL45 | ● | ● | ● | ● | ● |
| Pass | 0.00% | Great-West Lifetime 2050 Trust | GRWL50 | ● | ● | ● | ● | ● |
| Pass | 1.52% | Great-West Lifetime 2055 Trust | GRWL55 | ● | ● | ● | ● | ● |

County of Fresno 457 DC Plan

Fund Policy Compliance

As of 12/31/2019

Passively-Managed and Cash Funds

| Type of Fund | Assets % | Ticker | Fund Name | Return vs Peer Group (40%) | | | Risk Adjusted Return Sharpe (20%) | | | Standard Deviation | | | Risk (30%) Up Capture | | | Down Capture | | | Other (10%) Expense Tenure | |
|--------------|----------|--------|-------------------------------------|----------------------------|--------|--------|---------------------------------------|----|-----|--------------------|----|-----|-----------------------|----|-----|--------------|----|-----|----------------------------|---------|
| | | | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Peer Rank % | Avg Yrs |
| | | | | LC Index | 18.40% | 02cff1 | BlackRock Equity Index - Collective M | 13 | 6 | 4 | 20 | 11 | 6 | 42 | 40 | 35 | 12 | 14 | 25 | 39 |
| MC Index | 3.36% | 03cff2 | BlackRock MidCap Idx - Collective M | 49 | 23 | 12 | 56 | 23 | 17 | 66 | 64 | 62 | 16 | 10 | 12 | 75 | 65 | 67 | 1 | 5 |
| SC Index | 1.56% | 03cff3 | BlackRock Russell 2000 Index Coll M | 10 | 13 | 17 | 11 | 17 | 28 | 40 | 57 | 64 | 19 | 10 | 10 | 29 | 54 | 71 | 1 | 5 |
| GI Index | 1.51% | 10cff5 | BlackRock EAFE Equity Index Coll T | 27 | 19 | 24 | 18 | 18 | 24 | 19 | 46 | 49 | 49 | 33 | 27 | 26 | 35 | 47 | 5 | 5 |
| TB Index | 1.87% | 04cff4 | BlackRock US Debt Index Fund Coll W | 1 | 1 | | 8 | 18 | | 83 | 82 | | 4 | 7 | | 41 | 50 | | 1 | 5 |
| table Valu | 23.45% | fressv | Fresno County Stable Value | 1 | 1 | 1 | 1 | 1 | 1 | 12 | 3 | 22 | 1 | 1 | 1 | n/a | 1 | 1 | 40 | 6 |

Actively-Managed Funds

| Overall Fund Score | Assets % | Ticker | Fund Name | Return vs Peer Group (40%) | | | Risk Adjusted Return Sharpe (20%) | | | Standard Deviation | | | Risk (30%) Up Capture | | | Down Capture | | | Other (10%) Expense Tenure | |
|--------------------|----------|--------|--|----------------------------|-------|-------|-----------------------------------|----|-----|--------------------|----|-----|-----------------------|----|-----|--------------|----|-----|----------------------------|---------|
| | | | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Peer Rank % | Avg Yrs |
| | | | | 9 | 5.49% | CDDYX | Columbia Dividend Income Inst3 | 2 | 1 | 5 | 2 | 1 | 2 | 14 | 13 | 10 | 43 | 55 | 78 | 9 |
| 6 | 16.94% | ASPZX | Alger Spectra Z | 32 | 35 | 17 | 38 | 39 | 25 | 70 | 69 | 59 | 21 | 20 | 15 | 70 | 74 | 64 | 46 | 10 |
| 7 | 1.69% | FUFRX | Franklin Utilities R6 | 37 | 11 | 20 | 57 | 23 | 13 | 87 | 79 | 37 | 11 | 12 | 25 | 68 | 68 | 39 | 15 | 16 |
| 8 | 2.45% | RPTIX | T. Rowe Price Mid-Cap Growth I | 37 | 17 | 9 | 16 | 9 | 6 | 9 | 8 | 13 | 62 | 51 | 44 | 19 | 11 | 13 | 6 | 28 |
| 7 | 2.31% | NCLEX | Nicholas Limited Edition I | 45 | 35 | 42 | 11 | 9 | 4 | 1 | 1 | 2 | 85 | 88 | 90 | 2 | 3 | 5 | 16 | 15 |
| 8 | 0.58% | JDSNX | Janus Henderson Small Cap Value N | 6 | 5 | 40 | 4 | 3 | 2 | 3 | 3 | 3 | 88 | 85 | 92 | 2 | 3 | 2 | 9 | 7 |
| 3 | 3.60% | IINCX | Ivy International Core Equity N | 91 | 79 | 37 | 93 | 81 | 36 | 82 | 79 | 59 | 72 | 52 | 39 | 88 | 80 | 45 | 31 | 8 |
| 8 | 0.82% | ODVIX | Invesco Oppenheimer Developing Mkts R6 | 15 | 23 | 7 | 9 | 17 | 9 | 33 | 37 | 28 | 45 | 57 | 58 | 14 | 22 | 18 | 12 | 13 |
| 7 | 1.91% | MWTSX | Metropolitan West Total Return Bd Plan | 26 | 40 | 8 | 45 | 37 | 8 | 73 | 36 | 55 | 23 | 50 | 14 | 52 | 36 | 18 | 12 | 21 |
| 6 | 0.72% | FRIRX | Fidelity Advisor Real Estate Income I | 52 | 36 | 90 | 4 | 1 | 1 | 6 | 2 | 2 | 93 | 94 | 97 | 7 | 4 | 1 | 18 | 9 |
| 4 | 0.76% | FBNRX | Templeton Global Bond R6 | 96 | 70 | 30 | 97 | 78 | 52 | 91 | 86 | 91 | 98 | 97 | 93 | 1 | 1 | 1 | 14 | 10 |

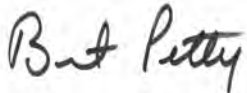
Target-Date Funds

| Overall Fund Score | Assets % | Ticker | Fund Name | Return vs Peer Group (40%) | | | Risk Adjusted Return Sharpe (20%) | | | Standard Deviation | | | Risk (30%) Up Capture | | | Down Capture | | | Other (10%) Expense Tenure | |
|--------------------|----------|--------|--------------------------------|----------------------------|-------|--------|-----------------------------------|----|-----|--------------------|----|-----|-----------------------|----|-----|--------------|----|-----|----------------------------|---------|
| | | | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Peer Rank % | Avg Yrs |
| | | | | 8 | 1.57% | GRWL15 | Great-West Lifetime 2015 Trust | 23 | 18 | | 36 | 2 | | 45 | 39 | | 32 | 36 | | 45 |
| 7 | 0.00% | GRWL20 | Great-West Lifetime 2020 Trust | 16 | | | 30 | | | 64 | | | 26 | | | 59 | | | 18 | |
| 8 | 4.22% | GRWL25 | Great-West Lifetime 2025 Trust | 23 | 9 | | 21 | 3 | | 44 | 30 | | 34 | 37 | | 37 | 23 | | 20 | 5 |
| 6 | 0.13% | GRWL30 | Great-West Lifetime 2030 Trust | 33 | | | 29 | | | 43 | | | 52 | | | 38 | | | 19 | |
| 8 | 2.60% | GRWL35 | Great-West Lifetime 2035 Trust | 19 | 13 | | 20 | 3 | | 45 | 33 | | 33 | 37 | | 29 | 18 | | 20 | 5 |
| 6 | 0.00% | GRWL40 | Great-West Lifetime 2040 Trust | 27 | | | 27 | | | 51 | | | 37 | | | 43 | | | 19 | |
| 8 | 2.52% | GRWL45 | Great-West Lifetime 2045 Trust | 19 | 9 | | 19 | 9 | | 49 | 45 | | 26 | 27 | | 38 | 30 | | 19 | 5 |
| 6 | 0.00% | GRWL50 | Great-West Lifetime 2050 Trust | 33 | | | 31 | | | 46 | | | 46 | | | 42 | | | 18 | |
| 8 | 1.52% | GRWL55 | Great-West Lifetime 2055 Trust | 24 | 13 | | 23 | 13 | | 53 | 43 | | 29 | 29 | | 42 | 32 | | 19 | 5 |

All data except for 'Tenure - Average Years' are listed as a peer rank percentage

All Funds remain in compliance with Investment Policy and no action need be taken other than indicated in the Fund Compliance Commentary section of this report.

This report, along with more detailed performance data on Plan Investment Options, was reviewed by the Plan's Trustee and/or Investment Committee.



Northwest Capital Management, Inc. 02/03/2020

Trustee / Committee Member Date

BlackRock Equity Index - Collective M (02cff1)

Fund Type: LC Index

US Large Cap

The fund seeks to replicate the performance of U.S. Large Cap Stocks

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|--------------|
| 02cff1 | 9.07% | 31.54% | 15.35% | 11.77% | 13.64% |
| S&P 500 TR USD | 9.08% | 31.50% | 15.28% | 11.70% | 13.56% |
| Out/(Under) Performing | -0.01% | 0.04% | 0.07% | 0.07% | 0.07% |
| Peer Group Ranking | 28 | 20 | 13 | 6 | 4 |

BlackRock MidCap Idx - Collective M (03cff2)

Fund Type: MC Index

US Mid Cap

The fund seeks to replicate the performance of U.S. Mid Cap Stocks

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|---------------|---------------|---------------|
| 03cff2 | 7.08% | 26.23% | 9.24% | 8.87% | 12.67% |
| S&P MidCap 400 TR | 7.07% | 26.21% | 9.26% | 9.03% | 12.72% |
| Out/(Under) Performing | 0.01% | 0.02% | -0.02% | -0.15% | -0.05% |
| Peer Group Ranking | 37 | 55 | 49 | 23 | 12 |

BlackRock Russell 2000 Index Coll M (03cff3)

Fund Type: SC Index

US Small Cap

The fund seeks to replicate the performance of U.S. Small Cap Stocks

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| 03cff3 | 9.97% | 30.18% | 10.05% | 9.21% | 12.45% |
| Russell 2000 TR USD | 9.94% | 25.53% | 8.59% | 8.23% | 11.83% |
| Out/(Under) Performing | 0.04% | 4.65% | 1.46% | 0.99% | 0.63% |
| Peer Group Ranking | 15 | 6 | 10 | 13 | 17 |

BlackRock EAFE Equity Index Coll T (10cff5)

Fund Type: GI Index

Frgn Developd Large Cap

The fund seeks to replicate performance of Foreign stock represented by the MSCI EAFE Index

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|--------------|
| 10cff5 | 8.21% | 22.49% | 9.95% | 6.18% | 5.81% |
| MSCI ACWI Ex USA NR USD | 8.92% | 21.50% | 9.86% | 5.50% | 4.97% |
| Out/(Under) Performing | -0.71% | 0.99% | 0.09% | 0.67% | 0.85% |
| Peer Group Ranking | 65 | 41 | 27 | 19 | 24 |

BlackRock US Debt Index Fund Coll W (04cff4)

Fund Type: TB Index

US Intermed Duration

The fund seeks to replicate the performance of the U.S. Bond Market

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| 04cff4 | 0.18% | 8.77% | 4.09% | 3.16% | |
| BBgBarc US Govt Interm TR USD | 0.02% | 5.21% | 2.57% | 1.99% | 2.38% |
| Out/(Under) Performing | 0.16% | 3.56% | 1.52% | 1.18% | |
| Peer Group Ranking | 31 | 1 | 1 | 1 | |

Fresno County Stable Value (fressv)

Fund Type: Stable Value

Liquid Assets

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|--------------------------------------|---------------|---------------|--------------|--------------|--------------|
| fressv | 0.41% | 2.13% | 2.06% | 2.09% | 2.38% |
| ICE BofAML 0-3 M US Trsy Bill TR USD | 0.44% | 2.22% | 1.62% | 1.02% | 0.54% |
| Out/(Under) Performing | -0.03% | -0.09% | 0.45% | 1.07% | 1.84% |
| Peer Group Ranking | 23 | 11 | 1 | 1 | 1 |

Columbia Dividend Income Inst3 (CDDYX)

Fund Score: 9 (Status: Pass)

US Large Cap

The investment seeks total return, consisting of current income and capital appreciation.

The fund invests at least 80% of its net assets (including the amount of any borrowings for investment purposes) in a diversified portfolio of income-producing (dividend-paying) equity securities, which will consist primarily of common stocks but also may include preferred stocks and convertible securities. It invests principally in securities of companies believed to be undervalued but also may invest in securities of companies believed to have the potential for long-term growth. The fund may invest in companies that have market capitalizations of any size.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|---------------|--------------|--------------|--------------|
| CDDYX | 6.64% | 28.33% | 14.11% | 11.23% | 12.78% |
| S&P 500 Value TR USD | 9.94% | 31.92% | 11.48% | 9.52% | 12.16% |
| Out/(Under) Performing | -3.30% | -3.60% | 2.63% | 1.71% | 0.63% |
| Peer Group Ranking | 63 | 17 | 2 | 1 | 5 |

Columbia Dividend Income returned 6.6% in Q4 2019, compared to 9.9% for its benchmark (S&P 500 Value). For the year, the fund returned 28.3%, while the benchmark posted a 31.9% return. Relative to the benchmark, technology was the biggest detractor due to an underweight in Apple. Apple surged in 2019 due to the success of the wearables category (e.g., AirPods, Apple Watch, Beats headphones). Overweight positions in IBM and Cisco Systems contributed to relative underperformance. Additionally, the fund's position in Baxter International detracted from relative performance. Baxter, an American health care company, is facing challenges following the discovery of an accounting error dating back to 2014, which has prompted an internal investigation. In the Financials sector, JPMorgan Chase and Bank of America were solid contributors, both benefiting from the Fed holding interest rates steady at its meeting in December. Looking forward, management plans to maintain focus on companies with strong free cash flow and balance sheet strength. The fund currently scores a 9 under our methodology, and its risk-adjusted returns rank in the top decile over the trailing three-, five- and ten-year periods.

Alger Spectra Z (ASPZX)

Fund Score: 6 (Status: Pass)

US Large Cap

The investment seeks long-term capital appreciation.

The fund invests primarily in the equity securities of companies of any size that the manager believes demonstrate promising growth potential. Equity securities include common or preferred stocks that are listed on U.S. or foreign exchanges. It may invest a significant portion of its assets in securities of companies conducting business within a single sector, including the information technology, consumer discretionary, and health care sectors.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|---------------|---------------|
| ASPZX | 9.84% | 32.61% | 20.12% | 13.27% | 14.71% |
| S&P 500 Growth TR USD | 8.31% | 31.15% | 18.67% | 13.52% | 14.78% |
| Out/(Under) Performing | 1.52% | 1.47% | 1.45% | -0.25% | -0.07% |
| Peer Group Ranking | 41 | 47 | 32 | 35 | 17 |

Alger Spectra returned 9.8% in Q4 2019 compared to 8.3% for its benchmark (S&P 500 Growth). For the year, the fund returned 32.6% compared to 31.1% for the benchmark. Alger's stock selection in Technology stocks like Apple, Microsoft, and Alibaba boosted relative performance for the quarter. Alger's overweight positions in Technology and Consumer Discretionary sectors also aided to performance. The fund's co-managers, Patrick Kelly and Ankur Crawford, continue to shift their strategy to more large- and mega-cap companies. The fund currently scores a 6 under our methodology. Its returns rank in the top half relative to peers for the trailing three- and five-year periods, and in the top quartile for the trailing ten-year period.

Franklin Utilities R6 (FUFRX)

Fund Score: 7 (Status: Pass)

US Large Cap

The investment seeks capital appreciation and current income.

The fund normally invests at least 80% of its net assets in the securities of public utilities companies. These are companies that provide electricity, natural gas, water, and communications services to the public and companies that provide services to public utilities companies. It concentrates (invests more than 25% of its total assets) in companies operating in the utilities industry. The fund invests primarily in equity securities, which consist mainly of common stocks.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|--------------|
| FUFRX | 0.26% | 27.10% | 13.20% | 9.73% | 11.85% |
| MSCI World/Utilities NR USD | 2.06% | 22.53% | 12.40% | 7.04% | 5.93% |
| Out/(Under) Performing | -1.80% | 4.57% | 0.80% | 2.69% | 5.92% |
| Peer Group Ranking | 75 | 12 | 37 | 11 | 20 |

T. Rowe Price Mid-Cap Growth I (RPTIX)

Fund Score: 8 (Status: Pass)

US Mid Cap

The investment seeks long-term capital appreciation.

The fund normally invests at least 80% of its net assets (including any borrowings for investment purposes) in a diversified portfolio of common stocks of mid-cap companies whose earnings T. Rowe Price expects to grow at a faster rate than the average company. The advisor defines mid-cap companies as those whose market capitalization falls within the range of either the S&P MidCap 400 Index or the Russell Midcap Growth Index. While most assets will typically be invested in U.S. common stocks, the fund may invest in foreign stocks in keeping with the fund's objectives.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|--------------|
| RPTIX | 6.67% | 31.69% | 17.33% | 12.88% | 15.13% |
| S&P MidCap 400 Growth TR USD | 6.73% | 26.28% | 10.73% | 9.72% | 13.16% |
| Out/(Under) Performing | -0.06% | 5.42% | 6.60% | 3.16% | 1.96% |
| Peer Group Ranking | 71 | 65 | 37 | 17 | 9 |

T. Rowe Price Mid-Cap Growth returned 6.7% in Q4 2019 in line with its benchmark (S&P MidCap 400 Growth). For the year, the fund returned 31.7% compared to 26.3% for the benchmark. Security selection in Industrials and information technology were the largest detractors on relative performance. Shares of Textron, which makes Cessna business jets and Bell helicopters, underperformed amid a slower-than-expected recovery in the aerospace cycle and struggling subsidiaries. While the exuberant 4Q19 environment does not suit the valuation-sensitive, fundamentals-driven, growth-at-a-reasonable-price investment philosophy that has underpinned the Mid-Cap Growth strategy since its inception, Management believes that their approach to growth investing will continue to reward investors in the long run. The fund currently scores an 8 under our methodology. Its risk-adjusted returns rank in the top quartile relative to peers for the trailing three-year period, and in the top decile for the trailing five-and ten-year periods.

Nicholas Limited Edition I (NCLEX)

Fund Score: 7 (Status: Pass)

US Small Cap

The investment seeks to increase the value of the investment over the long-term.

The fund primarily invests in common stocks of domestic corporations with small- and medium-sized market capitalizations believed to have growth potential. The advisor believes a company's annual sales volume and market capitalization are the factors most illustrative of a company's size. The advisor generally considers companies with market capitalizations up to \$3 billion as "small", between \$3 billion and \$25 billion as "medium," and greater than \$25 billion as "large."

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|---------------|--------------|--------------|--------------|
| NCLEX | 7.59% | 27.38% | 14.79% | 10.78% | 13.33% |
| Russell 2000 Growth TR USD | 11.40% | 28.50% | 12.50% | 9.35% | 13.01% |
| Out/(Under) Performing | -3.81% | -1.12% | 2.29% | 1.44% | 0.32% |
| Peer Group Ranking | 76 | 53 | 45 | 35 | 42 |

Nicholas Limited Edition returned 7.6% in Q4 2019, compared to 11.4% for its benchmark (Russell 2000 Growth). Year-to-date, the fund returned 27.4%, underperforming its benchmark which returned 28.5%. Overweight positions in the Industrials and Technology sectors were the primary tailwind on Q4 performance. Looking ahead, the fund's overall sector positioning remains largely unchanged. Management tends not to focus their decisions on short-term market swings but instead on preserving gains and minimizing losses using long-term, fundamental valuation techniques. Management remains confident in their bottom-up, fundamental analysis approach. The fund currently scores a 7 under our methodology, and its risk-adjusted returns rank in the top quartile over the three-, five-, and ten-year periods.

Janus Henderson Small Cap Value N (JDSNX)

Fund Score: 8 (Status: Pass)

US Small Cap

The investment seeks capital appreciation.

The fund pursues its investment objective by investing primarily in the common stocks of small companies whose stock prices are believed to be undervalued by the fund's portfolio managers. It invests, under normal circumstances, at least 80% of its net assets (plus any borrowings for investment purposes) in equity securities of small companies whose market capitalization, at the time of initial purchase, is less than the 12-month average of the maximum market capitalization for companies included in the Russell 2000 Value Index. The fund may invest up to 20% of its net assets in cash or similar investments.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|---------------|
| JDSNX | 7.00% | 26.30% | 7.47% | 8.93% | 10.36% |
| Russell 2000 Value TR USD | 8.49% | 22.39% | 4.77% | 6.99% | 10.56% |
| Out/(Under) Performing | -1.48% | 3.91% | 2.70% | 1.94% | -0.20% |
| Peer Group Ranking | 74 | 16 | 6 | 5 | 40 |

Ivy International Core Equity N (IINCX)

Fund Score: 3 (Status: To Be Removed)

Frgn Develpd Large Cap

The investment seeks to provide capital growth and appreciation.

The fund invests, under normal circumstances, at least 80% of its net assets in equity securities of companies primarily located in, or principally traded in, developed European and Asian/Pacific Basin markets. In seeking to enhance potential return, it also may invest in issuers located or doing business in emerging market countries. The fund may invest up to 100% of its total assets in foreign securities.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|---------------|---------------|---------------|--------------|
| IINCX | 6.70% | 19.03% | 6.57% | 4.15% | 5.51% |
| MSCI ACWI Ex USA NR USD | 8.92% | 21.50% | 9.86% | 5.50% | 4.97% |
| Out/(Under) Performing | -2.22% | -2.47% | -3.30% | -1.35% | 0.55% |
| Peer Group Ranking | 91 | 82 | 91 | 79 | 37 |

Ivy International Core returned 6.7% in Q4 2019, compared to 8.9% for its benchmark (MSCI ACWI ex USA). For the year, the fund returned 19.0%, while its benchmark returned 21.5%. Underperformance for the Fund was largely driven by poor stock selection in the Consumer Discretionary and Information Technology sectors as well as the Fund's relatively large cash allocation in a rising market. Of note, top relative detractors to performance included Subaru Corp., Zozo, Inc. and Newcrest Mining Ltd. Management believes Subaru, a Japanese auto company, is still well positioned looking forward as they expect their current product cycle to be successful. Management continues to believe there is opportunity in developed international markets. They believe valuations remain attractive, particularly in the companies they own, and growth prospects are brightening. The fund's score dropped to a 3 under our methodology and ranks in the bottom quartile based off risk-adjusted returns over the trailing three- and five-year periods. As such, the fund is listed as To Be Removed and we are recommending that the fund be removed from the lineup.

Invesco Oppenheimer Developing Mkts R6 (ODVIX)

Fund Score: 8 (Status: Pass)

Frgn Emergng Markets

The investment seeks capital appreciation.

The fund mainly invests in common stocks of issuers in developing and emerging markets throughout the world and at times it may invest up to 100% of its total assets in foreign securities. Under normal market conditions, it will invest at least 80% of its net assets, plus borrowings for investment purposes, in equity securities of issuers whose principal activities are in a developing market, i.e. are in a developing market or are economically tied to a developing market country, and in derivatives and other instruments that have economic characteristics similar to such securities.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| ODVIX | 11.88% | 24.53% | 14.13% | 6.63% | 6.12% |
| MSCI EM NR USD | 11.84% | 18.43% | 11.58% | 5.62% | 3.68% |
| Out/(Under) Performing | 0.04% | 6.10% | 2.55% | 1.01% | 2.44% |
| Peer Group Ranking | 28 | 24 | 15 | 23 | 7 |

Oppenheimer Developing Markets returned 11.9% in Q4 2019 compared to 11.8% for its benchmark (MSCI Emerging Markets). In 2019, the fund returned 24.5% compared to 18.4% for the benchmark. The fund was underweight in the Technology sector but benefited from its position in Alibaba, which had a strong quarter due to the growth in cloud computing. The fund's strategy of capturing emerging market growth through both revenue exposure and/or domicile has contributed to the fund's success. Despite missing out on direct gains in China, the fund's positions in developed markets such as France, Hong Kong, and Italy bolstered performance. The fund currently scores an 8 under our methodology. Its risk-adjusted returns rank in the top quartile relative to peers for the trailing three-, five-, and ten-year periods.

