PUBLIC EMPLOYEE RETIREMENT SYSTEMS OF IDAHO
607 North 8th Street, Boise, Idaho 83702

RETIREMENT BOARD MEETING MINUTES

A regular meeting of the Board of the Public Employee Retirement System of Idaho was held at 607 North 8th Street, Boise Idaho starting at 8:39 a.m., May 20th, 2025.

Members Present:
Jeff Cilek
Park Price
Lori Wolff
Darin DeAngeli
Josh Whitworth

Staff Present:
Michael Hampton
Alex Simpson
Richelle Sugiyama
Chris Brechbuhler
Mike Anderson
Diane Kaiser

Guests:
Ann O'Bradovich
Robert Schmidt
Ryan Cook
Amanda Carrigan
Matthew Jacobson
Gabrielle Wafer

Legal counsel:
Cheryl George
Elisa Magnuson

At 8:39 a.m., Chairman Cilek called the meeting to order.

APPROVAL OF THE BOARD MEETING MINUTES
Trustee Price moved to approve the minutes of the April 22, 2025, Board meeting and April 29th, 2025 Special meeting. Trustee Whitworth seconded the motion. The motion passed unanimously.

INVESTMENTS/PORTFOLIO
Callan Quarterly Report
Ann O'Bradovich presented the First Quarter 2025 Performance Evaluation, which included an overview of the markets and summaries, of the DB, DC and Sick Leave Plan performance.

Monthly Portfolio Update
Richelle Sugiyama commented on the Fund performance and market volatility from the end of the first quarter through April.

Chris Brechbuhler discussed portfolio activity during the same period and discussed the manager's commentaries and the impact of market uncertainty.

Richelle Sugiyama discussed the investment report as of May 13th, 2025, noting ongoing concerns of uncertainty and market volatility.

OPERATIONS AND ADMINISTRATION
Administration and Operations

Mike Hampton updated the Board on Executive Agency Legislation, Idaho Code Cleanup, and Administrative Rules, noting time frames and deadlines.

Choice Plan
Diane Kaiser presented the PERSI Choice 401(k) Plan document, emphasizing proposed amendments to the plan. Staff will request approval of plan amendments from the Board at the July 2025 board meeting.

Internal Process Review – Plante Moran
Alex Simpson introduced presenters from Plante Moran.
Amanda Carrigan, Gabrielle Wafer, and Matthew Jacobson provided an update on the results of the engagement with PERSI. The remediation tracker was discussed, showing the status of recommendations and their implementation. The 2025 assessment plan included units for retention and development, IT consulting, and pension administration system upgrade.

Callan – Actuarial Investment Return
Ann O'Bradovich presented charts depicting projected, actuarial assumed, and actual Fund returns, highlighting historical trends.

Richelle presented the investment team recommendation, consistent with the Base Plan Funding guidelines, investment return considerations, and historical experience. The investment team expressed concerns about market volatility and exposure to market risk and recommended a conservative bias - a small, incremental change, if any.

Milliman – Economic Assumption
Robert Schmidt provided the Board with an investment return assumption range of reasonableness between 6.30% - 7.00%. Trustee Price moved to adopt Scenario B with an expected net investment return assumption (net of all expenses) of 6.50%, Trustee Wolff seconded the motion. Motion carried 3-2.

Milliman – Contribution Rate Adjustment
Ryan Cook presented an overview of scheduled rate changes and the impact of reducing future proposed contribution rates. Milliman provided some select scenarios for board consideration. Trustee Wolff moved to adopt contribution rate scenario #3 to cancel the 2.50% increase in July 2026 & reduce the 3.75% increase to 2.50% in July 2027. Trustee Price seconded. Trustee Whitworth introduced a substitute motion to delay the 2.50% increase to July 2027 and delay the 3.75% increase to July 2028 and reduce it to 1.25%. Trustee DeAngeli seconded. The substitute motion passed unanimously.

FISCAL

Fiscal Update/Travel/Expense Report Update
Mike Anderson provided the Board with the Fiscal update on year-to-date expenses and travel reports. There were no questions or discussions.

Board

Future Agenda Review
There was no call for the future agenda items.

Executive Session:

At 11:15 a.m. Chairman Cilek stated the Board intended to move to executive session in accordance with Idaho Code § 74-206 (1)(a)(b)(f). Trustee Price moved to enter the executive session and Trustee Wolff seconded the motion, which passed unanimously. Upon conclusion of

the executive session at 11:45 a.m., Trustee Price moved to return to regular session, Trustee Wolff seconded the motion, which passed unanimously. No decisions were made.
Adjournment: With no further business to discuss, the Board adjourned at 11:45 a.m.

PERSI Investment Report

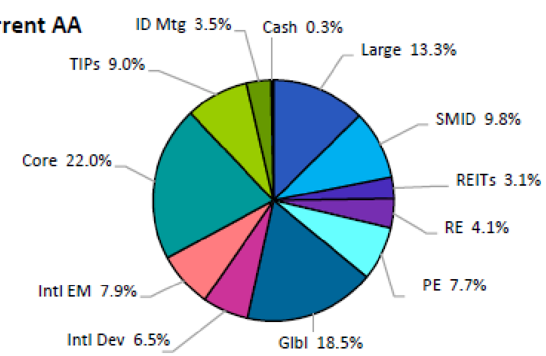
June 30, 2025

Current Market Value (MV)		**26,032,790,430**
Previous Day MV	64,623,631	**25,968,166,800**
Last FY-end MV	2,165,242,141	**23,867,548,290**

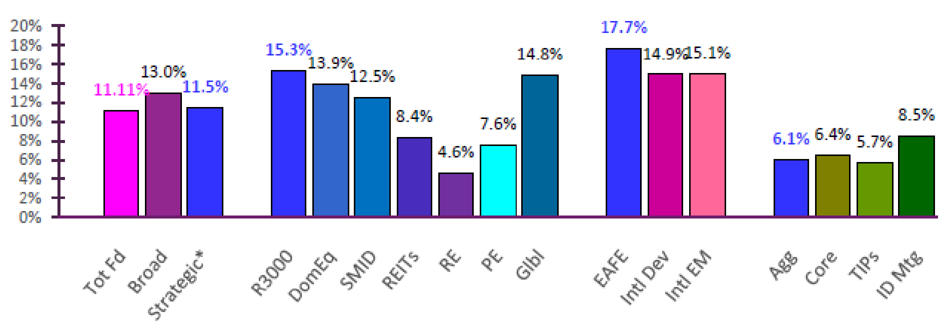
Long-Term Actuarial Investment Return Assumption	
NET of inv and admin expense (0.50%):	6.3%
GROSS of inv and admin expense:	6.8%

	MTD Return	FYTD Return	5-year Return	10-year Return
Total Fund	2.6%	11.1%	9.0%	7.9%
Broad Policy	3.6%	13.0%	10.3%	8.8%
Strategic Policy*	3.0%	11.5%	8.9%	7.4%
U.S. Equity	2.5%	11.6%	13.4%	11.7%
R3000	5.1%	15.3%	16.0%	13.0%
Global Equity	3.4%	14.8%	14.0%	10.3%
MSCI ACWI	4.5%	16.2%	13.7%	10.0%
Int'l Equity	4.2%	15.0%	8.8%	5.4%
MSCI EAFE	2.2%	17.7%	11.2%	6.5%
Fixed Income	1.4%	6.5%	0.2%	2.5%
Aggregate	1.5%	6.1%	-0.7%	1.8%

Current AA

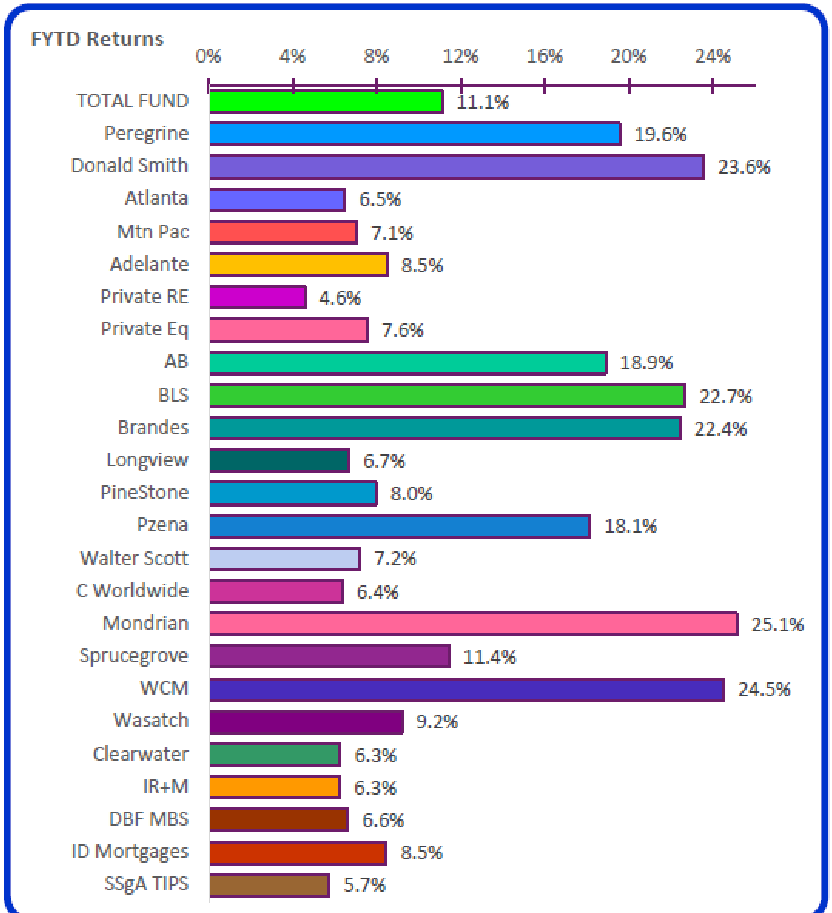


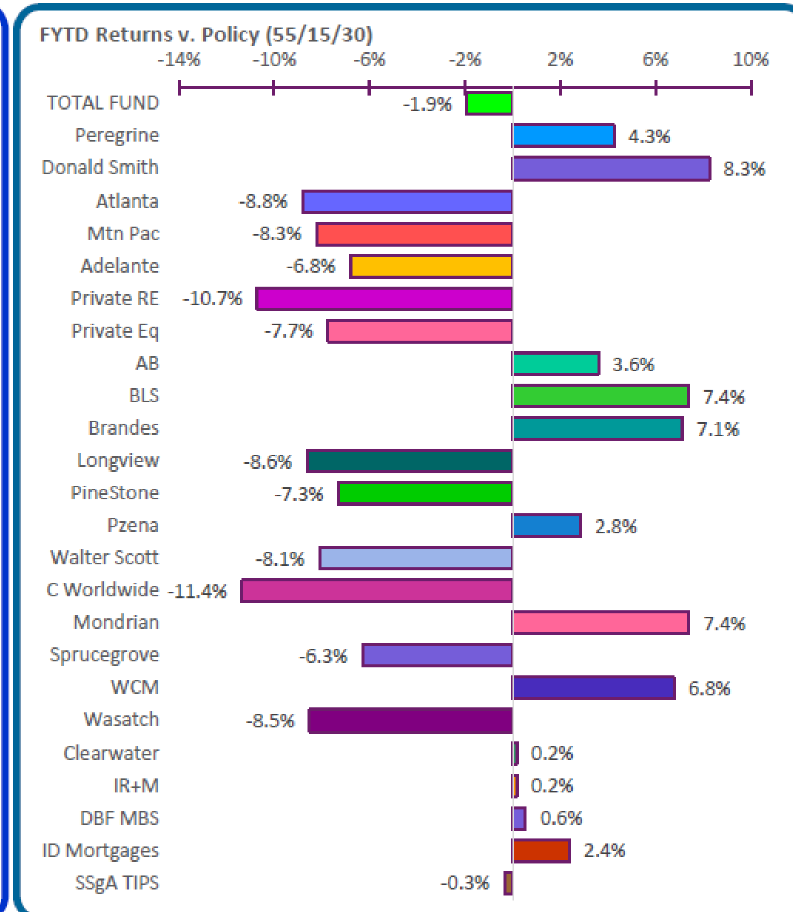
FYTD Actual Returns v Broad Policy (55/15/30) Benchmarks

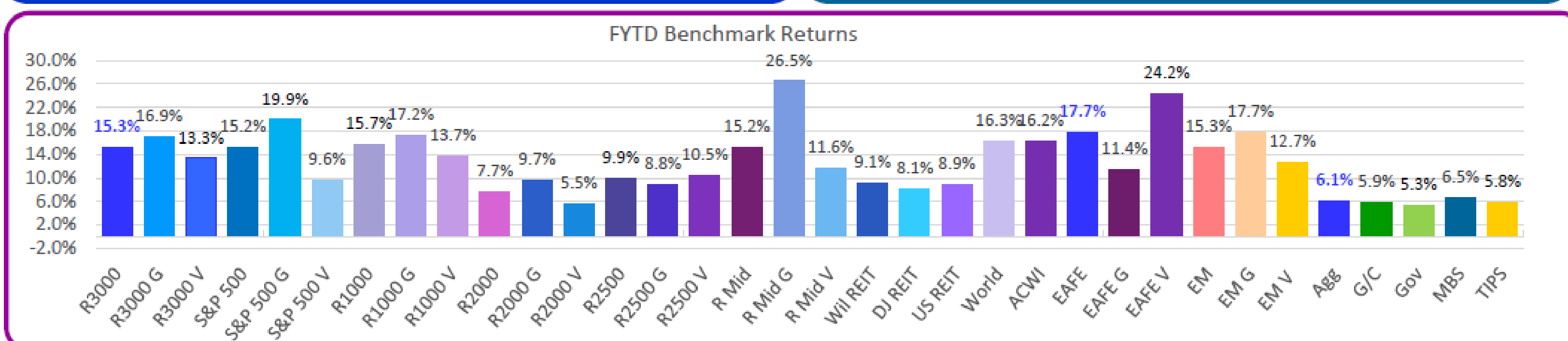


** Internal estimate*

Performance is unaudited and GROSS of fees unless otherwise noted

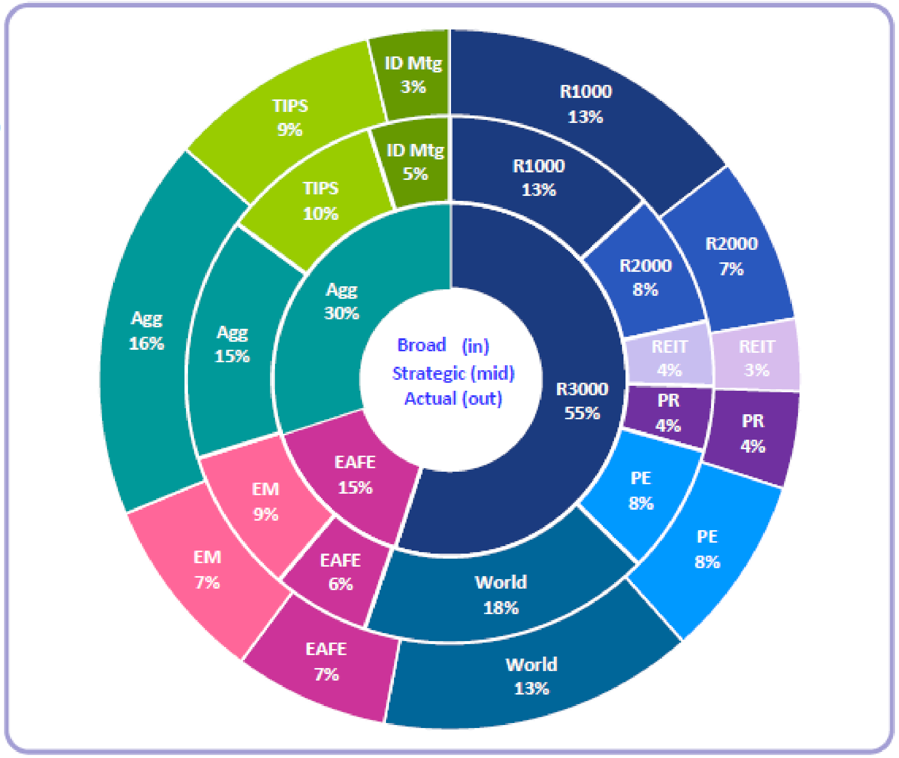

FYTD Returns
0%
4%
8%
12%
16%
20%
24%
TOTAL FUND 11.1%
Peregrine 19.6%
Donald Smith 23.6%
Atlanta 6.5%
Mtn Pac 7.1%
Adelante 8.5%
Private RE 4.6%
Private Eq 7.6%
AB 18.9%
BLS 22.7%
Brandes 22.4%
Longview 6.7%
PineStone 8.0%
Pzena 18.1%
Walter Scott 7.2%
C Worldwide 6.4%
Mondrian 25.1%
Sprucegrove 11.4%
WCM 24.5%
Wasatch 9.2%
Clearwater 6.3%
IR+M 6.3%
DBF MBS 6.6%
ID Mortgages 8.5%
SSgA TIPS 5.7%


FYTD Returns v. Policy (55/15/30)
-14%
-10%
-6%
-2%
2%
6%
10%
TOTAL FUND -1.9%
Peregrine 4.3%
Donald Smith 8.3%
Atlanta -8.8%
Mtn Pac -8.3%
Adelante -6.8%
Private RE -10.7%
Private Eq -7.7%
AB 3.6%
BLS 7.4%
Brandes 7.1%
Longview -8.6%
PineStone -7.3%
Pzena 2.8%
Walter Scott -8.1%
C Worldwide -11.4%
Mondrian 7.4%
Sprucegrove -6.3%
WCM 6.8%
Wasatch -8.5%
Clearwater 0.2%
IR+M 0.2%
DBF MBS 0.6%
ID Mortgages 2.4%
SSgA TIPS -0.3%


FYTD Benchmark Returns
30.0%
26.0%
22.0%
18.0%
14.0%
10.0%
6.0%
2.0%
-2.0%
R3000 15.3%
R3000 G 16.9%
R3000 V 13.3%
S&P 500 15.2%
S&P 500 G 19.9%
S&P 500 V 9.6%
R1000 15.7%
R1000 G 17.2%
R1000 V 13.7%
R2000 7.7%
R2000 G 9.7%
R2000 V 5.5%
R2500 9.9%
R2500 G 8.8%
R2500 V 10.5%
R Mid 15.2%
R Mid G 26.5%
R Mid V 11.6%
Wil REIT 9.1%
DJ REIT 8.1%
US REIT 8.9%
World 16.3%
ACWI 16.2%
EAFE 17.7%
EAFE G 11.4%
EAFE V 24.2%
EM 15.3%
EM G 17.7%
EM V 12.7%
Agg 6.1%
G/C 5.9%
Gov 5.3%
MBS 6.5%
TIPS 5.8%

As of: June 30, 2025

	FYTD		Mkt Value	Allocation %	
TOTAL FUND	**11.1%**	**$**	**26,032,790,430**	100%	
U.S. EQUITY	**11.6%**	**$**	**9,904,150,406**	**38.0%**	57%
Mellon R1000	15.6%	$	2,647,030,396	10.2%	
Peregrine	19.6%	$	823,558,494	3.2%	
Mellon R2000	7.6%	$	116,201,218	0.4%	
Donald Smith	23.6%	$	951,706,082	3.7%	
Atlanta	6.5%	$	725,240,316	2.8%	
Mtn Pac	7.1%	$	765,089,641	2.9%	
Adelante	8.5%	$	492,572,091	1.9%	
MCM REIT	8.2%	$	304,542,676	1.2%	
Private RE	4.6%	$	1,073,655,345	4.1%	
Private Eq	7.6%	$	2,004,551,030	7.7%	
GLOBAL EQUITY	**14.8%**	**$**	**4,823,155,891**	**18.5%**	
AB	18.9%	$	732,595,618	2.8%	
BLS	22.7%	$	706,334,155	2.7%	
Brandes	22.4%	$	750,558,074	2.9%	
Longview	6.7%	$	646,783,045	2.5%	
PineStone	8.0%	$	652,553,271	2.5%	
Pzena	18.1%	$	691,871,444	2.7%	
Walter Scott	7.2%	$	639,153,063	2.5%	
INT EQUITY	**15.0%**	**$**	**3,759,168,739**	**14.4%**	14%
Mellon EAFE	17.7%	$	288,673,528	1.1%	
C Worldwide	6.4%	$	437,006,831	1.7%	
Mondrian	25.1%	$	525,652,582	2.0%	
Sprucegrove	11.4%	$	450,742,685	1.7%	
Mellon EM	15.3%	$	883,672,236	3.4%	
WCM	24.5%	$	625,000,000	2.4%	
Wasatch	9.2%	$	546,818,633	2.1%	



	FYTD		Mkt Value	Allocation %	
FIXED INCOME	**6.5%**	**$**	**7,462,627,533**	**28.7%**	29%
SSgA G/C	6.2%	$	1,616,970,701	6.2%	
Baird	2.9%	$	512,093,156	2.0%	
Clearwater	6.3%	$	386,539,879	1.5%	
Dodge & Cox	2.8%	$	510,027,547	2.0%	
IR+M	6.3%	$	506,923,130	1.9%	
JPM	3.0%	$	515,253,492	2.0%	
DBF MBS	6.6%	$	170,995,119	0.7%	
ID Mortgages	8.5%	$	903,837,779	3.5%	
SSgA TIPS	5.7%	$	2,339,781,548	9.0%	
Cash & Other	**5.3%**	**$**	**83,687,861**	**0.3%**	

PERSI STRATEGIC POLICY:
LONG-TERM STRATEGIC POSITIONS AWAY FROM THE BROAD POLICY

US Small/Mid Capitalization Equities

Real Estate Investment Trust Securities (REITs)

Private Real Estate

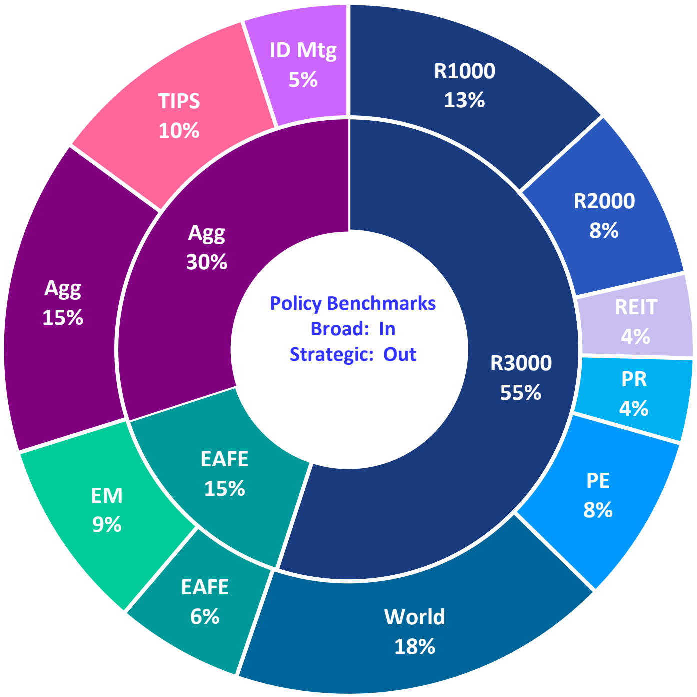
Private Equity

Global Equity

Emerging Markets

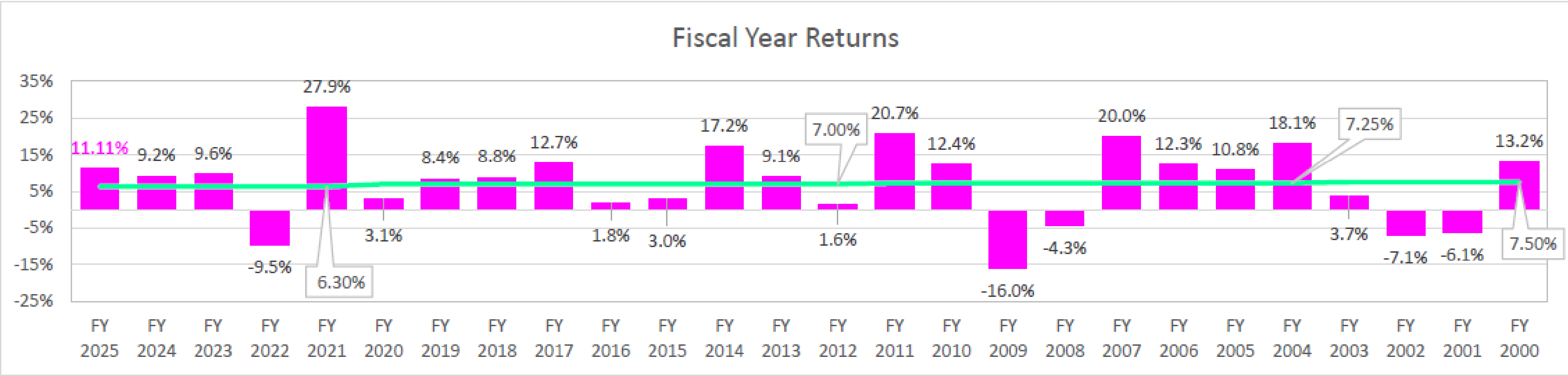
TIPS - Treasury Inflation Protected Securities

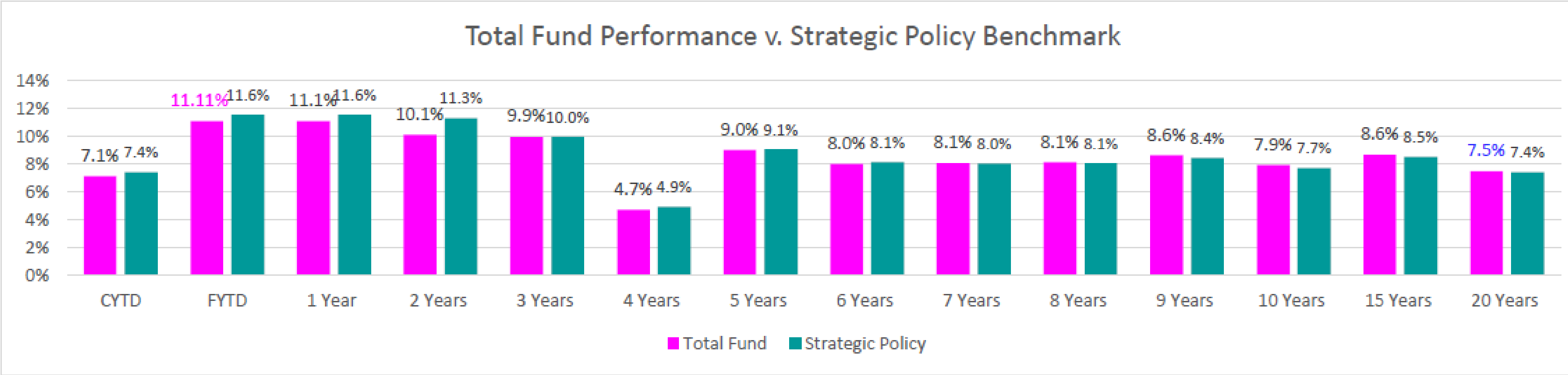
Idaho Commercial Mortgages



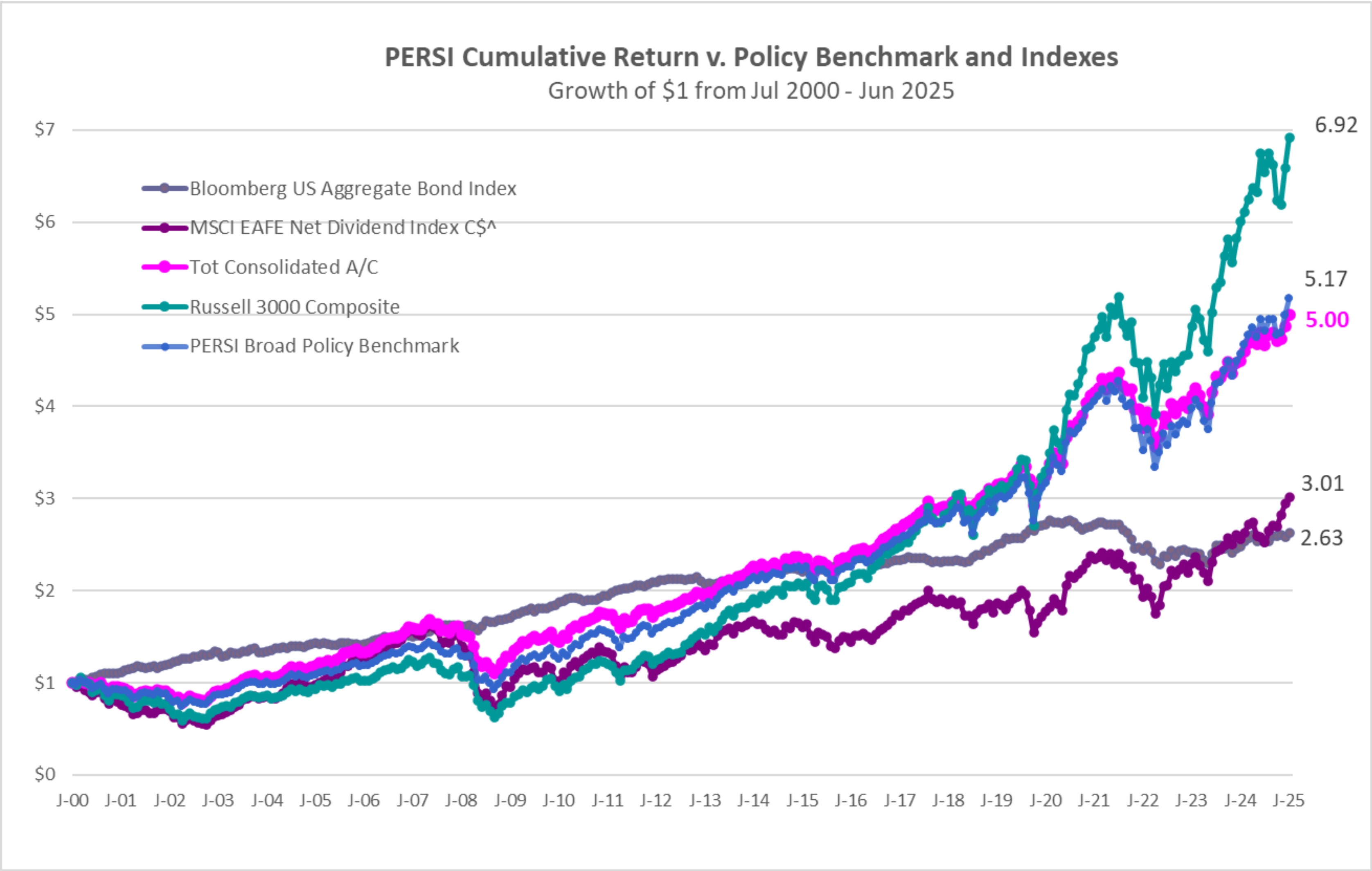
PERSI Investment Report

As of: June 30, 2025





Performance is unaudited and GROSS of fees unless otherwise noted


PERSI Cumulative Return v. Policy Benchmark and Indexes
Growth of $1 from Jul 2000 - Jun 2025
Bloomberg US Aggregate Bond Index
MSCI EAFE Net Dividend Index C$^
Tot Consolidated A/C
Russell 3000 Composite
PERSI Broad Policy Benchmark
$7
$6
$5
$4
$3
$2
$1
$0
6.92
5.17
5.00
3.01
2.63
J-00
J-01
J-02
J-03
J-04
J-05
J-06
J-07
J-08
J-09
J-10
J-11
J-12
J-13
J-14
J-15
J-16
J-17
J-18
J-19
J-20
J-21
J-22
J-23
J-24
J-25

Total Fund Summary (Gross Returns) 6/30/2025

Preliminary Performance Summary (

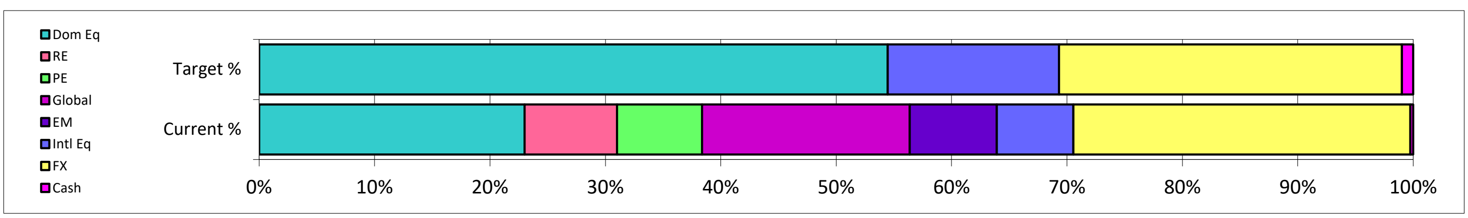
blue = outperform by 50 bp; **red** = underperform by 50 bp *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*	Last 10 Years*
Total Fund	**2.6%**	**6.1%**	**11.1%**	**9.9%**	**9.0%**	**7.9%**
Strategic Policy ¶	3.0%	6.6%	11.6%	10.0%	9.0%	7.7%
Broad Policy *(55-15-30)*	3.6%	8.2%	13.0%	13.7%	10.2%	8.8%
Total Domestic Equity *(Russell 3000)*	**2.8%**	**7.3%**	**12.6%**	**13.3%**	**13.5%**	**11.3%**
Russell 3000	5.1%	11.0%	15.3%	19.1%	16.0%	13.0%
U.S. Equity *(Russell 3000)*	**3.5%**	**9.4%**	**13.9%**	**18.6%**	**14.3%**	**12.2%**
Real Estate *(NCREIF)*	**-0.2%**	**0.1%**	**6.1%**	**0.3%**	**6.2%**	**7.4%**
Private Equity *(Russell 3000*1.35)*	**0.4%**	**2.7%**	**7.6%**	**4.2%**	**17.7%**	**12.4%**
Global Equity *(Russell 3000)*	**3.4%**	**7.9%**	**14.8%**	**15.4%**	**14.0%**	**10.3%**
Total International Equity *(MSCI EAFE)*	**4.2%**	**12.2%**	**15.0%**	**11.7%**	**8.8%**	**5.4%**
MSCI EAFE Net	2.2%	11.8%	17.7%	16.0%	11.2%	6.5%
Total Fixed Income *(BB Aggregate)*	**1.4%**	**1.2%**	**6.4%**	**2.8%**	**0.2%**	**2.4%**
Bloomberg Aggregate	1.5%	1.2%	6.1%	2.5%	-0.7%	1.8%

Asset Allocation

blue = over allowable target range; **red** = under allowable target range

	Month-End MV		Current %	Target %
U.S. Equity	$ 6,029		23.2 %	
Real Estate	$ 1,871		7.2 %	
Private Equity	$ 2,005		7.7 %	
Global Equity	$ 4,823		18.5 %	
Total Domestic Equity		$ 14,727	56.6 %	55.0%
Emerging Markets Equity	$ 2,057		7.9 %	
Total International Equity		$ 3,759	14.4 %	15.0%
Total Fixed Income		$ 7,463	28.7 %	29.0%
Cash		$ 84	0.3 %	1.0%
Total Fund		$ 26,033	100.0 %	100.0%



Performance Commentary:

During the month, the Total Fund underperformed both the Strategic and Broad Policy benchmark. Over the last five-year period, the Total Fund matched the Strategic Policy benchmark and the trailed the Broad Policy benchmark by 120 basis points.

¶ Strategic Policy Benchmark = 21% R3000, 18% MSCI ACWI, 6% MSCI EAFE, 9% MSCI EM, 8% PE, 4% NAREIT, 4% NFI-ODCE EW, 20% Agg, 10% TIPS

Total Fund
Month-End Performance *Jun 2025*

Manager *(Style Benchmark)* **blue** = outperform by 50 bp; **red** = underperform by 50 bp *(* Annualized)*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*	Last 10 Years*
Total Fund	**2.6%**	**6.1%**	**11.1%**	**9.9%**	**9.0%**	**7.9%**
Strategic Policy	3.0%	6.6%	11.6%	10.0%	9.0%	7.7%
Policy *(55-15-30)*	3.6%	8.2%	13.0%	13.7%	10.2%	8.8%
Total Domestic Equity *(Russell 3000)*	**2.8%**	**7.3%**	**12.6%**	**13.3%**	**13.5%**	**11.3%**
(Includes U.S. Eq, Glbl Eq, RE, PE)						
U.S. Equity ex RE, PE ***(Russell 3000)***	**3.5%**	**9.4%**	**13.9%**	**18.6%**	**14.3%**	**12.2%**
Russell 3000	5.1%	11.0%	15.3%	19.1%	16.0%	13.0%
MCM Index Fund *(Russell 3000)*	5.1%	11.0%	15.2%	19.5%	16.1%	13.1%
MCM Russell 1000 *(Russell 1000)*	5.0%	11.1%	15.6%	19.6%	16.2%	13.3%
Russell 1000	5.1%	11.1%	15.7%	19.6%	16.3%	13.4%
S&P 500 Index	5.1%	10.9%	15.2%	19.7%	16.6%	13.6%
MCM Russell 2000 *(Russell 2000)*	5.5%	8.6%	7.6%	10.0%	10.1%	7.2%
Russell 2000	5.4%	8.5%	7.7%	10.0%	10.0%	7.1%
Donald Smith & Co. *(Russell 3000)*	5.0%	12.3%	23.5%	36.4%	30.5%	15.2%
Russell 3000	5.1%	11.0%	15.3%	19.1%	16.0%	13.0%
Peregrine *(Russell 1000 Growth)*	3.8%	21.0%	19.6%	22.6%	7.4%	15.4%
Russell 1000 Growth	6.4%	17.8%	17.2%	25.8%	18.1%	17.0%
Atlanta Capital *(Russell 2500)*	2.1%	3.6%	6.5%	N/A	N/A	N/A
Mountain Pacific *(Russell 2500)*	1.8%	6.5%	7.0%	13.7%	12.5%	11.3%
Russell 2500	4.6%	8.6%	9.9%	11.3%	11.4%	8.4%
Global Equity *(Russell 3000)*	**3.4%**	**7.9%**	**14.8%**	**15.4%**	**14.0%**	**10.3%**
Russell 3000	5.1%	11.0%	15.3%	19.1%	16.0%	13.0%
Wilshire 5000	5.1%	11.1%	15.2%	19.1%	16.2%	13.2%
MSCI World	4.3%	11.6%	16.8%	18.9%	15.1%	11.2%
MSCI World net div	4.3%	11.5%	16.3%	18.3%	14.6%	10.7%
MSCI AC World	4.5%	11.7%	16.7%	17.9%	14.2%	10.5%
BLS *(MSCI ACWI)*	0.5%	5.4%	22.7%	13.2%	13.3%	N/A
Bernstein *(MSCI ACWI)*	6.3%	12.9%	18.9%	16.4%	14.0%	6.8%
Brandes *(Russell 3000)*	5.0%	8.7%	22.4%	20.8%	19.2%	9.8%
Longview *(MSCI ACWI)*	2.9%	4.2%	6.7%	13.2%	13.3%	9.4%
PineStone *(MSCI World)*	2.8%	7.8%	8.0%	16.0%	14.2%	N/A
Pzena *(MSCI ACWI)*	4.0%	6.5%	18.1%	N/A	N/A	N/A
Walter Scott *(MSCI World net div)*	2.3%	10.1%	7.2%	14.8%	11.4%	N/A
Private Equity *(Russell 3000)*	**0.4%**	**2.7%**	**7.6%**	**4.2%**	**17.7%**	**12.4%**
Russell 3000	5.1%	11.0%	15.3%	19.1%	16.0%	13.0%

Total Fund
Month-End Performance Jun 2025

Manager *(Style Benchmark)* — **blue** = outperform by 50 bp; **red** = underperform by 50 bp — *(* Annualized)*

Manager	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*	Last 10 Years*
Real Estate *(NCREIF)*	**-0.2%**	**0.1%**	**6.1%**	**0.3%**	**6.2%**	**7.4%**
MCM REIT *(DJ US Select REIT)*	-0.9%	-1.6%	8.2%	4.8%	8.6%	5.4%
Dow Jones U.S. Select REIT	-1.0%	-1.7%	8.1%	4.8%	8.5%	5.5%
Adelante REITs *(Wilshire REIT)*	-1.2%	-0.7%	8.5%	5.9%	8.6%	7.6%
Wilshire REIT	-0.6%	-1.2%	9.1%	5.7%	8.7%	6.3%
Prudential *(NCREIF)*	0.7%	1.9%	2.8%	-4.0%	2.8%	5.6%
Private Real Estate	0.4%	0.9%	4.6%	-3.1%	4.8%	8.4%
NCREIF Prop 1Q Arrears	0.4%	1.3%	2.7%	-2.1%	3.2%	5.4%
Int'l Equity *(MSCI EAFE)*	**4.2%**	**12.2%**	**15.0%**	**11.7%**	**8.8%**	**5.4%**
MSCI EAFE	2.2%	11.8%	17.7%	16.0%	**11.2%**	**6.5%**
MSCI ACWI ex US	3.4%	12.3%	18.4%	14.6%	10.7%	6.6%
MCM International *(MSCI EAFE)*	2.3%	11.7%	17.7%	16.3%	11.5%	6.9%
C Worldwide *(MSCI ACWI ex US)*	1.6%	10.5%	6.4%	N/A	N/A	N/A
Mondrian *(MSCI EAFE)*	1.0%	10.4%	25.1%	16.7%	13.8%	6.9%
Sprucegrove *(MSCI EAFE)*	2.8%	8.8%	11.4%	N/A	N/A	N/A
MCM Emerging Markets *(MSCI EMF)*	6.0%	11.8%	15.3%	9.4%	6.6%	4.8%
WCM	7.6%	19.8%	24.5%	N/A	N/A	N/A
Wasatch	5.0%	14.1%	9.2%	N/A	N/A	N/A
MSCI EM	6.1%	12.2%	16.0%	10.2%	7.3%	5.2%
Total Fixed Income *(BC Aggregate)*	**1.4%**	**1.2%**	**6.4%**	**2.8%**	**0.2%**	**2.4%**
BB Aggregate	1.5%	1.2%	6.1%	2.5%	-0.7%	1.8%
Baird *(BB Aggregate)*	1.7%	2.9%	N/A	N/A	N/A	N/A
Clearwater *(BB Aggregate) - 1/2014*	1.6%	1.2%	6.3%	3.0%	-0.3%	2.1%
Dodge & Cox *(BB Aggregate)*	1.8%	2.8%	N/A	N/A	N/A	N/A
JP Morgan *(BB Aggregate)*	1.7%	3.0%	N/A	N/A	N/A	N/A
SSgA Gov/Corp *(BB G/C)*	1.5%	1.5%	6.2%	2.7%	-0.8%	2.0%
IR+M *(BB G/C)*	1.5%	1.2%	6.3%	3.2%	-0.2%	N/A
Bloomberg Gov/Credit	1.5%	1.2%	5.9%	2.6%	-0.8%	1.9%
DBF Idaho Mortgages *(BB Mortgage)*	1.4%	2.0%	8.5%	4.2%	0.9%	3.5%
Bloomberg Treasury	1.3%	0.8%	5.3%	1.5%	-1.6%	1.2%
DBF MBS *(BB Mortgage)*	1.8%	1.3%	6.6%	2.6%	-0.3%	1.3%
Bloomberg Mortgage	1.8%	1.1%	6.5%	2.3%	-0.6%	1.3%
SSgA TIPS *(BB TIPS)*	1.0%	0.4%	5.7%	2.3%	1.4%	2.7%
Bloomberg US TIPS	1.0%	0.5%	5.8%	2.3%	1.6%	2.7%
Cash						
Clearwater: PERSI STIF *(90-day LIBOR)*	0.4%	1.1%	4.8%	4.6%	2.9%	2.2%
ICE BofA 3-mo Treasury Bill Index	0.3%	1.0%	4.7%	4.6%	2.8%	2.0%

Total Fund
Month-End Performance

Jun 2025

		Market Value	% of Assets
Total Fund		**$26,032,790,430.32**	
Total Domestic Equity *(Russell 3000)*		**$14,727,338,010.37**	**56.6%**
(Includes U.S. Eq, Glbl Eq, RE, PE)			
U.S. Equity ex RE, PE ***(Russell 3000)***	$	6,825,944,030.87	**26.2%**
Donald Smith & Co. *(Russell 3000)*	$	951,706,081.70	3.7%
Peregrine *(Russell 1000 Growth)*	$	823,558,494.01	3.2%
Atlanta Capital *(Russell 2500)*	$	725,240,315.97	2.8%
Mountain Pacific *(Russell 2500)*	$	765,089,640.75	2.9%
MCM Russell 1000 *(Russell 1000)*	$	2,647,029,942.51	10.2%
MCM Russell 2000 *(Russell 2000)*	$	116,201,217.91	0.4%
Global Equity *(Russell 3000)*	$	4,823,155,891.14	**18.5%**
BLS *(MSCI ACWI)*	$	706,334,155.09	2.7%
Bernstein *(MSCI ACWI)*	$	732,595,618.36	2.8%
Brandes *(Russell 3000)*	$	750,558,074.11	2.9%
Longview *(MSCI ACWI)*	$	646,783,044.62	2.5%
PineStone *(MSCI World)*	$	655,501,052.22	2.5%
Pzena *(MSCI ACWI)*	$	691,871,444.13	2.7%
Walter Scott *(MSCI World net div)*	$	639,153,062.93	2.5%
Private Equity *(Russell 3000)*	**$**	**2,004,551,029.92**	**7.7%**
Real Estate *(NCREIF)*	**$**	**1,870,770,111.72**	**7.2%**
MCM REIT *(DJ US Select REIT)*	$	304,542,675.68	1.2%
Adelante REITs *(Wilshire REIT)*	$	492,572,091.02	1.9%
Private Real Estate	$	1,073,655,345.02	4.1%
Int'l Equity *(MSCI EAFE)*		**$3,759,168,738.64**	**14.4%**
MCM International *(MSCI EAFE)*	$	288,673,528.31	1.1%
C Worldwide *(MSCI ACWI ex US)*	$	437,006,831.31	1.7%
Mondrian *(MSCI EAFE)*	$	525,652,582.09	2.0%
Sprucegrove *(MSCI EAFE)*	$	450,742,684.52	1.7%
MCM Emerging Markets *(MSCI EMF)*	$	883,672,235.97	3.4%
WCM *(MSCI EMF)*	$	625,000,000.00	2.4%
Wasatch *(MSCI EMF)*	$	546,818,633.09	2.1%
Total Fixed Income *(BC Aggregate)*		**$7,462,627,533.32**	**28.7%**
Baird *(BB Aggregate)*	$	512,093,155.86	2.0%
Clearwater *(BB Aggregate) - 1/2014*	$	386,539,879.35	1.5%
Dodge & Cox *(BB Aggregate)*	$	510,027,547.23	2.0%
JP Morgan *(BB Aggregate)*	$	515,253,491.78	2.0%
SSgA Gov/Corp *(BB G/C)*	$	1,616,970,701.00	6.2%
IR+M *(BB G/C)*	$	506,923,130.24	1.9%
DBF Idaho Mortgages *(BB Mortgage)*	$	903,837,779.45	3.5%
DBF MBS *(BB Mortgage)*	$	170,995,119.23	0.7%
SSgA TIPS *(BB TIPS)*	$	2,339,781,548.49	9.0%
Cash		**$83,531,161.28**	**0.3%**
Clearwater: PERSI STIF *(90-day LIBOR)*	$	83,531,161.28	0.3%

Adelante (Public RE - REITs)
Domestic Equity: Wilshire REIT Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Adelante Total Return	-1.23%	-0.68%	8.47%	5.88%	8.56%
Wilshire REIT Index	-0.57%	-1.24%	9.13%	5.71%	8.67%

Performance Attribution & Strategy Comments

For the month ended June 30, 2025 – The Account underperformed the Wilshire US REIT Index by 66 basis points, gross of fees, as the REIT market declined 0.6%.

