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EAST BAY REGIONAL PARK DISTRICT
DEFERRED COMPENSATION PLAN
INVESTMENT POLICY STATEMENT

January 1, 2024

I. INTRODUCTION

The East Bay Regional Park District ("Park District") has established and maintains the East Bay Regional Park District Deferred Compensation Plan and Trust ("457(b) Plan"), an eligible governmental deferred compensation plan under Internal Revenue Code ("Code") section 457(b); the East Bay Regional Park District 401(a) Money Purchase Plan ("401(a) Plan"), a qualified defined contribution plan under Code section 401(a); and the Retirement Health Savings Plan ("RHS Plan"), a post-retirement health reimbursement arrangement within the meaning of IRS Notice 2002-45 (the "Plans").

The Park District's Board of Directors ("Board"), the named fiduciary responsible for administering the Plans and investing Plan assets, administers the Plans as participant-directed individual account plans, such that participants and beneficiaries are permitted to direct the investment of their individual accounts into the Plan investment options designated by the participant or beneficiary.

The Plans' participants and beneficiaries are expected to have different investment objectives, time horizons and risk tolerances. To meet these varying investment needs, the Board intends that participants and beneficiaries will be able to select the investments for their individual accounts from among a broad range of investment options that together enable the participant or beneficiary to achieve a portfolio with combined risk and return characteristics that span the spectrum normally appropriate for the participant or beneficiary.

Participants and beneficiaries alone should bear the risk of investment losses that result from the investment options and asset mixes they choose. Accordingly, the Board intends to administer participant-directed investments under the Plans in accordance with communication and education requirements similar to those in Employee Retirement Income Security Act ("ERISA") section 404(c) such that the Board and other Plan fiduciaries will, as provided in Government Code section 53213.5, be relieved of liability for losses that result from participant-directed investment choices.

II. ADOPTION AND PURPOSE

The Board hereby adopts this East Bay Regional Park District Deferred Compensation Plan Investment Policy Statement ("Investment Policy Statement"), effective January 1, 2024, to set forth the investment philosophy, guidelines, objectives and procedures the Board will use to assist it in selecting, monitoring, and evaluating the Plans' investment options in a prudent manner. Specifically, this Investment Policy Statement sets forth:

A. The Plans' investment objectives;

B. The roles of those responsible for Plan investments;

C. Criteria and procedures for selecting investment options for the Plans;

D. Measurement standards and monitoring procedures for the ongoing evaluation of investment options for the Plans;

E. Steps that should be taken to address investment options that fail to satisfy the established standards;

F. Appropriate diversification within and among various investment options for the Plans; and

G. When default investments will be utilized under the Plans and the process for selecting default investments for the Plans.

The Board will review this Investment Policy Statement periodically to determine whether it continues to be appropriate and may amend it by written action at any time to reflect changes in the capital markets, Plan participant objectives, or other factors relevant to the Plans. Amendments should reflect long-term considerations rather than short-term changes in financial markets.

This Investment Policy Statement provides general criteria to assist the Board in fulfilling its responsibilities for selecting, monitoring and evaluating the performance of the investment options available under the Plans. However, these criteria are only guidelines to assist the Board in fulfilling those responsibilities, and the Board retains the sole and absolute discretion to disregard certain criteria and to determine the weight placed on each criterion in selecting, monitoring and evaluating the performance of the investment options available under the Plans.

In the case of any conflict between the Investment Policy Statement and the Plan documents or applicable laws or regulations, the Plan documents or laws or regulations will control. The terms of the Investment Policy Statement do not replace or supersede the terms of the Plans or any outside service-provider agreements.

III. INVESTMENT OBJECTIVES

The Board will select the Plans' investment options to:

A. Maximize return potential for a given level of risk tolerance;

B. Provide risk and return characteristics comparable to similar investments;

C. Provide exposure to a broad range of investment options, at least three of which must each be diversified, have materially different risk and return characteristics, and from which each participant or beneficiary may by choosing among them create individual, diversified portfolios with aggregate risk and return characteristics at any point within the range appropriate for the participant or beneficiary;

D. Provide participants and beneficiaries with a reasonable opportunity to materially affect the potential return on assets in their individual accounts and the degree of risk to which such assets are subject;

E. Provide participants and beneficiaries with a reasonable opportunity to diversify the investments of their individual accounts so as to minimize the risk of large losses;

F. Minimize management and other expenses relative to the asset class of the desired investment; and

G. Produce reasonably competitive results relative to each option's benchmarks, risk characteristics, and investment style.

