

## JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM

The regular meeting of the Board of Trustees is scheduled as follows:

June 23, 2016  
8:30 a.m.  
Sixth Floor, Room 604  
County Tower Building

### AGENDA

#### 1. Approval of Agenda

#### 2. Public Comment

#### 3. Investment Manager Update (via Skype) – SSGA

#### 4. Minutes

A. May 26, 2016

#### 5. Monthly Financial Statement

#### 6. Consent Agenda

A. Comerica Bank Custodial Statements of Account for *May* (▶)

B. Purchase of Service

C. Refunds of Contributions

D. Distribution of DROP Balances

E. Approve Application for Retirement

*-none*

F. Approve Application(s) for entrance into the Deferred Retirement Option Plan (DROP):

*-Nick Mehalco, Jr., General, Effective 7/1/2016*

G. Statements Paid

H. Correspondence:

1. *Calamos News Release*

2. *Robbins Geller Settlement/Monitor Rpt. (May 27, 2016)*

3. *SSGA Performance (5/31/2016)*

#### 7. Old Business

A. Investment Manager Review Committee

1 *Other*

- A. Policy Committee
  - 1. Request for Information for;  
-Investment Consulting Services & Legal Services
  - 2. Policy #3; Advisor & Consultant Reviews
  - 3. Policy #17; Elections Procedures
  - 4. Policy #21; Supplemental Actuarial Valuation
- B. Legal Counsel Update
  - 1. Matters deemed pertinent
- C. Morgan Stanley Wealth Management Update
  - 1. Other

## 8. New Business

- A. Informational Items
- B. Public Member Application(s) for the term  
of 7/1/2016 – 6/30/2017  
Application(s) received: *Sharon Best*
- C. Trustee Comments

## Committee Meetings (immediately following regular meeting):

- Investment Manager Review Committee
- Policy Committee Meeting

**Next Meeting: July 28, 2016 ORGANIZATIONAL MEETING**

## JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM

The regular meeting of the Board of Trustees is scheduled as follows:

June 23, 2016  
8:30 a.m.  
Sixth Floor, Room 604  
County Tower Building

### AGENDA

#### 1. Approval of Agenda

#### 2. Public Comment

#### 3. Investment Manager Update (via Skype) – SSGA

#### 4. Minutes

A. May 26, 2016

#### 5. Monthly Financial Statement

#### 6. Consent Agenda

A. Comerica Bank Custodial Statements of Account for *May* (▶)

B. Purchase of Service

C. Refunds of Contributions

D. Distribution of DROP Balances

E. Approve Application for Retirement

*-none*

F. Approve Application(s) for entrance into the Deferred Retirement Option Plan (DROP):

*-Nick Mehalco, Jr., General, Effective 7/1/2016*

G. Statements Paid

H. Correspondence:

1. *Calamos News Release*

2. *Robbins Geller Settlement/Monitor Rpt. (May 27, 2016)*

3. *SSGA Performance (5/31/2016)*

#### 7. Old Business

A. Investment Manager Review Committee

1 *Other*

- A. Policy Committee
  - 1. Request for Information for;  
-Investment Consulting Services & Legal Services
  - 2. Policy #3; Advisor & Consultant Reviews
  - 3. Policy #17; Elections Procedures
  - 4. Policy #21; Supplemental Actuarial Valuation
- B. Legal Counsel Update
  - 1. Matters deemed pertinent
- C. Morgan Stanley Wealth Management Update
  - 1. Other

## **8. New Business**

- A. Informational Items
- B. Public Member Application(s) for the term  
of 7/1/2015 – 6/30/2016  
Application(s) received: *Sharon Best*
- C. Trustee Comments

## **Committee Meetings (immediately following regular meeting):**

- *Investment Manager Review Committee*
- *Policy Committee Meeting*

**Next Meeting: July 28, 2016 ORGANIZATIONAL MEETING**

**MINUTES OF  
JACKSON COUNTY EMPLOYEES' RETIREMENT SYTEM**

Thursday, May 26, 2016  
6<sup>th</sup> Floor Room 604

The May 26, 2016 Regular Meeting of the of the Jackson County Employee's Retirement System Board of Trustees was called to order at 8:30 a.m. by Chairperson Shotwell. The following Trustees were present: Best, Elwell, Huttenlocker, Johnson, Maurer, Shotwell, and Wandell. Absent: None. Also in attendance: Matt Augustine – Morgan Stanley; Anthony Donoho – Donoho Legal; Debby Gorz - Pension Coordinator; James Latham, Director of Finance; and Jack Timmony – Vanoverbeke Michaud and Timmony.

**Approval of Agenda:**

**MOTION:** Moved by Best, supported by Huttenlocker to approve the Agenda. Motion carried.

**PUBLIC COMMENT:** None

**MOTION:** Moved by Elwell, supported by Johnson to receive the Minutes of May 5, 2016. Motion carried.

**MOTION:** Moved by Best, supported by Maurer to receive the Financials as presented by James Latham for April 2016. Motion carried.

**Consent Agenda:**

**MOTION:** Moved by Best supported by Maurer to concur with the Consent Agenda:

- A. Comerica Bank Custodial Statements of Account for *April* (►)
- B. Purchase of Service
- C. Refunds of Contributions
- D. Distribution of DROP Balances
- E. Approve Application for Retirement  
-none
- F. Approve Application(s) for entrance into the Deferred Retirement Option Plan (DROP):  
-none
- G. Statements Paid
- H. Correspondence:
  - 1. *GH&A Portfolio Review (March 31, 2016)*
  - 2. *Robbins Geller Litigation Report (1<sup>st</sup> Qrt 2016)*
  - 3. *Robbins Geller Settlement/Monitor Rpt. (April 29, 2016)*
  - 4. *Robbins Geller Int'l Monitor Rpt (1<sup>st</sup> Qrt 2016)*
  - 5. *Robbins Geller Repose Rpt. (2<sup>nd</sup> Qrt 2015)*
  - 6. *SSGA Performance (4/30/2016)*

Roll call vote. Motion carried unanimously, 7 – yes.

**Policy Committee:**

**MOTION:** Moved by Shotwell, supported by Maurer to approve to Policy #1; Purchase of Military Credit: **Motion carried.**

**MOTION:** Moved by Wandell, supported by Huttenlocker to approve Policy #25; Securities Litigation: **Motion carried.**

**MOTION:** Moved by Wandell, supported by Johnson to approve Policy #26; *Notice to Recipients of Lump Sum Distributions from the Retirement System*: **Motion carried.**

**Legal Counsel:**

Legal Counsel Jack Timmony discussed the Snyder EDRO. The Board has directed legal counsel to write a letter to both parties' attorneys stating all communication to be in writing and addressed to the Board.

**MOTION:** Moved by Best, supported by Maurer to receive letter dated May 17, 2016 from Donoho Legal PLC and to direct legal counsel to write a formal response to Donoho's letter. Motion carried.

James E. Shotwell, Jr. is reappointed as Trustee for the term June 1, 2016 through May 31, 2019.

The trustees thanked Mr. Shotwell for his years of service.

**Morgan Stanley Wealth Management Update:**

Matt Augustine and Steve Lutenski of Morgan Stanley Wealth Management presented First Quarter 2016 Investment Manger Monitor Report.

**MOTION:** Moved by Best, supported by Elwell to receive the First Quarter 2016 Investment Manger Monitor Report. Motion carried.

Nancy Rodriguez and Karen Tass of Garcia Hamilton & Associates presented an Investment Portfolio update to the Board by way of Video Conferencing.

**MOTION:** Moved by Best, supported by Elwell to receive the presentation by Garcia Hamilton & Associates. Motion carried.

Chairperson Shotwell adjourned the meeting at 10:05 a.m.

---

Chairperson

---

Pension Coordinator

# **The Jackson County Employees' Retirement System Board of Trustees**

**Patrick J. Hearne**

**Arman Palian**

June 23, 2016

This material is solely for the private use of The Jackson County Employees' Retirement System Board of Trustees and is not intended for public dissemination.

**STATE STREET**  
**GLOBAL ADVISORS.**

CMINST-13766

# Table of Contents

1. State Street Global Advisors: Firm Overview
2. Account Summary
3. Global Equity Beta Solutions Overview
4. S&P 500<sup>®</sup> Index Strategy
5. S&P MidCap 400 Index<sup>™</sup> Strategy

## Appendices

Appendix A: GIPS<sup>®</sup> Presentations

Appendix B: Important Disclosures

Appendix C: Biographies

All the information contained in this presentation is as of date indicated unless otherwise noted.

# State Street Global Advisors: Firm Overview

# A Leading Provider of Financial Services

## State Street

### State Street Global Advisors

A Global Leader in  
Asset Management

### State Street Global Services

A Global Leader in  
Asset Servicing

### State Street Global Markets

A Global Leader in  
Research & Trading

### State Street Global Exchange

A Global Leader in  
Utilization & Management

**State Street Global Advisors partners with many of the world's largest, most sophisticated investors and financial professionals to help them reach their goals through a rigorous, research-driven investment process spanning both indexing and active disciplines**

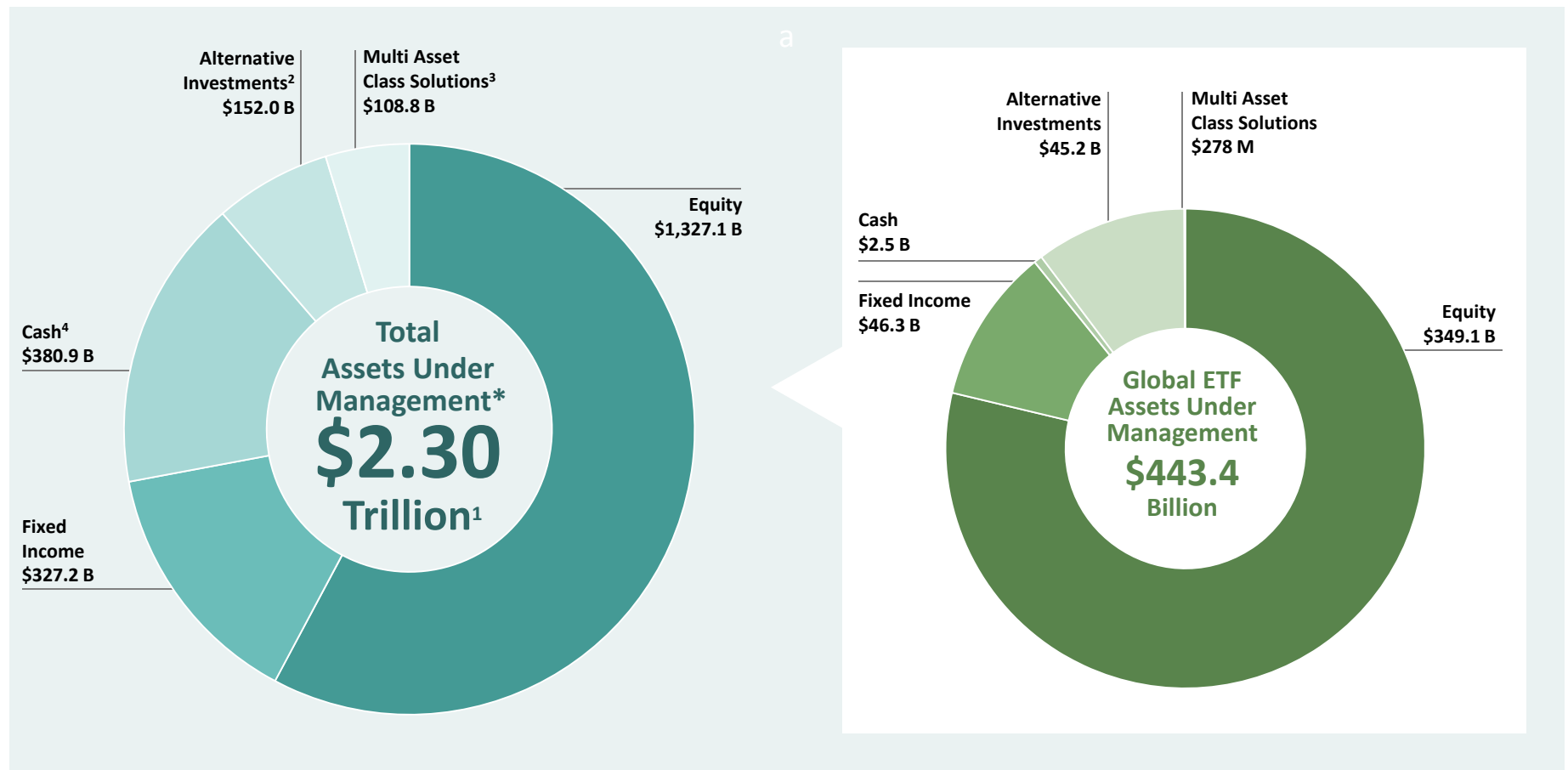
- The investment management arm of State Street Corporation, one of the world's leading providers of financial services to institutional investors, with a heritage dating back over two centuries
- Entrusted with over \$2.30 trillion\* in assets worldwide
- Clients include governmental entities, corporations, endowments and foundations, third party asset gatherers, multi employer plans, pension funds and sovereign wealth funds
- ETF industry pioneer and a leader since 1993 with \$443.4 billion\* in global AUM

As of March 31, 2016.

\* AUM reflects approx. \$32.6 billion (as of March 31, 2016) with respect to which State Street Global Markets, LLC (SSGM) serves as marketing agent; SSGM and State Street Global Advisors are affiliated.

# A Trusted Partner

Active, enhanced, fundamental, passive, pure alpha and multi-asset class solutions



\* As of March 31, 2016.

<sup>1</sup> AUM reflects approx. \$32.6 billion (as of March 31, 2016) with respect to which State Street Global Markets, LLC (SSGM) serves as marketing agent; SSGM and State Street Global Advisors are affiliated.

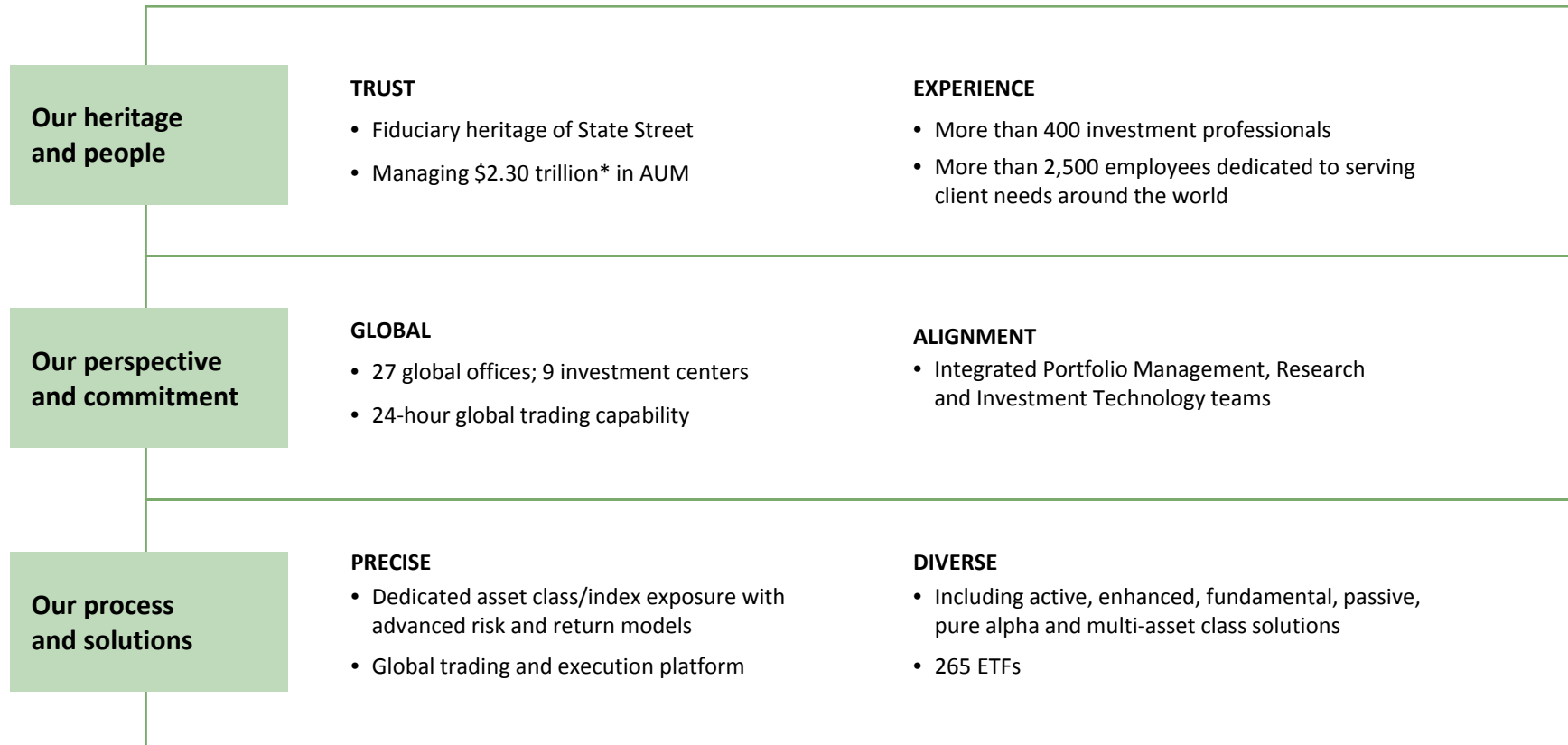
<sup>2</sup> Includes Commodities, Currency, Global Multi Strategy, Hedge Fund of Funds, Managed Futures, Private Equity and Real Estate.

<sup>3</sup> Assets in Solutions are not counted in the underlying asset class.

<sup>4</sup> Includes securities lending collateral, cash, and money market.

# Our Advantage

Continual investment in our asset management and client service platform results in a client-focused, solutions-driven orientation

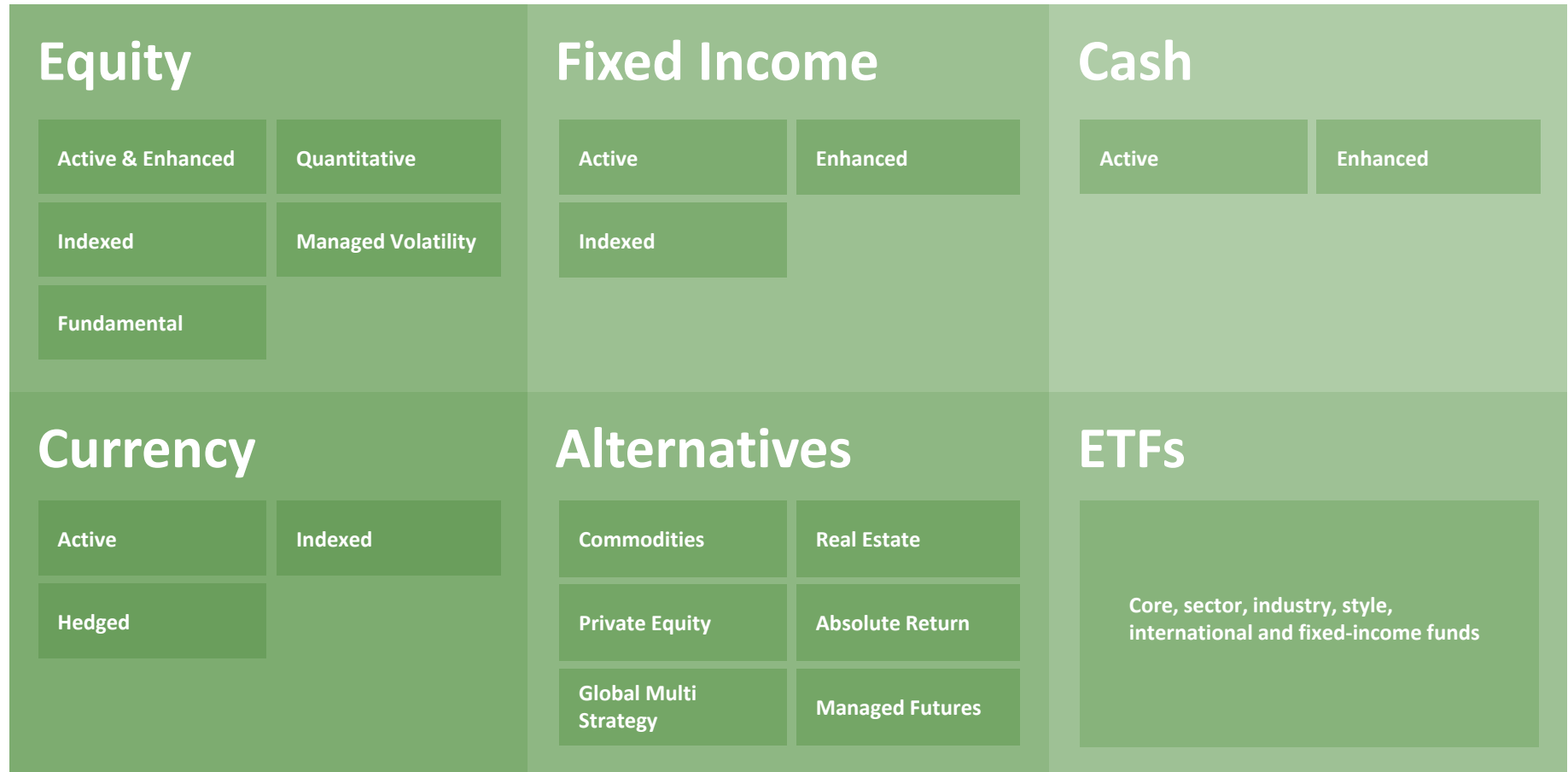


As of March 31, 2016.

\* AUM reflects approx. \$32.6 billion (as of March 31, 2016) with respect to which State Street Global Markets, LLC (SSGM) serves as marketing agent; SSGM and State Street Global Advisors are affiliated.

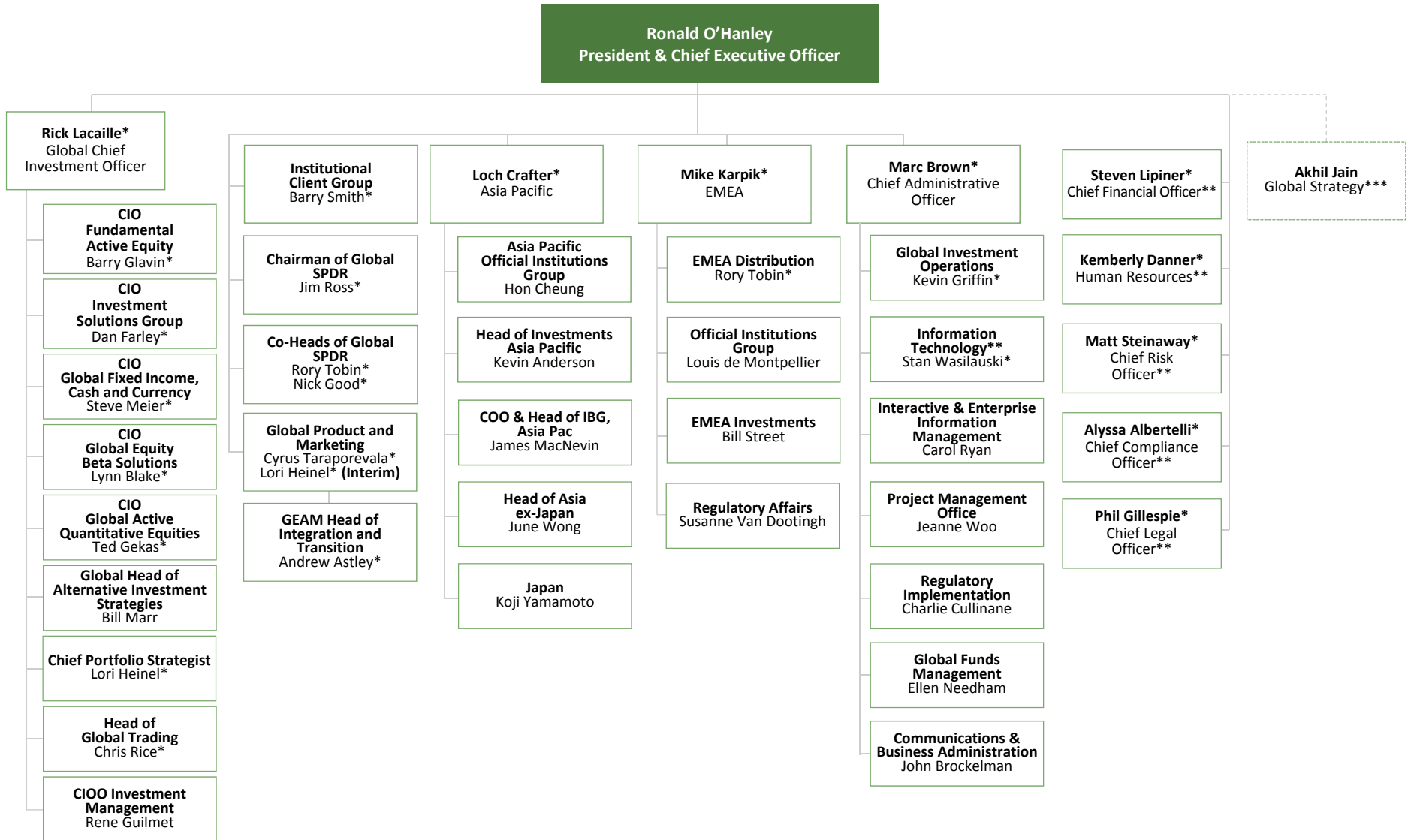
# A Broad Range of Investment Solutions & Products

We offer broad-based market exposure in highly specialized active and passive strategies across the risk-return spectrum



As of March 31, 2016.

# State Street Global Advisors



As of May 13, 2016.

\* Denotes member of the Executive Management Group.

\*\* Functions also report into corporate competency centers.

\*\*\* The Global Strategy Team is responsible for strategy for all of State Street Corporation.

# A Global Perspective with Local Experience



■ Investment Center  
● Marketing/Relationship Management Office  
◆ Global Alliance Company

- 27 local offices, bringing a global perspective to managing client needs
- 9 investment centers, promoting diversity of ideas

- 24-hour global trading capability with trading desks in Boston, London and Hong Kong

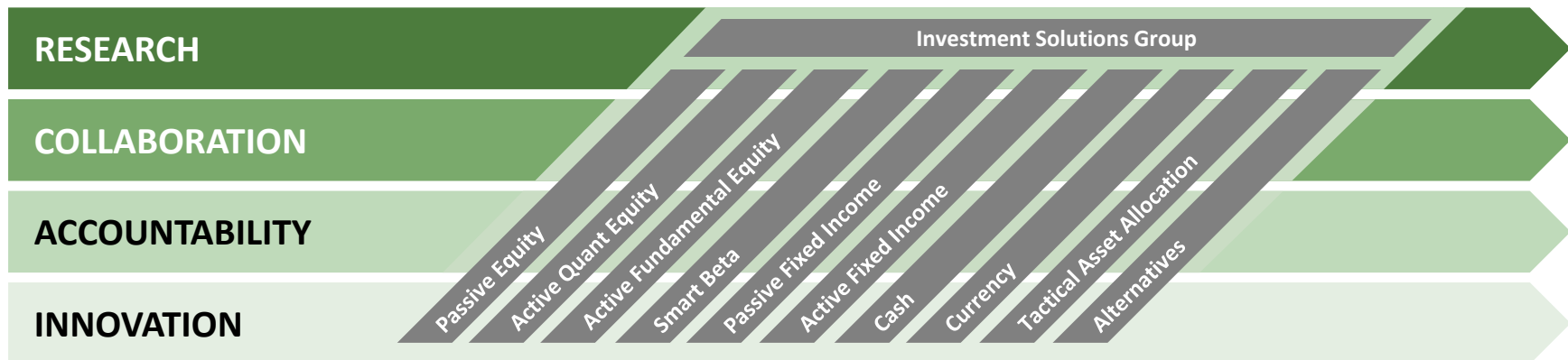
As of March 31, 2016.