- Contributors: the sector allocation to Real Estate Services (overweight), Office REIT (overweight) and Storage Facilities REIT (underweight).
- Detractors: security selection within Office REIT, Apartment REIT and Manufactured Housing REIT.
- Best performing holding: CBRE Group, +12.0%.
- Worst performing holding: Equinix, Inc., -10.4%.

For the trailing quarter ended June 30, 2025 – The Account outperformed the Wilshire US REIT Index by 56 basis points, gross of fees, as the REIT market declined 1.2%.

- Contributors: the sector allocation to Medical Offices and Laboratories REIT (underweight), Specialty Industrial REIT (underweight) and security selection within Apartment REIT.
- Detractors: security selection within Data Center REIT, Manufactured Housing REIT and Care Facilities REIT.
- Best performing holding: Digital Realty Trust, +22.8%.
- Worst performing holding: Alexandria Real Estate Equities, Inc., -19.4%.

Comments – In the second quarter, REITs continued to frustrate investors. The Wilshire U.S. REIT Index declined 1.23%, while the S&P 500 Index posted a strong 10.94% gain. **The optimism of "Liberation Day" (rate pivot hopes) now seems firmly in the rearview mirror.** Notably, three of the largest property sectors—Data Centers, Apartments, and Storage—dragged on Index performance in June.

President Trump publicly stated that interest rates were "too high" or needed to be cut on four occasions in June 2025; bond markets appear to agree. The 10-year Treasury yield fell 22 basis points, ending the month at 4.23%. Economic data largely confirmed a moderating economy. **Inflation readings have yet to reflect the impact of newly imposed Trump tariffs, while consumer data leaned negative,** particularly across Retail Sales and Consumer Confidence.

June also marked NAREIT's annual REITweek conference, held in New York City. **More than 2,500 attendees—a modest crowd compared to May's ICSC (~30,000 attendees)—gathered to discuss REIT fundamentals and outlooks.** Over 80 REITs and publicly traded real estate companies delivered investor presentations.

Office REITs led performance, rising 4.2% in June. Sentiment improved due to increased tech leasing and Hudson Pacific Properties (HPP) $600 million recapitalization offering, sending its shares up 47.3% for the month. In contrast, Data Center REITs fell 5.4%, led by Equinix, which dropped 20% intraday after lowering guidance at its investor day, finishing the month down 10.5%. We have since reduced our position.

As of month-end, the portfolio's dividend yield stood at 3.6%, with cash holdings at 2.3%.

Manager Style Summary

Adelante (formerly Lend Lease Rosen) manages the public real estate portfolio, comprised of publicly-traded real estate companies, primarily real estate investment trusts (REITs). Investments will generally fall into one of three categories as described in the Portfolio Attributes section: Core holdings, Takeover/Privatization candidates, and Trading Opportunities. Typical portfolio characteristics include current pricing at a discount relative to the underlying real estate value, attractive dividend prospects, low multiple valuations (P/FFO), and expert management.

Adelante (Public RE - REITs)

Domestic Equity: Wilshire REIT Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Adelante	Wilshire REIT	Calc	Min	Max	Compliance
B2. All securities are publicly-traded real estate companies, primarily real estate investment trusts						ok
B3. Mkt Cap of Issuers of Securities in the Account				$250		ok
B4. Single Security Positions <= 30% @ purchase						ok
B6a. P/FFO (12-mo trail)	17.84	16.78	1.06		1.30	ok
B6b. Beta	0.95	1.00	0.95	0.70	1.30	ok
B6c. Dividend Yield	3.58	4.00	0.90	0.80	2.00	ok
B6d. Expected FFO Growth	18.56	17.39	107%	80%	120%	ok
E2. Commissions not to exceed $0.06/share						ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Portfolio Attributes

Portfolio Guidelines section B5

Core Holdings (40% - 100%) Actual: 84% ok

Consists of investments with the following characteristics: premier asset portfolios and management teams, attractive dividend yields, low multiple valuations, real estate property types or regions that are less prone to experinece the impact of an economic slowdown.

Takeover/Privatization Candidates (0% - 15%) Actual: 0% ok

Focuses on smaller companies which may be attractive merger candidates or lack the resources to grow the company in the longer-term. Also focuses on companies which may have interest in returning to the private market due to higher private market valuations.

Trading Arbitrage (0% - 20%) Actual: 14% ok

Focuses on high quality companies which may become over-sold as investors seek liquidity.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 1,448

Organizational/Personnel Changes

There were no changes during the month.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s):			

Atlanta Capital
Domestic Equity: Russell 2500 Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Atlanta Capital	2.13%	3.56%	6.48%	N/A	N/A
Russell 2500	4.61%	8.59%	9.91%	N/A	N/A

Portfolio Attributes

Characteristics	Atlanta	RU 2500
Mkt Value ($m)	725.13	N/A
Wtd Cap ($b)	13.95	7.72
P/E	22.70	19.60
Beta	0.73	1.00
Yield (%)	0.81	1.48
Earnings Growth	13.90	9.50

Sector Analysis (Top 2)

Over-weight	Atlanta	RU 2500
Industrials	27.02%	19.81%
Financials	22.59%	17.88%

Under-weight	Atlanta	RU 2500
Health Care	3.85%	11.43%
Real Estate	2.08%	6.70%

Performance Attribution & Strategy Comments

The low quality rally in U.S. SMID Cap stocks continued into the month of June as less punitive tariff policy and increased government deficit spending led to a "risk-on" equity rally. During the month, lower quality factors such as high beta, negative earnings, small size, and high valuation multiples all outperformed. The Atlanta SMID Cap portfolio had a positive return in June but did not fully keep up with the Russell 2500 U.S. Small/Mid Cap benchmark. Overall stock selection detracted from performance and was most pronounced in the portfolio’s Industrial, Financial, Technology, and Discretionary holdings. Selection was positive in Staples and Real Estate. Overall sector allocation was positive for the month with our underweight to Real Estate and Utilities and overweight to Technology benefiting performance. Our lack of Energy and Communication Services detracted from results. While markets have clearly become more optimistic over the past two months, significant economic factors like growing budget deficits, unsettled tariff policy, persistent inflation, and a challenged consumer remain real concerns. We continue to focus the portfolio on high quality companies that should protect in volatile periods and perform well in rising markets.

Manager Style Summary

Atlanta Capital has been hired to manage a small-to-mid cap quality equity portfolio. Atlanta will invest in a focused portfolio of generally 50-60 companies with 5% max position size. Further, sector limits are limited to 30% absolute. Atlanta evaluates U.S. companies having market capitalizations within the range of companies comprising the Russell 2500 Index. The team excludes companies with volatile earnings streams, short operating histories, high levels of debt, weak cash flow generation, and low returns on capital to create a “focus list” of high-quality companies.

Atlanta Capital

Domestic Equity: Russell 2500 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Atlanta	Calc	Min	Max	Compliance
A2. Cash exposure <= 5%						Yes
B2. Securities, at time of purchase, within the index market cap						Yes
B3. Security position <= 5% of the account						Yes
B4. Number of issues		52		50	60	ok
B5. Sector limits less than 30%						Yes
B6. Annual turnover		10%		10%	20%	ok
B7. Normal Global Portfolio Characteristics						
Capitalization (rel)	7716	13950	181%	100%	200%	ok
Maximum Sector Exposure		27%		0%	30%	ok
Price/Book Value (rel)	2.2	3.7	168%	100%	170%	ok
Price/Earnings (rel)	19.6	22.7	116%	100%	200%	ok
Dividend Yield (rel)	1.5	0.8	55%	40%	70%	ok
Beta (rel)		0.73		0.70	1.00	ok
D. No foreign currency denominated securities, derivatives, short sales, commodities, margin or affiliated pooled funds.						Yes
E1. Brokerage commissions not to exceed $0.05/share for U.S. equities						Yes
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 1 $ 32,248

Organizational/Personnel Changes

N/A

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$	-
Lost:	Number of Accounts:	0	Total Market Value ($m):	$	-
	Reason(s):				

Baird Advisors

Core Fixed: BB U.S. Aggregate Bond Index

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Baird	1.69%	n/a	n/a	n/a	n/a
BB Aggregate	1.54%	n/a	n/a	n/a	n/a

Performance Attribution & Strategy Comments

The PERSI portfolio outperformed the benchmark by 15 basis points, gross of fees. Credit positioning contributed to relative performance, driven by overweight to financials and subsector/security selection decisions within industrials. Securitized positioning also contributed to relative performance, driven by subsector/security selection decisions within agency RMBS (pass-throughs). Active yield curve positioning and the positive convexity bias did not materially impact relative performance. As always, the portfolio remained duration neutral.

Treasury yields uniformly declined across the curve in June. For the quarter, yields declined among shorter tenors (1-7 yrs) but finished higher from 10-30yrs, steepening 2s10s by 19 bps (and 2s30s by 38 bps) in Q2. The 10yr, which rose just 2 bps for Q2 to finish at 4.23%, moved in a 4.60% to 4.00% range during the quarter amid the tariff rollout, the tax-bill debate and Middle East conflict. As expected, the Fed held its policy rate steady at 4.25-4.5% where it has resided since December. The Fed's unanimous decision was supported by "solid data" and the desire to "wait and see" the impacts of various US policy decisions. Core PCE inflation of 2.7%, which remains above the Fed's 2% target, combined with a robust May nonfarm payrolls of +144k, above estimates, were cited by the Fed as rationale for patience. Nonetheless, the Fed's Summary of Economic Projections (SEP) did lower the year-end forecast for real GDP (1.4% from 1.7%) and increase the forecast for Core PCE inflation (3.1% from 2.8%) and unemployment (4.5% from 4.4%). The debate on the One Big Beautiful Bill Act continued as legislators aim to make select 2017 tax cuts permanent while minimizing the deficit growth that Moody's cited in their Treasury downgrade to Aa1 during the quarter. Trade negotiations continued with select new deals finalized, but the US effective tariff rate of 13.5% remains at its highest level since 1938. Geopolitical tension added to uncertainty during the month and quarter as Iran and Israel entered war and US planes bombed Iranian nuclear facilities. IG Corporate spreads finished tighter for the month (-5 bps) and quarter (-11 bps). Closing the quarter at +83 OAS represented a notable rally from the +119 wides experienced at the onset of new tariffs in April. Spreads also tightened in non-Agy CMBS and in ABS for both the month and the quarter. Spread tightening was greatest among the lower quality market sectors as US HY and EM Debt tightened by -57 bps and -40 bps respectively in Q2.

Organizational/Personnel Changes

N/A

Manager Style Summary

Baird's investment philosophy is based structuring the portfolio to achieve the return of the benchmark then add incremenatal value through a bottom-up, risk-controlled process (yield curve positioning, sector allocation, security selection and competitive execution). The result is consistent, competitive performance over complete market cycles.

Baird Advisors

Core Fixed: BB U.S. Aggregate Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	Baird	BB AGG	Min	Max	Compliance
B1. Effective Duration:	6.1	6.1	5.6	6.6	ok
B2. Sector Diversification:					
Government	31%	46%	11%	81%	ok
Treasuries	31%	45%	10%	80%	ok
Agencies	0%	1%	0%	6%	ok
Credit	36%	28%	3%	53%	ok
Financial	15%	8%	0%	23%	ok
Industrial	20%	14%	0%	29%	ok
Utility	1%	2%	0%	12%	ok
Non-Corporate	0%	3%	0%	13%	ok
Securitized	29%	26%	1%	51%	ok
Non-Agency RMBS	2%	0%	0%	15%	ok
Agency RMBS	20%	25%	5%	45%	ok
ABS	2%	0%	0%	10%	ok
Non-Agency CMBS	4%	1%	0%	11%	ok
Agency CMBS	0%	1%	0%	11%	ok
Municipals	1%	1%	0%	11%	ok
B3. Issuer Concentration: <=5% all non US Gov't/Agcy				6%	ok
B4. Number of positions	187		200	400	check
B. Non-Investment Grade Alloc	0%			5%	ok
F2. Annual Turnover			0%	50%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B4. Number of Positions:	Strategically adding positions to be within the estimated number of positions.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 173,765

Account Turnover

Gained:	Number of Accounts:	0	Total Mkt Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Mkt Value ($m):	$ -

Reason(s) for loss: Baird Advisors did not gain or lose any accounts in the Aggregate Strategy this month.

Bernstein Global Strategic Value

Global Equity: MSCI ACWI Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Bernstein GSV	6.28%	12.91%	18.86%	16.49%	14.02%
MSCI ACWI	4.49%	11.53%	16.17%	17.35%	13.65%
Russell 3000	5.08%	10.99%	15.30%	19.08%	15.96%

Performance Attribution & Strategy Comments

Portfolio Performance: In June, the Portfolio increased in absolute terms and outperformed its Benchmark, the MSCI ACWI, gross of fees. Stock selection contributed to overall performance, while sector selection detracted, gross of fees. Stock selection within technology and industrials contributed the most, while an underweight to technology and selection within communication services detracted, offsetting some of the gains. Oracle, a US-based global provider of enterprise software and cloud infrastructure, was the leading contributor during the month, following a strong fiscal year 4Q:25 earnings report that exceeded market expectations. The company posted double-digit revenue growth, driven by surging demand for its cloud infrastructure services and multi-cloud database offerings. Investor sentiment was further boosted by a significant AI- driven acceleration in cloud order bookings which is driving increased confidence in Oracle's strong long-term growth guidance. LIG Nex1, a South Korean defense technology company specializing in advanced missile systems and surveillance solutions, also contributed amid heightened global security concerns driven by elevated geopolitical uncertainties, especially by the conflict in the Middle East, triggering strong investor interest in the defense sector since the start of the year. The company's performance was buoyed by robust demand for its guided weapon systems and radar technologies, which positioned it as a key player in regional defense modernization efforts. Market enthusiasm was further supported by its consistent earnings growth and expanding international contracts. Cameco, a major uranium producer based in Canada, contributed, after the company announced a $170 million increase in profit expectations tied to Westinghouse's participation in the construction project for two nuclear reactors in the Czech Republic. Shares of Cameco were also boosted, fueled by rising investor confidence in the continued strength of uranium/nuclear energy's role in the global clean energy transition. **Outlook:** June was a strong month for global equity markets broadly, with many markets now sitting at or near new all-time highs. Some fatigue and complacency have set in with US trade policy uncertainty, and early inflation readings in the US have shown less immediate upward pressure on inflation than expected, which markets hope could ease the pathway to further US rate cuts. The war between Israel and Iran kept geopolitical events at the forefront in June but did not shake equity market strength. The US led the way with the S&P 500 Index up 5.1% in June. European stocks were down 1.3% in euro terms but up 2.1% in US-dollar terms, as the currency has soared 14% against the dollar since the start of the year. Japanese stocks were up 1.9% in local currencies and 1.7% in US-dollar terms, while emerging markets were strong, up 6.1% in US-dollar terms. Regional markets continue to outperform the US market, year to date, with Europe and emerging markets returning 9% and 15%, respectively (in their local-currency terms). From a style standpoint, growth outperformed value globally—most notably in the US and Japan, while outperformance was smaller elsewhere— leading the broad MSCI ACWI Value Index to underperform the style-neutral index by 0.3% in US-dollar terms in June, and by 1.5% year to date. We believe our Portfolio is well positioned with a collection of underappreciated businesses, as well as businesses undergoing positive changes with overall good growth prospects and profitability characteristics yet trading at a large discount to the market. We have about a 15% underweight to US mega- cap tech stocks (the Magnificent Seven) compared with the market; we believe this is appropriate, as we feel we can find other strong businesses trading at much more attractive valuations.

Manager Style Summary

Bernstein is a research-driven, value-based, "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights. They invest in companies with long-term earnings power, which are undervalued due to an overreaction by the market. This value bias will result in a portfolio which will tend to have lower P/E and P/B ratios and higher dividend yields, relative to the market. The Global Strategic Value product is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Bernstein Global Strategic Value
Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Bernstein	Calc	Min	Max	Compliance
B3. Security position <= 10% of the account @ purchase						ok
B4. Number of issues		58.0		25	75	ok
B5. Normal Regional Exposures (* benchmark -/+ min/max):						
United States *	64%	47%		39%	89%	ok
Europe ex U.K. *	12%	13%		-3%	27%	ok
UK *	3%	15%		-7%	13%	ok
Japan *	5%	12%		-5%	15%	ok
Emerging Markets		6%		0%	20%	ok
Other		7%		0%	20%	ok
B6. Normal Global Portfolio Characteristics (MSCI ACWI)						
Capitalization	716,913	272,186	38%	50%	100%	check
Price/Book Value	3.3	2.2	66%	50%	100%	ok
Price/Earnings (Next 12 mo)	17.6	13.2	75%	50%	100%	ok
Price/Cash Flow	15.4	9.1	59%	50%	100%	ok
Dividend Yield	1.8	2.1	115%	75%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterparty <= 30% of total mv of account						ok
Forwards executed with Custodian <= 100% of the total mv of account, given credit check						ok
F2. Brokerage commissions not to exceed $0.05/share for U.S. equities						ok
F3. Annual turnover		53%		30%	40%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

F3. Annual Turnover: Turnover will vary throughout market cycles based on the level of volatility in markets and the changing nature of the value opportunity.

B6. Capitalization: Our portfolio average capitalisation weight relative to the benchmark is driven by two factors. We find some smaller cap ideas very attractive.

Total Firm Assets Under Management ($m) as of: Qtr 1 $784,545

Organizational/Personnel Changes

Investment decisions for Global Strategic Value are made by the Chief Investment Officer and Director of Research. For the month of June 2025 there were no personnel changes for the GSV portfolio.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s):			

BLS Capital

Global Equity: MSCI ACWI Benchmark

For the month of: **June** **2025**

Manager Performance Calculations ** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
BLS	0.36%	5.37%	22.74%	13.19%	13.23%
MSCI ACWI	4.49%	11.53%	16.17%	17.35%	13.65%

Performance Attribution & Strategy Comments

In June, the largest relative contributors to performance were St. James's Place (8% return in US dollars), Hilton (7%), and Yum China (2%). Conversely, Automatic Data Processing (ADP) (-5%), Haleon (-8%), and Mastercard (-4%) were the largest relative detractors.

Global markets saw a continued strong recovery in June. While US policy remained a key source of volatility, markets largely overlooked this. Global equities delivered a total return of 4.5% over the month as measured by the MSCI ACWI index in US dollars. Renewed investor confidence, partly stemming from the earlier announcement of a 90-day pause on proposed US tariffs, continued to benefit particularly mega-cap tech stocks. The MSCI ACWI Minimum Volatility index saw a modest 1.0% total return. Consumer sectors were among the weakest performing, with the MSCI ACWI Consumer Discretionary and MSCI ACWI Consumer Staples indices returning 1.2% and -1.8%, respectively. This created a headwind for our portfolio due to its material exposure to consumer companies.

ADP introduced updated medium-term financial targets. The company now forecasts annual organic revenue growth of 6-7%, a slight moderation from its 7-8% goal set in 2021. This adjustment is primarily due to an anticipated slower growth in the Professional Employer Organization (PEO) segment. The outlook for annual adjusted EBIT margin expansion was updated to 50-75 basis points, with adjusted EPS growth projected at 9-11%. The Investor Day thus reconfirmed the continuing long-term compounding ability of ADP. Management reaffirmed its commitment to a balanced capital allocation strategy, prioritizing dividends (targeting a 55-60% payout ratio), share repurchases, and strategic investments. ADP has increased its dividend each year for the last 50 years. We view the updated outlook as solid, while maintaining its typically slightly conservative approach. The event reaffirmed our confidence in CEO Maria Black's management team.

Novo Nordisk announced that it's amycretin molecule will move into phase 3 with both injectable and oral delivery mechanisms after dialogue with FDA. Phase 1b and 2a results from Amycretin have shown a market-leading weight-loss profile. We thus expect Amycretin to sustain Novo Nordisk's position on the obesity market. At the annual American Diabetes Association conference in Chicago, the American College of Cardiologists announced that GLP-1 based treatment was now included in treatment guidelines as "first line defense" for obese patients suffering from a cardio-vascular (CV) comorbidity. Novo Nordisk's Wegovy is the only GLP-1 with an obesity label containing CV benefit.

During June, we increased our holdings in Budweiser APAC and Yum China, following reaffirming dialogues with their respective management teams and very attractive valuations. We also expanded our position in Expeditors, driven by valuation. These purchases were funded by reducing positions in stronger relative performers, including Anheuser-Busch InBev and St. James's Place.

Manager Style Summary

BLS is a "bottom-up" manager, whose process is driven by individual security selection. They invest in quality companies which have the best possibility of creating sustainable value and generating attractive risk adjusted returns to investors in the long term. Country and sector exposures are by-products of the security selection process and are unconstrained by index weights. The portfolio consists of roughly 25-30 securities at a time. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

BLS Capital

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	BLS	Min	Max	Compliance
B3. No more than 10% of the account shall be invested in any one security @ purchase				Yes
B4. No more than 2 companies headquartered in Denmark				No
B5. Number of issues	26	25	30	ok
B6. Normal Regional Exposures (* benchmark -/+ min/max):				
North America	39%	35%	50%	ok
Japan	0%	0%	0%	ok
Europe ex UK	31%	15%	35%	ok
UK	23%	5%	13%	check
Pacific ex Japan	0%	0%	0%	ok
Emerging Markets	6%	10%	30%	check
Non-Index Countries	0%	0%	0%	ok
Total	100%			
B7. Normal Global Portfolio Characteristics				
Capitalization (45%-75%)	104	45	75	check
Price/Book Value	6.6	5	9	ok
Price/Earnings (current)	20.4	17	23	ok
Price/Cash Flow (current)	18.1	19	24	check
Dividend Yield	2.1%	1.8%	2.8%	ok
ROE	46%	31%	37%	check
ROIC	46%	42%	50%	ok
FCF Yield	5.5%	3.8%		ok
F2. Brokerage commissions not to exceed $0.03/share for U.S. equities				Yes
F3. Annual turnover	40%		40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B4. Denmark HQ Limit:	We see attractive risk-adjusted return potential in our globally exposed companies with HQs in Denmark. We assess underlying exposure more so than location of HQ.
B6. Regional Exposures:	We have continued to see more attractive risk-adjusted return potential in our European and UK listed companies as opposed to Emerging Markets holdings.
B7. Capitalization:	We continue to see attractive risk-adjusted returns in higher market capitalization names.
B7. ROE & Price/Cash FLow:	We continue to see attractive opportunities in companies with a low price to cash flow ratio and higher returns on equity.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 8,184

Organizational/Personnel Changes

There were no changes to the investment team in June 2025.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s):			

Brandes Investment Partners, L.P.

Global Equity: Russell 3000 Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Brandes	5.15%	8.83%	22.66%	20.84%	19.24%
Russell 3000	5.08%	10.99%	15.30%	19.06%	15.95%

Performance Attribution & Strategy Comments

Global equity markets continued to experience strong gains in June, with major indices in the US and Europe reaching record highs. Gains were driven by strong corporate earnings and a lull in tariff discussions. Against this backdrop the Brandes Global Equity portfolio had solid gains and slightly outpaced the broad World index, even though Value stocks tended to lag Growth in general While the portfolio's large underweight exposure to Information Technology - the strongest performing sector in June - detracted from relative performance, several of the portfolio's technolgy holdings rose sharply and were strong contributors. Strong stock selection for our Financials and Industrials was the largest positive contributor to relative performance, with continued strength in companies such as Brazil's Embraer and U.S. Citigroup. On a country basis the largest contributors to outperformance were the portfolio's holdings in Emerging Markets and Germany. As of 6/30/25, the largest absolute country weightings were in the U.S. - although the portfolio is significantly underweight relative to the index - the United Kingdom and France; the largest sector weightings were Financials, Health Care and Industrials. During the month the Global Investment Committee added no new names to the portfolio but added to recent addition Becton Dickinson and Wal-Mart de Mexico. They also sold one full position, WPP Plc as the shares approached their intrinsic value and funds were redeployed into more attractive opportunities. The PERSI Global Equity portfolio continues to hold key positions in the economically sensitive financials sector and the more defensive health care sector, while maintaining its largest underweight to technology. While overweight Financials, they have performed well over the past year and we have pared some of our exposure, so the overweight relative to the benchmark has narrowed. Despite the strong rebound this year, global value stocks continue to trade within the least-expensive quartile relative to growth (MSCI World Value vs. MSCI World Growth) since the style indices began. This is evident across various valuation measures, including price/earnings, price/cash flow, and enterprise value/sales. Historically, such discount levels often signaled attractive subsequent relative returns for value stocks during the next three- to five-year plus period. This is encouraging because our strategy, guided by our value philosophy and process, has had the tendency to outperform the value index when that index outperformed the broad benchmark.

We are excited about the long-term prospects of our holdings, which display attractive fundamentals and in aggregate trade at more compelling valuation levels than the benchmark.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 35,643

Organizational/Personnel Changes

None

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$	-
Lost:	Number of Accounts:	0	Total Market Value ($m):	$	-
	Reason(s):	N/A			

Manager Style Summary

Brandes is a classic "bottom-up" manager, focusing primarily on individual security selection (while country allocation is a secondary consideration), with a "value" bias, purchasing stocks primarily on the perceived undervaluation of their existing assets or current earnings. Consequently, the securities in the portfolio will tend to have a higher dividend yield and lower P/E and P/Book ratios compared to the market. Brandes' classic Graham and Dodd value investment style combined with the relatively low number of stocks in the portfolio results in large gains or losses on the portfolio. What has been encouraging is that Brandes has turned in good returns when the markets generally have rewarded growth, rather than value, styles.

Brandes Investment Partners, L.P.

Global Equity: Russell 3000 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:		Index	Brandes	Calc	Min	Max	Compliance
B3.	Security position <= 5% of the account @ purchase						ok
B4.	Number of issues		68		40	70	ok
B5.	Normal Country Exposures:						
	United States & Canada		43%		30%	100%	ok
	Americas ex U.S.		7%		0%	40%	ok
	United Kingdom		11%		0%	25%	ok
	Europe ex U.K.		23%		0%	50%	ok
	Japan		1%		0%	45%	ok
	Pacific ex Japan		12%		0%	40%	ok
	Non-Index Countries		0%		0%	20%	ok
	Cash & Hedges		3%				
	Total		100%				
B6.	Normal International Portfolio Characteristics (FTSE All World ex U.S. "Large")						
	Capitalization	$117,817	$99,520	84%	30%	125%	ok
	Price/Book Value	2.0	1.5	77%	50%	100%	ok
	Price/Earnings	16.1	16.1	100%	50%	100%	check
	Price/Cash Flow	10.4	7.7	74%	50%	100%	ok
	Dividend Yield	2.8	3.3	116%	90%	150%	ok
B7.	Normal U.S. Portfolio Characteristics (Russell 3000)						
	Capitalization	$917,096	$149,249	16%	30%	125%	check
	Price/Book Value	4.7	1.7	36%	50%	100%	check
	Price/Earnings	26.5	14.6	55%	50%	100%	ok
	Price/Cash Flow	18.0	9.8	54%	50%	100%	ok
	Dividend Yield	1.2	2.3	184%	90%	150%	check
C1.	Currency or cross-currency position <= value of hedged securities						ok
	No executed forward w/o a corresponding securities position.						ok
C2.	Max forward w/ counterpart <= 30% of total mv of account						ok
F2.	Brokerage commissions not to exceed $0.05/share or 50% of principal (non-U.S.)						ok
F2.	Annual turnover		22%			100%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines						☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B7. Capitalization:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.
B7. Price/Book Value:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.
B7. Dividend Yield:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.
B6. Price/Earnings:	Current US mkt historically wide spread btw Value/Growth causing all portf characteristics to skew even more "value" than our typical range.

C WorldWide Asset Management

International Equity: MSCI ACWI ex US Benchmark

For the month of:	June	2025

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
C WorldWide Asset Mgmt	1.51%	10.35%	5.82%	N/A	N/A
MSCI ACWI ex US	3.39%	12.03%	17.90%	N/A	N/A

Performance Attribution & Strategy Comments

Among the biggest contributors to portfolio returns in June were Ferguson, TSMC and AIA. Ferguson's fiscal Q3 (February-April) was strong. Revenue grew 4% y/y as price deflation abated, and it gained market share. The company raised its FY 2025 outlook, now expecting revenue growth in the low-to-mid-single digits (previously: low-single digits) and an EBIT margin of 8.5-9.0% (previously: 8.3-8.8%). TSMC's May revenue was up 40% y/y. This was better than expected, and thereby increasing confidence in the company's 2025 guidance. AIA announced the appointment of Sir Mark Tucker as its next Chairman. Mr. Tucker oversaw AIA's turnaround after the global financial crisis. Between 2010 and 2017, when he was Group CEO and President, AIA reported broad-based growth in "value of new business" (a non-GAAP metric used by AIA) and margin expansion, especially in mainland China and Hong Kong. Among the biggest detractors in June were Nestlé, Bank Central Asia (BCA) and Keyence. There was no major company-specific news relating to Nestlé in June. We imagine that increased risk appetite among investors caused the sell-off in Nestlé, whose defensive characteristics served it well for the first few months of the year. BCA pared recent gains – the stock was up almost 30% in April-May. There was no major company-specific news, but the Indonesian stock market declined some 5% in June 2025, driven by foreign capital outflows, concerns about the country's economy, and political uncertainty. There was no major company-specific news related to Keyence in June, and its share price decline was modest (around 3%). We attribute this to normal market volatility.

We sold Daikin (2.0% of the portfolio) and added Heidelberg Materials (2.0%). Daikin was bought in August 2019 to capture emerging market urbanisation and rising demand for energy-efficient climate control in developed markets. The stock doubled within two years of ownership, but China's real estate slump later exposed Daikin's heavy profit reliance there. While we view Daikin as a world-class company, it currently faces strong headwinds. Heidelberg Materials is a leading global supplier of heavy building materials, operating in over 50 countries. Its core portfolio spans cement (45-50% of revenue), aggregates (25-30%), and ready-mix concrete (20-25%). In recent years, the company has transformed from a sprawling, volume-led conglomerate to a focused, innovation-driven platform centered on sustainability. It enjoys multiple tailwinds, including European fiscal stimulus, tightening carbon regulations, and margin improvement through a disciplined self-help program.

Manager Style Summary

C WorldWide Asset Management will manage an international equity mandate. They utilize a "bottom up" strategy and will hold a maximum of 30 stocks (one in/one out) with a quality and large cap bias. The portfolio will exhibit low turnover and the investment horizon is long term. Global trends and themes assist with portfolio construction from idea generation to execution. The firm is looking for stable and sustainable business models favorably aligned with global and regional themes.

C WorldWide Asset Management

International Equity: MSCI ACWI ex US Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	C World	Min	Max	Compliance
A2. Cash exposure <= 5%				Yes
B2. Securities with a >=5% weighting, not to collectively exceed 40% of the port				Yes
B3. Security position <= 10% of the account				Yes
B4. Number of issues	30.0	25	30	ok
B5. Normal Regional Exposures (benchmark min/max):				
Europe ex U.K.	46%	20%	60%	ok
U.K.	15%	0%	30%	ok
Pacific	16%	0%	30%	ok
Emerging Markets	14%	0%	30%	ok
United States	9%	0%	20%	ok
Total	100%			
B6. Normal Global Portfolio Characteristics relative to benchmark				
Capitalization	153.50%	50%	200%	ok
Price/Book Value	209.19%	50%	-	ok
Price/Earnings	137.39%	50%	-	ok
Price/Cash Flow	166.69%	50%	-	ok
Dividend Yield	73.75%	-	200%	ok
D. No derivatives, short sales, commodities, margin or currency hedging.				Yes
E1. Brokerage commissions not to exceed $0.06/share for U.S. equities				No
F3. Annual turnover	10%	0%	30%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

Other: The high price of Linde shares resulted in a USD 0.14 per-share commission, equal to 0.03% — in line with standard market rates.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 16,945

Organizational/Personnel Changes

No changes in organization or personnel.

Account Turnover

Gained:	Number of Accounts:	0	($m):	$	-
Lost:	Number of Accounts:	2	($m):	$	10.1

One account due to new strategy shifting from active to passive management.
One account due to portfolio restructuring and personnel changes.

Reason(s):

Clearwater Advisors, LLC

Core Fixed: BB Aggregate Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Clearwater Agg	1.70%	1.39%	6.09%	2.93%	-0.40%
BB Aggregate	1.54%	1.21%	6.08%	2.55%	-0.73%

Performance Attribution & Strategy Comments

June was the beginning of the summer, but the end of a chaotic quarter that began on April 2nd with the first big announcement on tariffs. Oddly enough, the end of June felt quite calm as if the markets are now at peace with whatever the future holds. And the future holds a lot. Over the next few days and weeks, we expect a resolution from Congress on spending and the debt limit. After that, we should get more information on whether the tariffs will resume or increase or be paused again. We expect literal and figurative fireworks in July.

Interest rates reversed course and fell by 20 basis points across the curve in June. Credit spreads tightened again, but only by 5 basis points to end at 129. They are now loer than before the big tariff announcements.

The Clearwater portfolio outperformed the benchmark by 16 basis points during June, according to the Clearwater Analytics system. However, Bloomberg is reporting that the performance was exactly in line with the benchmark. This is likely just a timing or pricing issue that will even out over time, so we aren't concerned with the discrepancy. The top performing sectors for the month were Industrials and Utilities and we are overweight both. Treasuries were one of the lowest performing sectors and we have an under weight there.

Manager Style Summary

Clearwater manages a core Aggregate portfolio which is not expected to deviate significantly from the benchmark, although issuer concentration is expected to be much larger. They seek to add value through sector allocation and security selection rather than duration bets. Prior to January 2014, Clearwater managed a TBA mortgage portfolio. The historical returns through December 2013 reflects the performance of the TBA portfolio while performance beginning January 2014 reflects the Aggregate portfolio.

Clearwater Advisors, LLC

Core Fixed: BB Aggregate Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Clearwater	BB Agg	Min	Max	Compliance
A1. The account shall consist of dollar denominated fixed income securities					ok
B2. Duration:	6.0	5.9	5.4	6.4	ok
B3. Sector Diversification:					
Treasuries	31%	45%	30%	60%	ok
Agencies	2%	1%	0%	16%	ok
Supra/Sovereign	1%	3%	0%	13%	ok
Corporates	34%	24%	4%	44%	ok
Industrial	16%	14%	0%	29%	ok
Financial	16%	8%	0%	23%	ok
Utility	2%	2%	0%	12%	ok
MBS	26%	25%	10%	40%	ok
ABS	1%	0%	0%	5%	ok
CMBS	2%	2%	0%	7%	ok
B4. Issuer Concentration: <=5% all corporate issuers				5%	ok
B5. Number of positions	188		100	200	ok
B6. Non-Investment Grade alloc	0%			10%	ok
B7. Out of index sector alloc	2%			10%	ok
B7. TIPS allocation	0%			20%	ok
E2. Annual Turnover (ex TBA rolls)	21%		25%	65%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

E2. Annual Turnover (ex TBA): Turnover picked up again last month but not enough to offset the low months that are still showing up in the annual number.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 4,729

Organizational/Personnel Changes

N/A

Account Turnover

Gained:	Number of Accounts:	0	Total Mkt Value ($m):	$	-
Lost:	Number of Accounts:	0	Total Mkt Value ($m):		

Reason(s) for loss: N/A

Clearwater Advisors - PERSI STIF

Cash: Merrill Lynch 0-3 Month Treasury Bill Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Clearwater - PERSI STIF	0.35%	1.07%	4.82%	4.61%	2.86%
ML 0-3 Month T-bill	0.34%	1.07%	4.74%	4.63%	2.81%

Performance Attribution & Strategy Comments

Treasury yields declined on softer inflation data, geopolitical tension, and Fed rate cut speculation. The Fed voted to hold rates again, but the dot plot skewed more hawkish. Powell and several other FOMC members preached patience while Governors Waller and Bowman expressed more dovish comments. Additionally, the market weighed public pressure by Trump and Administration officials to lower rates. Elsewhere, geopolitical tensions bubbled up as Israel and the US both launched attacks on Iranian nuclear facilites that risk markets mostly shrugged off. Economic data held up well again in June with 139,000 jobs added in May while the unemployment rate stayed at 4.2%. Meanwhile, consumer price inflation softened with headline inflation that met expectations at 2.4% while core beat expectations at 2.8% year-over-year.

Treasury yields fell with the 2-, 10-, and 30-year declining 18, 18, and 16 basis points. Yields on the very front end of the curve were mixed with the 3-month rising 10 basis points as the debt ceiling got caught up in the tax cut debate. Overnight rates rose modestly due to the normal month end volatility. Investment grade corporate bond spreads finished June 5 basis points narrower and volatility declined despite geopolitics.

Portfolio Guideline Compliance

Portfolio Guideline:	Clearwater	Min	Max	Compliance
B2a. Sector Allocations:	102%			
Treasuries	13%	0%	100%	ok
Agencies	35%	0%	100%	ok
Corporates	10%	0%	100%	ok
Mortgage Backed Securities (MBSs)	0%	0%	60%	ok
Asset Backed Securities (ABSs)	6%	0%	40%	ok
Cash	-9%	0%	100%	check
Commercial Paper	48%	0%	100%	ok
B2b. Quality: Securities must be rated investment grade by S&P or Moody's at time of purchase				ok
B2c. Effective Duration <=18 months	2		18	ok
B2d. Number of securities	45	10	50	ok
B3a. Allocation of corporate securities to one issu	4%		5%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B2a. Sector Allocations: Cash balance reflects buys that settle after month end

Manager Style Summary

The enhanced cash portfolio was created with the expectation that the portfolio will generate returns similar to, or in slight excess of, the Mellon Short-Term Investment Fund (STIF), while providing PERSI with an increased level of transparency into the cash portfolio.

This page intentionally left blank

D.B. Fitzpatrick & Co., Inc. - Idaho Commercial Mortgages
Domestic Fixed: BB Mortgage Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Idaho Commercial Mortgages	1.27%	1.96%	8.11%	4.25%	0.95%
BB Mortgage	1.78%	1.14%	6.52%	2.32%	-0.60%

Portfolio Summary

Market Value: $ 907,886,841

Originations/Payoffs

Month:	$	6,257,614
YTD:	$	36,400,470
Payoffs:	$	1,322,799

Delinquencies/REOs

		$ Amt	% of Portfolio
30 days	$	-	0.00%
60 days	$	-	0.00%
90 days	$	-	0.00%
120+ days	$	-	0.00%
REOs	$	-	0.00%

Performance Attribution & Strategy Comments

The PERSI Commercial Mortgage Portfolio has returned 8.11% during the last year, outperforming its benchmark by 159 basis points. Looking at the longer term, PERSI's portfolio has returned 0.95% (annualized) during the last five years, outperforming its benchmark by 155 basis points (annualized).

The portfolio continues to perform well with total originations of $36.4m through the first half of the year. Commercial real estate activity remains on the rise in Idaho, although at a gradual pace. Transactions are still taking a while to put together as buyers and sellers continue to struggle to agree on proper valuations in today's higher interest rate environment. Also, there typically remains a wide range on the bid/ask price for potential transactions. That said, investor sentiment regarding Idaho commercial real estate is strong with many potential borrowers looking to deploy capital.

The portfolio continues to operate smoothly, and we see no significant signs of stress with any of our loans. The portfolio has a delinquency rate of 0.0% and contains no real estate owned assets (REOs). Driving outperformance over the longer term, the portfolio has a weighted average coupon of 4.21%, compared to 3.42% for the Bloomberg U.S. Mortgage-Backed Securities Index and 3.56% for the Bloomberg U.S. Aggregate Index. The portfolio's weighted average coupon is set to rise as loan originations today have coupon rates well above 6.0%.

Manager Style Summary

The Idaho Commercial Mortgage portfolio is managed by DBF and consists of directly owned Idaho commercial mortgages. DBF oversees the origination process, the monitoring of the portfolio, and services 50% of the portfolio.

This page left intentionally blank

D.B. Fitzpatrick & Co., Inc. - MBS Portfolio

Domestic Fixed: BB Mortgage Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
DBF MBS	1.83%	1.26%	6.41%	2.33%	-0.58%
BB Mortgage	1.78%	1.14%	6.52%	2.32%	-0.60%

Portfolio Attributes

Characteristics	**DBF**	**BB Mtg**
Market Value ($ m)	$170.99	N/A
Weighted Average *Effective* Duration (in years)	5.7	6.0
Weighted Average Yield (in %)	5.0%	4.9%
Weighted Average Coupon (in %)	3.5%	3.4%

Performance Attribution & Strategy Comments

Three principal issues impacted the bond market during the second quarter. First, U.S. President Donald Trump's aggressive push to implement tariffs and rework trading relationships, begun in early April, impacted the outlook for inflation and led to some questions regarding the continuation of the United States' "safe haven" status in the global financial markets. Compounding this were growing concerns over the U.S. national debt and the trajectory of the government budget deficit, which have prompted many bond investors to question the wisdom of holding large positions of long-term fixed income securities. Finally, an already modestly slowing economy faced further headwinds as consumers began to pull back on spending and corporations slowed hiring and delayed new capital outlays in the face of heightened barriers to trade.

As these issues concentrated investor attention during the first quarter, the U.S. Treasury yield curve steepened. The short end of the curve was down as the market forecast a weaker economy in the near term, while the very long end of the curve rose. The two-year Treasury yield fell 16 basis points during the quarter to 3.72%, while the 30-year Treasury yield rose 20 basis points to 4.78%. The 10-year Treasury yield was up slightly to 4.23%.

Increased protectionism in the U.S. will be inflationary, while slowing economic growth puts downward pressure on near-term inflation. These factors roughly cancelled each other out in the second quarter, with the 10-year U.S. inflation breakeven rate (what investors are expecting inflation to be in the coming 10 years) down slightly to 2.28%. This figure is above the U.S. Federal Reserve's (Fed) long-term 2.0% target, however, prompting Fed policymakers to maintain relatively tight monetary policy. The fed funds rate, the Fed's main monetary policy instrument, was 4.5% at quarter-end, with the bond market forecasting two 25 basis point cuts to this rate by year-end. As this forecast demonstrates, the bond market believes that a weaker economy will soon overcome Fed policymakers' fears of tariff-induced inflation.

Manager Style Summary

DBF's MBS (Mortgage Backed Security) portfolio is a "core" holding which attempts to generally track the returns of the Barclays Capital Mortgage Index. Excess returns are added through security selection and interest rate bets, although such bets are expected to be limited and relatively low-risk. DBF also manages the Idaho Mortgage Program in conjunction with this portfolio -- the MBS portfolio serves as a "cash reserve" of sorts, to fund mortgages managed through the Idaho Mortgage Program. Consequently, we expect this portfolio to hold traditional MBS instruments and to maintain a reasonably healthy status, with no significant bets which could go significantly awry.

D.B. Fitzpatrick & Co., Inc. - MBS Portfolio
Domestic Fixed: BB Mortgage Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:		DBF	Min	Max	Compliance
B2. Minimum portfolio size		$171	$50		ok
B2a. Security Type:					
MORTGAGE RELATED		95%	80%	100%	ok
Generic MBSs		95%	75%	100%	ok
GNMAs		7.1%			
FNMAs		54.8%			
FHLMCs		33.0%			
CMOs		0.0%	0%	25%	ok
NON-MORTGAGE RELATED		0.0%	0%	20%	ok
Treasuries		0.0%	0%	20%	ok
Agencies		0.0%	0%	20%	ok
Cash		5.1%	0%	10%	ok
Attributes:	BB Mtg				
Duration	6.0	5.7	4.0	8.0	ok
Coupon	3.4%	3.5%	2.4%	4.4%	ok
Quality	AAA+	AAA+	AAA		ok
B3. Individual security excl Treasuries as a % of portfolio			0%	5%	ok
B4. Number of securities		77	25	50	check
E2. Annual Turnover		7%	0%	25%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B4. Number of Securities: Number of securities is greater than 50 due to cash flow activity from the commercial mortgage portfolio.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 1,413

Organizational/Personnel Changes

There were no organizational or personnel changes in June.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$	-
Lost:	Number of Accounts:	0	Total Market Value ($m):	$	-
	Reason(s):	N/A			

Dodge & Cox

Core Fixed: BB U.S. Aggregate Bond Index

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Dodge & Cox	1.81%	N/A	N/A	N/A	N/A
BB Aggregate	1.54%	1.21%	6.08%	2.55%	-0.73%

Performance Attribution & Strategy Comments

The Bloomberg U.S. Aggregate Bond Index returned 1.5% in June as U.S. Treasury yields declined roughly 17 bps on average across the curve. Investment-grade corporate bonds returned 1.9% for the month, outperforming comparable-duration Treasuries by 38 bps. Agency MBS also performed well, returning 1.8% and outperforming comparable-duration Treasuries by 36 bps. Both sectors benefitted from robust inflows and improving economic sentiment, particularly towards month-end as geopolitical tensions eased and positive trade deal developments emerged.