The Plans will generally utilize mutual funds or other "pooled" investments as investment options to help ensure liquidity and allow daily transfers between funds, subject to applicable trading restrictions.

IV. ROLES AND RESPONSIBILITIES

Various parties are responsible for the management and administration of the Plans' assets. Those parties include, but are not limited to:

A. The Board

The Board is a named fiduciary of the Plans and, among other things, is responsible for:

1. Selecting, appointing, monitoring, evaluating the performance of, and making changes when appropriate to the Plans' trustees, recordkeepers, and any investment advisors or managers;

2. Determining the overall makeup of the Deferred Compensation Advisory Committee ("DCAC");

3. Establishing, implementing, maintaining, reviewing, and modifying the Investment Policy Statement;

4. Selecting, monitoring, evaluating the performance of, and making changes when appropriate to the investment options to be made available to participants and beneficiaries under the Plans, including any default investment;

5. Determining the frequency with which Plan participants and beneficiaries may direct the investment of the assets in their accounts;

6. Providing Plan participants and beneficiaries with investment education, disclosures, and other communications, including an explanation that each of the Plans is intended to satisfy requirements similar to those under ERISA section 404(c), and that Plan fiduciaries are relieved of liability for losses that are the direct result of investment decisions made by participants and beneficiaries; and

7. Discharging its duties under the Plans:

   (a) Solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries and defraying reasonable expenses of administering the Plans;

   (b) With the care, skill, prudence, and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims; and

(c) By diversifying the investments of the Plans so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly not prudent to do so.

B. Trustee

Each Plan's trustee is responsible for holding and investing the Plan's assets in accordance with the terms of the Plan's trust agreement.

C. Recordkeeper

The recordkeeper is responsible for maintaining and updating individual account balances as well as information regarding Plan contributions, withdrawals and distributions in accordance with the terms of the recordkeeper's administrative services agreement.

D. Investment Advisor or Manager

The Board may retain an investment advisor or manager to assist it in selecting and monitoring the investment options to be made available under the Plans. The advisor's or manager's services may include preparing periodic performance evaluation reports, assisting with the analysis of fund performance reviews, and assisting with development and review of Plan investment strategies and fund selection.

V. SELECTION OF INVESTMENTS

The Board will select the investment options to be offered to participants and beneficiaries under the Plans. In selecting those investments, the Board will apply the selection process and criteria described in this article.

A. Asset Classes and Investment Styles

The Board will select the asset classes and investment styles to be included in the investment options to be offered to participants and beneficiaries through the Plans. In deciding which asset classes and investment styles to utilize, the Board will examine the risk and return characteristics of each asset class and investment style, as demonstrated by the benchmark index or average investment product in the asset class or investment style. The Board will also consider the investment sophistication of Plan participants and beneficiaries, and the ability to incorporate the asset class or investment style into a prudent, diversified portfolio.

1. Core Funds

(a) Core Fund Asset Classes

To meet the Plans' objectives to permit participants to materially affect the potential risk and return on the assets in their accounts, provide exposure to a broad range of investment options, and allow them to diversify their investments, the Plans must offer at least three Core Funds representing each of the following asset classes:

(i) Cash Equivalents – a pooled fund investing in high-quality, short term fixed income securities or stable value instruments.

(ii) Common Stocks – a fund investing primarily in the shares of large U.S. corporations.

(iii) Bonds – a fund investing in federal notes and bonds or investment grade corporate bonds.

However, the Board may offer more Core Funds in a balanced array of investment options. These may include funds representing additional asset classes, such as real estate, or global or emerging market equity, or segments of the asset classes described above, which may perform differently under different market conditions. For example, equity investments may be divided among large-cap, midcap and small-cap stocks, and further divided between growth and value.

(b) Core Index Funds

Index funds are passively managed funds that seek to replicate a stock or bond index. This type of fund may buy every security in the index or a representative sample of securities, the behavior of which mimics the index.

(c) Core Active Funds

Actively managed funds perform significant research and security analysis functions. Securities are selected based on their perceived merits. Success or failure of investment decisions is largely a function of the accuracy of the fund managers' predictions.