Metropolitan West Total Return Bd Plan (MWT SX)

Fund Score: 7 (Status: Pass)

US Intermed Duration

The investment seeks to maximize long-term total return.

The fund pursues its objective by investing, under normal circumstances, at least 80% of its net assets in investment grade fixed income securities or unrated securities that are determined by the Adviser to be of comparable quality. Up to 20% of the fund's net assets may be invested in securities rated below investment grade. The fund also invests at least 80% of its net assets plus borrowings for investment purposes in fixed income securities it regards as bonds.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|--------------|
| MWT SX | 0.28% | 9.23% | 4.27% | 3.11% | 4.96% |
| BBgBarc US Agg Bond TR USD | 0.18% | 8.73% | 4.04% | 3.05% | 3.75% |
| Out/(Under) Performing | 0.10% | 0.50% | 0.24% | 0.06% | 1.21% |
| Peer Group Ranking | 44 | 37 | 26 | 40 | 8 |

The MetWest Total Return Bond Fund gained 0.3% in the fourth quarter of 2019, performing largely in line with the Bloomberg Barclays U.S. Aggregate Index, and 9.2% for the year, roughly 50 bps ahead of the index. The fund benefited from sector allocation and security selection within the corporate credit space. The fund's emphasis on Consumer Non-Cyclicals, Communications, and Finance companies further boosted performance. The fund's duration position remains roughly neutral relative to the benchmark since the Fed is unlikely to raise rates anytime soon. The fund maintains its yield advantage versus the benchmark via overweight positioning to defensive corporate credits and securitized sectors rather than U.S. Treasuries. The fund scores a 7 under our scoring methodology and performance ranks in the top half relative to peers over the trailing three-, five- and ten-year periods.

Fidelity Advisor Real Estate Income I (FRIRX)

Fund Score: 6 (Status: Pass)

REIT

The investment seeks higher than average income; and capital growth is the secondary objective.

The fund normally invests primarily in preferred and common stocks of REITs; debt securities of real estate entities; and commercial and other mortgage-backed securities, with an emphasis on lower-quality debt securities (those of less than investment-grade quality, also referred to as high yield debt securities or junk bonds). It invests at least 80% of assets in securities of companies principally engaged in the real estate industry and other real estate related investments. The fund invests in domestic and foreign issuers.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|---------------------------------|--------------|---------------|---------------|--------------|---------------|
| FRIRX | 1.41% | 17.90% | 7.94% | 7.13% | 9.37% |
| FTSE Nareit Equity REITs TR USD | -0.76% | 25.99% | 7.97% | 7.11% | 11.89% |
| Out/(Under) Performing | 2.17% | -8.09% | -0.03% | 0.02% | -2.52% |
| Peer Group Ranking | 16 | 90 | 52 | 36 | 90 |

Fidelity Advisor Real Estate Income returned 1.4% in Q4 2019, compared to -0.8% for its benchmark (FTSE NAREIT Equity REITs Index). Year-to-date, the fund returned 17.9%, underperforming its benchmark which returned 26.0%. Security selection among real estate preferred stocks and common stocks contributed to the fund's performance this quarter. Cash represented about 8% of the portfolio this quarter, which has detracted from relative performance for the year, due to the strong market environment. The fund's notable cash stake reflects management's desire to pursue investment opportunities as they arise. Moving forward, management maintains confidence in their fundamental research-based approach. Consistent with their overall strategy, management seeks to boost returns through credit risk based on fundamental research, rather than interest rate risk. Management is currently looking to pockets of opportunity among health care property stocks and mortgage REITs. The fund scores a 6 under our methodology, and its risk-adjusted returns rank in the top decile over the trailing three-, five- and ten-year periods.

Templeton Global Bond R6 (FBNRX)

Fund Score: 4 (Status: To Be Removed)

Global Hedged

The investment seeks current income with capital appreciation and growth of income.

Under normal market conditions, the fund invests at least 80% of its net assets in "bonds." Bonds include debt obligations of any maturity, such as bonds, notes, bills and debentures. It invests predominantly in bonds issued by governments, government-related entities and government agencies located around the world. The fund may invest up to 25% of its total assets in bonds that are rated below investment grade or, if unrated determined by the investment manager to be of comparable quality. It is non-diversified.

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------------|--------------|---------------|---------------|---------------|---------------|
| FBNRX | 1.60% | 1.01% | 1.79% | 1.59% | 3.71% |
| BBgBarc Global Aggregate TR Hdg USD | -0.50% | 8.22% | 4.30% | 3.56% | 4.08% |
| Out/(Under) Performing | 2.10% | -7.20% | -2.51% | -1.97% | -0.38% |
| Peer Group Ranking | 21 | 96 | 96 | 70 | 30 |

The Templeton Global Bond fund returned 1.6% for the quarter, relative to -0.5% for the Bloomberg Barclays Global Aggregate U.S. Dollar Hedged Index. Negative duration exposure to U.S. Treasuries contributed to absolute fund performance as the yield on the 10-year note rose 25 bps. Additionally, currency positions in Latin America (the Brazillian real) contributed to absolute fund performance. Looking forward, management maintains negative duration exposure to long-term US Treasuries to hedge rate risks, and they continue to pursue attractive risk-adjusted return opportunities in select Emerging Markets. Poor performance, primarily due to negative duration exposure, has dropped the fund's score to a 4 under our scoring methodology. As a result, the fund is being listed as To Be Removed.

Great-West Lifetime 2015 Trust (GRWL15)

Fund Score: 8 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| GRWL15 | 3.49% | 15.57% | 7.74% | 6.00% | |
| DJ Target 2015 TR USD | 1.76% | 9.54% | 5.18% | 3.79% | 5.07% |
| Out/(Under) Performing | 1.73% | 6.04% | 2.57% | 2.22% | |
| Peer Group Ranking | 70 | 42 | 23 | 18 | |

Great-West Lifetime 2020 Trust (GRWL20)

Fund Score: 7 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|-------|-------|
| GRWL20 | 3.88% | 16.87% | 8.42% | | |
| DJ Target 2020 TR USD | 2.50% | 11.98% | 6.32% | 4.60% | 6.01% |
| Out/(Under) Performing | 1.39% | 4.89% | 2.11% | | |
| Peer Group Ranking | 51 | 33 | 16 | | |

Great-West Lifetime 2025 Trust (GRWL25)

Fund Score: 8 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| GRWL25 | 4.56% | 18.44% | 9.25% | 7.07% | |
| DJ Target 2025 TR USD | 3.59% | 14.38% | 7.43% | 5.46% | 7.01% |
| Out/(Under) Performing | 0.96% | 4.07% | 1.82% | 1.61% | |
| Peer Group Ranking | 65 | 45 | 23 | 9 | |

Great-West Lifetime 2030 Trust (GRWL30)

Fund Score: 6 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|-------|-------|
| GRWL30 | 5.32% | 20.44% | 9.94% | | |
| DJ Target 2030 TR USD | 4.66% | 17.07% | 8.65% | 6.38% | 7.98% |
| Out/(Under) Performing | 0.66% | 3.37% | 1.29% | | |
| Peer Group Ranking | 64 | 45 | 33 | | |

Great-West Lifetime 2035 Trust (GRWL35)

Fund Score: 8 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| GRWL35 | 6.22% | 22.51% | 11.12% | 8.35% | |
| DJ Target 2035 TR USD | 5.71% | 19.69% | 9.68% | 7.09% | 8.76% |
| Out/(Under) Performing | 0.50% | 2.82% | 1.44% | 1.26% | |
| Peer Group Ranking | 68 | 42 | 19 | 13 | |

Great-West Lifetime 2050 Trust (GRWL50)

Fund Score: 6 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|-------|-------|
| GRWL50 | 7.50% | 25.00% | 11.58% | | |
| DJ Target 2050 TR USD | 7.83% | 24.68% | 11.44% | 8.30% | 9.86% |
| Out/(Under) Performing | -0.34% | 0.32% | 0.14% | | |
| Peer Group Ranking | 64 | 39 | 33 | | |

Great-West Lifetime 2040 Trust (GRWL40)

Fund Score: 6 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|-------|-------|
| GRWL40 | 6.97% | 23.99% | 11.37% | | |
| DJ Target 2040 TR USD | 6.66% | 22.03% | 10.55% | 7.69% | 9.37% |
| Out/(Under) Performing | 0.31% | 1.96% | 0.82% | | |
| Peer Group Ranking | 57 | 37 | 27 | | |

Great-West Lifetime 2055 Trust (GRWL55)

Fund Score: 8 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|---------------|--------------|--------------|--------------|-------|
| GRWL55 | 7.64% | 24.96% | 12.00% | 8.82% | |
| DJ Target 2055 TR USD | 7.94% | 24.90% | 11.48% | 8.32% | 9.87% |
| Out/(Under) Performing | -0.30% | 0.06% | 0.52% | 0.49% | |
| Peer Group Ranking | 63 | 44 | 24 | 13 | |

Great-West Lifetime 2045 Trust (GRWL45)

Fund Score: 8 (Status: Pass)

Uncategorized

| Trailing Returns | 1 Qtr | 1 Yr | 3 Yr | 5 Yr | 10 Yr |
|-------------------------------|--------------|--------------|--------------|--------------|-------|
| GRWL45 | 7.39% | 24.80% | 11.98% | 8.86% | |
| DJ Target 2045 TR USD | 7.39% | 23.71% | 11.15% | 8.10% | 9.73% |
| Out/(Under) Performing | 0.00% | 1.08% | 0.83% | 0.77% | |
| Peer Group Ranking | 64 | 40 | 19 | 9 | |

County of Fresno 457 DC Plan

Expense Ratio Report

As of 12/31/2019

Passively-Managed and Cash Funds

| Investment | Ticker | Expense Ratio▲ | Peer Rank | Range of Peer Group Expense Ratios | | | | | | | |
|--|--------|----------------|-----------|------------------------------------|------|----|------|----|------|----|--|
| | | | | 0% | 0.5% | 1% | 1.5% | 2% | 2.5% | 3% | |
| 51,136,343 BlackRock Equity Index - Collective M | 02cff1 | 0.02% | 2 | ▲ | | | | | | | |
| 9,327,638 BlackRock MidCap Idx - Collective M | 03cff2 | 0.03% | 1 | ▲ | | | | | | | |
| 4,344,438 BlackRock Russell 2000 Index Coll M | 03cff3 | 0.03% | 1 | ▲ | | | | | | | |
| 4,207,621 BlackRock EAFE Equity Index Coll T | 10cff5 | 0.10% | 5 | ▲ | | | | | | | |
| 5,194,775 BlackRock US Debt Index Fund Coll W | 04cff4 | 0.04% | 1 | ▲ | | | | | | | |
| 65,156,632 Fresno County Stable Value | fressv | 0.34% | 40 | ▲ | | | | | | | |

Actively-Managed Funds

| | | | | | | | | | | | |
|--|-------|-------|----|---|--|--|--|--|--|--|--|
| 15,253,539 Columbia Dividend Income Inst3 | CDDYX | 0.58% | 16 | ▲ | | | | | | | |
| 47,074,377 Alger Spectra Z | ASPZX | 0.94% | 46 | ▲ | | | | | | | |
| 4,698,527 Franklin Utilities R6 | FUFRX | 0.50% | 15 | ▲ | | | | | | | |
| 6,804,761 T. Rowe Price Mid-Cap Growth I | RPTIX | 0.62% | 6 | ▲ | | | | | | | |
| 6,405,959 Nicholas Limited Edition I | NCLEX | 0.86% | 16 | ▲ | | | | | | | |
| 1,612,633 Janus Henderson Small Cap Value N | JDSNX | 0.68% | 9 | ▲ | | | | | | | |
| 10,013,135 Ivy International Core Equity N | IINCX | 0.79% | 31 | ▲ | | | | | | | |
| 2,289,519 Invesco Oppenheimer Developing Mkts R6 | ODVIX | 0.83% | 12 | ▲ | | | | | | | |
| 5,297,627 Metropolitan West Total Return Bd Plan | MWTSX | 0.37% | 12 | ▲ | | | | | | | |
| 1,994,866 Fidelity Advisor Real Estate Income I | FRIRX | 0.75% | 18 | ▲ | | | | | | | |
| 2,117,397 Templeton Global Bond R6 | FBNRX | 0.57% | 14 | ▲ | | | | | | | |

Target-Date Funds

| | | | | | | | | | | | |
|---|--------|-------|----|---|--|--|--|--|--|--|--|
| 4,356,872 Great-West Lifetime 2015 Trust | 3RWL15 | 0.40% | 26 | ▲ | | | | | | | |
| 3,129 Great-West Lifetime 2020 Trust | 3RWL20 | 0.40% | 18 | ▲ | | | | | | | |
| 11,728,698 Great-West Lifetime 2025 Trust | 3RWL25 | 0.40% | 20 | ▲ | | | | | | | |
| 371,751 Great-West Lifetime 2030 Trust | 3RWL30 | 0.41% | 19 | ▲ | | | | | | | |
| 7,237,242 Great-West Lifetime 2035 Trust | 3RWL35 | 0.41% | 20 | ▲ | | | | | | | |
| 1,025 Great-West Lifetime 2040 Trust | 3RWL40 | 0.41% | 19 | ▲ | | | | | | | |
| 7,004,948 Great-West Lifetime 2045 Trust | 3RWL45 | 0.41% | 19 | ▲ | | | | | | | |
| 86 Great-West Lifetime 2050 Trust | 3RWL50 | 0.41% | 18 | ▲ | | | | | | | |
| 4,214,966 Great-West Lifetime 2055 Trust | 3RWL55 | 0.42% | 19 | ▲ | | | | | | | |

277,848,504

Expense Ratio Averages

0.45%

16

Weighted Average Gross Expense Ratio: 0.43%

Your Plan

Bal Weighted Avg



Expense Ratio

0.43%

88.5%(23)

11.5%(3)

-

-

County of Fresno 457 DC Plan

As of: 12/31/2019

Investment Fund Performance Report

| Retirement Date | Investment | 3-Mo | 1 Yr | 2 Yr * | 3 Yr * | 5 Yr * | Expense Ratio |
|-----------------|--------------------------------------|-------|-------|--------|--------|--------|---------------|
| 2015 | Great-West Lifetime 2015 Trust | 3.49 | 15.57 | 5.65 | 7.74 | 6.00 | 0.4 |
| | Morningstar Lifetime Mod 2015 TR USD | 3.57 | 16.29 | 5.92 | 7.71 | 5.63 | |
| | Benchmark +/- | -0.08 | -0.72 | -0.27 | 0.03 | 0.37 | |
| 2020 | Great-West Lifetime 2020 Trust | 3.88 | 16.87 | 6.00 | 8.42 | | 0.4 |
| | Morningstar Lifetime Mod 2020 TR USD | 3.93 | 17.73 | 6.23 | 8.37 | | |
| | Benchmark +/- | -0.05 | -0.86 | -0.23 | 0.05 | | |
| 2025 | Great-West Lifetime 2025 Trust | 4.56 | 18.44 | 6.35 | 9.25 | 7.07 | 0.4 |
| | Morningstar Lifetime Mod 2025 TR USD | 4.50 | 19.36 | 6.55 | 9.15 | 6.66 | |
| | Benchmark +/- | 0.06 | -0.92 | -0.20 | 0.10 | 0.41 | |
| 2030 | Great-West Lifetime 2030 Trust | 5.32 | 20.44 | 6.45 | 9.94 | | 0.41 |
| | Morningstar Lifetime Mod 2030 TR USD | 5.32 | 21.24 | 6.86 | 10.01 | | |
| | Benchmark +/- | 0.00 | -0.80 | -0.41 | -0.07 | | |
| 2035 | Great-West Lifetime 2035 Trust | 6.22 | 22.51 | 7.21 | 11.12 | 8.35 | 0.41 |
| | Morningstar Lifetime Mod 2035 TR USD | 6.29 | 23.04 | 7.08 | 10.77 | 7.82 | |
| | Benchmark +/- | -0.07 | -0.53 | 0.13 | 0.35 | 0.53 | |
| 2040 | Great-West Lifetime 2040 Trust | 6.97 | 23.99 | 6.90 | 11.37 | | 0.41 |
| | Morningstar Lifetime Mod 2040 TR USD | 7.10 | 24.35 | 7.17 | 11.25 | | |
| | Benchmark +/- | -0.13 | -0.36 | -0.27 | 0.12 | | |
| 2045 | Great-West Lifetime 2045 Trust | 7.39 | 24.8 | 7.53 | 11.98 | 8.86 | 0.41 |
| | Morningstar Lifetime Mod 2045 TR USD | 7.57 | 24.97 | 7.13 | 11.43 | 8.26 | |
| | Benchmark +/- | -0.18 | -0.17 | 0.40 | 0.55 | 0.60 | |
| 2050 | Great-West Lifetime 2050 Trust | 7.5 | 25.00 | 6.82 | 11.58 | | 0.41 |
| | Morningstar Lifetime Mod 2050 TR USD | 7.73 | 25.09 | 7.04 | 11.44 | | |
| | Benchmark +/- | -0.23 | -0.09 | -0.22 | 0.14 | | |
| 2055 | Great-West Lifetime 2055 Trust | 7.64 | 24.96 | 7.34 | 12.00 | 8.82 | 0.42 |
| | Morningstar Lifetime Mod 2055 TR USD | 7.78 | 25.05 | 6.93 | 11.42 | 8.19 | |
| | Benchmark +/- | -0.14 | -0.09 | 0.41 | 0.58 | 0.63 | |

*Returns are annualized after 1 year

**Great West Lifetime Trust Series replaced Great West Lifetime Trust Series II in June 2016. Return data prior to June 2016 reflects Great West Lifetime Trust Series II

*** Great West Lifetime Trust Series expense ratios were reduced to 0.43%-0.45% in Q2 2018

**** The following Lifetime Trusts were added in Q3 2019: 2020, 2030, 2040, 2050

SECURE Act

Lifetime Income Options

| | |
|-----------------|-------------------------------------|
| Title | SECURE Act: Lifetime Income Options |
| Category | Legislative Update |
| Date | February 2020 |

SECURE Act: Lifetime Income Options

The SECURE Act includes three lifetime income-related provisions. Broadly, these provisions include a safe harbor for the selection of lifetime income products, a new lifetime income portability design feature, and a new disclosure requirement. Below is a summary of the three relevant sections:

Section 204. Fiduciary Safe Harbor for the Selection of Lifetime Income Provider

Section 204 of the SECURE Act establishes a new, optional, safe harbor for the selection and purchase of annuity products. The safe harbor will reduce the potential liability faced when selecting a lifetime income provider. The safe harbor does not require the selection of the lowest cost contract, the value of the contract in terms of features and benefits may also be considered, in addition to cost. Additionally, the fiduciary is not liable for losses that may result due to an insurer's inability in the future to satisfy its obligations. Under the new safe harbor, a fiduciary will be deemed to have met the prudence standard in selecting an insurer for a guaranteed income contract by meeting the following requirements:

Engaging in an “*objective, thorough, and analytical search*” when selecting an annuity provider by reviewing the “*financial capability of [an] insurer to satisfy its obligations*” and determining that “*at the time of the selection, the insurer is financially capable of satisfying its obligations*”.

A fiduciary will be deemed to have met the safe harbor requirement by obtaining written representations from the insurer, at the time of selection, confirming that the insurer can meet its financial obligations. Such representations include that the insurer:

- Is properly licensed;
- Has met certain State insurance requirements for the year in question, along with the previous seven years;
- Undergoes appropriate financial examination no less than once every five years; and
- Will notify the fiduciary of any changes to the above.

Section 109. Portability of Lifetime Income Options

Many lifetime income products can only be supported by select platform providers. In the event that a lifetime income investment option is no longer available under the plan, Section 109 of the SECURE act permits a plan provision to be added allowing a direct transfer to another employer-sponsored plan or IRA. The qualified distribution must be made within 90-days following the date the investment is no longer an option under the plan. Prior to the SECURE Act, plans that had allowed participants to invest in lifetime income products often encountered challenges when switching recordkeeping platforms. Allowing plans to include this portability provision in their plan design is an attempt to remedy this issue.

Section 203. Disclosure Regarding Lifetime Income

Section 203 of the SECURE Act requires that employers include a “lifetime income disclosure” in at least one participant benefit statement issued during any 12-month period. The purpose of this disclosure is to provide an estimate of what the participant could receive from the plan if their benefits were paid in the form of an annuity. The DOL has been directed to develop a model disclosure.