The portfolio outperformed its benchmark for the month of June. Asset allocation was positive as the portfolio's underweight to U.S. Treasuries and overweight to Agency MBS pass-throughs contributed to relative returns. Security selection was positive as certain credit issuers outperformed, most notably Pemex, as well as TC Energy and Charter Communications. The portfolio's slightly longer relative duration positioning contributed to relative returns as interest rates declined.

Organizational/Personnel Changes

N/A

Manager Style Summary

Dodge & Cox's investment philosophy relies on fundamental research to construct and manage a diversified portfolio of fixed income securities with the goal of producing above-market returns over a three- to five-year time period. The team rigorously vets analyst-driven research recommendations to reach a collective decision.

Dodge & Cox

Core Fixed: BB U.S. Aggregate Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	D&C	BB AGG	Min	Max	Compliance
B1. Effective Duration:	6.2	6.1	4.6	7.6	ok
B2. Sector Diversification:					
Treasuries	17%	45%	10%	80%	ok
Government-Related	4%	4%	0%	39%	ok
Agencies	2%	1%	0%	11%	ok
Gov't Guaranteed	1%	1%	0%	11%	ok
Corporate	27%	24%	0%	54%	ok
Financial	13%	8%	0%	23%	ok
Industrial	13%	14%	0%	34%	ok
Utility	1%	2%	0%	12%	ok
Securitized					
MBS Pass-through	41%	24%	4%	44%	ok
ABS	7%	0%	0%	10%	ok
CMBS	0%	1%	0%	11%	ok
Agency CMBS	0%	1%	0%	6%	ok
Local Authorities	1%	1%	0%	11%	ok
B3. Issuer Concentration: <=5% all non US Gov't/Agcy				3%	ok
B4. Number of positions	116		100	400	ok
B. Non-Investment Grade Alloc	4%			15%	ok
G. Current ETF Exposure	0%				
H2. Annual Turnover	358%		0%	60%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

H2. Annual Turnover: The Annual Turnover figure was out of line with our normal portfolio turnover at 358%. The portfolio funded late April with in-kind securities,

Total Firm Assets Under Management ($m) as of: Qtr 1 $ 417,100

Account Turnover

Gained:	Number of Accounts:	1	Total Mkt Value ($m):	$ 150.0
Lost:	Number of Accounts:	1	Total Mkt Value ($m):	$ 86.0

Reason(s) for loss: Entity Reorganization - Plan Consolidation

Donald Smith & Co., Inc.

Domestic Equity: Russell 3000 Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Donald Smith & Co.	5.02%	12.32%	23.57%	36.45%	30.43%
Russell 3000	5.08%	10.99%	15.30%	19.08%	15.96%

Portfolio Attributes

Characteristics	DSCO	RU 3000
Mkt Value ($m)	951.69	N/A
Wtd Cap ($b)	18.15	998.91
P/E	8.76	26.18
Beta	0.86	N/A
Yield (%)	2.18	1.24
Earnings Growth		

Sector Analysis

Over-weight	DSCO	RU 3000
Materials	24.06%	1.56%
Financials	30.65%	11.66%
Industrials	18.18%	13.06%

Under-weight	DSCO	RU 3000
Info Technology	0.00%	34.78%
Health Care	0.00%	9.39%
Cons. Staples	0.00%	4.16%

Performance Attribution & Strategy Comments

The account's rise of +5.0% was mostly in-line with the Russell 3000 (+5.1%) and the S&P 500 (+5.1%), and was ahead of the Russell 3000 Value (+3.5%). Markets rose despite the continuing conflict in the Middle East between Israel and Iran with the US entering the fray and the looming Senate / House vote on the new tax bill. Most stocks in the portfolio rose. The largest contributors were the financial stocks (Citigroup +13.0%; Ally +11.3%; Genworth +10.4%; Corebridge +8.9%; Jackson +8.4%; Nomura +8.1%; Radian +5.5%; Sirisupoint +4.1%). The biggest outperforming stock in the portfolio was the construction company Tutor Perini (+26.8%) as the stock continued to rally since reporting strong earnings in May when the company indicated a healthy backlog growth. More recently, the company announced that it had won the project to revamp parts of the Midtown Bus Terminal for the Port Authority of NY / NJ. Korea Electric (+29.1%) rallied to a multi-year high as regulators kept rates unchanged despite the fall in coal, oil, and LNG prices which will bolster profitability. All three homebuilders (Taylor Morrison +9.1%; Beazer Homes +9.0%; M/I Homes +5.2%) rose despite homebuilder sentiment falling with mortgage rates remaining elevated and the economic outlook continuing to be uncertain. Energy holdings ticked up modestly (Civitas +0.6%; Golar LNG +0.1%) amid the volatility in energy prices due to the geopolitical tensions in the Middle East. Materials were also strong across steel (Algoma +30.7%; Ternium +9.9%; US Steel +2.2%) and gold (IAMGOLD +7.1%; Eldorado +1.2%; Centerra +1.1%). Nippon Steel's $14.1 bln acquisition of US Steel finally closed in the month, and the stock ceased trading on the NYSE. Among the detractors were Equinox Gold (-13.3%), Unum (-1.2%), and Harley-Davidson (-2.5%). We added to Everest, Equinox, Harley-Davidson, and Ternium, while reducing Algoma Steel, Eldorado, Genworth, and Tutor Perini. We sold out of Korea Electric completely. Insurance, precious metals, financials, aircraft leasing / airlines, auto, and building / real estate are the largest industry weightings. The portfolio trades at 90% of tangible book value and 6.2x 2-4 year normalized EPS.

Manager Style Summary

Donald Smith & Co manages an all-cap portfolio, employing a bottom-up, deep value investment strategy. They invest in stocks with low P/B ratios and which are undervalued given their long-term earnings potential. Consequently, the portfolio will consist of securities wtih higher dividend yield and lower P/B and P/E ratios relative to the market. This is a concentrated portfolio, consisting of approximately 15-35 issues, and as a result, may experience more volatility than the market.

Donald Smith & Co., Inc.
Domestic Equity: Russell 3000 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	DSCO	RU 3000	Calc	Min	Max	Compliance
B2. Security Market Cap (in $m) > $100 m @ purchase						ok
B3. Security Positions <= 15% @ purchase						ok
B4. Number of issues	34			15	35	ok
B5. Portfolio Characteristics						
P/B	0.90	4.68	19%	30%	100%	check
P/E (1 Year Forward)	8.76	26.18	33%	50%	100%	check
Dividend Yield	2.18	1.24	176%	50%	150%	check
F2. Commissions not to exceed $0.05/share; explanation required for commissions >$0.07/share						ok
F3. Annual Turnover	28%			20%	40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. P/B: Our primary approach is to buy low P/B stocks selling at discounts to tangible book value.

B5. P/E (1 Yr Forward): We focus on normalized EPS looking out 2-4 years. On this basis, we are significantly below the market.

B5. Dividend Yield: We focus on stocks with low price-to-tangible-book-values and low P/Es. Based on normalized earnings, these stocks should generate higher dividend yields over the long-term.

Total Firm Assets Under Management ($m) as of: Qtr 1 $ 4,401

Organizational/Personnel Changes

N/A

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s):	N/A		

Income Research & Management (IR+M)

Core Fixed: BB Gov/Credit Bond Index

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
IR+M	1.51%	1.24%	6.20%	3.16%	-0.25%
BB Gov/Credit	1.47%	1.22%	5.89%	2.61%	-0.83%

Performance Attribution & Strategy Comments

The PERSI portfolio outperformed the Bloomberg G/C Index, returning 1.51% vs. 1.47%. The portfolios underweight to the Treasury sector and overweight to the Utility sector aided relative performance, while an out of benchmark exposure to ABS and CMBS were slight detractors. Security selection within CMBS and ABS postively contributed to relative performance, while selection within the Finance and Utility sectors were slight detractors. In June, risk assets rallied amid mixed economic signals and heightened geopolitical risk, as the S&P 500 and Bloomberg Aggregate Index returned 5.0% and 1.5%, respectively; investors turned their attention to the US fiscal outlook and trade deals, which could serve as catalysts for short-term volatility.The Federal Open Market Committee (FOMC) kept rates steady for the fourth consecutive meeting; the messaging lacked clarity on whether inflation - or the labor market - was ascending in relative importance. Although the FOMC messaging was categorized as neutral, President Trump may fast-track the nomination for a new Fed Chair, which could accelerate the Fed's next rate cut. May inflation data reflected tariffs' modest impact, with CPI growing 2.4% year-over-year, in line with expectations. Initial jobless claims surprised to the downside, with the 4-week moving average at 245,000; continuing jobless claims increased to 1.97 million, indicating a cooling labor market due to trade policy uncertainty. Tsy yields fell across the curve, with the 2-year rate falling 18bps month-over-month to 3.72% and the 30-year rate declining 16bps month-over-month to 4.78% . IG corporate spreads ended the month at 83bps, 5bps tighter month-over-month and the lowest in four months; similarly, HY spreads tightened 25bps to 290bps. In June, energy was one of the best performing sectors within IG, despite still lagging the market year-to-date; lower-quality issuers outperformed higher-quality issuers, with CCCs outperforming BBs by 68bps. Despite heightened geopolitical risk, issuers capitalized on attractive funding levels as IG supply surpassed expectations, totaling $110 billion; the HY market was similarly active with over $37 billion of issuance - the busiest month since September 2021. Agency MBS outperformed other securitized sectors, driven primarily by tighter spreads amid macro headwinds; spreads tightened 5bps in June, ending the month at 37bps, the tightest month-end level since March.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 121,839

Organizational/Personnel Changes

N/A

Manager Style Summary

IR+M's investment philosophy is based on the belief that careful security selection and active portfolio risk management provide superior returns over the long term. Utilizing a disciplined, bottom-up investment approach, IR+M adds value through security selection by seeking attractive, overlooked, and inefficiently priced issues.

Income Research & Management (IR+M)
Core Fixed: BB Gov/Credit Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	IR+M	BB G/C	Min	Max	Compliance
B2. Effective Duration:	6.1	6.2	5.7	6.7	ok
B3. Sector Diversification:					
Government	38%	62%	32%	92%	ok
Treasuries	35%	61%	31%	91%	ok
Agencies	0%	1%	-4%	6%	ok
Govt Guaranteed	3%	0%	-10%	10%	ok
Credit	42%	37%	17%	57%	ok
Financial	17%	11%	-4%	26%	ok
Industrial	20%	18%	3%	33%	ok
Utility	6%	3%	-7%	13%	ok
Non-Corporate	0%	4%	-6%	14%	ok
Securitized					
RMBS	2%	0%	-10%	10%	ok
ABS	8%	0%	-10%	10%	ok
CMBS	7%	0%	-10%	10%	ok
Agency CMBS	1%	0%	-5%	5%	ok
Municipals	1%	1%	-9%	11%	ok
B4. Issuer Concentration: <=5% all corporate issuers				5%	ok
B5. Number of positions	339		100	175	check
B6. Non-Investment Grade alloc	0%			5%	ok
E2. Annual Turnover	48%		25%	75%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. Number of Positions: Due to volatility, we positioned the portfolio to take advantage of attractive opportunities.

Account Turnover

Gained:	Number of Accounts:	0	Total Mkt Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Mkt Value ($m):	$ -

Reason(s) for loss: IR+M did not gain or lose any accounts in the G/C Strategy this month.

J.P. Morgan

Core Plus Fixed: BB U.S. Aggregate Bond Index

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
J.P. Morgan	1.68%	N/A	N/A	N/A	N/A
BB Aggregate	1.54%	N/A	N/A	N/A	N/A

Performance Attribution & Strategy Comments

The JPMCB Core Plus Bond Fund outperformed the Bloomberg US Aggregate Index in June, delivering a return of 1.68% compared to the benchmark's 1.54%.

During the month, uncertainty surrounding tariffs and federal spending remained high but economic data continued to be resilient, fueling a risk-on move in markets. The Federal Reserve maintained steady interest rates, and the yield on the ten-year US Treasury decreased by 19 basis points, moving from 4.42% to 4.23%.

The fund's strong performance during the month of June was primarily driven by out-of-benchmark positioning in High Yield Credit, which benefited from tighter credit spreads. Additionally, our duration positioning contributed positively to June's performance, driven by our curve steepener position. Over the month, we trimmed our overweight position in the 2-year part of the curve as yields rallied. By the end of the month, our duration was roughly neutral relative to the benchmark, at 6.03 years versus 6.0 years. Furthermore, our allocations to Securitized Credit, including CMBS, ABS, and Non-Agency RMBS, helped performance. The most significant contributions within our allocation to Securitized Credit came from security selection in ABS, followed by CMBS, particularly through investments in Single-Family Rental. However, some of these gains were offset by a detraction from security selection within Agency mortgages.

Organizational/Personnel Changes

N/A

Manager Style Summary

J.P. Morgan Asset Management's investment philosophy is to deliver portfolio ballast, with a disciplined yield advantage. JPM utilizes a multi-dimensional approach to the "plus" which combines bottom-up security selection and top-down macro positioning.

J.P. Morgan

Core Plus Fixed: BB U.S. Aggregate Bond Index

Portfolio Guideline Compliance

Portfolio Guideline:	JPM	BB AGG	Min	Max	Compliance
Effective Duration:	6.0	6.0			
Sector Diversification:					
Government	27%	46%			
Treasuries	27%	45%			
Agencies	0%	1%			
Dev Mkt Gov't	0%	0%			
IG Corporate	23%	26%			
HY Corp Credit	8%	0%			
Securitized	51%	26%			
Agency MBS	30%	25%			
Non-Agency MBS	4%	0%			
CMBS	8%	1%			
ABS	10%	0%			
EMD	2%	1%			
Cash	4%	0%			
Issuer Concentration: <=5% all corporate issuers				5%	
Number of positions	2621				
Non-Investment Grade Alloc	19%			25%	ok
Sub-Prime MBS Alloc	0%			10%	ok
Annual Turnover	37%		25%	75%	ok
The portfolio is in compliance with all other aspects of the Guidelines				☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 1 $ 3,548,075

Account Turnover

Gained:	Number of Accounts:	0	Total Mkt Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Mkt Value ($m):	$ -

Reason(s) for loss: N/A

⍰

Longview Partners

Global Equity: MSCI ACWI Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Longview	2.85%	4.13%	6.63%	13.16%	13.28%
MSCI ACWI	4.49%	11.53%	16.17%	17.34%	13.65%

Performance Attribution & Strategy Comments

Among the largest contributors to relative performance during June were Oracle, NIKE and Dollar General.

Oracle outperformed in June following the release of its fiscal fourth quarter results which showed strong cloud revenue growth, and rising investor optimism around AI infrastructure. For the fiscal year ending May 2025, Oracle reported 9% constant currency revenue growth, and the company expects this to increase to 20% by fiscal 2027 supported by the cloud services business which grew 24% in fiscal 2025. At the end of the month the share price was also boosted by the signing of a very large contract for the Stargate AI project announced by President Trump in January.

NIKE outperformed in June following the release of fiscal fourth quarter results and guidance for the first quarter of fiscal 2026. Both were better than expected by consensus and accompanied by positive management commentary on the ongoing turnaround, particularly in running which grew at a high single digit percentage in the quarter. According to management, NIKE is on track to exit the first half of fiscal 2026 with a clean inventory position and has made headway in resetting its classic footwear franchises with demand signals for Air Force 1 beginning to stabilise. The results provided a positive data point that the turnaround is progressing, and that the product reset is gaining traction with the holiday wholesale order book up on the prior year.

Dollar General reported first quarter results that exceeded consensus expectations and management raised their full year guidance for the current year. The company reported stronger than expected same store sales growth helped by the highest percentage of trade-down customers in four years as middle- and higher-income customers sought value offerings. Gross margins also improved, primarily due to reduced shrink although this was offset at the operating margin level by increasing labour costs. The company remained relatively cautious on the remainder of the year given the potential for increased pressure on their core customer from tariff-led inflation and cuts to SNAP benefits.

Some of the most significant detractors from relative performance during June were Wolters Kluwer, Marsh & McLennan and Compass.

Wolters Kluwer underperformed in June despite little stock-specific news. Despite a less than 1% change in consensus EPS expectations for 2025 during the month, the share price fell c.9% in local terms during the period as the shares de-rated.

Marsh and McLennan underperformed following the investor day of its competitor Aon. Whilst there was no change in Marsh’s consensus 2025 EPS estimates during the month, Aon’s presentation highlighted the historic tailwind from a hard pricing environment in the property and casualty industry raising concerns of lower growth if pricing softens.

Compass underperformed despite little stock-specific news during the period.

Manager Style Summary

Longview is a "bottom-up" manager, whose process is driven by individual security selection. Country allocations are a by-product of the stock selection process, which drives the portfolio country over and under weights, and is unconstrained by the index weights. The portfolio holds 30-35 securities at a time, and stocks are equally weighted. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Longview Partners
Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Longview	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase				Yes
B4. Number of issues	30.0	30	35	ok
B5. Normal Regional Exposures (* benchmark -/+ min/max):				
United States & Canada	82%	35%	80%	check
Europe incl U.K.	18%	20%	50%	check
Japan	0%	0%	20%	ok
Emerging Markets	0%	0%	15%	ok
Non-Index Countries	0%	0%	10%	ok
Total	100%			
B6. Normal Global Portfolio Characteristics				
Median Mkt Cap (in billions)	107,768	$10		ok
Price/Earnings (Trailing)	25.6	10	17	check
Dividend Yield	1%	0.5%	2.0%	ok
Price/Cash Flow (Trailing)	17.7	10	14	check
C1. No executed forward w/o a corresponding securities position.				Yes
C2. Foreign Currency (cash or cash equiv) <= 8% of Account value				Yes
F2. Brokerage commissions not to exceed $0.06/share for U.S. equities				Yes
F3. Annual turnover	9%	25%	50%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. Regional Exposures: The output of our investment process is a concentrated, yet diversified, portfolio of typically 35 names, unconstrained by geography or sector.

B6. Price/Earnings: Price/Earnings is not targeted and stood at 25.6 in June.

B6. Price/Cash Flow: Price/Cash Flow is not targeted and stood at 17.7 in June.

F3. Annual Turnover: We do not target a specific level of turnover. Annual turnover is calculated on a rolling 12 month period and includes client flows.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 14,724

Organizational/Personnel Changes

There were no changes to the investment team in June.

Account Turnover

Gained:	Number of Accounts:	0	($m):	$	-
Lost:	Number of Accounts:	0	($m):	$	-
	Reason(s):				

Mondrian Investment Partners

International Equity: MSCI EAFE Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Mondrian	1.03%	10.31%	25.07%	16.65%	13.77%
MSCI EAFE	2.20%	11.78%	17.73%	15.97%	11.16%

Country Allocation Comparison

Over-weight	Mondrian	EAFE	Under-weight	Mondrian	EAFE
UK	22.43%	14.64%	Australia	1.17%	6.90%
Italy	7.23%	3.13%	Switzerland	4.09%	9.56%
France	14.61%	11.12%	Sweden	0.00%	3.64%

Performance Attribution & Strategy Comments

International equity markets continued to rise in June, supported by international currency appreciation. The US dollar weakened on rising concerns over the US fiscal deficit and expectations of a more dovish Federal Reserve, as economic growth shows signs of slowing. The energy sector led returns as oil prices spiked on escalation in the Middle East, before subsequently giving up most of those gains as a ceasefire was agreed later in the month.

Portfolio returns lagged the index in June but remain firmly ahead year-to-date. Country and sector allocation had a broadly neutral impact on returns this month, while relative performance was held back by stock selection in Japan and the communications services sector. Toyota Industries, the Japanese forklift and auto parts maker, retraced some of its gains from April as the buyout premium from the Toyota Group came in lower than initially reported. WPP, the UK advertising and communications group, was also weak following client account losses and the departure of its CEO.

This was partially offset by the overweight position in the strong Hong Kong equity market – CK Hutchison, the Hong Kong listed conglomerate, benefited from falling interest rates and optimism that the transformative ports deal remains on track.

Manager Style Summary

Mondrian (formerly Delaware International) employs a top-down/bottom-up approach, with focus on security selection. The firm identifies attractive investments based on their fundamental, long-term flow of income. Dividend yield and future growth prospects are critical to the decision making process. The portfolio is expected to be fairly concentrated (40-60 securities), with a value bias. As such, we can expect the portfolio characteristics to exhibit low P/B, low P/E and high dividend yield ratios relative to the market.

Mondrian Investment Partners

International Equity: MSCI EAFE Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Mondrian	Calc	Min	Max	Compliance
B3. Security position <= 5% of the account @ purchase						ok
B4. Number of issues		50		40	60	ok
B5. Normal Regional Exposures:						ok
United Kingdom		22%		0%	45%	ok
Europe ex U.K.		42%		0%	75%	ok
Japan		25%		0%	45%	ok
Pacific ex Japan		9%		0%	40%	ok
Non-Index Countries		0%		0%	20%	ok
Cash		2%		0%	5%	ok
Total		100%				
B6. Normal Portfolio Characteristics						
Capitalization	94,638	67,896	72%	25%	100%	ok
Price/Book Value	2.0	1.4	72%	50%	125%	ok
Price/Earnings (Trailing)	16.2	12.8	79%	50%	100%	ok
Price/Cash Flow	10.3	6.3	62%	50%	100%	ok
Dividend Yield	3.0	3.9	131%	100%	200%	ok
C1. Currency or cross-currency position <= value of hedged securities						ok
No executed forward w/o a corresponding securities position.						ok
C2. Max forward w/ counterpart <= 30% of total mv of account						ok
F2. Annual turnover		28%			40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 49,071

Organizational/Personnel Changes

Effective July 1, 2025, Aileen Gan became CIO Global and International Equities, Managing Partner and Elizabeth Desmond was promoted to Executive Chairman, Founding Partner.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m) $	-
Lost:	Number of Accounts:	1	Total Market Value ($m) $	51.8

Reason(s): Mondrian lost one separate account due to the client's asset reallocation, which significantly reduced their international equity exposure.

Mountain Pacific Investment Advisers

Domestic Equity: Russell 2500 Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Mountain Pacific	1.60%	6.34%	6.87%	13.79%	12.49%
Russell 2500	4.61%	8.59%	9.91%	11.30%	11.45%

Portfolio Attributes

Characteristics	Mtn Pac	RU 2500
Mkt Value ($m)	765.09	N/A
Wtd Cap ($b)	34.40	7.82
P/E	23.13	19.99
Beta	0.94	1.00
Yield (%)	0.94	1.50
Earnings Growt	9.09	12.86

Sector Analysis

Over-weight	Mtn Pac	RU 2500
Capital Goods	54.07%	21.72%
Materials	5.53%	3.83%

Under-weight	Mtn Pac	RU 2500
Cons. Cyclical	3.41%	14.30%
Real Estate	0.00%	6.83%
Health Care	6.43%	11.43%

Performance Attribution & Strategy Comments

Fed commentary after the uneventful June FOMC meeting suggested that, while a few members (Waller and Bowman) were open to a July rate cut, consensus remained very much in wait-and-see mode. Labor market fundamentals showed gradual weakening, and inflation prints remained subdued. Equities rose steadily during the month, especially cyclicals and large cap technology.

The portfolio gained 1.60% during the month, underperforming our benchmark, the RU 2500, by 301 bps. Over the past three months, our portfolio has underperformed the index by 225 bps.

Selection, mostly in industrials and financials, drove most of the underperformance in June. Allocation yielded a minor positive offset.

Market rotation away from quality in June penalized our holdings generally across sectors. Global insurance broker Arthur J. Gallager & Co. fell 8% in this rotation and was also impacted by its premium valuation and a tepid investor day. As an offset, data center related industrial and IT names turned in strong performances again in June.

Visibility into the macro economy remains low as tariff negotiations continue and lags accompany their implementation. In addition to tariff uncertainty, equity multiples are again elevated. Corporate earnings guidance in 1Q25, however, was remarkably stable with 57% of S&P members holding, 25% raising, and only 15% cutting guidance. We are closely watching the evolution of the labor market and its effect on interest rates as key drivers.

Manager Style Summary

Mountain Pacific manages a mid-to small-cap portfolio, employing a "GARP" (Growth At a Reasonable Price) investment strategy. Their portfolio holdings and characteristics will wander around the average stock in their benchmark, and they tend to favor companies which do not sell directly to the public and therefore, depend on sales to other businesses. Mountain Pacific runs a more concentrated portfolio than most, and as a result, their returns will diverge more dramatically from their benchmark, and sometimes for sustained periods.

Mountain Pacific Investment Advisers
Domestic Equity: Russell 2500 Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Mtn Pac	RU 2500	Calc	Min	Max	Compliance
B2. Security Market Cap (in $m)				$100.0	$7,500.0	ok
B3. Wtd Avg Cap	34400	7816	440%	80%	120%	check
B4. Number of issues	38			35	55	ok
B5. Security Positions <= 4% @ purchase						ok
B6a. P/E (12-mo trail)	29.69	28.92	103%	80%	120%	ok
B6b. Beta	0.94	1.00	0.94	0.80	1.20	ok
B6c. Yield	0.94	1.50	63%	80%	120%	check
B6d. Expected Earnings Growth	9.09	12.86	71%	80%	120%	check
E2. Commissions not to exceed $0.06/share						ok
E3. Annual Turnover	9%				60%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B3. Wtd Avg Cap: Our Wtd Avg Cap exceeds that of the benchmark due to price appreciation. The median cap of the portfolio is $12.1 BN.

B6c. Yield: Our yield is below that of the benchmark as we have been adding companies that reinvest more for growth than pay dividends.

B6d. Earnings Growth: Earnings growth expectations for the portfolio were recently revised downward.

Assets Under Management ($m) as of: Qtr 2 $ 1,716

Organizational/Personnel Changes

None

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m	$ -
	Reason(s):	N/A		

Peregrine Capital Management

Domestic Equity: Russell 1000 Growth Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Peregrine	3.85%	21.05%	19.57%	22.60%	7.41%
Russell 1000 Growth	6.38%	17.84%	17.22%	25.76%	18.15%

Portfolio Attributes

Characteristics	Peregrine	RU 1000G
Mkt Value ($m)	823.53	N/A
Wtd Cap ($b)	456.10	1747.67
P/E	44.33	32.80
Beta	1.06	1.00
Yield (%)	0.24	0.53
Earnings Growth	17.99	14.35

Sector Analysis

Over-weight	Peregrine	RU 1000G
Financials	14.48%	6.59%
Health Care	13.49%	7.02%
Cons Disc	18.42%	13.50%

Under-weight	Peregrine	RU 1000G
Info Tech	35.76%	51.24%
Cons Stp	0.00%	2.68%
Comm Svc	8.97%	11.53%

Performance Attribution & Strategy Comments

Peregrine’s Large Cap Growth trailed for the month but remained ahead of the benchmarks for the quarter, year-to-date and last twelve months. Stocks finished near record highs despite remaining uncertainty around fiscal budgetary matters, the Fed’s path forward and lingering trade and geopolitical tensions. Despite these numerous macro concerns, AI optimism remained a tailwind for stocks.

A handful of holdings provided double-digit performance for the month: DraftKings and Flutter Entertainment each benefited from data suggesting stronger gaming outcomes for the operators while the companies also implemented surcharges to alleviate select state tax hikes; Uber contributed due to the market’s growing appreciation for its strong brand position in matching mobility and delivery demand with supply; Cloudflare continued the prior month’s strength in June, as its strong competitive position and large/expanding addressable market became more widely appreciated by investors.

Healthcare holdings, particularly Intuitive Surgical and Exact Sciences, detracted from performance. Intuitive suffered from renewed speculation that refurbished surgical instruments would impact their business. Exact Sciences gave back in June performance gained after strong results reported in May. Visa and Mastercard came under pressure with the advancing stable coin legislation. Visa and Mastercard can enable and benefit from this innovative currency mechanism. Duolingo gave back its rally from May. While Mag-7 as a group saw strength, the primary difference for the strategy was in not owning Nvidia, a roughly -110 bps detractor from performance.

There were no changes to holdings during the month.

Manager Style Summary

Peregrine manages a large cap growth equity portfolio, utilizing a "bottom up" strategy, and focusing more on the future growth prospects of a firm rather than current earnings. We can expect the P/E and P/B ratios to be slightly higher than that of the market, stock volatility to be slightly higher than the market, and dividend yield to be lower than average. Their style encourages overweight positions in traditional growth sectors such as technology, retail, business services, and financial services. Due to the concentrated nature of the portfolio, it will tend to be more volatile than more diversified portfolios.

Peregrine Capital Management

Domestic Equity: Russell 1000 Growth Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	S&P 500	Peregrine	Calc	Min	Max	Compliance
B2. Security Market Cap > $1 billion						ok
B3. Security position <=5% @ purchase, excluding contributions						ok
B4. Number of issues		27		25	35	ok
B5. P/B	4.94	11.19	2.3	1.2	2.0	check
B5. P/E (Projected)	23.76	44.33	1.9	1.0	2.0	ok
B5. Dividend Yield	1.23	0.24	0.2	0.1	0.8	ok
B5. Beta	1.00	1.32	1.3	1.10	1.35	ok
B5. Earnings Growth (5-year)		18%		11%	22%	ok
F2. Commissions not to exceed $0.05/share						ok
F3. Annual Turnover		13%		15%	30%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B5. P/B: This measure typically is at a premium for faster growing companies earlier in their life-cycle than the more mature mix of companies in the S&P 500®.

Russell 1000® Growth is at a similar premium of ~10.5x. We don't expect this measure to come down to below 2x the S&P 500® in the near-term.

F3. Annual Turnover: Our normalized turnover remains approximately 20%. We expect this figure to move back above 15%.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 4,418

Organizational/Personnel Changes

There were no organizational or personnel changes during the month.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	1	Total Market Value ($m):	$ 4.8

Reason(s): Despite recent outperformance of the portfolio, the client terminated due to long term underperformance.

PineStone

Global Equity: MSCI World Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
PineStone	2.81%	7.83%	7.99%	N/A	N/A
MSCI World	4.32%	11.47%	16.26%	N/A	N/A

Performance Attribution & Strategy Comments

Global equity markets rose as trade talks showed signs of progress in early June, subduing fears of escalating tariffs. Despite geopolitical tensions in the Middle East, markets remained steady. Asia-Pacific equities outperformed over the period, driven by tech and AI optimism, tariff de-escalation and a softer US dollar. As for Europe, it benefitted from stronger fiscal policies, such as Germany's significant fiscal stimulus that helped industrials and defense companies continue their bullish run.

In June, the PineStone Global Equity Strategy was up in absolute returns and underperformed its benchmark. Security selection particularly within the Financials and Consumer Discretionary sectors were less successful, whereas selection within Information Technology contributed positively.

Among the top relative detractors held in the strategy for the month were Mastercard and Nestle. Mastercard's stock's performance lagged during the period, likely influenced by concerns surrounding stablecoins. Significant retailers, including Walmart and Amazon, have announced plans to explore issuing their own stablecoins—crypto-based payment options—whose announcement negatively impacted banking and card networks stocks. Additionally, Mastercard's relatively higher valuation further exacerbated the impact. As for Nestle, its stock underperformed along its consumer staples industry peers as investors shifted back towards higher beta areas of the market, at the expense of what are considered as more defensive sectors. The company, under its new CEO, is believed to be addressing execution issues under past leadership, reorienting the company's focused innovation strategy.

As for top relative contributors held in the strategy, these included Taiwan Semiconductor Manufacturing Company (TSMC) and Oracle. TSMC outperformed along with other perceived AI winners as positive sentiment for the global leader in semiconductor manufacturing continued, with indications of continued AI capex from several key players. As for Oracle, its shares outperformed after the company announced several large-scale cloud services contracts including one deal expected to generate over $30 billion in revenue over the next several years. The stock reached all-time highs with significant positive sentiment around cloud and AI infrastructure growth, an area that is expected to be a key driver of Oracle's next wave of enterprise technology.

During the period, we did not exit any existing positions nor initiate any new positions.

Manager Style Summary

PineStone is a "bottom-up" manager, whose process is driven by individual security selection. They invest in quality companies and seek to consistently compound shareholder wealth at attractive rates of return over the long term while preserving capital. Country and sector exposures are by-products of the security selection process. The portfolio consists of roughly 30-50 securities at a time. It is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

PineStone

Global Equity: MSCI World Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	PineStone	Calc	Min	Max	Compliance
B3. No more than 10% of the account shall be invested in any one security @ purchase						Yes
B4. Number of issues		30		25	50	ok
B5. Issuer market capitalization: above $1 billion @ purchase						Yes
B6. Normal Regional Exposures (* benchmark -/+ min/max):						
North America		66%		30%	80%	ok
Japan		3%		0%	30%	ok
Europe ex UK		15%		10%	50%	ok
UK		5%		0%	50%	ok
Pacific ex Japan		0%		0%	30%	ok
Emerging Markets		10%		0%	20%	ok
Non-Index Countries		0%		0%	20%	ok
Total		100%				
B7. Normal Global Portfolio Characteristics						
ROE	12.9	30.2	235%	100%		ok
ROIC	12.9	31.3	243%	100%		ok
Price/Earnings	21.3	26.2	123%	50%		ok
Price/Book Value	3.5	7.8	225%	50%		ok
Price/Cash Flow	14.4	22.5	157%	50%		ok
Dividend Yield	1.7	22.5	1333%	25%		ok
Market Capitalization	817,129	682,746	84%	25%		ok
C2. Max value of forwards w/single counterpar		0%			30%	ok
C3. Cash/cash equiv in non-USD currencies		0%			10%	ok
F2. Brokerage commissions not to exceed $0.05/share for U.S. equities						Yes
F3. Annual turnover		8%		10%	20%	check
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

F3. Annual Turnover: The high-conviction, long-term approach has generally resulted in a historical name turnover below 10% on an annual basis.

Total Firm Assets Under Management ($m) as of: Qtr 1 $ 54,375

Organizational/Personnel Changes

Ayssar Fernandez was promoted to Lead Analyst.

Stephano Pascali was promoted to Analyst.

Account Turnover

Gained:	Number of Accounts:	15	Total Market Value ($m):	3,679 M$
Lost:	Number of Accounts:	1	Total Market Value ($m):	2.4 M$

Reason(s): Assets being repurposed.

Pzena

Global Equity: MSCI ACWI Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Pzena	3.93%	6.13%	17.38%		
MSCI ACWI	4.49%	11.53%	16.17%		

Performance Attribution & Strategy Comments

Please note, the above represents net returns.

Global equities continued to rise, as trade tensions between the U.S. and its trading partners remained at bay. Conflict between Iran and Israel briefly escalated before a ceasefire was reached, driving volatility over the month. Despite macroeconomic and geopolitical uncertainty, U.S. equities moved higher, with big tech stocks taking over market leadership. Meanwhile, European equities traded sideways following a strong May. Within the MSCI All Country World Index ("MSCI ACWI Index"), the information technology, communication services, and energy sectors were the top performers, while consumer staples declined in June.

The Pzena Global Focused Value portfolio rose but underperformed the MSCI ACWI Index. Information technology, communication services, and health care detracted from relative performance. Financials, consumer staples, and industrials contributed during June.

PVH Corp. (apparel retailer) fell following a downward revision to its earnings outlook, citing tariff-related pressures with only partial mitigation expected later in the year, while Asia-Pacific underperformance and reduced segment disclosure further contributed to investor concerns. Cognizant Technology Solutions (IT service provider) declined due to a read-through from a competitor's weak earnings report, and geopolitical uncertainty weighed on expectations for corporate IT spending. Michelin (French tire manufacturer) declined in June, pressured by ongoing sector and macro headwinds—namely weak original equipment demand, elevated costs, currency pressure, and rising trade friction.

Dollar General (discount retailer) rose during the month following better-than-expected results, with improved profitability driven by strong discretionary sales, reduced shrink, and limited exposure to recently proposed tariffs. Citigroup (money center bank) and Capital One Financial (financial services company) rose along with their peers following a slate of solid stress testing results for the lenders and the broader industry, which should lead to lower regulatory capital requirements. Additionally, Capital One posted solid May credit card portfolio figures, with net charge-offs declining year-over-year and month-over-month.

Manager Style Summary

Pzena will manage a global, focused deep value fund. The firm seeks investments with skewed potential outcomes via a concentrated portfolio of deeply undervalued businesses. A quantitative screen filters for low price-to-normal earnings level and current earnings depressed to historical norms. Fundamental research is performed to determine if the problem is temporary and not permanent, if the company's business is good and assesses the downside risks. It's a bottom-up process that focuses on the cheapest quintile. After an initial review a full research project will be performed. Initial position size is based on valuation, risk, and diversification. The number of holdings is expected to be between 40 - 60.

Pzena

Global Equity: MSCI ACWI Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Pzena	Calc	Min	Max	Compliance
B3. No more than 5% of the account shall be invested in any one security @ purchase						Yes
B4. Number of issues		52		40	60	ok
B5. Normal Regional Exposures (* benchmark -/+ min/max):						
Emerging Markets	10%	9%		0%	25%	ok
Europe ex UK	12%	30%		0%	42%	ok
Japan	5%	2%		0%	35%	ok
North America	67%	46%		30%	97%	ok
United Kingdom	3%	11%		0%	33%	ok
Other	3%	2%		0%	33%	ok
Total		100%				
B6. Normal Global Portfolio Characteristics						
Capitalization	715046	63832	9%	10%	80%	check
Price/Book Value	3.3	1.2	37%	20%	100%	ok
Price/Earnings	21.1	12.9	61%	20%	120%	ok
Dividend Yield	1.8	3.4	188%	75%	200%	ok
B7. Price/Normalized Earnings in Q1		88%		60%	100%	ok
C2. Max value of forwards w/single counterpar		0%			30%	ok
C3. Cash/cash equiv in non-USD currencies		2%			10%	ok
F2. Brokerage commissions not to exceed $0.035/share for U.S. equities						Yes
F3. Annual turnover		24%		20%	40%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B6. Capitalization

The portfolio's wgtd avg market cap is slightly below the 10% minimum guideline as the index is more concentrated in mega caps.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 76,127

Organizational/Personnel Changes

Effective July 1, 2025, Lawrence Paustian officially transitioned from Pzena's research team to our client services team. We currently have an open analyst role to fill his position.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$	0.0
Lost:	Number of Accounts:	1	Total Market Value ($m):	$	(2.6)

Reason(s): In May 2025, there was also an account transfer to a different global strategy at Pzena.

Sprucegrove

International Equity: MSCI EAFE Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Sprucegrove	2.80%	8.82%	11.44%	-	-
MSCI EAFE	2.20%	11.78%	17.73%	-	-

Performance Attribution & Strategy Comments

April 22, 2024 inception date.

International equity markets posted a modest gain in June, primarily due to currency gains against the US dollar. The MSCI EAFE Index returned 2.20%, but only 0.20% in Local currencies.

The Fund outperformed the index in June (2.80% vs 2.20%).

Stock selection in Health Care continues to provide positive contributions. The Fund’s holdings outperformed those of large pharmaceutical stocks, which lagged during the month.
Stock selection in Financials was positive due to the strong performance of insurer AIA Group and modest contributions from newly added Financials holdings.

Underweight and stock selection in Communication Services detracted modestly as the Fund lacks exposure to technology-related growth stocks that performed well in the sector.

From a country perspective, exposure to Emerging Markets was a positive contributor. Technology holdings, including Taiwan Semiconductor and Samsung, outperformed. The Fund’s holdings in the U.K. and Switzerland also contributed to relative performance.

*MSCI EAFE

Manager Style Summary

Sprucegrove will manage an international equity portfolio. The bottom-up process seeks ownership of quality and value with a long-term focus (low turnover). Sprucegrove seeks investments that provide a margin of safety on quality via above average and consistent profitability, sustainable competitive advantages, financial strength, business growth opportunities and capable management. An investment must meet both quality and attractive value characteristics.

Sprucegrove
International Equity: MSCI EAFE Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Sprucegrv	Min	Max	Compliance
B2. Security position <= 5% of the account @ purchase				Yes
B4. Number of issues	62.0	40		ok
B6. Largest single industry group exposure (by GICS)	19%	0%	25%	ok
B7. Number of sectors in portfolio	10	7	11	ok
B8. European country exposure (# of countries)	11	3		ok
B8. Asia/Pacific country exposure (# of countries)	4	3		ok
B9. Normal Country Exposures				
Japan	17%	5%	50%	ok
United Kingdom	16%	10%	50%	ok
Canada	2%	0%	10%	ok
United States (not permitted)	0%	0%	0%	ok
Other MSCI EAFE Individual Country (not listed above)	8%	0%	15%	ok
Total non-MSCI EAFE Country, exclude Canada	13%	0%	15%	ok
Total non-MSCI EAFE Country, include Canada	15%	0%	20%	ok
C3. Maximum value of forward w/single counterparty	0%	0%	30%	ok
C4. Foreign Currency (cash or cash equiv) <= 5% of Account value				Yes
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 12,692

Organizational/Personnel Changes

Additionally, for this quarter, we had one new hire, an Investment Analyst.

Account Turnover

Gained:	Number of Accounts:	0	($m):	$ -
Lost:	Number of Accounts:	4	($m):	$ (1,139.1)

Reason(s): Restructuring, underperformance, and client's style shift (to deep value).

Walter Scott & Partners Limited

Global Equity: MSCI World Benchmark

For the month of: **June** **2025**

Manager Performance Calculations ** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Walter Scott	2.31%	10.07%	7.13%	14.85%	11.46%
MSCI World	4.32%	11.47%	16.26%	18.31%	14.55%

Performance Attribution & Strategy Comments

Global equity markets rallied on the back of easing geopolitical tensions in the Middle East and a renewed investor optimism in AI. Against this backdrop the portfolio returned 2.3%, trailing MSCI World (ndr), which returned 4.3%.

Technology companies enjoyed a strong month; held names Taiwan Semiconductor (+17%), Texas Instruments (+14%) and Amphenol (+10%) were among the portfolio’s strongest individual performers. However, the portfolio’s holdings did not keep pace with their benchmark peers. Non-held stocks, NVIDIA and Broadcom, were strong over the month and drove much of the sector index return.

The remainder of the lag can be broadly attributed across several sectors.

Industrials stocks trailed their benchmark counterparts, with Paychex the portfolio’s weakest individual performer. Greater exposure to the weaker healthcare sector was a relative detractor of note. Additionally, the portfolio’s lower exposure to the stronger communication services sector detracted, which stemmed from the strong performance of Netflix and Meta.

The current macroeconomic and political environment may not seem the ideal recipe for equity market buoyancy. However, investor sentiment has been bolstered by optimism over tariff reprieves, hopes of further interest rate cuts, despite current Federal Reserve reticence, and the fact that earnings have broadly remained resilient. However, the spectre of reciprocal tariffs still looms, bringing with it uncertainty over its impact on economic growth, inflation and supply chains. The prospect of even higher US import taxes comes at a time when consumer confidence has been ebbing and manufacturing activity has remained muted in many countries. This may challenge the current ‘muddling through’ narrative regarding economic prospects, although trade deal brinksmanship may yet win the day. After the recent strength in markets, investors may become more sensitive to equity valuations and earnings delivery.

Manager Style Summary

Walter Scott is a "bottom-up" manager whose process is driven by individual security selection. They invest in companies with high rates of internal wealth generation (IRR > 20%) which translates into total return to the investor over time (real return = 7-10%). Country and sector exposures are by-products of the security selection process. This is a concentrated global equity portfolio, and as such, may experience more volatility relative to the market.

Walter Scott & Partners Limited
Global Equity: MSCI World Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	WS	Min	Max	Compliance
A2. Cash balance <= 5% of portfolio market value	2%		5%	ok
B3. No more than 5% of the account shall be invested in any one security @ purchase				Yes
B4. Number of issues	46	40	60	ok
B5. No shares of investment companies or pooled funds sponsored/managed by manager or affiliates				Yes
B6. Normal Regional Exposures (* benchmark -/+ min/max):				
North America	66%	60%	75%	ok
Japan	4%	0%	9%	ok
Europe ex UK	15%	8%	22%	ok
UK	4%	0%	12%	ok
Pacific ex Japan	5%	0%	12%	ok
Emerging Markets	4%	0%	12%	ok
Total	98%			
B7. Normal Global Portfolio Characteristics				
ROE	27%	10%	20%	check
CROCE	32%	20%	30%	check
Operating Margin	18%	15%	25%	ok
Portfolio turnover	0%	0%	20%	ok
Relative P/E	1.2	1.0	1.4	ok
Price/Book Value	8	3	5	check
Price Earnings	28	22	34	ok
Price/Cash Flow	22	13	21	check
Dividend Yield	1%	1%	3%	ok
E2. Brokerage commissions in bps	0	4	13	check
E3. Annual turnover	13%		30%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines			☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

B7. ROE: Net income has grown faster than shareholder equity for the portfolio's companies in aggregate.

B7. CROCE: Net cash from operating activities has grown faster than capital employed for the portfolio's companies in aggregate.

B7. Price/Book: As with net income (see ROE explanation), the price of the portfolio’s holdings has increased at a faster pace than their book values.

B7. Price/Cash Flow: The price of the portfolio's holdings have increased at a faster pace than the most recently reported cash flows of the portfolio's companies.

E2. Brokerage Commissions: No trading activity

Total Firm Assets Under Management ($m) as of: Qtr 2 $77,882.5

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	-
Lost:	Number of Accounts:	2	Total Market Value ($m):	$ 133.5

Reason(s): Strategy Change & Moving plan to full LDI.

Organizational/Personnel Changes

n/a

Wasatch Global Investors

Emerging Markets Equity: MSCI EM Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Wasatch	4.99%	14.11%	9.20%	n/a	n/a
MSCI EM	6.01%	11.99%	15.29%	n/a	n/a

Country Allocation Comparison

Over-weight	Wasatch	EM	Under-weight	Wasatch	EM
India	32.12%	18.13%	China	10.25%	28.51%
United States	11.16%	0.00%	South Korea	3.47%	10.59%
Mexico	7.99%	1.96%	Saudi Arabia	0.00%	3.55%

Performance Attribution & Strategy Comments

Emerging-market equities advanced in June, supported by a weaker U.S. dollar and renewed investor appetite for opportunities outside developed economies. In this environment, the MSCI Emerging Markets Index rose 6.01% for the month, and the Wasatch strategy lagged its benchmark.

