

1                   **AMENDMENT I TO INVESTMENT GUIDELINES FOR THE COUNTY OF FRESNO**  
2                   **DEFERRED COMPENSATION PLAN STABLE ASSET FUND**

3           THIS AMENDMENT, hereinafter referred to as Amendment I, is made and entered into this  
4 16th day of May, 2016, by and between the County of Fresno 457(b) Deferred Compensation Plan for  
5 the COUNTY OF FRESNO, a Political Subdivision of the State of California, hereinafter referred to  
6 as "COUNTY" or "PLAN", and Empower Retirement, hereinafter referred to as "CONTRACTOR"  
7 (collectively the "parties").

8           WHEREAS, the parties entered into that certain AGREEMENT, identified as COUNTY  
9 Agreement No. 09-530, effective November 19, 2009; and

10          WHEREAS, the Investment Guidelines For The County Of Fresno Deferred Compensation Plan  
11 Stable Asset Fund sets the investment parameters of the County Of Fresno Deferred Compensation  
12 Plan Stable Asset Fund; and

13          WHEREAS, the parties desire to amend the Investment Guidelines For The County Of Fresno  
14 Deferred Compensation Plan Stable Asset Fund regarding changes as stated below.

15          WHEREAS, the CONTRACTOR acknowledges and agrees that the desired amendment to the  
16 AGREEMENT as stated herein will not impair the CONTRACTOR's ability through the Stable Value  
17 Fund to continue to provide benefits at book value and CONTRACTOR acknowledges COUNTY's  
18 reliance upon said acknowledgement; and

19          NOW, THEREFORE, in consideration of their mutual promises, covenants and conditions,  
20 hereinafter set forth, the sufficiency of which is acknowledged, the parties agree as follows:

21          1.       That the following text in the original AGREEMENT, Page Two (2), under the heading  
22 "Quality & Diversification Guidelines" be deleted and the following inserted in its place:

- 23               "A.   A minimum of 50% of the account assets are to be invested in U.S. Treasury debt,  
24                   Agency Mortgage-Backed Securities or Collateralized Mortgage Obligations  
25                   secured by GNMA, FNMA, FHLMC, securities.
- 26               B.   A maximum of 50% of the account assets may be invested in Corporate Bonds or  
27                   Asset Backed Securities and described in "H" under heading Types of  
28                   Investments.

- C. Weighted average quality of AA or better.
- D. No more than 25% of the account may be invested in “A” rated securities.
- E. No more than 10% of the account may be invested in “BBB” rated securities.
- F. No more than 5% of the portfolio may be invested in any one corporate issuer (including asset backed securities). For purposes of diversification, each Asset-Backed or non-agency mortgage backed trust will be treated as a separate issuer.
- G. Corporate and Government Related Bonds rated “BBB-/Baa3” or better as rated by S&P, Moody’s, Fitch or other nationally recognized rating agency at time of purchase. All securities must be U.S. dollar denominated. Government Related Bonds include:
  - a. Foreign Sovereigns,
  - b. Supranationals,
  - c. U.S. and Foreign Local Governments, and
  - d. Foreign Agencies.”

2. COUNTY and CONTRACTOR agree that this Amendment I is sufficient to amend Agreement No. 09-530 and, that upon execution of this Amendment I, the AGREEMENT and Amendment I together shall be considered the AGREEMENT.

The AGREEMENT, as hereby amended, is ratified and continued. All provisions, terms, covenants, conditions and promises contained in the AGREEMENT and not amended herein shall remain in full force and effect. This Amendment I shall become effective on the date of June 16, 2016.

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IN WITNESS WHEREOF, the parties hereto have executed this Amendment I.

ATTEST:

**CONTRACTOR:**  
**EMPOWER RETIREMENT**

**COUNTY**

**Date:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**By:** \_\_\_\_\_

**By:** \_\_\_\_\_

Jean Rousseau,  
Chair, Deferred Compensation Management  
Council

**Print Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_