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Text - H.R.1994 - 116th Congress (2019-2020): Setting Every Community Up for Retirement Enhancement Act of 2019. (2019, June 3). Retrieved from <https://www.congress.gov/bill/116th-congress/house-bill/1994/text>

Current Lineup Status

| Asset Class | | Current Status | Placed On Watch | Asset Class | | Current Status | Placed On Watch |
|---------------------|--|----------------|-----------------|--------------------------|--|----------------|-----------------|
| US Large Cap | | | | Fixed Income | | | |
| 02cff1 | BlackRock Equity Index - Collective M | Pass | - | FBNRX | Templeton Global Bond R6 | Watch | 2019 - Q4 |
| ASPZX | Alger Spectra Z | Pass | - | 04cff4 | BlackRock US Debt Index Fund Coll W | Pass | - |
| CDDYX | Columbia Dividend Income Inst3 | Pass | - | MWTSX | Metropolitan West Total Return Bd Plan | Pass | - |
| US Mid Cap | | | | fressv | Fresno County Stable Value | Pass | - |
| 03cff2 | BlackRock MidCap Idx - Collective M | Pass | - | Target Date Funds | | | |
| RPTIX | T. Rowe Price Mid-Cap Growth I | Pass | - | GRWL15 | Great-West Lifetime 2015 Trust | Pass | - |
| US Small Cap | | | | GRWL20 | Great-West Lifetime 2020 Trust | Pass | - |
| 03cff3 | BlackRock Russell 2000 Index Coll M | Pass | - | GRWL25 | Great-West Lifetime 2025 Trust | Pass | - |
| NCLEX | Nicholas Limited Edition I | Pass | - | GRWL30 | Great-West Lifetime 2030 Trust | Pass | - |
| JDSNX | Janus Henderson Small Cap Value N | Pass | - | GRWL35 | Great-West Lifetime 2035 Trust | Pass | - |
| Foreign | | | | GRWL40 | Great-West Lifetime 2040 Trust | Pass | - |
| 10cff5 | BlackRock EAFE Equity Index Coll T | Pass | - | GRWL45 | Great-West Lifetime 2045 Trust | Pass | - |
| IINCX | Ivy International Core Equity N | Watch | 2019 - Q2 | GRWL50 | Great-West Lifetime 2050 Trust | Pass | - |
| ODVIX | Invesco Oppenheimer Developing Mkts R6 | Pass | - | GRWL55 | Great-West Lifetime 2055 Trust | Pass | - |
| Specialty | | | | | | | |
| FRIRX | Fidelity Advisor Real Estate Income I | Pass | - | | | | |
| FUFRX | Franklin Utilities R6 | Pass | - | | | | |

Watch List History

| Asset Class | Description | Status | Most Recent Time on Watch | | Previous Time on Watch | | Previous Time on Watch | |
|-------------|------------------------------------|---------|---------------------------|-----------|------------------------|-----------|------------------------|---------|
| | | | Placed | Removed | Placed | Removed | Placed | Removed |
| FBNRX | Templeton Global Bond R6 | In Plan | 2019 - Q4 | - | 2016 - Q2 | 2017 - Q1 | | |
| IINCX | Ivy International Core Equity R6 | In Plan | 2019 - Q2 | - | | | | |
| FRESSV | County Of Fresno Stable Value Fund | In Plan | 2017 - Q1 | 2018 - Q1 | | | | |
| GRWL15 | Great-West Lifetime 2015 Trust | In Plan | 2017 - Q1 | 2018 - Q1 | | | | |
| GRWL25 | Great-West Lifetime 2025 Trust | In Plan | 2017 - Q1 | 2018 - Q1 | | | | |
| GRWL35 | Great-West Lifetime 2035 Trust | In Plan | 2017 - Q1 | 2018 - Q1 | | | | |
| GRWL45 | Great-West Lifetime 2045 Trust | In Plan | 2017 - Q1 | 2018 - Q1 | | | | |
| GRWL55 | Great-West Lifetime 2055 Trust | In Plan | 2017 - Q1 | 2018 - Q1 | | | | |
| NCLEX | Nicholas Limited Edition N | In Plan | 2013 - Q4 | 2015 - Q2 | 2016 - Q2 | 2017 - Q1 | | |
| CDDYX | Columbia Dividend Income Z | In Plan | 2013 - Q4 | 2014 - Q4 | | | | |
| HFCIX | Hennessy Focus Institutional | Removed | 2018 - Q3 | 2019 - Q2 | | | | |
| OAKBX | Oakmark Equity and Income Investor | Removed | 2018 - Q3 | 2019 - Q2 | 2012 - Q1 | 2012 - Q3 | | |
| SAMZX | Virtus Seix Total Return Bond R6 | Removed | 2018 - Q3 | 2019 - Q2 | 2013 - Q4 | 2015 - Q2 | | |
| SEGSX | Sentinel Government Securities A | Removed | 2014 - Q2 | 2015 - Q2 | | | | |
| JMCVX | Perkins Mid Cap Value T | Removed | 2013 - Q4 | 2015 - Q2 | 2012 - Q1 | 2012 - Q3 | | |
| MSIIX | MainStay International Equity I | Removed | 2012 - Q4 | 2015 - Q2 | | | | |
| PAXIX | Pax Balanced Institutional | Removed | 2012 - Q4 | 2013 - Q2 | | | | |
| GTAVX | Invesco Mid Cap Core Equity R5 | Removed | 2012 - Q1 | 2013 - Q2 | | | | |
| NBGNX | Neuberger Berman Genesis Inv | Removed | 2012 - Q1 | 2012 - Q3 | | | | |
| SDGTX | Deutsche Capital Growth I | Removed | 2012 - Q1 | 2012 - Q3 | | | | |

* Watch List History displays all funds that have been on watch in the plan since 2012

Item 7 - Exhibit D

Legend

| | |
|--------------------|-------------|
| Keep | Fund Change |
| Share Class Change | Add |

County of Fresno 457 DC Plan

Summary of Proposed Investment Changes

Data as of 12/31/2019

| Current Lineup | | | | | | Proposed Lineup | | | | |
|--|-------------|----------------------|-----------------|---------------|---------------|----------------------------------|--|------------------------|---------------|------------------------|
| Fund Name | % of Assets | Assets | Gross Exp Ratio | Revenue Share | Net Exp Ratio | Action | Fund Name | Gross Exp Ratio | Revenue Share | Net Exp Ratio |
| US Large Cap | | | | | | | US Large Cap | | | |
| Alger Spectra Z (aspzx) | 16.94% | \$47,074,377 | 0.94% | 0.00% | 0.94% | Share Class Change | Alger Spectra Y (aspyx) | 0.89% | 0.00% | 0.89% |
| Columbia Dividend Income Inst3 (cddyx) | 5.49% | \$15,253,539 | 0.58% | 0.00% | 0.58% | Keep | Columbia Dividend Income Inst3 (cddyx) | 0.58% | 0.00% | 0.58% |
| Blackrock Equity Index Fund M (02cff1) | 18.40% | \$51,136,343 | 0.02% | 0.00% | 0.02% | Keep | Blackrock Equity Index Fund M (02cff1) | 0.02% | 0.00% | 0.02% |
| US Mid Cap | | | | | | | US Mid Cap | | | |
| T. Rowe Price Mid-Cap Growth I (rptix) | 2.45% | \$6,804,761 | 0.62% | 0.00% | 0.62% | Keep | T. Rowe Price Mid-Cap Growth I (rptix) | 0.62% | 0.00% | 0.62% |
| Blackrock Mid Cap Equity Index - Fund M (03cff2) | 3.36% | \$9,327,638 | 0.03% | 0.00% | 0.03% | Keep | Blackrock Mid Cap Equity Index - Fund M (03cff2) | 0.03% | 0.00% | 0.03% |
| US Small Cap | | | | | | | US Small Cap | | | |
| Nicholas Limited Edition I (nclex) | 2.31% | \$6,405,959 | 0.86% | 0.00% | 0.86% | Keep | Nicholas Limited Edition I (nclex) | 0.86% | 0.00% | 0.86% |
| Perkins Small Cap Value N (jdsnx) | 0.58% | \$1,612,633 | 0.68% | 0.00% | 0.68% | Keep | Perkins Small Cap Value N (jdsnx) | 0.68% | 0.00% | 0.68% |
| Blackrock Russell 2000 Index Fund M (03cff3) | 1.56% | \$4,344,438 | 0.03% | 0.00% | 0.03% | Keep | Blackrock Russell 2000 Index Fund M (03cff3) | 0.03% | 0.00% | 0.03% |
| International - Developed | | | | | | | International - Developed | | | |
| Ivy International Core Equity R6 (iincx) | 3.60% | \$10,013,135 | 0.79% | 0.00% | 0.79% | Fund Change | T. Rowe Price Overseas Stock I (troix) | 0.66% | 0.00% | 0.66% |
| Blackrock Eafe Equity Index Fund T (10cff5) | 1.51% | \$4,207,621 | 0.10% | 0.00% | 0.10% | Keep | Blackrock Eafe Equity Index Fund T (10cff5) | 0.10% | 0.00% | 0.10% |
| International - Emerging | | | | | | | International - Emerging | | | |
| Invesco Oppenheimer Developing Markets I (odvix) | 0.82% | \$2,289,519 | 0.83% | 0.00% | 0.83% | Keep | Invesco Oppenheimer Developing Markets I (odvix) | 0.83% | 0.00% | 0.83% |
| Specialty | | | | | | | Specialty | | | |
| Fidelity Advisor Real Estate Income I (frirx) | 0.72% | \$1,994,866 | 0.75% | 0.25% | 0.50% | Keep | Fidelity Advisor Real Estate Income I (frirx) | 0.75% | 0.25% | 0.75% |
| Franklin Utilities R6 (fufrx) | 1.69% | \$4,698,527 | 0.50% | 0.00% | 0.50% | Keep | Franklin Utilities R6 (fufrx) | 0.50% | 0.00% | 0.50% |
| Fixed Income | | | | | | | Fixed Income | | | |
| Blackrock US Debt Index Fund W (04cff4) | 1.87% | \$5,194,775 | 0.04% | 0.00% | 0.04% | Keep | Blackrock US Debt Index Fund W (04cff4) | 0.04% | 0.00% | 0.04% |
| County Of Fresno Stable Value Fund (fressv) | 23.45% | \$65,156,632 | 0.34% | 0.00% | 0.34% | Keep | County Of Fresno Stable Value Fund (fressv) | 0.34% | 0.00% | 0.34% |
| Metropolitan West Total Return Bond Plan (mwtsx) | 1.91% | \$5,297,627 | 0.37% | 0.00% | 0.37% | Keep | Metropolitan West Total Return Bond Plan (mwtsx) | 0.37% | 0.00% | 0.37% |
| Templeton Global Bond R6 (fbrnx) | 0.76% | \$2,117,397 | 0.57% | 0.00% | 0.57% | Fund Change or Fund Change | QDIA (Great-West Trust Lifetime Series) or Vanguard Total Intl Bd Idx Admiral™ (vtabx) | 0.41% 0.11% | 0.00% | 0.41% 0.11% |
| Target Date | | | | | | | Target Date | | | |
| Great-West Lifetime 2015 Trust (grwl15) | 1.57% | \$4,356,872 | 0.40% | 0.00% | 0.40% | Keep | Great-West Lifetime 2015 Trust (grwl15) | 0.40% | 0.00% | 0.40% |
| Great-West Lifetime 2020 Trust (grwl20) | 0.00% | \$3,129 | 0.40% | 0.00% | 0.40% | Keep | Great-West Lifetime 2020 Trust (grwl20) | 0.40% | 0.00% | 0.40% |
| Great-West Lifetime 2025 Trust (grwl25) | 4.22% | \$11,728,698 | 0.40% | 0.00% | 0.40% | Keep | Great-West Lifetime 2025 Trust (grwl25) | 0.40% | 0.00% | 0.40% |
| Great-West Lifetime 2030 Trust (grwl30) | 0.13% | \$371,751 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2030 Trust (grwl30) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2035 Trust (grwl35) | 2.60% | \$7,237,242 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2035 Trust (grwl35) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2040 Trust (grwl40) | 0.00% | \$1,025 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2040 Trust (grwl40) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2045 Trust (grwl45) | 2.52% | \$7,004,948 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2045 Trust (grwl45) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2050 Trust (grwl50) | 0.00% | \$86 | 0.41% | 0.00% | 0.41% | Keep | Great-West Lifetime 2050 Trust (grwl50) | 0.41% | 0.00% | 0.41% |
| Great-West Lifetime 2055 Trust (grwl55) | 1.52% | \$4,214,966 | 0.42% | 0.00% | 0.42% | Keep | Great-West Lifetime 2055 Trust (grwl55) | 0.42% | 0.00% | 0.42% |
| Total | 100% | \$277,848,504 | 0.429% | 0.002% | 0.427% | | | 0.414% / 0.412% | 0.002% | 0.413% / 0.410% |



Ivy International Review

County of Fresno 457 Deferred Compensation Plan

Brent Petty
503-597-1641 | brentp@nwcm.com
Northwest Capital Management, Inc.
March 2020



Executive Summary

This document has been prepared to provide analysis of several potential replacement candidates in the Foreign Developed Blend asset class. The current option, Ivy International Core Equity N, has worsened in the Foreign Developed Blend space due to continued underperformance relative to the benchmark and peer group, and the availability of more competitive options in the Foreign Developed Blend category.

Northwest Capital Management (NWCM) has conducted a manager search in the Foreign Developed Blend space to find appropriate replacements. The candidates presented generally include management teams that have satisfied the following criteria:

1. Investment track record of no less than three years
2. Expense ratio below Foreign Developed Blend category average
3. Fund performance ranked within top 50th percentile of category peers over the trailing three- and five-year periods.
4. Reasonable portfolio diversification and risk (volatility) characteristics
5. Investment Style consistency over evaluation periods

We have provided the top two alternative candidates in the Foreign Developed Blend asset class category along with the incumbent investment option for review. NWCM has determined that T. Rowe Price Overseas Stock I is a prudent replacement candidate. In making the investment recommendation, NWCM analyzed the following traits:

- Historical performance - T. Rowe Price Overseas Stock I substantially outperforms the MSCI ACWI Ex USA NR USD for the trailing three-, five-, and ten-year periods.
- Risk adjusted returns - T. Rowe Price Overseas Stock I has a greater sharpe ratio (return / standard deviation) over each trailing period.
- Peer group rankings - T. Rowe Price Overseas Stock I is in the top half of its peer group for trailing one-, three-, five-, and ten-year periods.
- Upside / downside capture - T. Rowe Price Overseas Stock I has participated to the upside while limiting the downside.

We believe the best strategies have consistently impressive performance, established management with a proven track record, and appear best-suited to perform well in the spaces they are being slotted to fill. **From our universe of over 26,000 managers, we recommend replacing Ivy International Core Equity N with T. Rowe Price Overseas Stock I.**

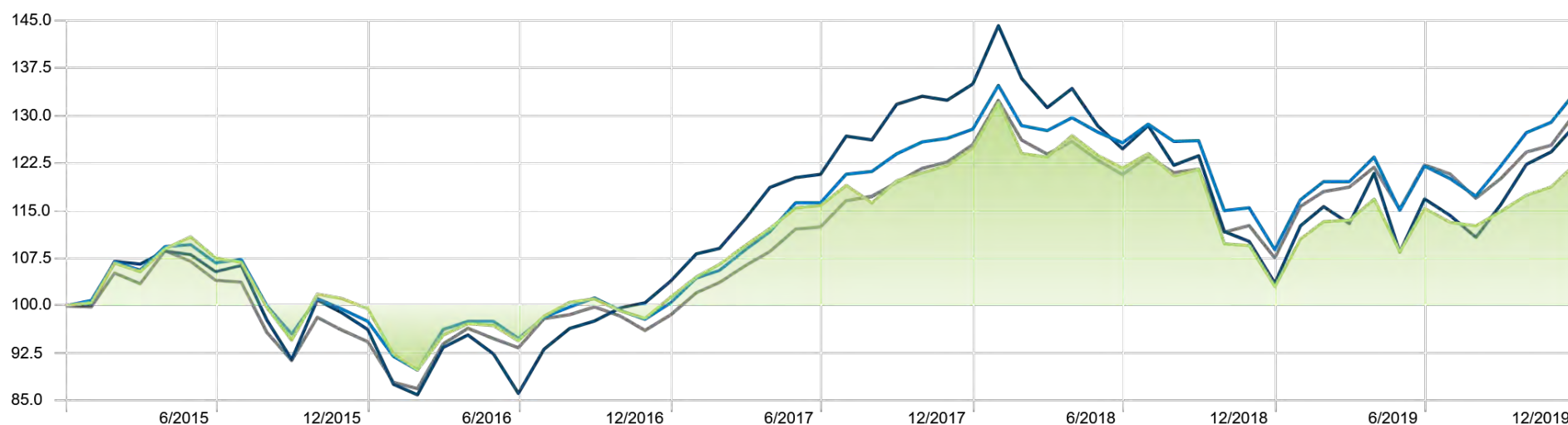
Foreign Large Blend Manager Search Report

| | Ivy International Core Equity N | T. Rowe Price Overseas Stock I | Oakmark International Institutional |
|------------------------------------|--|---|---|
| Firm City | Overland Park | Baltimore | Chicago |
| Year Firm Founded | 1/1/1937 | 1/1/1937 | 1/1/1976 |
| Firm % Owned by Employees | 14.00 | 13.00 | 0.00 |
| GIPS Compliance | Yes | Yes | Yes |
| Firm Total Assets | 57,560,000,000.00 | 1,206,800,000,000.00 | 120,000,000,000.00 |
| Fund Size | 3,938,424,731.00 | 17,927,436,425.00 | 31,272,962,575.00 |
| Turnover Ratio % | 52.00 | 18.20 | 35.00 |
| Turnover Ratio % Date | 3/31/2019 | 10/31/2019 | 9/30/2019 |
| Investment Type | Open-End Fund | Open-End Fund | Open-End Fund |
| Minimum Investment (Base Currency) | 1,000,000 | 1,000,000 | 1,000,000 |
| Prospectus Net Expense Ratio | 0.79 | 0.66 | 0.81 |
| Portfolio Manager(s) | John C. Maxwell since 2/17/2006 Catherine L. Murray since 1/25/2017 | Raymond A. Mills since 12/29/2006 | David G. Herro since 9/30/1992 Michael L. Manelli since 11/30/2016 |

Foreign Large Blend Manager Search Report

Investment Growth

Time Period: 1/1/2015 to 12/31/2019



Ivy International Core Equity N T. Rowe Price Overseas Stock I Oakmark International Institutional
 MSCI ACWI Ex USA NR USD

Performance

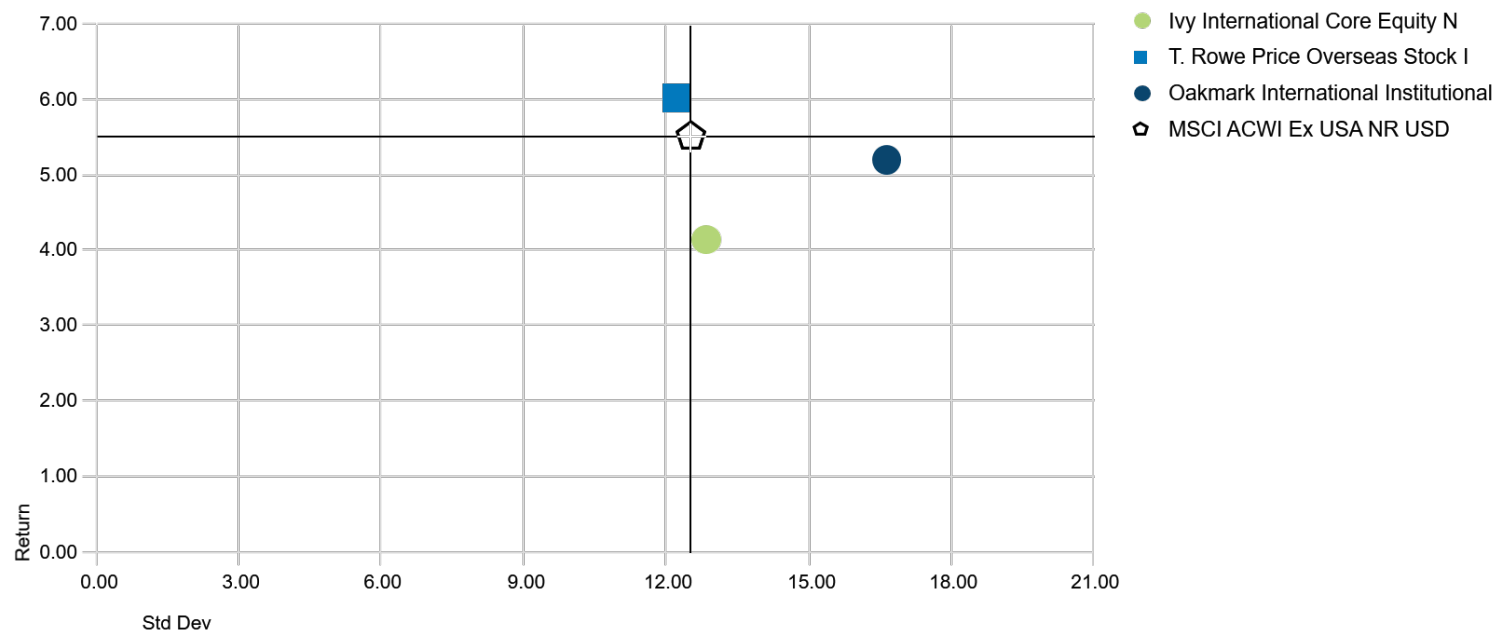
Time Period: 1/1/2015 to 12/31/2019 Calculation Benchmark: MSCI ACWI Ex USA NR USD

| | Return | Std Dev | Alpha | Beta | Sharpe Ratio | Treynor Ratio (arith) | Information Ratio (arith) | R2 |
|-------------------------------------|--------|---------|-------|------|--------------|-----------------------|---------------------------|--------|
| Ivy International Core Equity N | 4.15 | 12.84 | -1.15 | 0.98 | 0.29 | 3.11 | -0.36 | 91.29 |
| T. Rowe Price Overseas Stock I | 6.02 | 12.23 | 0.71 | 0.95 | 0.45 | 5.17 | 0.18 | 94.90 |
| Oakmark International Institutional | 5.19 | 16.67 | -0.91 | 1.24 | 0.32 | 3.30 | -0.05 | 86.60 |
| MSCI ACWI Ex USA NR USD | 5.51 | 12.53 | 0.00 | 1.00 | 0.40 | 4.40 | | 100.00 |

Foreign Large Blend Manager Search Report

Risk-Reward

Time Period: 1/1/2015 to 12/31/2019



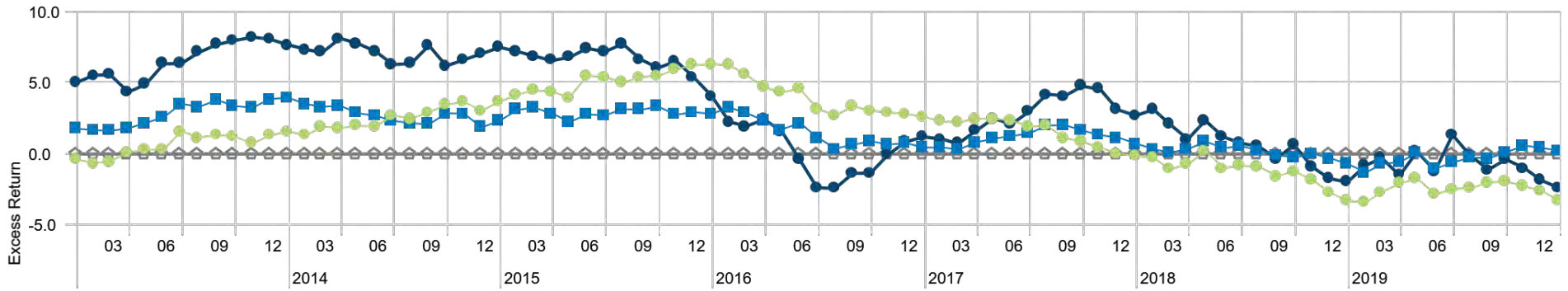
Risk

Time Period: 1/1/2015 to 12/31/2019

| | Return | Std Dev | Downside Deviation | Upside Std Dev | Value at Risk | Excess Return | Gain/Loss Ratio | Tracking Error |
|-------------------------------------|--------|---------|--------------------|----------------|---------------|---------------|-----------------|----------------|
| Ivy International Core Equity N | 4.15 | 12.84 | 2.76 | 2.64 | 7.91 | -1.36 | 1.32 | 3.80 |
| T. Rowe Price Overseas Stock I | 6.02 | 12.23 | 1.97 | 1.59 | | 0.52 | 1.48 | 2.83 |
| Oakmark International Institutional | 5.19 | 16.67 | 4.86 | 3.91 | | -0.32 | 1.32 | 6.81 |
| MSCI ACWI Ex USA NR USD | 5.51 | 12.53 | 0.00 | | 7.62 | 0.00 | 1.42 | 0.00 |

Foreign Large Blend Manager Search Report

36 Month Rolling Excess Returns



— Ivy International Core Equity N
— MSCI ACWI Ex USA NR USD

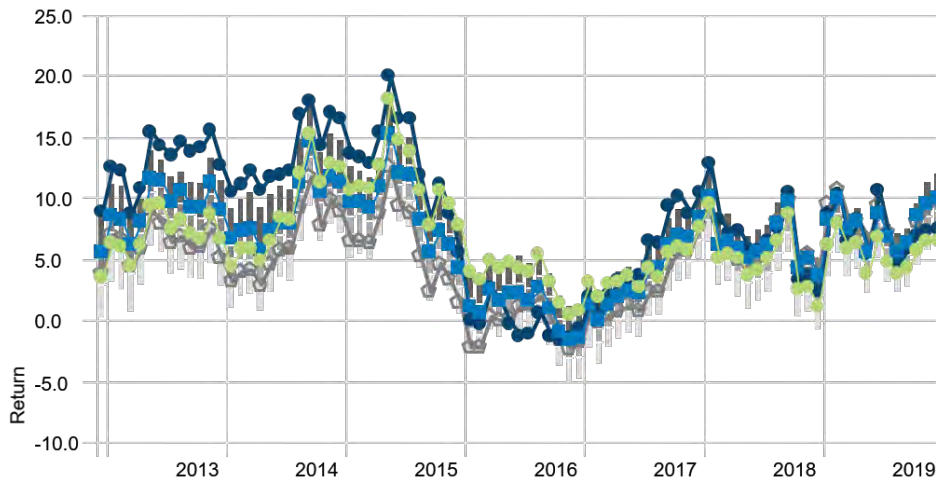
— T. Rowe Price Overseas Stock I

— Oakmark International Institutional

Rolling Returns vs. Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

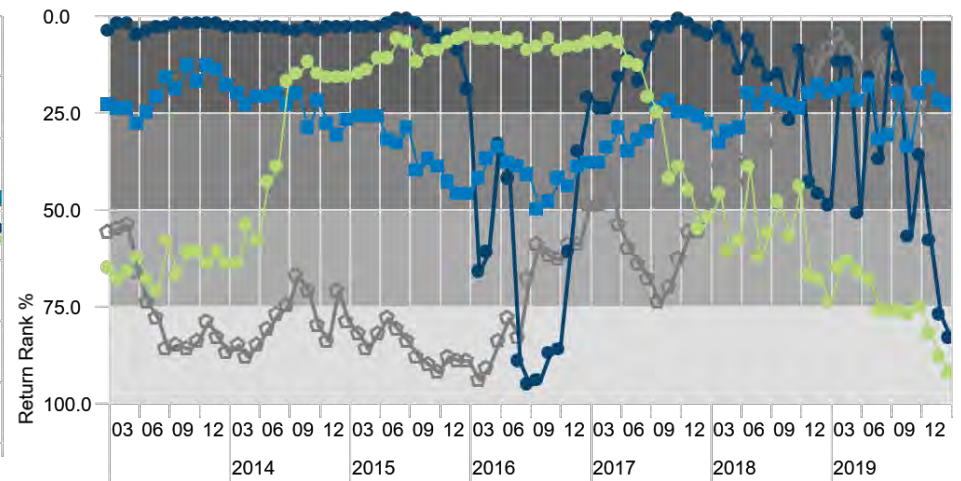
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Rolling Return Quartiles