On a geographic basis, the strategy's holdings in Mexico and an underweight in Korea detracted most from relative performance. However, stock selection in Taiwan and India contributed to relative results.

At the sector level, stock selection within industrials detracted most from performance relative to the benchmark. Conversely, stock selection in the information-technology (IT) sector contributed to the strategy's relative performance.

Some of the largest contributors to performance for the month included ASPEED Technology, Inc., a Taiwan-based, fabless designer of integrated circuits; LEENO Industrial, Inc., a Korean producer of pins and sockets used in the testing of semiconductor chips; and Max Healthcare Institute Ltd., an operator of specialty hospitals in India.

The largest detractors from performance included Trip.com Group Ltd. (TCOM), a China-based online travel agency; Meituan, a leading operator of online platforms for meal delivery, consumer products and retail services in China; and Qualitas Controladora SAB de CV, Mexico's leading issuer of automotive insurance.

Manager Style Summary

Wasatch believes that long-term stock prices are driven by earnings growth. The market's short-term bias presents opportunities to purchase high-quality businesses at a discount to their long-term value. They are patient investors in exceptional companies that can compound earnings over time. The Wasatch Emerging Markets Select strategy is a concentrated, yet diversified growth portfolio of high-quality companies. They use a team based, bottom-up, systematic, approach that seeks to identify companies with outstanding long-term growth potential. Attributes of typical investments include high returns on capital, exceptional management teams, sustainable competitive advantages, and reasonable valuations.

Wasatch Global Investors

Emerging Markets Equity: MSCI EM Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	Index	Wasatch	Calc	Min	Max	Compliance
Security position <= 10% of the account @ purchase						Yes
Number of issues		35		20	50	ok
Investments in a single sector will not exceed more than 50% of the portfolio value						Yes
Investments in a single country will not exceed more than 50% of the portfolio value						Yes
Normal Regional Exposures (* benchmark -/+ min/max):						
Emerging Markets	100%	82%		60%	100%	ok
Other	0%	18%		0%	40%	ok
Total		100%				
Normal Global Portfolio Characteristics (Relative to the Index)						
Price/Earnings (fwd)	12.7	27.2	214%	50%	NA	ok
ROE	18.1	24.8	137%	50%	NA	ok
3-5 Yr.Est. Growth	11.8	27.3	231%	50%	NA	ok
No derivatives, short sales, commodities, margin or currency hedging						Yes
Annual turnover		38%		10%	60%	ok
The portfolio is in compliance with all other aspects of the Portfolio Guidelines					☑ Yes	☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 2 $ 27,326

Organizational/Personnel Changes

None

Account Turnover

Gained:	Number of Accounts:	3*	Total Market Value ($m):	$ 135.9
Lost:	Number of Accounts:	2*	Total Market Value ($m):	$ 100.9

Reason(s): Changes in asset allocation; * excludes accounts gained through pooled vehicles such as mutual funds, CITs, LP, etc.

WCM

Emerging Markets Equity: MSCI EM Benchmark

For the month of: **June** **2025**

Manager Performance Calculations

** Annualized returns*

	Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
WCM	7.56%	20.11%	25.38%	N/A	N/A
MSCI Emerging Markets	6.14%	12.20%	15.96%	N/A	N/A

Country Allocation Comparison

Over-weight	WCM	EM	Under-weight	WCM	EM
Singapore	5.92%	0.02%	India	11.85%	18.12%
Brazil	9.16%	4.43%	Taiwan	13.07%	18.92%
Canada	3.21%	0.00%	China	24.86%	27.55%

Performance Attribution & Strategy Comments

During June 2025, the portfolio outperformed the MSCI Emerging Markets benchmark by 1.42%, with a portfolio total return of 7.56% compared to the benchmark's 6.14%. The outperformance was primarily driven by a country allocation effect of 1.18% and a stock selection effect of 25 basis points. South Korea contributed positively to relative performance with a total effect of 76 basis points, while Singapore detracted from results with a total effect of -41 basis points. Additionally, Industrials provided the largest positive sector contribution with a total effect of 1.58%, while Financials detracted from relative performance by -71 basis points. The portfolio demonstrated a modestly positive trajectory followed by a slight decline in relative performance versus the MSCI Emerging Markets benchmark, as evidenced by a marginal underperformance of -7 basis points for the week ending June 6th, a notable outperformance of 36 basis points for the week ending June 13th, a further gain of 63 basis points for the week ending June 20th, and a subsequent underperformance of -36 basis points for the week ending June 27th. For the week ending June 6th, the portfolio's relative loss was primarily attributable to weak stock selection of -57 basis points, partially offset by positive country allocation of 50 basis points. During the week ending June 13th, both country allocation and stock selection contributed positively, with effects of 24 basis points and 12 basis points, respectively. The week ending June 20th saw continued positive contributions from country allocation of 39 basis points and stock selection of 24 basis points. However, for the week ending June 27th, negative country allocation of -25 basis points and adverse stock selection of -11 basis points drove the underperformance. Notably, China detracted most in the week ending June 6th with -33 basis points, while South Korea contributed significantly in the weeks ending June 13th and June 20th with 60 basis points and 37 basis points, respectively, and India was the largest detractor in the week ending June 27th with -31 basis points. Industrials notably contributed the most to relative gains in the middle of the month, with 88 basis points and 55 basis points for the weeks ending June 13th and 20th, respectively, but detracted -36 basis points in the final week, while Consumer Staples was the largest detractor early in the period with -27 basis points for the week ending June 6th.

Manager Style Summary

WCM will manage an emerging markets equity portfolio. WMC's emerging market philosophy is built on moats, culture, tailwinds, focused and valuation. They focus on bottom-up stock picking with a selection edge. The portfolio will hold approximately 50 stocks. Maximum position size will be around 10% with maximum industry exposure around 30%. Idea generation is followed by rigorous quantitative and fundamental analysis before portfolio construction is undertaken.

WCM

Emerging Markets Equity: MSCI EM Benchmark

Portfolio Guideline Compliance

Portfolio Guideline:	WCM		Min	Max	Compliance
At least 80% in emerging/frontier	90%		80%	100%	ok
Number of countries in the portfolio	15		3	N/A	ok
Number of global industries	24		15	N/A	ok
No more than 5% of the outstanding shares of each issuer					Yes
% of outstanding of China traded company shares	0.01%		0	4%	ok
Single Industry (% MV)	21%			30%	ok
Single Sector (% MV)	28%			50%	ok
Single position (% MV)	9%			10%	ok
Derivatives (% MV)	0%		0%	0%	ok

The portfolio is in compliance with all other aspects of the portfolio guidelines ☑ Yes ☐ No

Manager Explanations for Deviations from Portfolio Guidelines

There were no deviations.

Total Firm Assets Under Management ($m) as of: Qtr 1 $ 93,866

Organizational/Personnel Changes

No changes.

Account Turnover

Gained:	Number of Accounts:	0	Total Market Value ($m):	$ -
Lost:	Number of Accounts:	0	Total Market Value ($m):	$ -
	Reason(s): N/A			

PERSI Choice Plan Summary Jun 2025

Performance - Net of fees

blue = outperform by 50 bp; **red** = underperform by 50 bp (*Annualized)

		Last Month	Last 3 Months	Last 1 Year	Last 3 Years*	Last 5 Years*
Balanced						
PERSI Total Return Fund α	n/a	**2.6%**	**6.1%**	**10.8%**	**9.6%**	**8.7%**
Strategic Policy ☆		3.0%	6.6%	11.6%	10.0%	9.0%
Policy *(55% R3000, 15% MSCI EAFE, 30% BCAgg)*		3.6%	8.2%	13.0%	13.7%	10.2%
Calvert Balanced Fund [1] **	CBARX	**3.5%**	**7.4%**	**11.3%**	**13.3%**	**10.1%**
Custom Bench *(60% R1000, 40% BCAgg)*		3.7%	7.1%	11.9%	12.7%	9.4%
Capital Preservation						
PERSI Short-Term Investment Portfolio ♠	n/a	**0.3%**	**1.0%**	**4.7%**	**4.5%**	**2.8%**
ICE BofA US 3-month T-bill Index		0.3%	1.0%	4.7%	4.6%	2.8%
Bond						
US Bond Index Fund	n/a	**1.5%**	**1.2%**	**6.0%**	**2.5%**	**-0.8%**
Dodge and Cox Fixed Income Fund [5]	DOXIX	**1.8%**	**1.4%**	**6.6%**	**4.3%**	**1.1%**
Bloomberg Aggregate		1.5%	1.2%	6.1%	2.5%	-0.7%
US TIPS Index Fund	n/a	**1.0%**	**0.5%**	**5.8%**	**2.3%**	1.5%
Bloomberg US TIPS Index		1.0%	0.5%	5.8%	2.3%	1.6%
U.S. Equity						
Russell 3000		5.1%	11.0%	15.3%	19.1%	16.0%
Large Cap						
U.S. Large Cap Equity Index Fund	n/a	**5.1%**	**10.9%**	**15.1%**	**19.6%**	**16.6%**
Vanguard Growth & Income Fund [2]	VGIAX	**5.4%**	**12.8%**	**15.0%**	**19.8%**	**17.0%**
S&P 500		5.1%	10.9%	15.2%	19.7%	16.6%
Small/Mid Cap						
U.S. Small/Mid Cap Equity Index Fund [3]	n/a	**5.4%**	**12.1%**	**15.4%**	**15.2%**	**11.8%**
Dow Jones U.S. Completion Total Stock Market Index		5.4%	12.2%	15.6%	15.1%	11.5%
Small Cap						
T. Rowe Price Small Cap Stock Fund [4]	TRSSX	**3.9%**	**6.6%**	**11.3%**	**10.4%**	**9.8%**
Russell 2000		5.4%	8.5%	7.7%	10.0%	10.0%
Specialty						
US REIT Index Fund	n/a	**-1.0%**	**-1.8%**	8.0%	4.6%	8.4%
Dow Jones U.S. Select REIT		-1.0%	-1.7%	8.1%	4.8%	8.5%
International Equity						
International Equity Index Fund	n/a	**2.3%**	**11.2%**	**18.0%**	**16.2%**	11.3%
T. Rowe Price Overseas Stock	TROIX	**3.1%**	**11.0%**	**16.8%**	N/A	N/A
MSCI EAFE net dividend		2.2%	11.8%	17.7%	16.0%	11.2%
DFA Emerging Markets Core Equity I	DFCEX	**5.5%**	**11.8%**	**12.2%**	N/A	N/A
MSCI EMF		6.1%	12.2%	16.0%	10.2%	7.3%

*** BNYM and Callan have return discrepancies and are reviewing*

* *Performance reported by Custodian and may be preliminary; mutual funds identified by corresponding tickers*

☆ *Strategic Policy Benchmark = 21% R3000, 18% MSCI ACWI, 6% MSCI EAFE, 9% MSCI EM, 8% PE, 4% NAREIT, 4% NFI-ODCE EW, 20% Agg, 10% TIPS*

α *Fund returns reflect fees beginning 05/01/15*

[1] *Calvert Balanced Social Investment (Sudan-Free) Fund performance begins 10/12/07; effective 05/23: share class change from CBAIX to CBARX*

[2] *Vanguard Growth & Income Admiral Shares (VGIAX) performance begins 08/01/03; previous periods reflect Vanguard Growth & Income Investor Shares (VQNPX)*

[3] *US Small/Mid Cap Equity Index Fund managed by MCM performance begins 10/12/07; previous periods reflect Dreyfus Premier Midcap Stock R Fund (DDMRX)*

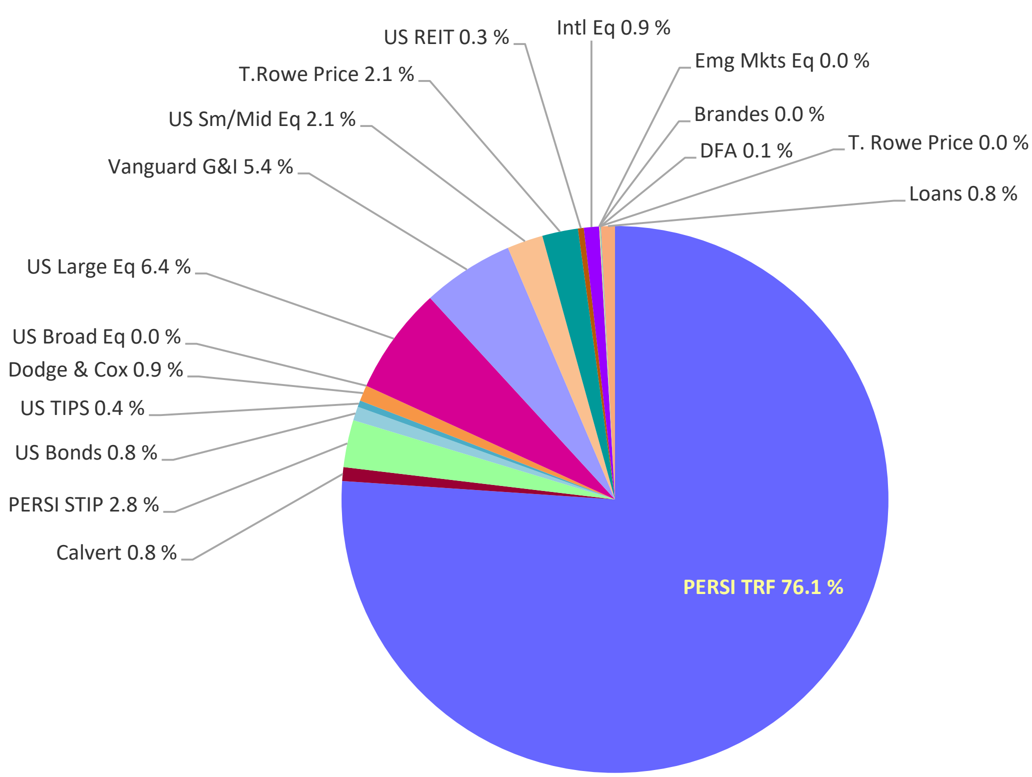
[4] *T. Rowe Price Small Cap Stock Fund (TRSSX) begins 04/01/2017; (OTCFX) performance begins 8/01/2003; previous periods reflect ING Small Company Fund (AESGX)*

[5] *Effective 05/23:share class change from DODIX to DOXIX*

PERSI Choice Plan Summary — Jun 2025

Performance - Net of fees

			Alloc by Fund	Alloc by Asset Class
Balanced				***76.3%***
PERSI Total Return Fund	$	1,390,550,163	75.4 %	
Calvert Balanced Fund	$	15,591,205	0.8 %	
Capital Preservation				***2.7%***
PERSI Short-Term Investment Portfolio *(ML 0-3mo T-bill)*	$	49,856,270	2.7 %	
Bonds				***2.0%***
U.S. Bond Index Fund *(BC Aggregate)*	$	13,838,643	0.8 %	
U.S. TIPS Index Fund *(BC US TIPS)*	$	6,327,217	0.3 %	
Dodge and Cox Fixed Income Fund *(BC Aggregate)*	$	17,013,733	0.9 %	
U.S. Equity				***17.2 %***
Large Cap				
U.S. Large Cap Equity Index Fund *(S&P 500)*	$	124,835,096	6.8 %	
Vanguard Growth & Income Fund *(S&P 500)*	$	105,713,737	5.7 %	
Small/Mid Cap				
U.S. Small/Mid Cap Equity Index Fund *(DJ USTSMI)*	$	41,248,303	2.2 %	
Small Cap				
T. Rowe Price Small Cap Stock Fund *(R2000)*	$	38,980,751	2.1 %	
Specialty				
U.S. REIT Index Fund *(DJ US Select REIT)*	$	5,835,960	0.3 %	
International Equity				***1.1 %***
International Equity Index Fund *(MSCI EAFE)*	$	17,499,897	0.9 %	
T. Rowe Price Overseas Stock	$	945,894	0.1 %	
DFA Emerging Markets Core Equity I	$	1,116,188	0.1 %	
Other				***0.8 %***
Loans	$	14,087,600	0.8 %	
Total DC Plan	***$***	***1,843,440,657***	***100%***	***100.0 %***



* *Performance reported by Custodian; mutual funds identified by corresponding tickers*

PERSI Investment Report

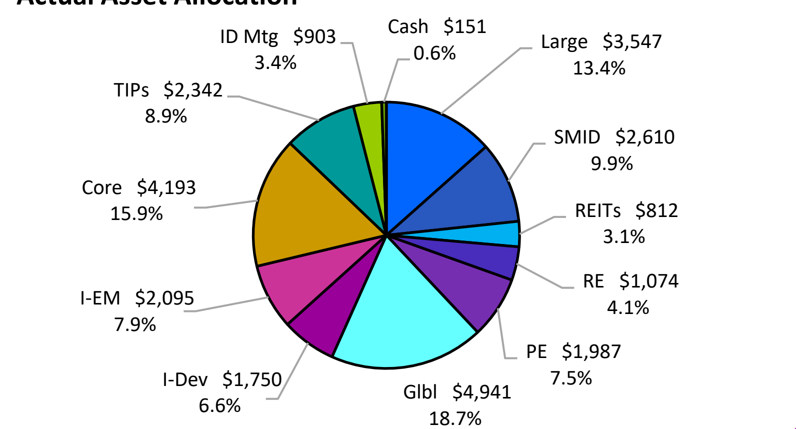
July 24, 2025

Current Market Value (MV)		**26,404,394,790**
Previous Day MV	(151,333)	26,404,546,124
Last FY-end MV	371,604,360	26,032,790,430

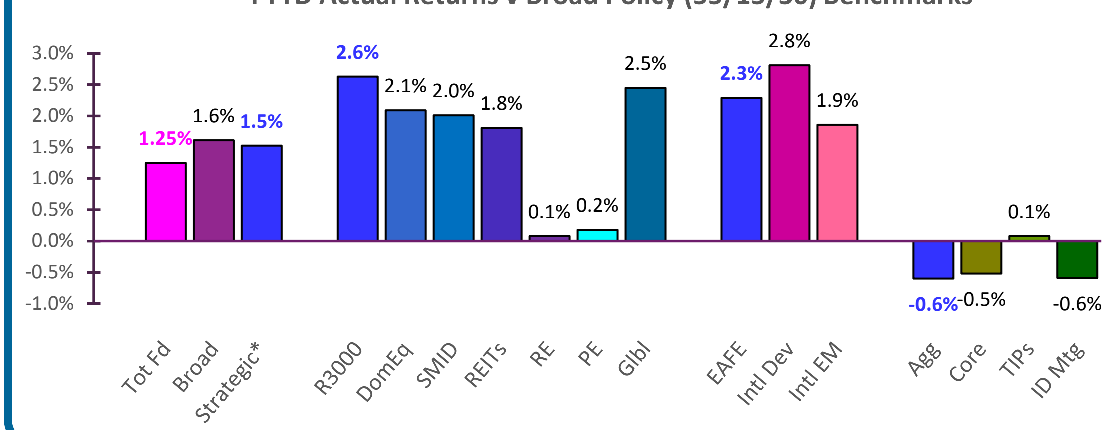
Long-Term Actuarial Investment Return Assumption: 6.5%

	MTD Return	FYTD Return	5-year Return	10-year Return
Total Fund	**1.3%**	**1.3%**	**8.6%**	**8.1%**
Strategic Policy	1.5%	1.5%	8.8%	7.9%
Broad Policy	1.6%	1.6%	9.9%	8.9%
U.S. Equity	**1.5%**	**1.5%**	**13.1%**	**11.7%**
R3000	2.6%	2.6%	15.7%	13.2%
Global Equity	**2.5%**	**2.5%**	**13.4%**	**10.6%**
MSCI ACWI	2.6%	2.6%	13.2%	10.3%
Int'l Equity	2.3%	2.3%	**8.1%**	**6.0%**
MSCI EAFE	2.3%	2.3%	10.7%	6.6%
Fixed Income	**-0.3%**	**-0.3%**	**-0.1%**	**2.4%**
Aggregate	-0.6%	-0.6%	-1.1%	1.7%

Actual Asset Allocation

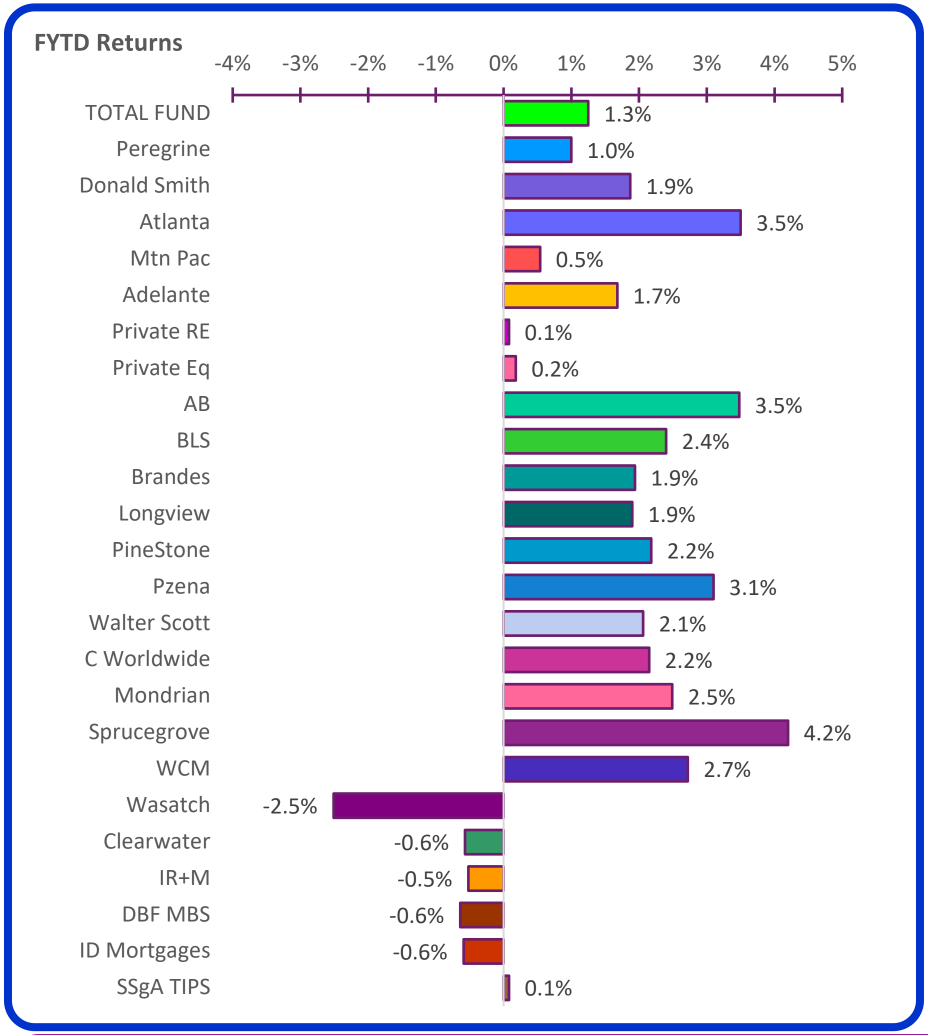


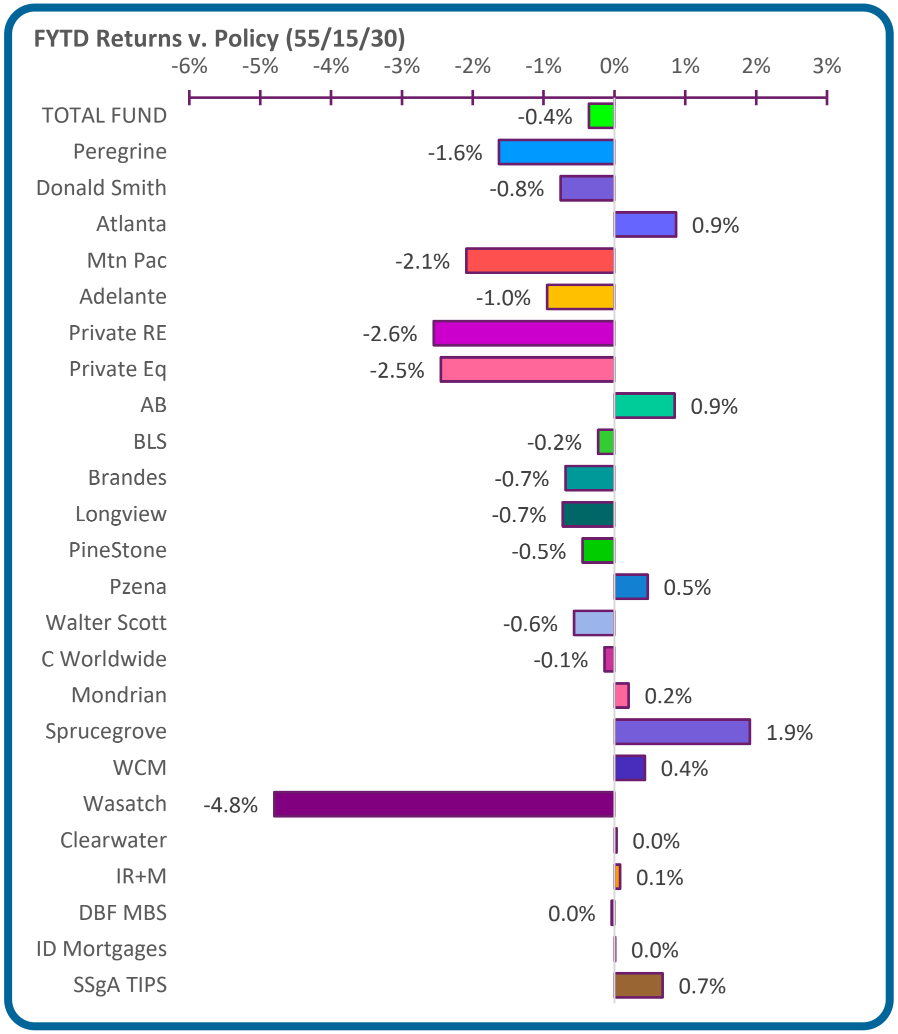
FYTD Actual Returns v Broad Policy (55/15/30) Benchmarks

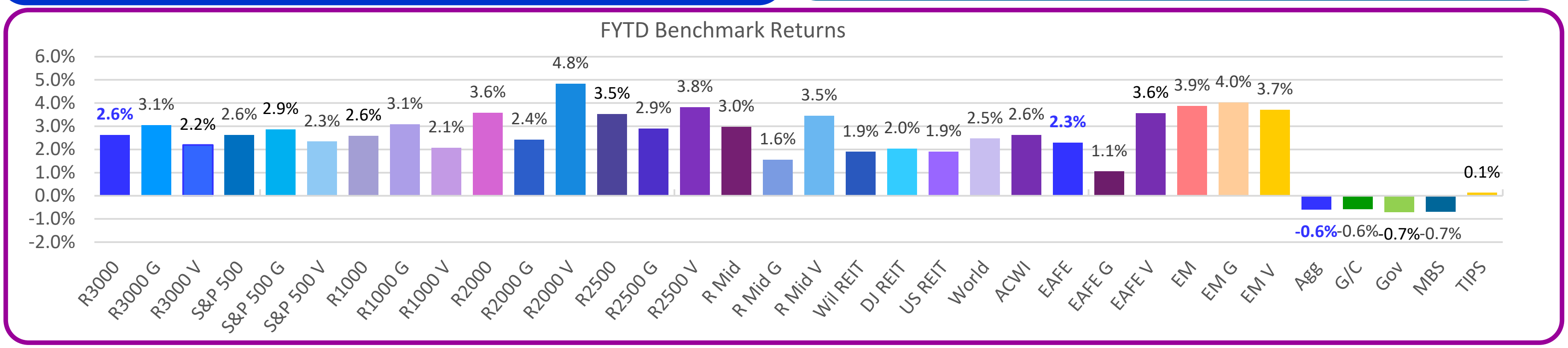


** Internal estimate*

Performance is unaudited and GROSS of fees unless otherwise noted







Performance is unaudited and GROSS of fees unless otherwise noted

Public Employee Retirement System of Idaho – Board Presentation

July 2025

Clearwater Advisors Introductions

Dan Bates
Chief Executive Officer
19 Years of Experience | 7 Years with Clearwater Advisors

Core Account PM

Rhet Hulbert
Senior Portfolio Manager
22 Years of Experience | 22 Years with Clearwater Advisors

STIF Account PM

Brandon Beall, CFA
Portfolio Manager
13 Years of Experience | 4 Years with Clearwater Advisors

Garrett Cudahey, CFA
Senior Portfolio Manager
20 Years of Experience | 2 Year with Clearwater Advisors

Richard Lin, CFA
Head of Research
21 Years of Experience | 11 Years with Clearwater Advisors

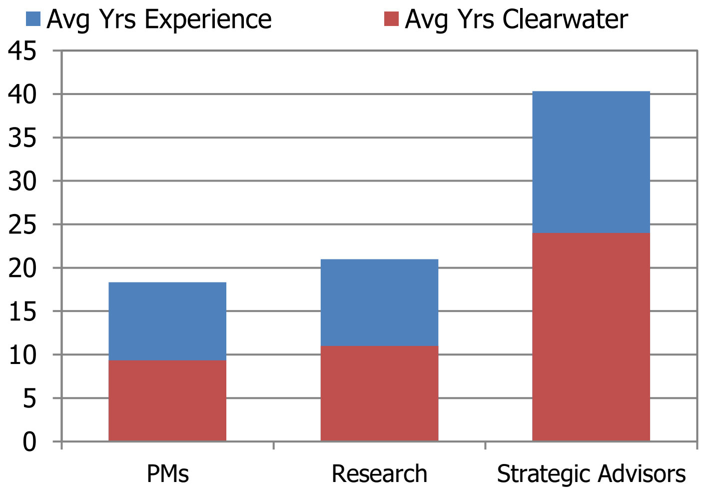
Clearwater Advisors Overview

- Established in Boise, Idaho in 2001 on the abiding principle that investors deserve and should require complete transparency and accountability from their investment managers
- ~$4.9bn of assets managed for a variety of clients including corporations, pension funds, insurance companies, universities, endowments, foundations, and private clients
- Sole focus on investment in USD-denominated, investment grade fixed income “across the yield curve”
- 100% owned by founders and current employees; successfully executed transition from founders to current management in 2018
- Registered Investment Advisor with the Securities and Exchange Commission

Clearwater Advisors at a Glance (April 2025)

Location	Boise, Idaho
Employees	3 Portfolio Managers 1 Research Staff 2 National Sales Staff 4 Operational and Development Staff 1 Chief Compliance Officer (External) 3 Strategic Advisors (Founders)
Ownership	100% Founder/Employee Owned
Assets Under Management	$4.9 Billion

Portfolio Management Team Experience



PERSI / Clearwater Advisors Relationship History

- Relationship was established in 2002
- PERSI was Clearwater Advisor's 7th client
- One off projects including transition management and execution of specific trades
- Research projects at special request by PERSI staff

STIF Account

- Established in 2002
- Objective was to reduce / eliminate PERSI exposure to co-mingled fund risk in MMFs
- Strategy: Use short securities to outperform MMFs while still providing adequate liquidity

Core Account

- Originally established as a TBA account (MBS equivalent strategy) in 2002
- Subsequently converted to a Core strategy in 2013
- Strategy: Use sector and individual credit selection to outperform the US Aggregate Investment Grade Bond Benchmark

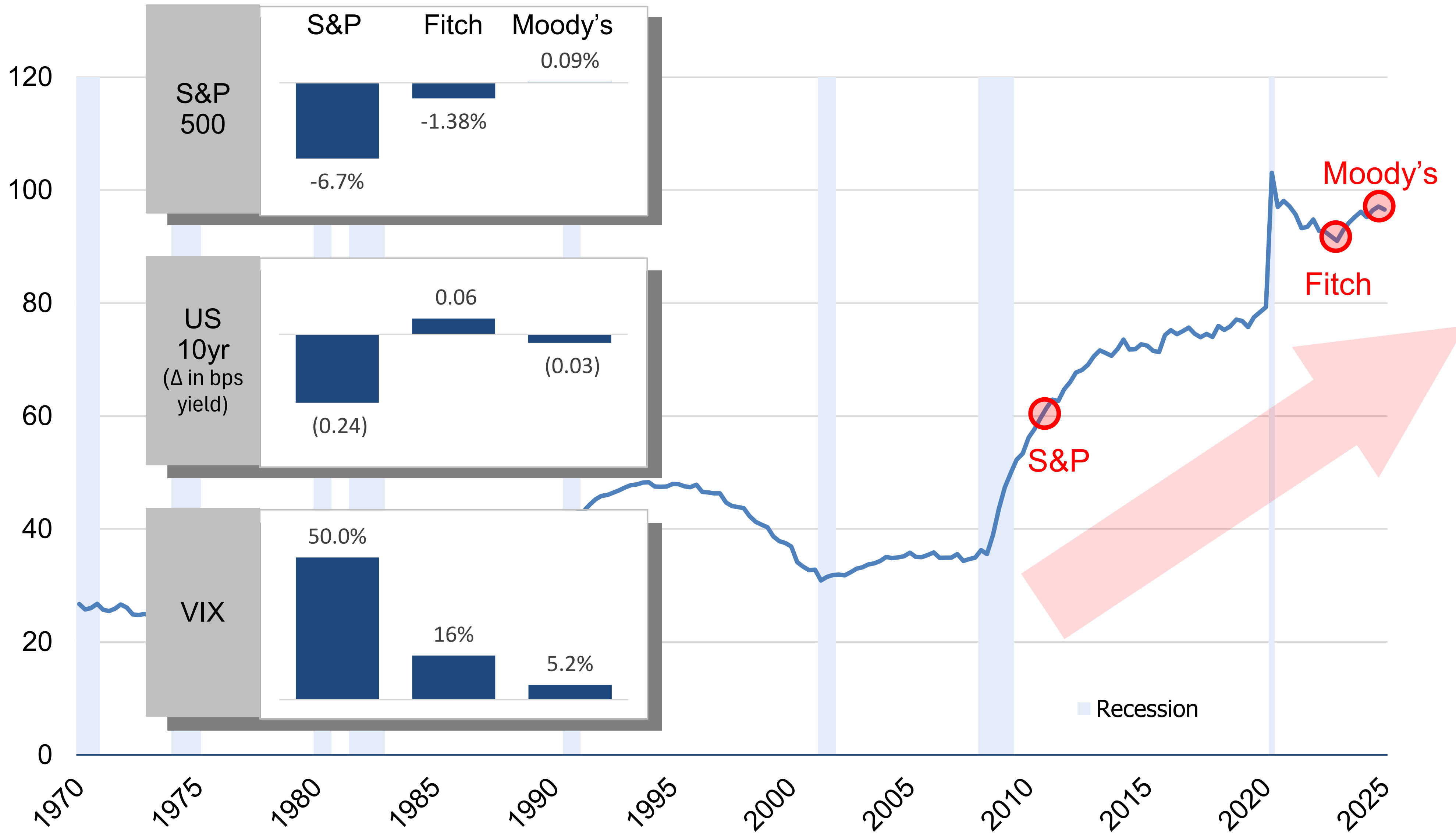
US Debt: A Growing Problem

Ratings Agencies Now in Alignment

	S&P	Fitch	Moody's
Date	Aug 2011	Aug 2023	May 2025
Rating	AA+	AA+	Aa1
Outlook	Negative	Stable	Stable
Primary trigger	Debt ceiling standoff	Debt ceiling + long-term governance	Debt/deficit levels + interest costs
Common themes	▪ Governance concerns ▪ Unstable fiscal path ▪ Failure to implement structural reform		

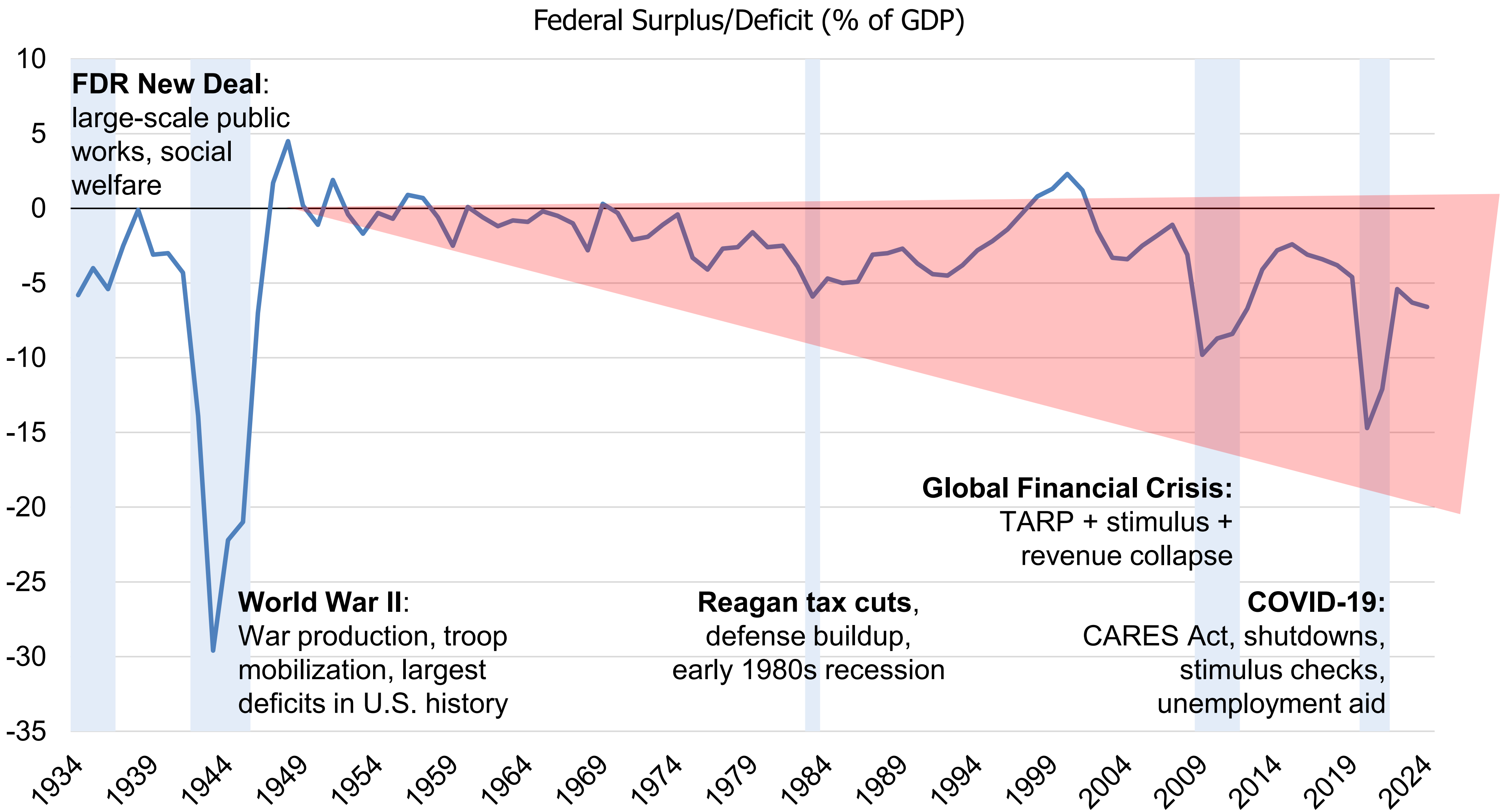
Source: S&P, Fitch, Moody's.

Downgrades, Debt to GDP % and Muted Market Reactions



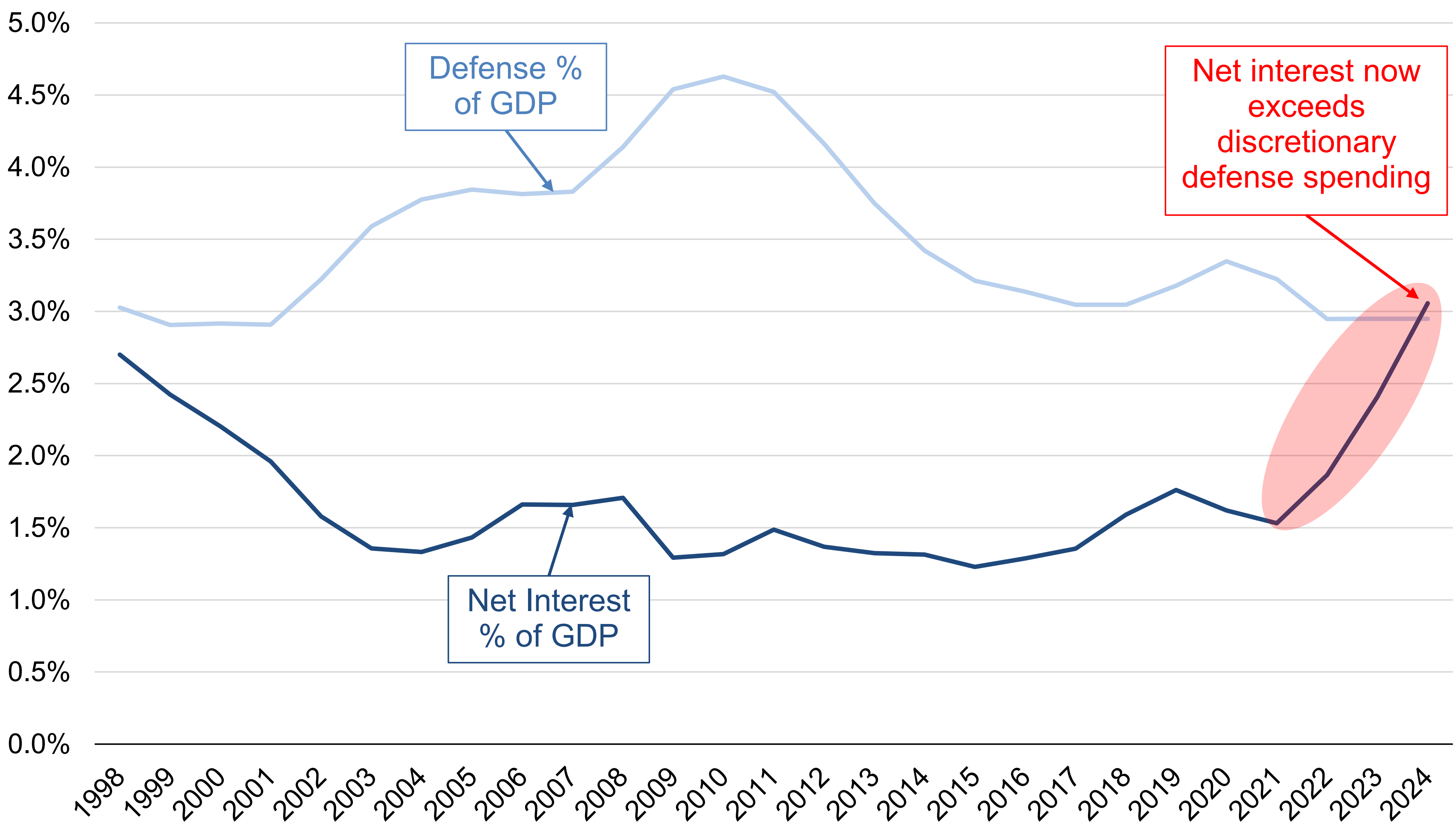
Source: Bloomberg, Clearwater Advisors. Note: Market data changes reflect the change based on the following trading day closing data.

Why is the Deficit a Problem Now? (1/2)



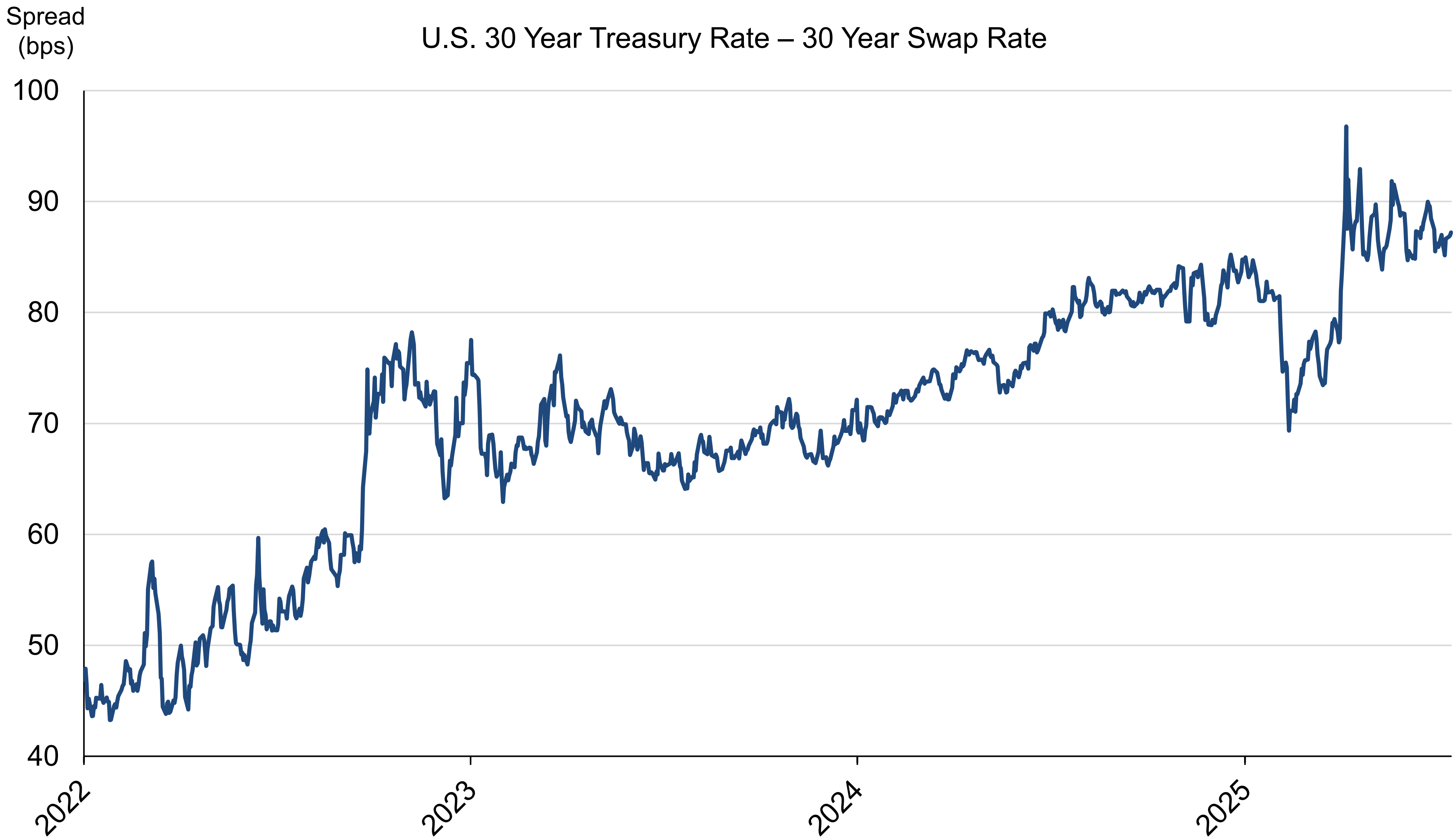
Source: U.S. Treasury, Bloomberg, Clearwater Advisors.