# Our Investment Teams are Guided by Our Shared Values

We believe successful investing requires clients to have access to a comprehensive suite of tools to help meet their objectives. As a leading manager of passive, smart beta, and active strategies we are positioned to co-design solutions aligned with our clients' needs.

While each of our investment teams has developed a unique philosophy underpinning their individual investment approach, the teams are driven by four shared values:

- **Research** is at the heart of every investment belief we develop
- Through **Collaboration** and our team structure, we not only encourage diversity of ideas but also create a powerful governance process within our organization
- To achieve a degree of **Accountability**, we must be pragmatic and act with integrity. Our role as a fiduciary means that clients always come first.
- We believe that **Innovation** is about our clients and how we can use our capabilities in a way that delivers better outcomes for them



# SSGA Investment Research

## Recently Published Research, White Papers & Market Insights

### Published Research

- Journal of Indexing, “Can Alpha Be Captured by Risk Premia?” (May 2014)
- Journal of Indexing, “The Latest Wave in Smart Beta: *Combining Value, Low Volatility and Quality*” (Summer 2014)
- Journal of Indexing, “Tilted and Anti-Tilted Portfolios: *A Coherent Framework for Smart Beta Portfolio Construction*” (Summer 2015)
- Journal of Portfolio Management, Value, Size, Momentum, Dividend Yield, and Volatility in China’s A-Share Market (Special China Issue 2015)

### White Papers and Perspectives

- Improving Risk and Return with Smart Beta Allocations (April 2014), Dan Farley, CIO Investment Solutions Group

### Publications and Webcasts

- Investment Quarterly and QCall webcast
- Global Market Outlook 2015
- The Participant and Contribute
- DC Goes Global



## New Investment Concepts & Bespoke Client Research

### New Investment Concepts

- The New Policy “Policy”
- Harvesting Alternative Risk Premia
- Targeting Volatility within Active Asset Allocation Strategies
- Balancing Factor Risks within Multi-Asset Global Fixed Income
- De-risking with Diversified Tail-Risk Strategies
- Distinguishing between EM Prime and EM Others

### Evolving Investment Capabilities

- How Smart Beta is Changing the Game
- Ideas for Building A Smart Beta Equity Solution
- Optimizing Asset Allocations to market Regimes

### Bespoke Client Research

- Replicating Hedge Fund and Private Equity Returns
- Equity Risk Decomposition of Diversified Institutional Portfolios
- Volatility Harvesting as an Overlay
- Redesigning a Target Date Glide Path, Incorporating Target Volatility, TAA, Smart Beta, and Regime-based Asset Allocation
- Returns-based Portfolio Analysis, Utilizing Principal Component Analysis (PCA)

## Surveys & Research Collaborations

### FT Remarks

- Our new report reveals how many investors recognize the need for changes, the approaches they’re using — and what’s holding them back (April 2016)



### Longitude Research

- Global institutional trends report about equity market risk management: *Walking the Tightrope* (April 2015)

### Research Partnerships

- Global institutional trends report about portfolio construction: *The New World of Investing & FT Remark Research* (March 2016)

### Pensions Policy Institute

- Supporting Members with Defaults into Retirement

### The Research Company, RiceWarner

- Global defined contribution participant/member and retirement confidence research:
  - Global Retirement Survey 2015
  - Regional Surveys (Australia, Ireland, US, UK)

Updated as of March 31, 2016.  
The information contained above is for illustrative purposes only.

# Q2 2016 Publication Calendar

April	May	June
<p><b>Publications and Webcasts</b></p> <p><b>QCall: Factor Investing &amp; the New Investment Reality</b></p> <ul style="list-style-type: none"> <li>Quarterly webcast discussion of leading indicators, opinions and best ideas. Moderated by Consuelo Mack and featuring SSGA's Jennifer Bender and Lori Heinel</li> </ul>  <p><b>Investment Quarterly Magazine</b></p> <ul style="list-style-type: none"> <li><i>The New Investment Reality</i> by Rick Lacaille</li> <li><i>The Factor Revolution</i> by Ric Thomas, Jennifer Bender, Fabio Cecutto, Lori Heinel, Nils Ladefoged</li> <li><i>FT Remarks Survey: Building Bridges</i></li> <li><i>Making It Work: Factor Pathways</i></li> <li><i>Volatility Guardrails for Uncertain Times</i> by Altaf Kassam</li> </ul> <p><b>Conferences &amp; Events</b></p> <p><i>Theory Meets Practice Research Summit New England, April 5, 2016</i></p> <p>One-day event that offered a unique opportunity to interact with prominent JPM authors who distilled the practical applications of their research. SSGA's Jennifer Bender presented her latest paper entitled <i>The Case for Bottom Up</i>.</p>	<p><b>Publications and Webcasts</b></p> <p><b>P&amp;I Smart Beta Supplement Distributed Mon, May 2, 2016 (print and online)</b></p> <p>In this Smart Beta Special Report, featuring SSGA's Jennifer Bender, we discuss how investors seek to outperform and cut risk by using alternative index weighting and factor exposure.</p> <p><b>P&amp;I Smart Beta Webcast: Opening the door to creative equity investing Wed, May 4, 2016 at 2:00 PM ET</b></p> <p>Our expert panel will discuss:</p> <ul style="list-style-type: none"> <li>What's the best way to build smart beta into existing portfolios?</li> <li>How should investors measure smart beta strategies?</li> <li>What are the biggest risks that investors need to understand?</li> <li>What's the next big development in the world of smart beta?</li> </ul> <p>Panelist include: Eric Shirbini from ERI Scientific Beta, Michael Hunstad from Northern Trust Asset Management, John Feyerer from Invesco Powershares and Jennifer Bender from State Street Global Advisors.</p>	<p><b>Publications and Webcasts</b></p> <p><b>Global Market Outlook — H2 2016 Update Distributed Monday, June 13, 2016</b></p> <ul style="list-style-type: none"> <li><i>H2 Global Market Pulse</i> by Chris Probyn, Dan Farley and Lorne Johnson</li> <li><i>Politics and Market Volatility</i> by Mark Wills</li> <li><i>Central Banking Policy — Beyond the Limits</i> by Chris Probyn and Michael Ho</li> </ul> <p><b>The Participant Magazine — 2016 Summer/Fall Issue</b></p> <ul style="list-style-type: none"> <li>Magazine launch date: June 22, 2016</li> <li>Client Preview Luncheon: June 16, 2016 at The Waldorf Astoria, Chicago, IL</li> <li>Press Engagement: June 22, 2016, New York City</li> </ul>

Updated as of March 31, 2016.  
The information contained above is for illustrative purposes only.

# Investment Beliefs

Guided by our core values and investment beliefs, we build distinctive, research-driven strategies that challenge established thinking and help improve client outcomes

## Asset allocation is an investor's most important decision

- We believe that strategic asset allocation is the primary return driver
- Implementing with actively managed strategies can potentially enhance returns, and tactical asset allocation may also be a diversifying source of alpha

## Active, smart beta and passive strategies may all have a place in investor portfolios

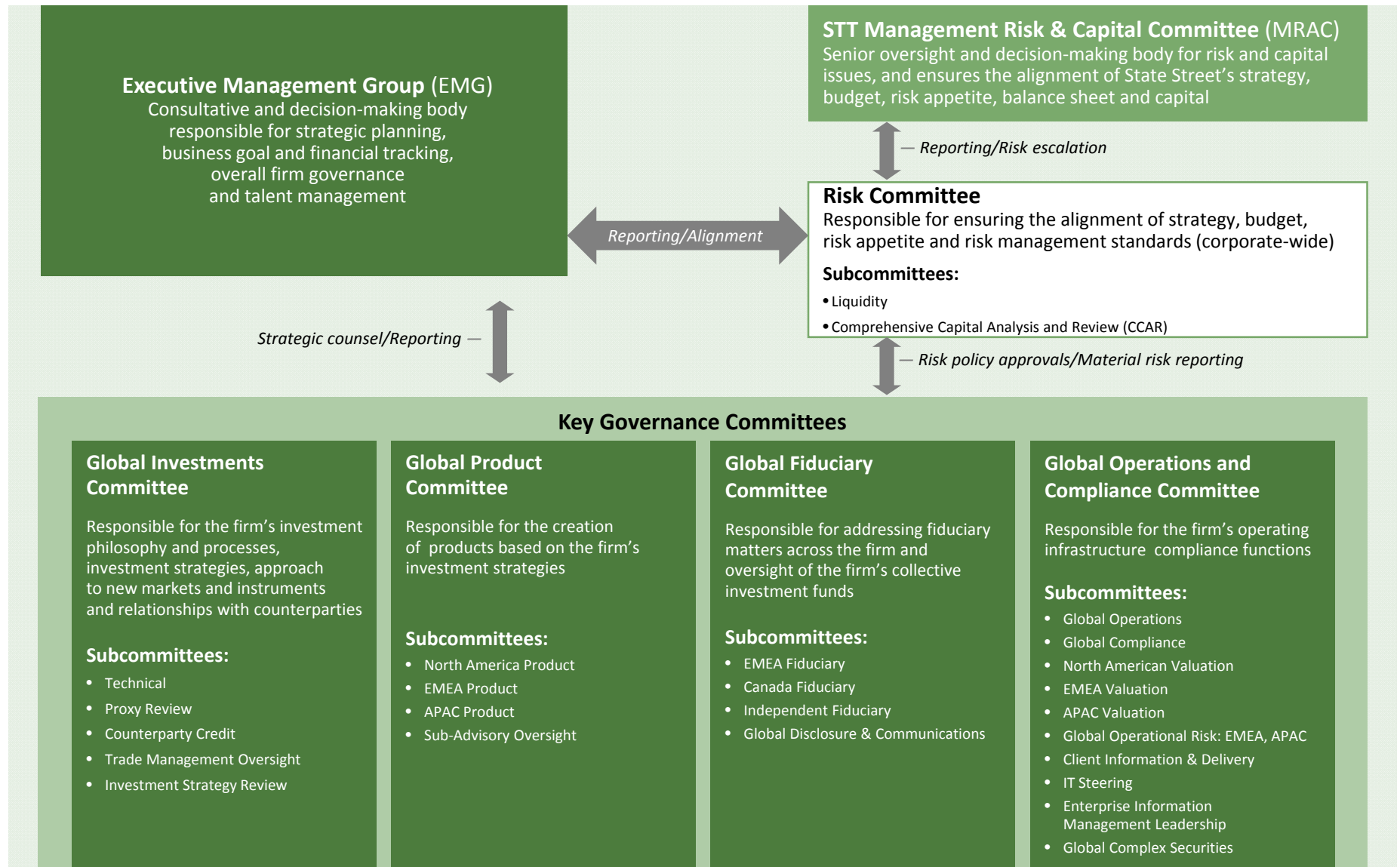
- The key objective is determining how the various strategies work together to try to help clients reach their investment goals

## Asset returns are driven by a variety of forces, some systematic and widespread, and some specific to the security

- Asset characteristics such as low stock price-to-book ratios may offer exposure to risk premia
- We believe that investment opportunities are created by investor behavior
- Informational inefficiencies exist

Asset Allocation is a method of diversification which positions assets among major investment categories. Asset Allocation may be used in an effort to manage risk and enhance returns. It does not, however, guarantee a profit or protect against loss.

# Governance Structure



As of March 31, 2016.

# The Investment Solutions Group — Who We Are

## Dedicated

Approximately 70 dedicated investment strategists and portfolio managers tap into more than 400 SSGA investment professionals, as well as risk, regulatory and compliance specialists globally

## Experienced

Team members average 15 years' investment experience, many with backgrounds working for central banks, plan sponsors, corporations and institutions

## Comprehensive Solutions Platform

Investment Management

## Global/Local

Located in key investment centers (Boston, Dublin, Hong Kong, London, Paris, Sydney, Tokyo and Bangalore) and providing perspective on every region, issue and client type

## Decisive

Deliver actionable ideas and advice, providing decisive answers to the full range of complex investment problems our clients face

Solutions Design, Advice & Research

As of March 31, 2016.

# Account Summary

# Jackson County Retirement System

## Investment Summary

As of May 31, 2016

	Market Value
S&P 500 Flagship Fund	\$12,506,593
S&P Midcap Index Fund	15,562,993
<b>Total</b>	<b>\$28,069,586</b>

## Statement of Asset Changes

The following changes took place in the Jackson County Employees' Retirement Plan account for the Period June 01, 2015 to May 31, 2016:

	Starting Balance 06/01/2015	Contributions	Withdrawals	Appreciation/ (Depreciation)*	Ending Balance 05/31/2016
S&P 500 Flagship Fund	\$12,289,291	\$1	\$(6,301)	\$223,602	\$12,506,593
S&P Midcap Index Fund	16,705,420	—	(1,012,393)	(130,034)	15,562,993
<b>Total</b>	<b>\$28,994,711</b>	<b>\$1</b>	<b>\$(1,018,694)</b>	<b>\$93,568</b>	<b>\$28,069,586</b>

Source: SSGA.

\* Includes dividends, interest, and realized/unrealized gains and losses.

# Jackson County Retirement System

## Summary of Performance

Following are the gross returns for the Jackson County Employees' Retirement Plan portfolios versus the corresponding benchmarks as of May 31, 2016:

	One Month	Three Months	Year to Date	One Year	Three Years	Five Years	Ten Years	Since Inception	Inception Date
<b>S&amp;P 500 Flagship Fund</b>									<b>Jan/2001</b>
Total Returns (Gross)	1.79%	9.11%	3.59%	1.82%	11.10%	11.71%	7.47%	5.17%	
S&P 500®	1.80	9.12	3.57	1.72	11.06	11.66	7.41	5.10	
<b>Difference†</b>	<b>-0.01</b>	<b>-0.01</b>	<b>0.02</b>	<b>0.10</b>	<b>0.04</b>	<b>0.05</b>	<b>0.06</b>	<b>0.07</b>	
Total Returns (Gross)	1.79	9.11	3.59	1.82	11.10	11.71	7.47	5.17	
S&P 500 Custom Index (8/31/2004)	1.80	9.12	3.57	1.72	11.06	11.66	7.41	5.12	
<b>Difference†</b>	<b>-0.01</b>	<b>-0.01</b>	<b>0.02</b>	<b>0.10</b>	<b>0.04</b>	<b>0.05</b>	<b>0.06</b>	<b>0.05</b>	
Total Returns (Net)	1.79	9.09	3.57	1.77	11.05	N/A	N/A	N/A	
S&P 500®	1.80	9.12	3.57	1.72	11.06	N/A	N/A	N/A	
<b>Difference†</b>	<b>-0.01</b>	<b>-0.03</b>	<b>0.00</b>	<b>0.05</b>	<b>-0.01</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
Total Returns (Net)	1.79	9.09	3.57	1.77	11.05	N/A	N/A	N/A	
S&P 500 Custom Index (8/31/2004)	1.80	9.12	3.57	1.72	11.06	N/A	N/A	N/A	
<b>Difference†</b>	<b>-0.01</b>	<b>-0.03</b>	<b>0.00</b>	<b>0.05</b>	<b>-0.01</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	
<b>S&amp;P Midcap Index Fund</b>									<b>Nov/2000</b>
Total Returns (Gross)	2.32	12.38	7.48	-0.39	9.73	10.04	8.54	8.51	
S&P MidCap 400®	2.31	12.38	7.48	-0.42	9.69	10.00	8.51	8.46	
<b>Difference†</b>	<b>0.01</b>	<b>0.00</b>	<b>0.00</b>	<b>0.03</b>	<b>0.04</b>	<b>0.04</b>	<b>0.03</b>	<b>0.05</b>	
Total Returns (Net)	2.31	12.35	7.45	-0.47	9.64	N/A	N/A	N/A	
S&P MidCap 400®	2.31	12.38	7.48	-0.42	9.69	N/A	N/A	N/A	
<b>Difference†</b>	<b>0.00</b>	<b>-0.03</b>	<b>-0.03</b>	<b>-0.05</b>	<b>-0.05</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	

Source: SSGA.

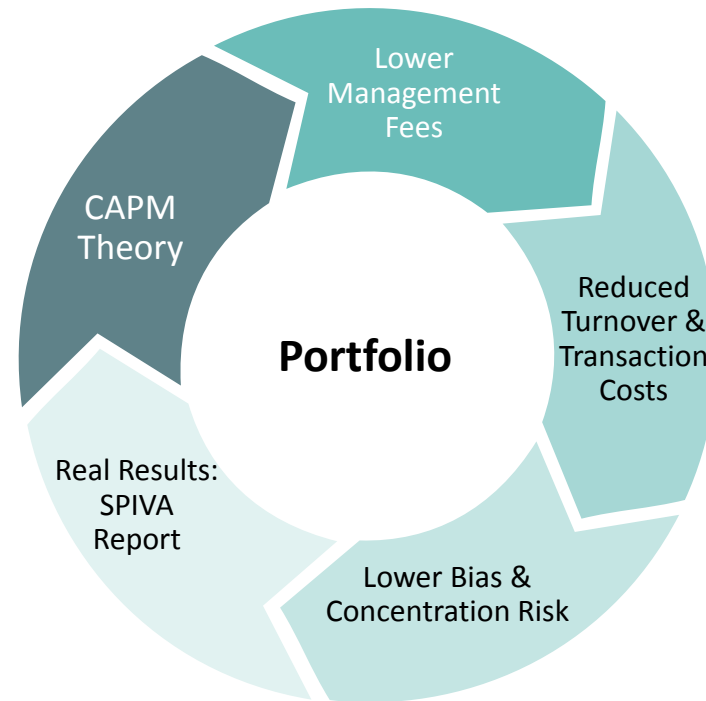
† The calculation method for value added returns may show rounding differences.

Past performance is not a guarantee of future results. Return periods of less than one year are not annualized. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income. The performance figures contained herein are provided on a gross and net of fees basis. Gross of fees do not reflect and net of fees do reflect the deduction of advisory or other fees which could reduce the return. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in US dollars.

# Global Equity Beta Solutions Overview

# Potential Benefits of Indexing

There are a number of potential benefits to passive investing, both **theoretical** and **empirical**



Capital Asset Pricing Model	Lower Management Fees	Turnover & Transaction Costs	Lower Bias & Concentration Risk	S&P SPIVA Report
The optimal portfolio is the market portfolio	Often lower management fees than active	Can offer cost-efficiencies of lower turnover and transaction costs	Avoids manager biases and concentration risk	Performance of active versus S&P indices

Source: SSGA.  
Please see Important Disclosures at the end of this presentation for additional information.

# Philosophy and Competitive Advantages

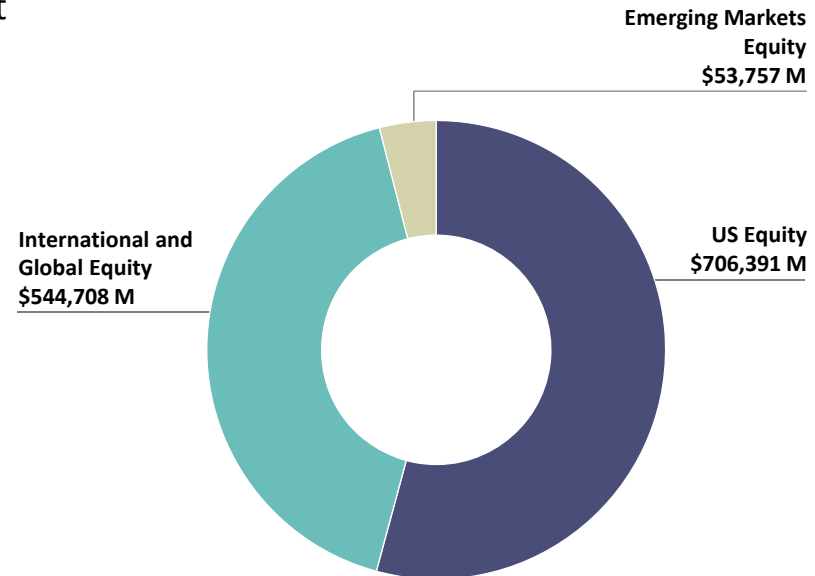
## What we do

- Seek to deliver returns that our clients want and expect at the lowest possible implementation cost

## How we strive to do it better

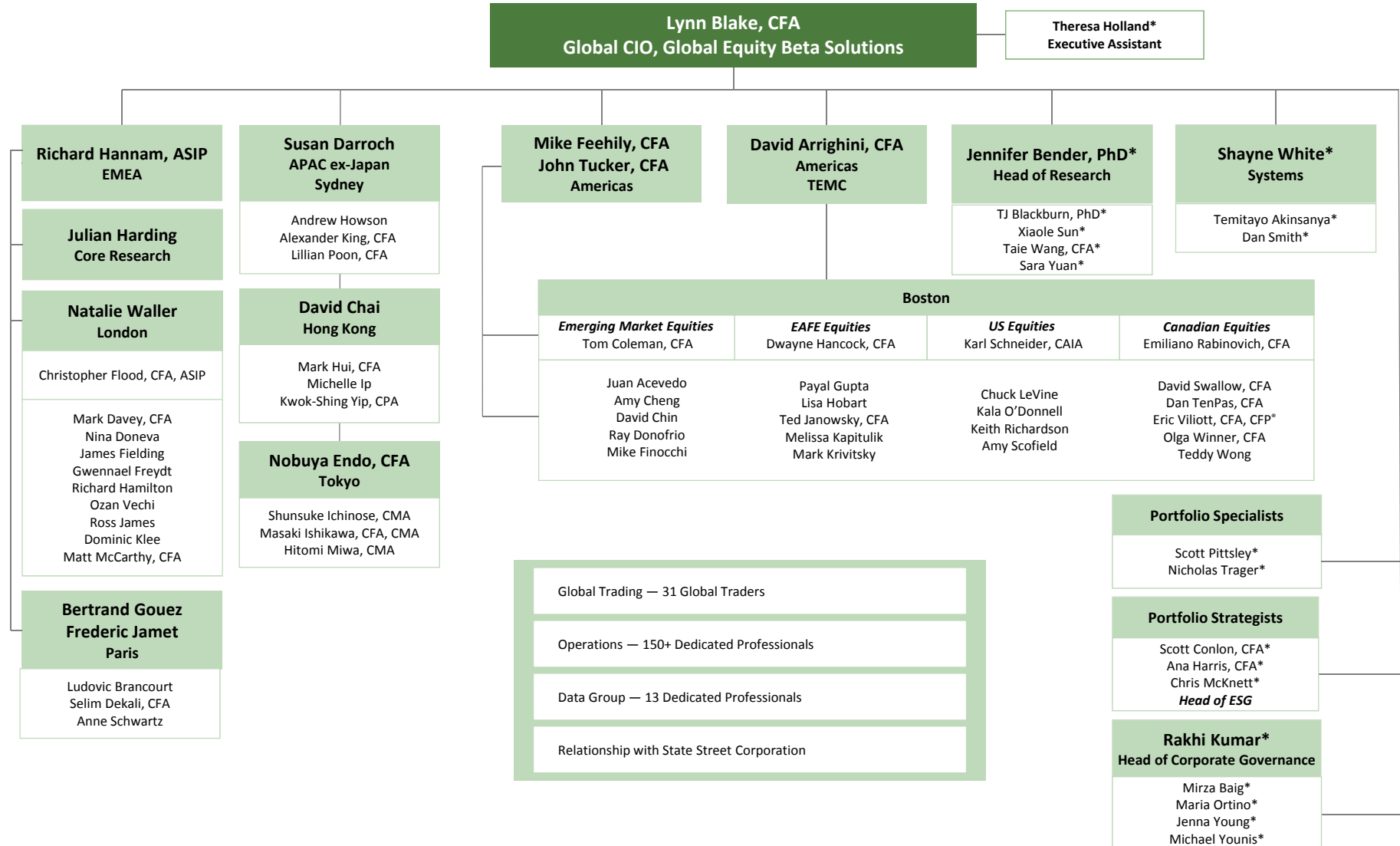
- Experienced, tenured team of portfolio managers
  - GEBS team in six investment centers worldwide
  - Market-leading infrastructure and proprietary portfolio construction tools
- Size and scale
  - Significant asset base and economies of scale
  - Substantial liquidity and diversity of client accounts (flows)
- Modular approach to product lineup
  - Flexible, customizable solutions
  - Breadth of commingled funds available
- Innovative, client-tailored solutions
  - Traditional beta, ETFs, rules-based and factor tilted indexing strategies
  - Strong, proprietary research capability

**Total Team Assets Under Management**  
\$1.30 Trillion (USD) as of March 31, 2016



Source: SSGA, as of March 31, 2016.

# Global Equity Beta Solutions



As of March 16, 2016.

\*Does not manage assets for the Global Equity Beta Solutions team.

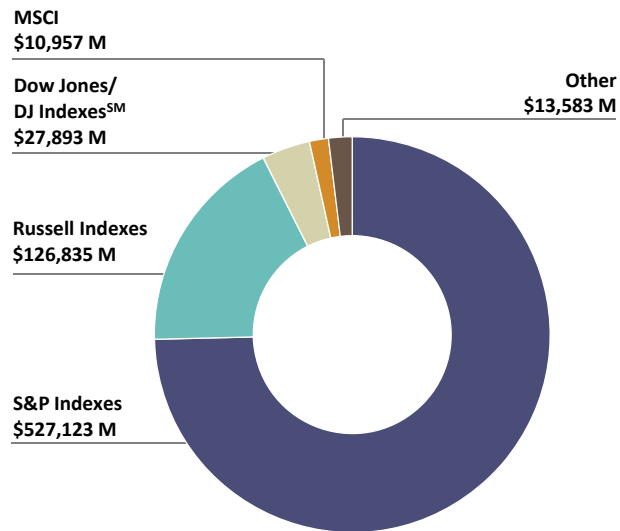
Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ and federally registered CFP (with flame design) in the US, which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

# A Leading Manager of Global Indexed Assets

Total Passive Equity Assets Under Management: \$1.30 Trillion (USD) as of 31 March 2016:

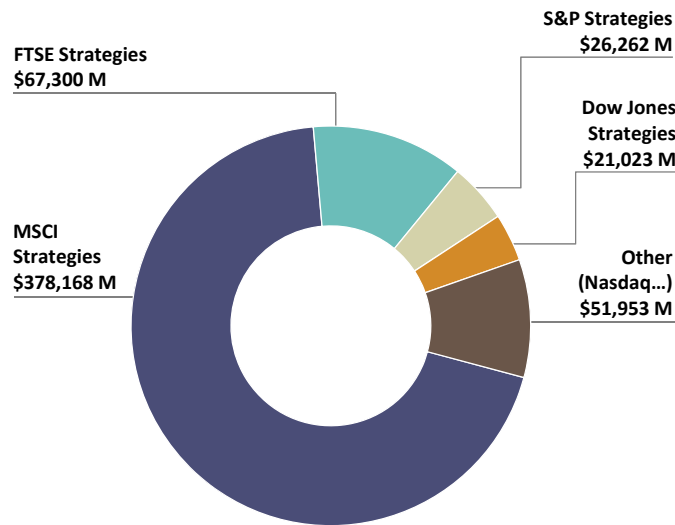
## US Index Assets Under Management

\$706,391 Million as of 31 March 2016



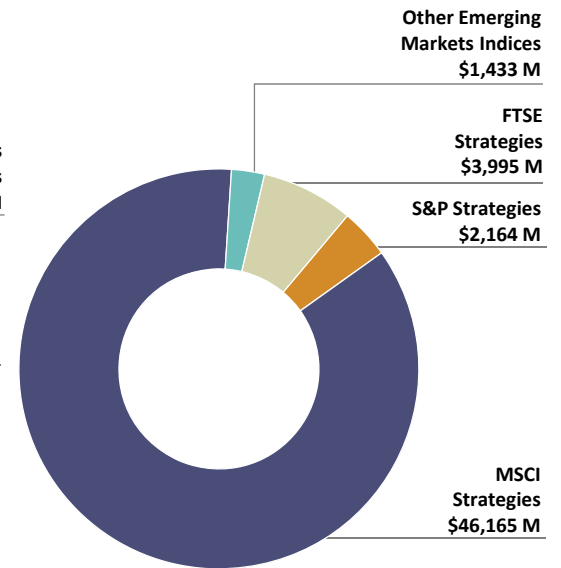
## International and Global Equity AUM

\$544,708 Million as of 31 March 2016



## Emerging Markets Equity AUM

\$53,757 Million as of 31 March 2016\*



Source: SSGA as of March 31, 2016.