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

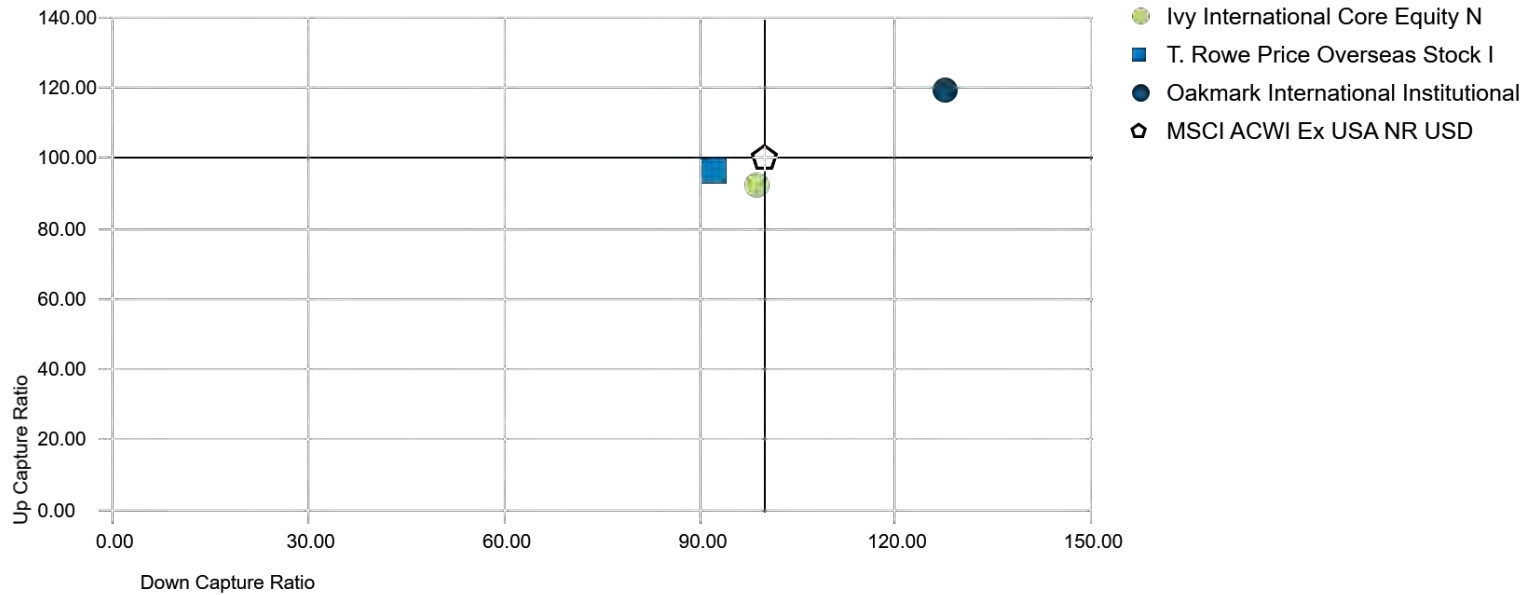
■ 1st to 25th Percentile ■ 26th to Median ■ 51st to 75th Percentile ■ 76th to 100th Percentile



Foreign Large Blend Manager Search Report

Upside-Downside Capture

Time Period: 1/1/2015 to 12/31/2019



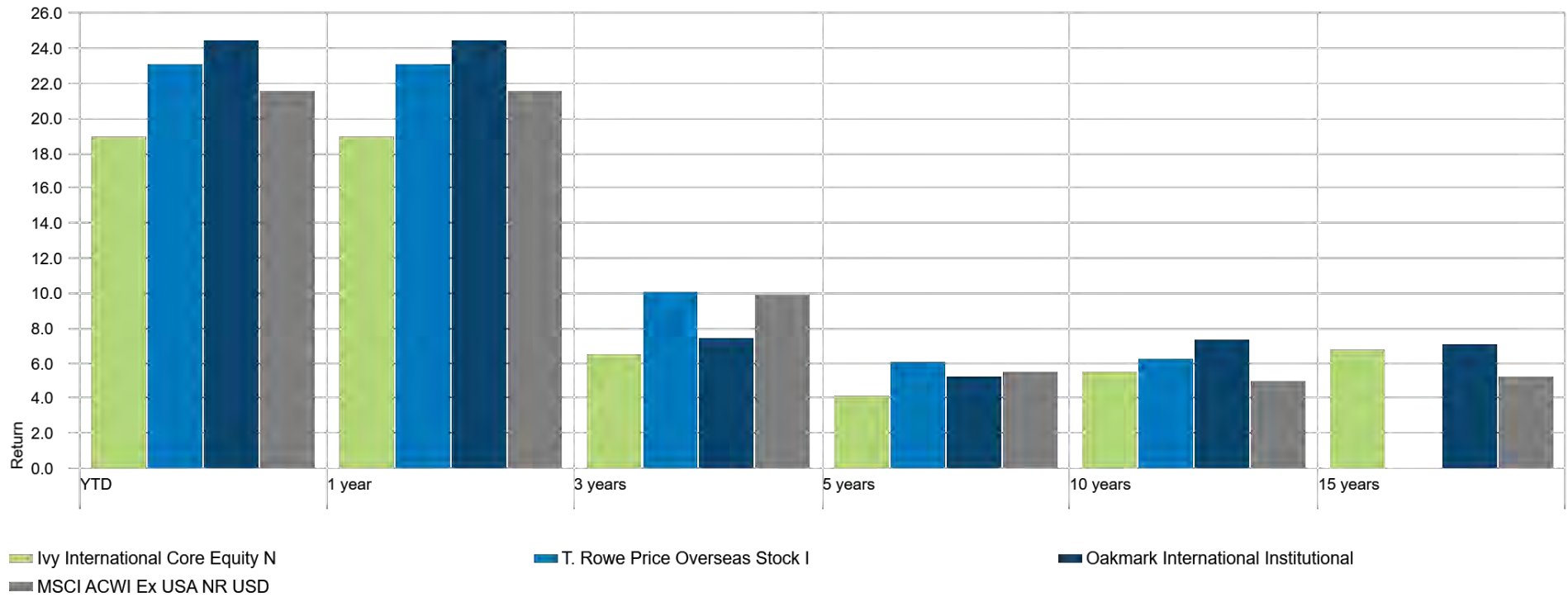
Market Performance

Time Period: 1/1/2015 to 12/31/2019

| | Up Period Percent | Down Period Percent | Best Month | Worst Month | Best Quarter | Worst Quarter | Up Capture Ratio | Down Capture Ratio | R2 |
|-------------------------------------|-------------------|---------------------|------------|-------------|--------------|---------------|------------------|--------------------|--------|
| Ivy International Core Equity N | 58.33 | 41.67 | 7.66 | -9.69 | 10.16 | -15.25 | 92.56 | 98.74 | 91.29 |
| T. Rowe Price Overseas Stock I | 65.00 | 35.00 | 7.21 | -8.72 | 9.81 | -13.60 | 96.62 | 92.27 | 94.90 |
| Oakmark International Institutional | 58.33 | 41.67 | 10.31 | -10.31 | 13.28 | -16.30 | 119.59 | 127.69 | 86.60 |
| MSCI ACWI Ex USA NR USD | 58.33 | 41.67 | 8.13 | -8.13 | 10.31 | -12.17 | 100.00 | 100.00 | 100.00 |

Foreign Large Blend Manager Search Report

Trailing Returns

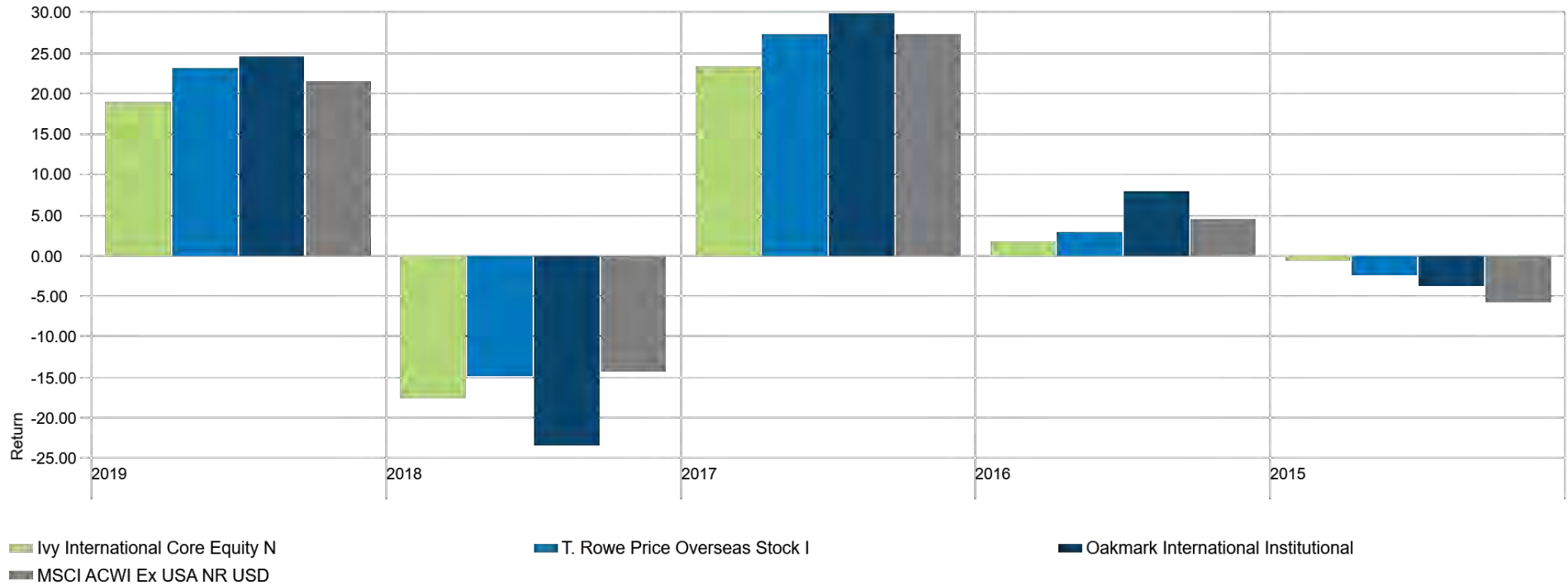


Trailing Returns

| | YTD | 1 year | 3 years | 5 years | 10 years | 15 years |
|-------------------------------------|-------|--------|---------|---------|----------|----------|
| Ivy International Core Equity N | 19.01 | 19.01 | 6.56 | 4.15 | 5.51 | 6.80 |
| T. Rowe Price Overseas Stock I | 23.05 | 23.05 | 10.06 | 6.02 | 6.27 | |
| Oakmark International Institutional | 24.43 | 24.43 | 7.44 | 5.19 | 7.35 | 7.05 |
| MSCI ACWI Ex USA NR USD | 21.51 | 21.51 | 9.87 | 5.51 | 4.97 | 5.25 |

Foreign Large Blend Manager Search Report

Calendar Year Returns

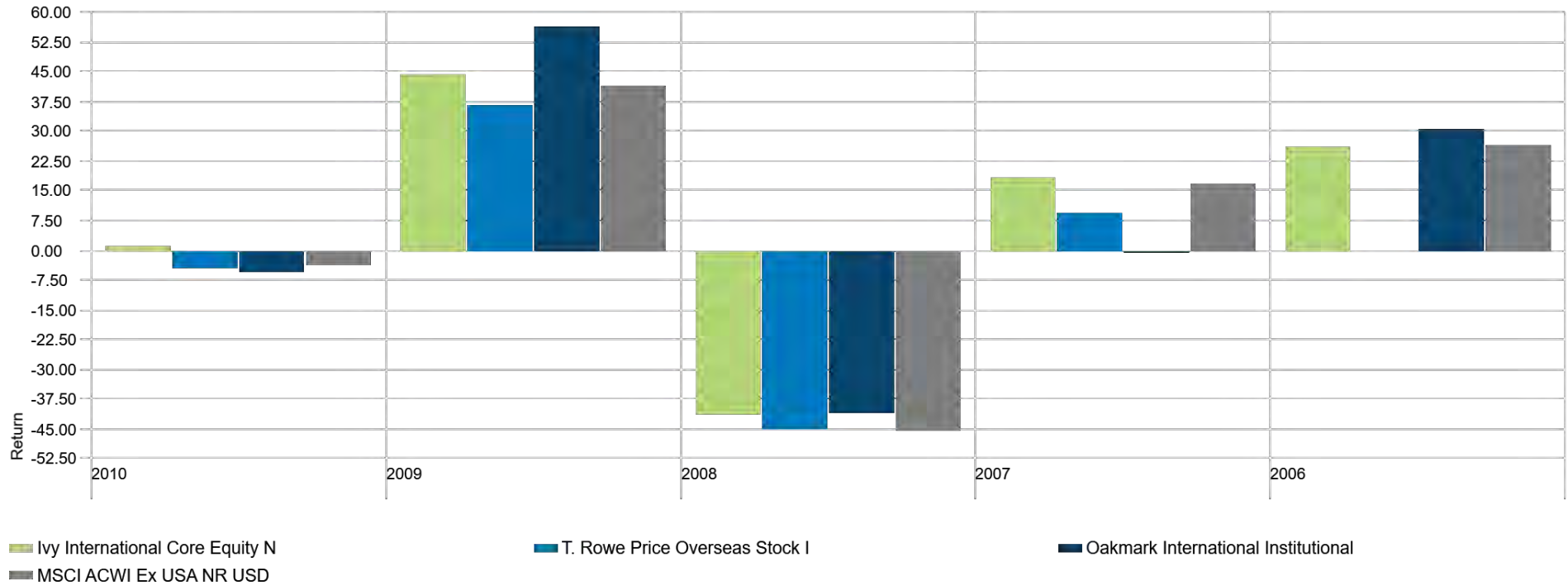


Calendar Year Returns

| | 2019 | 2018 | 2017 | 2016 | 2015 |
|-------------------------------------|-------|--------|-------|------|-------|
| Ivy International Core Equity N | 19.01 | -17.53 | 23.28 | 1.79 | -0.52 |
| T. Rowe Price Overseas Stock I | 23.05 | -14.83 | 27.22 | 3.01 | -2.45 |
| Oakmark International Institutional | 24.43 | -23.32 | 30.00 | 7.96 | -3.83 |
| MSCI ACWI Ex USA NR USD | 21.51 | -14.20 | 27.19 | 4.50 | -5.66 |

Foreign Large Blend Manager Search Report

Calendar Year Returns

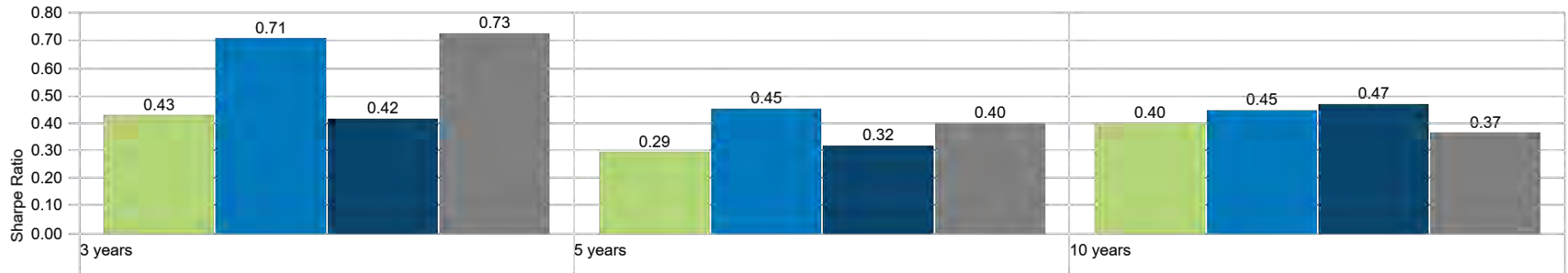


Calendar Year Returns

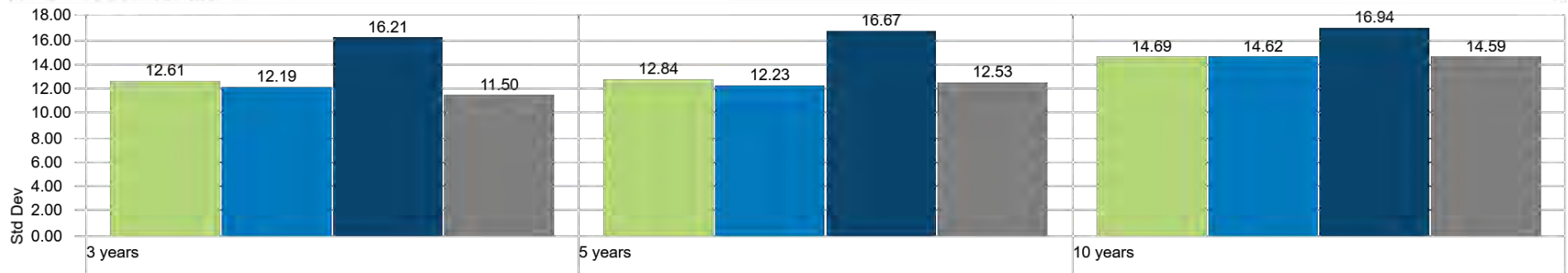
| | 2010 | 2009 | 2008 | 2007 | 2006 |
|-------------------------------------|-------|-------|--------|-------|-------|
| Ivy International Core Equity N | 1.19 | 44.24 | -41.50 | 18.36 | 26.13 |
| T. Rowe Price Overseas Stock I | -4.49 | 36.70 | -45.06 | 9.43 | |
| Oakmark International Institutional | -5.41 | 56.30 | -41.06 | -0.51 | 30.60 |
| MSCI ACWI Ex USA NR USD | -3.87 | 41.45 | -45.53 | 16.65 | 26.65 |

Foreign Large Blend Manager Search Report

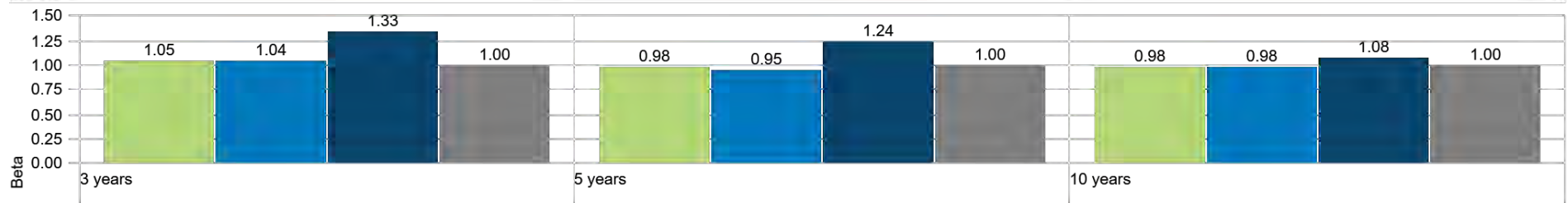
Sharpe Ratio



Standard Deviation



Beta



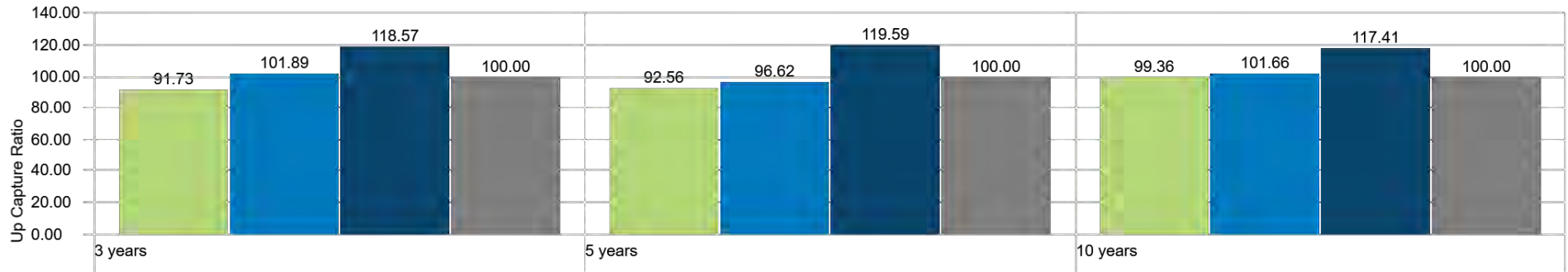
Ivy International Core Equity N
MSCI ACWI Ex USA NR USD

T. Rowe Price Overseas Stock I

Oakmark International Institutional

Foreign Large Blend Manager Search Report

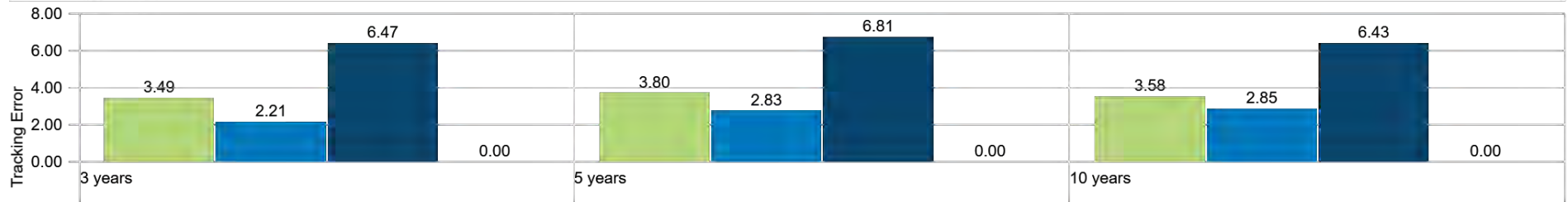
Up Capture Ratio



Down Capture Ratio



Tracking Error



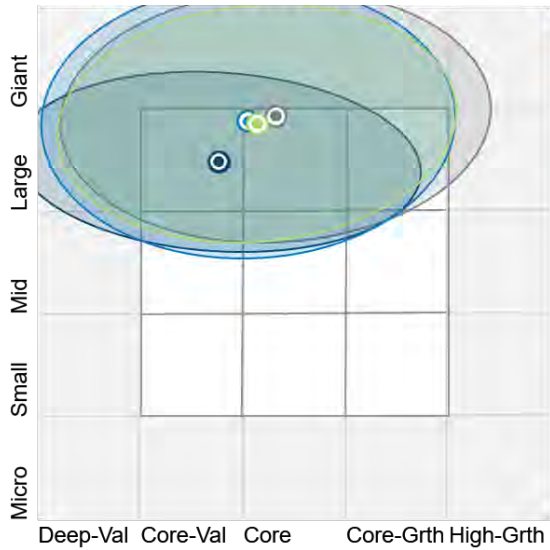
Ivy International Core Equity N
MSCI ACWI Ex USA NR USD