Why is the Deficit a Problem Now? (2/2)



Source: Congressional Budget Office (CBO), Clearwater Advisors.

Market is Slowly Reacting



Source: Bloomberg, Clearwater Advisors.

The Path Forward Could be Challenging

Breaking Down the Problem

Δ Debt-to-GDP = Primary Deficit / GDP (ex. interest) + Debt-to-GDP x (Avg Interest Rate – Nominal GDP Growth Rate)

Δ Debt-to-GDP		Primary Deficit / GDP (ex. interest)		Debt-to-GDP		Avg Interest Rate		Nominal GDP Growth Rate
Δ "Debt"	=	Primary Deficit	+	Debt	x	Differential between growth rate and interest rate		

"Levers to pull"

- Increase revenues
- Decrease spending
- Decrease rates
- Increase growth

Growth > Rates
Debt level stabilized or falls – even with a moderate deficit

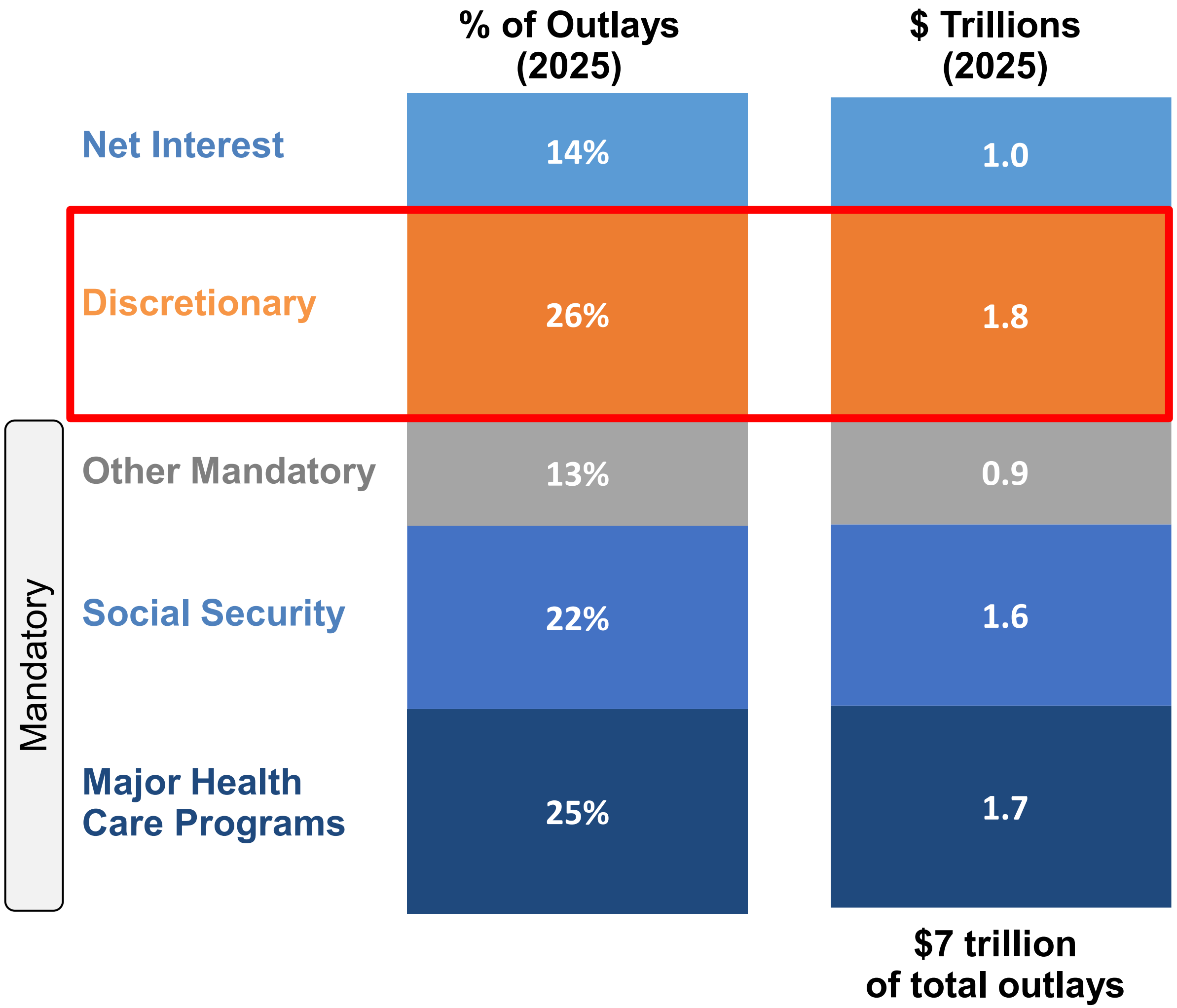
Rates > Growth
Debt level increases unless sufficient primary surplus

"Levers" are not independent of each other

Source: Clearwater Advisors.

Spending

Don’t Get Too Excited for Real Offsets (1/2)



- Mandatory spending is not part of the annual appropriations debate (i.e. it is on “auto-pilot”)
- Discretionary budget is debated by Congress every year
- As such, the DOGE effort is predominantly focused on Discretionary spending

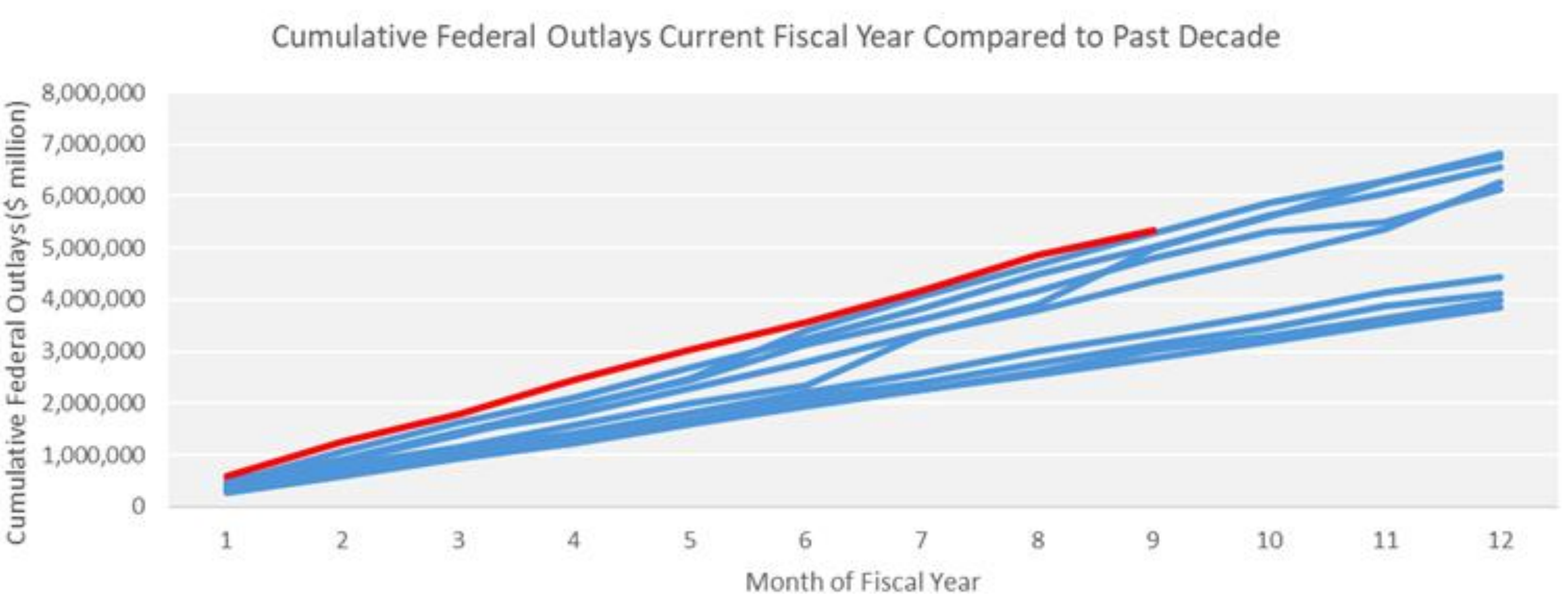
DOGE

- Initially publicly estimated ~$2 trillion in savings (no clarity on timeframe)
- At April cabinet meeting, Musk cited $150 billion in anticipated savings in fiscal year 2026 (no estimate for subsequent years)
- Legal challenges

Source: Congressional Budget Office, “The Long-Term Budget Outlook: 2025 to 2055”, Clearwater Advisors.

Spending

Don’t Get Too Excited for Real Offsets (2/2)



- As of June 30th, federal outlays were tracking at their highest level over the past 10 years – no DOGE impact evident yet
- **The Rescissions Act of 2025 cuts ~$9 billion of spending over 10 years**
- With the departure of Elon Musk and Vivek Ramaswamy as well as the DOGE legal challenges to date, the likelihood of immediate material spending cuts has decreased significantly

Source: Congressional Budget Office, “The Long-Term Budget Outlook: 2025 to 2055”, U.S. Treasury Department, “Monthly Treasury Statement”, Clearwater Advisors.

Rates

Trump Aggressively Trying to Influence Rates

Date	Trump statement
Apr 17	"Powell's termination cannot come fast enough!...always too late and wrong"
Apr 29	"…I know much more than he does about interest rates, believe me"
May 8	"Too Late' Jerome Powell is a FOOL, who doesn't have a clue. Other than that, I like him very much!"
Jun 4	"ADP number out. 'Too Late' Powell must now lower the rate"
Jun 19	"Maybe I should go to the Fed. Am I allowed to appoint myself? I'd do a much better job than these people"
Jun 21	Powell a "total and complete moron"
Jun 30	"Jerome – you are, as usual, 'Too Late.' You have cost the USA a fortune and continue to do so. You should lower the rate by a lot!" [suggested 1% rate]
Jul 2	"'Too Late' should resign immediately!!!"
Jul 16	Trump floated the idea of possibly firing Powell "for cause" related to Fed HQ cost overruns. Discussed a drafted letter dismissing Powell
Jul 18	"Numbskull"; "making it difficult for people, especially the young, to buy a house"

Source: Truth Social, public remarks.

Revenues Growth

Running Away From Your Problems

		Revenue Impact		Growth Impact	
		ST	LT	ST	LT
Tariffs / Trade	▪ Facilitate US-based investment and production ▪ Tariff revenue ▪ Imports are a drag to GDP	↑	↑	↓	↑
OBBB Tax Cuts	▪ Front-loaded boost to consumption ▪ 100% expensing to boost capital formation ▪ Domestic production focused	↓	?	↑	?
Deregulation / Industrial Policy	▪ Energy, banking, AI, crypto, etc. ▪ Fast-tracking processes	↑	?	↑	↑
Productivity	▪ Encourage “paradigm-shifting” technologies ▪ Ex: industrial revolution, computers, internet	↔	↑	↔	↑
Lower Interest Rates	▪ Strong pressure on Federal Reserve ▪ Appoint new Fed Chair in 2026 with dovish bias	↑	↑	↑	↓

Source: Clearwater Advisors.

Know Your Source

Congressional Budget Office (CBO)

- Legislative branch
- Provides nonpartisan economic analysis and budget projects to Congress
- Key roles
  - “Scoring” bills: estimates the cost of legislation
  - Long term budget outlooks
  - Analyzes impact of federal policies on economy
- **Strictly nonpartisan and independent of both parties**

Base Case

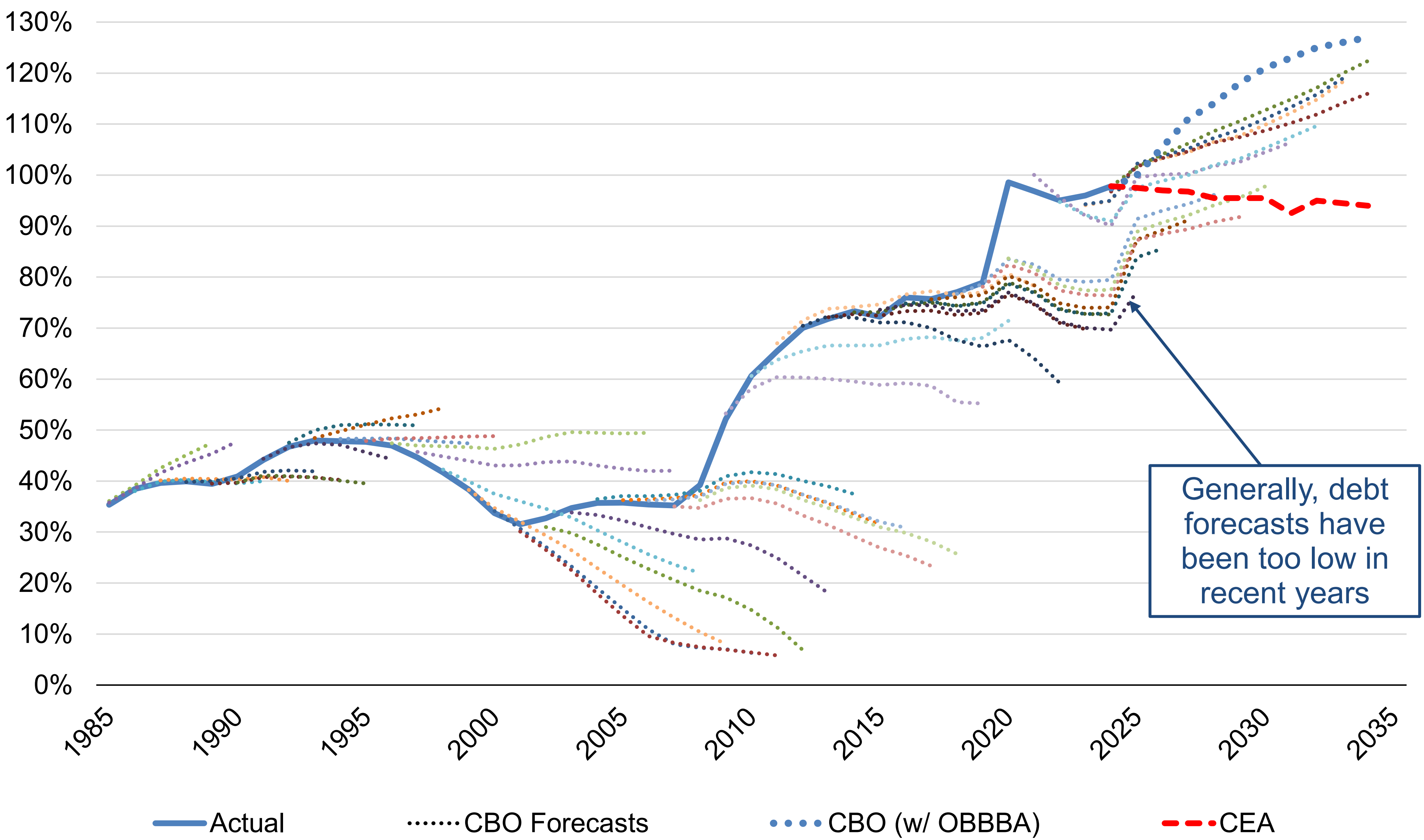
Council of Economic Advisers (CEA)

- Executive branch
- Provides the President with economic advice and policy recommendations
- Key roles
  - Advises on economic policy and strategy
  - Prepares the Economic Report of the President
  - Analyzes economic trends to support Executive Branch decisions
- **Members appointed by the President and often reflect the administration’s policy priorities**

Best Case Scenario

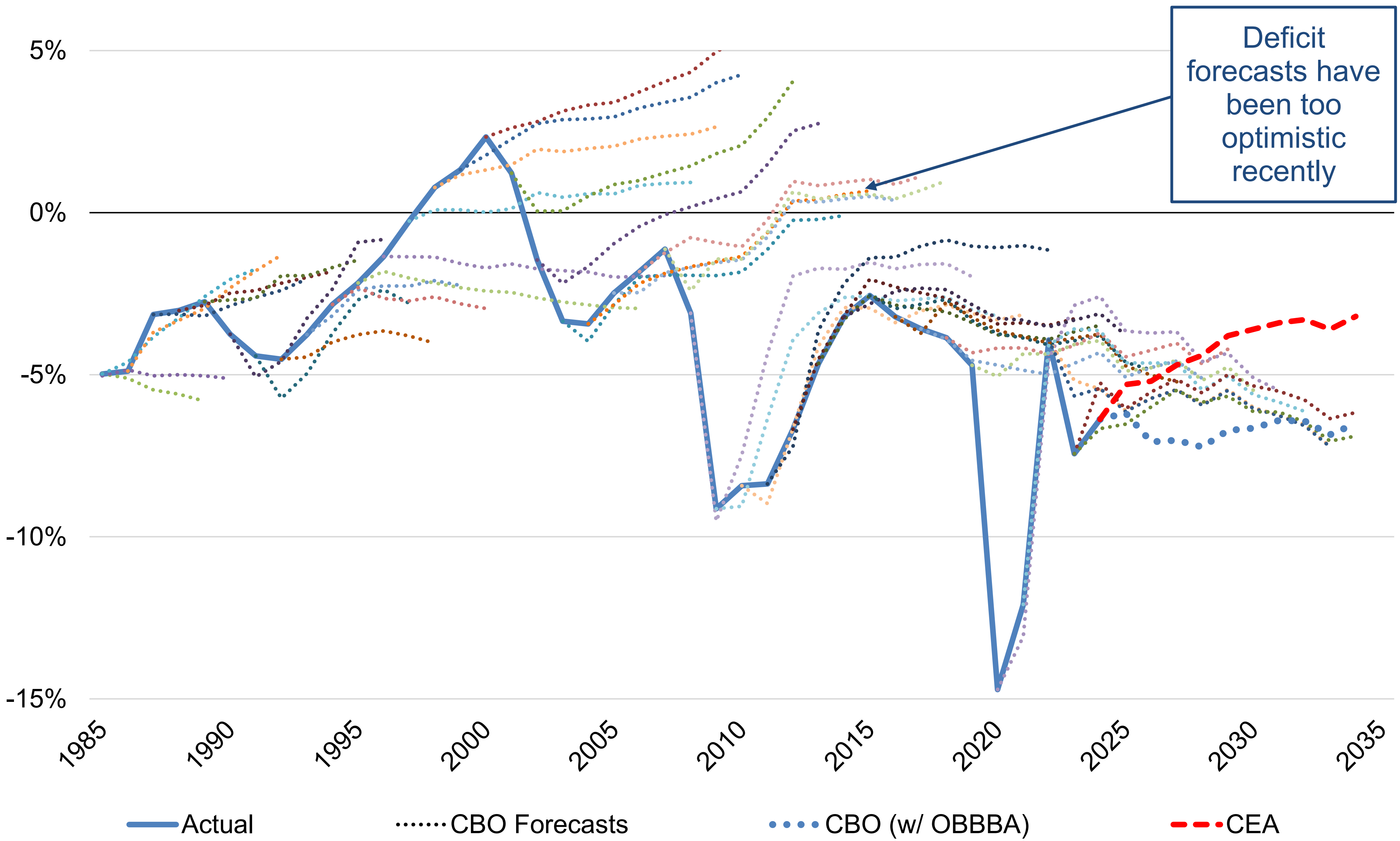
Source: Congressional Budget Office (CBO), Council of Economic Advisers (CEA), Clearwater Advisors.

Actual vs Forecast: Debt-to-GDP



Source: Congressional Budget Office (CBO), Council of Economic Advisers (CEA), Clearwater Advisors.

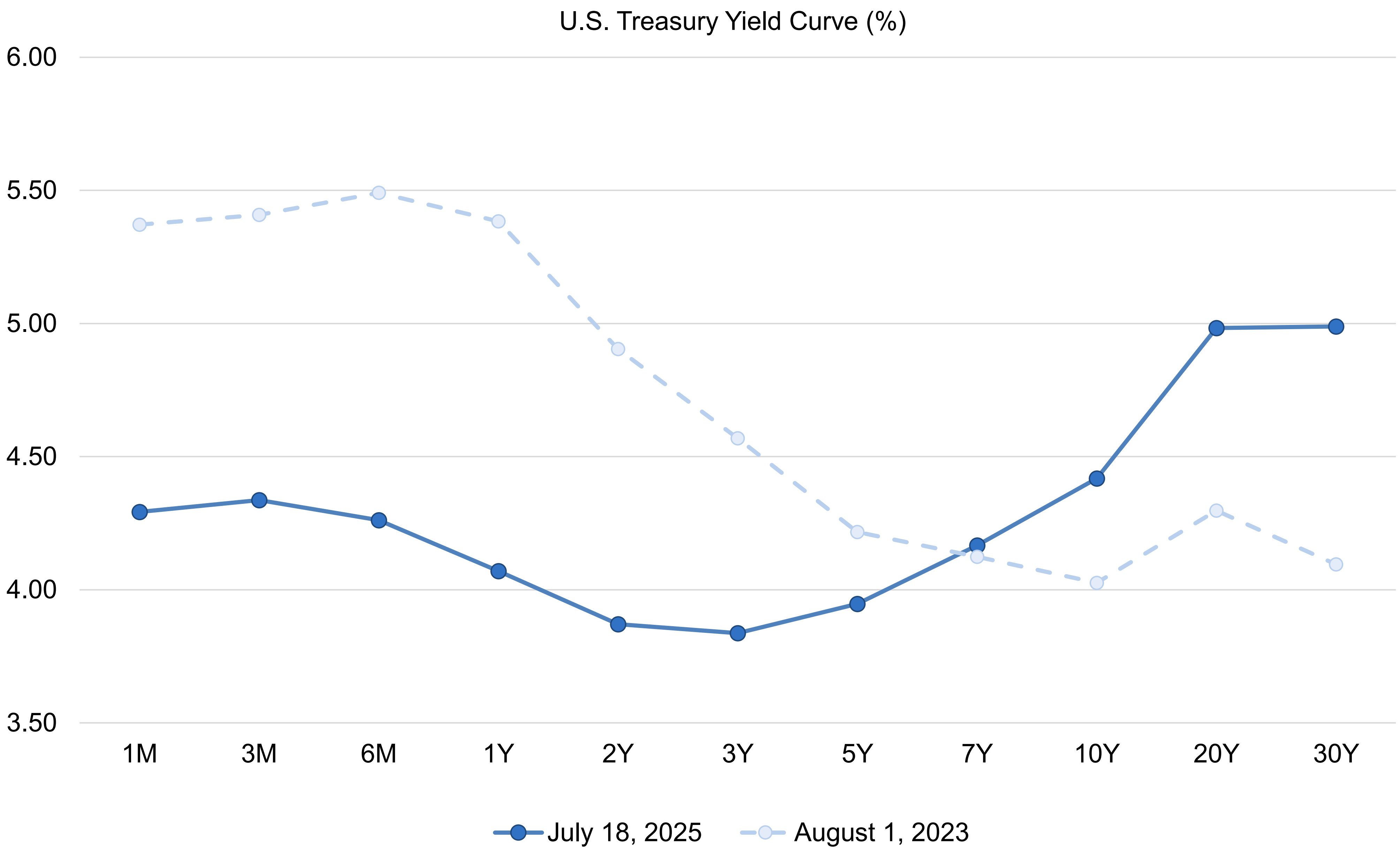
Actual vs Forecast: Surplus / Deficit-to-GDP



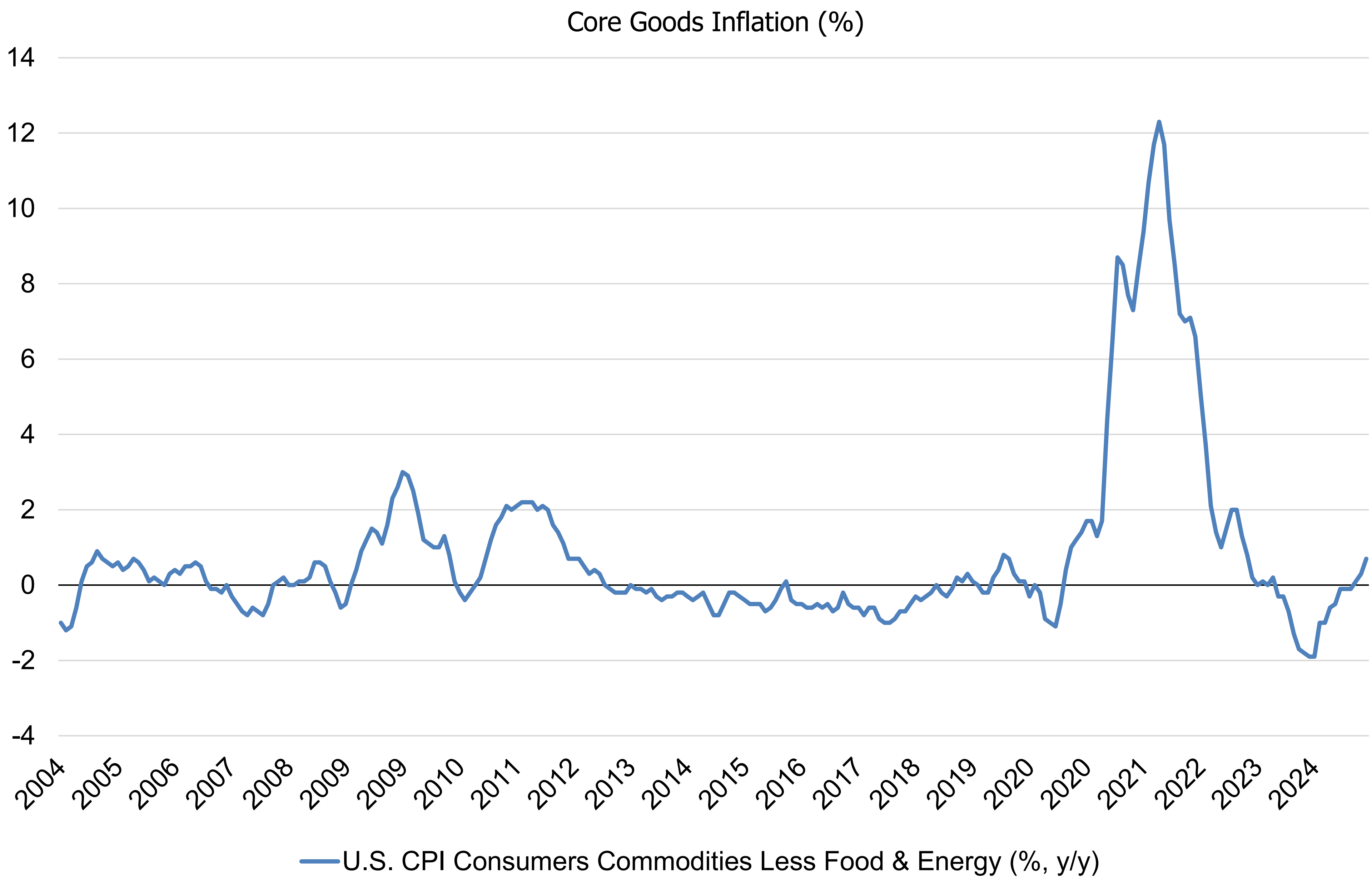
Source: Congressional Budget Office (CBO), Council of Economic Advisers (CEA), Clearwater Advisors.

Investment Implications

Cut Short Rates – Pay in the Long Run

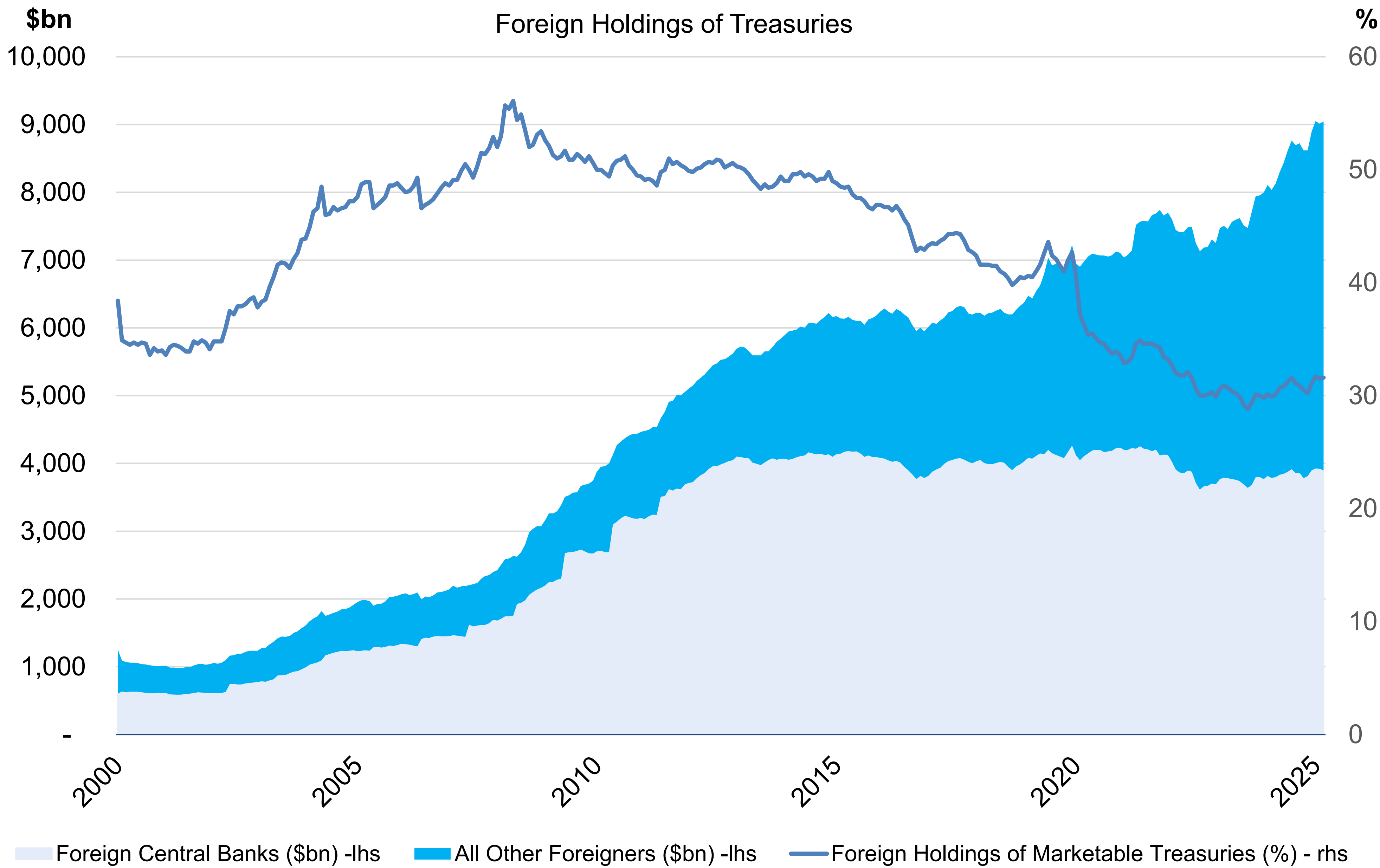


Success…INFLATION?



Source: Bloomberg, Clearwater Advisors.

Debt Will Grow: Friends Wanted



Source: Bloomberg, Clearwater Advisors.

Investment Implications

Successful?

- Higher nominal growth: risk assets and high valuations supported (market front running this today)
- Higher interest rates and inflationary environment: supports revenue and earnings & erodes debt burden
- Treasury market stabilization – deficits as a % of GDP stabilize giving investors comfort

Not Successful?

- Risk assets could still perform well due to lower short-term rates
- Fed might not be able to lower rates due to increased inflation
- Dollar decline continues – foreign markets outperform
- Deficits and debt dynamics accelerate: Treasury market likely needs support from the Fed (see Bank of Japan)
- Political volatility at midterms and in 2028

Disclaimer: Certain investments, including those involving futures, options and other derivative products give rise to substantial risk and are not suitable for all investors. The risks inherent in these investments may lead to material loss of capital. Past performance may not be indicative of future results. Results portrayed, including those of indices, reflect the reinvestment of dividends, as well as the effects of material market and economic conditions. Different market and economic conditions could have a material impact on performance. Index results are used for comparison purposes only and have been unaltered from their original state as received from independent sources. Historical results reflect returns that a typical investor would have received based on stated fees and do not necessarily reflect returns that actual investors received. Opinions expressed are our present opinions only. The material is based upon information that we consider reliable, but we do not represent that it is accurate or complete, and it should not be relied upon as such. This document is intended for your internal use only and may not be distributed outside your organization.

Clients are urged to compare the account statements they receive from their custodian with any statements or performance reports they receive from Clearwater Advisors

PERSI
Public Employee Retirement System of Idaho

July 29, 2025

To: PERSI Board of Directors
From: Deputy Director
Subject: Operational Updates

Building Update:

- Garage door has been replaced and is functioning. Opens at 7am and closes at 6pm.
- New multi-purpose room was created in the QA area to enhance internal departmental training.
- Constructed an IT conference room.
- Added a privacy door in Programs area to deliver more external training online.

Department Updates:

- Member Services
  - Added resources to concentrate on cleaning up outstanding warrants and locating members that have Required Minimum Distribution (RMD's) payments to claim.
  - Arrivos upgrade on the Vendor Portal going live in September.
    - Vendors can access the reports to match up to the insurance payments for retirees and dependents.
- Fiscal
  - Fully staffed. First time in a while.
  - Currently working on FY 2027 Budget.
  - Started FY 2025 audit.
  - Arrivos Employer Reporting upgrade on-time to go-live starting in November with phasing all employers in by February 2026.

- Information Technology
  - PERSI system's penetration testing is starting with Plant Moran.
  - Website redesign
    - Starting to look at outside vendors to maintain site.
    - Many PDFs are not ADA compliant.
      - Must be compliant by July 2026.
  - Security enhancements and training.
    - Dual authentication has been implemented for all PERSI employees to log into the system.
    - Phishing simulation emails have started back up for continuous training for PERSI employees.

PERSI
Public Employee Retirement System of Idaho

- <u>Quality Assurance</u>
  - Finalizing documentation of process and procedures for Member Services.
  - Working with Plant Moran to finalize audit units 6 and 7.
  - Plant Moran recommendation to do a Business Impact Analysis will start in October.

- <u>Programs</u>
  - Most employers have transitioned to Empower for choice plan reporting.
  - Training has deployed new workshops focusing on registering and navigating the newly updated myPERSI portal. Employers have been requesting this and have been well received.
  - Starting to focus on communication regarding possible future Roth contributions and part-time employees in the choice plan.

<u>New Employers:</u>

- <u>Egin Bench Canals, Inc.</u>
  - Located in St. Anthony
  - 3 Employees – No elected/appointed

- <u>Water District 29-H Marsh Creek</u>
  - Located in Downey
  - 2 Employees – 5 elected/appointed Not Paid

- <u>West Cassia Soil & Water Conservation District</u>
  - Located in Burley
  - 11 Employees – 2 Elected Not Paid

MEMORANDUM

DATE: July 18, 2025

TO: Alex Simpson Alex
Deputy Director

FROM: Mike Anderson
Financial Executive Officer

SUBJECT: New Employer

The following employer will enter the PERSI system on August 1, 2025.

EGIN BENCH CANALS, INC
Location – St. Anthony, ID – 3 Employee -0 Elected/Appointed Paid

MEMORANDUM

DATE: July 21, 2025

TO: Alex Simpson
Deputy Director

FROM: Mike Anderson
Financial Executive Officer

SUBJECT: New Employer

The following employer will enter the PERSI system on July 22, 2025:

WATER DISTRICT 29-H MARSH CREEK
Location – Downey, ID – 2 Employee – 5 Elected/Appointed Officials Not Paid

MEMORANDUM

DATE: July 18, 2025

TO: Alex Simpson Alex
Deputy Director

FROM: Mike Anderson
Financial Executive Officer

SUBJECT: New Employer

The following employer will enter the PERSI system on July 21, 2025.

WEST CASSIA SOIL & WATER CONSERVATION DISTRICT
Location – Burley, ID – 11 Employee -2 Elected/Appointed Not Paid

PERSI
Public Employee Retirement System of Idaho

July 29, 2025

TO: Retirement Board Trustees
FROM: Mike Hampton, Director
SUBJECT: Executive Legislation Process and Approval

Summary:

As discussed in the May 2025 Board meeting, staff has submitted two Executive Agency Legislative Ideas. The two ideas have been green lighted by the Governors office and now require submission of actual language of statutory amendments, statement of purpose and fiscal impact.

Key Discussion:

1) EALS 183-01: Idaho Code Cleanup Act:
    a. HB 14, Idaho Code 67-3701 all state governmental entities to review existing code and make legislative recommendation to the Idaho Legislature for the 2026 legislative session.
    b. Requires review of all Idaho Code to identify all obsolete, outdated or unnecessary statutory language.
    c. General counsel and internal subject matter experts to identify and recommend amendment to the PERSI code to address outdated, obsolete, or unnecessary language as well as amending language to improve efficiency and understanding.
2) EALS 183-02: External Tax Counsel suggested technical corrections to 59-1358(9):
    a. Replace “after-tax contributions” with “Roth contributions and investment earnings.
    b. Add IRS code section references to 401(a) and 402A to already referenced 401(k) section.
    c. Add language “as now in effect and as hereafter amended” to maintain reference to IRS code sections even if they are amended subsequently.

Action:

Staff requests the Board approve the recommended amendments to the PERSI statute, the statement of purpose and fiscal impact as presented.

Executive Agency Legislative System (EALS) Template

EALS# STATUS

EALS #: 183-01 | Status: Draft Jun 25, 2025 | DFM Analyst: A. Harper

Agency: PERSI | Special Assist: J. Neill

BASIC PROPOSAL INFORMATION

Title: Idaho Code Cleanup Act

Preferred house of origin and committee:

House: Commerce and Human Resources

CONTACTS

Contact 1: Elisa Magnuson, General Counsel

Contact 2: Mike Hampton, Director

COMMENTARY

Statement of Purpose:

Repeal Idaho Code sections: 59-1324, 1381,1382,1383,1384,1385,1396,1397 and 1399.

Amend Idaho Code sections to remove unnecessary or conflicting language or improve clarity: 59-1301, 1302, 1305A, 1320, 1331, 1342, 1350, 1351, 1352, 1352A, 1352B, 1353, 1354, 1356, 1359, 1361 and 1361A.

Fiscal impact of legislative idea:

This legislation will have no impact on the state's General fund or any dedicated fund or federal fund. Amend and repeal in accordance with Idaho Cleanup Act.

Executive Agency Legislative System (EALS) Template

EALS# STATUS

EALS #: 183-02 Status: Draft Jun 25, 2025 DFM Analyst: A. Harper

Agency: PERSI Special Assist: J. Neill

BASIC PROPOSAL INFORMATION

Title: Roth Contributions to Supplemental Benefit Plan

Preferred house of origin and committee:

House: Commerce and Human Resources

CONTACTS

Contact 1: Elisa Magnuson, General Counsel

Contact 2: Mike Hampton, Director

COMMENTARY

Statement of Purpose:

Amend §59-1308(9) to replace “after-tax contributions” with “Roth contributions and investment earnings” to align with IRS regulations regarding the type of after-tax contributions referred to in this section. Add references to IRS code sections 401(a) and 402A to compliment existing reference to 401(k). Add “as now in effect and as hereafter amended” to maintain reference to IRS code if future amendments to IRS code occur.

Fiscal impact of legislative idea:

This legislation will have no impact on the state’s General fund or any dedicated fund or federal fund. This is a technical correction to update terminology only.

EALS 183-02

59-1308. SUPPLEMENTAL BENEFIT PLAN — CONTRIBUTIONS AND EXPENSES OF THE SUPPLEMENTAL BENEFIT PLAN — INDEMNIFICATION. (1) The state shall sponsor and the board shall administer one (1) or more supplemental benefit plans to be used for allocation of extraordinary gains as provided in section 59-1309, Idaho Code, and for voluntary contributions of active members. The supplemental plans may be established under the qualified requirements of section 401(a) of the Internal Revenue Code and with the qualified cash or deferred arrangements under section 401(k) of the Internal Revenue Code or any other tax-deferred plan permitted by law, as determined by the retirement board. The board is authorized to secure such qualified staff and consultants as it determines necessary to establish and administer such plans. Employee and employer contributions shall be permitted according to the provisions of these plans as established by the board. For purposes of this section, "employee" shall mean a participant as defined in the supplemental benefit plan documents or board rules.

(2) The board is authorized, but not required, to establish separate trust funds to hold the assets of the supplemental benefit plans created under this section. The investment options available under supplemental benefit plans shall be determined by the board and may include but are not limited to investment in all or part of the public employee retirement fund and use of private vendor options.

(3) Supplemental benefit plans shall be available to all active members and shall be in addition to any other retirement or tax-deferred compensation system established by the employer. The board may provide educational opportunities related to supplemental benefit plans and retirement savings, as determined by the board.

(4) Accounts shall be established in supplemental benefit plans for all active members eligible for an extraordinary gains transfer under section 59-1309, Idaho Code. After the initial transfer of extraordinary gains, any active member may make additional voluntary contributions to his/her account, subject to applicable limitations, by authorizing his/her employer to contribute an amount by payroll deduction to the supplemental benefit plan in lieu of receiving such amount as salary. The amount of such contributions shall be subject to any limitations established by the board or state or federal law. The employer shall provide coordination of contributions between multiple plans to assure that contribution limits are not exceeded. Should aggregate contributions to multiple plans exceed applicable limits, excess contributions shall be deemed to apply exclusively to plans not created by this chapter. In the event a preexisting plan is used as a supplemental plan, voluntary contributions may continue to be made to that plan despite the absence of extraordinary gains transfers.

(5) For purposes of this section, the employer is authorized to make such deductions from salary for any employee who has authorized such deductions in writing. The employer shall forward all contributions under this section to the board by the fifth working day

after each payroll, in addition to reports as directed by the board. Any costs incurred by the board, whether direct or indirect, due to an employer's failure to properly withhold, transfer, limit and report contributions, shall be the responsibility of the employer and shall be immediately due and payable upon notice from the board. This includes but is not limited to costs associated with plan corrections. Such costs shall be treated as delinquent contributions under section 59-1325, Idaho Code.

(6) The board may enter into agreements with employers or require participation to implement the supplemental benefit plans, and the board may designate administrative agents to execute all necessary agreements pertaining to the supplemental benefit plans.

(7) All contributions received from participants in the supplemental benefit plans shall be deposited with a trustee designated by the board. All such funds are hereby perpetually appropriated to the board, shall not be included in the department's budget, and may be invested or used to pay for investment and administrative expenses of the supplemental benefit plans. Inactive members may be required to transfer supplemental benefit plan account balances as determined by the board.

(8) The board may establish rules to implement and administer supplemental benefit plans. Costs of administration shall be appropriated by the legislature and may be paid from the interest earnings of the funds accrued as a result of the deposits or as an assessment against each account, to be decided by the board. Investment-related expenses are exempt from appropriation.

(9)(a) Qualified pre-tax contributions and investment earnings under the supplemental benefit plans shall be in compliance with the requirements of sections 401(a) and 401(k) of the Internal Revenue Code, as now in effect and as hereafter amended, or any other tax-deferred plan permitted by law.

(b) Qualified ~~after-tax contributions~~ Roth contributions and investment earnings shall be in compliance with the requirements of sections 401(a),401(k), and 402A of the Internal Revenue Code~~.~~as now in effect and as hereafter amended; and

(c) Distributions of funds held in supplemental benefit plan accounts are subject to federal law limitations. The board may provide for retirement disbursement options other than lump sum payments.

(10) All additional contributions made by the employee under this section shall continue to be included as regular compensation for the purpose of computing the employer and employee retirement contributions and pension benefits earned by an employee under this chapter, but such sum shall not be included in the computation of any income taxes withheld on behalf of any employee. However, funds accrued in a supplemental benefit plan account shall not be considered in determining any other benefits under this chapter.

(11) The provisions of sections 59-1316 and 59-1317(1), (2) and (5), Idaho Code, shall also apply to the supplemental benefit plans created under this section. Should a court order that an assignment be made to a participant's spouse or former spouse of all or part of an account created under this section, the assignment shall be separate and distinct from any approved domestic retirement order required by

section 59-1317(4), Idaho Code. Requirements for assignments of supplemental accounts may be set forth in rule or other plan documents.

(12) Members of the retirement board or retirement system staff shall, jointly or individually, be provided a defense and indemnified against all claims, demands, judgments, costs, charges and expenses, including court costs and attorney's fees, and against all liability losses and damages of any nature whatsoever arising out of and in the course and scope of their official duties and functions in administering any plans created pursuant to the provisions of this section to the same extent as provided in section 59-1305(1), Idaho Code. The venue of all actions in which the retirement board or retirement staff is a party shall be in Ada county, Idaho.

PERSI
Public Employee Retirement System of Idaho

July 29, 2025

TO:	Retirement Board Trustees
FROM:	Cheryl George, General Counsel and Mike Hampton, Director
SUBJECT:	Requirements for Recommendation of Change of Classification

Summary:

Idaho Code §59-1303(2) specifically states "the board shall provide a recommendation to any Idaho legislative committee considering such legislative proposal or bill" with regards to any legislation contemplating adding more members or positions to the rule of 80.

Key Discussion:

1) Staff has drafted a list of information required to be submitted to the Board to assist in making any recommendation to the legislator. Does this list encompass all the information the Board would like to see?
2) Would the Board prefer a presentation from the entity drafting the legislation or would the Board prefer staff review all information and make a recommendation to the Board?