\* Exclusive of Emerging Markets Equities invested in other MSCI—benchmark strategies such as MSCI ACWI and MSCI ACWI ex-US.

"FTSE", "FT—SE" and "Footsie" are trade marks of the Exchange and FT and are used by FTSE under license. "All—World", "All—Share", "All—Small" and "FTSE4Good" are trademarks of FTSE.

All Standard & Poor's Indexes are registered trademarks of Standard & Poor's Financial Services LLC.

Dow Jones and Dow Jones Indices are service marks of Dow Jones & Company, Inc. and have been licensed for use for certain purposes by State Street Global Advisors (SSGA).

Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes.

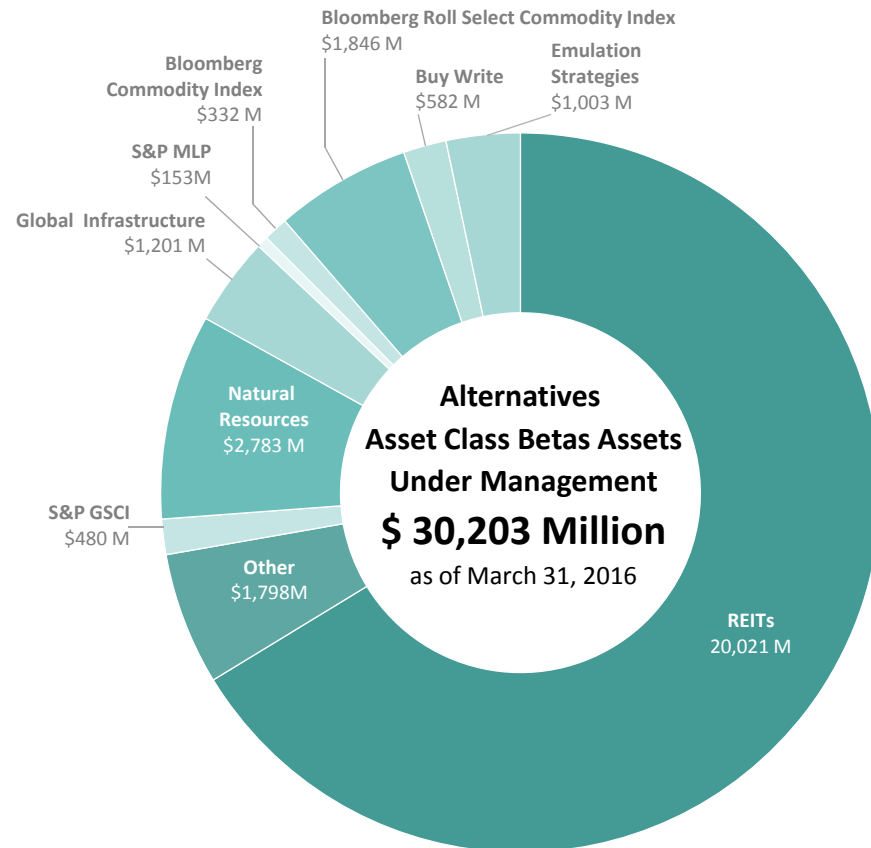
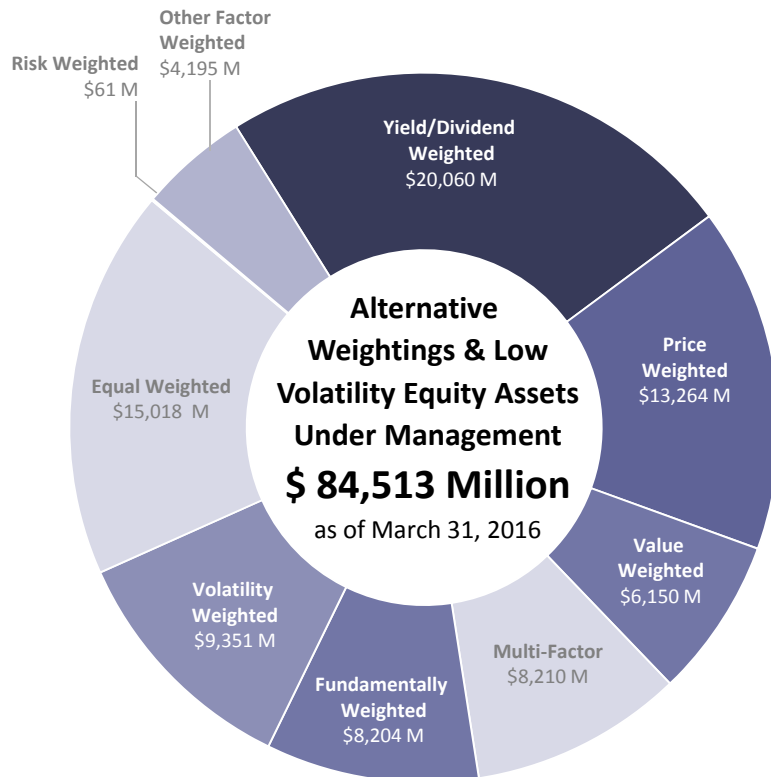
Russell Indexes are trademarks of Russell Investment Group.

The MSCI Indexes are trademarks of MSCI Inc.

# Smart Betas and Alternative Asset Betas

## Total Smart Betas and Alternative Asset Betas AUM: \$114,717 Million (USD) as of March 31, 2016

Rules-Based and Factor-Tilting Strategies, Low-Volatility Equity, Commodities, REITs & Additional Alternative Asset Classes



Source: SSGA as of March 31, 2016

Dow Jones and Dow Jones Indices are service marks of Dow Jones & Company, Inc.

S&P GSCI® is a trademark of Standard & Poor's Financial Services LLC. and has been licensed for use by Goldman, Sachs & Co.

S&P/IFCI Liquidity Tier EM Index is a trademark of Standard & Poor's Financial Services LLC., and has been licensed for use by State Street Bank and Trust.

"Dow Jones," "UBS" "Commodity and Long-Term Commodity Index<sup>SM</sup>" are service marks of Dow Jones & Company, Inc. and UBS AG

The Macquarie Global Infrastructure 100 Index is a trademark of Macquarie

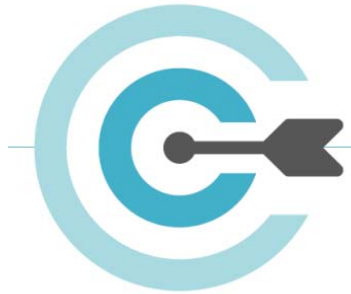
"SPDR®" is a registered trademark of Standard & Poor's Financial Services LLC ("S&P") and has been licensed for use by State Street Corporation.

All Standard & Poor's Indexes are registered trademarks of Standard & Poor's Financial Services LLC.

The MSCI Indexes are trademarks of MSCI Inc.

# SSGA's Portfolio Management Philosophy — Passive Equities

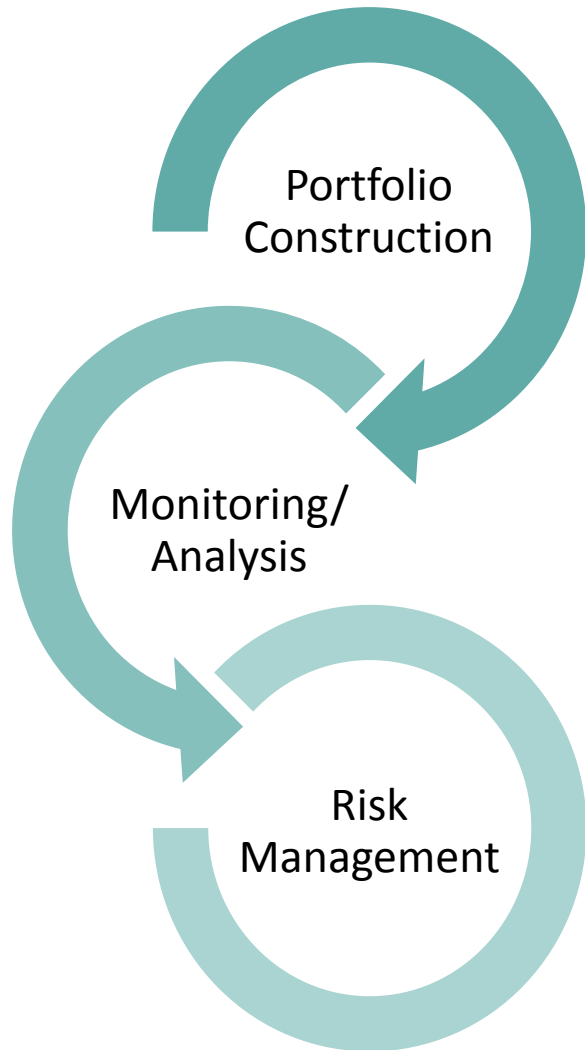
- Our objective is to deliver to each client the **returns and characteristics** of the target index
- We use the **most appropriate methodology** aimed at achieving this objective
- We believe that a **cost-efficient**, broad market exposure will help clients achieve their investment objectives
- We use a **globally consistent** investment management platform to manage portfolios



- We believe in teamwork and we promote a culture of **sharing best practices**
- There is **accountability** and each fund has a lead Portfolio Manager as the primary decision maker
- Through **research**, we innovate and aim to deliver the best possible solution for our clients
- Commitment to **process improvements** and technology enhancements

Source: SSGA.

# Portfolio Management Process Overview



## Portfolio Construction

- Complete and accurate representation of benchmark index
- Replication whenever possible with optimisation available as needed
- Efficient execution of trades and precise processing of information

## Monitoring/Analysis

- Daily monitoring of portfolio positions and characteristics versus benchmark index
- Assess impact of potential changes in index and client flows in portfolio
- Review of performance and trade cost analysis

## Risk Management

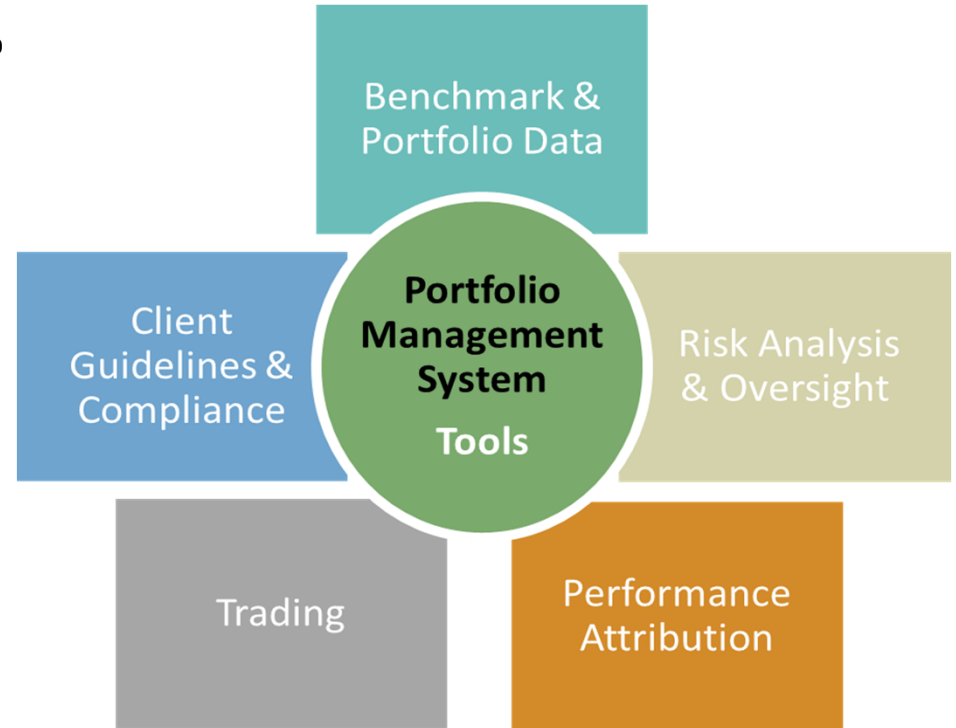
- Risk defined as under-or over-performance to the benchmark
- Pre and post-trade compliance checks
- Review of ex-ante and ex-post tracking error
- Daily holdings recon and cash flow verification/notification

Source: SSGA.  
Please see Important Disclosures at the end of this presentation for additional information.

# Portfolio Management and Support Systems Update

## Portfolio Management and Trading Systems Receive Ongoing Development

- Tools 3.1
  - Developed and supported within portfolio management group
  - Designed with input from all portfolio management sites
  - Key improvements include:
    - Straight-through processing (STP) to Trading desk
    - User interface and PM workflow
    - Cash handling
    - Dashboard for management information
- Trade Portal 2.0
  - Interface between portfolio management systems and Trading Desk
  - Allows the validation of multiple instrument types in the same basket
  - Improved speed of processing
  - Basket creation and tracking



Source: SSGA.

# Adding Value & Preserving Wealth: Portfolio Events

## Identifying the opportunity...

Indices artificially assume zero costs. In reality, there are a number of potential costs and fees.

### Index Adjustments & Rebalances:

- Require trading to realign with the index

### Inflows and Outflows:

- Purchases or sales to either invest new cash or free up liquidity

### Corporate Actions:

- Non-index names are generally removed and income is invested



## How SSGA can help...

SSGA looks to preserve wealth wherever possible and pass any savings on to the client

### Crossing:

- Internally cross buys and sells to avoid market trades

### Trading Strategically:

- Limited pre- and post-trading while controlling for tracking risk
- ADRs/GDRs for illiquid names
- Cash equitized with less expensive futures

### Value-add Opportunities:

- Securities lending
- Proper handling of M&A events and rights issues

Source: SSGA.  
Please see Important Disclosures at the end of this presentation for additional information.

# SSGA Size and Internal Liquidity May Lead to Transaction Cost Savings

## US Market Case Study<sup>1</sup>

Transaction Type	Trade Value	% of Total Trade	T-Costs (%)
Market Trades (Includes Futures/ECNs/Algorithmic Trades)	\$15.9 billion	14.8%	0.01%
In-kinds <sup>4</sup> /Internal Crossing/Unit Crossing	91.4 billion	85.2	0.00%
<b>Totals*</b>	<b>\$107.3 billion</b>	<b>100.0%</b>	<b>0.00%</b>
<b>Estimated Open Market Trading Costs**</b>			<b>0.08%</b>
<b>Transaction Cost Savings<sup>†</sup></b>			<b>0.08%</b>

## Non-US Developed Case Study<sup>2</sup>

Transaction Type	Trade Value	% of Total Trade	T-Costs (%)
Market Trades (Includes Futures/ECNs/Algorithmic Trades)	\$9.2 billion	26.7%	0.06%
In-kinds <sup>4</sup> /Internal Crossing/Unit Crossing	25.2 billion	73.3	0.01
<b>Totals*</b>	<b>\$34.4 billion</b>	<b>100.0</b>	<b>0.02%</b>
<b>Estimated Open Market Trading Costs**</b>			<b>0.25</b>
<b>Transaction Cost Savings<sup>†</sup></b>			<b>0.23%</b>

## Emerging Markets Case Study<sup>3</sup>

Transaction Type	Trade Value	% of Total Trade	T-Costs (%)
Market Trades (Includes Futures/ECNs/Algorithmic Trades)	\$9.7 billion	45.3%	0.27%
In-kinds <sup>4</sup> /Internal Crossing/Unit Crossing	11.7 billion	54.7	0.01%
<b>Totals*</b>	<b>\$21.4 billion</b>	<b>100.0%</b>	<b>0.12%</b>
<b>Estimated Open Market Trading Costs**</b>			<b>0.40%</b>
<b>Transaction Cost Savings<sup>†</sup></b>			<b>0.28%</b>

<sup>1</sup> Based on actual client order flow trading activity in the S&P 500<sup>®</sup> Defined Contribution Commingled Fund.

<sup>2</sup> Based on actual client order flow trading activity in the Bi-Monthly EAFE ERISA Commingled Funds.

<sup>3</sup> Based on actual client order flow trading activity in the Bi-Monthly Emerging Markets Non-ERISA Qualified Commingled Fund.

<sup>4</sup> In-kind transfers are redemptions/contributions made via security transfers.

\* For calendar years 2013-2015. It is not known whether similar results have been achieved after 2015.

\*\* SSGA Market Cost Estimates which include commissions, bid/ask spread, market impact, and taxes/fees. Hypothetical savings are based upon estimates and reflect subjective judgments and assumptions. These results were achieved by means of a mathematical formula and do not reflect the effect of unforeseen economic and market factors on decision-making.

The hypothetical savings are not necessarily indicative of future performance, which could differ substantially.

<sup>†</sup>This represents average savings across all aggregate trading over the period and there is no guarantee that a particular client transaction will experience the same level of savings. Any savings is contingent upon other activity taking place on a given transaction day.

Had other funds been selected, different results of transaction cost savings would have been achieved.

# Research Capabilities

## Commitment to Research — Driven Process

Our Areas of Focus:

### Investment themes

- What investors should be thinking about
- How the investment landscape is changing

#### Research examples:

- The passive perspective on valuation errors
- Passive investing versus indexing
- Rethinking the market portfolio
- Problems with manager universe data
- The equity risk premium
- True costs of active management
- Fundamentals-based Indexing

### Understanding the Investment opportunity set

- Benchmark characteristics
- Benchmark dynamics
- Ways to manage exposure

#### Research examples:

- Benchmark comparisons
- Index change analysis
- New passive applications: hedge funds, commodities and wealth weighted benchmarks

### Better portfolio management

- Seeks to minimize costs
- Seeks to minimize risk versus benchmark

#### Research examples:

- Transaction cost analysis
- Implementation tools — full replication, sampling and optimization

Source: SSGA.

# Positive Trends in Indexing

## We believe indexing is a vital component of equity exposure

### Broad Trends

- Continued growth in assets and continued evidence of active to passive flows
- Clients continue to broaden passive exposure (away from domestic allocations and into regional/global)
- Convergence of methodologies across index providers — better predictability in outcomes

### Smart Beta and Alternative Indices

- Low-volatility equity strategies (US, Global, and Emerging Markets exposure)
- Rules-based, multi-factor and factor-tilt indexing strategies (e.g., quality, momentum, and value)

### More Focused ETFs

- Industry funds, sector funds, style funds
- Smaller shops opening funds with quasi-active indices, leverage, or distinct weighting schemes

### Environmental, Social and Governance (ESG) Portfolios

- Continued interest in divestment mandates that seek conventional benchmark returns and characteristics
- Innovative indices constructed with positive screens (e.g., US Community Investing Index™, Dow Jones Sustainability World Index, MSCI ACWI Low Carbon Target Index)

Source: SSGA, as of September 30, 2015.

The US Community Investing Index is a trademark of the F.B. Heron Foundation and has been licensed for use by State Street Global Advisors.

The Products are not sponsored, endorsed, sold or promoted by F.B. Heron Foundation and F.B. Heron Foundation makes no representation regarding the advisability of investing in the Products. Please see Important Disclosures at the end of this presentation for additional information.

# Why SSGA for Index Management?

## SSGA's Competitive Strengths

<b>Stable and Tenured Team</b>	<ul style="list-style-type: none"><li>• Over 35 years of dedicated index management</li><li>• An average of 15 years industry experience across the global portfolio management team</li></ul>
<b>Minimizing Costs</b>	<ul style="list-style-type: none"><li>• Potential cost-savings through crossing opportunities*</li><li>• Modular approach utilizing sizeable, seasoned, commingled fund portfolios</li></ul>
<b>Customized Investment Strategies</b>	<ul style="list-style-type: none"><li>• Listen, understand and respond to client needs and challenges</li></ul>
<b>Timely Research and Guidance</b>	<ul style="list-style-type: none"><li>• Researchers dedicated to practical as well as strategic and theoretical issues</li></ul>
<b>Strong and Lasting Client Relationships</b>	<ul style="list-style-type: none"><li>• Trusted to manage over 1,800 client portfolios globally against over 500 indices</li></ul>

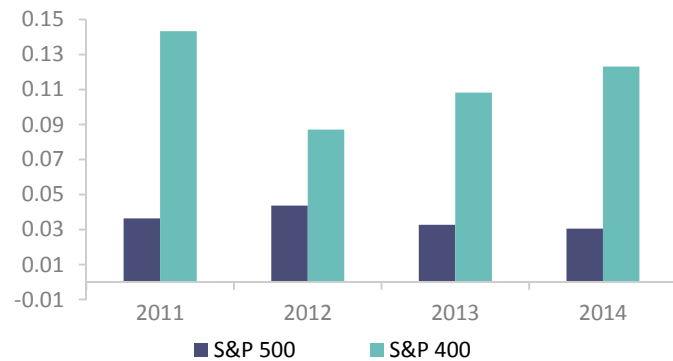
As of June 30 2015. Updated annually.

\* There is no guarantee that cost savings will be achieved.

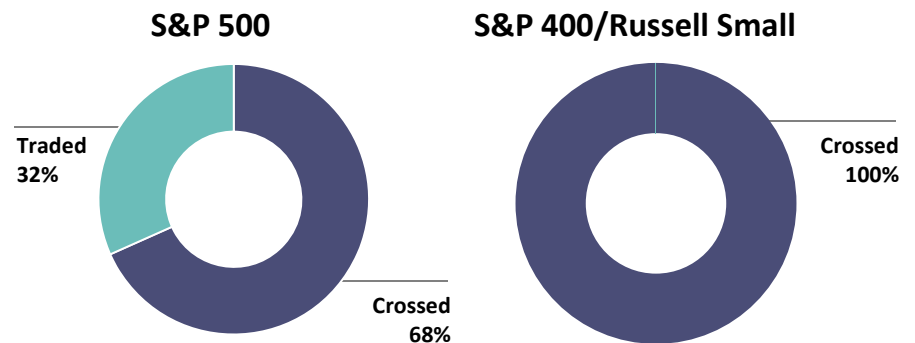
# Historical Index Migration Trade Crossing

- Due to **SSGA’s internal liquidity and breadth of products**, there is an opportunity to **reduce transaction costs** around many index change events
- Turnover due to index changes for our S&P 500, S&P 400 and Russell Small Cap Completeness Funds totaled over **\$29.7 billion** for the combined years 2011–2014
- “Migration trades” of securities moving between indices totaled \$12.8 billion from 2011–2014 and over **\$10.4 billion was crossed internally**. This represents an approximate crossing rate for the period of 81%.
- Estimated costs to trade a full slice of US large cap stocks in the open market is 10 bps while it costs about 20 bps for US mid/small cap stocks
- **Savings** passed on to our clients are estimated to be at least **\$15.5 million<sup>1</sup>** from 2011 to 2014

**Index — level Turnover**  
2011–2014



**Average Historical Migration Trade Crossing<sup>2</sup>**  
2011–2014



Source: SSGA.

<sup>1</sup> Impact and spread cost estimates are based on calculations provided by vendor tools that specialize in these estimations but are proprietary to the vendor. Commissions, taxes, and other explicit cost estimates are based on standard schedules published within SSGA but may vary from the results experienced in actual trading.

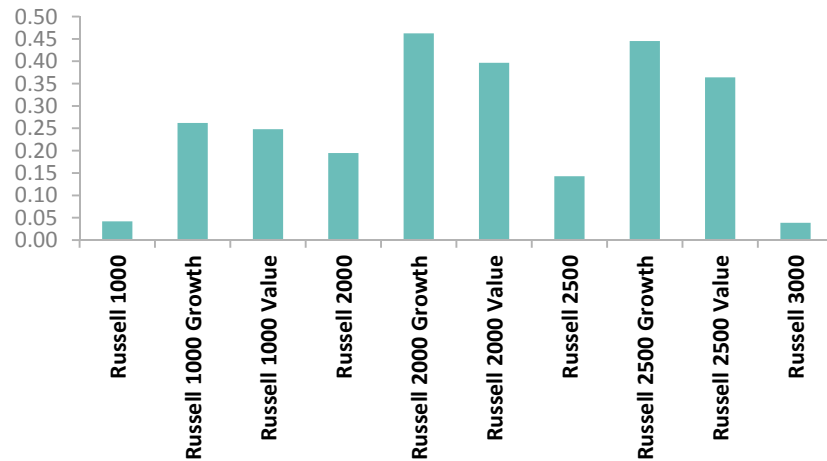
<sup>2</sup> Weighted average by total applicable migration trade volume for the calendar years 2011–2014. Includes certain migration and add/drop trades among large cap indices (i.e. S&P 500) and mid/small cap indices (i.e., S&P 400 and Russell Small Cap Completeness). Analysis includes trades of sufficient size to merit a coordinated group trade among the Boston based Portfolio Managers.

As of December 2015, updated annually.

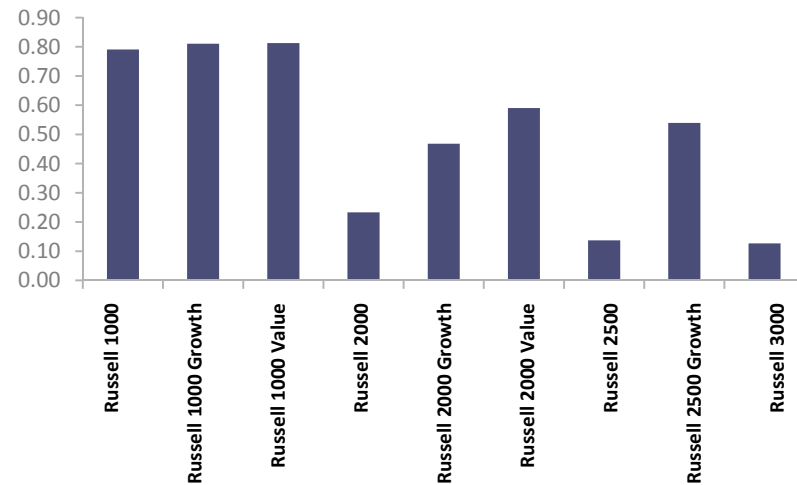
# Historical Russell Reconstitution Trade Crossing

- Due to **SSGA's internal liquidity and breadth of products**, there is an opportunity to reduce **transaction costs** around many index change events
- Turnover due to rebalancing for the annual Russell Reconstitution totaled **\$48.4 billion** for the combined years 2012–2015
- Over **\$25.6 billion was crossed internally**. This represents an average crossing rate for the period of **53.02%**.
- Estimated costs to trade a full slice of US large cap stocks in the open market is 10 bps while it costs about 20 bps for US mid/small cap stocks
- **Savings** passed on to our clients are estimated to be at least **\$28 million<sup>1</sup>** from 2012 to 2015

Average turnover 2012–2015



Average percent crossed 2012–2015



Source: GEBS Team.

<sup>1</sup> Impact and spread cost estimates are based on calculations provided by vendor tools that specialize in these estimations but are proprietary to the vendor. Commissions, taxes, and other explicit cost estimates are based on standard schedules published within SSGA but may vary from the results experienced in actual trading.