T. Rowe Price Overseas Stock I

Oakmark International Institutional

Foreign Large Blend Manager Search Report

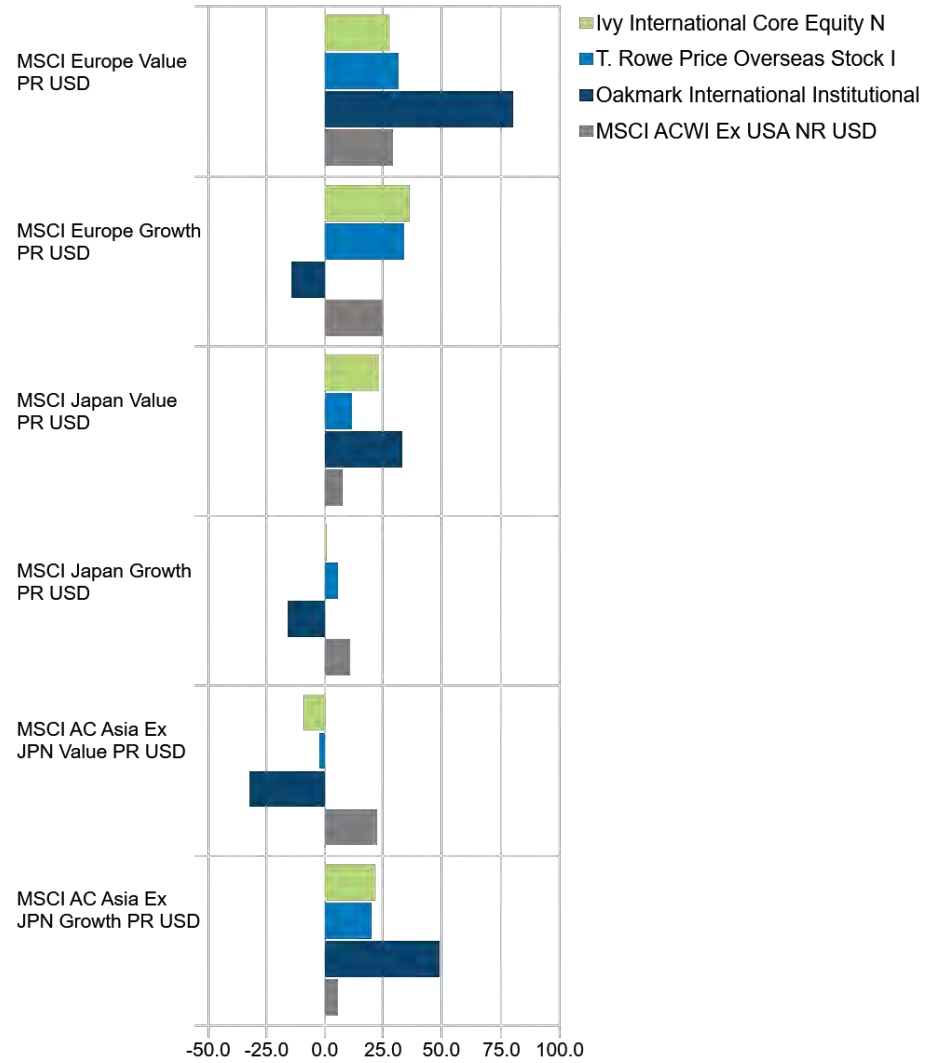
Holdings-Based Style Map



| | |
|-------------------------------------|------------|
| Ivy International Core Equity N | 12/31/2019 |
| T. Rowe Price Overseas Stock I | 12/31/2019 |
| Oakmark International Institutional | 12/31/2019 |
| MSCI ACWI Ex USA NR USD | 12/31/2019 |

Returns-Based Style Allocation

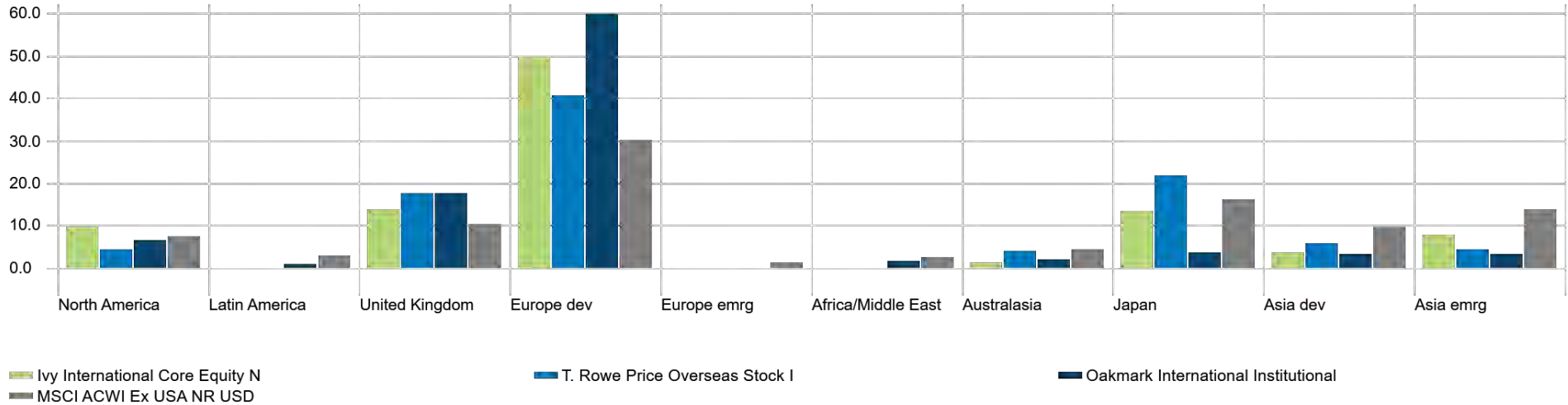
Time Period: 1/1/2015 to 12/31/2019



Foreign Large Blend Manager Search Report

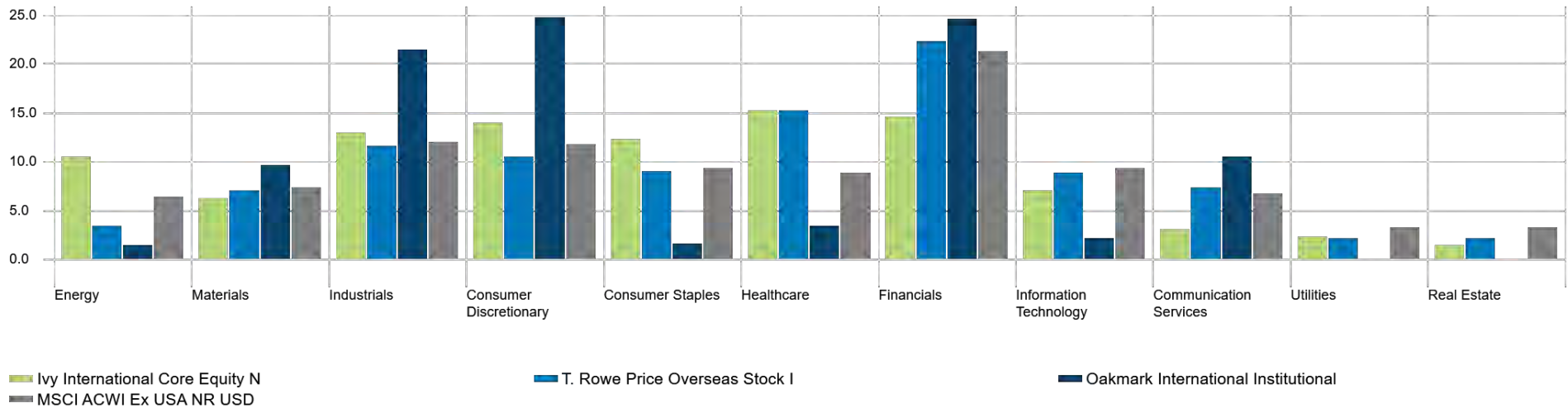
Region Exposure

Portfolio Date: 12/31/2019



Sector Exposure

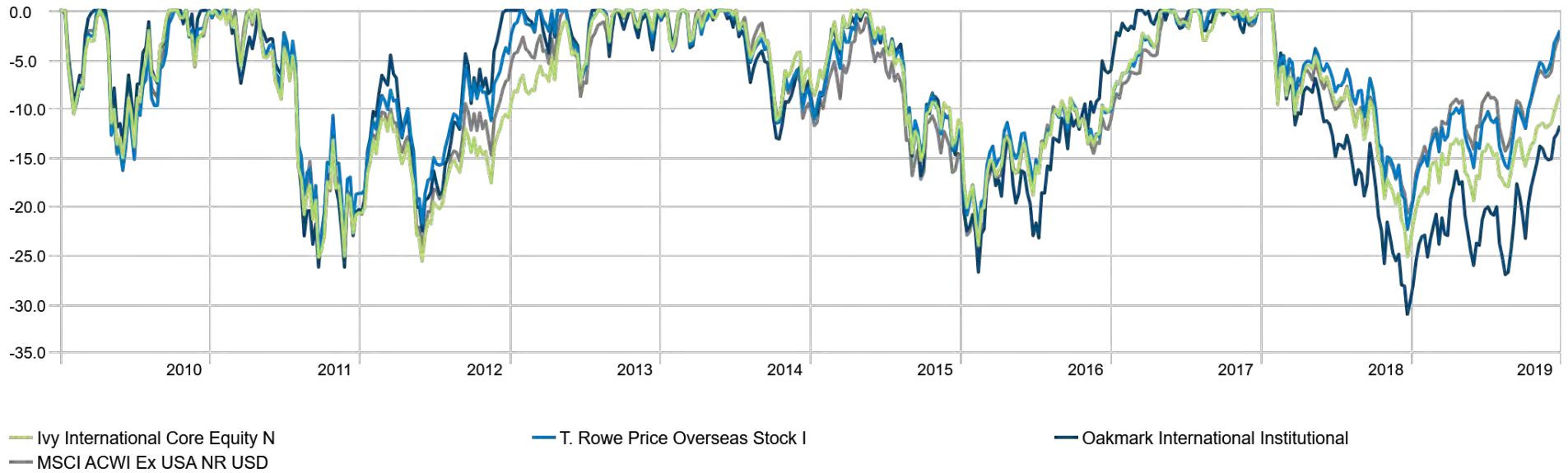
Portfolio Date: 12/31/2019



Foreign Large Blend Manager Search Report

Drawdown

Time Period: 1/3/2010 to 12/28/2019



Drawdown

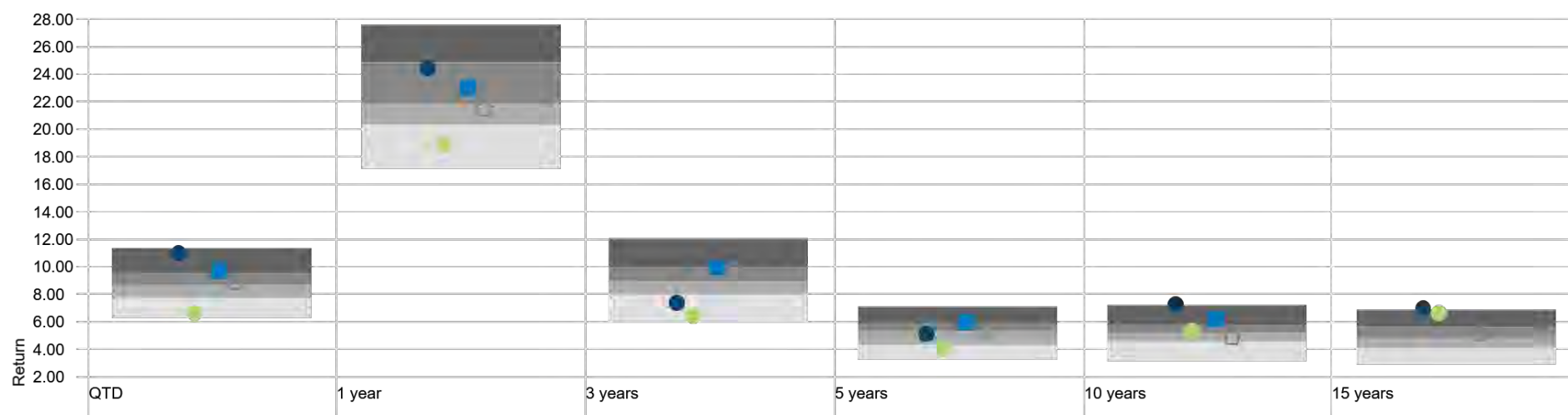
Time Period: 1/1/2010 to 12/31/2019

| | Max Drawdown | Max Drawdown # of Periods | Max Drawdown Peak Date | Max Drawdown Valley Date | Omega |
|-------------------------------------|--------------|---------------------------|------------------------|--------------------------|-------|
| Ivy International Core Equity N | -24.58 | 5 | 5/1/2011 | 9/30/2011 | 1.29 |
| T. Rowe Price Overseas Stock I | -23.21 | 5 | 5/1/2011 | 9/30/2011 | 1.35 |
| Oakmark International Institutional | -28.22 | 11 | 2/1/2018 | 12/31/2018 | 1.34 |
| MSCI ACWI Ex USA NR USD | -23.29 | 5 | 5/1/2011 | 9/30/2011 | 1.26 |

Foreign Large Blend Manager Search Report

Performance Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



- Ivy International Core Equity N
- T. Rowe Price Overseas Stock I
- Oakmark International Institutional
- ◇ MSCI ACWI Ex USA NR USD

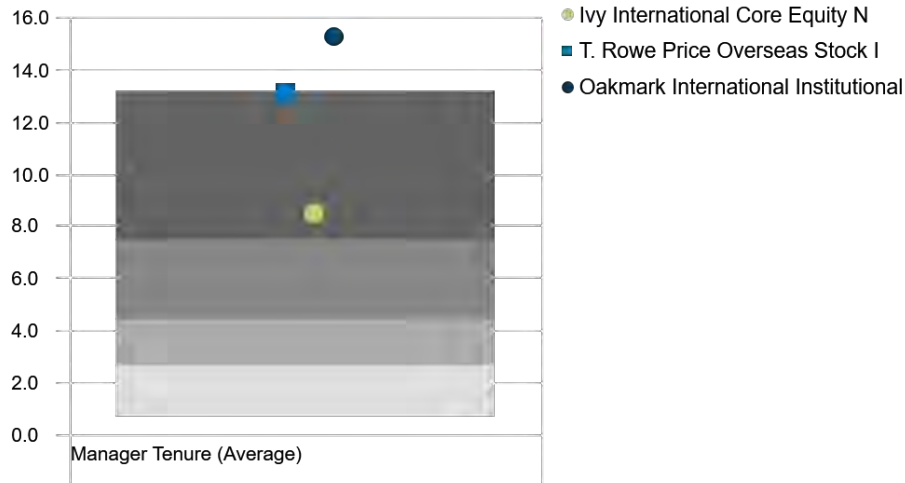
Trailing Peer Group Performance

| | QTD | % rank | 1 year | % rank | 3 years | % rank | 5 years | % rank | 10 years | % rank | 15 years | % rank |
|-------------------------------------|-------|--------|--------|--------|---------|--------|---------|--------|----------|--------|----------|--------|
| Ivy International Core Equity N | 6.71 | 92 | 19.01 | 84 | 6.56 | 92 | 4.15 | 81 | 5.51 | 39 | 6.80 | 6 |
| T. Rowe Price Overseas Stock I | 9.81 | 20 | 23.05 | 36 | 10.06 | 23 | 6.02 | 22 | 6.27 | 11 | | |
| Oakmark International Institutional | 11.11 | 8 | 24.43 | 28 | 7.44 | 83 | 5.19 | 54 | 7.35 | 4 | 7.05 | 4 |
| MSCI ACWI Ex USA NR USD | 8.92 | 43 | 21.51 | 58 | 9.87 | 29 | 5.51 | 42 | 4.97 | 64 | 5.25 | 35 |
| 5th Percentile | 11.38 | | 27.57 | | 12.08 | | 7.07 | | 7.23 | | 6.90 | |
| 25th Percentile | 9.57 | | 24.81 | | 10.00 | | 5.90 | | 5.83 | | 5.74 | |
| 50th Percentile | 8.78 | | 21.87 | | 9.01 | | 5.30 | | 5.26 | | 4.83 | |
| 75th Percentile | 7.85 | | 20.40 | | 8.01 | | 4.40 | | 4.67 | | 4.15 | |
| 95th Percentile | 6.37 | | 17.23 | | 6.12 | | 3.37 | | 3.18 | | 2.97 | |

Foreign Large Blend Manager Search Report

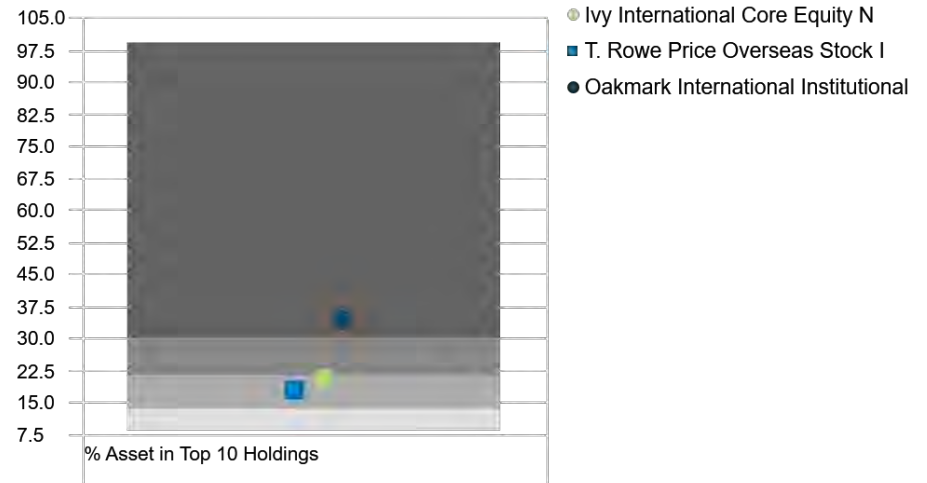
Manager Tenure (Years) Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



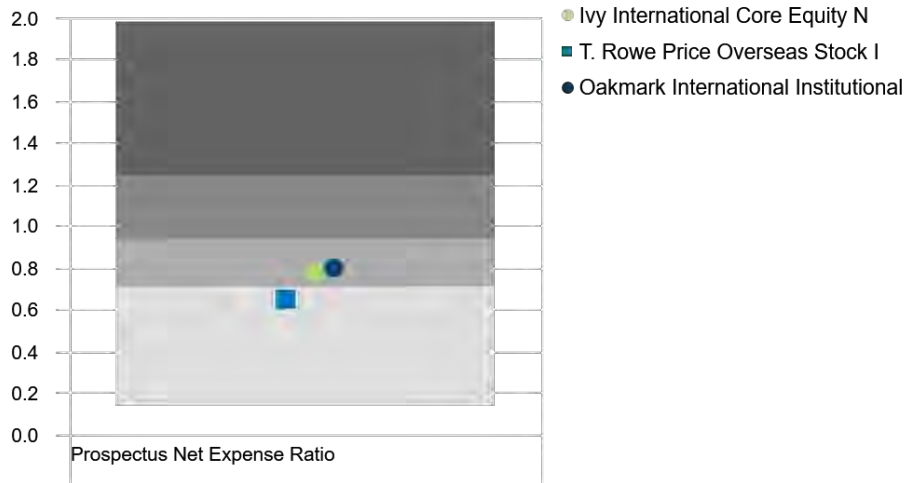
Portfolio Concentration Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



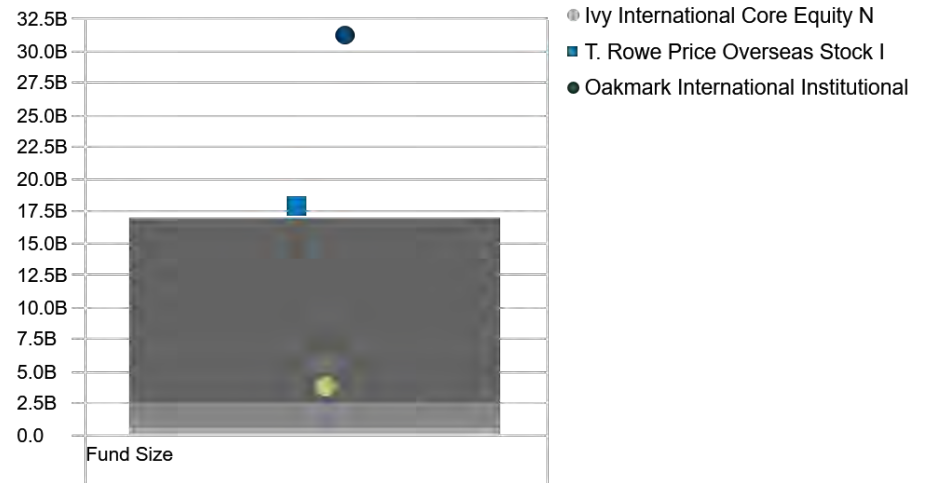
Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



Fund Size Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend



Foreign Large Blend Manager Search Report

Snapshot

| | Ticker | Morningstar Category | Fixed Inc Style Box | Fund Size | Closed to New Inv | Prospectus Net Expense Ratio |
|-------------------------------------|--------|-----------------------------|---------------------|-------------------|-------------------|------------------------------|
| Ivy International Core Equity N | IINCX | US Fund Foreign Large Blend | | 3,938,424,731.00 | No | 0.79 |
| T. Rowe Price Overseas Stock I | TROIX | US Fund Foreign Large Blend | | 17,927,436,425.00 | No | 0.66 |
| Oakmark International Institutional | OANIX | US Fund Foreign Large Blend | | 31,272,962,575.00 | No | 0.81 |

NWCM Fund Score

| Overall Fund Score | Fund Name | Return vs Peer Group Peer Rank (%) | | | Risk Adjusted Return Sharpe Peer Rank (%) | | | Risk | | | | | | Other | | | | |
|--------------------|---------------------------------|------------------------------------|----|-----|---|----|-----|----------------------------------|----|-----|--------------------------|----|-----|----------------------------|----|-----|--------------|----------------|
| | | Peer Rank (%) | | | Peer Rank (%) | | | Standard Deviation Peer Rank (%) | | | Up Capture Peer Rank (%) | | | Down Capture Peer Rank (%) | | | Expense Rank | Tenure |
| | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Expense Rank | Avg Mgr Tenure |
| 3 | Ivy International Core Equity N | 91 | 79 | 37 | 93 | 81 | 36 | 82 | 79 | 59 | 72 | 52 | 39 | 88 | 80 | 45 | 31 | 8 |
| 7 | T. Rowe Price Overseas Stock I | 29 | 27 | 12 | 43 | 28 | 14 | 73 | 60 | 53 | 18 | 28 | 21 | 65 | 54 | 40 | 33 | 13 |

Foreign Large Blend Manager Search Report

Ivy International Core Equity N's performance has deteriorated relative to its benchmark and has not performed well in supportive environments for the strategy. The following areas were assessed to determine Ivy International Core Equity N's prudence to be offered in an investment menu.

| Status | Criteria | Comment |
|--------------|---|---|
| Underperform | Composite Performance | Underperformance relative to benchmark over the trailing 3- and 5-years |
| Underperform | Performance versus Foreign Large Blend Peer Group | Has performed in the bottom half of peers over the trailing 3- and 5-year periods |
| Neutral | Investment Approach | Poor top-down bets, was coupled with disappointing bottom-up selection which may derive from prior organizational changes and talent disruption |
| Pass | Stability of Management | Seasoned team, with the lead PM running the fund since 2006 |

Concluding Thoughts

An underperform rating of Ivy International Core Equity N's performance versus its benchmark exists due to the fund's inability to outperform over multiple periods. Their strategy offers active management to discover attractive opportunities in the marketplace and add value on a risk-adjusted basis. However, Ivy International Core Equity's sector allocations and poor security selection have detracted from relative returns. Given its poor relative performance and higher fees, we recommend replacing with T. Rowe Price Overseas Stock I.