Action:

For discussion and information only.

MEMO REGARDING REQUIREMENTS TO I.C. §59-1303(2)

The purpose of this memo is to help set forth what information PERSI's board will need to provide a recommendation for change of classification of employee status from Rule of 90 to Rule of 80 considering requirements set forth by HB508 (2024), amending I.C. §59-1303(2). Specifically, I.C. §59-1303(2) states:

> *After July 1, 2024, police officer member status should only be considered for additional categories or classes of employees engaged in hazardous duty and engaged in jobs where the employee becomes superannuated due to the arduous physical requirements of the job. For the purposes of this section, "hazardous duty" means duties performed under circumstances that may result in serious injury or death and that involve physical hardship. Stress alone is not a sufficient hardship for police officer member status. For any legislative proposal or bill that would add additional classes of employees to subsection (3) of this section or that would otherwise increase police officer member status, the board shall provide a recommendation to any Idaho legislative committee considering such legislative proposal or bill.*

For Persi's board to provide a recommendation, the following information is needed:

- Draft statutory language.
- Specific positions or list of job titles to be considered for Rule of 80.
- An Actuarial Impact Study would need to be completed by Milliman and paid for by the requester, with the following information provided to complete the study:
  - The number of positions that would be changed to Rule of 80.
  - Salaries of positions that would be moved.
  - Ages of people moving to Rule of 80.
- Justification for new Rule of 80 positions.
  - Description of job duties, including specific tasks performed, circumstances that may result in serious injury of death, and the arduous physical requirements of the job.
  - Description of how the job duties include physical hardship.
  - In the last 20 years, the number of on-the-job injuries that occurred to people in the job positions.
  - In the last 20 years, the number of deaths attributable to on-the-job duties that occurred to people in the job positions.
  - Description of how the employee would become superannuated in these positions due to the arduous physical requirements of the position seeking Rule of 80

PERSI

401(k) PLAN

Effective February 1, 2001

As amended effective, generally, January 1, 2026 (twelfth) amended plan)

INTRODUCTION

On July 1, 1971, the State of Idaho Department of Health and Welfare adopted a supplemental retirement plan known as the State of Idaho Department of Health and Welfare Supplemental Retirement Plan. On April 1, 1972, the State of Idaho Department of Lands adopted a similar supplemental retirement plan known as the State of Idaho Department of Lands' Supplemental Retirement Plan. These plans were adopted before section 401(k) of the Internal Revenue Code of 1986, as amended (the "Code") became effective. However, since both plans provided for pre-tax contributions from their inception, they became subject to section 401(k) when that section became effective.

On October 1, 1994, the state of Idaho adopted the Idaho Super Saver 401(k) Plan (the "grandfathered plan"). At that time, most of the assets of the State of Idaho Department of Health and Welfare Supplemental Retirement Plan and the State of Idaho Department of Lands' Supplemental Retirement Plan were transferred to the grandfathered plan. Initially, the grandfathered plan was available only to employees of the Department of Health and Welfare and the Department of Lands.

On March 14, 1995, section 59-1308 of the Idaho Code was enacted into law. That legislation gave the Retirement Board of the Public Employee Retirement System of Idaho (the "Board") the authority to extend the grandfathered plan to the same group of employees as is covered under the Public Employees Retirement System of Idaho (PERSI). Subsequently, the grandfathered plan was extended to cover all employees of the State of Idaho but was not extended to cover all employees covered by PERSI, such as employees of political subdivisions and school districts.

Beginning in June 1999, PERSI sought, and in April 2000, secured a private letter ruling from the Internal Revenue Service confirming that the grandfathered plan could be extended to cover all employees eligible to participate in the PERSI plan without jeopardizing its status as a qualified cash or deferred arrangement within the meaning of Code section 401(k). Since the grandfathered plan as extended does not violate section 401(k)(4)(B) of the Code, Treasury regulations permit PERSI to adopt a separate and independent 401(k) plan that covers all employees eligible to participate in the PERSI plan, including but not limited to employees of political subdivisions and school districts. Consequently, PERSI hereby adopts this PERSI 401(k) Plan (the "Plan"), which plan is separate and distinct from the Idaho Super Saver 401(k)

Plan that will continue to operate independently until terminated and/or combined with the PERSI 401(k) Plan. The Idaho Super Saver 401(k) merged into the Plan effective October 1, 2001.

The Plan consists of the qualified cash or deferred arrangement under Code Section 401(k). The Plan is intended to be a "governmental plan" within the meaning of Code Section 414(d) and within the meaning of section 3(32) of the Employee Retirement Income Security Act of 1974, as amended, ("ERISA") and, as such, is exempt from provisions of Title I of ERISA.

The twelfth amended plan is adopted to make changes to the plan to add Roth deferrals and make changes to comply with the requirements of recent federal regulations, primarily the Setting Every Community Up for Retirement Enhancement Act of 2022. The twelfth amended plan is adopted generally effective January 1, 2026, except as otherwise provided in the plan.

ARTICLE I
DEFINITIONS

As used herein, unless otherwise required by the context, the following words and phrases shall have the meanings indicated:

<u>Appropriate Request</u> – A request by a Participant or Beneficiary in the form and manner provided by the Board or the Plan's recordkeeper that is appropriate for the intended purpose. If the Board and the Plan's recordkeeper so agree, an Appropriate Request may be executed over the telephone or Internet. To constitute an Appropriate Request, such request must be completed correctly and, if required to be in writing, duly executed and delivered to a designated recipient.

<u>Beneficiary</u> - Any person designated as a Beneficiary by a Participant, or subsequently designated by the Participant's Beneficiary following the death of both the Participant and the first designated Beneficiary, under Section 2.3 or deemed to be a Beneficiary under Section 2.3 to receive such benefits as may become payable hereunder after the death of such Participant or Beneficiary.

<u>Board</u> - The board provided for in Section 8.1 to administer the Plan.

<u>Code</u> - The Internal Revenue Code of 1986, as amended, and as currently in effect.

<u>Deferral Compensation</u> - The Section 415 Compensation paid to an Employee by the Employer for his services. Deferral Compensation in excess of $350,000 (or such different amount as may be applicable under Code Section 401(a)(17)(B)) shall not be taken into account. Effective July 1, 2009, Deferral Compensation will not include differential wage payments (as defined in Section 3401(h) of the Code).

<u>Disability</u> – The inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or last for a continuous period of 12 months or more, as certified by a licensed physician selected by the Participant and approved by the Employer. This standard is different from the standard applicable to the PERSI Base Plan.

<u>Eligible Employee</u> - An Employee eligible for participation under Section 2.1.

<u>Employee</u> - Any person employed by the State or any political subdivision or governmental entity within the State that participates in the PERSI Base Plan. Any participant in the Idaho Super Saver 401(k) plan on September 30, 2001. Effective July 1, 2009, an individual receiving a differential wage payment, as defined in Section 3401(h)(2)

of the Code, from the Employer is treated as an Employee. Notwithstanding the preceding sentences, the following shall not be considered an Employee for purposes of this Plan: (1) any individual who is classified as an independent contractor by an Employer, regardless of such individual's classification by the Internal Revenue Service for tax withholding purposes; (2) any individual who is a nonresident alien and who receives no earned income from his Employer which constitutes income from sources within the United States; or (3) any individual who is otherwise excluded from participation hereunder by the terms of this Plan.

Employee Pre-Tax Sub-Account - That portion of a Participant's Individual Account attributable to the Employee Pre-Tax Contributions allocated to such Participant under Section 4.2 and any earnings or losses on such contributions, and effective October 1, 2001, employee pre-tax contributions transferred from the Idaho Super Saver 401(k) plan as a result of the October 1, 2001 merger. Employee pre-tax contributions transferred from the Idaho Super Saver 401(k) plan shall be a separate sub-account within the Employee Pre-Tax Sub-Account.

Employee Pre-Tax Contributions - Contributions made to the Plan by the Employer on behalf of an Employee under Section 3.1(a)(1) pursuant to a salary reduction agreement entered into between the Participant and his Employer.

Employee Roth Contributions – Contributions made to the Plan by the Employer on behalf of an Employee under Section 3.1(a)(3) pursuant to a salary reduction agreement entered into between the Participant and his Employer that are not excludable from gross income and are intended to satisfy the requirements of Section 402A of the Code.

Employee Roth Sub-Account - That portion of a Participant's Individual Account attributable to the Employee Roth Contributions allocated to such Participant under Section 4.2(b) and any earnings or losses on such contributions.

Employer - Collectively or individually as the context may indicate, the State of Idaho, its agencies and instrumentalities, local school districts, and political subdivisions of the State of Idaho who participate in PERSI, and all other entities who participate in PERSI.

Employer Contributions - Contributions made to the Plan by the Employer under Section 3.2.

Employer Contributions Sub-Account - That portion of a Participant's Individual Account attributable to the Employer Contributions allocated to such Participant under Section 4.3 and any earnings or losses on such contributions.

Fund - The Trust Fund.

Individual Account - The aggregate of a Participant's Employee Pre-Tax Sub-Account, Employee Roth Sub-Account, Employer Contribution Sub-Account and Rollover Sub-Account. A Participant shall be 100% vested in his Individual Account at all times.

Investment Option – The investment vehicle elected by the Participant in accordance with Section 2.4 for investment of his Individual Account. The Board may add, change or delete the available Investment Options at any time.

Limitation Year - January 1 - December 31.

Normal Retirement Age - Age 50.

Participant - Any Employee or former Employee who has an Individual Account balance and any Employee who has met the eligibility requirements of Section 2.1. Participation ends in accordance with Section 2.2.

Plan - The PERSI 401(k) Plan, as contained herein or as duly amended.

Plan Year - July 1 – June 30.

Prime Rate - The "prime rate," as published in the "Money Rates" section of the *Wall Street Journal*.

Rollover Contributions - Contributions made to the Plan under Section 3.3.

Rollover Sub-Account - That portion of a Participant's Individual Account attributable to the Rollover Contributions allocated to such Participant under Section 4.4 and any earnings or losses on such contributions. Rollover contributions transferred as a result of the October 1, 2001 merger of the Idaho Super Saver 401(k) shall be a separate sub-account within the Rollover Sub-Account. In-plan Roth conversions or a rollover containing Roth contributions pursuant to Section 3.3 may be allocated to a separate sub-account within the Rollover Sub-account.

Section 415 Compensation – Effective beginning July 1, 2001, an Employee's wages as defined in Code Section 3401(a) and all other payments of compensation to an Employee by an Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code Sections 6041(d) and 6051(a)(3) (Form W-2). Section 415 Compensation shall be determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2)). Section 415 Compensation also includes any elective deferrals as defined in Code Section 402(g)(3), including Employee Pre-Tax Contributions and Employee Roth Contributions to this

Plan, and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Code Section 125, 132(f) or 457.

In accordance with Treasury Regulation §1.415(c)-2(e)(3), Section 415 Compensation includes (1) amounts that would have been paid in the absence of a severance from employment and is regular pay for services (such as regular wages, overtime or shift differential), commissions, bonuses, or other similar compensation; and (2) amounts that are payment for accrued bona fide sick, vacation, or other leave that could have been used if employment continued provided such payments are made by the later of 2½ months after severance from employment or the last day of the Limitation Year that includes the date of the severance from employment. Effective July 1, 2009, Section 415 Compensation will include differential wage payments as defined in Section 3401(h) of the Code.

State – The state of Idaho.

Treasury Regulation - Interpretations of the Code promulgated by the United States Department of the Treasury and generally codified in Title 26 of the Code of Federal Regulations, as amended and as currently in effect.

Trust Agreement - The agreement entered into between the Board and the Trustee or Custodian under Article VII.

Trust Fund - All funds received by the Trustee together with all income, profits and increments thereon, and less any expenses or payments made out of the Trust Fund.

Trustee - Such individual, individuals, financial institution, or a combination of them as shall be designated in the Trust Agreement to hold in trust any assets of the Plan for the purpose of providing benefits under the Plan, and shall include any successor trustee to the Trustee initially designated thereunder.

Valuation Date – Each business day of the Plan Year as of which Individual Accounts are valued.

ARTICLE II
ELIGIBILITY AND PARTICIPATION

2.1 Eligibility

(a) Any Employee who has received a gain sharing distribution as provided in section 59-1309, as long as he remains an Employee.

(b) Any active member in the PERSI Base Plan so long as he remains an Employee.

(c) Effective no later than January 1, 2026, all Employers shall cause all Employees who receive income reportable under Code Section 3401 (wages for purposes of reporting on Form W-2, or any successor form) to be treated as Eligible Employees.

(d) Any member of the Judge's Retirement Fund created by Title 1, Chapter 20, Idaho Code, as amended, or any successor statute, so long as he remains an Employee.

(e) Any member of the Idaho Department of Labor Retirement Plan created by Section 72-1335, Idaho Code, as amended, or any successor statute, so long as he remains an Employee.

2.2 Participation

(a) On and after July 1, 2001, each Eligible Employee may, by making an Appropriate Request, enter into a salary reduction agreement in accordance with Section 3.1(a). Such salary reduction agreement shall become effective as of the first day of the pay period as soon as administratively practical following the date on which the Appropriate Request is processed by the Plan's recordkeeper.

(b) Each person who becomes a Participant shall remain a Participant so long as he remains an Employee or maintains an Individual Account balance. If a Participant terminates employment with no balance in his Individual Account, he shall cease being a Participant upon his termination of employment. In the event an Employee ceases to be a Participant and is later reemployed as an Eligible Employee, he shall once again become a Participant upon his reemployment date.

2.3 Beneficiary Designation

(a) All Participants in this plan should have designated or will designate a Beneficiary by making an Appropriate Request. In the absence of any valid designation of

Beneficiary by the Participant, the balance of the Participant's account shall be paid to the estate of such Participant upon such Participant's death.

(b) After the death of the Participant, a Beneficiary may designate a further Beneficiary, by making an Appropriate Request, to receive any benefits under the Plan which may become payable as a result of the death of the Beneficiary. If no such designation has been made, such benefits shall be payable to the estate of the Beneficiary.

(c) The interpretation of the Beneficiary designation, subject to applicable law, shall be binding and conclusive upon all parties, and no person who claims to be a Beneficiary, or any other person, shall have the right to question any action of the Board.

2.4 Investment Option Specification

(a) Each Employee who has entered into a salary reduction agreement in accordance with Section 3.1(a) may, by making an Appropriate Request, specify the Investment Option or Investment Options, if any, in which he elects to have his Individual Account invested. In the absence of any valid Investment Option specification, a Participant's Individual Account shall be invested in the Investment Option designated by the Board to be the default option.

(b) A Participant may, by making an Appropriate Request, change his Investment Option specification with respect to Participant's Individual Account Contributions to be made in the future and with respect to amounts already in his Individual Account. Exchanges between Investment Options shall be subject to such administrative procedures as have been designated by the recordkeeper and may also be subject to applicable trading restrictions to discourage rapid or excessive trading and market timing.

2.5 Notification of Individual Account Balance

At least as frequently as quarterly, the Plan's recordkeeper shall notify each Participant of the amount of his Employee Pre-Tax Contributions, Employee Roth Contributions, Employer Contributions, and Rollover Contributions, if any, for the period just completed and the balance of his Individual Account, including distributions, loans and withdrawals, if any, since the effective date of the last statement.

ARTICLE III
CONTRIBUTIONS

3.1 Employee Pre-Tax and Roth Contributions

A Participant may have Employee Pre-Tax Contributions made to the Plan on his behalf as follows:

(a) (1) A Participant may enter into a salary reduction agreement with his Employer in which it is agreed that the Employer will reduce the Participant's Deferral Compensation during each pay period by a designated percentage or amount and contribute that percentage or amount to the Plan on behalf of the Participant as an Employee Pre-Tax Contribution. Employee Pre-Tax Contributions may be any whole percentage between 1% and 100% of the Deferral Compensation otherwise payable to the Participant during the applicable pay period or any fixed dollar amount per pay period. Effective July 1, 2013, an Employer may permit Employee Pre-Tax Contributions in any percentage between 1% and 100% of the Deferral Compensation (regardless of whether such percentage is a whole percentage).

The Employer may disregard or modify a Participant's salary reduction agreement to the extent necessary to insure the excess deferral rules of subsection (c) are met and the Code Section 415 limitations set forth in Section 4.5 are not exceeded.

The salary reduction agreement of an Employee who becomes eligible to participate in the Plan shall be effective under the rules set forth in Section 2.2.

(2) Employee Pre-Tax Contributions shall be invested among the various Investment Options in accordance with the Employee's outstanding Investment Option election as in effect under Section 2.4.

(3) Effective as soon as may be administratively practical by Employers participating in this Plan, but in no event later than January 1, 2026, a Participant may have Employee Roth Contributions made to the Plan on his behalf as follows:

(a) (1) A Participant may enter into a salary reduction agreement with his Employer in which it is agreed that the Employer will reduce the Participant's Deferral Compensation during each pay period by a designated percentage or amount and contribute that percentage or amount to the Plan on behalf of the Participant as an Employee Roth Contribution. Employee Roth Contributions may be any whole percentage between 1% and 100% of the

Deferral Compensation otherwise payable to the Participant during the applicable pay period or any fixed dollar amount per pay period.

The Employer may disregard or modify a Participant's salary reduction agreement to the extent necessary to insure the excess deferral rules of subsection (c) are met and the Code Section 415 limitations set forth in Section 4.5 are not exceeded.

The salary reduction agreement of an Employee who becomes eligible to participate in the Plan shall be effective under the rules set forth in Section 2.2.

(4) Employee Roth Contributions shall be invested among the various Investment Options in accordance with the Employee's outstanding Investment Option election as in effect under Section 2.4.

(5) Amounts contributed by salary reduction shall be remitted to the Board by the fifth working day after each payroll.

(b) A Participant who has in effect a salary reduction agreement may elect to change such agreement, including prospectively suspending such agreement, by making an Appropriate Request. Such election shall become effective as of the first day of the pay period as soon as administratively practical following the date on which the Appropriate Request is processed.

(c) Excess deferrals

(1) No Participant may have Employee Pre-Tax Contributions or Employee Roth Contributions made on his behalf under this Plan in any calendar year, which in the aggregate exceed the amount specified by the Secretary of the Treasury for purposes of Code Section 402(g)(1). For purposes of the preceding sentence, Employee Pre-Tax Contributions and Employee Roth Contributions are deemed made as of the pay date for which the salary is deferred, regardless of when the contributions are actually made to the Trust Fund.

(2) If in any calendar year the aggregate of a Participant's Employee Pre-Tax Contributions and Employee Roth Contributions made on his behalf under this Plan, plus his other elective deferrals under any other qualified cash or deferred arrangement (as defined in Code Section 401(k)) maintained by any sponsor, under any simplified employee pension (as defined in Code Section 408(k)), or used to have an annuity contract purchased on his behalf under Code Section 403(b), exceed the limitations of paragraph (1), then no later than the April 15 following such calendar year the Participant may notify the Employer (i) that he has exceeded the limitation and (ii) of the amount of his elective deferrals under plans which he wants distributed to him (and earnings thereon) notwithstanding his salary reduction agreement so that

he will not exceed the limitation. The Employer may require the Participant to provide reasonable proof that he has exceeded the limitation of paragraph (1).

If in any calendar year the aggregate of a Participant's Employee Pre-Tax Contributions and Employee Roth Contributions made on his behalf under the Plan, plus his other elective deferrals under any other qualified cash or deferred arrangement (as defined in Code Section 401(k)) maintained by the Employer, under a simplified employee pension (as defined in Code Section 408(k)) sponsored by the Employer, or used to have the Employer purchase an annuity contract on his behalf under Code Section 403(b), exceed the limitations of paragraph (1), then the Participant shall be deemed to have notified the Employer that (i) he has exceeded the limitation and (ii) he wants distributed to him the amount of such excess deferrals (and income thereon) notwithstanding the salary reduction agreement so that he will not exceed the limitation. No later than the next April 15, the Employer may (but shall not be obligated to) make the distribution requested, or deemed to have been requested, by the Participant under this subparagraph. Such distribution may be made notwithstanding any other provision of law or this Plan. It is the responsibility of each Employer to monitor this limitation and to notify the appropriate plan that a distribution is necessary. Except as otherwise provided by Treasury Regulations, such distribution shall not reduce the amount of Employee Pre-Tax Contributions and Employee Roth Contributions considered as Annual Additions under Section 4.5. Any amounts not distributed under this subparagraph shall continue to be held in accordance with the terms of this Plan.

The income allocable to excess deferrals for a taxable year that begins on or after January 1, 2007 is equal to the sum of the allocable gain or loss for the taxable year of the individual plus the allocable gain or loss for the period after the close of the taxable year and prior to the distribution.

3.2 Employer Contributions

A Participant's employer may make Employer Contributions to the plan on behalf of the Participant as follows:

(a) An Employer may match Employee Pre-Tax Contributions and Employee Roth Contributions on an on-going basis under a formula set forth in writing by the Employer.

(b) An Employer may make one-time, quarterly, semi-annual, or annual contributions to a Participant's accounts under a formula set forth in writing by the Employer.

(c) All Employer Contributions shall be fully vested when made.

(d) Employer Contributions shall be invested among the various Investment Options in accordance with the Employee's outstanding Investment Option election as in effect under Section 2.4.

(e) Employer contributions shall be remitted to the Board by the fifth working day after each payroll where a contribution is reported.

3.3 Rollover Contributions and Roth Conversions

(a) A Participant may make a Rollover Contribution to the Plan, provided it qualifies for tax free rollover treatment under Code Sections 402(c) or 408(d). After-tax contributions will not be accepted. Rollover Contributions must be in cash; contributions in-kind shall not be permitted. Rollover Contributions shall be held in the Participant’s Rollover Sub-Account. A Rollover Contribution made by a Participant to the Plan shall be invested in accordance with the Participant’s outstanding Investment Option specification.

(b) Any rollover of “designated Roth contributions” shall be subject to the requirements of Code Section 402(c). For purposes of this Section 3.3(b), “designated Roth contributions” means any elective deferrals made to another plan that would be excludable from a Participant’s income but for the Participant’s election to designate such contributions as Roth contributions. If the Plan accepts a direct rollover of "designated Roth contributions," the recordkeeper shall be entitled to rely on a statement from the distributing plan's administrator identifying (i) the Participant's basis in the rolled over amounts and (ii) the date on which the Participant's 5-taxable-year period of participation (as required under Code Section 402A(d)(2) for a qualified distribution of "designated Roth contributions") started under the distributing plan. If the 5-taxable-year period of participation under the distributing plan would end sooner than the Participant’s 5-taxable-year period of participation under the Plan, the 5-taxable-year period of participation applicable under the distributing plan shall continue to apply with respect to the Rollover Contribution.

(c) Notwithstanding the above, a Participant or Beneficiary may elect to have any portion of his Account otherwise distributable under the terms of the Plan, which is not “designated Roth contributions” under the Plan and meets the definition of an “eligible rollover distribution” under Section 5.9 be considered “designated Roth contributions” for purposes of the Plan. Such assets shall also retain any distribution rights, such as those found in Article 6, applicable to them prior to the conversion and shall be treated as Rollover Contributions for purposes of withdrawal pursuant to Section 6.3. Each such in-plan rollover shall be subject to its own 5-taxable year period of participation and subject to the requirements of Code Section 408A(d)(3)(F).

(d) Any Participant who is an Eligible Employee may elect to have any part of the portions of his Account as may be described and limited therein, which are not "designated Roth contributions" and are not currently distributable under the Plan, be considered "designated Roth contributions" for purposes of the Plan. Any assets converted in such a way shall be considered a rollover only for purposes of this Section, be separately accounted for, be maintained in such records as are necessary for the proper reporting thereof. A conversion in accordance with the preceding sentence will not eliminate any Code Section 411(d)(6) protected distribution rights attributable to the amount being converted.

(e) The recordkeeper shall require such information from Eligible Employees as it deems necessary to ensure that amounts contributed under this Section 3.3 meet the requirements for tax-deferred rollovers established by this Section and by Code Section 402(c) and develop procedures to govern the Plan's acceptance of Rollover Contributions.

(f) If a Rollover Contribution made under this Section is later determined not to have met the requirements of this Section or of the Code or Treasury Regulations, the Trustee shall, within a reasonable time after such determination is made, distribute to the Employee the amounts then held in the Trust attributable to such Rollover Contribution.

3.4 USERRA

Notwithstanding any provision of this Plan to the contrary, Employee Pre-Tax Contributions and Employee Roth Contributions with respect to qualified military service will be permitted in accordance with Code Section 414(u).

3.5 Catch-up Contributions

(a) Beginning January 1, 2002, Participants who are eligible to make elective deferrals under this plan and who will attain at least age 50 before the close of the plan year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, section 414(v) of the Code. Unless otherwise implemented by an Employer participating in this Plan, catch-up contributions shall be allowed without regard to the limitations described in section 414(v)(2)(B)(i) of the Code pertaining to the "adjusted dollar amount" set forth in section 414(v)(2)(E) of the Code for an eligible participant who would attain age 60, but would not attain age 64, before the close of the taxable year ending after December 31, 2024. Subject to subsection (b), catch-up contributions may be in the form of Employee Pre-Tax Contributions and/or Employee Roth Contributions, as designated by the Participant. Such catch-up contributions shall not be taken into account for purposes of the provisions of the plan implementing the required limitations of section 402(g) and 415 of the Code. The plan shall not be treated as failing to satisfy the provisions of the plan implementing the requirements of section 401(k)(3), 401(k)(11), 401(k)(12), 410(b), or 416 of the Code, as applicable, by reason of the making of such catch-up contributions.

(b) Beginning January 1, 2026, the catch-up contributions of any Participant who is eligible to make elective deferrals and who will attain at least age 50 before the close of the calendar year and whose wages for purposes of Section 3121(a) of the Code (wages for purposes of the Federal Insurance Contributions Act) for the preceding calendar year exceed $145,000 will be treated as Employee Roth Contributions, without regard to the Participant's election. The Secretary of the Treasury shall adjust annually the $145,000 amount for increases in the cost-of-living at the same time and in the same manner as adjustments under Section 415(d) of the Code.

ARTICLE IV
ALLOCATIONS TO INDIVIDUAL ACCOUNTS

4.1 Individual Accounts

(a) The Board shall establish and maintain an Individual Account in the name of each Participant, comprised of the following sub-accounts to which the Board shall credit all amounts allocated to each such Participant: an Employee Pre-Tax Sub-Account, an Employee Roth Sub-Account, an Employer Contribution Sub-Account and a Rollover Sub-Account. All Sub-Accounts will be treated as one account for purposes of Participant direction of Investment Options.

(b) A Participant shall be 100% vested in his Individual Account at all times.

(c) Separate accounts shall be maintained for all former Employee Participants who have an interest in the Plan and have been separated from employment for ninety (90) days.

(d) The maintenance of separate accounts shall not require a segregation of the Trust assets and no Participant shall acquire any right to or interest in any specific asset of the Trust as a result of the allocations provided for in the Plan.

4.2 Allocation of Employee Pre-Tax and Roth Contributions

(a) A Participant's Employee Pre-Tax Contributions under Section 3.1(a)(1) shall be allocated to the Participant's Employee Pre-Tax Sub-Account, and shall be invested in accordance with the Participant's outstanding Investment Option specification.

(b) A Participant's Employee Roth Contributions under Section 3.1(a)(3) shall be allocated to the Participant's Employee Roth Sub-Account and shall be invested in accordance with the Participant's outstanding Investment Option specification.

4.3 Allocation of Employer Contributions

Employer Contributions under Section 3.2 shall be allocated to the Participant's Employer Contribution Sub-Account, and shall be invested in accordance with the Participant's outstanding Investment Option specification.

4.4 Allocation of Rollover Contributions

A Participant’s Rollover Contributions under Section 3.3 shall be allocated to the Participant’s Rollover Sub-Account, as well as any special sub-accounts established within the Participant’s Rollover Sub-Account and shall be invested in accordance with the Participant’s outstanding Investment Option specification.

4.5 <u>Maximum Additions</u>

(a) Except to the extent permitted under Section 3.5 and Code Section 414(v), the sum of the Employee Pre-Tax Contributions, Employee Roth Contributions, and Employer Contributions for any Limitation Year (the "Annual Additions"), when combined with any annual additions credited to the Participant for the same period under any other qualified defined contribution plan (or a defined benefit plan treated as partially consisting of a defined contribution plan pursuant to Code Section 414(k)) maintained by the Employer, shall not exceed the lesser of the following:

(1) $70,000 or such larger amount as may be determined under Code Section 415(c)(1)(A) and 415(d); or

(2) 100% of the Participant's total Section 415 Compensation received from the Employer for such Limitation Year.

(b) In the event a Participant is covered by this Plan and another qualified defined contribution plan (or the Participant is covered by this Plan and a defined benefit plan treated as partially consisting of a defined contribution plan pursuant to Code Section 414(k)) maintained by the Employer, the maximum Annual Additions to each Plan shall be decreased as determined necessary to insure that the limitations of Code Section 415(c) are not exceeded in the following order: (1) any plan other than this Plan and any Code Section 414(k) plan, (2) then this Plan, and (3) then any Code Section 414(k) plan.

(c) In the event that corrective adjustments in the Annual Additions to any Individual Account in this Plan are required due to a reasonable error in estimating a Participant's compensation or in determining the amount of Employee Pre-Tax Contributions and Employee Roth Contributions that may be made with respect to any Participant under the annual additions limit of subsection (a), the adjustment shall be made by first distributing the Employee Pre-Tax Contributions, plus earnings on such Employee Pre-Tax Contributions, to the Participant who made them, then by distributing the Employee Roth Contributions, plus earnings on such Employee Roth Contributions, to the Participant who made them.

(d) In the event that corrective adjustments in the Annual Additions to any Individual Account are required for any reason other than those specified in the preceding paragraph, the adjustment shall be made in accordance with the correction methods provided in this Plan or any methods endorsed by the Internal Revenue Service.

ARTICLE V

DISTRIBUTIONS

5.1 Termination of Employment or Attainment of Age 59½

(a) As soon as administratively feasible following the termination of employment of a Participant for any reason, the value of the Participant's Individual Account (as determined under Section 5.8) shall become payable. Upon request by the Participant or Beneficiary, the Board shall direct the Trustee to distribute to the Participant or Beneficiary such amount in accordance with the provisions of this Article, as applicable. The failure of a Participant or Beneficiary to request a distribution shall be deemed to be an election to defer distribution.

(b) In the event a Participant who terminated employment with an Employer is reemployed with an Employer prior to receiving a full distribution of the Participant's Individual Account, he or she shall not be entitled to a distribution as provided in this Article due to such termination, but shall be entitled to a distribution as determined herein upon any subsequent termination of employment or as provided in subsection (c).

(c) If a Participant is an Employee beyond the date the Participant attains age 59½, the Participant may elect to receive an in-service distribution of the Participant's Individual Account, excluding any gain sharing contribution in accordance with Code Section 414(k). If elected, the amount to be distributed will be distributed or will commence to be distributed as soon as administratively reasonable after the date of this election. Distribution will be made in accordance with the provisions of this Article V.

5.2 Method of Payment

(a) <u>Account Balances Less than or Equal to $1,000</u>. If, on the date that is 90 days after the Participant terminates employment with the Employer, the value of a Participant's Individual Account (as determined under Section 5.8) does not exceed $1,000, the Participant or Beneficiary shall not elect a payment option and benefit payments hereunder shall be made in a lump-sum payment representing the entire account balance.

(b) <u>Account Balances Greater than $1,000 and Less than or Equal to $5,000.</u>

(1) If, on the date a distribution is requested by the Participant, the value of a Participant's Individual Account (as determined under Section 5.8) is greater than \$1,000 but does not exceed \$5,000, the Participant or Beneficiary may choose between the lump sum option described in Section 5.3(a) or the partial lump sum option described in Section 5.3(f).

(2) The only exception to subsection (1) is that a Participant who terminates employment on or after attaining Normal Retirement Age, may purchase service in the PERSI Base Plan as permitted by that plan, and Section 5.3(e) of this Plan.

(c) <u>Account Balances Greater than \$5,000.</u>

(1) Normal Retirement. If a Participant who terminates employment on or after reaching Normal Retirement Age requests a distribution and his Individual Account (as determined under Section 5.8) exceeds \$5,000, the Participant may choose from any of the distribution options in Section 5.3.

(2) Attainment of Age 59½. If a Participant that is an Employee who attains age 59½ requests a distribution of the Participant's Individual Account, excluding any gain sharing contribution in accordance with Code Section 414(k), and the Participant's Individual Account (as determined under Section 5.8) exceeds \$5,000, the Participant may choose from any of the distribution options in Section 5.3 except for purchase of service under Section 5.3(e).

(3) Disability. If a Participant terminated employment due to a Disability and his Individual Account (as determined under Section 5.8) exceeds \$5,000, the Participant may choose from any of the distribution options in Section 5.3 except for purchase of service under Section 5.3(e).

(4) Death. Upon the death of a Participant who has an Individual Account (as determined under Section 5.8) exceeding \$5,000 on the date a distribution request is processed by the recordkeeper, the value of such Participant's Individual Account (as determined under Section 5.8) shall become payable to the Beneficiary. If the Beneficiary is the Participant's surviving spouse, the Beneficiary may select from any distribution option in Section 5.3 except purchase of service under Section 5.3(e). If the Beneficiary is not the Participant's surviving spouse, then, except as provided in Section 5.13, the Beneficiary may choose between the lump sum option described in Section 5.3(a)

or the partial lump sum option described in Section 5.3(f). After the death of the Participant and before distribution of the Participant's Individual Account balance, the Participant's Beneficiary shall be entitled to select the Investment Options in which the Individual Account will be invested in accordance with the same rules then applicable to Participant selection of Investment Options.

(5) Termination for Other Reasons. If the Participant's termination from employment is for any reason other than normal retirement under Subsection (1), disability under Subsection (3), or death under Subsection (4), and the Participant's Individual Account (as determined under Section 5.8) exceeds $5,000, the Participant may choose from any of the distribution options in Section 5.3 except for purchase of service under Section 5.3(e).

(d) Elections. A Participant or Beneficiary who is required to have his benefit hereunder paid under one of the methods provided in Section 5.3 shall make such an election by making an Appropriate Request. An election by a Participant or Beneficiary to receive his retirement benefit under any of the optional methods of payment as provided in subsection Section 5.3 may be revoked by such Participant or Beneficiary at any time up until the date that is 30 days prior to the date on which benefit payments are scheduled to commence. After retirement benefit payments have commenced, a Participant may revoke an election to receive his retirement benefit under the optional methods described in Section 5.3 except that an election to convert a portion of the distribution to purchase service under the PERSI Base Plan as provided in paragraph (e) of Subsection 5.3 or an election to have all or a portion of the distribution paid in a lump sum as provided in paragraphs (a), (d) or (f) of Subsection 5.3 is irrevocable.

5.3 <u>Potential Distribution Options</u>

(a) Lump-sum payment representing the entire account balance.

(b) Substantially equal monthly payments over a period not to exceed the joint life expectancy of the Participant and the designated Beneficiary. The amount of each monthly installment shall normally be the balance of the Participant's Individual Account divided by the remaining number of months in such period, all rounded to the nearest cent.

However, the amount of each monthly installment may be recomputed and adjusted from time to time, no more frequently than monthly, as the Trustee may reasonably determine.

(c) Installment payments of a fixed amount, with such payments to be made until exhaustion of the Participant's Individual Account balance, not to exceed 120 months.

(d) A portion of the distribution payable in a lump sum distribution, and the remaining portion payable in either of the optional forms provided for in subsections (b) or (c) above.

(e) A portion of the distribution converted to credited service under the PERSI Base Plan (defined benefit plan) in the same manner as a purchase of service under section 59-1363, Idaho Code, as amended or any successor statute, and the remaining portion payable in either the form provided for in subsection (a) or the forms provided for in subsections (b), (c) or (d) above.

(f) A partial lump sum distribution, with the remaining portion payable in either a lump sum payment under subsection (a) or another partial lump sum payment under this subsection (f).

(g) Any other optional form of benefit offered by the Plan's service provider as of the date the Participant makes his or her election pursuant to Section 5.2(d).

5.4 Allocation of Payments and Fees

Whenever a form of distribution is elected requiring payment(s) of less than all the assets in the account, payments and fees shall be deducted on a pro-rata basis from each source and investment option.

5.5 Benefits to Minors and Incompetents

(a) In case any person entitled to receive payment under the Plan shall be a minor, the Board, in its discretion, may distribute such payment in any one or more of the following ways:

(1) By payment thereof directly to such minor;

(2) By application thereof for the benefit of such minor;

(3) By payment thereof to either parent of such minor or to any person who shall be legally qualified and shall be acting as guardian of the person or the property

of such minor, provided the parent or adult person to whom any amount shall be paid shall have advised the Board in writing that he will hold or use such amount for the benefit of such minor. Alternatively, the Board may distribute such payment consistent with the provision of the Uniform Transfers to Minors Act, as adopted by Idaho, or the state of residence of the minor, as applicable.

(b) In the event a person entitled to receive payment under the Plan is physically or mentally incapable of personally receiving and giving a valid receipt for any payment due (unless prior claim therefor shall have been made by a duly qualified legal representative of such person), such payment in the discretion of the Board may be made to the spouse, son, daughter, parent, brother or sister of the recipient or to any other person who is responsible for the welfare of such recipient.

(c) Any payments made under subsections (a) or (b) shall, to the extent of the payments, fully discharge the obligations of the Board and the Plan to any other person making a claim hereunder with respect to such payments.

5.6 Reserved.

5.7. Required Minimum Distributions On and After January 1, 2020.

(a) General Rules.

(1) The requirements of this Section 5.7 shall apply to any distribution of a Participant's interest in accordance with Section 5.3 and will take precedence over any inconsistent provisions of this plan.

(2) All distributions required under this Section 5.7 shall be determined and made in accordance with the regulations under Section 401(a)(9) of the Code and the minimum distribution incidental benefit requirement of Section 401(a)(9)(G) of the Code.

(3) Limits on Distribution Periods. As of the first distribution calendar year, distributions to a Participant, if not made in a single sum, may only be made over one of the following periods, subject to Section 5.3:

A. the life of the Participant,

B. the joint lives of the Participant and a designated Beneficiary,

C. a period certain not extending beyond the life expectancy of the Participant, or

D. a period certain not extending beyond the joint life and last survivor expectancy of the Participant and a designated Beneficiary.

(b) Time and Manner of Distribution.

(1) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(2) Death of Participant Prior to January 1, 2020, Before Distributions Begin. If the Participant dies prior to January 1, 2020 and before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

A. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the applicable age, if later.

B. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

C. If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

D. If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse are required to begin, this Section 5.7(b)(2), other than Section 5.7(b)(2)(A), will apply as if the surviving spouse were the Participant.

For purposes of this Section 5.7(b) and Section 5.7(d), unless Section 5.7(b)(2)(D) applies, distributions are considered to begin on the Participant's required beginning date. If Section 5.7(b)(2)(D) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 5.7(b)(2)(A). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 5.7(b)(2)(A)), the date distributions are considered to begin is the date distributions actually commence.

(3) Death of Participant On or After January 1, 2020, Before Distributions Begin. If the Participant dies on or after January 1, 2020 and before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

A. Participant Survived by a Designated Beneficiary Who is not an Eligible Designated Beneficiary. If there is a designated Beneficiary who is not an eligible designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

B. Participant Survived by an Eligible Designated Beneficiary. If the Participant is survived by an eligible designated Beneficiary, then distributions to the eligible designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died. However, if the Participant's spouse is the sole Beneficiary, then the commencement of distributions may be delayed until December 31 of the calendar year in which the Participant would have attained the applicable age, if later.

C. No Designated Beneficiary. If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(3) Forms of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in

accordance with this Section. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section 401(a)(9) of the Code and the regulations.

(c) Required Minimum Distributions During Participant's Lifetime.

(1) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

A. the quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9(c) of the regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

B. if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9(d) of the regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

(2) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this Section 5.7(c) beginning with the first distribution calendar year and continuing up to, and including, the distribution calendar year that includes the Participant's date of death.

(d) Required Minimum Distributions After Participant's Death.

(1) Death Prior to January 1, 2020, On or After Date Distributions Begin.

A. Participant Survived by Designated Beneficiary. If the Participant dies prior to January 1, 2020, on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

I. The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

II. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

III. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

B. No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of the September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

C. Subsequent Death of Beneficiary. If the death of the Participant's designated Beneficiary occurs after distributions begin and after January 1, 2020, but before the entire account balance has been paid out, annual distributions will be paid and completed within 10 years of the designated Beneficiary's death.

(2) Death On or After January 1, 2020, On or After Date Distributions Begin.

A. Participant Survived by Designated Beneficiary. If the Participant dies on or after January 1, 2020 and on or after the date distributions begin, distributions to the Participant's Beneficiary will begin not later than December 31 of the year following the year of the Participant's death, and the Participant's remaining interest must be distributed at least as rapidly as under the distribution method used by the Participant as of the date of the Participant's death.

B. Life Expectancy Determinations. Where there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

I. The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

II. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the applicable distribution period is measured by the surviving spouse's life expectancy using the surviving spouse's birthday for each distribution calendar year after the calendar year of the Participant's death. The surviving spouse's remaining life expectancy is redetermined each distribution calendar year using the surviving spouse's age as of the surviving spouse's birthday in that distribution calendar year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

III. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary and there is an eligible designated Beneficiary, the eligible designated Beneficiary's remaining life expectancy is calculated using the age of the eligible designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

IV. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary and there is no eligible designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the Participant's death. However, for the 2021, 2022, 2023 and 2024 calendar years, distributions are not required.

C. No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

D. Death Prior to January 1, 2020, Before Date Distributions Begin

I. Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 5.7(d)(1).

II. No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

III. Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 5.7(b)(2) and this Section 5.7(d)(3)(D) will apply as if the surviving spouse were the Participant.

(3) Death on or after January 1, 2020, Before Distributions Begin

A. If the Participant dies before the date distribution begins and the surviving spouse is the sole Beneficiary, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the applicable age, if later.

(1) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the

Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 5.7(d)(3)A. this Section 5.7(d)(3) will apply as if the surviving spouse were the Participant.

B. Participant Survived by Eligible Designated Beneficiary. Except as provided in the adoption agreement, if the Participant dies before the date distributions begin and there is an eligible designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is determined initially using the Beneficiary's age as of his birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(1) Death of Eligible Designated Beneficiary. If the Participant dies before the date distributions begin and is survived by an eligible designated Beneficiary and the surviving eligible designated Beneficiary dies or reaches the age of majority before distributions are required to begin to the eligible designated Beneficiary under Section 5.7(d)(3)(B), distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the tenth anniversary of the eligible designated Beneficiary's death.

C. Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary who is not an eligible designated Beneficiary, distribution of the Participant's entire interest must be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

D. No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(e) Definitions

(1) Applicable age.

A. In the case of an individual who attains age 70 before July 1, 2019, the applicable age is 70 $^{1}/_{2}$.

B. In the case of an individual who attains age 70 on or after July 1, 2019, the applicable age is 72.

C. In the case of an individual who attains age 72 after December 31, 2022, and age 73 before January 1, 2033, the applicable age is 73.

(2) Designated Beneficiary. The individual who is designated by the Participant (or the Participant's surviving spouse) as the Beneficiary of the Participant's interest under the plan and who is the designated Beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4 of the regulations.

(3) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 5.7(b)(2) and 5.7(b)(3). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

(4) Eligible designated Beneficiary. An eligible designated Beneficiary is the individual designated by the Participant (or the Participant's surviving spouse) and who will receive the Participant's interest under the plan and who is:

A. The surviving spouse of the Participant,

B. A child of the Participant who has not reached majority,

C. Disabled,within the meaning of Code Section 72(m)(7),

D. A chronically ill individual, or

E. An individual not described above who is not more than 10 years younger than the Participant.

(5) Life expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9(b) of the regulations.

(6) Participant's account balance. The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(7) Required Beginning Date: Required Beginning Date shall have the meaning as selected by the employer in the Adoption Agreement.

(f) 2020 Required Minimum Distributions

(1) A Participant or Beneficiary who would have been required to receive required minimum distributions in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Section 401(a)(9)(I) of the Code ("2020 required minimum distributions"), and who would have satisfied that requirement by receiving distributions that are either (1) equal to the 2020 required minimum distributions, or (2) one or more payments (that include the 2020 required minimum distributions) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the

Participant’s designated Beneficiary, or for a period of at least 10 years (“Extended 2020 required minimum distributions”), will be given an opportunity to make an election as to whether or not to receive those distributions.

(2) A direct rollover will be offered only for distributions that would be eligible rollover distributions in the absence of Section 401(a)(9)(I) of the Code.

5.8 Valuation of Accounts

The value of a Participant's Individual Account upon a distribution under the Plan shall be determined as of the Valuation Date on which the Plan's recordkeeper issues payment to the Participant or the Participant's Beneficiary.

5.9 Direct Rollovers

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(b) (1) An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any distribution made upon hardship of the employee.

(2) An "eligible retirement plan" is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code (other than an endowment contract), an annuity plan described in Section 403(a) of the Code, an eligible deferred compensation plan described in Section 457(b) of the Code that is maintained by an eligible employer described in Section

457(e)(l)(A) of the Code, an annuity contract described in Section 403(b) of the Code, or a qualified retirement plan described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. For distributions made after December 31, 2007, an eligible retirement plan also includes a Roth IRA described in Section 408A of the Code.

(3) A "distributee" includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(4) A "direct rollover" is a payment by the Plan to the eligible retirement plan specified by the distributee.

5.10 Approved Domestic Retirement Orders (ADROs)

(a) A Participant's Individual Account may be assigned in whole or in part to a spouse or former spouse only pursuant to a court order that substantially meets the requirements for a qualified domestic relations order under section 414(p) of the Internal Revenue Code, other than subsection (9) thereof, as determined by the Board or its agent. Such order must encompass all funds in the PERSI Choice Plan and be separate and distinct from any approved domestic retirement order required for assignments under the PERSI Base Plan.

(b) A separate Individual Account will be established for the spouse or former spouse to be designated an alternate payee account and will be treated in all respects as a former Employee Participant account as described in Section 4.1(c) of the Plan, except that an alternate payee shall not elect a payment option and distribution shall be made in a lump-sum payment representing the entire account balance of the alternate payee's account. Fees will be assessed directly against such account in amounts determined by the Board pursuant to Section 11.3.