2. Target Date Funds

Target Date funds, a type of multi-class investment, maintain a dynamic asset allocation policy that adjusts the fund's exposure to equity securities over time, becoming more conservative as the fund's target date – the date in each fund name representing the approximate year in which the participant or beneficiary is anticipated to begin withdrawing his or her account balance – draws near. This type of fund is intended to provide participants and beneficiaries with the ability to choose a single broadly diversified fund that requires little, if any, ongoing management. Target date funds may be actively or passively managed or a combination of the two.

The target allocations should be reviewed annually for appropriateness and adjusted to de-risk the portfolio as the target date draws closer. This reflects the need for reduced investment risks as the target date approaches and the need for a lower volatility portfolio, which may represent a significant source of retirement income.

B. General Quantitative and Qualitative Selection Criteria

After selecting the asset classes and investment styles, the Board will evaluate the investment funds and investment managers for each asset class and investment style based on the following weighted (as determined by the Board with the assistance of the investment advisor) quantitative and qualitative evaluation criteria:

1. General: Each investment fund should have clearly stated investment objectives and a readily ascertainable market value or fair value (in the case of stable value or other principal preservation products).

2. Style Consistency: Each investment fund (other than multi-asset class funds, like target date funds) should be selected primarily to represent one of the specific asset classes selected for the Plan within a structured portfolio, and should therefore be evaluated to determine how effectively it adheres to that asset class and investment style. The investment fund's holdings should be consistent with the style. Each fund's adherence to its benchmark is evaluated on an absolute basis utilizing a rolling r-squared measure to evaluate how well the assigned benchmark explains the performance of the fund. A higher r-squared measure is indicative of a fund that tracks its assigned benchmark closely and therefore is appropriately categorized within the correct asset class. Each fund is also evaluated for how consistently it adheres to the investment style compared to the peer group. In order to measure based this, the investment advisor or other qualified advisor compares the frequency and size of the changing style allocation as compared to the peer group. Funds with fewer changes in style allocation are considered more consistent.

3. Performance Relative to Benchmark and Peer Group*:* Each investment fund will be compared against median return for an appropriate style-specific benchmark and peer group over appropriate time periods. The analysis should incorporate annualized returns over appropriate periods. Recognizing that no single time period is sufficient, the Board will use multiple time periods and methods to measure each investment fund's performance

4. Target Date Funds: For target date funds, the asset allocation and glide path will be evaluated taking into account factors such as generally accepted investment theories and prevailing investment industry practices. In addition, the goals of the Plan, the philosophy of the fiduciaries regarding asset class diversification and the desired relationship of risk (or volatility) and potential return, and the needs and abilities of the participants and beneficiaries should also be considered. Target date funds will be evaluated relative to passive benchmarks, comprised of two or more

market indices allocated in a manner reasonably consistent with the stated allocation of the fund. The fund should exhibit risk and return characteristics that are reasonably consistent with the passive benchmark. Before expenses, the fund should not systematically underperform the passive benchmark. As a general rule, the fund's expense ratio will not exceed the average expense ratio for funds in the same investment category.

5. Performance Relative to Assumed Risk: Risk and risk-adjusted return measures should be considered and should be within a reasonable range relative to the fund's style-specific benchmark and peer group.

6. Expenses: Expenses should be competitive compared to similar investments. A fund is evaluated based on its stated expense ratio and its turnover ratio. Funds with lower expenses score higher as they create less of a drag on the net of fee performance experienced by the investor. Turnover ratio (generally, the lesser of purchase or sales divided by average monthly net assets) is utilized as a proxy for the undisclosed trading and market impact costs that a fund incurs for implementing the manager's investment strategy. Depending on the liquidity of the asset class and the fund's investment style, these costs may exceed the explicit costs included in the expense ratio. Both factors are weighted equally in determining a fund's score in this category.

7. Reputation, Good Standing and Other Qualitative Criteria: The fund's and the investment manager's reputation should be evaluated. The investment manager must be a bank, insurance company, investment management company, or an investment advisor under the Investment Advisers Act of 1940 operating in good standing with its regulators and have no material pending or concluded legal actions within the past five years. The investment manager must provide and is evaluated based on detailed information regarding the history of the firm, its investment philosophy and process, its principals, fees and other pertinent information, including the depth and quality of its research staff, its other commitments (i.e., other investment products managed), and its compliance history and procedures.

8. Manager Experience: Manager experience is evaluated based on the longest tenure of the portfolio manager(s). Managers with longer track records have increased experience, provide greater stability to the investment product, and make analysis of the investment product's historical performance more meaningful.