# S&P 500<sup>®</sup> Index Strategy

# SSGA S&P Indices Experience

- Introduced our first S&P 500 Commingled Fund in 1978
- Launched the first ETF, the SPDR S&P 500 Index (SPY) over 20 years ago
- Managing assets to over 25 domestic S&P Indices representing over \$527 billion

S&P 500 Index \$366,536 M	S&P US Sector Index \$93,292 M		
	S&P MidCap 400 Index \$19,508 M	S&P 500 Index Screened \$3,037 M	S&P GSCI \$481M
			S&P Mid Cap Growth Index \$415 M
	S&P High Yield Div. Aristocrat \$15,907 M	S&P 500 Equal Weighted Index \$963 M	S&P 600 Value Index \$404 M
			S&P Small Cap 600 Index \$419 M
		S&P 600 Growth Index \$613 M	S&P 500 Value Index \$409 M
	S&P 100 Index \$320 M		
	S&P 500 Ex Tobacco Index \$9,468M	S&P 500 Growth Index \$662 M	S&P MLP Index \$153 M
			S&P Mid Cap Value™ Index \$172 M
		Buy Write S&P 500 \$582 M	S&P 500 Low Volatility \$70 M
S&P 1500 Momentum Tilt \$18 M			

Source: SSGA as of March 31, 2016.  
Standard & Poor's S&P Indices are registered trademarks of Standard & Poor's Financial Services LLC.

# S&P 500<sup>®</sup> Index Strategy Overview

**Objective: Seeks to match the returns and characteristics of the S&P 500 Index as closely as practicable, before expenses over the long term**

- S&P 500 Index Strategy
  - Replication with additive offsets
  - Daily openings
  - May use exchange traded index futures to achieve equity exposure
- S&P 500 Index: Exposure to 500 leading companies in leading industries
  - Large-cap equity covering about 80% of US market
  - Float-adjusted market capitalization
  - Continuous reconstitution
  - Five year average (2011–2015) annual historical turnover: 3.93%

Source: SSGA, S&P.

As of March 31, 2016. Updated Annually.

Although some investments may exhibit certain characteristics of leverage transactions, SSGA will not borrow money or use derivatives for the S&P 500 Index Strategy in a manner that SSGA considers to have the purpose of creating investment leverage.

Investments made by SSGA to hedge or reduce risk will not be considered to have been made for the purpose of creating investment leverage; SSGA generally will determine whether an investment has the effect of creating investment leverage by evaluating the effect of the investment on the exposure and risk profile of the Strategy's portfolio as a whole.

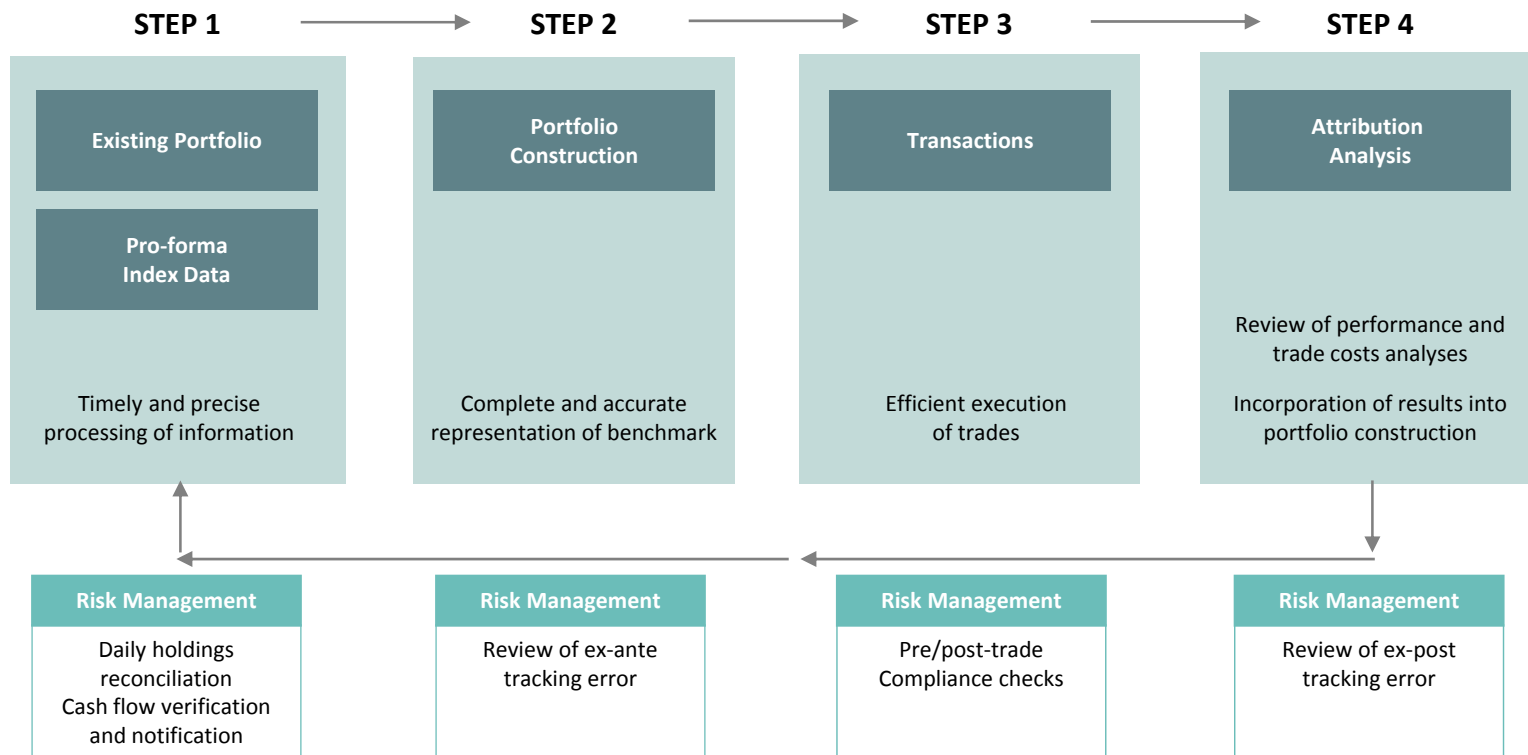
Standard & Poor's S&P Indices are registered trademarks of Standard & Poor's Financial Services LLC.

Please see Important Disclosures in the Appendix.

# Portfolio Management Process Overview

We seek to match the returns and characteristics of an Index as closely as possible, before expenses, over the long term

We define risk as under- or over-performance to the benchmark

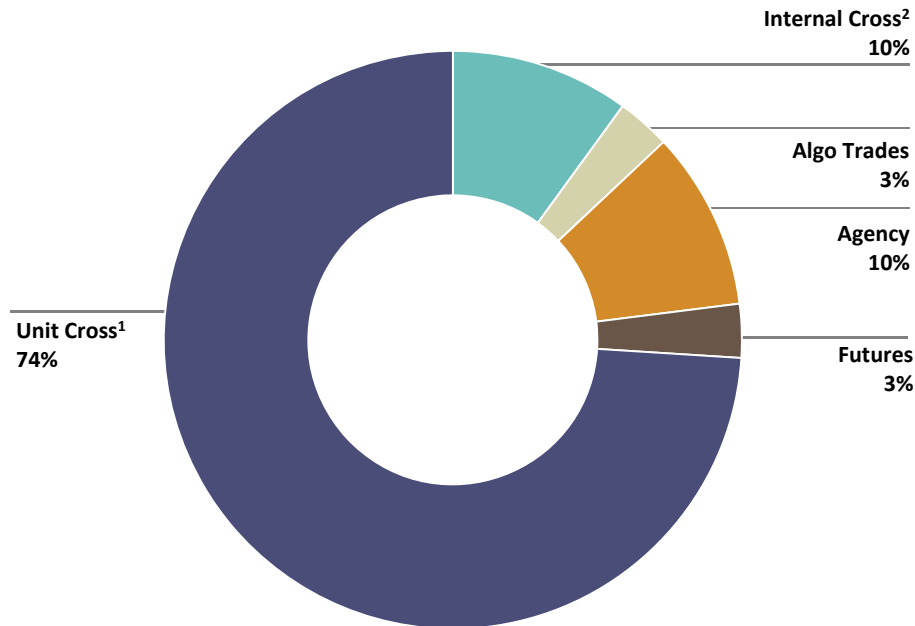


The information contained above is for illustrative purposes only.

# Potential Cost — Effective Trading

90% of the S&P 500 Index Strategy's cash flows traded at low or no cost\*

Total Order Flows: \$125.4Billion 2013–2015



Source: SSGA.

\* For the 3 most recent calendar years as of the slide creation date, 2013–2015. Data based on the weighted average results (by order volume) of one or more of SSGA's commingled funds. There is no guarantee that a particular client transaction will experience the same level of low cost trading.

<sup>1</sup> Unit crosses are transactions where client contributions/redemptions in a commingled fund are matched with offsetting client contributions/redemptions in the same commingled fund.

<sup>2</sup> Internal crosses are equity transactions for one SSGA managed fund that are matched, where possible, with offsetting equity transactions from other eligible SSGA managed funds.

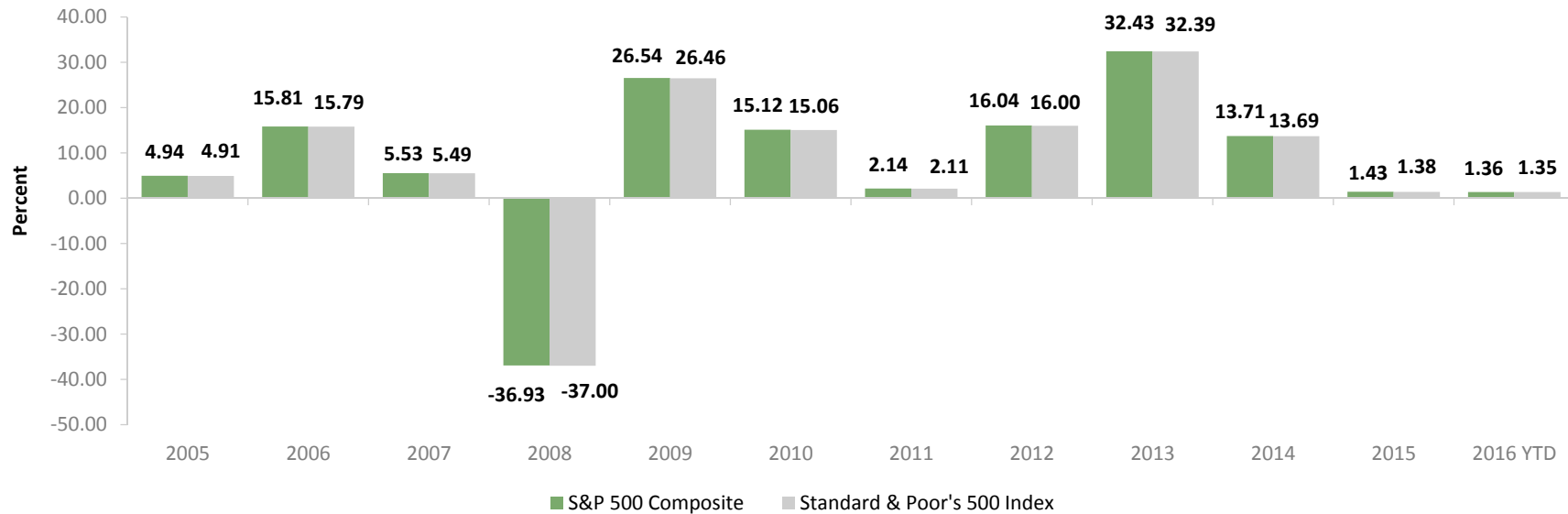
Low cost trading percentages are calculated by subtracting agency trades from total trades and then dividing by total trades.

Hypothetical savings are based upon estimates and reflect subjective judgments and assumptions. These results were achieved by means of a mathematical formula and do not reflect the effect of unforeseen economic and market factors on decision-making. The hypothetical savings are not necessarily indicative of future savings, which could differ substantially.

# S&P 500<sup>®</sup> Index Composite

## Gross annualized returns for the period ending March 31, 2016 (USD)

	Qtr	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception <sup>†</sup>
S&P 500 Index Composite	1.36%	1.36%	1.85%	11.85%	11.61%	7.05%	10.36%
S&P 500 Index	1.35	1.35	1.78	11.82	11.58	7.01	10.33
<b>Difference*</b>	<b>0.02</b>	<b>0.02</b>	<b>0.06</b>	<b>0.03</b>	<b>0.03</b>	<b>0.05</b>	<b>0.03</b>



Source: SSGA.

<sup>†</sup> Inception date: January 1, 1986.

\* The value added returns may show rounding differences.

The performance shown is of a composite consisting of all discretionary accounts using this investment strategy. There is no minimum account size required for inclusion in the composite.

New funds or accounts are added to the composite upon the first full month of operation and closed funds or accounts are removed from the composite upon the last full month of operation.

The above information is considered supplemental to the GIPS presentation for this Composite, which can be found in the Appendix or was previously presented. A GIPS presentation is also available upon request. Past performance is not a guarantee of future results. Performance returns for periods of less than one year are not annualized. Returns are expressed gross of management fees.

Some members of the composite may accrue administration fees. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in US dollars.

The index returns are unmanaged and do not reflect the deduction of any fees or expenses. The index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income.

It is not possible to invest directly in an index. Please see Important Disclosures in the Appendix.

S:SP5/C:gPASP500

CM11

# Why SSGA for Index Management?

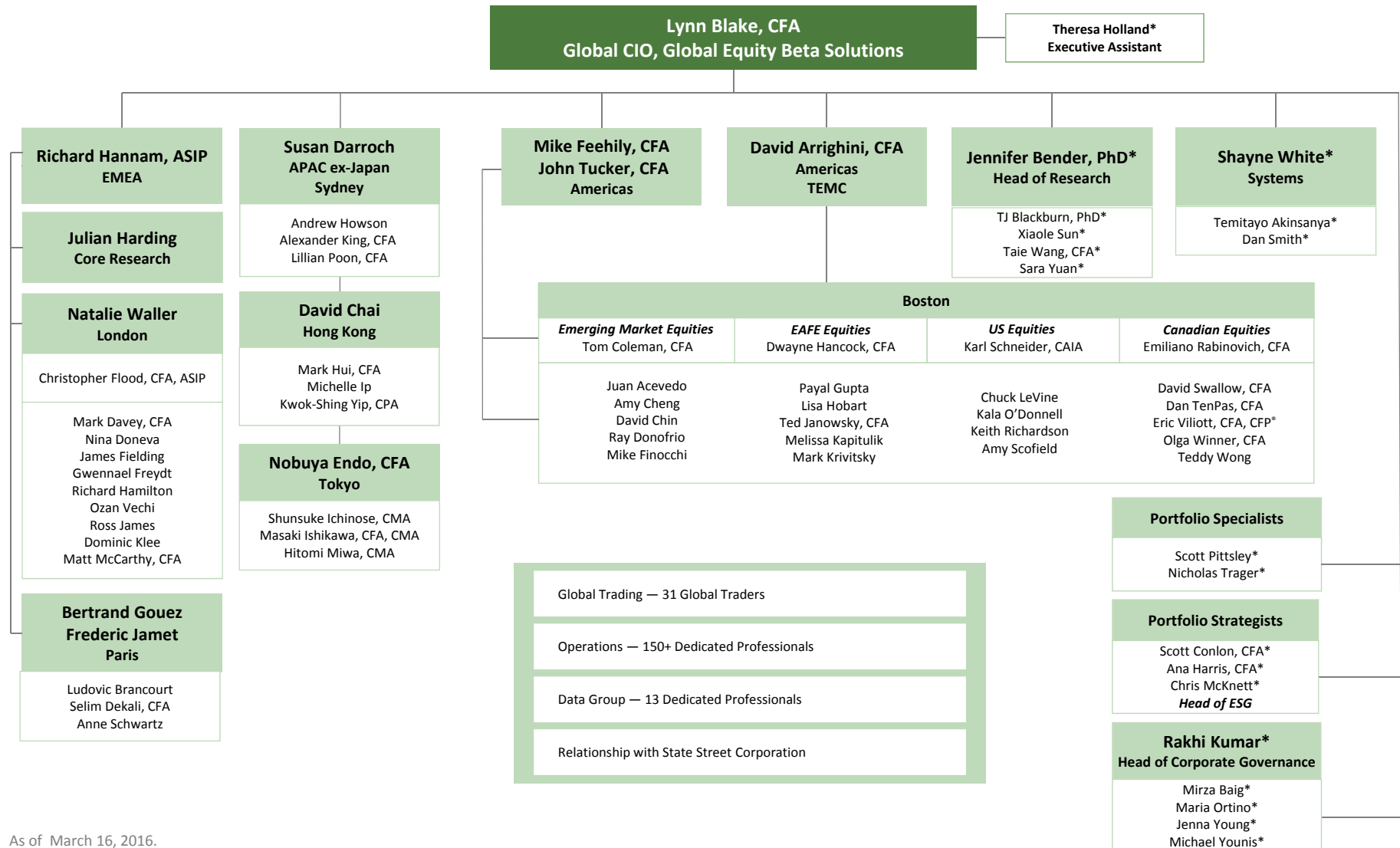
## SSGA's Competitive Strengths

<b>Stable and Tenured Team</b>	<ul style="list-style-type: none"><li>• Over 35 years of dedicated index management</li><li>• An average of 15 years industry experience across the global portfolio management team</li></ul>
<b>Minimizing Costs</b>	<ul style="list-style-type: none"><li>• Potential cost-savings through crossing opportunities*</li><li>• Modular approach utilizing sizeable, seasoned, commingled fund portfolios</li></ul>
<b>Customized Investment Strategies</b>	<ul style="list-style-type: none"><li>• Listen, understand and respond to client needs and challenges</li></ul>
<b>Timely Research and Guidance</b>	<ul style="list-style-type: none"><li>• Researchers dedicated to practical as well as strategic and theoretical issues</li></ul>
<b>Strong and Lasting Client Relationships</b>	<ul style="list-style-type: none"><li>• Trusted to manage over 1,800 client portfolios globally against over 500 indices</li></ul>

As of June 30, 2015. Updated annually.

\* There is no guarantee that cost savings will be achieved.

# Global Equity Beta Solutions



As of March 16, 2016.

\* Does not manage assets for the Global Equity Beta Solutions team.

Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™ and federally registered CFP (with flame design) in the US, which it awards to individuals who successfully complete CFP Board's initial and ongoing certification requirements.

# S&P MidCap 400 Index™ Strategy

# SSGA S&P Indices Experience

- Introduced our first S&P 500 Commingled Fund in 1978
- Launched the first ETF, the SPDR S&P 500 Index (SPY) over 20 years ago
- Managing assets to over 25 domestic S&P Indices representing over \$527 billion

S&P 500 Index \$366,536 M	S&P US Sector Index \$93,292 M		
	S&P MidCap 400 Index \$19,508 M	S&P 500 Index Screened \$3,037 M	S&P GSCI \$481M
		S&P High Yield Div. Aristocrat \$15,907 M	S&P 500 Equal Weighted Index \$963 M
	S&P 600 Growth Index \$613 M		S&P 600 Value Index \$404 M
			S&P Small Cap 600 Index \$419 M
	S&P 500 Growth Index \$662 M	S&P 500 Value Index \$409 M	S&P 100 Index \$320 M
			S&P MLP Index \$153 M
		S&P 500 Ex Tobacco Index \$9,468M	S&P Mid Cap Value™ Index \$172 M
	Buy Write S&P 500 \$582 M		S&P 500 Low Volatility \$70 M
			S&P 1500 Momentum Tilt \$18 M

Source: SSGA, as of March 31, 2016.  
Standard & Poor's S&P Indices are registered trademarks of Standard & Poor's Financial Services LLC.

# S&P MidCap 400™ Index Strategy Overview

**Objective: Seeks to match the returns and characteristics of the S&P MidCap 400 Index as closely as practicable, before expenses over the long term**

- S&P MidCap 400 Index Strategy
  - Replication with additive offsets
  - Daily openings
  - May use exchange traded index futures to achieve equity exposure
- S&P MidCap 400 Index
  - Mid-cap equity representing approximately 7% of the investable US equity market
  - Float-adjusted market capitalization
  - Continuous reconstitution
  - Five year average (2010–2015) annual historical turnover: 13.8%

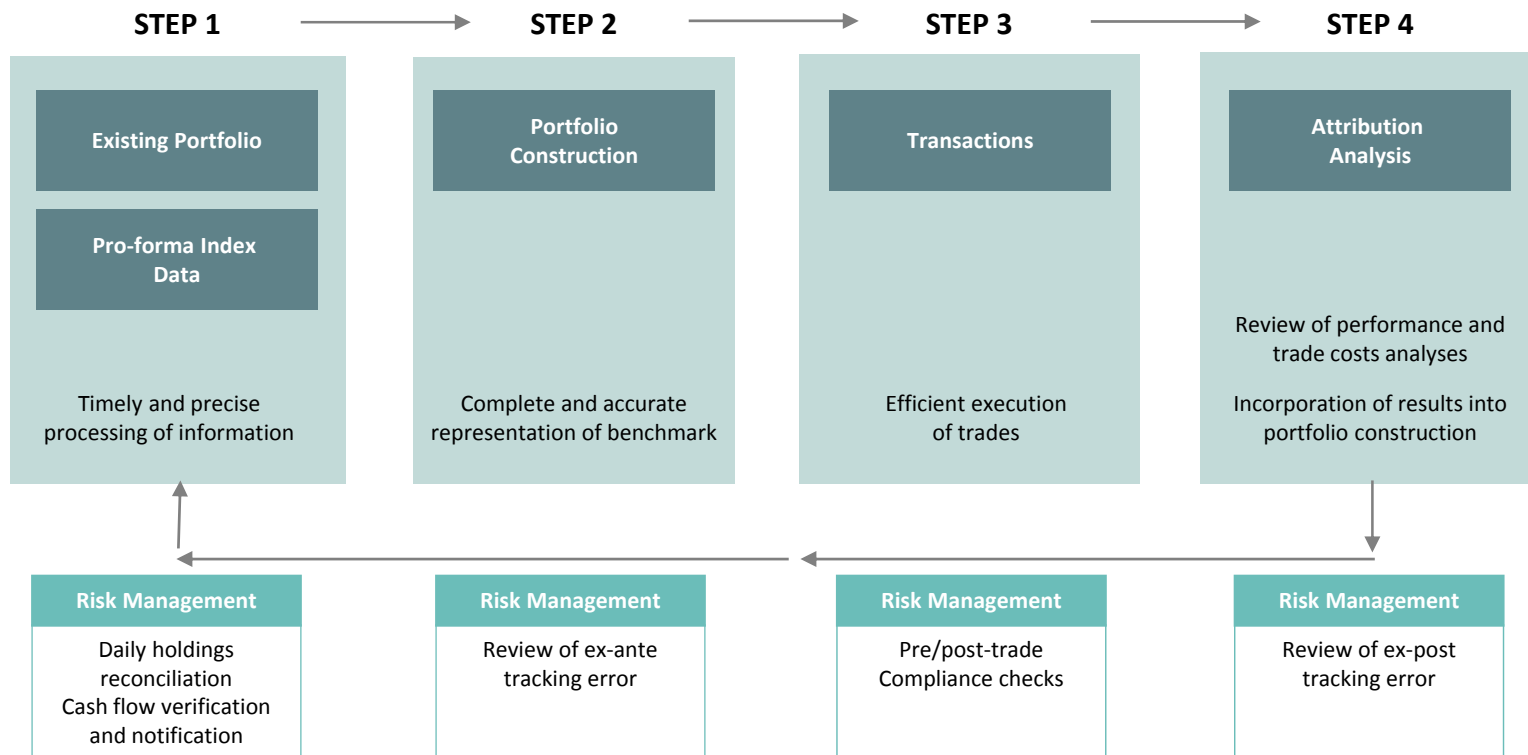
As of December 31, 2015. Updated Annually.

Although some investments may exhibit certain characteristics of leverage transactions, SSGA will not borrow money or use derivatives for the S&P MidCap 400 Index Strategy in a manner that SSGA considers to have the purpose of creating investment leverage. Investments made by SSGA to hedge or reduce risk will not be considered to have been made for the purpose of creating investment leverage; SSGA generally will determine whether an investment has the effect of creating investment leverage by evaluating the effect of the investment on the exposure and risk profile of the Strategy's portfolio as a whole.

# Portfolio Management Process Overview

We seek to match the returns and characteristics of an Index as closely as possible, before expenses, over the long term

We define risk as under- or over-performance to the benchmark

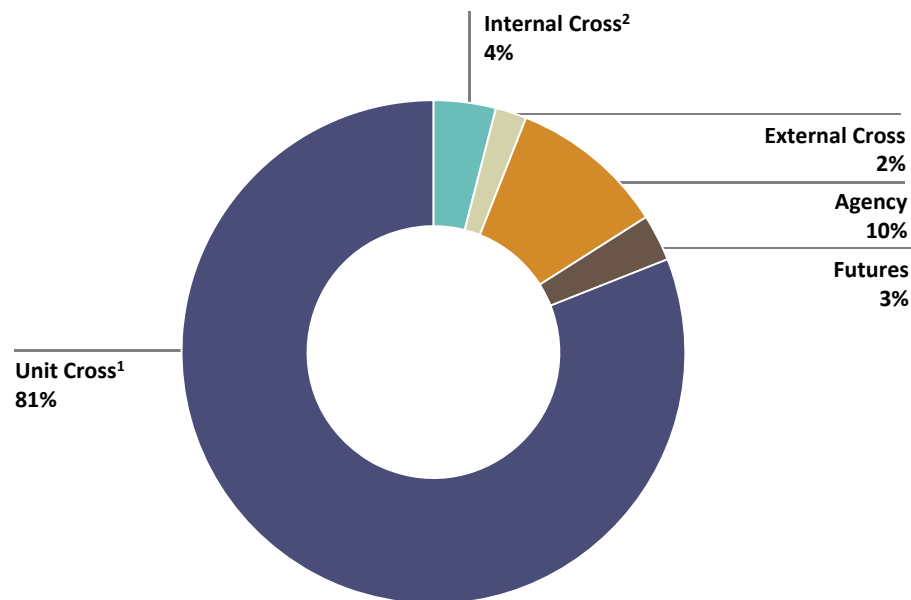


The information contained above is for illustrative purposes only.

# Potential Cost — Effective Trading

90% of the S&P MidCap 400 Index Strategy's cash flows traded at low or no cost\*

Total Order Flows: \$14.6 Billion in 2013–15



Source: SSGA.

\* For the 3 most recent calendar years as of the slide creation date, 2013–2015. Data based on the weighted average results (by order volume) of one or more of SSGA's commingled funds.

There is no guarantee that a particular client transaction will experience the same level of low cost trading.

<sup>1</sup> Unit crosses are transactions where client contributions/redemptions in a commingled fund are matched with offsetting client contributions/redemptions in the same commingled fund.

<sup>2</sup> Internal crosses are equity transactions for one SSGA managed fund that are matched, where possible, with offsetting equity transactions from other eligible SSGA managed funds.