5.11 In-Service Transfers to Purchase Service

A Participant may, while still employed, request that all or part of his Individual Account be transferred directly to the PERSI Base Plan, or other defined benefit governmental plan (as defined in Section 414(d) of the Code) maintained in the state of Idaho, if such transfer is for the purchase of permissive service credit (as defined in Section

415(n)(3)(A) of the Code) under such plan, or a repayment to which Section 415 of the Code does not apply by reason of subsection (k)(3) thereof.

5.12 Reserved

5.13 Rollovers to Non-Spouse Beneficiaries

Effective for distributions after April 30, 2007, the Beneficiary of a deceased Participant may request a transfer of the Beneficiary's Account to the trustee of an individual retirement account established under Section 408 of the Code in accordance with the provisions of Section 402(e)(11).

ARTICLE VI
LOANS AND WITHDRAWALS

6.1 Loans to Participants

A Participant may, by making an Appropriate Request, request a loan from the Trust Fund; provided, however, a Participant who is not an Employee is not eligible to request or receive a loan from the Trust Fund. The following additional rules shall apply:

(a) A Participant may only have one loan outstanding at any time.

(b) The minimum new loan amount shall be $1,000. If a Participant's Individual Account balance is insufficient to support the minimum loan amount loan, no loan shall be made.

(c) The maximum amount of any loan shall be the lesser of (1) and (2):

(1) $50,000, reduced by the highest balance of any loans from the Plan during the twelve month period ending on the day before the date the loan is made

(2) One-half of the value of the vested portion of the Participant's Individual Account on the date the loan is made.

(d) All loans shall be repayable over a period of not more than five years, except that a loan used by the Participant to acquire any dwelling unit which within a reasonable time is to be used (determined at the time the loan is made) as a principal residence of the Participant shall be repayable over a period of not more than 10 years.

(e) A loan shall be secured by one-half of the value of the vested portion of the Participant's Individual Account balance; shall bear interest at a rate of one percent (1%) above the Prime Rate in effect on the first day of the calendar month in which the loan is applied for; shall be repaid by payroll deduction each pay period in accordance with a reasonable repayment schedule requiring substantially level payments of principal and interest; and shall be evidenced by a written promissory note setting forth the terms of the loan. A Participant may prepay the entire outstanding loan balance without penalty.

(f) There may be an administrative charge imposed on each new loan.

(g) Each loan shall be considered a separate investment option of the Individual Account of the Participant. Notwithstanding Section 4.1(d), when a loan is made, the amount of the loan shall be withdrawn from sub-accounts within the Participant's Individual Account among the separate Investment Options in which each sub-account is invested and transferred to a segregated loan account maintained in his name. The loan amount shall be withdrawn from the sub-accounts within the Individual Account in the following order: (1) the Rollover Sub-Account; (2) the Employee Pre-Tax Sub-Account; (3) the Employee Roth Sub-Account; and (4) the Employer Contribution Sub-Account. Within each sub-account, the loan amount shall be withdrawn from the separate Investment Options on a pro-rata basis based on the Participant's outstanding Investment Option specification. Payments of principal and interest against a loan shall thereafter be allocated ratably among the sub-accounts from which the loan was withdrawn and invested in accordance with a Participant's outstanding Investment Option specification.

(h) For purposes of this Plan, a Participant shall be deemed to be in default on a loan if the Participant fails to make any installment payment by the last day of the calendar quarter following the calendar quarter in which the payment was due. In the event of a default, the outstanding loan balance is deemed to be a taxable distribution.

(i) In the event of the death of a Participant, the Participant's Account balance shall be reduced or offset by the unpaid portion of the outstanding loan together with any accrued interest prior to distribution if the outstanding loan and accrued interest is not satisfied by payment in full prior to such distribution.

(j) In the event of Disability of the Participant or the termination of employment, the Participant may pay the loan as follows:

a. pay the loan in full;

b. if the record keeper allows, make arrangements with the record keeper (not PERSI) to continue making the loan payments after Disability or termination of employment; or

c. if neither a nor b above is selected, the loan shall be immediately due and payable.

(k) If an Employee who has an outstanding loan incurs a leave of absence, ceases loan repayment, and his rate of pay (after income and employment tax withholding) is not sufficient to meet the required repayment under the terms of the loan, then the Board shall not deem that a default has occurred for a period equal to the lesser of (1) the length of the leave of absence, or (2) one year. In this instance, when the Employee returns from the leave of absence, his loan payments shall be reamortized over the remaining period of scheduled repayments. Notwithstanding the preceding provisions, loan repayments during a period of qualified military service will be suspended under this Plan as permitted under IRC Section 414(u)(4).

6.2 Hardship Withdrawals

(a) Upon making an Appropriate Request, a Participant shall be allowed to withdraw all or part of the value of his Individual Account that is available under subsection (c) while still employed by the Employer. Withdrawals made pursuant to this Section 6.2 shall be made in a lump sum payment. Withdrawn amounts may not be repaid to the Trust Fund.

(b) A Participant may only make a withdrawal under this Section 6.2 if (1) the withdrawal is made on account of an immediate and heavy financial need and (2) the amount of the withdrawal does not exceed the amount necessary to satisfy the need.

(1) A withdrawal is made on account of an immediate and heavy financial need only if it is made for a reason described in Treasury Regulation 1.401(k)-1(d)(3)(iii)(B), or for any additional reason that the Commissioner of Internal Revenue deems to be an immediate and heavy financial need pursuant to his authority under Treasury Regulation 1.401(k)-1(d)(3)(v).

(2) A withdrawal will be considered to be in an amount necessary to satisfy the need only if:

(A) The withdrawal does not exceed the amount of the need under paragraph (1);

(B) The Participant has obtained all non-hardship distributions for which he is eligible under any plan the Employer may sponsor (including this Plan);

(C) The Participant represents that he or she does not have sufficient cash or other liquid assets reasonably available to satisfy the need; and

(D) The Participant’s Employer does not have actual knowledge that is contrary to the representation.

(c) A Participant's hardship withdrawal under this Section 6.2 shall be limited to the aggregate of all his Employee Pre-Tax Contributions and Employee Roth Contributions made prior to the withdrawal, reduced by the amount of any prior withdrawal of such Employee Pre-Tax Contributions and Employee Roth Contributions. Within the Employee Pre-Tax Sub-Account and Employee Roth Contributions, withdrawals shall be charged against the separate Investment Options on a pro-rata basis based on the Participant’s outstanding Investment Option specification. The requested hardship distribution shall be withdrawn first from the Employee Pre-Tax Sub-Account, then the Employee Roth Sub-Account.

6.3 Non-Hardship Withdrawals

Upon request of the Participant, a Participant shall be allowed to withdraw all or part of the value of his Rollover Sub-Account for any reason. Withdrawals made pursuant to this Section 6.3 shall be made in a lump sum payment. Within the Rollover Sub-Account, withdrawals shall be charged against the separate Investment Options on a pro-rata basis based on the Participant's outstanding Investment Option specification. Withdrawn amounts may not be repaid to the Trust Fund.

ARTICLE VII
TRUST FUND

7.1 Contributions

Contributions as provided for in Article III shall be paid over to the Trustee. All contributions shall be irrevocable, and, except as provided in Section 11.6 or any other provision of this Plan, shall not be returned to the Employer. Any reversion of trust funds to an Employer or PERSI is prohibited. Assets of the Fund may be used only for the exclusive benefit of Participants and their Beneficiaries.

7.2 Trustee

The Board will maintain an agreement with the Trustee under which the Trustee will receive, invest and administer as a trust fund contributions made under this Plan in accordance with the Trust Agreement.

Such Trust Agreement is incorporated by reference as a part of the Plan, and the rights of all persons entitled to benefits hereunder are subject to the terms of the Trust Agreement. The Trust Agreement specifically provides, among other things, for the investment and reinvestment of the Fund and the income thereof, the management of the Fund, the responsibilities and obligations of the Trustee, removal of the Trustee and appointment of a successor, accounting by the Trustee and the disbursement of the Fund.

Subject to a Participant's Investment Option specification, the Trustee shall, in accordance with the terms of such Trust Agreement, accept and receive all sums of money paid to it from time to time by the Board, and shall hold, invest, reinvest, manage and administer such moneys and the increment, increase, earnings and income thereof as a trust fund for the exclusive benefit of the Participants and their Beneficiaries and for the payment of reasonable expenses of administering the Plan.

ARTICLE VIII
PLAN ADMINISTRATION

8.1 The Board

The retirement board created pursuant to section 59-1304 of the Idaho Code, as amended or any successor statute, to manage the Public Employee Retirement System of Idaho (the "Board") shall administer the Plan.

A Board member shall serve until his successor qualifies. Each Board member shall be entitled to one vote, and three Board members shall constitute a quorum. Three votes shall be necessary for resolution or action by the Board at any meeting.

The Board shall hold regular meetings and shall hold special meetings at such times and at such places as it deems necessary. All meetings of the Board shall be open to the public. The Board shall keep a record of all its proceedings.

The Board shall have the power and duty of managing the Plan. The Board shall have discretionary authority to construe the Plan, and to determine, consistent with the terms of the Plan, all questions that may arise thereunder relating to (a) the eligibility of individuals to participate in the Plan, (b) the amount of benefits to which any Participant or Beneficiary may become entitled hereunder, and (c) any situation not specifically covered by the provisions of the Plan. The determination of the Board shall be final and binding on all interested parties. All disbursements by the Trustee, except for the ordinary expenses of administration of the Fund, shall be made upon, and in accordance with, the written directions of the Board.

The Board shall have the powers and privileges of a corporation, including the right to sue and be sued in its own name as such Board. Members of the Board and staff hired to assist with Plan administration who shall be found to be fiduciaries of the Plan, jointly and individually, shall be indemnified from all claims, demands, judgments, costs, charges and expenses, including court costs and attorney fees, and against all liability losses and damages of any nature whatsoever that Board members and staff shall or may at any time sustain by reason of any decision made in the scope or performance of their duties pursuant to the provisions of this Section. The venue of all actions in which the Board is a party shall be Ada County, Idaho.

The Board shall appoint an executive director to serve at its discretion. The executive director shall be the secretary to the Board, bonded as is required by the Board and shall perform such duties as assigned by the Board. The executive director shall be authorized to designate a staff member as acting director or secretary in the director's absence.

The Board shall authorize the creation of whatever staff it deems necessary for sound and economical administration of the Plan. The executive director shall hire the persons for the staff. The salaries and compensation of all persons employed for purposes of administering the system shall be fixed by the Board and paid from the Plan, unless otherwise determined by the Board.

The Board shall arrange for all actuarial, audit, custodial, legal, consulting and other necessary services for the Plan. The fees and expenses of such services shall be paid from the Plan, unless otherwise determined by the Board.

Nothing herein shall prevent a Board member from being a Participant, or from acting on Plan matters that affect him by virtue of affecting all Participants generally. However, a Board member shall not act on any matter that affects him specially.

8.2 Appeals

The Board shall have the power and authority to adopt, amend or rescind such rules and administrative policies as may be necessary for the proper administration of the Plan.

A final decision of the Board shall be served by either electronic mail with a read receipt or first class and certified mail, postage paid, on all interested parties. Any person aggrieved by any otherwise final decision or inaction of the Board must, before he appeals to the courts, file with the executive director of the Board by electronic mail with a read receipt, first class mail, or personally, within 90 days after the service date of the final decision on the aggrieved party, a notice for a hearing before the Board. The notice of hearing shall set forth the grounds of appeal to the Board.

A hearing shall be held before the Board in Ada County, Idaho, at a time and place designated by the Board, or may be undertaken or held by or before any members(s) thereof or any hearing officer appointed by the Board for that purpose. The proceedings before the Board shall be governed by the provisions of chapter 52, title 67 of the Idaho Code, as amended or any successor statute. Members of the Board or the hearing officer shall have power to administer oaths, to preserve and enforce order during such hearings, to issue subpoenas for and to compel the attendance and testimony of witnesses or the production of books, papers, documents and other evidence and to examine witnesses.

Every finding, order or award made by any member or hearing officer pursuant to such hearing, as confirmed or modified by the Board, and ordered filed in its office, shall be deemed to be the finding, order or award of the Board. The recommended order of the hearing officer shall be considered by the Board and the decision and order of the majority of the members shall be the order of the Board. Every such order rendered by the Board shall be in writing and a copy thereof shall be mailed by first class and certified mail or via electronic mail with a read receipt to each party to the appeal and to his attorney of record.

If any person in proceedings herein disobeys or resists any lawful order to process or misbehaves during a hearing, or so near the place thereof as to obstruct the same, or neglects to produce, after having been ordered so to do, any pertinent book, paper, document or other evidence, or refuses to appear after having been subpoenaed, or upon appearing refuses to take the oath as a witness, or after having taken the oath refuses to be examined according to law, the Board shall certify the facts to the district court having jurisdiction, and the court shall thereupon, in a summary manner, hear the evidence as to the acts complained of, and, if the evidence so warrants, punish such person in the same manner and to the same extent as for contempt committed before the court, or commit such person upon the same conditions as if doing of the forbidden act had occurred with reference to the proceedings, or in the presence of the court.

Any party aggrieved by a final order of the Board may seek judicial review thereof pursuant to the provisions of chapter 52, title 67 of the Idaho Code, as amended or any successor statute. The decision or judgment of the district court shall be subject to appeal to the Supreme Court in the same manner and by the same procedure as appeals are taken and perfected to the court in civil actions at law.

8.3 Missing Persons

If the Trustee is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of such Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person shall be treated as forfeited and transmitted to the recordkeeper’s unclaimed property account; provided, however, that such payment and any subsequent payments shall be reinstated retroactively as soon as administratively feasible after the date on which the Participant or other person is identified or located.

ARTICLE IX
AMENDMENT AND TERMINATION OF THE PLAN

9.1 Amendment of the Plan

The Board shall have the right at any time to amend the Plan in whole or in part, including retroactively to the extent necessary. Notwithstanding the preceding sentence, no amendment shall increase the duties, powers and liability of the Trustee without its written consent. Any amendment shall be set forth in an instrument in writing, a copy of which shall be provided to the Trustee as soon as practicable following its adoption.

9.2 Termination of the Plan

Continuance of this plan is not assumed as a contractual obligation.

In the event of termination of the Plan, the Board shall value the Fund as of the date of termination. The Individual Accounts of the Participants and Beneficiaries affected by the termination, as determined by the Board, shall continue to be administered as a part of the Fund or distributed to such Participants or Beneficiaries as the Board, in its sole discretion, shall determine. Any distributions upon plan termination of amounts attributable to Employee Pre-Tax Contributions and Employee Roth Contributions shall only be made to the extent permissible by Code Sections 401(k)(10) and 402A(d).

ARTICLE X

PROVISIONS RELATIVE TO EMPLOYERS INCLUDED IN PLAN

10.1 Method of Participation

After the effective date of this plan document, any organization that begins to participate in the PERSI Base Plan shall be considered to have adopted this plan and shall thereafter be included in this Plan.

10.2 Withdrawal

Withdrawal from this plan is contingent on withdrawal by the Employer from the PERSI Base Plan. Upon withdrawal from the PERSI Base Plan, withdrawal from this Plan is mandatory by the Employer. Upon such withdrawal, the Board shall certify to the Trustee the equitable share of such withdrawing Employer in the Fund (to be determined by the Board).

The Trustee shall thereupon set aside from the Fund then held by it such securities and other property as it shall, in its sole discretion, deem to be equal in value to such equitable share. If the Plan is to be terminated with respect to such Employer, the amount set aside shall be dealt with in accordance with the provisions of Section 9.2. If the Plan is not to be terminated with respect to such Employer, the Trustee shall pay such amount to such trustee as may be designated by such withdrawing Employer.

Neither the segregation of the Fund assets upon the withdrawal of an Employer, nor the execution of any new agreement and declaration of trust pursuant to any of the provisions of this Section 10.2, shall operate to permit any part of the corpus or income of the Fund to be used for or diverted to purposes other than for the exclusive benefit of Participants and Beneficiaries or to defray reasonable costs of administering the Plan and Trust.

ARTICLE XI
MISCELLANEOUS

11.1 Governing Law

The Plan shall be construed, regulated and administered according to the laws of the State of Idaho except in those areas preempted by the laws of the United States of America.

11.2 Construction

The headings and subheadings in the Plan have been inserted for convenience of reference only and shall not affect the construction of the provisions hereof. In any necessary construction the masculine shall include the feminine and the singular the plural, and vice versa.

11.3 Administration Expenses

The expenses of administering the Fund and the Plan shall be paid as directed by the Board not inconsistent with statutory authority or rule, including imposition of charges directly against Participant or Beneficiary accounts.

11.4 Participant's Rights

No Participant in the Plan shall acquire any right to be retained in the Employer's employ by virtue of the Plan, nor, upon his dismissal, or upon his voluntary termination of employment, shall he have any right or interest in and to the Fund other than as specifically provided herein. The Employer shall not be liable for the payment of any benefit provided for herein. All benefits hereunder shall be payable only from the Fund.

11.5 Limitation on Assignment

Except for the reasons provided by section 59-1317 of the Idaho Code, as amended or any successor statute, none of the benefits, payments, proceeds, or distributions under this Plan shall be subject to the claim of any creditor of a Participant or a Beneficiary hereunder or to any legal process by any creditor of a Participant or Beneficiary. Neither a Participant nor a Beneficiary shall have any right to alienate, commute, anticipate, or assign any of the benefits, payments, proceeds or distributions under this Plan.

11.6 Mistake of Fact

Notwithstanding anything herein to the contrary, upon the Employer's request, a contribution to this Plan which was made by a mistake of fact may be returned to the Employer by the Trustee within one (1) year after the payment of the contribution provided the funds have not been distributed.

11.7 Historical Provisions

(a) Prior to January 1, 2026, the following individuals were Eligible Employees:

(i) Any member of the Firemen's Retirement Fund created by Title 72, Chapter 14, Idaho Code, so long as he remains an Employee.

(ii) Any person who contributed to the PERSI Base Plan with the expectation of eligibility but who is not an active member solely because his employment with the Employer does not total five (5) consecutive months, pursuant to section 59-1302(14)(B)(b) of the Idaho Code.

(b) The following provision was applicable from January 1, 2001 and December 31, 2002: With respect to distributions under the Plan made in calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Internal Revenue Code in accordance with the Treasury Regulations under section 401(a)(9) that were proposed in January 2001, notwithstanding any provision of the Plan to the contrary.

(c) Required Minimum Distribution Holiday - Notwithstanding Section 5.7 or Section 11.7(d), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 ("2009 RMDs") but for the enactment of section 401(a)(9)(H) of the Code, and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(d) Minimum Distribution Requirements after December 31, 2002 and Prior to January 1, 2020.

(a) General.

(1) Effective Date. The provisions of this Section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(2) Precedence. The requirements of this Section will take precedence over any inconsistent provisions of the Plan.

(3) Requirements of Treasury Regulations Incorporated. All distributions under this Section will be determined and made in accordance with the final Treasury Regulations under Section 401(a)(9) of the Code.

(b) Time and Manner of Distribution.

(1) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(2) Death of Participant before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later.

(B) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(D) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section will apply as if the surviving spouse were the Participant.

For purposes of this Section, distributions are considered to begin on the Participant's required beginning date. However, if distributions are required to be made to the surviving spouse, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under this Section.

(3) Forms of Distributions. Unless the Participant's interest is distributed in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with paragraphs (c) and (d) of this subsection.

(c) Required Minimum Distributions During Participant's Lifetime.

(1) Amount of Required Minimum Distribution for Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(A) The quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

(B) If the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

(2) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this paragraph (c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(d) Required Minimum Distributions After Participant's Death. (1) Death On or After Date Distributions Begin.

(A) Participant's Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii). If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(iii). If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(B) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of the death, reduced by one for each subsequent year.

(2) Death Before Date Distributions Begin.

(A) Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary.

(B) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(C) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under this Section, this subsection (C) will apply as if the surviving spouse were the Participant.

(e) Definitions.

(1) Designated Beneficiary. The individual who is designated as the Beneficiary under Article X of the Plan and is the designated Beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4, of the Treasury Regulations.

(2) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which

contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

(3) Life expectancy. Life expectancy as computed by the use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(4) Participant's account balance. The account balance as of the last Valuation Date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of the dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. The account balance for valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(5) Required beginning date. April 1 of the calendar year following the later of: (a) the calendar year in which the Participant reaches age 70 ½ or (b) the calendar year in which the Participant retires.

ARTICLE XII
ADOPTION OF THE PLAN

As evidence of its adoption of this Twelfth Amended Plan, the Board of Trustees of the Public Employee Retirement System of Idaho (PERSI) has caused this instrument to be signed by its authorized officer this ______ day of _________________, 2025 effective generally as of January 1, 2026 and as otherwise provided herein.

ATTEST:	PERSI
____________________________	By:___________________________________
	Michael Hampton
	Executive Director and Secretary to the Retirement Board

12569675.v3

4912-7553-2314

4912-7553-2314, v. 2

PERSI

401(k) PLAN

Effective February 1, 2001

As amended effective, generally, January 1, ~~2025 (eleventh~~2026 (twelfth) amended plan)

INTRODUCTION

On July 1, 1971, the State of Idaho Department of Health and Welfare adopted a supplemental retirement plan known as the State of Idaho Department of Health and Welfare Supplemental Retirement Plan. On April 1, 1972, the State of Idaho Department of Lands adopted a similar supplemental retirement plan known as the State of Idaho Department of Lands' Supplemental Retirement Plan. These plans were adopted before section 401(k) of the Internal Revenue Code of 1986, as amended (the "Code") became effective. However, since both plans provided for pre-tax contributions from their inception, they became subject to section 401(k) when that section became effective.

On October 1, 1994, the state of Idaho adopted the Idaho Super Saver 401(k) Plan (the "grandfathered plan"). At that time, most of the assets of the State of Idaho Department of Health and Welfare Supplemental Retirement Plan and the State of Idaho Department of Lands' Supplemental Retirement Plan were transferred to the grandfathered plan. Initially, the grandfathered plan was available only to employees of the Department of Health and Welfare and the Department of Lands.

On March 14, 1995, section 59-1308 of the Idaho Code was enacted into law. That legislation gave the Retirement Board of the Public Employee Retirement System of Idaho (the "Board") the authority to extend the grandfathered plan to the same group of employees as is covered under the Public Employees Retirement System of Idaho (PERSI). Subsequently, the grandfathered plan was extended to cover all employees of the State of Idaho but was not extended to cover all employees covered by PERSI, such as employees of political subdivisions and school districts.

Beginning in June 1999, PERSI sought, and in April 2000, secured a private letter ruling from the Internal Revenue Service confirming that the grandfathered plan could be extended to cover all employees eligible to participate in the PERSI plan without jeopardizing its status as a qualified cash or deferred arrangement within the meaning of Code section 401(k). Since the grandfathered plan as extended does not violate section 401(k)(4)(B) of the Code, Treasury regulations permit PERSI to adopt a separate and independent 401(k) plan that covers all employees eligible to participate in the PERSI plan, including but not limited to employees of political subdivisions and school districts. Consequently, PERSI hereby adopts this PERSI 401(k) Plan (the "Plan"), which plan is separate and distinct from the Idaho Super Saver 401(k)

Plan that will continue to operate independently until terminated and/or combined with the PERSI 401(k) Plan. The Idaho Super Saver 401(k) merged into the Plan effective October 1, 2001.

The Plan consists of the qualified cash or deferred arrangement under Code Section 401(k). The Plan is intended to be a "governmental plan" within the meaning of Code Section 414(d) and within the meaning of section 3(32) of the Employee Retirement Income Security Act of 1974, as amended, ("ERISA") and, as such, is exempt from provisions of Title I of ERISA.

~~The tenth amended plan is adopted primarily to make changes to the Beneficiary designation and in-service distribution processes and update for changes reflected in recent legislation and administrative practices.~~

The ~~eleventh~~twelfth amended plan is adopted to ~~provide that the enhanced catch-up contributions allowed under~~make changes to the plan to add Roth deferrals and make changes to comply with the requirements of recent federal regulations, primarily the Setting Every Community Up for Retirement Enhancement Act of 2022~~ for Participants ages 60 through 63 is not adopted for the plan due to administrative limitations on implementing the change~~. The twelfth amended plan is adopted generally effective January 1, 2026, except as otherwise provided in the plan.

ARTICLE I

DEFINITIONS

As used herein, unless otherwise required by the context, the following words and phrases shall have the meanings indicated:

Appropriate Request – A request by a Participant or Beneficiary in the form and manner provided by the Board or the Plan's recordkeeper that is appropriate for the intended purpose. If the Board and the Plan's recordkeeper so agree, an Appropriate Request may be executed over the telephone or Internet. To constitute an Appropriate Request, such request must be completed correctly and, if required to be in writing, duly executed and delivered to a designated recipient.

Beneficiary - Any person designated as a Beneficiary by a Participant, or subsequently designated by the Participant's Beneficiary following the death of both the Participant and the first designated Beneficiary, under Section 2.3 or deemed to be a Beneficiary under Section 2.3 to receive such benefits as may become payable hereunder after the death of such Participant or Beneficiary.

Board - The board provided for in Section 8.1 to administer the Plan.

Code - The Internal Revenue Code of 1986, as amended, and as currently in effect.

Deferral Compensation - The Section 415 Compensation paid to an Employee by the Employer for his services. Deferral Compensation in excess of $~~200,000~~350,000 (or such different amount as may be applicable under Code Section 401(a)(17)(B)) shall not be taken into account. Effective July 1, 2009, Deferral Compensation will not include differential wage payments (as defined in Section 3401(h) of the Code).

Disability – The inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment that can be expected to result in death or last for a continuous period of 12 months or more, as certified by a licensed physician selected by the Participant and approved by the Employer. This standard is different from the standard applicable to the PERSI Base Plan.

Eligible Employee - An Employee eligible for participation under Section 2.1.

Employee - Any person employed by the State or any political subdivision or governmental entity within the State ~~, as well as any other Employer participating~~ that participates in the PERSI Base Plan~~ and meeting the definition of "employee" in that plan under Idaho Code 59-1302(14). Also, any~~. Any participant in the Idaho Super Saver

401(k) plan on September 30, 2001. Effective July 1, 2009, an individual receiving a differential wage payment, as defined in Section 3401(h)(2) of the Code, from the Employer is treated as an Employee. Notwithstanding the preceding sentences, the following shall not be considered an Employee for purposes of this Plan: (1) any individual who is classified as an independent contractor by an Employer, regardless of such individual's classification by the Internal Revenue Service for tax withholding purposes; (2) any individual who is a nonresident alien and who receives no earned income from his Employer which constitutes income from sources within the United States; or (3) any individual who is otherwise excluded from participation hereunder by the terms of this Plan. ~~Effective July 1, 2009, an individual receiving a differential wage payment, as defined in Section 3401(h)(2) of the Code, from the Employer is treated as an Employee.~~

Employee Pre-Tax Sub-Account - That portion of a Participant's Individual Account attributable to the Employee Pre-Tax Contributions allocated to such Participant under Section 4.2 and any earnings or losses on such contributions, and effective October 1, 2001, employee pre-tax contributions transferred from the Idaho Super Saver 401(k) plan as a result of the October 1, 2001 merger. Employee pre-tax contributions transferred from the Idaho Super Saver 401(k) plan shall be a separate sub-account within the Employee Pre-Tax Sub-Account.

Employee Pre-Tax Contributions - Contributions made to the Plan by the Employer on behalf of an Employee under Section 3.1(a)(1) pursuant to a salary reduction agreement entered into between the Participant and his Employer.

Employee Roth Contributions – Contributions made to the Plan by the Employer on behalf of an Employee under Section 3.1(a)(3) pursuant to a salary reduction agreement entered into between the Participant and his Employer that are not excludable from gross income and are intended to satisfy the requirements of Section 402A of the Code.

Employee Roth Sub-Account - That portion of a Participant's Individual Account attributable to the Employee Roth Contributions allocated to such Participant under Section 4.2(b) and any earnings or losses on such contributions.

Employer - Collectively or individually as the context may indicate, the State of Idaho, its agencies and instrumentalities, local school districts, and political subdivisions of the State of Idaho who participate in PERSI, and all other entities who participate in PERSI.

Employer Contributions - Contributions made to the Plan by the Employer under Section 3.2.

Employer Contributions Sub-Account - That portion of a Participant's Individual Account attributable to the Employer Contributions allocated to such Participant under Section 4.3 and any earnings or losses on such contributions.

Fund - The Trust Fund.

Individual Account - The aggregate of a Participant's Employee Pre-Tax Sub-Account, Employee Roth Sub-Account, Employer Contribution Sub-Account and Rollover Sub-Account. A Participant shall be 100% vested in his Individual Account at all times.

Investment Option – The investment vehicle elected by the Participant in accordance with Section 2.4 for investment of his Individual Account. The Board may add, change or delete the available Investment Options at any time.

Limitation Year - January 1 - December 31.

Normal Retirement Age - Age 50.

Participant - Any Employee or former Employee who has an Individual Account balance and any Employee who has met the eligibility requirements of Section 2.1. Participation ends in accordance with Section 2.2.

Plan - The PERSI 401(k) Plan, as contained herein or as duly amended.

Plan Year - July 1 – June 30.

Prime Rate - The "prime rate," as published in the “Money Rates” section of the *Wall Street Journal*.

Rollover Contributions - Contributions made to the Plan under Section 3.3.

Rollover Sub-Account - That portion of a Participant's Individual Account attributable to the Rollover Contributions allocated to such Participant under Section 4.4 and any earnings or losses on such contributions. ~~Effective October 1, 2001, rollover~~Rollover contributions transferred as a result of the October 1, 2001 merger of the Idaho Super Saver 401(k) shall be a separate sub-account within the Rollover Sub-Account. In-plan Roth conversions or a rollover containing Roth contributions pursuant to Section 3.3 may be allocated to a separate sub-account within the Rollover Sub-account.

Section 415 Compensation – Effective beginning July 1, 2001, an Employee's wages as defined in Code Section 3401(a) and all other payments of compensation to an Employee by an Employer (in the course of the Employer's trade or business) for which the Employer is required to furnish the Employee a written statement under Code Sections 6041(d) and 6051(a)(3) (Form W-2). Section 415 Compensation shall be determined without regard to any rules that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Code Section 3401(a)(2)). Section 415 Compensation also includes any elective deferrals as defined in Code Section 402(g)(3), including Employee Pre-Tax Contributions and Employee Roth Contributions to this Plan, and any amount which is contributed or deferred by the Employer at the election of the Employee and which is not includible in the gross income of the Employee by reason of Code Section 125, 132(f) or 457.

In accordance with Treasury Regulation §1.415(c)-2(e)(3), Section 415 Compensation includes (1) amounts that would have been paid in the absence of a severance from employment and is regular pay for services (such as regular wages, overtime or shift differential), commissions, bonuses, or other similar compensation; and (2) amounts that are payment for accrued bona fide sick, vacation, or other leave that could have been used if employment continued provided such payments are made by the later of 2½ months after severance from employment or the last day of the Limitation Year that includes the date of the severance from employment. Effective July 1, 2009, Section 415 Compensation will include differential wage payments as defined in Section 3401(h) of the Code.

State – The state of Idaho.

Treasury Regulation - Interpretations of the Code promulgated by the United States Department of the Treasury and generally codified in Title 26 of the Code of Federal Regulations, as amended and as currently in effect.~~.~~

Trust Agreement - The agreement entered into between the Board and the Trustee or Custodian under Article VII.

Trust Fund - All funds received by the Trustee together with all income, profits and increments thereon, and less any expenses or payments made out of the Trust Fund.

Trustee - Such individual, individuals, financial institution, or a combination of them as shall be designated in the Trust Agreement to hold in trust any assets of the Plan for the purpose of providing benefits under the Plan, and shall include any successor trustee to the Trustee initially designated thereunder.

Valuation Date – Each business day of the Plan Year as of which Individual Accounts are valued.

ARTICLE II

ELIGIBILITY AND PARTICIPATION

2.1 Eligibility

(a) Any Employee who has received a gain sharing distribution as provided in section 59-1309, as long as he remains an Employee.

(b) Any active member in the PERSI Base Plan so long as he remains an Employee.

(c) ~~Any member of the Firemen's Retirement Fund created by Title 72, Chapter 14, Idaho Code, so long as he remains an Employee.~~Effective no later than January 1, 2026, all Employers shall cause all Employees who receive income reportable under Code Section 3401 (wages for purposes of reporting on Form W-2, or any successor form) to be treated as Eligible Employees.

(d) Any member of the Judge's Retirement Fund created by Title 1, Chapter 20, Idaho Code, as amended, or any successor statute, so long as he remains an Employee.

(e) Any member of the Idaho Department of Labor Retirement Plan created by Section 72-1335, Idaho Code, as amended, or any successor statute, so long as he remains an Employee.

~~(f) Any person who contributed to the PERSI Base Plan with the expectation of eligibility but who is not an active member solely because his employment with the Employer does not total five (5) consecutive months, pursuant to section 59-1302(14)(B)(b), Idaho Code.~~

2.2 Participation

(a) On and after July 1, 2001, each Eligible Employee may, by making an Appropriate Request, enter into a salary reduction agreement in accordance with Section 3.1(a). Such salary reduction agreement shall become effective as of the first day of the pay period ~~coincident with or next~~as soon as administratively practical following the date on which the Appropriate Request is processed by the Plan's recordkeeper~~ so long as they meet the minimum contribution requirements in Section 3.1(a)(1).~~.

(b) Each person who becomes a Participant shall remain a Participant so long as he remains an Employee or maintains an Individual Account balance. If a Participant terminates employment with no balance in his Individual Account, he shall cease being a Participant upon his termination of employment. In the event an Employee ceases to be a Participant and is later reemployed as an Eligible Employee, he shall once again become a Participant upon his reemployment date.

2.3 Beneficiary Designation

(a) All Participants in this plan should have designated or will designate a Beneficiary ~~on a form approved by PERSI, including an electronic designation~~by making an Appropriate Request. ~~When no designation of a Beneficiary is made by the Participant, the designation made by such Participant in the PERSI Base Plan shall apply to this Plan except as provided in Section 2.3(b).~~ In the absence of any valid designation of Beneficiary by the Participant, the balance of the Participant's account shall be paid to the estate of such Participant upon such Participant's death.

(b) After the death of the Participant, a Beneficiary may designate a further Beneficiary, ~~on a form provided by PERSI~~by making an Appropriate Request, to receive any benefits under the Plan which may become payable as a result of the death of the Beneficiary. If no such designation has been made, such benefits shall be payable to the estate of the Beneficiary.

(c) The interpretation of the Beneficiary designation, subject to applicable law, shall be binding and conclusive upon all parties, and no person who claims to be a Beneficiary, or any other person, shall have the right to question any action of the Board.

2.4 Investment Option Specification

(a) Each Employee who has entered into a salary reduction agreement in accordance with Section 3.1(a) may, by making an Appropriate Request, specify the Investment Option or Investment Options, if any, in which he elects to have his Individual Account invested. In the absence of any valid Investment Option specification, a Participant's Individual Account shall be invested in the Investment Option designated by the Board to be the default option.

(b) ~~When options are available, a~~A Participant may, by making an Appropriate Request, change his Investment Option specification with respect to Participant's Individual Account Contributions to be made in the future and with respect to amounts already in his Individual Account. Exchanges between Investment Options shall be subject to such administrative procedures as have been ~~agreed to~~designated by the ~~Board and the~~ recordkeeper and may also be subject to applicable trading restrictions to discourage rapid or excessive trading and market timing.

2.5 Notification of Individual Account Balance

At least as frequently as quarterly, the Plan's recordkeeper shall notify each Participant of the amount of his Employee Pre-Tax Contributions, Employee Roth Contributions, Employer Contributions, and Rollover Contributions, if any, for the period just completed and the balance of his Individual Account, including distributions, loans and withdrawals, if any, since the effective date of the last statement.

ARTICLE III
CONTRIBUTIONS

3.1 Employee Pre-Tax and Roth Contributions

A Participant may have Employee Pre-Tax Contributions made to the Plan on his behalf as follows:

(a) (1) A Participant may enter into a salary reduction agreement with his Employer in which it is agreed that the Employer will reduce the Participant's Deferral Compensation during each pay period by a designated percentage or amount and contribute that percentage or amount to the Plan on behalf of the Participant as an Employee Pre-Tax Contribution. Employee Pre-Tax Contributions may be any whole percentage between 1% and 100% of the Deferral Compensation otherwise payable to the Participant during the applicable pay period or any fixed dollar amount per pay period. Effective July 1, 2013, an Employer may permit Employee Pre-Tax Contributions in any percentage between 1% and 100% of the Deferral Compensation (regardless of whether such percentage is a whole percentage). ~~In no case may Employee Pre-Tax Contributions for any year be less than one hundred thirty dollars ($130.00) divided by the number of annual pay periods.~~

The Employer may disregard or modify a Participant's salary reduction agreement to the extent necessary to insure the excess deferral rules of subsection (c) are met and the Code Section 415 limitations set forth in Section 4.5 are not exceeded.

The salary reduction agreement of an Employee who becomes eligible to participate in the Plan shall be effective under the rules set forth in Section 2.2.

(2) ~~When options become available, E~~employee Pre-Tax Contributions shall be invested among the various Investment Options in accordance with the Employee's outstanding Investment Option election as in effect under Section 2.4.

(3) Effective as soon as may be administratively practical by Employers participating in this Plan, but in no event later than January 1, 2026, a Participant may have Employee Roth Contributions made to the Plan on his behalf as follows:

(a) (1) A Participant may enter into a salary reduction agreement with his Employer in which it is agreed that the Employer will reduce the Participant's Deferral Compensation during each pay period by a designated percentage or amount and contribute that percentage or amount to the Plan on behalf of the Participant as an Employee Roth Contribution.

Employee Roth Contributions may be any whole percentage between 1% and 100% of the Deferral Compensation otherwise payable to the Participant during the applicable pay period or any fixed dollar amount per pay period.

The Employer may disregard or modify a Participant's salary reduction agreement to the extent necessary to insure the excess deferral rules of subsection (c) are met and the Code Section 415 limitations set forth in Section 4.5 are not exceeded.

The salary reduction agreement of an Employee who becomes eligible to participate in the Plan shall be effective under the rules set forth in Section 2.2.

(~~2~~4) ~~When options become available, e~~Employee ~~Pre-Tax~~Roth Contributions shall be invested among the various Investment Options in accordance with the Employee's outstanding Investment Option election as in effect under Section 2.4.

(~~3~~5) Amounts contributed by salary reduction shall be remitted to the Board by the fifth working day after each payroll.

(b) A Participant who has in effect a salary reduction agreement may elect to change such agreement, including prospectively suspending such agreement, by making an Appropriate Request. Such election shall become effective as of the first day of the pay period ~~coincident with or next~~as soon as administratively practical following the date on which the Appropriate Request is processed.

(c) Excess deferrals

(1) No Participant may have Employee Pre-Tax Contributions or Employee Roth Contributions made on his behalf under this Plan in any calendar year, which in the aggregate exceed the amount specified by the Secretary of the Treasury for purposes of Code Section 402(g)(1). For purposes of the preceding sentence, Employee Pre-Tax Contributions and Employee Roth Contributions are deemed made as of the pay date for which the salary is deferred, regardless of when the contributions are actually made to the Trust Fund.

(2) If in any calendar year the aggregate of a Participant's Employee Pre-Tax Contributions and Employee Roth Contributions made on his behalf under this Plan, plus his other elective deferrals under any other qualified cash or deferred arrangement (as defined in Code Section 401(k)) maintained by any sponsor, under any simplified employee pension (as defined in Code Section 408(k)), or used to have an annuity contract purchased on his behalf under Code Section 403(b), exceed the limitations of paragraph (1), then no later than the April 15 following such calendar year the Participant may notify the Employer (i) that he has exceeded

the limitation and (ii) of the amount of his elective deferrals under plans which he wants distributed to him (and earnings thereon) notwithstanding his salary reduction agreement so that he will not exceed the limitation. ~~In the case of multiple plans, to the extent that elective deferrals exceed this limitation, any distributions necessary to remedy the excess must be made first by plans other than this Plan.~~ The Employer may require the Participant to provide reasonable proof that he has exceeded the limitation of paragraph (1).

If in any calendar year the aggregate of a Participant's Employee Pre-Tax Contributions and Employee Roth Contributions made on his behalf under the Plan, plus his other elective deferrals under any other qualified cash or deferred arrangement (as defined in Code Section 401(k)) maintained by the Employer, under a simplified employee pension (as defined in Code Section 408(k)) sponsored by the Employer, or used to have the Employer purchase an annuity contract on his behalf under Code Section 403(b), exceed the limitations of paragraph (1), then the Participant shall be deemed to have notified the Employer that (i) he has exceeded the limitation and (ii) he wants distributed to him the amount of such excess deferrals (and income thereon) notwithstanding the salary reduction agreement so that he will not exceed the limitation. No later than the next April 15, the Employer may (but shall not be obligated to) make the distribution requested, or deemed to have been requested, by the Participant under this subparagraph. Such distribution may be made notwithstanding any other provision of law or this Plan. It is the responsibility of each Employer to monitor this limitation and to notify the appropriate plan that a distribution is necessary. Except as otherwise provided by ~~regulations issued by the Secretary of the~~ Treasury Regulations, such distribution shall not reduce the amount of Employee Pre-Tax Contributions and Employee Roth Contributions considered as Annual Additions under Section 4.5. Any amounts not distributed under this subparagraph shall continue to be held in accordance with the terms of this Plan.

The income allocable to excess deferrals for a taxable year that begins on or after January 1, 2007 is equal to the sum of the allocable gain or loss for the taxable year of the individual plus the allocable gain or loss for the period after the close of the taxable year and prior to the distribution.

3.2 Employer Contributions

~~When authorized by the Board, a~~A Participant's employer may make Employer Contributions to the plan on behalf of the Participant as follows:

(a) An Employer may match Employee Pre-Tax ~~contributions~~Contributions and Employee Roth Contributions on an on-going basis under a formula set forth in writing by the Employer~~ and provided to the Board. Effective July 1, 2013, the formula for each Employer that makes matching contributions will be included in an appendix to the Plan~~.

(b) An Employer may make one-time, quarterly, semi-annual, or annual contributions to a Participant's accounts under a formula set forth in writing by the Employer~~ and provided to the Board. Effective July 1, 2013, the formula for each Employer that makes nonmatching contributions will be included in an appendix to the Plan~~.

(c) All Employer Contributions shall be fully vested when made.

(d) ~~When options become available, ~~Employer Contributions shall be invested among the various Investment Options in accordance with the Employee's outstanding Investment Option election as in effect under Section 2.4.

(e) Employer contributions shall be remitted to the Board by the fifth working day after each payroll where a contribution is reported.

3.3 Rollover Contributions and Roth Conversions

~~Subject to the approval of the Board, a~~(a) A Participant may make a Rollover Contribution to the Plan, provided it qualifies for tax free rollover treatment under Code Sections 402(c) or 408(d). After-tax contributions will not be accepted. Rollover Contributions must be in cash; contributions in-kind shall not be permitted. Rollover Contributions shall be held in the Participant's Rollover Sub-Account. A Rollover Contribution made by a Participant to the Plan shall be invested in accordance with the Participant's outstanding Investment Option specification.

(b) Any rollover of "designated Roth contributions" shall be subject to the requirements of Code Section 402(c). For purposes of this Section 3.3(b), "designated Roth contributions" means any elective deferrals made to another plan that would be excludable from a Participant's income but for the Participant's election to designate such contributions as Roth contributions. If the Plan accepts a direct rollover of "designated Roth contributions," the ~~Plan Administrator ~~recordkeeper shall be entitled to rely on a statement from the distributing plan's administrator identifying (i) the Participant's basis in the rolled over amounts and (ii) the date on which the Participant's 5-taxable-year period of participation (as required under Code Section 402A(d)(2) for a qualified distribution of "designated Roth contributions") started under the distributing plan. If the 5-taxable-year period of participation under the distributing plan would end sooner than the Participant's 5-taxable-year period of participation under the Plan, the 5-taxable-year period of participation applicable under the distributing plan shall continue to apply with respect to the Rollover Contribution.

(c) Notwithstanding the above, a Participant or Beneficiary may elect to have any portion of his Account otherwise distributable under the terms of the Plan, which is not "designated Roth contributions" under the Plan and meets the definition of an "eligible rollover distribution" under Section 5.9 be considered "designated Roth contributions" for purposes of the Plan. Such assets shall also retain any distribution rights, such as those found in Article 6, applicable to them prior to the conversion and shall be treated as Rollover Contributions for purposes of withdrawal pursuant to Section 6.3. Each such in-plan rollover shall be subject to its own 5-taxable year period of participation and subject to the requirements of Code Section 408A(d)(3)(F).

(d) Any Participant who is an Eligible Employee may elect to have any part of the portions of his Account as may be described and limited therein, which are not "designated Roth contributions" and are not currently distributable under the Plan, be considered "designated Roth contributions" for purposes of the Plan. Any assets converted in such a way shall be considered a rollover only for purposes of this Section, be separately accounted for, be maintained in such records as are necessary for the proper reporting thereof. A conversion in accordance with the preceding sentence will not eliminate any Code Section 411(d)(6) protected distribution rights attributable to the amount being converted.

(e) The recordkeeper shall require such information from Eligible Employees as it deems necessary to ensure that amounts contributed under this Section 3.3 meet the requirements for tax-deferred rollovers established by this Section and by Code Section 402(c) and develop procedures to govern the Plan's acceptance of Rollover Contributions.

(f) If a Rollover Contribution made under this Section is later determined not to have met the requirements of this Section or of the Code or Treasury Regulations, the Trustee shall, within a reasonable time after such determination is made, distribute to the Employee the amounts then held in the Trust attributable to such Rollover Contribution.

3.4 USERRA

Notwithstanding any provision of this Plan to the contrary, Employee Pre-Tax Contributions and Employee Roth Contributions with respect to qualified military service will be permitted in accordance with Code Section 414(u).