9. Diversification: A fund is evaluated to determine whether it has sufficient diversification to be a suitable investment option for the investor. Diversification is measured by the total number of securities held by the portfolio as well as by the concentration of the portfolio's assets in its top ten holdings.

10. Manager Skill: The primary reason for selecting a fund that is actively managed is the expectation that the manager will be able to add excess returns (alpha) relative to its benchmark index that are greater than the

costs incurred by the manager in pursuit of those excess returns. A portfolio manager is to add value through the security selection or market timing process. Security selection involves the manager identifying the individual securities within the given benchmark opportunity set that will generate the highest returns in the future while market timing involves the manager identifying those asset classes expected to over or underperform and rotating the holdings of the portfolio into and out of those asset classes. A fund is evaluated for the value it has added through the security selection process, the overall value (alpha) it has added, as well as the efficiency and consistency (measured by the information ratio – generally, the ratio of the excess returns of a portfolio divided by tracking error of the portfolio) with which it has added value. Active funds that have historically added value are evaluated relative to their peer group while funds with negative added value net of fees and index funds are unable to score any points in this category. As with other relative return measurements, rolling period analysis is utilized to avoid the impact a single exceptional period may have on the analysis.

11. Performance Consistency: Evaluating active returns on a stand-alone basis is insufficient without determining whether the outcome was a result of random luck or a demonstration of consistent skill. The investment advisor, or other qualified advisor, evaluates the efficiency of the manager to determine whether active returns a manager adds are consistent through time or a result of a few strong time periods. In order to measure this, the investment advisor calculates the "batting average" of the fund against its benchmark. "Batting average" is the ratio measure that calculates the frequency of monthly positive excess returns for a fund out of the total number of months during the time period. The resulting average is a measure of how frequently the fund outperforms its given benchmark.

12. Risk: Risk is measured by the volatility (as measured by standard deviation) of the fund relative to its peer group. Funds with lower standard deviation relative to their peers score higher while funds with higher volatility receive lower scores. As with other relative return measurements, rolling period analysis is utilized to avoid the impact a single variant period may have on the analysis.

13. Index Funds: The fund will demonstrate accuracy in tracking the return of the index it seeks to replicate. Replication accuracy will be determined through a statistical analysis of the fund and the relevant benchmark. As a general rule, the fund's expense ratio will not exceed the average expense ratio for index funds in the same investment category.

VI. INVESTMENT MONITORING

A. General Monitoring Process and Criteria

The Board will continue to monitor the suitability of each Plan investment option by meeting periodically (at least annually) to review the investment option to determine whether it continues to satisfy the initial investment selection criteria. To perform this review, the Board will, with the assistance of the investment advisor, examine periodic statements, proxies, and reports distributed by third-party service providers or obtained from such other appropriate publicly available sources. This review of each investment option will consider among other factors:

1. Current trends and developments in the capital markets and investment management community;

2. The current level of diversification provided by the asset classes and investment styles and the investment funds within each class or style;

3. Whether the objectives and actual investments of the investment fund continue to correspond to its stated objectives and the asset class or investment style in which it is included, as well as adherence to the principles of this Investment Policy Statement;

4. The degree to which the investment fund continues to satisfy the performance standards, benchmarks, and other criteria adopted by the Board for the asset class or investment style in which it is included;

5. Changes in the investment fund's investment manager, management team, expense structure, ownership, investment style or philosophy and the impact of any such changes on the investment fund's overall investment objective;

6. Increases in the expense ratio, fees and expenses and any revenue sharing arrangements charged to, directly or indirectly, or payable on account of Plan assets invested in the investment fund;

7. Legal or compliance issues; and

8. Fund mergers.

B. Target Date Funds

The Board will compare the performance of each of the target date funds against the performance of a multi-asset class index benchmark. For each target date fund, the multi-asset class index should be developed by combining a series of single asset class indices in a manner reflective of the target date fund's base or normalized asset allocation policy. Since the target date funds incorporate several investment categories in a single fund, the customized benchmark should provide a more appropriate indicator of the aggregate value added or subtracted by fund management than a simple comparison against any single asset class index or standardized peer group.

C. Index Funds

The Board will compare the performance of each indexed investment fund against the performance of relevant index benchmarks. The Board will track the investment fund's performance relative to the benchmark, and the degree to which variance in the fund's performance can be explained by variance in the performance of the benchmark.

If after its review of each investment option based on the above criteria the Board determines that the investment remains a suitable investment option, no further action will be taken. Otherwise, the Board will consider remedial action under Article VII.