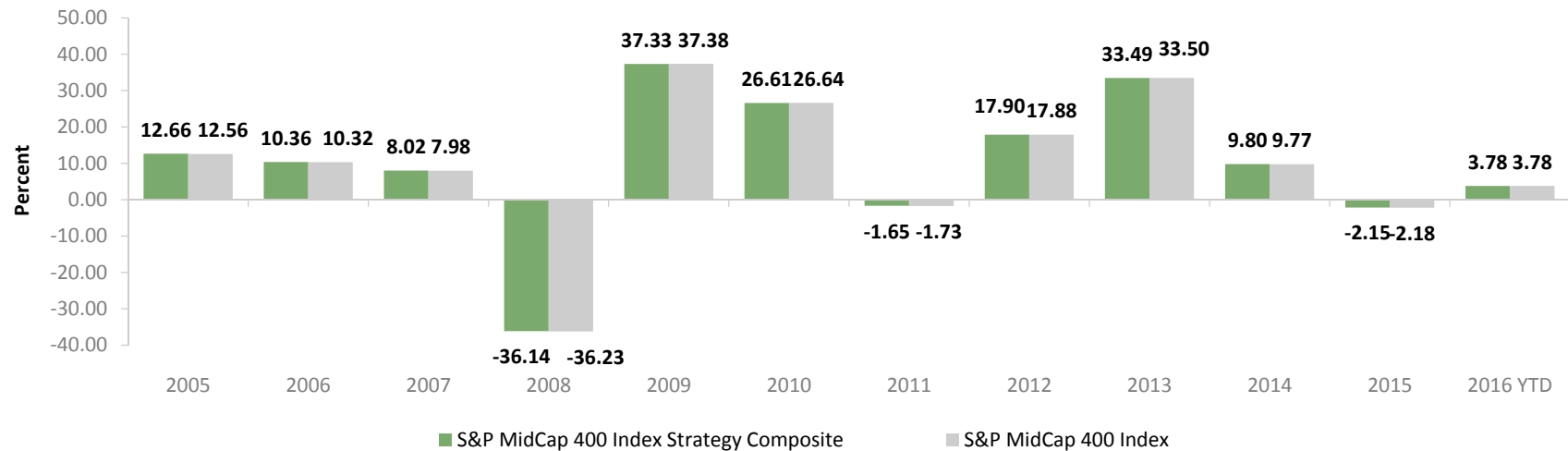
Low cost trading percentages are calculated by subtracting agency trades from total trades and then dividing by total trades. Hypothetical savings are based upon estimates and reflect subjective judgments and assumptions. These results were achieved by means of a mathematical formula and do not reflect the effect of unforeseen economic and market factors on decision-making.

The hypothetical savings are not necessarily indicative of future savings, which could differ substantially.

# S&P MidCap 400™ Index Strategy Composite

## Gross annualized returns for the period ending March 31, 2016 (USD)

	Qtr	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception <sup>†</sup>
S&P MidCap 400 Index Strategy Composite	3.78%	3.78%	-3.57%	9.49%	9.56%	7.82%	12.20%
S&P MidCap 400 Index	3.78	3.78	-3.60	9.46	9.52	7.78	12.19
<b>Difference*</b>	<b>-0.01</b>	<b>-0.01</b>	<b>0.03</b>	<b>0.03</b>	<b>0.04</b>	<b>0.03</b>	<b>0.01</b>



Source: SSGA.

<sup>†</sup> Inception date: July 1, 1991.

\* The value added returns may show rounding differences.

The performance shown is of a composite consisting of all discretionary accounts using this investment strategy. There is no minimum account size required for inclusion in the composite. New funds or accounts are added to the composite upon the first full month of operation and closed funds or accounts are removed from the composite upon the last full month of operation. The above information is considered supplemental to the GIPS presentation for this Composite, which can be found in the Appendix or was previously presented. A GIPS presentation is also available upon request. Past performance is not a guarantee of future results. Performance returns for periods of less than one year are not annualized. Returns are expressed gross of management fees. Returns will be reduced by the advisory fee and any other expenses that may be incurred in the management of the client's investment advisory account. Investment advisory fees are described in Part 2A of SSGA's Form ADV on file with the SEC. For example, if an annualized gross return of 10% was achieved over a 5-year period and a management fee of 1% per year was charged and deducted annually, then the resulting return would be reduced from 61% to 54%. Some members of the composite may accrue administration fees. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in US dollars. The index returns are unmanaged and do not reflect the deduction of any fees or expenses. The index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income. Performance of an index is not illustrative of any particular investment. It is not possible to invest directly in an index.

gPASP400

# Why SSGA for Index Management?

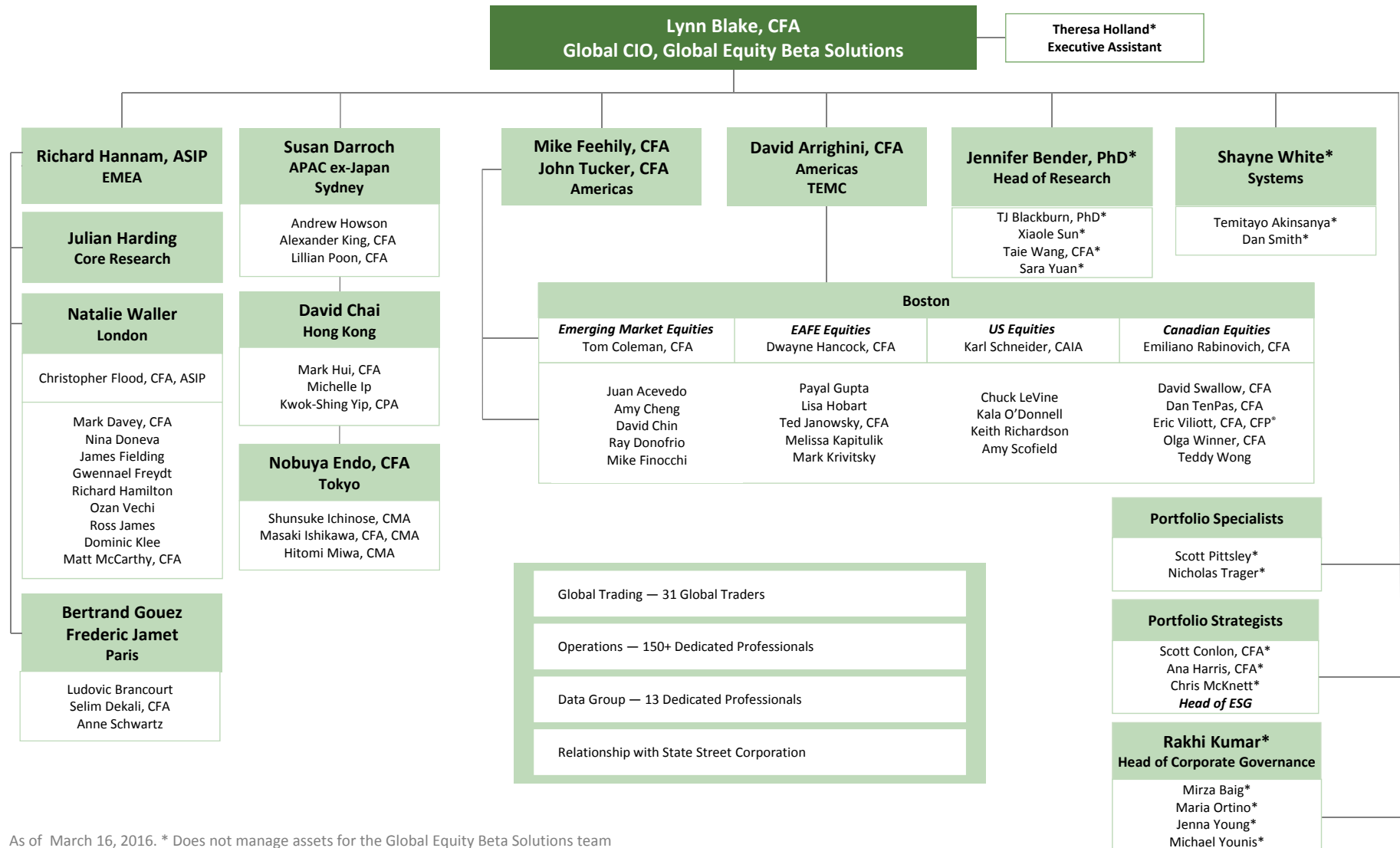
## SSGA's Competitive Strengths

<b>Stable and Tenured Team</b>	<ul style="list-style-type: none"><li>• Over 35 years of dedicated index management</li><li>• An average of 15 years industry experience across the global portfolio management team</li></ul>
<b>Minimizing Costs</b>	<ul style="list-style-type: none"><li>• Potential cost-savings through crossing opportunities*</li><li>• Modular approach utilizing sizeable, seasoned, commingled fund portfolios</li></ul>
<b>Customized Investment Strategies</b>	<ul style="list-style-type: none"><li>• Listen, understand and respond to client needs and challenges</li></ul>
<b>Timely Research and Guidance</b>	<ul style="list-style-type: none"><li>• Researchers dedicated to practical as well as strategic and theoretical issues</li></ul>
<b>Strong and Lasting Client Relationships</b>	<ul style="list-style-type: none"><li>• Trusted to manage over 1,800 client portfolios globally against over 500 indices</li></ul>

As of June 30, 2015. Updated annually.

\* There is no guarantee that cost savings will be achieved.

# Global Equity Beta Solutions



As of March 16, 2016. \* Does not manage assets for the Global Equity Beta Solutions team  
 Certified Financial Planner Board of Standards Inc. owns the certification marks CFP®, CERTIFIED FINANCIAL PLANNER™  
 and federally registered CFP (with flame design) in the US, which it awards to individuals who successfully complete CFP Board's  
 initial and ongoing certification requirements.

# Appendix A: GIPS® Presentations

# GIPS® Report: S&P 500 Index Composite

## As of December 31, 2015

Gross Returns	Quarter	YTD	1	3	5	10	Since
			Year	Years	Years	Years	Inception
			Jan 1986				
S&P 500 Index Composite	7.06	1.43	1.43	15.16	12.60	7.35	N/A
S&P 500®	7.04	1.38	1.38	15.13	12.57	7.31	N/A

Year	S&P 500 Index Composite	S&P 500®
2015	1.43	1.38
2014	13.71	13.69
2013	32.42	32.39
2012	16.04	16.00
2011	2.14	2.11
2010	15.12	15.06
2009	26.54	26.46
2008	-36.93	-37.00
2007	5.53	5.49
2006	15.81	15.79

Year	No. of Portfolios	Composite Dispersion	3 Yr Annualized Standard Deviation — Composite	3 Yr Annualized Standard Deviation — Benchmark	Total Assets at End of Period (USD)	% of Firm's Assets	Total Firm Assets (USD mil)
2014	20	0.03	8.97	8.97	67,773,578,217	2.84	2,383,493
2013	20	0.04	11.93	11.94	67,232,162,274	2.95	2,279,237
2012	20	0.04	15.08	15.09	55,499,052,765	2.74	2,023,842
2011	18	0.01	18.69	18.71	62,152,623,788	3.52	1,768,142
2010	14	0.02	21.84	21.85	58,677,181,141	3.86	1,518,977
2009	16	0.06	19.62	19.63	56,064,423,967	4.12	1,360,125
2008	12	0.02	15.07	15.08	63,317,399,770	6.67	949,988
2007	11	0.07	7.68	7.68	105,871,246,711	8.49	1,246,382
2006	12	0.10	6.82	6.82	105,498,089,610	9.83	1,073,038

gPASP500

\* 5 portfolios or less

\*\* Less than 3 years

Quarterly and YTD returns are not annualized

Investment Objective: The Strategy seeks an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index (the "Index") over the long term.

Investment Strategy: The Strategy is managed using a "passive" or "indexing" investment approach, by which SSGA attempts to match, before expenses, the performance of the Index. SSGA will typically attempt to invest in the equity securities comprising the Index, in approximately the same proportions as they are represented in the Index. Equity securities may include common stocks, preferred stocks, depository receipts, or other securities convertible into common stock. The Strategy may purchase securities in their initial public offerings ("IPOs"). In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct the portfolio in question. From time to time securities are added to or removed from the Index. SSGA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, prior to or after their removal or addition to the Index. The Strategy may at times purchase or sell index futures contracts, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.

Withholding Taxes Differences: None.

Exchange Rates Differences Between Composite & Benchmark: None.

Minimum Asset Level for Inclusion: 0.

**STATE STREET**  
**GLOBAL ADVISORS**

### Footnotes

**Firm Definition:** For the purpose of complying with the Global Investment Performance Standards (GIPS®), the firm ("SSGA-Global") is defined as all portfolios managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of business units which are held out to the marketplace as distinct business entities – Fiduciary Advisory Solutions (formerly known as the Office of the Fiduciary Advisor [OFA]) and Charitable Asset Management (CAM). Prior to 1/1/2011, SSGA-Global also excluded its wrap fee business (Intermediary Business Group [IBG]) and assets accounted for on a book value basis (global cash and stable value assets). In January 2011, SSGA acquired the Bank of Ireland Asset Management Limited (now known as SSGA Ireland Limited), a GIPS® Compliant firm. On 1/1/2012 SSGA Ireland Limited assets were merged into SSGA-Global.

**Composite Description:** The Composite seeks to achieve the Investment Objective described below using the Investment Strategy described below.

**Compliance Statement:** SSGA-Global claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS. SSGA-Global claims compliance with the GIPS standards from January 1, 2000. The period prior to January 1, 2000 (where shown) is not in compliance, as not all actual fee-paying portfolios are in a composite. SSGA-Global has been independently verified for the periods January 1, 2000 through December 31, 2014. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. In January 2015, the GIPS Firm name changed from "SSGA-Global" to "SSGA-Global".

**List Available:** A complete list of the firm's composites and their descriptions is available upon request.

**Creation Date:** The composite was created on 01/01/09.

**Benchmark Description:** The benchmark for the composite is the S&P 500®. Index returns are unmanaged and do not reflect the deduction of any fees or expenses but include all items of income, gain, and loss.

**Currency:** Performance is presented in USD.

**Use of Subadvisors:** This composite contains portfolios that were managed on a sub-advised basis for the period from 01/09/02 to 31/08/08.

**Use of Subadvisors:** None.

**Fees:** Returns are expressed gross of management fees. The results do not reflect the deduction of investment management fees. Some members of this composite may accrue administration fees. The client's return will be reduced by the management fee. For example, if an annualized gross return of 10% was achieved over a 5-year period and a management fee of 1% per year was charged and deducted annually, then the resulting total return would be reduced from 61% to 54%.

**Fee Schedule:** Management fees are 0.050% of the first \$50,000,000; 0.040% of the next \$50,000,000; and 0.020% thereafter. The minimum annual management fee for commingled funds is \$10,000. The minimum annual management fee for separately managed accounts is \$75,000. Management fees may be adjusted based upon specific client requirements.

**Derivatives Use:** SSGA may use futures and other derivatives from time to time in the management of the Strategy generally as a temporary substitute for cash investments or for hedging purposes and not with the purpose of creating investment leverage.

**Calculation Methodology:** Additional information is available upon request regarding the firm's policies and procedures for calculating and reporting performance results as well as valuation procedures.

**Annualized Returns:** All returns for periods greater than one year have been annualized.

**Dispersion:** Asset-Weighted standard deviation is calculated using the annual returns of the accounts that were included in the composite for all periods of the year.

**Significant Events:** In November 2007, on the departure of the North America CIO Sean Flannery, Global asset class CIOs were appointed (Alistair Lowe, Asset Allocation and Currency CIO; Mark Marinella, Fixed Income CIO; Steve Meier, Cash CIO and Arlene Rockefeller, Equities CIO). In May 2010, Lynn Blake assumed the role as global head of Index Equity following the retirement of Paul Brakke. In July 2014, on the departure of Maria Dwyer, Matt Steinaway was named interim Chief Risk Officer. Matt replaced Maria Dwyer, who was appointed to the leadership team of the Office of Regulatory Initiatives Oversight. In November 2014, David Saulnier was appointed as Chief Risk Officer for SSGA, replacing Matt Steinaway. Matt Steinaway resumed his position as Head of Global Cash Management. In March 2015, Timothy Corbett was appointed Head of Global Investment Risk replacing Fred Gjerstad who has since left the firm. In March 2015, Ronald O' Hanley was appointed CEO and President of State Street Global Advisors replacing Scott Powers who retired. In June 2015, Greg Ehret was named President continuing to report to Ron O' Hanley, chief executive officer of SSGA. In August 2015, Matt Steinaway was appointed as Chief Risk Officer for SSGA, replacing David Saulnier who has since left the firm. Pia McCusker assumed Matt's role as Head of Global Cash Management. In December 2015, Ronald O' Hanley, Chief Executive Officer of SSGA, re-assumed the role of President of the company upon the departure of Greg Ehret. Steven Lipiner was appointed Chief Financial Officer replacing Keith Crawford who was appointed head of global mergers and acquisitions.

**Past and Future Performance:** Historic performance is not necessarily indicative of actual future investment performance, which could differ substantially.

# GIPS® Report: S&P MidCap 400 Index Composite

## As of December 31, 2015

### Gross Returns

	Quarter	YTD	1 Year	3 Years	5 Years	10 Years	Since Inception Jul 1991
S&P MidCap 400 Index Composite	2.61	-2.15	-2.15	12.79	10.72	8.22	N/A
S&P MidCap 400®	2.60	-2.18	-2.18	12.76	10.68	8.18	N/A

Year	S&P MidCap 400 Index Composite	S&P MidCap 400®
2015	-2.15	-2.18
2014	9.76	9.77
2013	33.59	33.50
2012	17.92	17.88
2011	-1.66	-1.73
2010	26.61	26.64
2009	37.33	37.38
2008	-36.14	-36.23
2007	8.02	7.98
2006	10.36	10.32

Year	No. of Portfolios	Composite Dispersion	3 Yr Annualized Standard Deviation — Composite	3 Yr Annualized Standard Deviation — Benchmark	Total Assets at End of Period (USD)	% of Firm's Assets	Total Firm Assets (USD mil)
2015	*	N/A	11.69	11.70	3,326,941,923	0.15	2,183,429
2014	6	N/A	11.12	11.13	3,800,073,134	0.16	2,383,493
2013	*	N/A	15.00	15.01	3,400,405,660	0.15	2,279,237
2012	*	N/A	17.91	17.90	3,582,109,011	0.18	2,023,842
2011	*	N/A	21.85	21.85	2,865,506,309	0.16	1,768,142
2010	*	N/A	25.79	25.80	2,160,660,725	0.14	1,518,977
2009	*	N/A	23.47	23.50	2,637,599,656	0.19	1,360,125
2008	*	N/A	18.99	19.01	4,345,997,940	0.46	949,988
2007	*	N/A	10.38	10.37	6,974,701,926	0.56	1,246,382
2006	*	N/A	10.21	10.19	6,110,808,866	0.57	1,073,038

gPASP400

\* 5 portfolios or less

\*\* Less than 3 years

Quarterly and YTD returns are not annualized

Investment Objective: The Strategy seeks an investment return that approximates as closely as practicable, before expenses, the performance of its benchmark index (the "Index") over the long term.

Investment Strategy: The Strategy is managed using a "passive" or "indexing" investment approach, by which SSGA attempts to match, before expenses, the performance of the Index. SSGA will typically attempt to invest in the equity securities comprising the Index, in approximately the same proportions as they are represented in the Index. Equity securities may include common stocks, preferred stocks, depository receipts, or other securities convertible into common stock. The Strategy may purchase securities in their initial public offerings ("IPOs"). In some cases, it may not be possible or practicable to purchase all of the securities comprising the Index, or to hold them in the same weightings as they represent in the Index. In those circumstances, SSGA may employ a sampling or optimization technique to construct the portfolio in question. From time to time securities are added to or removed from the Index. SSGA may sell securities that are represented in the Index, or purchase securities that are not yet represented in the Index, prior to or after their removal or addition to the Index. The Strategy may at times purchase or sell index futures contracts, or options on those futures, or engage in other transactions involving the use of derivatives, in lieu of investment directly in the securities making up the Index or to enhance the Strategy's replication of the Index return. The Strategy's return may not match the return of the Index.

### Footnotes

**Firm Definition:** For the purpose of complying with the Global Investment Performance Standards (GIPS®), the firm ("SSGA-Global") is defined as all portfolios managed across the global offices of State Street Global Advisors (SSGA) and SSGA Funds Management, Inc., with the exception of business units which are held out to the marketplace as distinct business entities – Fiduciary Advisory Solutions (formerly known as the Office of the Fiduciary Advisor [OFA]) and Charitable Asset Management (CAM). Prior to 1/1/2011, SSGA-Global also excluded its wrap fee business (Intermediary Business Group [IBG]) and assets accounted for on a book value basis (global cash and stable value assets). In January 2011, SSGA acquired the Bank of Ireland Asset Management Limited (now known as SSGA Ireland Limited), a GIPS® Compliant firm. On 1/1/2012 SSGA Ireland Limited assets were merged into SSGA-Global.

**Composite Description:** The Composite seeks to achieve the Investment Objective described below using the Investment Strategy described below.

**Compliance Statement:** SSGA-Global claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with GIPS. SSGA-Global claims compliance with the GIPS standards from January 1, 2000. The period prior to January 1, 2000 (where shown) is not in compliance, as not all actual fee-paying portfolios are in a composite. SSGA-Global has been independently verified for the periods January 1, 2000 through December 31, 2014. The verification report is available upon request. Verification assesses whether (1) the firm has complied with all the composite construction requirements of the GIPS standards on a firm-wide basis and (2) the firm's policies and procedures are designed to calculate and present performance in compliance with the GIPS standards. Verification does not ensure the accuracy of any specific composite presentation. In January 2015, the GIPS Firm name changed from "SSGA-Global" to "SSGA-Global".

**List Available:** A complete list of the firm's composites and their descriptions is available upon request.

**Creation Date:** The composite was created on 01/01/09.

**Benchmark Description:** The benchmark for the composite is the S&P MidCap 400®. Index returns are unmanaged and do not reflect the deduction of any fees or expenses but include all items of income, gain, and loss.

**Currency:** Performance is presented in USD.

**Use of Subadvisors:** None.

**Fees:** Returns are expressed gross of management fees. The results do not reflect the deduction of investment management fees. Some members of this composite may accrue administration fees. The client's return will be reduced by the management fee. For example, if an annualized gross return of 10% was achieved over a 5-year period and a management fee of 1% per year was charged and deducted annually, then the resulting total return would be reduced from 61% to 54%.

**Fee Schedule:** Management fees are 0.070% of the first \$50,000,000; 0.050% of the next \$50,000,000; and 0.035% thereafter. The minimum annual management fee for commingled funds is \$10,000. The minimum annual management fee for separately managed accounts is \$75,000. Management fees may be adjusted based upon specific client requirements.

**Derivatives Use:** SSGA may use futures and other derivatives from time to time in the management of the Strategy generally as a temporary substitute for cash investments or for hedging purposes and not with the purpose of creating investment leverage.

**Calculation Methodology:** Additional information is available upon request regarding the firm's policies and procedures for calculating and reporting performance results as well as valuation procedures.

**Annualized Returns:** All returns for periods greater than one year have been annualized.

**Withholding Taxes Differences:** None.

**Exchange Rates Differences Between Composite & Benchmark:** None.

**Minimum Asset Level for Inclusion:** 0.

**Dispersion:** Asset-Weighted standard deviation is calculated using the annual returns of the accounts that were included in the composite for all periods of the year.

**Significant Events:** In November 2007, on the departure of the North America CIO Sean Flannery, Global asset class CIOs were appointed (Alistair Lowe, Asset Allocation and Currency CIO; Mark Marinella, Fixed Income CIO; Steve Meier, Cash CIO and Arlene Rockefeller, Equities CIO). In May 2010, Lynn Blake assumed the role as global head of Index Equity following the retirement of Paul Brakke. In July 2014, on the departure of Maria Dwyer, Matt Steinaway was named interim Chief Risk Officer. Matt replaced Maria Dwyer, who was appointed to the leadership team of the Office of Regulatory Initiatives Oversight. In November 2014, David Saulnier was appointed as Chief Risk Officer for SSGA, replacing Matt Steinaway. Matt Steinaway resumed his position as Head of Global Cash Management. In March 2015, Timothy Corbett was appointed Head of Global Investment Risk replacing Fred Gjerstad who has since left the firm. In March 2015, Ronald O' Hanley was appointed CEO and President of State Street Global Advisors replacing Scott Powers who retired. In June 2015, Greg Ehret was named President continuing to report to Ron O' Hanley, chief executive officer of SSGA. In August 2015, Matt Steinaway was appointed as Chief Risk Officer for SSGA, replacing David Saulnier who has since left the firm. Pia McCusker assumed Matt's role as Head of Global Cash Management. In December 2015, Ronald O' Hanley, Chief Executive Officer of SSGA, re-assumed the role of President of the company upon the departure of Greg Ehret. Steven Lipiner was appointed Chief Financial Officer replacing Keith Crawford who was appointed head of global mergers and acquisitions.

**Past and Future Performance:** Historic performance is not necessarily indicative of actual future investment performance, which could differ substantially.

# Appendix B: Important Disclosures

# Index Trademark Attribution

The MSCI Indexes are trademarks of MSCI, Inc.

Standard & Poor's S&P Indices are registered trademarks of Standard & Poor's Financial Services LLC.

Russell Investment Group is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell is a trademark of Russell Investment Group.

# MSCI Index Disclaimer

MSCI Indices are trademarks of MSCI Inc. Any financial products referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such financial products or any index on which such financial products are based. The fund documents contain a more detailed description of the limited relationship MSCI has with SSGA and any related financial products. Source: MSCI: Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

# Important Disclosures

Equity securities are volatile and can decline significantly in response to broad market and economic conditions.

Investing in foreign domiciled securities may involve risk of capital loss from unfavorable fluctuation in currency values, withholding taxes, from differences in generally accepted accounting principles or from economic or political instability in other nations.

Investments in emerging or developing markets may be more volatile and less liquid than investing in developed markets and may involve exposure to economic structures that are generally less diverse and mature and to political systems which have less stability than those of more developed countries.

Investing in commodities entail significant risk and is not appropriate for all investors. Commodities investing entail significant risk as commodity prices can be extremely volatile due to wide range of factors. A few such factors include overall market movements, real or perceived inflationary trends, commodity index volatility, international, economic and political changes, change in interest and currency exchange rates.

Investments in small/mid sized companies may involve greater risks than in those of larger, better known companies.

ETFs trade like stocks, are subject to investment risk, fluctuate in market value and may trade at prices above or below the ETFs net asset value. Brokerage commissions and ETF expenses will reduce returns.

Standard & Poor's, S&P and SPDR are registered trademarks of Standard & Poor's Financial Services LLC (S&P); Dow Jones is a registered trademark of Dow Jones Trademark Holdings LLC (Dow Jones); and these trademarks have been licensed for use by S&P Dow Jones Indices LLC (SPDJI) and sublicensed for certain purposes by State Street Corporation. State Street Corporation's financial products are not sponsored, endorsed, sold or promoted by SPDJI, Dow Jones, S&P, their respective affiliates and third party licensors and none of such parties make any representation regarding the advisability of investing in such product(s) nor do they have any liability in relation thereto, including for any errors, omissions, or interruptions of any index.

The performance data is reported on a gross of fees basis, but net of administrative costs. Additional fees, such as the management fee, would reduce the return. For example, if an annualized gross return of 10% was achieved over a 5-year period and a management fee of 1% per year was charged and deducted annually, then the resulting return would be reduced from 61% to 54%. The performance includes the reinvestment of dividends and other corporate earnings and is calculated in US dollars.

Certain Supplemental Information being provided is that of a representative account within the Composite and should not be deemed to be reflective of the overall Composite. Certain Supplemental Information may be rounded to the nearest hundredth decimal and may result in the total not adding up to 100.

Investing in futures is highly risky. Futures positions are considered highly leveraged because the initial margins are significantly smaller than the cash value of the contracts. The smaller the value of the margin in comparison to the cash value of the futures contract, the higher the leverage. There are a number of risks associated with futures investing including but not limited to counterparty credit risk, currency risk, derivatives risk, foreign issuer exposure risk, sector concentration risk, leveraging and liquidity risks.

Derivative investments may involve risks such as potential illiquidity of the markets and additional risk of loss of principal.

Investments in mid-sized companies may involve greater risks than in those of larger, better known companies, but may be less volatile than investments in smaller companies.

S&P Midcap 400™ Index is a trademark of Standard & Poor's Financial Services LLC. and has been licensed for use by State Street Bank and Trust Company.

The strategy is not sponsored, endorsed, sold or promoted by Standard & Poor's and Standard & Poor's makes no representation regarding the advisability of investing in the strategy.

The S&P MidCap 400 seeks to track the performance of mid-cap US equities, representing more than 7% of available US market cap.