Strategy Overview

T. Rowe Price Overseas

Strategy Overview

T. Rowe Price Overseas Stock I (TROIX)

| Firm | Ownership Structure | Asset Class | Portfolio Details | Benchmark |
|---|---|--|---|-------------------------|
| T. Rowe Price, 100 East Pratt Street, Baltimore MD 21202 | 13.00% Employee Owned Founded 1/1/1937 | Primary: Equity Sub-Style: US Fund Foreign Large Blend | Inception Date: 8/28/2015 # Holdings: 160 25.00% From External Research | MSCI ACWI Ex USA NR USD |

Strategy Summary

T. Rowe Price Overseas has personnel and other advantages over its rivals. Ray Mills has been at the helm of this fund for 13 years; he has been in charge of a foreign large-blend separate account for two decades; and he managed a foreign large-value fund from late 2002 through mid-2010. Thus, he has more portfolio-management experience than most foreign large-cap skippers. He has delivered superior long-term total and risk-adjusted returns at the foreign large-value fund during his tenure there, so he is talented as well as experienced. The process that Mills uses here--which is similar to the one he followed at the foreign large-value fund and the same as the one he uses at his foreign large-blend separate account--is diversified and risk-conscious without being dull or too cautious. Mills invests across the style spectrum by buying a healthy mix of traditional bargain stocks, classic core holdings, and mainstream growth names. He takes a moderate approach to emerging-markets stocks. He permits his stock selection to lead to moderate country and sector overweightings and underweightings but avoids sizable ones. He pays ample attention to issue diversification as well. Mills has earned good results with this approach in various investment climates over the years here, and this fund has posted strong total returns and risk-adjusted returns since opening at the end of 2006. He has exceptional resources to draw on for investment research and support. And T. Rowe Price is an excellent asset manager that has enjoyed ample success with its international-stock funds. This fund is a good source of foreign-stock exposure for the long haul.

Investment Philsophy

Ray Mills pursues companies with fundamental strengths and long-term prospects that are better than their stock prices indicate. He looks for attributes such as accelerating earnings and cash flows, healthy financials, barriers to entry, and managements with sound strategic and operational vision. When it comes to valuations, he examines a variety of earnings, cash flow, sales, and asset-based metrics; he emphasizes different metrics for different industries and stocks, and he evaluates them from historical, relative, and absolute perspectives.

Meanwhile, Mills spreads the portfolio across 140 to 180 names, and he consistently makes full use of the style spectrum. Indeed, the portfolio usually includes some deep-value stocks and fast growers, as well as a plethora of classic core equities. He allows his stock selection to drive the portfolio's sector, country, and regional weightings, but he tends to avoid sizable over- and underweightings and cannot deviate more than 10 percentage points from the weightings of this fund's MSCI EAFE benchmark. Although that index does not include any emerging-markets stocks, he has the freedom to invest in such names and regularly puts about 4% to 8% of the portfolio in such issues. As such, we believe it is more appropriate to benchmark the fund to the MSCI ACWI Ex USA, which includes emerging-markets equities.

While the material contained herein is believed to be reasonable, no guarantee can be provided to its accuracy or completeness. Data included in this document is as of indicated date and subject to change. Past performance does not guarantee future results. Any investment and/or asset allocation, no matter how conservative, can lose money. See disclosure at the end of this document regarding other important information

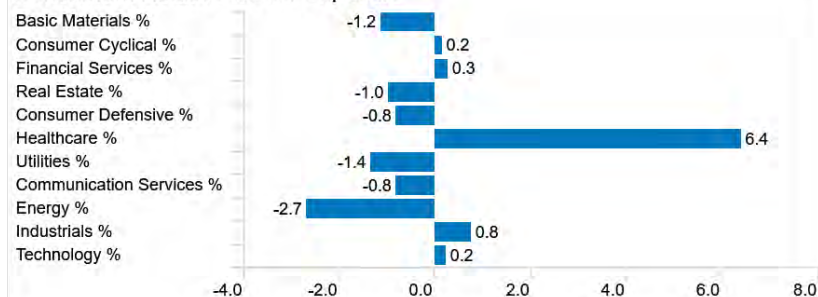
Morningstar Style Box

Portfolio Date: 12/31/2019

| | Value | Blend | Growth |
|-------|-------|-------|--------|
| Large | 33.7 | 36.6 | 10.6 |
| Mid | 6.3 | 5.7 | 6.1 |
| Small | 0.5 | 0.0 | 0.4 |

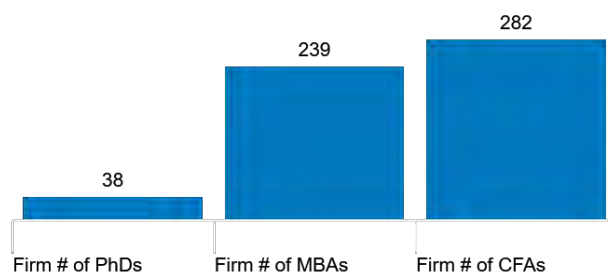
| Market Cap | % |
|--------------------|------|
| Market Cap Giant % | 48.5 |
| Market Cap Large % | 32.7 |
| Market Cap Mid % | 17.9 |
| Market Cap Small % | 0.9 |
| Market Cap Micro % | 0.0 |

Benchmark Relative Sector Exposure



T. Rowe Price Overseas Stock I (TROIX)

Firm Personnel



| | |
|-----------------------------|-----|
| Errors Insured | Yes |
| Fiduciary Liability Insured | Yes |
| Disaster Recovery Plan | Yes |
| GIPS Compliance | Yes |
| Pending SEC Investigation | No |
| Pending Litigation | No |

Manager Tenure Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

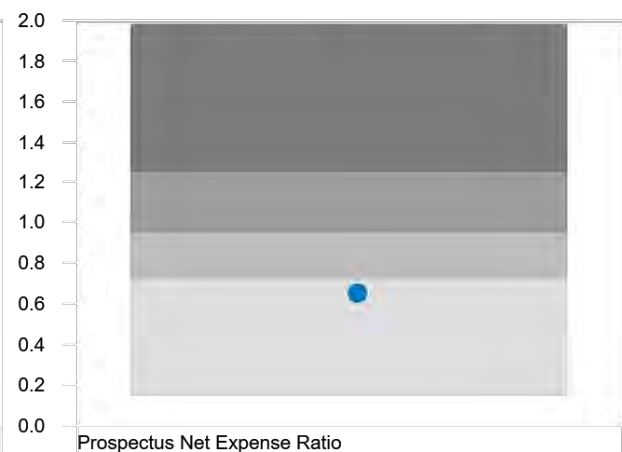
Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Prospectus Net Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - Foreign Large Blend

Top Quartile 2nd Quartile 3rd Quartile Bottom Quartile



Fund Management

T. Rowe Price's success is rooted in its fundamental approach to active management and deep analyst bench. Investors benefit from managers' generally long tenures at the firm, well-planned manager transitions, reasonable costs, and attention to capacity. Many top executives, including CEO Bill Stromberg, rose from the analyst ranks, which helps keep a focus on investors at the forefront, even as the firm expands its distribution footprint outside the United States and bolsters its technology resources. The investment side has received resources, too. The multi-asset team has grown in size, reflecting its importance to the firm's future beyond the esteemed target-date lineup. Despite headwinds facing active managers, T. Rowe remains a powerhouse within U.S. and international equities.

Lead manager Ray Mills has managed this foreign large-blend fund since it opened at the end of 2006 and its younger clone since it opened in 2010. Mills, who is based in Baltimore and has a doctorate in aeronautical and astronautical engineering from Stanford, joined T. Rowe Price in 1997 and started off as a generalist in equity analysis. He managed T. Rowe Price International Value Equity TRIGX from December 2002 through June 2010 using a similar but more value-oriented strategy and produced good results there. He has 21 years of investment experience overall. Mill's collaborates with the firm's 18 other foreign-stock managers, and also makes use of T. Rowe Price's team of more than 160 sector managers, equity analysts, and regional specialist who are spread across six offices around the globe.

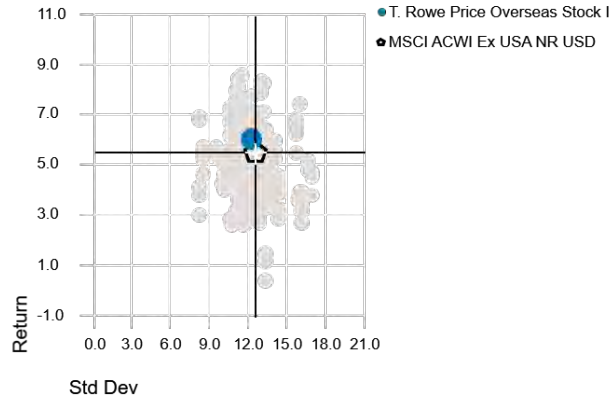
Fees

The share class on this report levies a fee that ranks in category's cheapest quintile. Given the other positive considerations, we believe the lower fees boost the prospects of positive alpha relative to peers.

T. Rowe Price Overseas Stock I (TROIX)

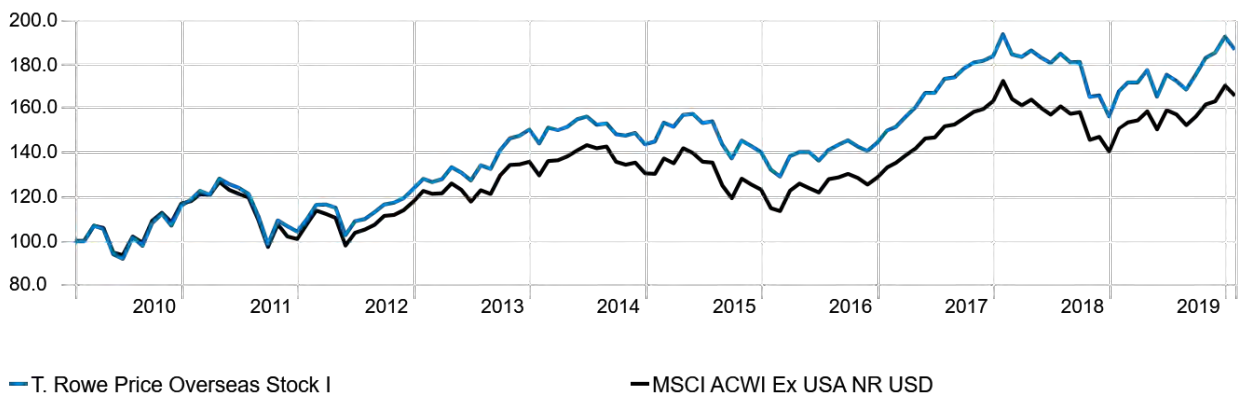
Risk-Reward

Time Period: 1/1/2015 to 12/31/2019



Investment Growth

Time Period: 2/1/2010 to 1/31/2020



Performance Statistics

Time Period: 1/1/2015 to 12/31/2019 Calculation Benchmark: MSCI ACWI Ex USA NR USD

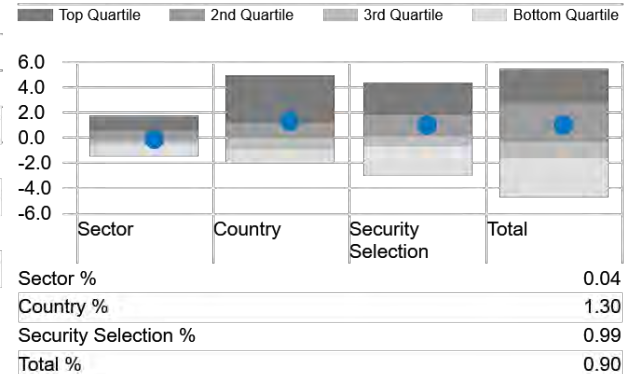
| | T. Rowe Price Overseas Stock I | MSCI ACWI Ex USA NR USD | US Fund Foreign Large Blend |
|---------------------------|--------------------------------|-------------------------|-----------------------------|
| Return | 6.02 | 5.51 | 5.20 |
| Std Dev | 12.23 | 12.53 | 11.65 |
| Sharpe Ratio | 0.45 | 0.40 | 0.40 |
| Information Ratio (arith) | 0.18 | — | -0.14 |
| Beta | 0.95 | 1.00 | 0.92 |
| Tracking Error | 2.83 | 0.00 | 2.29 |

Trailing Peer Group Performance

Peer Group: Open End Funds - U.S. - Foreign Large Blend

| | 1 Year | 3 Years | 5 Years | 10 Years |
|--------------------------------|--------|---------|---------|----------|
| T. Rowe Price Overseas Stock I | 23.05 | 10.06 | 6.02 | 6.27 |
| MSCI ACWI Ex USA NR USD | 21.51 | 9.87 | 5.51 | 4.97 |
| 5th Percentile | 27.57 | 12.08 | 7.07 | 7.23 |
| 25th Percentile | 24.81 | 10.00 | 5.90 | 5.83 |
| 50th Percentile | 21.87 | 9.01 | 5.30 | 5.26 |
| 75th Percentile | 20.40 | 8.01 | 4.40 | 4.67 |
| 95th Percentile | 17.23 | 6.12 | 3.37 | 3.18 |

1-Year Performance Attribution



Performance

This foreign large-blend fund posted mixed results as most international markets earned nice gains over the past 12 months. Several of manager Ray Mills' technology and other picks flourished during the period, but a number of his communication-services and other holdings languished. All told, this share class of this fund returned 23.05% for the year ended Dec. 31, 2019, while the typical foreign large-blend fund gained 21.87.0%, the MSCI EAFE Index returned 22.01% and the MSCI ACWI ex USA Index gained 21.51%.

This fund has earned solid and consistent results over the middle run as well. It has comfortably outpaced the average foreign large blend offering over the three- and five-year periods, but investors should not expect large bouts of out- or underperformance relative to the benchmark. This fund remains risk controlled around the benchmark generating consistent incremental excess returns that compounds and benefits investors for the long haul.

While the material contained herein is believed to be reasonable, no guarantee can be provided as to its accuracy or completeness. The data, methodologies, and conclusions presented in this document may change over time without notice. There can be no assurance that the investments and/or asset classes referred to in this document will perform in a manner consistent with their historical performance and/or any forward-looking assumptions or opinions stated verbally or in this document. Any investment and/or asset allocation, no matter how conservative, can lose money. Historical performance results do not reflect the deduction of transaction fees, custodial charges, and/or investment management fees, which would serve to decrease historical performance results. This report in and of itself does not constitute a recommendation or investment advice offered by Northwest Capital Management, Inc. This report is provided solely for informational purposes and therefore is not an offer to buy or sell a security. Unless Northwest Capital Management, Inc. is making a separate, written recommendation to its client, or is exercising discretionary authority to affect a transaction involving this security for its clients, Northwest Capital Management, Inc. shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. The extent of liability Northwest Capital Management, Inc. may have, if any, to its clients will be determined by applicable law. Some of the data contained within this report has been provided by third party sources including but not limited to Morningstar and Lipper.

Global Fixed Income Review

**County of Fresno
457 Deferred Compensation Plan**

Brent Petty
503-597-1641 | brentp@nwcm.com
Northwest Capital Management, Inc.
March 2020

Global Fixed Income

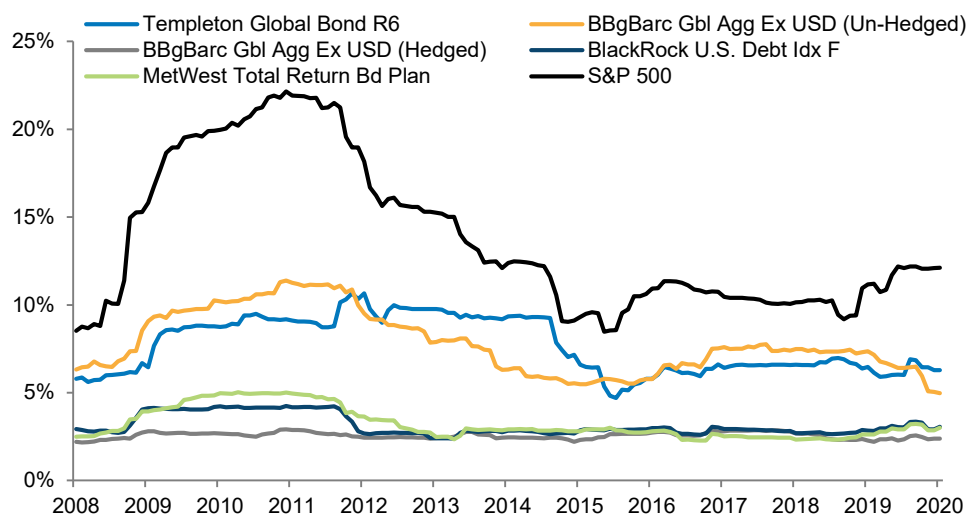
As of December 31, 2019

This document has been prepared to provide an analysis of the incumbent option, Templeton Global Bond, and whether to replace with a passive currency hedged manager or eliminate the asset class from the menu.

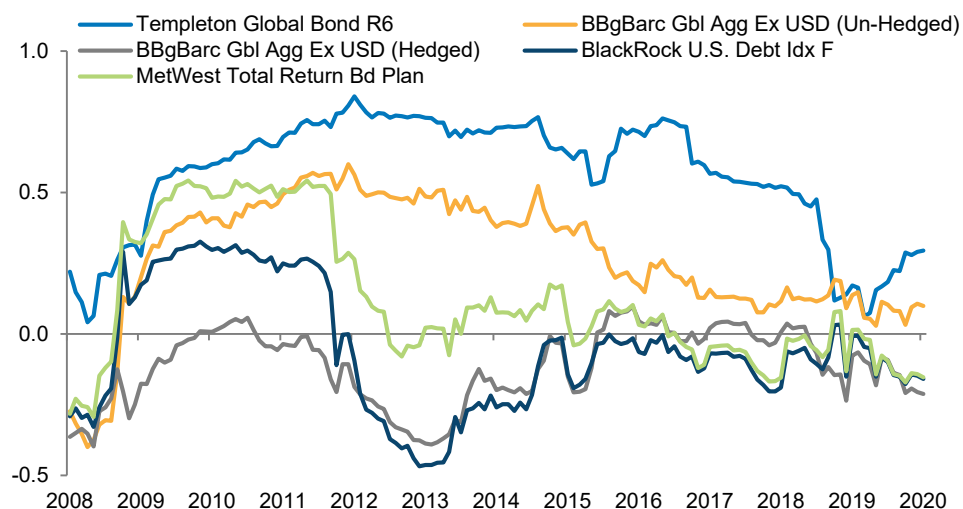
UPDATE OF TEMPLETON GLOBAL BOND

- The Global Bond Fund was reclassified to Nontraditional from World Bond under Morningstar’s categorization methodology due to its aggressive negative interest rate and currency positioning. The parent company, Franklin Resources, cited the fund’s reclassification as a major contributor to the significant outflows of \$27.3 billion in 2019.
- We do not mark this reclassification as a change in strategy since management has maintained its unconstrained approach. However, given the fund’s high correlation to equity and high volatility profile, we do not believe that this fund offers participants an equity diversifier nor a typical fixed income generator.
- The fund’s poor performance metrics have brought the fund’s score down to a 4 under our scoring methodology. The strategy has recovered lost ground quickly in the past, but the team’s contrarian calls have made for a volatile ride. One that participants may not recognize in a fixed income fund.

Rolling 3-Year Volatility (St. Dev.)



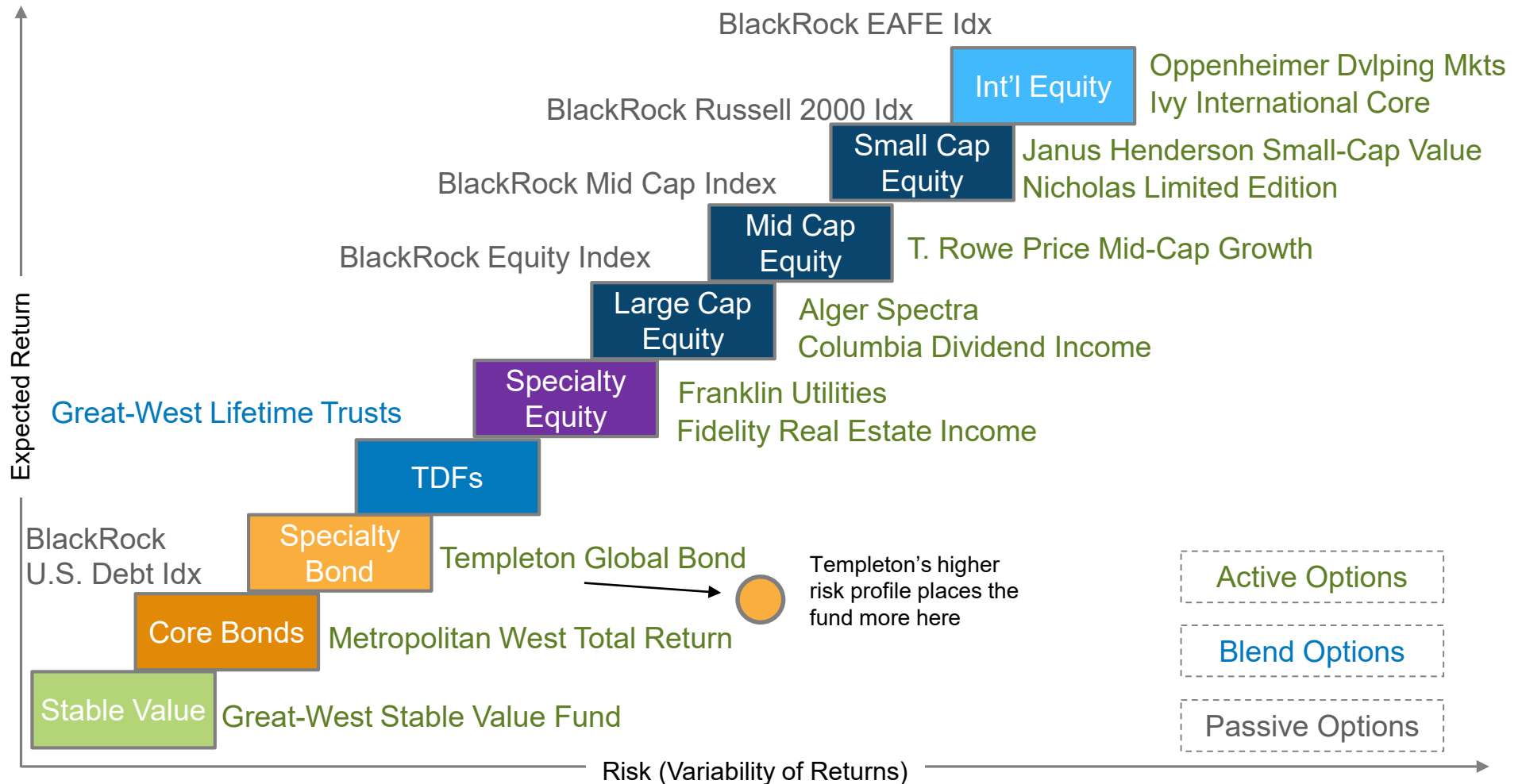
Rolling 3-Year Correlation With S&P 500



Source: Morningstar, NWCM

Fresno Investment Menu Risk/Return Spectrum

As of December 31, 2019



Fund Scoring

As of December 31, 2019

- Templeton's fund score dropped to a 4 in the fourth quarter as a result of underperformance that can be contributed to its negative duration positioning.
- Additionally, the fund's tactical currency positioning have created a bumping ride leading the fund to rank amongst the top in volatility and lowest for risk-adjusted returns relative to peers.