VII. REMEDIAL ACTION

A. <u>Watch List Status</u>

The Board will, with the assistance of the investment advisor or other qualified advisor, determine whether an investment option should be placed on a "watch list." Examples of factors that could result in watch list status include:

1. The investment fund ceases to satisfy the initial selection criteria;

2. The objectives and actual investments of the investment fund no longer correspond to its stated objectives and the asset class in which it is included or adhere to the Investment Policy Statement;

3. There are changes in the investment fund's investment manager, management team, expense structure, ownership, investment style or philosophy that impact the investment fund's overall investment objective;

4. There is an increase in the expense ratio, fees and expenses and any revenue sharing arrangements charged to, directly or indirectly, or payable on account of Plan assets invested in the investment fund;

5. The investment fund has legal or compliance issues;

6. There is a fund merger; or

7. The investment fund is a target date fund the performance of which is not in line with expectations.

The Board will, with the assistance of the investment advisor or other qualified advisor, select appropriate measures to determine watch list status. An investment fund's appearance on the watch list may not immediately prompt removal by the Board; however, it will require that the Board perform additional analysis to determine whether the watch-listed investment remains a suitable investment option. If the Board determines the investment remains suitable, no further action will be taken. However, if the Board determines that an investment is no longer suitable, it will take appropriate remedial action, which may include termination.

B. <u>Investment Termination</u>

The Board will terminate an investment fund that it determines, after further investigation, no longer satisfies the initial screening criteria or is no longer a suitable Plan investment option. Examples of factors that could result in the termination of an investment fund include:

1. Persistent underperformance relative to benchmarks;

2. Change in investment objectives;

3. Lack of confidence in the ability of the manager to meet the investment objectives;

4. Unjustified increases in expenses;

5. Replacement of a portfolio manager with an unsatisfactory successor;

6. Significant turnover of staff within the investment manager;

7. Legal or compliance issues with a material impact; or

8. Increase in risk profile of the investment manager or fund beyond acceptable levels.

The Board will analyze each investment option using the process outlined above to determine whether the investment option remains suitable. The Board will make decisions on an individual basis for each investment option and may rely on the quantitative and qualitative criteria listed above.

C. <u>Implementation of Remedial Action</u>

Should the Board decide to terminate or take other remedial action regarding an investment option that it determines no longer satisfies the selection criteria or is no longer a suitable Plan investment option, the Board may:

1. Remove and replace the investment option with a new investment option (map assets);

2. Freeze contributions to the current investment option and direct future contributions to the new investment option;

3. Phase out an investment option over a specific time period;

4. Retain the current investment option and add an alternative investment option in the same asset class or style (if applicable); or

5. Remove the investment option without offering a replacement (where appropriate).

Any new investment options added during the termination process will be considered and screened based on the initial selection criteria listed above.

While frequent turnover of the Plan investment options is neither expected nor desirable, the Board will act to terminate an investment option when it deems appropriate.

VIII. SELF-DIRECTED BROKERAGE ACCOUNTS

A. <u>In General</u>

The 457(b) Plan and 401(a) Plan will offer self-directed brokerage accounts as an option to provide those Plan participants and beneficiaries who desire it the greatest possible degree of control and investment flexibility. Those Plans' self-directed brokerage account option will allow participants and beneficiaries to invest in publicly traded securities, including stocks, bonds and mutual funds.

B. Selecting and Monitoring the Service Provider

Neither the Board nor any Plan fiduciary is responsible for selecting the investments available through the self-directed brokerage accounts. In developing and maintaining the Plans' self-directed brokerage account option, however, the Board will select and monitor the service provider for self-directed brokerage accounts by evaluating and periodically revaluating the reasonableness of the service provider's cost, transaction accuracy, recordkeeping, reporting, service quality, and participant and beneficiary satisfaction.