# Important Disclosures

**This document provides summary information regarding the Strategy. This document should be read in conjunction with the Strategy's Disclosure Document, which is available from SSGA. The Strategy Disclosure Document contains important information about the Strategy, including a description of a number of risks.**

The information provided does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. You should consult your tax and financial advisor. All material has been obtained from sources believed to be reliable. There is no representation or warranty as to the accuracy of the information and State Street shall have no liability for decisions based on such information.

The S&P 500 Index is a product of S&P Dow Jones Indices LLC ("SPDJI"), and has been licensed for use by SSGA. Standard & Poor's®, S&P® and S&P 500® are registered trademarks of Standard & Poor's Financial Services LLC ("S&P").

Companies with large market capitalizations go in and out of favor based on market and economic conditions. Larger companies tend to be less volatile than companies with smaller market capitalizations. In exchange for this potentially lower risk, the value of the security may not rise as much as companies with smaller market capitalizations.

Investing involves risk including the risk of loss of principal.

The whole or any part of this work may not be reproduced, copied or transmitted or any of its contents disclosed to third parties without SSGA's express written consent.

The information provided does not constitute investment advice and it should not be relied on as such. It should not be considered a solicitation to buy or an offer to sell a security. It does not take into account any investor's particular investment objectives, strategies, tax status or investment horizon. You should consult your tax and financial advisor.

All information has been obtained from sources believed to be reliable, but its accuracy is not guaranteed. There is no representation or warranty as to the current accuracy, reliability or completeness of, nor liability for, decisions based on such information and it should not be relied on as such.

Web: [www.ssga.com](http://www.ssga.com)

© 2016 State Street Corporation — All Rights Reserved.

Tracking Number: CMINST-13766

Expiration Date: January 30, 2017

# Appendix C: Biographies

# Biographies



**Patrick J. Hearne**

Patrick is a Principal of State Street Global Advisors and a Senior Client Service Manager responsible for managing institutional client relationships in the Northeast region of the United States.

Prior to his current role, Patrick was a Senior Product Analyst within the Consultant Relations Department at State Street Global Advisors. He was responsible for new business development through the completion of Requests for Proposals for passive equity strategies. He also provided marketing and product support to the Consultant Relations, Sales and Relationship Management Teams. Prior to his role as a product analyst, Patrick was a Database Analyst within the Consultant Relations Group at State Street Global Advisors.

Patrick graduated from the Northeastern University with a Bachelor of Science in Business Administration and Finance. He holds the FINRA series 7 and 63 registrations.



**Arman Palian**

Arman is a Principal of State Street Global Advisors and a Client Service Manager responsible for managing institutional client relationships across the United States.

Prior to his current role, Arman was a member of the SSGA Client Support Team where he worked with clients on general inquiries and trade placement.

Arman earned a Bachelor's of Science in Business Administration with a concentration in finance from Suffolk University.



2020 Calamos Court  
Naperville, IL 60563  
[www.calamos.com](http://www.calamos.com)

News Release

FOR IMMEDIATE RELEASE

## Calamos Investments Hires New Chief Financial Officer

Thomas Herman, Previously CFO at Harris Associates and Ariel Investments, Joins the Firm

Naperville, IL; June 13, 2016 – Calamos Investments, global investment management firm, has appointed Thomas Herman as Chief Financial Officer effective June 30, announced John Koudounis, Calamos Chief Executive Officer.

"This important appointment is part of our ongoing evolution as we execute our new vision for the firm. We remain focused on our mission of performance with the goal of broadening the firm's platform to enhance our core strengths. Tom will play an integral role as we look to expand our talent, diversify products and pursue strategic growth opportunities on a global basis, which make sense for our clients," Koudounis said.

John P. Calamos, Sr., Founder, Chairman and Global Chief Investment Officer, stated: "Tom will provide invaluable assistance as he works with John Koudounis and the investment teams to implement our plan of thoughtful growth. The objective of John's strategy is to develop our footprint in ways that will facilitate new and meaningful investment opportunities, looking both at our product mix and new markets. Tom's expertise will help guide our progress into the future."

With more than 30 years of business experience, Herman joins Calamos from Harris Associates, where he was CFO and Treasurer for the past six years. Previously, from 2004 to 2010, he was SVP, CFO and Treasurer at Ariel Investments.

"Calamos is a stellar firm and an iconic brand with a 40-year track record in the market. I'm joining an impressive team at a very exciting time, and look forward to working in close collaboration with John and everyone at the firm," Herman said.

Herman is the successor to Nimish Bhatt, who will be stepping down in July. "We thank Nimish for his service and wish him well in the future," Koudounis said.

### About Calamos

Calamos Investments is a diversified global investment firm offering innovative investment strategies including U.S. growth equity, global equity, convertible, multi-asset and alternatives. The firm offers strategies through separately managed portfolios, mutual funds, closed-end funds, private funds, an exchange traded fund and UCITS funds. Clients include major corporations, pension funds, endowments, foundations and individuals, as well as the financial advisors and consultants who serve them. Headquartered in the Chicago metropolitan area, the firm also has offices in London, New York and San Francisco. For more information, please visit [www.calamos.com](http://www.calamos.com).

Source: Calamos Investments

\*Calamos Investments LLC, referred to herein as Calamos Investments®, is a financial services company offering such services through its subsidiaries: Calamos Advisors LLC, Calamos Wealth Management LLC, Calamos Investments LLP and Calamos Financial Services LLC.

From time to time, information or statements provided by us, including those within this news release, may contain certain forward-looking statements relating to future events, future financial performance, strategies, expectations, the competitive environment and regulations. Forward-looking statements are based on information available at the time those statements are made and/or management's good faith belief as of that time with respect to future events, and are subject to risks and uncertainties that could cause actual performance or results to differ materially from those expressed in or suggested by the forward-looking statements. For a discussion concerning some of these and other risks, uncertainties and other important factors that could affect future results, see "Forward-Looking Information" in "Management's Discussion and Analysis of Financial Condition and Results of Operations" and, where applicable, "Risk Factors" in our annual and quarterly reports filed with the U.S. Securities and Exchange Commission.

###

**Jackson County Employees' Retirement System  
May 27, 2016 Settlement Report**

RGRD has identified the following settled shareholder class actions with upcoming claims deadlines. Check-marked and shaded cases are those where the Portfolio Monitoring Program<sup>®</sup> indicates that an eligible claim may exist. The range of data analyzed in the context of this report is approximately **Aug 2007-current**. Where data is incomplete, potential claims may not be identified.

<b>Claims Deadline</b>	<b>Case</b>	<b>Class Period</b>	<b>Gross Class Recovery</b>	<b>Claims Administrator</b>
06/07/2016	MF Global Holdings Ltd. (Note Underwriters)	08/08/2011-11/21/2011	\$29,825,000	Garden City Group, LLC
06/08/2016	CytRx Corp.	11/20/2013-03/13/2014	\$4,000,000 & shares	Gilardi & Co. LLC
06/09/2016	Spectrum Pharmaceuticals, Inc.	08/08/2012-03/12/2013	\$7,000,000	Analytics
✓ 06/13/2016	JPMorgan Chase & Co.	04/13/2012-05/21/2012	\$150,000,000	KCC Class Action Services
06/13/2016	Medicines Company	01/08/2013-02/12/2014	\$4,250,000	Epiq Systems, Inc.
06/13/2016	NetSol Technologies, Inc.	10/24/2013-11/08/2013	\$850,000	Strategic Claims Services
✓ 06/14/2016	Cliffs Natural Resources Inc.	02/14/2013-06/11/2014	\$10,000,000	KCC Class Action Services
06/23/2016	Ixia	02/04/2011-04/03/2013	\$3,500,000	Angeion Group
06/24/2016	Retrophin, Inc.	06/13/2013-09/30/2014	\$3,000,000	Strategic Claims Services
06/29/2016	Goldman, Sachs & Co.	12/05/2006-02/16/2016	\$27,500,000	Heffler Claims Group
07/06/2016	Accretive Health, Inc.	05/20/2010-12/30/2014	\$3,900,000	KCC Class Action Services
07/12/2016	BioScrip, Inc.	11/09/2012-11/06/2013	\$10,900,000	A.B. Data, Ltd.
07/16/2016	CR Intrinsic Investors, LLC SEC Fair Fund	07/21/2008-07/29/2008	\$601,832,697	Garden City Group, LLC
07/18/2016	Vocera Communications, Inc.	03/28/2012-05/02/2013	\$9,000,000	Garden City Group, LLC
07/19/2016	Exide Technologies	06/01/2011-05/24/2013	\$14,750,000	KCC Class Action Services
08/01/2016	Meridian Diversified ERISA Fund, Ltd.	03/24/2004-12/11/2008	\$6,150,000	Gilardi & Co. LLC
08/04/2016	Baja Mining Corp.	11/01/2010-04/23/2012	\$11,000,000 (CAD)	NPT RicePoint
08/05/2016	Violin Memory, Inc.	09/27/2013-11/21/2013	\$7,500,000	RG/2 Claims Administration LLC
08/07/2016	Regions Morgan Keegan Open-End Mutual Fund	12/06/2004-05/29/2009	\$125,000,000	Garden City Group, LLC
08/08/2016	Cliffs Natural Resources Inc.	03/14/2012-03/26/2013	\$84,000,000	A.B. Data, Ltd.
08/22/2016	Genworth Financial, Inc.	10/30/2013-11/05/2014	\$219,000,000	Epiq Systems, Inc.

Robbins Geller does not undertake any obligation with respect to the notification of any and all settlements publicly disclosed or otherwise, to the accuracy of any specific claims deadline, to the filing of any claims or to the accuracy of the information provided by the Client in the claim form. It is the responsibility of the Client to timely file any claims, and to provide all relevant information to the fund representative(s) responsible for filing claims on behalf of the fund. Many funds delegate the responsibility for this task to the fund's custodian, fund managers and/or a third party claims processing company. Robbins Geller's identification of the recovery of shareholder class action funds is based on available data reported to Client's custodian and may not reflect all recoveries obtained.

**Jackson County Employees' Retirement System  
May 27, 2016 Settlement Report (continued)**

<b>Claims Deadline</b>	<b>Case</b>	<b>Class Period</b>	<b>Gross Class Recovery</b>	<b>Claims Administrator</b>
08/23/2016	Polycom, Inc.	01/20/2011-07/23/2013	\$8,000,000	Garden City Group, LLC
08/26/2016	Groupon, Inc.	11/04/2011-03/30/2012	\$45,000,000	KCC Class Action Services
08/26/2016	Penn West Petroleum Ltd.	02/18/2010-07/29/2014	\$19,759,282	Epiq Systems, Inc.
08/29/2016	Doral Financial Corp.	04/02/2012-05/01/2014	\$7,000,000	Garden City Group, LLC
09/02/2016	Provectus Biopharmaceuticals, Inc.	12/17/2013-05/22/2014	\$3,500,000	KCC Class Action Services
09/12/2016	Merck & Co., Inc.	05/21/1999-10/29/2004	\$830,000,000	Epiq Systems, Inc.
09/12/2016	Wyeth	01/14/2008-07/29/2008	\$10,000,000	Heffler Claims Group
✓ 09/13/2016	BP plc (SEC Fair Fund)	04/26/2010-05/26/2010	\$525,000,000	BP Fair Fund

Robbins Geller does not undertake any obligation with respect to the notification of any and all settlements publicly disclosed or otherwise, to the accuracy of any specific claims deadline, to the filing of any claims or to the accuracy of the information provided by the Client in the claim form. It is the responsibility of the Client to timely file any claims, and to provide all relevant information to the fund representative(s) responsible for filing claims on behalf of the fund. Many funds delegate the responsibility for this task to the fund's custodian, fund managers and/or a third party claims processing company. Robbins Geller's identification of the recovery of shareholder class action funds is based on available data reported to Client's custodian and may not reflect all recoveries obtained.

**Jackson County Employees' Retirement System  
May 27, 2016 Monitoring Report**

The Portfolio Monitoring Program<sup>®</sup> has generated preliminary loss amounts in the following new securities class actions. Certain of these cases were filed by other law firms, and RGRD has not evaluated the merits of such cases. Case summaries can be viewed by clicking on the case name. The range of data analyzed in the context of this report is approximately **Aug 2007-current**. Where data is insufficient for the class periods alleged, the loss amount may be inaccurate.

<b>Case</b>	<b>Financial Interest</b>	<b>Class Period</b>	<b>Motion Due</b>
Ability Inc.	No loss	September 08, 2015 - April 29, 2016	July 24, 2016
Alere Inc.	No loss	May 09, 2013 - April 20, 2016	June 20, 2016
Blount International, Inc.	0 shares held	Held on March 04, 2016	June 10, 2016
Carmike Cinemas, Inc.	0 shares held	Held on April 01, 2016	June 27, 2016
Code Rebel Corporation	No loss	August 17, 2015 - May 05, 2016	July 09, 2016
Cresud S.A.C.I.F. y A.	No loss	May 13, 2015 - December 30, 2015	June 28, 2016
Daimler AG	No loss	February 22, 2012 - April 21, 2016	June 28, 2016
Deutsche Bank AG	No loss	April 15, 2013 - April 29, 2016	July 09, 2016
DeVry Education Group, Inc.	No loss	February 04, 2011 - January 27, 2016	July 12, 2016
Endo International plc	No loss	March 02, 2015 - May 06, 2016	July 24, 2016
Express Scripts Holding Company	No loss	February 24, 2015 - March 21, 2016	July 04, 2016
First NBC Holding Company	No loss	May 10, 2013 - April 08, 2016	July 04, 2016
FirstMerit Corporation	0 shares held	Held on January 26, 2016	June 11, 2016
Freshpet, Inc.	No loss	April 01, 2015 - November 11, 2015	June 20, 2016
Gerdau S.A.	No loss	June 02, 2011 - May 15, 2016	July 25, 2016
HCP, Inc.	No loss	March 30, 2015 - February 08, 2016	July 09, 2016
Horsehead Holding Corp.	No loss	May 21, 2014 - February 02, 2016	June 21, 2016
Intrexon Corporation	No loss	May 12, 2015 - April 20, 2016	July 02, 2016
ITC Holdings Corporation	0 shares held	Held on March 21, 2016	June 13, 2016
La Quinta Holdings Inc.	No loss	February 25, 2015 - September 17, 2015	June 24, 2016
LendingClub Corporation	No loss	December 11, 2014 IPO	July 15, 2016
LendingClub Corporation	No loss	December 11, 2014 - May 09, 2016	July 15, 2016
Multi-Fineline Electronix, Inc.	0 shares held	Held on May 18, 2016	July 17, 2016
NewLink Genetics Corporation	No loss	September 17, 2013 - May 09, 2016	July 11, 2016
Perrigo Company plc	No loss	April 21, 2015 - May 11, 2016	July 17, 2016

**Jackson County Employees' Retirement System  
May 27, 2016 Monitoring Report (continued)**

<b>Case</b>	<b>Financial Interest</b>	<b>Class Period</b>	<b>Motion Due</b>
Perrigo Company plc	0 shares held	Held on November 13, 2015	July 17, 2016
PJT Partners Inc.	No loss	November 12, 2015 - March 28, 2016	June 14, 2016
Ruby Tuesday, Inc.	No loss	July 24, 2015 - April 07, 2016	June 28, 2016
Sunrun Inc.	No loss	August 05, 2015 IPO	July 05, 2016
Tangoe, Inc.	No loss	March 18, 2014 - March 07, 2016	July 23, 2016
Target Corporation	Gain	February 27, 2013 - May 19, 2014	July 16, 2016
TerraForm Power, Inc.	No loss	May 07, 2015 - March 15, 2016	June 03, 2016
The Fresh Market, Inc.	0 shares held	Held on March 23, 2016	June 12, 2016
Vivint Solar, Inc.	No loss	July 20, 2015 - March 07, 2016	July 02, 2016

# Performance and Analysis

As of 31 May 2016

## Jackson County Employees' Retirement Plan

Jackson County Retirement System

Report ID: 1810359.1 Published: 07 Jun 2016

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Table of Contents

<b>Accounting Summary</b> .....	<b>1</b>
<b>Performance Summary</b> .....	<b>1</b>
<b>S&amp;P 500 Flagship Fund</b> .....	<b>3</b>
Characteristics and Risk Statistics .....	3
Top Holdings .....	4
Sector Contribution to Return .....	5
Sector Weights .....	6
Sector Returns .....	7
<b>S&amp;P Midcap Index Fund</b> .....	<b>8</b>
Characteristics and Risk Statistics .....	8
Top Holdings .....	9
Sector Contribution to Return .....	10
Sector Weights .....	11
Sector Returns .....	12
<b>Relationship Management Team</b> .....	<b>13</b>
<b>Important Information</b> .....	<b>14</b>

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Accounting Summary (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

	Beginning Market Value 01 May 2016	Contributions	Withdrawals	Appreciation / Depreciation	Ending Market Value 31 May 2016
S&P 500 Flagship Fund	12,287,899	0	1,208	219,902	12,506,593
S&P Midcap Index Fund	15,210,164	0	0	352,829	15,562,993
<b>Total</b>	<b>27,498,063</b>	<b>0</b>	<b>1,208</b>	<b>572,731</b>	<b>28,069,586</b>

# Performance Summary (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Inception
<b>S&amp;P 500 Flagship Fund</b>								01 Jan 2001
Total Returns	1.79%	9.11%	3.59%	1.82%	11.10%	11.71%	7.47%	5.17%
S&P 500(R)	1.80%	9.12%	3.57%	1.72%	11.06%	11.66%	7.41%	5.10%
<b>Difference</b>	<b>-0.01%</b>	<b>-0.01%</b>	<b>0.02%</b>	<b>0.10%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.06%</b>	<b>0.07%</b>
Total Returns	1.79%	9.11%	3.59%	1.82%	11.10%	11.71%	7.47%	5.17%
S&P 500 Custom Index (8/31/2004)	1.80%	9.12%	3.57%	1.72%	11.06%	11.66%	7.41%	5.12%
<b>Difference</b>	<b>-0.01%</b>	<b>-0.01%</b>	<b>0.02%</b>	<b>0.10%</b>	<b>0.04%</b>	<b>0.05%</b>	<b>0.06%</b>	<b>0.05%</b>
Total Returns (Net)	1.79%	9.09%	3.57%	1.77%	11.05%	N/A	N/A	N/A
S&P 500(R)	1.80%	9.12%	3.57%	1.72%	11.06%	N/A	N/A	N/A
<b>Difference</b>	<b>-0.01%</b>	<b>-0.03%</b>	<b>0.00%</b>	<b>0.05%</b>	<b>-0.01%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
Total Returns (Net)	1.79%	9.09%	3.57%	1.77%	11.05%	N/A	N/A	N/A
S&P 500 Custom Index (8/31/2004)	1.80%	9.12%	3.57%	1.72%	11.06%	N/A	N/A	N/A
<b>Difference</b>	<b>-0.01%</b>	<b>-0.03%</b>	<b>0.00%</b>	<b>0.05%</b>	<b>-0.01%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

### Jackson County Employees' Retirement Plan

	1 Month	3 Months	YTD	1 Year	3 Years	5 Years	10 Years	Inception
<b>S&amp;P Midcap Index Fund</b>								01 Nov 2000
Total Returns	2.32%	12.38%	7.48%	-0.39%	9.73%	10.04%	8.54%	8.51%
S&P MidCap 400(R)	2.31%	12.38%	7.48%	-0.42%	9.69%	10.00%	8.51%	8.46%
<b>Difference</b>	<b>0.01%</b>	<b>0.00%</b>	<b>0.00%</b>	<b>0.03%</b>	<b>0.04%</b>	<b>0.04%</b>	<b>0.03%</b>	<b>0.05%</b>
Total Returns (Net)	2.31%	12.35%	7.45%	-0.47%	9.64%	N/A	N/A	N/A
S&P MidCap 400(R)	2.31%	12.38%	7.48%	-0.42%	9.69%	N/A	N/A	N/A
<b>Difference</b>	<b>0.00%</b>	<b>-0.03%</b>	<b>-0.03%</b>	<b>-0.05%</b>	<b>-0.05%</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>

For information regarding performance data, including net performance data, please refer to the section entitled "Important Information" at the end of the report.

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Characteristics and Risk Statistics (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

**S&P 500 Flagship Fund**

**Benchmark: S&P 500(R)**

Characteristics	Mandate	Benchmark	Risk Statistics	Mandate
Annual Dividend Yield (Trailing 12 Months)	2.16	2.16	Standard Deviation (Annualized 36 Months)	11.17
Estimated 3-5 Year EPS Growth	10.03	10.02	Beta (Trailing 36 Months)	1.00
Total Number of Holdings	505	505	Tracking Error (Trailing 36 Months)	0.05
Price/Book Ratio	2.71	2.71	<i>Portfolio characteristics beta and standard deviation are calculated using SSGA month end return values. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.</i>	
Price/Earnings Ratio (Forward 12 Months)	17.05	17.07		
Return on Equity (5 Year Average)	19.16	19.15		
Weighted Average Market Cap (M)	138,469.84	138,241.34		
Median Market Cap	18,215.48	18,215.48		
Price/Earnings Ratio (Trailing 12 Months)	27.51	27.53		
Price/Cash Flow (Weighted Harmonic Average)	10.96	10.96		
Return on Equity (Trailing 12 Months)	20.05	20.03		
Price/Sales (Weighted Average)	3.48	3.48		

*Portfolio characteristics are calculated using the month end market value of holdings. Averages reflect the market weight of securities in the portfolio. Market data, prices, and dividend estimates for characteristics calculations provided by FactSet Research Systems, Inc. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Top Holdings (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

**S&P 500 Flagship Fund**

**Benchmark: S&P 500(R)**

Security	Mandate	Benchmark	Difference
APPLE INC	3.04%	3.03%	0.01%
MICROSOFT CORP	2.30%	2.30%	0.00%
EXXON MOBIL CORP	2.03%	2.02%	0.01%
JOHNSON & JOHNSON	1.70%	1.70%	0.00%
GENERAL ELECTRIC CO	1.55%	1.54%	0.01%
AMAZON.COM INC	1.53%	1.53%	0.00%
FACEBOOK INC-A	1.50%	1.49%	0.01%
BERKSHIRE HATHAWAY INC-CL B	1.44%	1.44%	0.00%
AT&T INC	1.32%	1.32%	0.00%
JPMORGAN CHASE & CO	1.32%	1.31%	0.01%

*The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.*

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Sector Contribution to Return (expressed in USD)

Period 01 May 2016 - 31 May 2016

## Jackson County Employees' Retirement Plan

### S&P 500 Flagship Fund

Sector	Contribution to Return
Information Technology	1.10%
Financials	0.33%
Health Care	0.32%
Consumer Staples	0.08%
Utilities	0.05%
Derivatives	0.02%
Consumer Discretionary	0.01%
Cash & Cash Equivalent	0.00%
Residual*	0.00%
Telecommunication Services	0.00%
Materials	-0.01%
Energy	-0.05%
Industrials	-0.05%
<b>Total</b>	<b>1.79%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/county level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

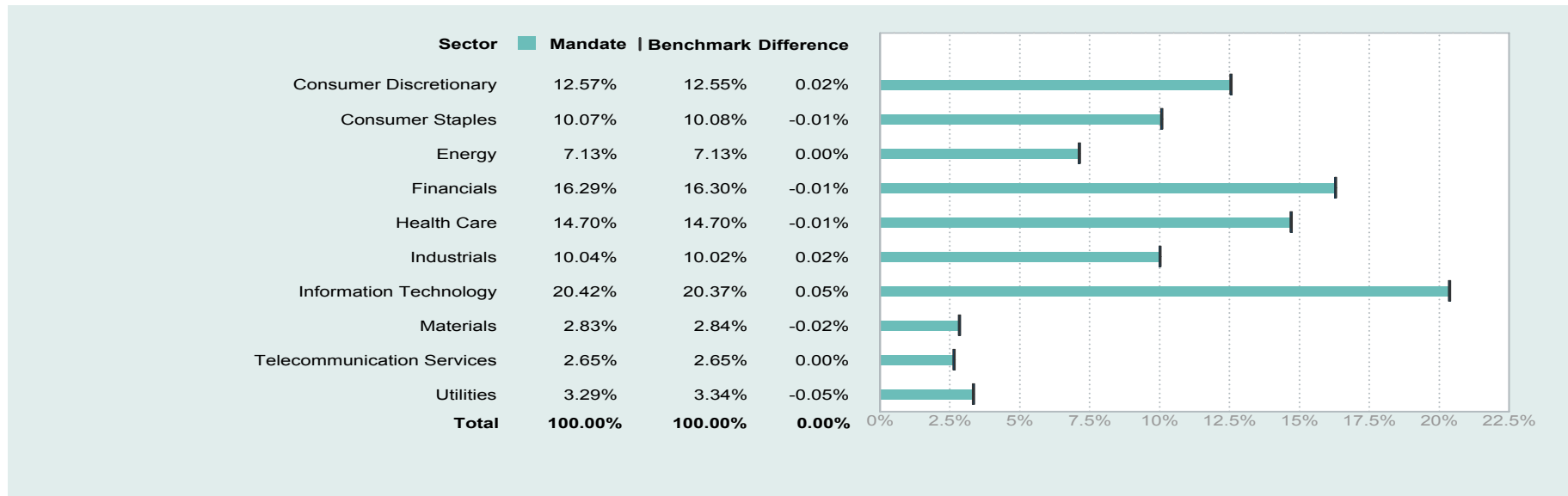
# Sector Weights (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

S&P 500 Flagship Fund

Benchmark: S&P 500(R)



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

**Performance and Analysis**

As of 31 May 2016

Jackson County Retirement System

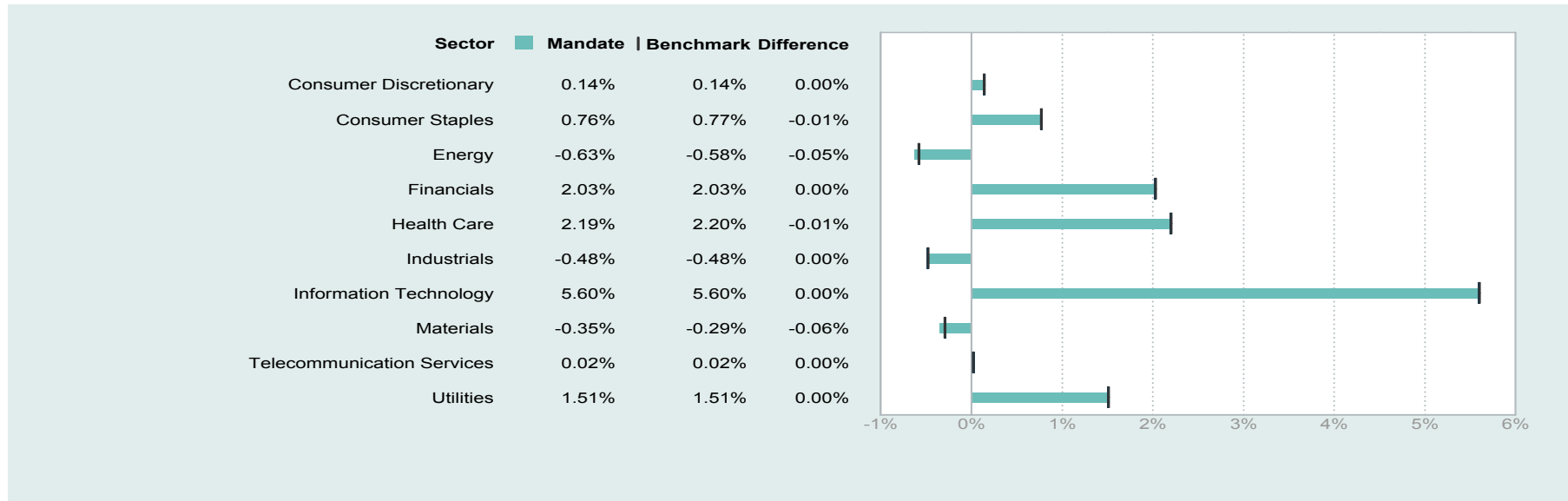
**Sector Returns** (expressed in USD)

Period 01 May 2016 - 31 May 2016

**Jackson County Employees' Retirement Plan**

**S&P 500 Flagship Fund**

**Benchmark: S&P 500(R)**



Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Characteristics and Risk Statistics (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

S&P Midcap Index Fund

Benchmark: S&P MidCap 400(R)

Characteristics	Mandate	Benchmark	Risk Statistics	Mandate
Annual Dividend Yield (Trailing 12 Months)	1.67	1.67	Standard Deviation (Annualized 36 Months)	12.35
Estimated 3-5 Year EPS Growth	10.23	10.23	Beta (Trailing 36 Months)	1.00
Total Number of Holdings	400	400	Tracking Error (Trailing 36 Months)	0.06
Price/Book Ratio	2.14	2.14	<i>Portfolio characteristics beta and standard deviation are calculated using SSGA month end return values. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.</i>	
Price/Earnings Ratio (Forward 12 Months)	18.30	18.40		
Return on Equity (5 Year Average)	13.04	13.03		
Weighted Average Market Cap (M)	4,774.40	4,787.31		
Median Market Cap	3,484.67	3,482.25		
Price/Earnings Ratio (Trailing 12 Months)	28.49	28.54		
Price/Cash Flow (Weighted Harmonic Average)	10.49	10.50		
Return on Equity (Trailing 12 Months)	12.79	12.79		
Price/Sales (Weighted Average)	3.03	3.04		

*Portfolio characteristics are calculated using the month end market value of holdings. Averages reflect the market weight of securities in the portfolio. Market data, prices, and dividend estimates for characteristics calculations provided by FactSet Research Systems, Inc. All other portfolio data provided by SSGA. Characteristics are as of the date indicated, are subject to change, and should not be relied upon as current thereafter.*

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Top Holdings (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

**S&P Midcap Index Fund**

**Benchmark: S&P MidCap 400(R)**

Security	Mandate	Benchmark	Difference
METTLER-TOLEDO INTERNATIONAL	0.68%	0.68%	0.00%
FORTUNE BRANDS HOME & SECURI	0.62%	0.62%	0.00%
ALBEMARLE CORP	0.59%	0.60%	-0.01%
CDK GLOBAL INC	0.58%	0.58%	0.00%
ALLEGHANY CORP	0.57%	0.57%	0.00%
INGREDION INC	0.57%	0.57%	0.00%
ALLIANT ENERGY CORP	0.57%	0.57%	0.00%
GARTNER INC	0.56%	0.56%	0.00%
RESMED INC	0.56%	0.56%	0.00%
DUKE REALTY CORP	0.55%	0.55%	0.00%

*The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives.*

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Sector Contribution to Return (expressed in USD)

Period 01 May 2016 - 31 May 2016

## Jackson County Employees' Retirement Plan

### S&P Midcap Index Fund

Sector	Contribution to Return
Financials	1.09%
Information Technology	0.99%
Health Care	0.28%
Utilities	0.15%
Consumer Staples	0.13%
Materials	0.06%
Derivatives	0.06%
Industrials	0.03%
Cash & Cash Equivalent	0.00%
Residual*	0.00%
Telecommunication Services	-0.01%
Consumer Discretionary	-0.23%
Energy	-0.24%
<b>Total</b>	<b>2.32%</b>

\* Residual may arise in a variety of circumstances, including for example, when there are (i) timing differences in accounting for expenses and income, including but not limited to withholding taxes, tax reclaims, dividend income, security lending income and transaction costs, (ii) pricing differences, including but not limited to price type, price source, fair valuation or other special pricing events or (iii) methodology differences between total return and contribution-to-return calculations when significant inflows/outflows occur at the total portfolio and/or sector/county level. The foregoing is not meant to be a complete list of the circumstances under which residual may arise.

Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

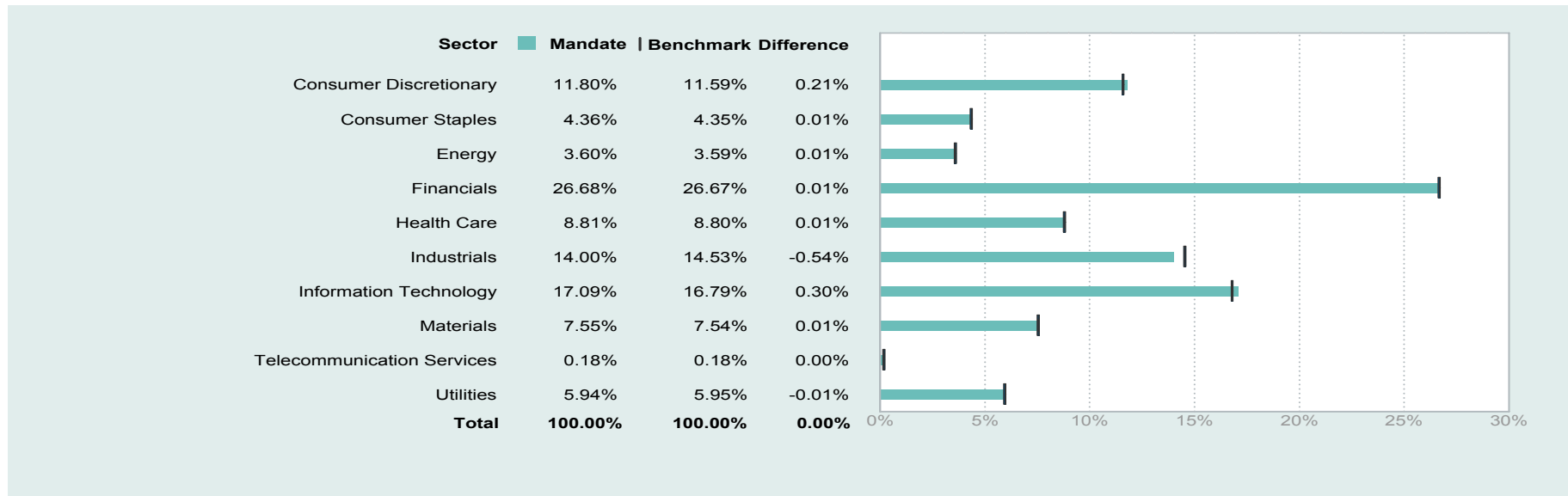
# Sector Weights (expressed in USD)

As of 31 May 2016

## Jackson County Employees' Retirement Plan

S&P Midcap Index Fund

Benchmark: S&P MidCap 400(R)



The mandate percentage is calculated based on the total value of the portfolio excluding cash and derivatives. Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.

**Performance and Analysis**

As of 31 May 2016

Jackson County Retirement System

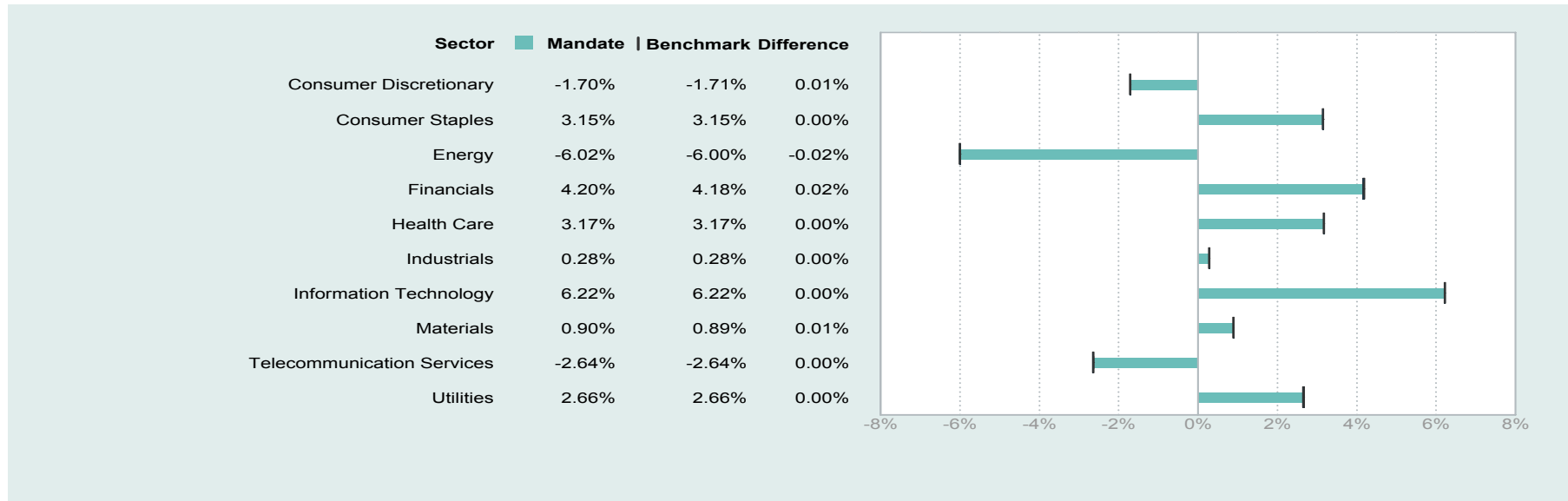
**Sector Returns** (expressed in USD)

Period 01 May 2016 - 31 May 2016

**Jackson County Employees' Retirement Plan**

**S&P Midcap Index Fund**

**Benchmark: S&P MidCap 400(R)**



*Sector reporting based on the Global Industry Classification Standard ("GICS") which was developed by and is the exclusive property and a service mark of MSCI Inc. ("MSCI") and Standard & Poor's, a division of The McGraw-Hill Companies, Inc. ("S&P") and is licensed for use by State Street.*

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

## Relationship Management Team



### **Patrick Hearne**

Senior Client Service Manager

Phone: 6176646823

Fax: 617 664 2024

[patrick\\_hearne@ssga.com](mailto:patrick_hearne@ssga.com)



### **Arman Palian**

Client Service Manager

Phone: 6176649105

Fax:

[Arman\\_Palian@SSgA.com](mailto:Arman_Palian@SSgA.com)

### **Key Reporting**

Phone: 6176649969

Fax:

[keyreporting@ssga.com](mailto:keyreporting@ssga.com)

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

# Important Information

- Past performance is not a guarantee of future results. Performance returns for periods of less than one year are not annualized. Index returns are unmanaged and do not reflect the deduction of any fees or expenses. Index returns reflect all items of income, gain and loss and the reinvestment of dividends and other income.
- Performance returns are calculated using time-weighted methodologies.
- Per the Fund Declaration, performance shown may include or exclude the effect of investment management fees and may also net out administrative services fees paid to Recordkeepers. Please refer to the Fund Declaration for specific fee structure details, which is available via Client's Corner or SSGA Relationship Management.
- Appreciation/depreciation includes dividends, interest and realized/unrealized gains and losses.
- Projected characteristics are based upon estimates and reflect subjective judgments and assumptions. There can be no assurance that developments will transpire as forecasted and that the estimates are accurate.
- Holdings, sectors, characteristics, and weights are as of the date indicated, are subject to change, and should not be relied upon as current thereafter. This information should not be considered a recommendation to invest in a particular sector or to buy or sell any security shown. It is not known whether the sectors or securities shown will be profitable in the future. Consistent with industry practice, equity characteristics are shown for the strategy's holdings as of the date indicated and screened for holdings that are deemed to be an outlier by SSGA's proprietary outlier screening methodology. The inclusion of these outliers would materially increase or decrease the equity characteristics shown.
- All trademarks are the property of their respective owners.
- The Top Holdings section represents the Top 10 classified securities relative to the benchmark. The percentage is calculated based on the total value of the portfolio, excluding cash, derivatives, and other/unclassified securities, if any.
- The totals shown for ending market weights may not equal 100% due to rounding.
- All returns in the analytical sections are gross.

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

- The following information pertains only to clients that are invested in Common Trust Funds that participate in State Street's securities lending program: The Fund participates in an agency securities lending program sponsored by State Street Bank and Trust Company (the "lending agent") whereby the lending agent may lend up to 100% of the Fund's securities, and invest the collateral posted by the borrowers of those loaned securities in a collateral reinvestment fund (the "Collateral Pool"). The Collateral Pool is not a money market fund registered with the U.S. Securities and Exchange Commission or FDIC-insured bank deposits or otherwise guaranteed by SSGA or State Street Bank and Trust Company or any of their respective affiliates and investors may lose money in the securities lending program. The Fund compensates its lending agent in connection with operating and maintaining the securities lending program. SSGA acts as investment manager for the Collateral Pool and is compensated for its services. The Collateral Pool is managed to a specific investment objective. For more information regarding the Collateral Pool refer to the "US Cash Collateral Strategy Disclosure Document." Securities lending programs and the subsequent reinvestment of the posted collateral are subject to a number of risks, including the risk that the value of the investments held in the Collateral Pool may decline in value, be sold at a loss or incur credit losses. In the event of a material default in the Collateral Pool, the investor would incur losses and the Fund would incur its pro rata share of the loss. Because the net asset value of the Collateral Pool is subject to market and other conditions it will fluctuate and may decrease in the future. If the value of Collateral Pool units is not \$1.00 at the time you redeem your investment in the Fund your redemption proceeds will reflect the lower mark-to-market value of the Collateral Pool units.
- For more information on SSGA's securities lending program and the Collateral Pools, including the "SSGA Securities Lending Program Disclosure", the "US Cash Collateral Strategy Disclosure Document" and the current factsheets for the Collateral Pools (which include the mark-to-market unit prices) are available on Client's Corner and also available upon request from your SSGA Relationship Manager.
- Any non-registered commingled account, fund or common trust fund may use over-the-counter swaps, derivatives or a synthetic instrument (collectively "Derivatives") to increase or decrease exposure in a particular market, asset class or sector to effectuate the fund's strategy. Derivatives agreements are privately negotiated agreements between the fund and the counterparty, rather than an exchange, and therefore Derivatives carry risks related to counterparty creditworthiness, settlement default and market conditions. Derivatives agreements can require that the fund post collateral to the counterparty consistent with the mark-to-market price of the Derivative. SSGA makes no representations or assurances that the Derivatives will perform as intended.
- This material is classified as limited access and is intended solely for the private use of SSGA clients and their designees and is not intended for public dissemination.

## Performance and Analysis

As of 31 May 2016

Jackson County Retirement System

- For disclosures, monthly fund holdings for ERISA Commingled and CTF investors, and additional information relating to your investments, please visit our Client's Corner website at [www.ssga.com](http://www.ssga.com). Portfolio holdings are subject to change and should not be considered a recommendation to buy or sell securities.

# JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES

120 West Michigan Avenue  
Jackson, Michigan 49201  
(517) 768-6608

County Tower Building  
Fax (517) 768-6713

## JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM

### REQUEST FOR INFORMATION TO PROVIDE INVESTMENT ADVICE AND COUNSEL TO RETIREMENT BOARD

The Board of Trustees of the Jackson County Employees' Retirement System is requesting information ("RFI") for Investment Consultant Services, with written responses due by 4:00 p.m. on \_\_\_\_\_, \_\_\_\_\_, 2016.

1. All responses to the RFI's must be delivered to the Board (see details in Section I. C. 4), *infra*. Faxed RFI responses will not be considered or accepted.
2. The responder shall assume full responsibility for delivery of RFI responses prior to the appointed deadline and shall assume the risk of late delivery or non-delivery regardless of the manner employed for the transmission thereof. Proposals will be accepted at any time before the stated deadline, during the normal course of the business day only, being 9:00 a.m. to 5:00 p.m., Monday through Friday, legal holidays excepted.

#### I. OVERVIEW

The Board of Trustees of the Jackson County Employees' Retirement System ("Retirement Board") is in the process of reviewing its investment consultant services. The purpose of this Request for Information ("RFI") is to gain adequate information from which the Retirement Board may evaluate such services.

The Jackson County Employees' Retirement System has a total market value of approximately \$200,000,000 Million Dollars. The Retirement System's portfolio consists of various investments in global equity and fixed income securities, and is managed by seven active managers and two index funds.

#### A. SCOPE OF SERVICES

The primary role of the Retirement Board's Investment Consultant is to provide objective, third-party advice and counsel that will enable the Retirement Board to make well-informed and well-educated decisions regarding the investment of the Retirement System's assets. Contractual services for investment consulting will include, but not be limited, to the following:

1. Development Investment Policy, Objectives and Guidelines
2. Asset Allocation Studies
3. Investment Manager Search

4. Development of Investment Manager Performance Standards/Guidelines
5. General Consulting Services
6. Performance Measurement & Monitoring
7. Monitor compliance with Michigan Public Act 314
8. Assist in Fund Diversification
9. Historical Information Related to Specific Holdings

## **B. MINIMUM REQUIREMENTS**

1. The Investment Consultant must have a minimum of five (5) years experience in providing qualified retirement plan services.
2. The Investment Consultant must be a registered investment advisor under the Investment Advisors Act of 1940.
3. The Investment Consultant shall acknowledge its responsibilities as a fiduciary under Public Act 314 of 1965, as amended.
4. If you are affiliating or partnering with a national firm, or are a local office of a national firm, the minimum qualification requirements herein must be satisfied by the individual or entity submitting this proposal.
5. The Investment Consultant must attend monthly meetings, as well as special meetings upon request by the Board, at no additional cost to the Retirement System.

## **C. SUBMISSION REQUIREMENTS**

To achieve a uniform review process and obtain the maximum degree of comparability, **it is required** that the submission be organized in the following manner:

1. Title Page:  
  
Please indicate the RFI subject, the name of your organization, address, telephone number, name of contact person and date.
2. Table of Contents:  
  
Clearly identify the material by section and page number.
3. Response to Request for Information:  
  
Please respond to each question in order of sequence in the Request for Information (Section II).
4. Submission:

The Retirement Board requests that a total number of seven (7) complete sets of your responses be submitted.

Submissions must be presented to the Retirement Board in a sealed envelope clearly marked as follows:

Board of Trustees of the Jackson County  
Employees' Retirement System  
120 W. Michigan Ave., 7<sup>th</sup> Floor  
Jackson, MI 49201

An additional electronic PDF copy on USB drive of your proposal should be submitted to the Board as well. Please also provide a copy to legal counsel:

Jack Timmony, Esq.  
VanOverbeke, Michaud & Timmony, P.C.  
79 Alfred Street  
Detroit, Michigan 48201

Your response to this RFI must be received at the above address **by 4:00 p.m. on \_\_\_\_\_, \_\_\_\_\_, 2016.**

**II. REQUEST FOR INFORMATION – Please label each response with the corresponding question's section and number.**

**A. FIRM INFORMATION**

1. Name of your firm, the address of your closest office, telephone number, and primary contact for the request for information. Please provide the names of the persons who will be authorized to make presentations for your organization, together with their respective titles, addresses, and telephone numbers.
2. Briefly state your understanding of the nature of the work.
3. Is your organization a subsidiary, parent, or affiliate of any other firm? If so, please describe in detail.
4. Please submit biographical profiles on the individual(s) who will be assigned to our account.
5. Provide a list of all public pension fund experience you have, including any public fund clients under contract to date. Please provide a minimum of 3 references by name of client, type of client, contact person, address and telephone number.
6. If you have lost any public fund clients in the last 3 years, please explain.

7. Please explain size, composition, and source of your performance measurement data base.
8. Please explain why is your firm uniquely qualified to service our account.

**B. INVESTMENT POLICY/ASSET ALLOCATION GUIDELINES**

1. Provide an outline of the principal steps you would follow when developing a Statement of Investment Policy and Objectives.
2. What is your approach to development of asset allocation guidelines? Please describe this process in detail, including application of major variables (e.g. - risk tolerance, emerging liabilities, etc.).

**C. INVESTMENT MANAGER SELECTION**

1. Please describe in detail the procedure and criteria you follow in the selection of additional investment managers?
2. Do you monitor your success in selecting managers? Explain how you measure the level of success of existing managers. Please be specific.

**D. PERFORMANCE EVALUATION**

1. Specifically describe your performance evaluation system and the philosophy behind it.
2. Provide a sample of your standard reports.
3. Describe and illustrate any special indices constructed by your firm.
4. Please describe, in detail, the optimal role that your firm would like to take in manager presentations to the Retirement Board.
5. Please provide 1 year, 3 year, 5 year and 10 year performance results on an annualized basis for a minimum of 5 public employee retirement system clients. If possible, these clients should include all Michigan public employee plans.
6. Please describe the services you provide on behalf of the Retirement System for securities litigation “proof of claim” and reporting purposes.

**E. CUSTODIAL SERVICES**

1. Does your firm provide asset custodial services? If so, please describe in detail.

**F. FEES & REGULATORY INFORMATION**

1. Please indicate your fee schedule for investment performance analysis services, asset allocation, investment policy, manager search, custodial search, custodial services, etc.
2. Please identify all complaints received by the Securities and Exchange Board and the National Association of Securities Dealers during the past 3 years. Has your firm been involved in litigation within the last 3 years, or is there any pending litigation arising out of your performance involving professional misfeasance or breach of fiduciary? If your answer is yes, explain fully.
3. Has your firm been investigated by any state or federal regulatory or law enforcement agency in the last ten years? If yes, please describe in detail the substance and results of each such investigation.
4. Do you have any policies or procedures to address conflicts of interest as they relate to the providing of advice to your clients?
5. Will you acknowledge in writing that you have a fiduciary obligation as an investment adviser to the Retirement System while providing investment consulting services?
6. Describe the various types of insurance and indemnification provided to your clients, including specific dollar coverage.

**OTHER REQUIREMENTS**

1. Pre-Qualification: Inviting a response does not assume a "pre-qualification" of any proposer.
2. Preparation Cost: The Retirement Board will not be liable for any costs incurred in preparation of submissions.
3. Certification as to "Request for Information" Content: By submitting information, it is understood and agreed that the responder has fully read and understands the "Request for Information" and has full knowledge of the scope, nature, quantity, and quality of work to be performed. Unless specified to the contrary, submitting information will be interpreted as agreement to all provisions in and requirements of the RFI.

4. Reservation of Right to Investigate: The Retirement Board reserves the right to investigate the qualifications of all responders as it deems appropriate.
5. Rejection: The Retirement Board reserves the right to reject any or all information, the right in its sole discretion to accept the information which it considers most favorable to the Retirement Board's interest, and the right to waive minor irregularities in the procedures. The Retirement Board further reserves the right to seek new information when such a procedure is in its best interest.
6. Timeliness: Information received by the Retirement Board after the time specified for opening will not be considered.
7. Completeness: All information required by the Request for Information shall be supplied to constitute an acceptable submission.

The Retirement Board appreciates the time and effort you will have expended in responding to this Request for Information.

# JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM BOARD OF TRUSTEES

120 West Michigan Avenue  
Jackson, Michigan 49201  
(517) 788-4339

County Tower Building  
Fax (517) 768-6713

## JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM

### REQUEST FOR INFORMATION FOR LEGAL COUNSEL SERVICES

#### A. OVERVIEW

The Board of Trustees of the Jackson County Employees' Retirement System ("Board") intends to review its legal counsel services. The purpose of this Request for Information ("RFI") is to define the Retirement Board's minimum requirements and to solicit information from which the Retirement Board may evaluate such services.

#### B. PLAN PROFILE

The Jackson County Employees' Retirement System ("Retirement System") is established and administered pursuant to the provisions of: (a) Public Act 156, of 1851, Section 12a added by Public Act 249 of 1943, as amended, (MCL 46.12a); (b) the Jackson County Employees' Retirement System Bylaws, as amended; (c) applicable collective bargaining agreements; and, (d) applicable state and federal laws including, but not limited to Public Act 314 of 1965, as amended ("Act 314") [MCL 38.1132 *et seq.*].

The Retirement System serves approximately 700 active Plan members, and 800 inactive Plan Members and/or Beneficiaries. As of the last valuation report dated December 31, 2015, the market value of assets in the Plan was approximately \$200,000,000 Million Dollars.

#### C. MINIMUM QUALIFICATIONS

The Retirement Board requires that all prospective service providers:

1. Have strong credentials;
2. Be in good financial standing;
3. Have a thorough understanding of state and federal laws relevant to municipal retirement system in the State of Michigan; and
4. Be a member of the Michigan Bar and Michigan Association of Public Employee Retirement Systems.

## **D. SCOPE OF SERVICES**

The Board normally meets once per month. The meetings are held at 120 W. Michigan Ave., Jackson, MI 49201. The Board may, from time to time, request legal opinions, research, or advice on certain specific issues that may arise. If appointed, your legal firm will report to the Board. Legal counsel will also be expected, if appropriate, to consult with our actuary, and any other consultants or investment managers with which the Board may have a contractual arrangement.

The Board requires legal counsel to keep current the Retirement System Bylaws and review the policies of the Retirement System. Your firm may also be required to act as a liaison between the Board and the County of Jackson administration and Board of County Commissioners.

When responding to this Request for Information, the Retirement Board encourages you to describe the ways in which you believe your service capability is special or distinctive.

## **E. SUBMISSION REQUIREMENTS**

To achieve a uniform review process and obtain the maximum degree of comparability, it is required that the response be organized in the following manner:

1. Title Page:

Please indicate the RFI subject, the name of your organization, address, telephone number, name of contact person and date.

2. Table of Contents:

Clearly identify the material by section and page number.

3. Letter of Transmittal:

Limit to one or two pages.

a. Briefly state your organization's understanding of the nature of the work.

b. Give the names of the persons who will be authorized to make presentations for your organization, their titles, addresses, and telephone numbers.

4. Submission:

The Retirement Board requests that a total number of 8 complete sets of your response be submitted.

Responses must be presented in a sealed envelope clearly marked as follows:

RFI: Legal Services  
Jackson County Employees' Retirement System  
120 W. Michigan Ave.  
Jackson, MI 49201

All inquiries about the RFI should be in writing and brought to the attention of the Board of Trustees at the address above.

An additional electronic PDF copy on USB Drive of your proposal should be submitted to the Board as well.

Your response to this RFI must be received at the above address by 4:00 p.m. on \_\_\_\_\_, 2016.

## **F. ORGANIZATION BACKGROUND**

1. State the length of membership in the State of Michigan Bar Association. Proposers are required to have a minimum of ten to fifteen years Michigan public pension plan experience.
2. Designate the attorney in charge who will be the primary responsible attorney to perform the services and a listing of all other attorneys and staff who would be used, and indicate which service(s) they would perform.
3. Include a brief resume of the attorney(s) expected to perform services for the Board indicating the number of years of practice, type of experience, training, and expertise.
4. Restate the scope of services to be performed including your understanding of the tasks required and any additional related capabilities of your firm.
5. Provide a history of your firm and detailed list of retirement system experience particularly on behalf of local government jurisdictions in Michigan.
6. Provide a statement indicating whether any of the firm's work with pension boards has been the subject of any administrative or legal action, and if so, please provide a detailed explanation of the cause for the challenge and the outcome.
7. Submit a proposed schedule of fees to be charged for specific services requested based upon the standard method used by your firm.
8. Furnish itemized descriptions and proposed costs of any reimbursable expenses that might be incurred by your firm and charged to the Board.

## **G. REFERENCES**

Please provide the names, contacts, and phone numbers of clients that are of similar size as the Retirement System who will share with the Retirement Board their first-hand experiences regarding your services (preferably public retirement systems)

## **H. MISCELLANEOUS**

1. Is your firm a member of MAPERS? What other affiliations does your company maintain to keep apprised of unique issues and developments affecting public employee retirement systems?

2. Has your company or its employees been investigated by any state or federal regulatory or law enforcement agency in the last ten years? If yes, please describe in detail the substance and results of each such investigation.
3. Please describe the transition process when taking on a new client. Please discuss computer systems and data issues.