Trailing Fund Scores

| 4Q19 | 3Q19 | 2Q19 | 1Q19 | 4Q18 | 3Q18 | 2Q18 | 1Q18 | 4Q17 |
|------|------|------|------|------|------|------|------|------|
| 4 | 5 | 7 | 6 | 6 | 7 | 5 | 6 | 6 |

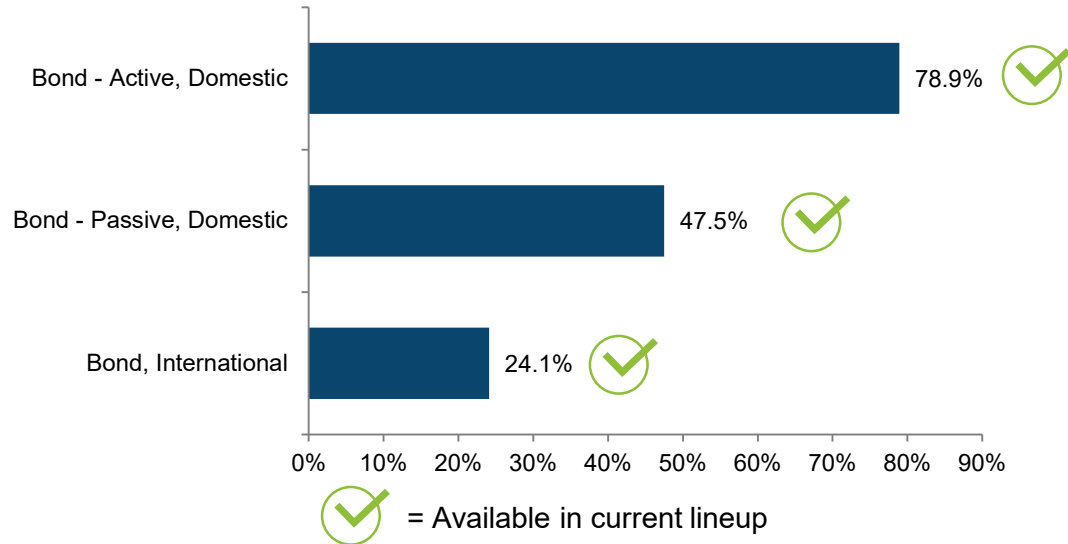
| | Overall Fund Score | Return | | | Risk Adjusted Return (Sharpe) | | | Standard Deviation | | | Up Capture | | | Down Capture | | | Expense | Tenure |
|----------------|--------------------|--------|------|------|-------------------------------|------|------|--------------------|------|------|------------|--------|-------|--------------|---------|--------|--------------|----------------|
| | | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | 3Y | 5Y | 10Y | Expense Rank | Avg Mgr Tenure |
| Peer ranking → | 4 | 96 | 70 | 30 | 97 | 78 | 52 | 91 | 86 | 91 | 98 | 97 | 93 | 1 | 1 | 1 | 14 | 10 |
| Absolute | | 1.79 | 1.59 | 3.71 | 0.04 | 0.11 | 0.44 | 6.28 | 6.70 | 7.50 | -39.47 | -17.75 | 39.90 | -211.15 | -102.22 | -58.39 | 0.57 | 18.17 |

Source: Morningstar, NWCM

Fixed Income Menu Trends

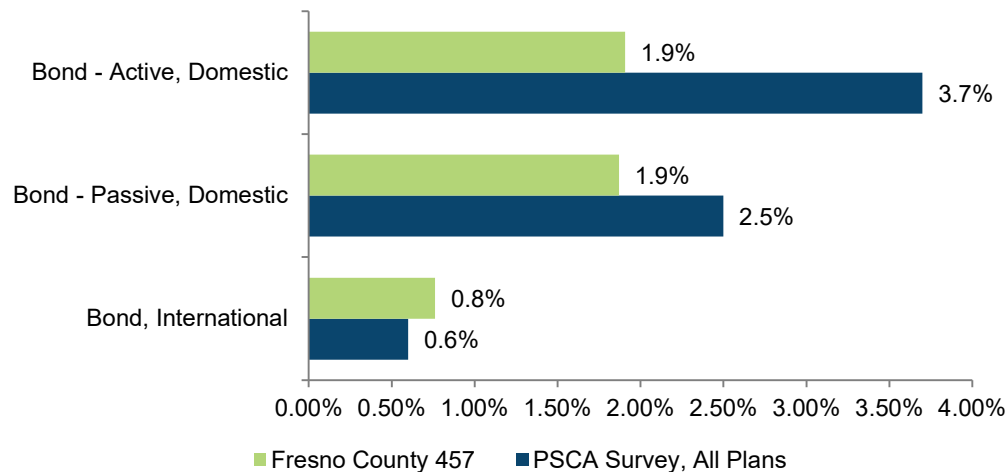
As of December 31, 2019

Percentage of Plans Offering



- Most commonly, DC plans offer an active U.S. fixed income option.
- Passive fixed income funds have also become more prevalent as a component of the passive tier
- International or specialty bond funds (high yield, unconstrained, etc.) can often be misunderstood or misused
- NWCM continues to recommend the plan's current domestic fixed income strategy (MetWest) to opportunistically invest in high yield and other US dollar issues the core active fixed income offering.
- The County of Fresno offers passive high-quality, active-core plus strategies, and active global unconstrained.

Asset Allocation When Offered



Source: Plan Sponsor Council of America "61st Annual Survey – PSCA's Annual Survey of Profit Sharing and 401(k) Plans." 2018.

Benefits of Global Fixed Income

As of December 31, 2019

- An allocation to global bond markets gives investors exposure to a greater number of securities, markets, and economic and inflation environments than they would have with a portfolio composed purely of local market fixed income.
- In theory, this diversification can help reduce a portfolio's volatility without necessarily decreasing its total return.
- We have found the best way to realize the diversification potential of global bonds is to hedge the currency exposure back to the investor's local currency.
- Vanguard Total International Bond Index (VTABX) tracks a similar index as displayed in the column to the right of Templeton in the correlation table. This index composes of international bonds while hedging currency exposure back to the U.S. dollar.

Higher Correlation to U.S. and International Equities Negative Correlation to Core Equities

10-Year Correlation
Monthly returns
12/31/2009 – 12/31/2019

| | | Templeton Global Bond R6 | Int'l Fixed Income (USD Hedged)* | BlackRock U.S. Debt Index | Metropolitan West Total Return Bd Plan |
|--------------|--------------------------------------|--------------------------|----------------------------------|---------------------------|--|
| Large Cap | BlackRock Equity Index | 0.59 | -0.18 | -0.22 | -0.05 |
| | Alger Spectra Z | 0.52 | -0.16 | -0.17 | -0.02 |
| | Columbia Dividend Income Inst3 | 0.60 | -0.12 | -0.18 | -0.05 |
| Mid Cap | T. Rowe Price Mid-Cap Growth I | 0.52 | -0.20 | -0.22 | -0.06 |
| | Blackrock Mid Cap Eq Idx Fund | 0.58 | -0.18 | -0.21 | -0.05 |
| Small Cap | BlackRock Russell 2000® Index | 0.53 | -0.26 | -0.28 | -0.12 |
| | Nicholas Limited Edition I | 0.48 | -0.27 | -0.27 | -0.12 |
| | Janus Henderson Small Cap Value N | 0.55 | -0.25 | -0.28 | -0.13 |
| Int'l Equity | BlackRock EAFE® Equity Index | 0.68 | -0.14 | -0.10 | 0.07 |
| | Ivy International Core Equity N | 0.67 | -0.17 | -0.13 | 0.03 |
| | Invesco Oppenheimer Dvloping Mkts R6 | 0.70 | -0.10 | -0.02 | 0.12 |

| Name | Templeton Global Bond R6 | Vanguard Total Intl Bd Idx Admiral™ |
|------------------------|-----------------------------|---|
| Ticker | FBNRX | VTABX |
| NWCM Category | Global Bonds Hedged | Global Bonds Hedged |
| Morningstar Category | US Fund Nontraditional Bond | US Fund World Bond-USD Hedged |
| Index Fund | No | Yes |
| Prospectus Benchmark | FTSE WGBI USD | BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD |
| Fund Size USD | 26,312,736,685 | 26,091,608,692 |
| Prospectus Net Expense | 0.57 | 0.11 |
| US Bond % | 18.84 | 3.18 |
| Non-US Bond % | 57.63 | 96.52 |
| Cash % | 22.87 | 0.04 |

*Bloomberg Barclays Global Aggregate ex USD Hedged USD
Source: Morningstar

Poor interest rate and currency decisions has led to Templeton Global Bond being recommended to be listed as To Be Removed. As a fixed income fund, the volatility embedded in Templeton may not be properly understood by participants. Many plan sponsors do not offer international fixed income within plan lineups. If they do, like the County of Fresno, the fund does not receive much allocation from participants. However, Global fixed income, particularly when hedged, has demonstrated diversification benefits with core equities that have domestic-like volatility. Below lays out the pros and cons of (1) replacing the fund with Vanguard Total International Bond Index or (2) eliminating the asset class by mapping to age-appropriate QDIA.

1 Replace Templeton with Vanguard Total International Bond Index

Pros

- Eliminates poor performing fund that is recommended To Be Removed.
- Allows participants to continue to access global fixed! income markets.
- Reduces fund expenses for some participants.
- All fixed income options will offer diversification benefits for! participants.

Cons

- The current passive suite is managed by BlackRock, which may confuse participants – BlackRock does not offer a mutual fund or CIT of hedged international fixed income.

2 Eliminate asset class and map assets to age-appropriate QDIA.

Pros

- Eliminates poor performing fund that is recommended To Be Removed.
- Eliminates asset classes that only nearly 1 in 4 plan sponsors offer, and when offered, participants typically do not utilize.
- Slims menu down to reduce participant confusion or selection paralysis.
- Participants mapped to the QDIA still receive the benefits of global fixed income inside the target-date funds.

Cons

- Participants cannot chose their allocation to global bonds and may only invest in foreign fixed income within the target-date funds.

Strategy Overview

Strategy Overview

Vanguard Total Intl Bd Idx Admiral™ (VTABX)

| Firm | Ownership Structure | Asset Class | Portfolio Details | Benchmark |
|--|--|--|--|---|
| Vanguard, 100 Vanguard Boulevard, Malvern, PA 19355, USA | 'Mutual' ownership structure owned by its funds, which are owned by fund investors | Primary: Fixed Income Sub-Style: US Fund World Bond-USD Hedged | Inception Date: 5/31/2013 # Holdings: 5,605 | BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD |

Strategy Summary

This strategy will invest by sampling the index to provide returns consistent with the performance of the index, a market-weighted index of global government, government-related agencies, corporate, and securitized fixed income investments. The objective of the fund is to target a tracking error of zero while seeking returns in line with the benchmark, after fees. Vanguard's global approach to passive management is logical and pragmatic, the manager's scale, depth and experience provide a competitive advantage relative to peers in the passive arena. The experience and stability of the team have permitted continuous refinement of techniques for reducing tracking error. The group uses proprietary tools to maintain close correlation with index performance and to implement fund flows efficiently. Vanguard has built on its long-time success in passive management and is now one of the largest investment management companies offering a range of active and passive products for both the institutional and retail market.

Investment Philsophy

To Vanguard, "passive" does not mean "no decisions". The firm believes that active decisions, where the risk taken is deemed sufficiently low, are made to reduce tracking error and transaction costs, not to add alpha. Vanguard's approach to managing assets by geography is sensible. Trading takes place around the clock across three regions, (Asia Pacific, UK, and US) allowing local traders to make timely decisions. Vanguard believes that local portfolio management allows for a better understanding of local broker/bank axes (i.e. interest shown in buying/selling a bond), and regional nuances which aid implementation.

The team matches the benchmark for all primary and secondary risk factors, and maintains duration and yield curve positioning in line with the Index. Sector weights and various other key risk factors are kept roughly in line with the Index. The firm monitors sector, industry, and quality exposure based on spread duration, contribution to duration (CTD), and duration times spread (DTS), in addition to market value weights, which provides better tracking fit.

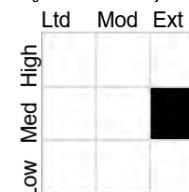
Vanguard uses some techniques to gain a very slight performance advantage relative to the benchmark (in an effort to offset expenses). For example, within the corporate sector, the team tilts toward bonds that are rated highly by its internal credit research team while tilting away from lower rated issuers. That said, the corporate basis is constructed with only modest sampling, as the portfolio is built to mirror the quality, sub-sector classification, and spread distribution of the Index. The trading team is encouraged to provide liquidity when it is to the firm's advantage and replacement securities can be easily purchased to maintain neutrality versus the Index.

While the material contained herein is believed to be reasonable, no guarantee can be provided to its accuracy or completeness. Data included in this document is as of indicated date and subject to change. Past performance does not guarantee future results. Any investment and/or asset allocation, no matter how conservative, can lose money. See disclosure at the end of this document regarding other important information

Morningstar Style Box

Portfolio Date: 12/31/2019

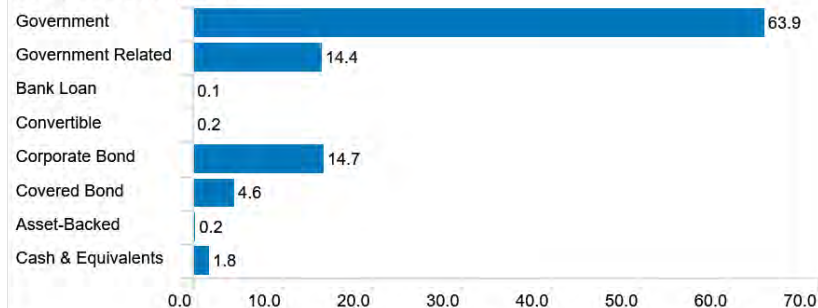
Morningstar Fixed Income Style Box™



Fixed-Income Stats

| | |
|----------------------|-------|
| Average Eff Duration | 8.3 |
| Average Eff Maturity | 9.9 |
| Average Coupon | 2.2 |
| Average Price | 108.4 |

Fund Sector Exposure



Vanguard Total Intl Bd Idx Admiral™ (VTABX)

Manager Tenure Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - World Bond-USD Hedged

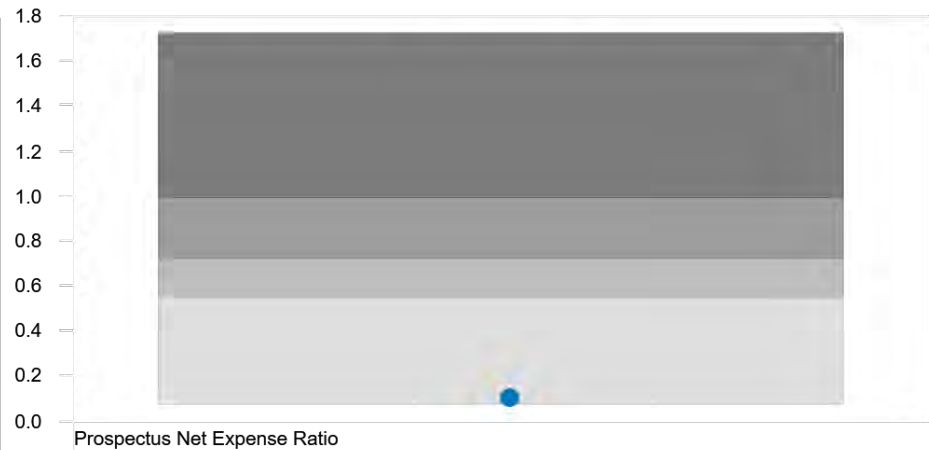
■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Prospectus Net Expense Ratio Relative to Peer Group

Peer Group (5-95%): Open End Funds - U.S. - World Bond-USD Hedged

■ Top Quartile ■ 2nd Quartile ■ 3rd Quartile ■ Bottom Quartile



Fund Management

Vanguard was founded in 1975 as a part of Wellington Management, which continues to sub-advise a large portion of assets for Vanguard. Vanguard is one of the largest investment management companies with over \$4 trillion in assets under management. The firm is headquartered in Malvern, PA with investment offices across North America, Europe, Australia and Asia. Instead of being publicly traded or owned by a small group of individuals, Vanguard is owned by the Vanguard family of mutual funds. The Vanguard funds, in turn, are owned by their shareholders—or client-owners. We believe this aligns interest with clients and should enable the firm to keep the costs of funds at the lowest reasonable level. Vanguard is currently unable to replicate this mutual ownership structure outside the US for legal reasons but they apply the same cultural and philosophical principles of not pursuing short term asset growth or generating profits for third party owners. Economies of scale at a firm-wide level should help with keeping costs down everywhere they do business.

Joshua Barrickman was named as manager in 2013. He has worked in investment management at Vanguard since 1999 and managed investment portfolios since 2005. In 2013, he was promoted to head of Vanguard's bond index group. Portfolio management at Vanguard is a team effort, so key-person risk is not a concern. A team of over 20 portfolio managers / traders dedicated to managing fixed income index funds are responsible for the management of funds that track a series of US and non-US indices. Vanguard's portfolio manager/trader model allows for most portfolio managers to also execute trades, resulting in strong ownership and familiarity between portfolio managers and portfolio trades. Vanguard has over 150 investment professionals in the Fixed Income Group, separate from the firm's extensive Risk Management Group.

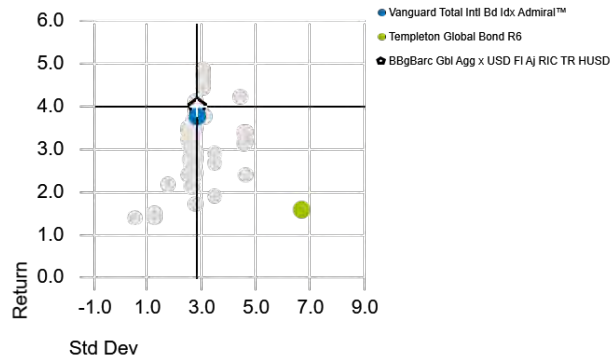
Fees

The fees charged by Vanguard on its passive products are largely in line with passive competitors. The firm uses its breadth, asset base and unique ownership structure to reduce transaction costs, maximize efficiency and pass savings on to its investors. We note that Vanguard's preference is for mutual/pooled funds rather than segregated accounts although they will consider this for very large mandates. This ties-in with Vanguard wanting to capitalize as much as possible on economies of scale and keep running costs low. Given Vanguard's lack of other higher margin business and securities lending handled by third-parties rather than in house, we recognize that they could lose out on passive business because its rivals are able to undercut pricing in order to capture higher margin areas of clients' portfolio or receive less transparent revenue through securities lending.

Vanguard Total Intl Bd Idx Admiral™ (VTABX)

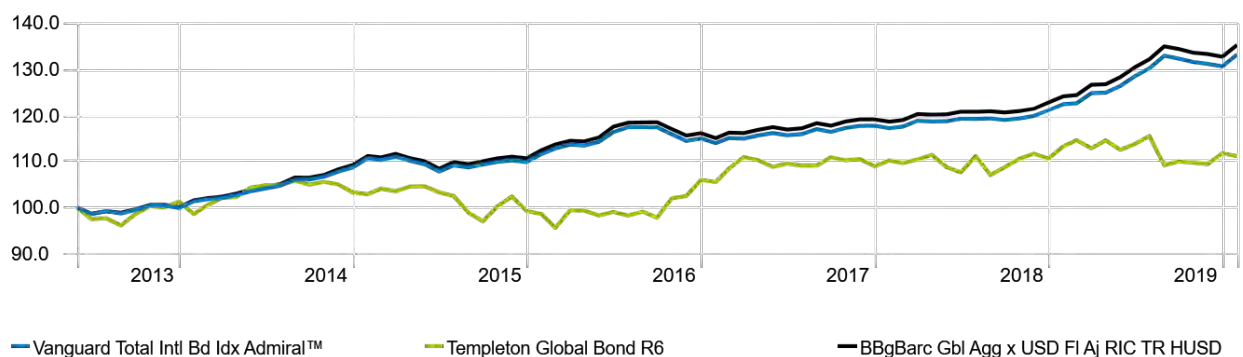
Risk-Reward

Time Period: 1/1/2015 to 12/31/2019



Investment Growth

Time Period: 6/1/2013 to 1/31/2020



Performance Statistics

Time Period: 1/1/2015 to 12/31/2019

| | Vanguard Total Intl Bd Idx Admiral™ | Templeton Global Bond R6 | BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD |
|---------------------------|-------------------------------------|--------------------------|---|
| Return | 3.76 | 1.59 | 3.98 |
| Std Dev | 2.82 | 6.70 | 2.84 |
| Sharpe Ratio | 0.95 | 0.10 | 1.02 |
| Information Ratio (arith) | -1.34 | -0.31 | — |
| Beta | 0.99 | -0.47 | 1.00 |
| Tracking Error | 0.17 | 7.75 | 0.00 |

Trailing Peer Group Performance

Peer Group: Open End Funds - U.S. - World Bond-USD Hedged

| | 1 Year | 3 Years | 5 Years | 10 Years |
|---|--------|---------|---------|----------|
| Vanguard Total Intl Bd Idx Admiral™ | 7.88 | 4.37 | 3.76 | — |
| Templeton Global Bond R6 | 1.01 | 1.79 | 1.59 | 3.71 |
| BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD | 8.06 | 4.57 | 3.98 | — |
| 5th Percentile | 14.56 | 6.66 | 4.72 | 5.77 |
| 25th Percentile | 9.85 | 5.14 | 3.75 | 5.17 |
| 50th Percentile | 8.60 | 4.09 | 3.23 | 4.13 |
| 75th Percentile | 7.40 | 3.50 | 2.81 | 3.70 |
| 95th Percentile | 6.01 | 2.56 | 1.79 | 1.56 |

Trailing Peer Group Sharpe Ratio

Peer Group: Open End Funds - U.S. - World Bond-USD Hedged

| | 1 Year | 3 Years | 5 Years | 10 Years |
|---|--------|---------|---------|----------|
| Vanguard Total Intl Bd Idx Admiral™ | 1.66 | 1.07 | 0.95 | — |
| Templeton Global Bond R6 | -0.11 | 0.04 | 0.10 | 0.44 |
| BBgBarc Gbl Agg x USD FI Aj RIC TR HUSD | 1.71 | 1.14 | 1.02 | — |
| 5th Percentile | 3.55 | 1.54 | 1.18 | 1.65 |
| 25th Percentile | 2.61 | 1.26 | 0.95 | 1.36 |
| 50th Percentile | 2.04 | 0.98 | 0.79 | 1.22 |
| 75th Percentile | 1.77 | 0.79 | 0.59 | 1.09 |
| 95th Percentile | 1.47 | 0.43 | 0.31 | 0.54 |

Performance

The strategy's returns have been in-line with its respective benchmark and has been strong compared with its category peers. The fund's longer-than-peer-average duration helped performance, as interest rates have decline in major markets during global central bank easing. The fund does take less credit risk than most of its category active peers, owing to its benchmark weight position in government bonds. This has helped it hold up better in turbulent periods such as the fourth quarter of 2019, when the fund outpaced the category average by 100 basis points.

Tracking error has been solid over trailing periods and we like that benchmark out-performance is treated with the same enquiry as underperformance. The portfolio managers may only seek to add incremental value in order to offset transaction costs when the active risk is deemed sufficiently small. Vanguard's primary method of adding value is via participating in primary issuance ahead of inclusion in a bond index. We believe Vanguard to have the necessary experience and ability to take marginal active risk in portfolios in order to help negate some degree of transaction costs. However, in order to ensure that any risk taking is truly margins, we like that out-performance is treated with the same enquiry as underperformance. Vanguard lends securities only from its equity funds. They lent securities from their fixed income funds until 2009, when market conditions made the risk-reward unattractive, they continually monitor market conditions and other factoring, periodically reevaluating their securities lending program to ensure they are proving clients the best chance of investing success.