C. Investment Restrictions

The Board, or its designee, will impose restrictions on self-directed brokerage account investments that it determines are necessary or appropriate to comply with applicable laws or protect the Plans' participants and beneficiaries. Prohibited investments may include:

1. Collectibles, such as coins or art;

2. Real property;

3. Derivative investments such as options;

4. Securities with indicia of ownership outside the United States;

5. Investments, such as partnerships and LLCs, that may generate unrelated business taxable income;

6. Tax-preferred investments, such as municipal bonds and municipal bond funds; and

7. Such other investments as the Board may deem inappropriate or undesirable.

D. Participant Communication

The Board, or its designee, will inform Plan participants and beneficiaries who select the self-directed brokerage account option that by doing so they acknowledge that:

1. They are responsible for all administrative and investment-related fees applicable to their own brokerage accounts;

2. They are foregoing economies of investment scale that might otherwise be available through the pooled investment alternatives;

3. Neither the Board nor any other Plan fiduciary will monitor investments made within the brokerage account (other than such review as may be necessary to ensure that the investment is permitted by the Plans); and

4. They are solely responsible for the selection and monitoring of all investments owned through the self-directed brokerage accounts and that, consequently, they are solely responsible for investment gains or losses resulting from their own decisions.

IX. DEFAULT INVESTMENT ALTERNATIVE

A. <u>In General</u>

Although the Board intends that Plan participants and beneficiaries will direct the investment of their accounts, there may be circumstances when a participant or beneficiary, who had the opportunity to do so, fails to provide such direction. In that case, the participant's or beneficiary's account will be invested in the Plans' default investment alternative.

B. <u>Default Investment Alternative Requirements</u>

While ERISA does not apply to the Plans, the Board intends the Plans' default investment alternative satisfy the requirements for a "qualified default investment alternative" under ERISA section 404(c)(5). Accordingly, the Board, or its designee, will:

1. Designate as the default investment alternative for the Plans:

   (a) a target date fund;

   (b) a balanced fund; or

   (c) a managed account;

2. Notify each participant or beneficiary at least 30 days in advance of the initial investment and annually thereafter with a description of the default investment alternative, the participant's or beneficiary's right to change the investment, and how to obtain additional information or to make changes;

3. Provide the participant or beneficiary with the opportunity to direct investments in his or her account any time before or after investment of his or her Plan account in the default investment alternative; and

4. On an ongoing basis provide the same level of information as the other investment alternatives under the Plans.

X. PROXY VOTING

Participants and beneficiaries are responsible for voting proxies received by the Plans' trustees with respect to the investment options. Proxies not voted upon by the participant or beneficiary in accordance with the preceding sentence will be forwarded to the Board.

Each participant or beneficiary will be responsible for directly voting proxies for investments held in self-directed brokerage accounts.

XI. PARTICIPANT INVESTMENT EDUCATION AND COMMUNICATION

A. Education

The Board, or its designee, will provide the Plans' participants and beneficiaries access to investment education resources that provide information to support them in selecting an appropriate diversified portfolio of investments consistent with their risk tolerance and investment objectives. Adequacy of education resources will be reviewed periodically by the Board or its designee to determine their effectiveness and whether any changes should be made.

B. Communication

Consistent with its intent to administer participant-directed investments under the Plans in accordance with communication and education requirements similar to those under ERISA section 404(c), the Board, or its designee, will provide participants and beneficiaries with information sufficient for them to make informed investment decisions, including:

(Unless otherwise specified below, this information will generally be provided automatically, on or before the participant or beneficiary can first direct his or her Plan investments and at least annually thereafter.)

1. An explanation that each of the Plans is intended to satisfy requirements similar to those under ERISA section 404(c);

2. An explanation that the Plan fiduciaries may be relieved of liability;

3. General Plan-related information:

    (a) An explanation of the circumstances under which investment instructions may be given and any limitations on such instructions;

    (b) A description of or reference to plan provisions relating to the exercise of voting, tender and similar rights applicable to investment options;

    (c) Identification of each investment alternative offered under the Plan and any designated investment managers; and

    (d) A description of the self-directed brokerage account;

4. An explanation of any general administrative fees and expenses that may be charged against a participant's or beneficiary's account, including, at least quarterly, the dollar amount of the fees and expenses actually charged against the account, a description of the services and an explanation of any revenue sharing;

5. An explanation of any fees and expenses that may be charged for services on an individual basis;

6. The following information about each Plan investment option:

   (a) Identifying information, including name and type or category of investment;

   (b) Investment performance and benchmarking data;

   (c) Fee and expense information;

   (d) The Internet website address for accessing supplemental investment information; and

   (e) Investment information to be provided through a glossary;

7. A comparative chart that includes the information described in 6 for all of the investment options;

8. Subsequent to an investment, materials provided to the Plan regarding the exercise of voting, tender or similar rights; and

9. Upon request, investment option prospectuses, financial statements, and valuations.

EXECUTED FOR THE BOARD:

BY:

Signature　　　　Date

Printed Name

Title