## **I. OTHER REQUIREMENTS**

1. **Pre-Qualification:** Inviting a response does not assume a "pre-qualification" of any proposer.
2. **Preparation Cost:** The Retirement Boards will not be liable for any costs incurred in preparation of responses.
3. **Certification as to "Request for Information" Content:** By submitting a response, the responder certifies that he/she has fully read and understands the "Request for Information" and has full knowledge of the scope, nature, quantity, and quality of work to be performed. Unless specified to the contrary, submitting a response will be interpreted as agreement to all provisions in and requirements of the RFI.
4. **Additional Information and Instruction:** The responder shall furnish such additional information as the Retirement Boards may reasonably require. The Retirement Boards reserve the right to investigate the qualifications of all responders as it deems appropriate.
5. **Negotiations:** The Retirement Boards reserve the right to conduct pre-contract negotiations with any or all responders.
6. The Retirement Boards reserve the right to reject any or all responses, the right in its sole discretion to accept the responses which it considers most favorable to the Retirement Boards' interest, and the right to waive minor irregularities in the procedures. The Retirement Boards further reserve the right to seek new responses when such a procedure is in its best interest.
7. Responses received by the Retirement Boards after the time specified for opening will not be considered.

The Retirement Board appreciates the time and effort you will have expended in responding to this Request for Information.

**JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM  
POLICY RESOLUTION**

**Revised: June 20, 2016  
Adopted: February 28, 2008**

**Re: Elections Procedures**

**WHEREAS**, the Board of Trustees is vested with the general administration, management and operation of the Retirement System and for making effective the provisions thereof, and

**WHEREAS**, the Board of Trustees has fiduciary duties to the members and beneficiaries of the Retirement System and shall discharge these duties solely in their interests for the exclusive purposes of providing benefits and defraying reasonable expenses, and

**WHEREAS**, the Retirement System Bylaws provide for certain Trustees to be elected, and the Board, in furtherance of the Bylaws, desires to establish these Election Procedures, therefore it is

**RESOLVED**, that the following represents the Board's policy concerning Election Procedures.

**I. Procedure for Elections of Members of the Board of Trustees**

**A. Candidate Eligibility and Nominating Petitions**

1. All Members of the Jackson County Employees' Retirement System are eligible to become candidates, unless:
  - a. a Member employed in any County department in which a current elected Trustee is employed, other than an elected Trustee whose position is up for election; or
  - b. A DROP Participant.
2. A Member's nominating petition must be signed by at least 10 Members, but not more than 30, for the Member to qualify as a candidate.
3. All Members are eligible to sign nominating petitions.
4. A Member may not sign a nominating petition for more than one candidate for the same office.
5. Petitions shall be made available at the Pension Coordinator's office at least 30 calendar days before the deadline for the filing of petitions.
6. Nominating petitions shall be filed at the Pension Coordinator's office no later than 14 calendar days before the ballots are distributed.
7. A candidate shall have three calendar days after the deadline for filing petitions to file a written notice in the Pension Coordinator's office to withdraw his/her name from nomination.
8. If only one Member qualifies as a candidate for the Trustee position up for election, then that candidate shall be declared elected to the position and no election shall be held.

**B. Poll List**

1. Fourteen calendar days prior to the distribution of ballots, the Pension Coordinator shall compile a list of Members eligible to vote.

2. The Pension Coordinator shall use the Poll List as follows:
  - a. To determine the membership status of candidates for election.
  - b. To verify the membership status of individuals signing a petition.
  - c. For placement of the names of Members eligible to vote on outside envelopes.

C. Voter Eligibility

1. All Members having at least 14 calendar days membership in the System, prior to the election deadline for ballot distribution are eligible to vote.
2. The Pension Coordinator shall be responsible for the preparation of all ballots and envelopes as provided in this section.
3. An election ballot shall consist of the names of candidates and voting directions. Candidates names shall be arranged in rotating order (for example, if there are three candidates, three separate ballot forms will be used listing the candidate names in the following order: 1-2-3, 2-3-1, and 3-1-2)
4. A dual envelope system shall be used for distributing and casting ballots. The envelope that the ballot is placed in is designated the "inside envelope." The front of the inside envelope shall be marked "FOR BALLOT ONLY".
5. The envelope that the inside envelope (with ballot) is placed in is designated the "outside envelope".
6. The outside envelope shall have a label designating the poll location and the name of the Member eligible to vote on the ballot.
7. The front of the outside envelope shall have a signature line for the name of the Member eligible to vote.
8. The following statement shall appear on the outside envelope:

**TO BE COMPLETED BY VOTER**

The undersigned asserts that she or he is a Member of the Jackson County Employees' Retirement System and the ballot was marked by her or him personally and enclosed in the envelope labeled "FOR BALLOT ONLY", which is enclosed in this envelope.

---

Signature of Voter

**YOU MUST SIGN YOUR NAME ABOVE OR YOUR VOTE WILL NOT BE COUNTED.**

D. Distribution and Casting of Ballots

1. The Pension Coordinator shall distribute the envelopes with ballots to each Department by delivering same to the Department Head, Elected Official, or their designee.
2. Ballots shall be made available for release to Members at their Department one week before the ballot collection deadline.
3. Ballots shall be distributed to each department. The Department Heads, Elected Officials, or their Designee shall verify that the person to whom the ballot is released is in fact the Member whose name is on the outside envelope.
4. The ballot instructions shall provide that:
  - a. Completed ballots are to be placed in the inside envelope.
  - b. The inside envelope is to be sealed and placed in the outside envelope.
  - c. The outside envelope is to be sealed.
  - d. The outside envelope must be signed by the Member whose name is on the envelope in order for the ballot to be counted.
5. Members may turn in their completed ballots at any polling location after the ballots have been released to them prior to the ballot collection deadline.
6. Members shall place their ballots in a secure container designated as a ballot box at a polling place.
7. A Member shall not receive or cast more than one ballot.

E. Collection and Verification

1. Ballots shall be collected from the polling locations by the Pension Coordinator two business days prior to the date the ballots will be counted.
2. No later than the day following the collection of the ballots, the Pension Coordinator shall:
  - a. Tally the number of people that voted at each polling location.
  - b. Confirm that each outside envelope has the signature of the Member whose name appears on the envelope and note the name of each Member who cast a vote on the Poll List. Failure of any Member to sign his/her outside ballot envelope shall constitute a spoiled ballot that will not be counted.
  - c. Once confirmation is made, the Pension Coordinator shall open all valid outside envelopes in the presence of a non-Member of the Retirement System.
  - d. Outside envelopes shall be separated from the inside envelopes and all envelopes shall be placed into a locked container.
  - e. The container shall be opened at the scheduled meeting of the Retirement Board to count and tally the ballots.

F. Validity

1. Invalid / spoiled ballots shall include, but not be limited to:
  - a. Ballots that are in unsigned outside envelopes.
  - b. Envelopes that contain more than one ballot.
  - c. More than one envelope turned in by a Member (ballots not cast in the Pension Coordinator's office are spoiled).
  - d. Unmarked Ballots.
  - e. Ballots with write-in votes.
  - f. More than one vote on a ballot.
  - g. Any ballot cast by a non-Member of the Retirement System.
2. In the event of a lost ballot, the Member shall contact the Pension Coordinator. The Pension Coordinator shall prepare a second set of envelopes and ballot for the Member, and the Member shall cast his/her vote in the Office of Pension Coordinator, seal the envelopes, and leave it with the Pension Coordinator. Should the lost envelope(s) be subsequently turned in as a marked ballot, the ballot not cast in the Pension Coordinator's office will be spoiled and not counted.

G. Canvassing the Vote

1. The Board of Trustees shall meet at the scheduled time for the purpose of counting the ballots, canvassing the vote, and declaring the Election of the candidate. The candidate receiving the greatest number of votes shall be declared elected to the vacant or expiring Trustee position.
  - a. Ballots shall be counted by a minimum of two trustees.
2. In the event of a tie vote, the candidates shall cast lots to determine who shall be declared elected.

H. Election Dates

1. **Other than for an election to fill a vacancy**, the dates pertaining to an election shall be adopted by resolution of the Board of Trustees at least 30 calendar days prior to the date candidate petitions will be made available to candidates.
2. **For an election to fill a vacancy**, the dates pertaining to an election shall be adopted by resolution of the Board of Trustees on a date determined by the Board.
3. **Other than for an election to fill a vacancy**, the date of the Board of Trustees' meeting for the purpose of counting the ballots, canvassing the vote, and declaring the Election of a candidate shall take place at least 30 calendar days prior to the first day of the regular term of office of the Trustee position up for election.
4. **For an election to fill a vacancy**, the Board of Trustees' meeting for the purpose of counting the ballots, canvassing the vote, and declaring the Election of a candidate shall take place on a date determined by the Board.

I. Questions, Disputes

Any questions or disputes arising out of the election process or these rules shall be determined by the Board of Trustees.

and it is further

**RESOLVED**, that a copy of this Resolution be posted on the Jackson County Employees' Retirement System webpage in the normal manner.

**JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM  
POLICY RESOLUTION**

**Re: Advisor and Consultant Reviews (Amended)**

**Adopted: February 26, 2009  
Amended: April 23, 2015**

---

**WHEREAS**, the Retirement Board of Trustees ("Board") is vested with the general administration, management and operation of the Retirement System and for making effective the provisions thereof, and

**WHEREAS**, in carrying out the administration, management and operation of the Retirement System, the Board retains certain advisors and consultants, and

**WHEREAS**, the Board deems it prudent to periodically review the costs and services offered by each of its advisors, and

**WHEREAS**, the Board further deems it prudent to periodically compare the costs and services offered by each of its advisors to those of other comparable advisors and consultants not retained by the Board, and

**WHEREAS**, the Board recognizes that by reviewing, analyzing, and comparing both existing and prospective advisors by methods including, but not limited to, comparing formal proposals, assessing the effectiveness of returns, determining levels of service, prior performance, market conditions, and the like, the Board may best carry out its advisor review function, and

**WHEREAS**, the Board desires to formalize its advisor review procedures by developing a regular review schedule so that at least one advisor is reviewed annually, now therefore be it

**RESOLVED**, that the Board of Trustees shall annually undertake to review the costs and services offered by advisors, and further

**RESOLVED**, that the Retirement System's investment consultant shall monitor the performance, services and costs of the Retirement System's investment managers and provide periodic reports to the Board, and further

**RESOLVED**, that consistent with the foregoing, the Board shall undertake periodic advisor reviews and that such reviews shall be conducted by use of a Request for Information ("RFI"), Request for Proposal ("RFP"), or such other method as the Board deems appropriate, and shall include, but not be limited to: (1) actuary; (2) attorney; (3) custodial bank; (4) investment consultant; and (5) medical director, and further

**RESOLVED**, that in the event that the Board has, for reasons other than the regularly scheduled review, recently reviewed the services of an advisor that is scheduled for regular review, the Board may, in its sole discretion, forego the review of a particular advisor until the next regularly scheduled review, or alternatively may modify the foregoing order in which the reviews are completed, and further

**RESOLVED**, that in addition to regularly scheduled reviews, the Board, in its sole discretion, may at any time undertake to complete an immediate review of any advisor, and further

**RESOLVED**, that a copy of this Resolution be posted on the Jackson County Employees' Retirement System webpage in the normal manner.

**JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM****P O L I C Y   R E S O L U T I O N****Re: PA 728 Supplemental Actuarial Valuation****Adopted: January 24, 2013**

---

**WHEREAS**, the Board of Trustees of the Jackson County Employees' Retirement System is vested with the fiduciary responsibility for the proper administration, management, and operation of the Retirement System, and for making effective the Retirement System provisions, and

**WHEREAS**, Public Act 728 of 2002 ("PA 728"), amends the Public Employee Retirement System Investment Act (Public Act 314 of 1965, as amended), MCL §38.1132 et seq., to require that a supplemental actuarial analysis of ANY proposed pension benefit change(s) be performed for all State and local government retirement systems prior to adoption or implementation of such pension benefit change(s), and

**WHEREAS**, a supplemental actuarial analysis must be provided to the Board of Trustees and the decision-making body that approves the proposed benefit change at least seven (7) days BEFORE the proposed benefit change is adopted, and

**WHEREAS**, a "proposed benefit change" includes a benefit change proposed through collective bargaining, Act 312 Arbitration, or Ordinance Amendment, and also includes a change in benefits for an individual employee or a group of employees, and

**WHEREAS**, a "benefit change" is not limited to an increase in benefits or a new benefit, but also includes a reduction in benefits, and further the benefit change is not contingent on the actuarial cost of the change; that is, certain benefit changes may result in no additional costs being incurred by the County or the Retirement System, but a supplemental analysis by the Retirement System's actuary is still required, and

**WHEREAS**, the Retirement System's actuary must conduct the supplemental actuarial analysis, and the supplemental analysis must include an analysis of the long-term costs associated with the proposed benefit change(s), and

**WHEREAS**, there have arisen issues concerning, among others for example, whether a PA 728 supplemental actuarial analysis was required, whether "proposed benefit change" means a benefit increase or decrease, whether certain pension benefits may be administered/granted in the absence of a PA 728 supplemental actuarial analysis, and who the appropriate actuary entity charged with the responsibility for preparing the PA 728 analysis is, the entity responsible for the payment of costs associated with the preparation of a supplemental actuarial analysis, etc., and

**WHEREAS**, the Board of Trustees is desirous of stating its policy with regard to the requirements of PA 728 that must be met in the event of **ANY** proposed pension benefit change(s), therefore be it

**RESOLVED**, that the Board of Trustees adopts the following policy with regard to the preparation and presentation of a supplemental actuarial analysis under PA 728:

## **Jackson County Employees' Retirement System PA 728 Supplemental Actuarial Analysis**

### **Purpose**

To comply with the amendment to Public Act 314 of 1965, known as Public Act 728 of 2002 ("PA 728") MCL §38.1140h et seq., that requires a supplemental actuarial analysis of **ANY** proposed pension benefit change(s).

### **Policy**

The Public Employee Retirement System Investment Act (Public Act 314 of 1965, as amended), MCL §38.1132 et seq., establishes fiduciary responsibilities for the proper administration, management, and operation the of the Jackson County Employees' Retirement System ("JCERS"). Amongst the responsibilities the statute imposes upon the Jackson County Employees' Retirement System Board of Trustees is the requirement of an annual actuarial valuation report and, as a result of PA 728, a supplemental actuarial analysis is required before adoption of pension benefit changes. Because JCERS does **not** establish or change pension benefits for its members, but is instead required to administer the pension benefits that the County employer and the affected County employees negotiate and agree upon, it is necessary to establish a definitive policy to assure compliance with PA 728.

PA 728 clearly states that: "The actuarial analysis shall be provided to the board of the particular system and to the decision-making body that will approve the proposed benefit change at least 7 days before the proposed pension change is adopted". Therefore, the JCERS Board of Trustees will **not** authorize implementation of any proposed pension benefit change for which this statutorily-required procedure has not been performed.

### **Pertinent Portion of Statute**

The Public Employee Retirement System Investment Act (Public Act 314 of 1965), as amended by Public Act 728 of 2020, MCL §38.1140(3) reads:

"A system shall provide a supplemental actuarial analysis before adoption of pension benefits changes. The supplemental actuarial analysis shall be provided by the system's actuary and shall include an analysis of the long-term costs associated with any proposed pension change. The supplemental actuarial analysis shall be provided to the board of the particular system and to the decision-making body that will approve the proposed pension benefit change at least 7 days before the proposed pension benefit change is adopted. For the purposes of this subsection, "proposed pension benefit change" means a proposal to change the amount of pension benefits received by persons entitled to pension benefits under the system. A proposed pension benefit change does not include a proposed change to a health care plan of health benefits."

### **Requests for Supplemental Actuarial Analysis**

Pension benefit changes are usually the product of the collective bargaining process pursuant to the Michigan Public Employees Relations Act ("PERA").

The employer of the employees of a specific retirement plan benefit group, or the recognized employee bargaining representatives of bargaining unit, will request a supplemental actuarial analysis subject to the following:

1. The request is made in writing to JCERS and pledges to reimburse JCERS for all expenses JCERS may incur for its actuary to perform the supplemental actuarial analysis;
2. The request acknowledges the mandates of Public Act 314 of 1965 as amended by Public Act 728 of 2002 and this policy;
3. The request includes sufficient information with which the actuary may perform such a supplemental actuarial analysis; and,
4. The request includes any other pertinent information to assist JCERS and the actuary in conducting the supplemental actuarial analysis.

### **JCERS Involvement in the Supplemental Actuarial Analysis**

Upon receipt of an acceptable request for a supplemental actuarial analysis as provided above, the Pension Coordinator will notify the Board of Trustees at or before its next regular meeting and will transmit the request to the Retirement System's contractual actuary authorizing the actuary to perform the analysis within the parameters of the request. The Pension Coordinator shall assist the requesting party and the actuary by, for example, clarifying the request and providing necessary available information to the actuary.

### **JCERS Board of Trustee Involvement**

Upon receipt of the PA 728 supplemental benefit analysis the JCERS Board of Trustees will "receive and file" the analysis at its next scheduled meeting, noting the date the analysis was received.

### **Review and Modification**

- a. The Policy Committee shall review and propose any needed modifications to this Policy at its first meeting of every calendar year.
- b. The requirement of a periodic review contained in paragraph "a" above is not intended as a limitation on the Board's ability to modify this Policy at any other time the Board deems appropriate.

### **Exceptions**

None

### **Effective Date**

This policy shall take effect immediately upon its adoption by the Board of Trustees.

and be it further

**RESOLVED**, that a copy of this Resolution be posted on the Jackson County Employees' Retirement System webpage in the normal manner.

**JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM  
POLICY RESOLUTION (AS AMENDED)**

**Re: Purchase of Military Service Credit-Section 6 Retirement System Bylaws    Adopted: April 22, 2010**

**WHEREAS**, the Board of Trustees is vested with the authority and fiduciary responsibility for the proper administration, management, and operation of the Retirement System, and for interpreting and making effective its provisions, and

**WHEREAS**, the Board notes that portions of Section 6 of the Jackson County Employees' Retirement System Bylaws are inconsistent with the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 ("USERRA"), and

**WHEREAS**, the Board is without authority to make amendments to the Bylaws (that authority residing with the Jackson County Board of Commissioners), and

**WHEREAS**, the Board further notes that the Board adopted a Policy Resolution effective February 23, 2006, based upon Section 6 of the Bylaws (including those portions of Section 6 which are inconsistent with the current USERRA provisions), and the Board has since learned that the Policy Resolution must be amended to reflect current USERRA provisions, therefore it is

**RESOLVED**, that a Member returning to employment after a period of qualified military service shall be entitled to credited service as if the Member had remained continuously employed with Jackson County during the period of military service, and further

**RESOLVED**, that receipt of credited service shall be contingent upon the Member electing to and repaying the employee contributions to the Retirement System that would have been required had the Member remained continuously employed during the period of military service, and further

**RESOLVED**, that a Member electing to pay the missed employee contributions shall have the option of paying in the form of a lump-sum payment or in installment payments through payroll deduction, and further

**RESOLVED**, that the Board of Trustees hereby establishes a "lump-sum" policy for those eligible Members wishing to receive credit for intervening military service as follows:

- (a) A Member may make application to the Board of Trustees to receive service credit for qualified intervening military service;
- (b) The Member shall pay the Plan the amount the Member would have been required to contribute had he or she remained continuously employed with Jackson County throughout the period of military service, in accordance with the number of years and fraction of a year for which the member elects to receive service credit, in a lump sum amount if the Member so desires;
- (c) Credited service shall be awarded only to the extent of the payment(s) made prior to the expiration of the payment period and/or the Member's separation/termination of employment;

and be it further,

Page 2 of 3  
Purchase of Military Service Credit

**RESOLVED**, that a Member may elect to pay missed employee contributions by installment payments through payroll deduction as follows:

- (a) A Member may make application to the Board of Trustees to receive credited service for qualified intervening military service;
- (b) The Member shall pay the Plan the amount the Member would have been required to contribute had he or she remained continuously employed with Jackson County throughout the period of military service, in accordance with the number of years and fraction of a year for which the Member elects to receive service credit;
- (c) Payment to the Plan shall be made during the period beginning with the Member's reemployment and whose duration is three times the period of the Member's services in the uniformed services, such payment period not to exceed five years, and not extending beyond the Member's separation/termination of employment;
- (d) Credited service shall be awarded only to the extent of the payments made prior to the expiration of the payment period and/or the Member's separation/termination of employment;
- (e) The amount of payroll deduction shall not be less than that amount required to make payment in full within the time limits for repaying the contributions;
- (f) No interest shall be charged to a Member making installment payments;
- (g) Members wishing to retire must make payment in full prior to their effective retirement date, or otherwise forfeit their rights to receive service credit for qualified military service for which contributions have not been made to the Retirement System;

and be it further

**RESOLVED**, that applications shall be submitted to the Board with available documentation in support of the claimed eligible credited service, including Form DD-214 or equivalent, and be it further

**RESOLVED**, that by making the election to receive credited service for qualified intervening military service, the Member fully acknowledges and agrees that the election to make up missed employee contributions in order to receive military service credit is irrevocable, and be it further

**RESOLVED**, that the Board shall seek verification of the Member's military service from appropriate military or other authorities unless the Board is satisfied with the information presented on the Member's Form DD-214 or equivalent, and be it further

**RESOLVED**, that credited service shall be credited to a Member in accordance with the amount the Member has paid in comparison to the total amount due to the Retirement System for the period of qualified military service, and be it further

**RESOLVED**, that credited service which has been provided shall be credited towards the satisfaction of a Member's vesting requirement under the Retirement System, and be it further

Page 3 of 3  
Purchase of Military Service Credit

**RESOLVED**, that the Board shall report all receipt of credited service for periods of qualified intervening military service to the Board's actuary so that such information can be included in future actuarial reports and determinations, and be it further

**RESOLVED**, that this Resolution is adopted and shall be administered consistent with the provisions of USERRA governing the rights of individuals reemployed after a period of qualified military service, and be it further

**RESOLVED**, that a copy of this Resolution be posted on the Jackson County Employees' Retirement System webpage in the normal manner.

**JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM  
POLICY RESOLUTION**

**Re: Securities Litigation**

**Adopted: April 26, 2012**

**WHEREAS**, the Board of Trustees of the Jackson County Employees' Retirement System has a fiduciary responsibility to the members and beneficiaries of the Retirement System to preserve and protect the assets of the Retirement System, and

**WHEREAS**, certain assets held by the Retirement System are from time to time subject to fraud, mismanagement, and breaches of fiduciary duty, and

**WHEREAS**, the Private Securities Litigation Reform Act of 1995 ("PSLRA") was enacted to encourage institutional investors, such as the Retirement System, to actively pursue valid claims against the management of such companies, and

**WHEREAS**, the Board of Trustees believes that in fulfillment of its fiduciary obligations, it is in the best interest of the Retirement System to monitor its past and present investment holdings to determine whether to actively pursue claims involving securities owned at any time by the Retirement System, and

**WHEREAS**, the Board's legal counsel, through the services of law firms specializing in securities litigation, is able to monitor the past and present holdings of the Retirement System and advise the Board regarding potential claims, and

**WHEREAS**, the Board deems it to be in the best interest of the Retirement System and consistent with its fiduciary duty to implement a policy to monitor all potential securities claims, and to take appropriate action in the event of valid securities claims, now therefore be it

**RESOLVED**, that the Board's legal counsel is hereby authorized to direct the Board's custodian, investment consultant, and investment managers to provide access to the Retirement System's trading records, including access to any computer database, to the Board's legal counsel, or such other law firms as legal counsel shall designate in writing, so that the investment portfolios of the Retirement System may be regularly monitored for investments upon which securities claims may be or have been brought, and further

**RESOLVED**, that the Board's legal counsel shall provide periodic reports to the Board regarding the results of monitoring, and shall seek authorization to take action on behalf of the Retirement System for any and all claims which the Board deems to be valid, and further

**RESOLVED**, that the Board's legal counsel, with the consent of the Board's chairperson, shall be authorized to take action on behalf of the Retirement System, and shall report to the Board all such activity at the next regularly scheduled meeting, and further

**RESOLVED**, that no costs or expenses shall be borne by the Retirement System for the review of the investments of the Retirement System, and further

**RESOLVED**, that a copy of this Resolution be posted on the Jackson County Employees' Retirement System webpage in the normal manner.

**JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM****P O L I C Y   R E S O L U T I O N**

**Re: Notice to Recipients of  
Lump Sum Distributions from the Retirement System**

**Adopted: February 26, 2015**

**WHEREAS**, the Board of Trustees is vested with the authority and fiduciary responsibility for the administration, management and operation of the Retirement System, and

**WHEREAS**, the Board of Trustees acknowledges that Section 402 of the Internal Revenue Code requires the Board to provide notice to recipients of lump sum distributions from the Plan, and

**WHEREAS**, applicable tax law and regulations require said notice to be provided at least thirty (30) days in advance of such distributions, and

**WHEREAS**, legal counsel has prepared a distribution notice and form consistent with IRC Section 402, and

**WHEREAS**, the Board of Trustees has discussed this matter, therefore be it

**RESOLVED**, that the Retirement System is hereby amended to comply with and shall be administered in accordance with the requirements of Notice 2014-54, with respect to the rollover of distributions to multiple destinations, and further

**RESOLVED**, that the Board of Trustees hereby adopts the distribution notice and form, and further

**RESOLVED**, that the Retirement System shall be administered consistent with said notice and IRS Notice 2014-54, and further

**RESOLVED**, that the distribution notice and form be provided to recipients of lump sum distributions from the Retirement System consistent with the Internal Revenue Code, and further

**RESOLVED**, that a copy of this Resolution be posted on the Jackson County Employees' Retirement System webpage in the normal manner.

JACKSON COUNTY EMPLOYEES' RETIREMENT SYSTEM  
REQUEST FOR APPOINTMENT

The Jackson County Employees' Retirement System Board of Trustees appoints a Public Member to serve on the Board of Trustees. This appointment is for a one (1) year term. Individuals interested in representing the Jackson County Employees' Retirement System Board of Trustees as a Public Member should complete the information requested below.

NAME Sharon K. Best  
ADDRESS 5063 Big Rock, Jackson 49201  
PHONE (517) 789-9022 (h) (517) 262-6416 (c)

A Resume that responds to the inquiries below may be submitted.

COMMUNITY ACTIVITIES AND BUSINESS ORGANIZATIONS:

Activity/Organization	Length of Membership	Position(s) Held
<u>Jackson Cty. Ret. Board</u>	<u>22 yrs.</u>	<u>Trustee</u>
<u>Woman's Club of Jackson</u>	<u>12 yrs.</u>	<u>V. President, Treasurer</u>
<u>Jackson Cty. Dept. of Aging</u>	<u>5 yrs.</u>	<u>Counsel Member</u>
<u>Friends of Dahlen</u>	<u>20 yrs.</u>	<u>Treasurer</u>

EMPLOYMENT:

Current Employer	Position	Years
<u>Retired - Consumers Energy</u>	<u>Financial Analyst</u>	<u>28 1/2</u>

EDUCATION:

Spring Arbor University - Business Degree  
Jackson Comm. College - Associate Degree

WHY DO YOU WISH TO BE APPOINTED TO THE BOARD OF TRUSTEES:

To assist in maintaining the Retirement Trust for current and future retirees and insure successful returns on assets.

ADDITIONAL INFORMATION YOU FEEL MAY BE HELPFUL TO THE BOARD OF TRUSTEES IN CONSIDERING YOUR APPOINTMENT:

Staying current with the study of investment avenues and manager styles and returns, to make a strong Trust Fund.

Signature: Sharon K. Best Date: 5/26/2016

Please Return completed form to:

Debby Gorz, Pension Coordinator  
Tower Building, 7th Floor  
120 W. Michigan Avenue  
Jackson, Michigan 49201  
Fax: 517-768-6713