Appendix

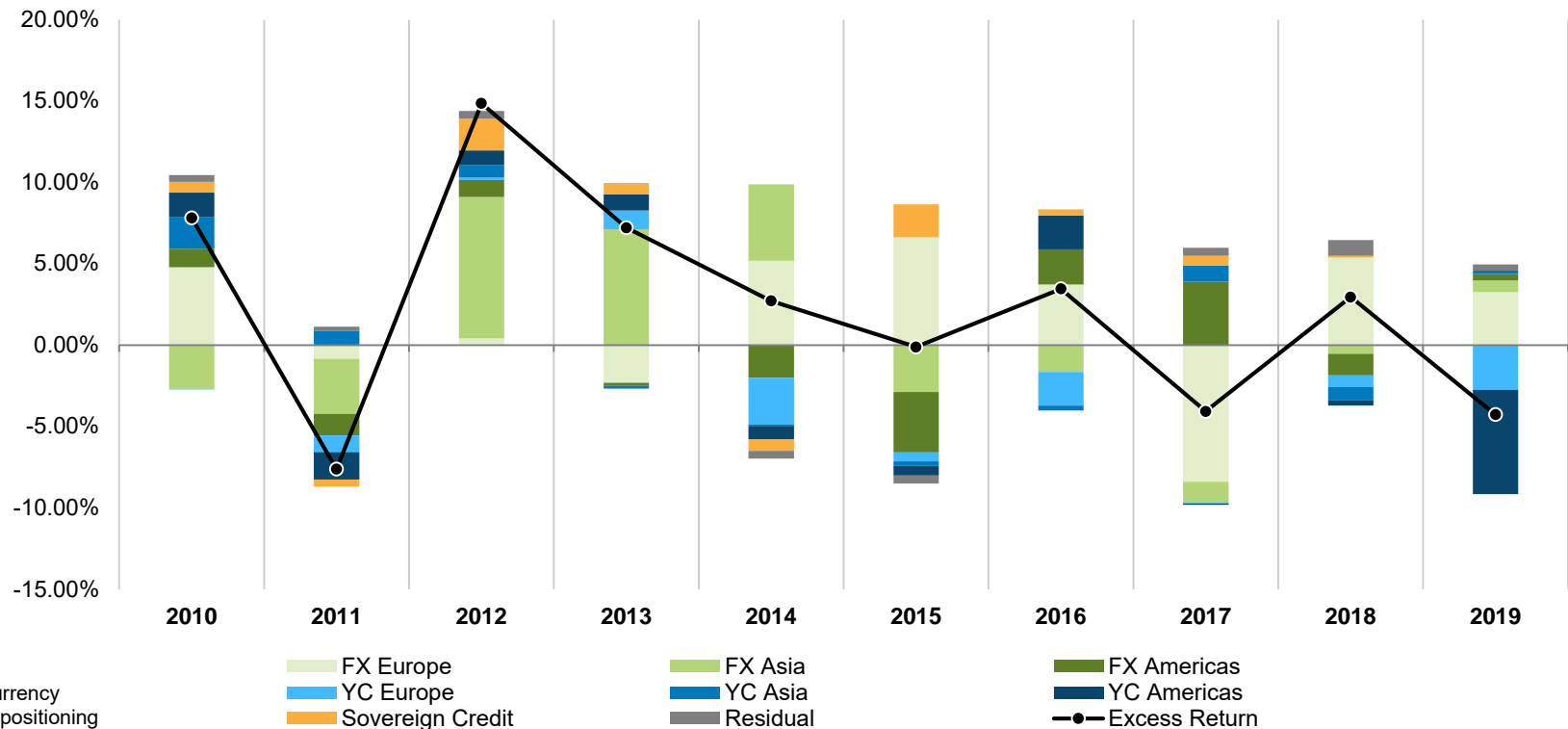
Performance Attribution

As of December 31, 2019

| Annual Total Return (%) | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 |
|----------------------------|-------|-------|-------|-------|-------|-------|------|------|-------|------|
| Templeton Global Bond R6 | 12.68 | -2.37 | 15.81 | 2.36 | 1.97 | -3.91 | 6.78 | 2.79 | 1.57 | 1.01 |
| FTSE WGBI USD | 5.17 | 6.35 | 1.65 | -4.00 | -0.48 | -3.57 | 1.60 | 7.49 | -0.84 | 5.90 |
| Peer: Global Bond Unhedged | 6.80 | 3.29 | 7.75 | -2.88 | 1.69 | -4.13 | 3.80 | 6.88 | -1.41 | 6.83 |
| Peer: Global Bond Hedged | 6.38 | 3.00 | 7.47 | -0.75 | 5.86 | -0.05 | 4.15 | 3.77 | 0.77 | 8.70 |

Fixed Income Attribution

Benchmark: FTSE World Government Bond Index (WGBI)



FX: Foreign exchange / currency
YC: Yield curve / duration positioning

Source: Morningstar, Franklin Templeton Investments (via Barclays POINT), and NWCM. Fund returns in italics indicate Extended Performance. Extended performance is an estimate based on the performance of the fund's oldest share class, adjusted for fees. The data is presumed to be accurate although Franklin Templeton Investments makes no guarantee of such. The performance attribution shown is calculated based on end-of-day portfolio holdings and not on specific fund portfolio transactions. As a result, the performance shown will differ from that shown in third party sources and reported by Franklin Templeton Investments which is calculated on the basis of specific fund transaction data. Past performance does not guarantee future results.

While the material contained herein is believed to be reasonable, no guarantee can be provided as to its accuracy or completeness. The data, methodologies, and conclusions presented in this document may change over time without notice. There can be no assurance that the investments and/or asset classes referred to in this document will perform in a manner consistent with their historical performance and/or any forward-looking assumptions or opinions stated verbally or in this document. Any investment and/or asset allocation, no matter how conservative, can lose money. Historical performance results do not reflect the deduction of transaction fees, custodial charges, and/or investment management fees, which would serve to decrease historical performance results. This report in and of itself does not constitute a recommendation or investment advice offered by Northwest Capital Management, Inc. This report is provided solely for informational purposes and therefore is not an offer to buy or sell a security. Unless Northwest Capital Management, Inc. is making a separate, written recommendation to its client, or is exercising discretionary authority to affect a transaction involving this security for its clients, Northwest Capital Management, Inc. shall not be responsible for any trading decisions, damages or other losses resulting from, or related to, this information, data, analyses or opinions or their use. The extent of liability Northwest Capital Management, Inc. may have, if any, to its clients will be determined by applicable law. Some of the data contained within this report has been provided by third party sources including but not limited to Morningstar and Lipper.

Great-West Separate Account Stable Value Review

**County of Fresno
457 Deferred Compensation Plan**

Country of Fresno Stable Value Fund

As of December 31, 2019

NWCM, Inc. confirms that, as of 12/31/2019, the Great-West County of Fresno Stable Value Separate Account remains a prudent option for the County's plan. The fund's performance remains appropriate with the stated investment objectives and portfolio construction methodology.

The following analysis enables the County to compare its offering relative to the current stable value universe collected by NWCM.

OVERVIEW OF GREAT-WEST STABLE VALUE

OWNERSHIP

- Great-West has offered stable value for over 40 years and operates as a wholly-owned subsidiary of Power Financial Corporation. As the sole wrap provider, Great-West's high credit quality plays an important role but remains exposed to inherent risks of the insurance industry.
- Great-West Capital Management serves as the investment adviser to Great-West Funds, Inc; and supports a variety of solutions, including risk-based funds, target date funds, lifetime income products, and custom stable value funds.

INVESTMENT PHILOSOPHY

- Value added is primarily derived from sector emphasis and individual utilization of a bottom up fundamental valuation process integrated with a top-down macro-economic approach.
- Great-West focuses on an above average yield, not positioning the portfolio based on anticipated interest rate movements. The strategy does not anticipate excess return as a result of interest rate and duration calls.

STRENGTHS

- Great-West's relatively smaller assets under management and strong relationships on the street help them get smaller, yet still meaningful, allocations that allow them to add value.
- Diverse approach to finding value in spread sectors and emphasis on downside risk protection makes it ideal for risk averse investors.
- The Firm benefits from its emphasis on stable value with a focus on principal protection.

Stable Value Environment

As of December 31, 2019

The following information was gathered by NWCM from 16 stable value collective trusts. These stable value providers collectively manage over \$146.3 billion. The following trends occurred in the fourth quarter of 2019:

- The average **Market-to-Book** ratio declined (deteriorated) by 0.12% during the fourth quarter to 101.3%. Overall, rates fell throughout 2019 raising most Market-to-Book ratios to over 100%.
- The average **Gross Crediting Rate** (before fees) decreased 0.07% from the previous quarter to 2.4%
- Wrap capacity has continued to improve as the economy has stabilized. Banks and insurance companies have become more willing to negotiate less restrictive investment guidelines and lower wrap fees.
- **Wrap fees** have in many cases been moving deeper into the sub-20 basis point range (0.20%) with most funds between 16 to 23 bps (0.16 to 0.23%).
- **Average Stable Value Fees** for accounts over \$50M were 0.42%.

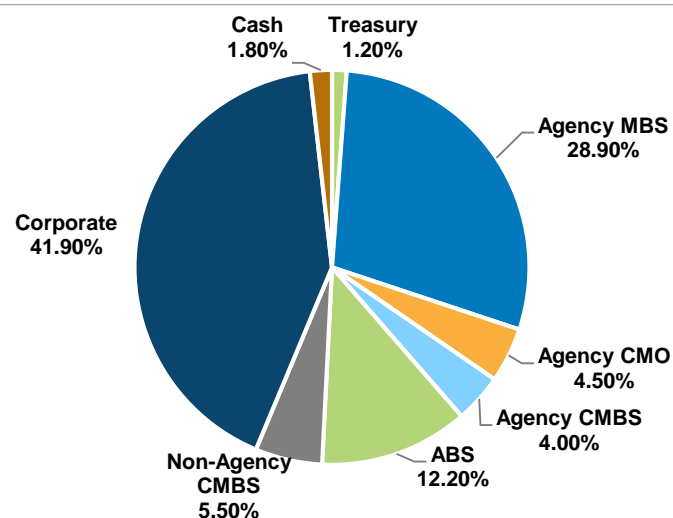
Gross crediting rate is gross of investment management fees and net of wrap fees

Source: NWCM. The data gathered from the collective trusts are all known in the institutional retirement industry. Statistics are reported by the investment managers and there may be differences in calculation methodologies among managers. The above information is not a complete analysis of every material fact concerning any market, industry, or investment. Data has been obtained from sources considered reliable, but NWCM makes no representation as to the completeness or accuracy of such information.

County of Fresno Stable Value Fund

As of December 31, 2019

Sector Allocation



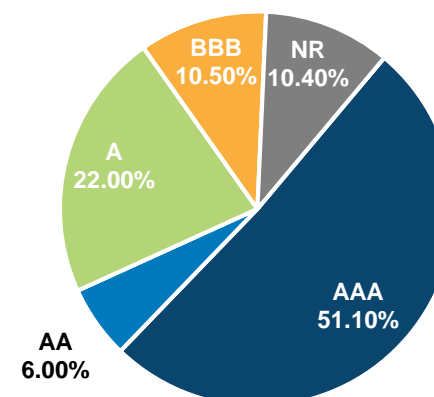
Fund Characteristics

| | Fresno SV | Universe |
|--------------------------------------|-----------|----------|
| Market Value of Assets | \$66.10M | |
| Average Credit Quality (S&P/Moody's) | AA-/AA | |
| Net Crediting Rate | 2.35% | |
| Gross Crediting Rate | 2.49% | 2.43% |
| Average Duration | 2.8 | 2.6 |
| Market-to-Book | 101.40% | 101.28% |

Fee Breakdown

| | Fresno SV | Universe >\$50M |
|--------------------------------------|-----------|-----------------|
| Investment Management Fees | 0.14% | 0.22% |
| Wrap Fees | 0.20% | 0.17% |
| Other Expenses | 0.00% | 0.03% |
| Total Annual Fund Operating Expenses | 0.34% | 0.42% |

Portfolio Quality (Moody's)



*County of Fresno Stable Value Fund net crediting rate is net of fees of 0.34% of assets, which consist of (1) investment management fees of 0.14% of assets; and (2) and wrap fees of 0.20% of assets.

**County of Fresno Stable Value Fund gross crediting rate is calculated by NWCM and are for illustrative purposes only. The gross crediting rate is net of wrap fees of 0.20%, but exclude investment management fees for comparison purposes.

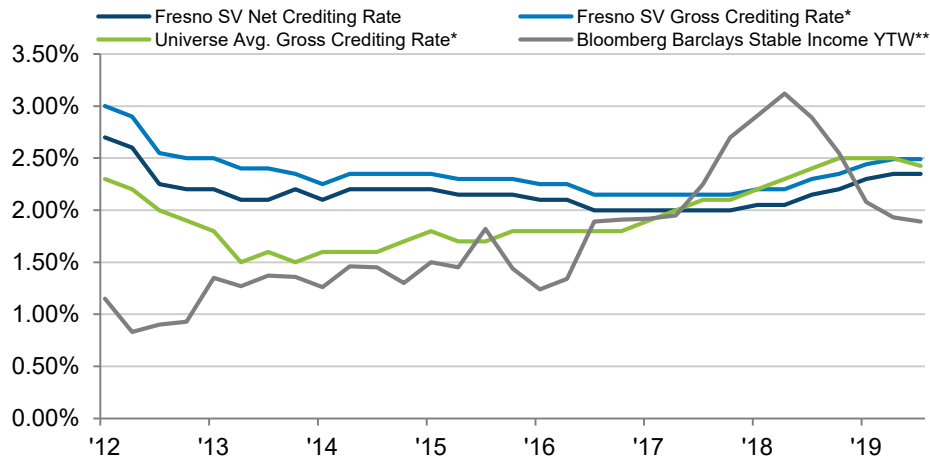
Statistics are reported by the investment managers; there may be differences in calculation methodology among managers. NWCM does not confirm or validate the results reported by the managers

Source: NWCM, Great-West, as of 12/31/2019

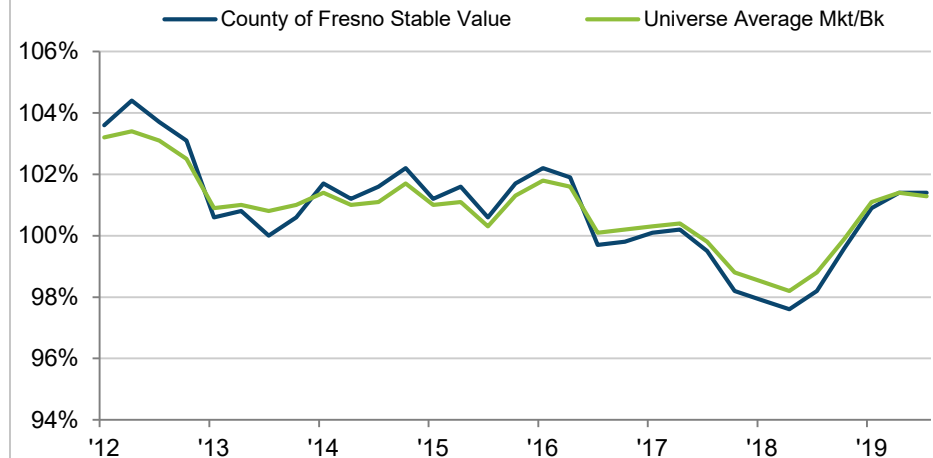
Crediting Rate and Market-to-Book Value

As of December 31, 2019

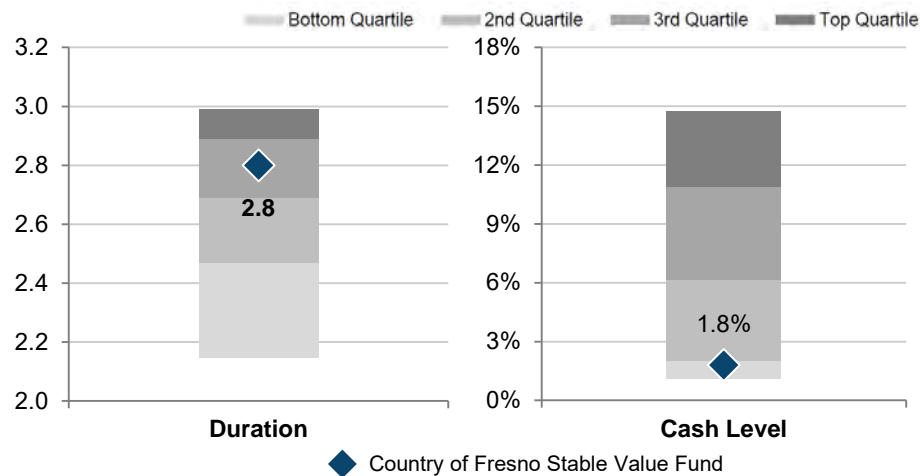
Crediting Rate



Market-to-Book Value



Duration and Cash



Observations

Crediting Rate

- Great-West's Net Crediting rate held steady at 2.35% (2.49% gross*) over 4Q19.
- The average Gross crediting rate decreased to 2.43% over the quarter. Universe gross crediting rates range from 1.94% to 2.71% for the fourth quarter.

Market-to-Book Value

- Great-West's Market-to-Book ratio stayed at 101.4% over 4Q19.
- The average Market-to-Book ratio crept 12 basis points lower to 101.3% as Treasury yields crept higher.

*Crediting rate is gross of investment management fees and net of wrap fees. County of Fresno Stable Value Fund gross crediting rate is calculated by NWCM and are for illustrative purposes only. The gross crediting rate is net of wrap fees of 0.20%, but exclude investment management fees and administrative/recordkeeping offsets for comparison purposes.

**Yield to worst (YTW) is the lowest yield of either the yield to maturity, yield to call, or yield to refunding.

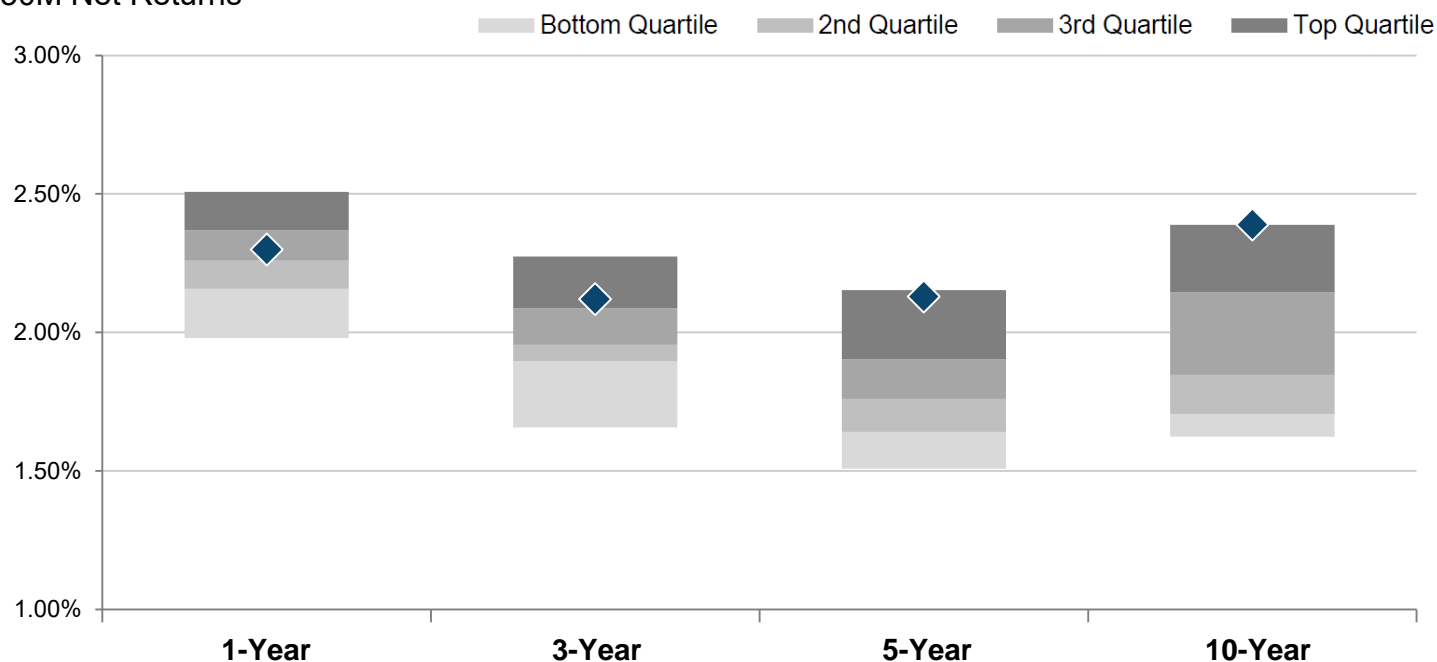
Statistics are reported by the investment managers; there may be differences in calculation methodology among managers. NWCM does not confirm or validate the results reported by the managers

Source: NWCM, Great-West, as of 12/31/2019

Performance Comparison

As of December 31, 2019

Universe: Stable Value CITs >\$50M Net Returns



| | | | | |
|---------------------------------------|-------|-------|-------|-------|
| ◆ Fresno Stable Value Fund* | 2.30% | 2.12% | 2.13% | 2.39% |
| # of Funds in Stable Value Peer Group | 16 | 16 | 16 | 14 |
| 25th Percentile | 2.37% | 2.09% | 1.90% | 2.14% |
| 50th Percentile | 2.26% | 1.96% | 1.76% | 1.85% |
| 75th Percentile | 2.16% | 1.90% | 1.64% | 1.71% |

*County of Fresno Stable Value Fund net returns are net of fees of 0.34% of assets, which consist of (1) investment management fees of 0.14% of assets; and (2) and wrap fees of 0.20% of assets.

Periods greater than one year represent annualized performance and past performance, as shown is no guarantee of future results. Net returns used in the universe do not include plan administration fees – actual performance experience by participants would be commensurately lower.

Source: NWCM, Great-West, as of 12/31/2019

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EXHIBIT C

SELF-DEALING TRANSACTION DISCLOSURE FORM

In order to conduct business with the County of Fresno (hereinafter referred to as "County"), members of a contractor's board of directors (hereinafter referred to as "County Contractor"), must disclose any self-dealing transactions that they are a party to while providing goods, performing services, or both for the County. A self-dealing transaction is defined below:

"A self-dealing transaction means a transaction to which the corporation is a party and in which one or more of its directors has a material financial interest"

The definition above will be utilized for purposes of completing this disclosure form.

INSTRUCTIONS

- (1) Enter board member's name, job title (if applicable), and date this disclosure is being made.
- (2) Enter the board member's company/agency name and address.
- (3) Describe in detail the nature of the self-dealing transaction that is being disclosed to the County. At a minimum, include a description of the following:
 - a. The name of the agency/company with which the corporation has the transaction; and
 - b. The nature of the material financial interest in the Corporation's transaction that the board member has.
- (4) Describe in detail why the self-dealing transaction is appropriate based on applicable provisions of the Corporations Code.
- (5) Form must be signed by the board member that is involved in the self-dealing transaction described in Sections (3) and (4).

(1) Company Board Member Information:

| | | | |
|-------------------|--|--------------|--|
| Name: | | Date: | |
| Job Title: | | | |

(2) Company/Agency Name and Address:

| |
|--|
| |
|--|

(3) Disclosure (Please describe the nature of the self-dealing transaction you are a party to):

| |
|--|
| |
|--|

(4) Explain why this self-dealing transaction is consistent with the requirements of Corporations Code 5233 (a):

| |
|--|
| |
|--|

(5) Authorized Signature

| | | | |
|-------------------|--|--------------|--|
| Signature: | | Date: | |
|-------------------|--|--------------|--|