3.5 Catch-up Contributions

(a) Beginning January 1, 2002, Participants who are eligible to make elective deferrals under this plan and who will attain at least age 50 before the close of the plan year shall be eligible to make catch-up contributions in accordance with, and subject to the limitations of, section 414(v) of the Code. ~~,~~ Unless otherwise implemented by an Employer participating in this Plan, catch-up contributions shall be allowed without regard to the limitations described in section 414(v)(2)(B)(i) of the Code pertaining to the "adjusted dollar amount" set forth in section 414(v)(2)(E) of the Code for an eligible participant who would attain age 60, but would not attain age 64, before the close of the taxable year ending after December 31, 2024. Subject to subsection (b), catch-up contributions may be in the form of Employee Pre-Tax Contributions and/or Employee Roth ~~-~~Contributions, as designated by the Participant. Such catch-up contributions shall not be taken into account for purposes of the provisions of the plan implementing the required limitations of section 402(g) and 415 of the Code. The plan shall not be treated as failing to satisfy the provisions of the plan implementing the requirements of section 401(k)(3), 401(k)(11), 401(k)(12), 410(b), or 416 of the Code, as applicable, by reason of the making of such catch-up contributions.

(b) Beginning January 1, 2026, the catch-up contributions of any Participant who is eligible to make elective deferrals and who will attain at least age 50 before the close of the calendar year and whose wages for purposes of Section 3121(a) of the Code (wages for purposes of the Federal Insurance Contributions Act) for the preceding calendar year exceed $145,000 will be treated as Employee Roth Contributions, without regard to the Participant's election. The Secretary of the Treasury shall adjust annually the $145,000 amount for increases in the cost-of-living at the same time and in the same manner as adjustments under Section 415(d) of the Code.

ARTICLE IV

ALLOCATIONS TO INDIVIDUAL ACCOUNTS

4.1 Individual Accounts

(a) The Board shall establish and maintain an Individual Account in the name of each Participant, comprised of the following sub-accounts to which the Board shall credit all amounts allocated to each such Participant: an Employee Pre-Tax Sub-Account, an Employee Roth Sub-Account, an Employer Contribution Sub-Account and a Rollover Sub-Account. All Sub-Accounts will be treated as one account for purposes of Participant direction of Investment Options.

(b) A Participant shall be 100% vested in his Individual Account at all times.

(c) Separate accounts shall be maintained for all former Employee Participants who have an interest in the Plan and have been separated from employment for ninety (90) days.

(d) The maintenance of separate accounts shall not require a segregation of the Trust assets and no Participant shall acquire any right to or interest in any specific asset of the Trust as a result of the allocations provided for in the Plan.

4.2 Allocation of Employee ~~Pre-Tax~~Pre-Tax and Roth Contributions

(a) A Participant's Employee Pre-Tax Contributions under Section 3.1(a)(1) shall be allocated to the Participant's Employee Pre-Tax Sub-Account, and shall be invested in accordance with the Participant's outstanding Investment Option specification.

(b) A Participant's Employee Roth Contributions under Section 3.1(a)(3) shall be allocated to the Participant's Employee Roth Sub-Account and shall be invested in accordance with the Participant's outstanding Investment Option specification.

4.3 Allocation of Employer Contributions

Employer Contributions under Section 3.2 shall be allocated to the Participant's Employer Contribution Sub-Account, and shall be invested in accordance with the Participant's outstanding Investment Option specification.

4.4 Allocation of Rollover Contributions

A Participant’s Rollover Contributions under Section 3.3 shall be allocated to the Participant’s Rollover Sub-Account, as well as any special sub-accounts established within the Participant’s Rollover Sub-Account and shall be invested in accordance with the Participant’s outstanding Investment Option specification.

4.5 Maximum Additions

(a) Except to the extent permitted under Section 3.5 and Code Section 414(v), the sum of the Employee Pre-Tax Contributions, Employee Roth Contributions, and Employer Contributions for any Limitation Year (the "Annual Additions"), when combined with any annual additions credited to the Participant for the same period under any other qualified defined contribution plan (or a defined benefit plan treated as partially consisting of a defined contribution plan pursuant to Code Section 414(k)) maintained by the Employer, shall not exceed the lesser of the following:

(1) $~~40,000~~70,000 or such larger amount as may be determined under Code Section 415(c)(1)(A) and 415(d); or

(2) 100% of the Participant's total Section 415 Compensation received from the Employer for such Limitation Year.

(b) In the event a Participant is covered by this Plan and another qualified defined contribution plan (or the Participant is covered by this Plan and a defined benefit plan treated as partially consisting of a defined contribution plan pursuant to Code Section 414(k)) maintained by the Employer, the maximum Annual Additions to each Plan shall be decreased as determined necessary to insure that the limitations of Code Section 415(c) are not exceeded in the following order: (1) any plan other than this Plan and any Code Section 414(k) plan, (2) then this Plan, and (3) then any Code Section 414(k) plan.

(c) In the event that corrective adjustments in the Annual Additions to any Individual Account in this Plan are required due to a reasonable error in estimating a Participant's compensation or in determining the amount of Employee Pre-Tax Contributions and Employee Roth Contributions that may be made with respect to any Participant under the annual additions limit of subsection (a), the adjustment shall be made by first distributing the Employee Pre-Tax Contributions, plus earnings on such Employee Pre-Tax Contributions, to the Participant who made them, then by distributing the Employee Roth Contributions, plus earnings on such Employee Roth Contributions, to the Participant who made them.

(d) In the event that corrective adjustments in the Annual Additions to any Individual Account are required for any reason other than those specified in the preceding paragraph, the adjustment shall be made in accordance with the correction methods provided in this Plan or any methods endorsed by the Internal Revenue Service.

ARTICLE V

DISTRIBUTIONS

5.1 Termination of Employment or Attainment of Age 59½

(a) As soon as administratively feasible following the termination of employment of a Participant for any reason, the value of the Participant's Individual Account (as determined under Section 5.8) shall become payable. Upon request by the Participant or Beneficiary, the Board shall direct the Trustee to distribute to the Participant or Beneficiary such amount in accordance with the provisions of this Article, as applicable. The failure of a Participant or Beneficiary to request a distribution shall be deemed to be an election to defer distribution.

(b) In the event a Participant who terminated employment with an Employer is reemployed with an Employer prior to receiving a full distribution of the Participant's Individual Account, he or she shall not be entitled to a distribution as provided in this Article due to such termination, but shall be entitled to a distribution as determined herein upon any subsequent termination of employment or as provided in subsection (c).

(c) If a Participant is an Employee beyond the date the Participant attains age 59½, the Participant may elect to receive an in-service distribution of the Participant's Individual Account, excluding any gain sharing contribution in accordance with Code Section 414(k). If elected, the amount to be distributed will be distributed or will commence to be distributed as soon as administratively reasonable after the date of this election. Distribution will be made in accordance with the provisions of this Article V.

5.2 Method of Payment

(a) Account Balances Less than or Equal to $1,000. If, on the date that is 90 days after the Participant terminates employment with the Employer, the value of a Participant's Individual Account (as determined under Section 5.8) does not exceed $1,000, the Participant or Beneficiary shall not elect a payment option and benefit payments hereunder shall be made in a lump-sum payment representing the entire account balance.

(b) Account Balances Greater than $1,000 and Less than or Equal to $5,000.

(1) If, on the date a distribution is requested by the Participant, the value of a Participant's Individual Account (as determined under Section 5.8) is greater than $1,000 but does not exceed $5,000, the Participant or Beneficiary may choose between the lump sum option described in Section 5.3(a) or the partial lump sum option described in Section 5.3(f).

(2) The only exception to subsection (1) is that a Participant who terminates employment on or after attaining Normal Retirement Age, may purchase service in the PERSI Base Plan as permitted by that plan, and Section 5.3(e) of this Plan.

(c) Account Balances Greater than $5,000.

(1) Normal Retirement. If a Participant who terminates employment on or after reaching Normal Retirement Age requests a distribution and his Individual Account (as determined under Section 5.8) exceeds $5,000, the Participant may choose from any of the distribution options in Section 5.3.

(2) Attainment of Age 59½. If a Participant that is an Employee who attains age 59½ requests a distribution of the Participant's Individual Account, excluding any gain sharing contribution in accordance with Code Section 414(k), and the Participant's Individual Account (as determined under Section 5.8) exceeds $5,000, the Participant may choose from any of the distribution options in Section 5.3 except for purchase of service under Section 5.3(e).

(3) Disability. If a Participant terminated employment due to a Disability and his Individual Account (as determined under Section 5.8) exceeds $5,000, the Participant may choose from any of the distribution options in Section 5.3 except for purchase of service under Section 5.3(e).

(4) Death. Upon the death of a Participant who has an Individual Account (as determined under Section 5.8) exceeding $5,000 on the date a distribution request is processed by the recordkeeper, the value of such Participant's Individual Account (as determined under Section 5.8) shall become payable to the Beneficiary. If the Beneficiary is the Participant's surviving spouse, the Beneficiary may select from any distribution option in Section 5.3 except purchase of service under Section 5.3(e). If the Beneficiary is not the Participant's surviving spouse, then, except as provided in Section 5.13, the Beneficiary may choose between the lump sum option described in Section 5.3(a)

or the partial lump sum option described in Section 5.3(f). After the death of the Participant and before distribution of the Participant's Individual Account balance, the Participant's Beneficiary shall be entitled to select the Investment Options in which the Individual Account will be invested in accordance with the same rules then applicable to Participant selection of Investment Options.

(5) Termination for Other Reasons. If the Participant's termination from employment is for any reason other than normal retirement under Subsection (1), disability under Subsection (3), or death under Subsection (4), and the Participant's Individual Account (as determined under Section 5.8) exceeds $5,000, the Participant may choose from any of the distribution options in Section 5.3 except for purchase of service under Section 5.3(e).

(d) Elections. A Participant or Beneficiary who is required to have his benefit hereunder paid under one of the methods provided in Section 5.3 shall make such an election by making an Appropriate Request. An election by a Participant or Beneficiary to receive his retirement benefit under any of the optional methods of payment as provided in subsection Section 5.3 may be revoked by such Participant or Beneficiary at any time up until the date that is 30 days prior to the date on which benefit payments are scheduled to commence. After retirement benefit payments have commenced, a Participant may revoke an election to receive his retirement benefit under the optional methods described in Section 5.3 except that an election to convert a portion of the distribution to purchase service under the PERSI Base Plan as provided in paragraph (e) of Subsection 5.3 or an election to have all or a portion of the distribution paid in a lump sum as provided in paragraphs (a), (d) or (f) of Subsection 5.3 is irrevocable.

5.3 Potential Distribution Options

(a) Lump-sum payment representing the entire account balance.

(b) Substantially equal monthly payments over a period not to exceed the joint life expectancy of the Participant and the designated Beneficiary. The amount of each monthly installment shall normally be the balance of the Participant's Individual Account divided by the remaining number of months in such period, all rounded to the nearest cent.

However, the amount of each monthly installment may be recomputed and adjusted from time to time, no more frequently than monthly, as the Trustee may reasonably determine.

(c) Installment payments of a fixed amount, with such payments to be made until exhaustion of the Participant's Individual Account balance, not to exceed 120 months.

(d) A portion of the distribution payable in a lump sum distribution, and the remaining portion payable in either of the optional forms provided for in subsections (b) or (c) above.

(e) A portion of the distribution converted to credited service under the PERSI Base Plan (defined benefit plan) in the same manner as a purchase of service under section 59-1363, Idaho Code, as amended or any successor statute, and the remaining portion payable in either the form provided for in subsection (a) or the forms provided for in subsections (b), (c) or (d) above.

(f) A partial lump sum distribution, with the remaining portion payable in either a lump sum payment under subsection (a) or another partial lump sum payment under this subsection (f).

(g) Any other optional form of benefit offered by the Plan's service provider as of the date the Participant makes his or her election pursuant to Section 5.2(d).

5.4 Allocation of Payments and Fees

Whenever a form of distribution is elected~~,~~ requiring payment(s) of less than all the assets in the account, payments and fees shall be deducted on a pro-rata basis from each source and investment option.

5.5 Benefits to Minors and Incompetents

(a) In case any person entitled to receive payment under the Plan shall be a minor, the Board, in its discretion, may distribute such payment in any one or more of the following ways:

(1) By payment thereof directly to such minor;

(2) By application thereof for the benefit of such minor;

(3) By payment thereof to either parent of such minor or to any person who shall be legally qualified and shall be acting as guardian of the person or the property

of such minor, provided the parent or adult person to whom any amount shall be paid shall have advised the Board in writing that he will hold or use such amount for the benefit of such minor. Alternatively, the Board may distribute such payment consistent with the provision of the Uniform Transfers to Minors Act, as adopted by Idaho, or the state of residence of the minor, as applicable.

(b) In the event a person entitled to receive payment under the Plan is physically or mentally incapable of personally receiving and giving a valid receipt for any payment due (unless prior claim therefor shall have been made by a duly qualified legal representative of such person), such payment in the discretion of the Board may be made to the spouse, son, daughter, parent, brother or sister of the recipient or to any other person who is responsible for the welfare of such recipient.

(c) Any payments made under subsections (a) or (b) shall, to the extent of the payments, fully discharge the obligations of the Board and the Plan to any other person making a claim hereunder with respect to such payments.

~~5.6 Minimum Distribution Requirements between January 1, 2001 and December 31, 2002.~~

~~With respect to distributions under the Plan made in calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Internal Revenue Code in accordance with the regulations under section 401(a)(9) that were proposed in January 2001, notwithstanding any provision of the Plan to the contrary.~~

5.6 Reserved.

5.7. Required Minimum Distributions On and After January 1, 2020.

(a) General Rules.

(1) The requirements of this Section 5.7 shall apply to any distribution of a Participant's interest in accordance with Section 5.3 and will take precedence over any inconsistent provisions of this plan.

(2) All distributions required under this Section 5.7 shall be determined and made in accordance with the regulations under Section 401(a)(9) of the Code and the minimum distribution incidental benefit requirement of Section 401(a)(9)(G) of the Code.

(3) Limits on Distribution Periods. As of the first distribution calendar year, distributions to a Participant, if not made in a single sum, may only be made over one of the following periods, subject to Section 5.3:

A. the life of the Participant,

B. the joint lives of the Participant and a designated Beneficiary,

C. a period certain not extending beyond the life expectancy of the Participant, or

D. a period certain not extending beyond the joint life and last survivor expectancy of the Participant and a designated Beneficiary.

(b) Time and Manner of Distribution.

(1) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(2) Death of Participant Prior to January 1, 2020, Before Distributions Begin. If the Participant dies prior to January 1, 2020 and before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

A. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the applicable age, if later.

B. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

C. If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

D. If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse are required to begin, this Section 5.7(b)(2), other than Section 5.7(b)(2)(A), will apply as if the surviving spouse were the Participant.

For purposes of this Section 5.7(b) and Section 5.7(d), unless Section 5.7(b)(2)(D) applies, distributions are considered to begin on the Participant's required beginning date. If Section 5.7(b)(2)(D) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 5.7(b)(2)(A). If distributions under an annuity purchased from an insurance company irrevocably commence to the Participant before the Participant's required beginning date (or to the Participant's surviving spouse before the date distributions are required to begin to the surviving spouse under Section 5.7(b)(2)(A)), the date distributions are considered to begin is the date distributions actually commence.

(3) Death of Participant On or After January 1, 2020, Before Distributions Begin. If the Participant dies on or after January 1, 2020 and before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

A. Participant Survived by a Designated Beneficiary Who is not an Eligible Designated Beneficiary. If there is a designated Beneficiary who is not an eligible designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

B. Participant Survived by an Eligible Designated Beneficiary. If the Participant is survived by an eligible designated Beneficiary, then distributions to the eligible designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died. However, if the Participant's spouse is the sole Beneficiary, then the commencement of distributions may be delayed until December 31 of the calendar year in which the Participant would have attained the applicable age, if later.

C. No Designated Beneficiary. If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(3) Forms of Distribution. Unless the Participant's interest is distributed in the form of an annuity purchased from an insurance company or in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with this Section. If the Participant's interest is distributed in the form of an annuity purchased from an insurance company, distributions thereunder will be made in accordance with the requirements of Section 401(a)(9) of the Code and the regulations.

(c) Required Minimum Distributions During Participant's Lifetime.

(1) Amount of Required Minimum Distribution For Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

A. the quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9(c) of the regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

B. if the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9(d) of the regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

(2) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this Section 5.7(c) beginning with the first distribution calendar year and continuing up to, and including, the distribution calendar year that includes the Participant's date of death.

(d) Required Minimum Distributions After Participant's Death.

(1) Death Prior to January 1, 2020, On or After Date Distributions Begin.

A. Participant Survived by Designated Beneficiary. If the Participant dies prior to January 1, 2020, on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

I. The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

II. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

III. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

B. No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of the September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

C. Subsequent Death of Beneficiary. If the death of the Participant's designated Beneficiary occurs after distributions begin and after January 1, 2020, but before the entire account balance has been paid out, annual distributions will be paid and completed within 10 years of the designated Beneficiary's death.

(2) Death On or After January 1, 2020, On or After Date Distributions Begin.

A. Participant Survived by Designated Beneficiary. If the Participant dies on or after January 1, 2020 and on or after the date distributions begin, distributions to the Participant's Beneficiary will begin not later than December 31 of the year following the year of the Participant's death, and the Participant's remaining interest must be distributed at least as rapidly as under the distribution method used by the Participant as of the date of the Participant's death.

B. Life Expectancy Determinations. Where there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

I. The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

II. If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the applicable distribution period is measured by the surviving spouse's life expectancy using the surviving spouse's birthday for each distribution calendar year after the calendar year of the Participant's death. The surviving spouse's remaining life expectancy is redetermined each distribution calendar year using the surviving spouse's age as of the surviving spouse's birthday in that distribution calendar year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

III. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary and there is an eligible designated Beneficiary, the eligible designated Beneficiary's remaining life expectancy is calculated using the age of the eligible designated Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

IV. If the Participant's surviving spouse is not the Participant's sole designated Beneficiary and there is no eligible designated Beneficiary, the entire interest must be distributed by the end of the calendar year that includes the tenth anniversary of the date of the

Participant's death. However, for the 2021, 2022, 2023 and 2024 calendar years, distributions are not required.

C. No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, such as where no individual is named as the Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

D. Death Prior to January 1, 2020, Before Date Distributions Begin

I. Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in Section 5.7(d)(1).

II. No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

III. Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 5.7(b)(2) and this Section 5.7(d)(3)(D) will apply as if the surviving spouse were the Participant.

(3) Death on or after January 1, 2020, Before Distributions Begin

A. If the Participant dies before the date distribution begins and the surviving spouse is the sole Beneficiary, distribution must begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained the applicable age, if later.

(1) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under Section 5.7(d)(3)A. this Section 5.7(d)(3) will apply as if the surviving spouse were the Participant.

B. Participant Survived by Eligible Designated Beneficiary. Except as provided in the adoption agreement, if the Participant dies before the date distributions begin and there is an eligible designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is determined initially using the Beneficiary's age as of his birthday in the calendar year following the calendar year of the Participant's death. For subsequent calendar years, the designated Beneficiary's remaining life expectancy is determined by reducing that initial life expectancy by one for each calendar year that has elapsed after the first calendar year.

(1) Death of Eligible Designated Beneficiary. If the Participant dies before the date distributions begin and is survived by an eligible designated Beneficiary and the surviving eligible designated Beneficiary dies or reaches the age of majority before distributions are required to begin to the eligible designated Beneficiary under Section 5.7(d)(3)(B), distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the tenth anniversary of the eligible designated Beneficiary's death.

C. Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary who is not an eligible designated Beneficiary, distribution of the Participant's entire interest must be distributed by December 31 of the calendar year containing the tenth anniversary of the Participant's death.

D. No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(e) Definitions

(1) Applicable age.

A. In the case of an individual who attains age 70 before July 1, 2019, the applicable age is 70 $^{1}/_{2}$.

B. In the case of an individual who attains age 70 on or after July 1, 2019, the applicable age is 72.

C. In the case of an individual who attains age 72 after December 31, 2022, and age 73 before January 1, 2033, the applicable age is 73.

(2) Designated Beneficiary. The individual who is designated by the Participant (or the Participant's surviving spouse) as the Beneficiary of the Participant's interest under the plan and who is the designated Beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4 of the regulations.

(3) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 5.7(b)(2) and 5.7(b)(3). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

(4) Eligible designated Beneficiary. An eligible designated Beneficiary is the individual designated by the Participant (or the Participant's surviving spouse) and who will receive the Participant's interest under the plan and who is:

A. The surviving spouse of the Participant,

B. A child of the Participant who has not reached majority,

C. Disabled,within the meaning of Code Section 72(m)(7),

D. A chronically ill individual, or

E. An individual not described above who is not more than 10 years younger than the Participant.

(5) Life expectancy. Life expectancy as computed by use of the Single Life Table in Section 1.401(a)(9)-9(b) of the regulations.

(6) Participant's account balance. The account balance as of the last valuation date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account as of dates in the valuation calendar year after the valuation date and decreased by distributions made in the valuation calendar year after the valuation date. The account balance for the valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(7) Required Beginning Date: Required Beginning Date shall have the meaning as selected by the employer in the Adoption Agreement.

(f) 2020 Required Minimum Distributions

(1) A Participant or Beneficiary who would have been required to receive required minimum distributions in 2020 (or paid in 2021 for the 2020 calendar year for a Participant with a required beginning date of April 1, 2021) but for the enactment of Section 401(a)(9)(I) of the Code ("2020 required minimum distributions"), and who would have satisfied that requirement by receiving distributions that are either (1) equal to the 2020 required minimum distributions, or (2) one or more payments (that include the 2020 required minimum distributions) in a series of substantially equal periodic payments made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancies) of the Participant and the

Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2020 required minimum distributions"), will be given an opportunity to make an election as to whether or not to receive those distributions.

(2) A direct rollover will be offered only for distributions that would be eligible rollover distributions in the absence of Section 401(a)(9)(I) of the Code.

~~5.7 Minimum Distribution Requirements after December 31, 2002 and as further specified in this Section 5.7.~~

~~(a) General.~~

~~(1) Effective Date. The provisions of this Section 5.7 will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.~~

~~(2) Precedence. The requirements of this Section 5.7 will take precedence over any inconsistent provisions of the Plan.~~

~~(3) Requirements of Treasury Regulations Incorporated. All distributions under this Section 5.7 will be determined and made in accordance with the final Treasury regulationsRegulations under Section 401(a)(9) of the Code.~~

~~(b) Time and Manner of Distribution.~~

~~(1) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.~~

~~(2) Death of Participant before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:~~

~~(A) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later., if the Participant reaches age 70 ½ before January 1, 2020; if the Participant reaches age 70 ½ after December 31, 2019 and age 72 before January 1, 2023,~~

~~age 72; if the Participant reaches age 72 after December 31, 2022 and age 73 before January 1, 2033, age 73.~~

~~(B) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.~~

~~(C) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.~~

~~(D) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section 5.7(b)(2), other than Section 5.7(b)(2)(A), will apply as if the surviving spouse were the Participant.~~

~~For purposes of this Section 5.7(b)(2), and Section 5.7(d), unless Section 5.7(b)(2)(D) applies, distributions are considered to begin on the Participant's required beginning date. If Section 5.7(b)(2)(D) applies, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under Section 5.7(b)(2)(A).~~

~~(3) Forms of Distributions. Unless the Participant's interest is distributed in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with paragraphs (c) and (d) of this 5.7.~~

~~(c) Required Minimum Distributions During Participant's Lifetime.~~

~~(1) Amount of Required Minimum Distribution for Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:~~

~~(A) The quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section~~

~~1.401(a)(9)-9 of the Treasury regulations~~Regulations~~, using the Participant's age as of the Participant's birthday in the distribution calendar year; or~~

~~(B) If the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury regulations~~Regulations~~, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.~~

~~(2) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this paragraph (c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.~~

~~(d) Required Minimum Distributions After Participant's Death. (1) Death On or After Date Distributions Begin.~~

~~(A) Participant's Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:~~

~~(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.~~

~~(ii). If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For~~

~~distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.~~

~~(iii). If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.~~

~~(B) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of the death, reduced by one for each subsequent year.~~

~~(2) Death Before Date Distributions Begin.~~

~~(A) Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary, determined as provided in 5.7(e)(3).~~

~~(B) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.~~

~~(C) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the~~

~~surviving spouse dies before distributions are required to begin to the surviving spouse under Section 5.7(b)(2)(A), this Section 5.7(b)(2)(C) will apply as if the surviving spouse were the Participant.~~

~~(e) Compliance with Regulations. Notwithstanding the foregoing, the Plan will be administered in accordance with Treasury Regulations issued under Section 401(a)(9) and related guidance for calendar years beginning on and after January 1, 2024.~~

~~(ef) Definitions.~~

~~(1) Designated Beneficiary. The individual who is designated as the Beneficiary under Article X of the Plan and is the designated Beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4, of the Treasury regulationsRegulations.~~

~~(2) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section 5.7(b)(2). The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.~~

~~(3) Life expectancy. Life expectancy as computed by the use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury regulationsRegulations.~~

~~(4) Participant's account balance. The account balance as of the last Valuation Date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of the dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. The account balance for valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.~~

~~(5) Required beginning date. April 1 of the calendar year following the later of (a) the calendar year in which the Participant attains age seventy two (72),reaches age 70 ½ if before January 1, 2020; if the Participant reaches age 70 ½ after December 31, 2019 and age 72 before January 1, 2023, age 72; if the Participant reaches age 72 after December 31, 2022 and age 73 before January 1, 2033, age 73 or (b) the calendar year in which the Participant retires, effective for required beginning dates occurring after December 31, 2019 for individuals who reach age 70 ½ after December 31, 2019.~~

5.8 Valuation of Accounts

The value of a Participant's Individual Account upon a distribution under the Plan shall be determined as of the Valuation Date on which the Plan's recordkeeper issues payment to the Participant or the Participant's Beneficiary.

5.9 Direct Rollovers

(a) Notwithstanding any provision of the Plan to the contrary that would otherwise limit a distributee's election under this Section, a distributee may elect, at the time and in the manner prescribed by the Board, to have any portion of an eligible rollover distribution paid directly to an eligible retirement plan specified by the distributee in a direct rollover.

(b) (1) An "eligible rollover distribution" is any distribution of all or any portion of the balance to the credit of the distributee, except that an eligible rollover distribution does not include: any distribution that is one of a series of substantially equal periodic payments (not less frequently than annually) made for the life (or life expectancy) of the distributee or the joint lives (or joint life expectancies) of the distributee and the distributee's designated Beneficiary, or for a specified period of ten years or more; any distribution to the extent such distribution is required under Section 401(a)(9) of the Code; the portion of any distribution that is not includible in gross income (determined without regard to the exclusion for net unrealized appreciation with respect to employer securities); and any distribution made upon hardship of the employee.

(2) An "eligible retirement plan" is an individual retirement account described in Section 408(a) of the Code, an individual retirement annuity described in Section 408(b) of the Code (other than an endowment contract), an annuity plan described

in Section 403(a) of the Code, an eligible deferred compensation plan described in Section 457(b) of the Code that is maintained by an eligible employer described in Section 457(e)(l)(A) of the Code, an annuity contract described in Section 403(b) of the Code, or a qualified retirement plan described in Section 401(a) of the Code, that accepts the distributee's eligible rollover distribution. For distributions made after December 31, 2007, an eligible retirement plan also includes a Roth IRA described in Section 408A of the Code.

(3) A "distributee" includes an employee or former employee. In addition, the employee's or former employee's surviving spouse and the employee's or former employee's spouse or former spouse who is the alternate payee under a qualified domestic relations order, as defined in Section 414(p) of the Code, are distributees with regard to the interest of the spouse or former spouse.

(4) A "direct rollover" is a payment by the Plan to the eligible retirement plan specified by the distributee.

5.10 Approved Domestic Retirement Orders (ADROs)

(a) A Participant's Individual Account may be assigned in whole or in part to a spouse or former spouse only pursuant to a court order that substantially meets the requirements for a qualified domestic relations order under section 414(p) of the Internal Revenue Code, other than subsection (9) thereof, as determined by the Board or its agent. Such order must encompass all funds in the PERSI Choice Plan and be separate and distinct from any approved domestic retirement order required for assignments under the PERSI Base Plan.

(b) A separate Individual Account will be established for the spouse or former spouse to be designated an alternate payee account and will be treated in all respects as a former Employee Participant account as described in Section 4.1(c) of the Plan, except that an alternate payee shall not elect a payment option and distribution shall be made in a lump-sum payment representing the entire account balance of the alternate payee's account. Fees will be assessed directly against such account in amounts determined by the Board pursuant to Section 11.3.

5.11 In-Service Transfers to Purchase Service~~.~~

A Participant may, while still employed, request that all or part of his Individual Account be transferred directly to the PERSI Base Plan, or other defined benefit governmental plan (as defined in Section 414(d) of the Code) maintained in the state of Idaho, if such transfer is for the purchase of permissive service credit (as defined in Section 415(n)(3)(A) of the Code) under such plan, or a repayment to which Section 415 of the Code does not apply by reason of subsection (k)(3) thereof.

5.12 Reserved~~.~~

5.13 Rollovers to Non-Spouse Beneficiaries

Effective for distributions after April 30, 2007, the Beneficiary of a deceased Participant may request a transfer of the Beneficiary's Account to the trustee of an individual retirement account established under Section 408 of the Code in accordance with the provisions of Section 402(e)(11).

~~5.14 Required Minimum Distribution Holiday~~

~~Notwithstanding Section 5.7, a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 ("2009 RMDs") but for the enactment of section 401(a)(9)(H) of the Code, and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.~~

ARTICLE VI

LOANS AND WITHDRAWALS

6.1 Loans to Participants

A Participant may, by making an Appropriate Request, request a loan from the Trust Fund; provided, however, a Participant who is not an Employee is not eligible to request or receive a loan from the Trust Fund. The following additional rules shall apply:

~~(a) The Board shall retain the power to approve or decline a loan and may make reasonable distinctions based upon creditworthiness, other obligations of the Participant, state laws affecting payroll deductions, and any other factors that may adversely affect the Employer's ability to deduct loan repayments from a Participant's pay.~~

(~~b~~a) A Participant may only have one loan outstanding at any time.

(~~c~~b) The minimum new loan amount shall be $1,000. If a Participant's Individual Account balance is insufficient to support the minimum loan amount loan, no loan shall be made.

(~~d~~c) The maximum amount of any loan shall be the lesser of (1) and (2):

(1) $50,000, reduced by the highest balance of any loans from the Plan during the twelve month period ending on the day before the date the loan is made

(2) One-half of the value of the vested portion of the Participant's Individual Account on the date the loan is made.

(~~e~~d) All loans shall be repayable over a period of not more than five years, except that a loan used by the Participant to acquire any dwelling unit which within a reasonable time is to be used (determined at the time the loan is made) as a principal residence of the Participant shall be repayable over a period of not more than 10 years.

(~~f~~e) A loan shall be secured by one-half of the value of the vested portion of the Participant's Individual Account balance; shall bear interest at a rate of one percent (1%) above the Prime Rate in effect on the first day of the calendar month in which the loan is applied for; shall be repaid by payroll deduction each pay period in accordance with a reasonable repayment schedule requiring substantially level payments of principal and interest; and shall be evidenced by a written promissory note setting forth the terms of the loan. A Participant may prepay the entire outstanding loan balance without penalty.

(~~g~~f) There may be an administrative charge imposed on each new loan~~ in an amount determined by the Board~~.

(~~h~~g) Each loan shall be considered a separate investment option of the Individual Account of the Participant. Notwithstanding Section 4.1(d), when a loan is made, the amount of the loan shall be withdrawn from sub-accounts within the Participant's Individual Account among the separate Investment Options in which each sub-account is invested and transferred to a segregated loan account maintained in his name. The loan amount shall be withdrawn from the sub-accounts within the Individual Account in the following order: (1) the Rollover Sub-Account; (2) the Employee Pre-Tax Sub-Account; ~~and~~ (3) the Employee Roth Sub-Account; and (4) the Employer Contribution Sub-Account. Within each sub-account, the loan amount shall be withdrawn from the separate Investment Options on a pro-rata basis based on the Participant's outstanding Investment Option specification. Payments of principal and interest against a loan shall thereafter be allocated ratably among the sub-accounts from which the loan was withdrawn and invested in accordance with a Participant's outstanding Investment Option specification.

(~~i~~h) For purposes of this Plan, a Participant shall be deemed to be in default on a loan if the Participant fails to make any installment payment by the last day of the calendar quarter following the calendar quarter in which the payment was due. In the event of a default, the outstanding loan balance is deemed to be a taxable distribution.

(~~j~~i) In the event of the death of a Participant, the Participant's Account balance shall be reduced or offset by the unpaid portion of the outstanding loan together with any accrued interest prior to distribution if the outstanding loan and accrued interest is not satisfied by payment in full prior to such distribution.

(~~k~~j) In the event of Disability of the Participant or the termination of employment, the Participant may pay the loan as follows:

a. pay the loan in full;

b. if the record keeper allows, make arrangements with the record keeper (not PERSI) to continue making the loan payments after Disability or termination of employment; or

c. if neither a nor b above is selected, the loan shall be immediately due and payable.

(~~l~~k) If an Employee who has an outstanding loan incurs a leave of absence, ceases loan repayment, and his rate of pay (after income and employment tax withholding) is not sufficient to meet the required repayment under the terms of the loan, then the Board shall not deem that a default has occurred for a period equal to the lesser of (1) the length of the leave of absence, or (2) one year. In this instance, when the Employee returns from the leave of absence, his loan payments shall be reamortized over the remaining period of scheduled repayments. Notwithstanding the preceding provisions, loan repayments during a period of qualified military service will be suspended under this Plan as permitted under IRC Section 414(u)(4).

6.2 Hardship Withdrawals

(a) Upon making an Appropriate Request~~ and with the approval of the Board or its designee~~, a Participant shall be allowed to withdraw all or part of the value of his Individual Account that is available under subsection (c) while still employed by the Employer. Withdrawals made pursuant to this Section 6.2 shall be made in a lump sum payment. Withdrawn amounts may not be repaid to the Trust Fund.

(b) A Participant may only make a withdrawal under this Section 6.2 if (1) the withdrawal is made on account of an immediate and heavy financial need and (2) the amount of the withdrawal does not exceed the amount necessary to satisfy the need.

(1) A withdrawal is made on account of an immediate and heavy financial need only if it is made for a reason described in Treasury Regulation 1.401(k)-1(d)(3)(iii)(B), or for any additional reason that the Commissioner of Internal Revenue deems to be an immediate and heavy financial need pursuant to his authority under Treasury Regulation 1.401(k)-1(d)(3)(v).

(2) A withdrawal will be considered to be in an amount necessary to satisfy the need only if:

(A) The withdrawal does not exceed the amount of the need under paragraph (1);

(B) The Participant has obtained all non-hardship distributions for which he is eligible under any plan the Employer may sponsor (including this Plan);

(C) The Participant ~~has represented to the administrator, either in writing or by a recorded phone call,~~represents that he or she does not have sufficient cash or other liquid assets reasonably available to satisfy the need; and

(D) The Participant's Employer does not have actual knowledge that is contrary to the representation.

(c) A Participant's hardship withdrawal under this Section 6.2 shall be limited to the aggregate of all his Employee Pre-Tax Contributions and Employee Roth Contributions made prior to the withdrawal~~ (excluding earnings thereon allocated to his Employee Pre-Tax Sub-~~

~~Account)~~, reduced by the amount of any prior withdrawal of such Employee Pre-Tax Contributions and Employee Roth Contributions. Within the Employee Pre-Tax Sub-Account and Employee Roth Contributions, withdrawals shall be charged against the separate Investment Options on a pro-rata basis based on the Participant's outstanding Investment Option specification. The requested hardship distribution shall be withdrawn first from the Employee Pre-Tax Sub-Account, then the Employee Roth Sub-Account.

6.3 Non-Hardship Withdrawals

Upon request of the Participant, a Participant shall be allowed to withdraw all or part of the value of his Rollover Sub-Account for any reason. Withdrawals made pursuant to this Section 6.3 shall be made in a lump sum payment. Within the Rollover Sub-Account, withdrawals shall be charged against the separate Investment Options on a pro-rata basis based on the Participant's outstanding Investment Option specification. Withdrawn amounts may not be repaid to the Trust Fund.

ARTICLE VII
TRUST FUND

7.1 Contributions

Contributions as provided for in Article III shall be paid over to the Trustee. All contributions shall be irrevocable, and, except as provided in Section 11.6 or any other provision of this Plan, shall not be returned to the Employer. Any reversion of trust funds to an Employer or PERSI is prohibited. Assets of the Fund may be used only for the exclusive benefit of Participants and their Beneficiaries.

7.2 Trustee

The Board will maintain an agreement with the Trustee under which the Trustee will receive, invest and administer as a trust fund contributions made under this Plan in accordance with the Trust Agreement.

Such Trust Agreement is incorporated by reference as a part of the Plan, and the rights of all persons entitled to benefits hereunder are subject to the terms of the Trust Agreement. The Trust Agreement specifically provides, among other things, for the investment and reinvestment of the Fund and the income thereof, the management of the Fund, the responsibilities and obligations of the Trustee, removal of the Trustee and appointment of a successor, accounting by the Trustee and the disbursement of the Fund.

Subject to a Participant's Investment Option specification, the Trustee shall, in accordance with the terms of such Trust Agreement, accept and receive all sums of money paid to it from time to time by the Board, and shall hold, invest, reinvest, manage and administer such moneys and the increment, increase, earnings and income thereof as a trust fund for the exclusive benefit of the Participants and their Beneficiaries and for the payment of reasonable expenses of administering the Plan.

ARTICLE VIII
PLAN ADMINISTRATION

8.1 The Board

The retirement board created pursuant to section 59-1304 of the Idaho Code, as amended or any successor statute, to manage the Public Employee Retirement System of Idaho (the "Board") shall administer the Plan.

A Board member shall serve until his successor qualifies. Each Board member shall be entitled to one vote, and three Board members shall constitute a quorum. Three votes shall be necessary for resolution or action by the Board at any meeting.

The Board shall hold regular meetings and shall hold special meetings at such times and at such places as it deems necessary. All meetings of the Board shall be open to the public. The Board shall keep a record of all its proceedings.

The Board shall have the power and duty of managing the Plan. The Board shall have discretionary authority to construe the Plan, and to determine, consistent with the terms of the Plan, all questions that may arise thereunder relating to (a) the eligibility of individuals to participate in the Plan, (b) the amount of benefits to which any Participant or Beneficiary may become entitled hereunder, and (c) any situation not specifically covered by the provisions of the Plan. The determination of the Board shall be final and binding on all interested parties. All disbursements by the Trustee, except for the ordinary expenses of administration of the Fund, shall be made upon, and in accordance with, the written directions of the Board.

The Board shall have the powers and privileges of a corporation, including the right to sue and be sued in its own name as such Board. Members of the Board and staff hired to assist with Plan administration who shall be found to be fiduciaries of the Plan, jointly and individually, shall be indemnified from all claims, demands, judgments, costs, charges and expenses, including court costs and attorney fees, and against all liability losses and damages of any nature whatsoever that Board members and staff shall or may at any time sustain by reason of any decision made in the scope or performance of their duties pursuant to the provisions of this Section. The venue of all actions in which the Board is a party shall be Ada County, Idaho.

The Board shall appoint an executive director to serve at its discretion. The executive director shall be the secretary to the Board, bonded as is required by the Board and shall perform such duties as assigned by the Board. The executive director shall be authorized to designate a staff member as acting director or secretary in the director's absence.

The Board shall authorize the creation of whatever staff it deems necessary for sound and economical administration of the Plan. The executive director shall hire the persons for the staff. The salaries and compensation of all persons employed for purposes of administering the system shall be fixed by the Board and paid from the Plan, unless otherwise determined by the Board.

The Board shall arrange for all actuarial, audit, custodial, legal, consulting and other necessary services for the Plan. The fees and expenses of such services shall be paid from the Plan, unless otherwise determined by the Board.

Nothing herein shall prevent a Board member from being a Participant, or from acting on Plan matters that affect him by virtue of affecting all Participants generally. However, a Board member shall not act on any matter that affects him specially.

8.2 Appeals

The Board shall have the power and authority to adopt, amend or rescind such rules and administrative policies as may be necessary for the proper administration of the Plan.

A final decision of the Board shall be served by either electronic mail with a read receipt or first class and certified mail, postage paid, on all interested parties. Any person aggrieved by any otherwise final decision or inaction of the Board must, before he appeals to the courts, file with the executive director of the Board by electronic mail with a read receipt, first class mail, or personally, within 90 days after the service date of the final decision on the aggrieved party, a notice for a hearing before the Board. The notice of hearing shall set forth the grounds of appeal to the Board.

A hearing shall be held before the Board in Ada County, Idaho, at a time and place designated by the Board, or may be undertaken or held by or before any members(s) thereof or any hearing officer appointed by the Board for that purpose. The proceedings before the Board shall be governed by the provisions of chapter 52, title 67 of the Idaho Code, as amended or any successor statute. Members of the Board or the hearing officer shall have power to administer oaths, to preserve and enforce order during such hearings, to issue subpoenas for and to compel the attendance and testimony of witnesses or the production of books, papers, documents and other evidence and to examine witnesses.

Every finding, order or award made by any member or hearing officer pursuant to such hearing, as confirmed or modified by the Board, and ordered filed in its office, shall be deemed to be the finding, order or award of the Board. The recommended order of the hearing officer shall be considered by the Board and the decision and order of the majority of the members shall be the order of the Board. Every such order rendered by the Board shall be in writing and a copy thereof shall be mailed by first class and certified mail or via electronic mail with a read receipt to each party to the appeal and to his attorney of record.

If any person in proceedings herein disobeys or resists any lawful order to process or misbehaves during a hearing, or so near the place thereof as to obstruct the same, or neglects to produce, after having been ordered so to do, any pertinent book, paper, document or other evidence, or refuses to appear after having been subpoenaed, or upon appearing refuses to take the oath as a witness, or after having taken the oath refuses to be examined according to law, the Board shall certify the facts to the district court having jurisdiction, and the court shall thereupon, in a summary manner, hear the evidence as to the acts complained of, and, if the evidence so warrants, punish such person in the same manner and to the same extent as for contempt committed before the court, or commit such person upon the same conditions as if doing of the forbidden act had occurred with reference to the proceedings, or in the presence of the court.

Any party aggrieved by a final order of the Board may seek judicial review thereof pursuant to the provisions of chapter 52, title 67 of the Idaho Code, as amended or any successor statute. The decision or judgment of the district court shall be subject to appeal to the Supreme Court in the same manner and by the same procedure as appeals are taken and perfected to the court in civil actions at law.

8.3 Missing Persons

If the Trustee is unable to make payment to any Participant or other person to whom a payment is due under the Plan because it cannot ascertain the identity or whereabouts of such Participant or other person after reasonable efforts have been made to identify or locate such person (including a notice of the payment so due mailed to the last known address of such Participant or other person as shown on the records of the Employer), such payment and all subsequent payments otherwise due to such Participant or other person shall be treated as forfeited ~~three (3) years after the date such payment first became due~~and transmitted to the recordkeeper's unclaimed property account; provided, however, that such payment and any subsequent payments shall be reinstated retroactively ~~no later than sixty (60) days~~as soon as administratively feasible after the date on which the Participant or other person is identified or located.

ARTICLE IX
AMENDMENT AND TERMINATION OF THE PLAN

9.1 Amendment of the Plan

The Board shall have the right at any time to amend the Plan in whole or in part, including retroactively to the extent necessary. Notwithstanding the preceding sentence, no amendment shall increase the duties, powers and liability of the Trustee without its written consent. Any amendment shall be set forth in an instrument in writing, a copy of which shall be provided to the Trustee as soon as practicable following its adoption.

9.2 Termination of the Plan

Continuance of this plan is not assumed as a contractual obligation.

In the event of termination of the Plan, the Board shall value the Fund as of the date of termination. The Individual Accounts of the Participants and Beneficiaries affected by the termination, as determined by the Board, shall continue to be administered as a part of the Fund or distributed to such Participants or Beneficiaries as the Board, in its sole discretion, shall determine. Any distributions upon plan termination of amounts attributable to Employee Pre-Tax Contributions and Employee Roth Contributions shall only be made to the extent permissible by Code ~~Section~~Sections 401(k)(10) and 402A(d).

ARTICLE X

PROVISIONS RELATIVE TO EMPLOYERS INCLUDED IN PLAN

10.1 Method of Participation

After the effective date of this plan document, any organization that begins to participate in the PERSI Base Plan shall be considered to have adopted this plan and shall thereafter be included in this Plan.

10.2 Withdrawal

Withdrawal from this plan is contingent on withdrawal by the Employer from the PERSI Base Plan. Upon withdrawal from the PERSI Base Plan, withdrawal from this Plan is mandatory~~.~~ by the Employer. Upon such withdrawal, the Board shall certify to the Trustee the equitable share of such withdrawing Employer in the Fund (to be determined by the Board).

The Trustee shall thereupon set aside from the Fund then held by it such securities and other property as it shall, in its sole discretion, deem to be equal in value to such equitable share. If the Plan is to be terminated with respect to such Employer, the amount set aside shall be dealt with in accordance with the provisions of Section 9.2. If the Plan is not to be terminated with respect to such Employer, the Trustee shall pay such amount to such trustee as may be designated by such withdrawing Employer.

Neither the segregation of the Fund assets upon the withdrawal of an Employer, nor the execution of any new agreement and declaration of trust pursuant to any of the provisions of this Section 10.2, shall operate to permit any part of the corpus or income of the Fund to be used for or diverted to purposes other than for the exclusive benefit of Participants and Beneficiaries or to defray reasonable costs of administering the Plan and Trust.

ARTICLE XI
MISCELLANEOUS

11.1 Governing Law

The Plan shall be construed, regulated and administered according to the laws of the State of Idaho except in those areas preempted by the laws of the United States of America.

11.2 Construction

The headings and subheadings in the Plan have been inserted for convenience of reference only and shall not affect the construction of the provisions hereof. In any necessary construction the masculine shall include the feminine and the singular the plural, and vice versa.

11.3 Administration Expenses

The expenses of administering the Fund and the Plan shall be paid as directed by the Board not inconsistent with statutory authority or rule, including imposition of charges directly against Participant or Beneficiary accounts.

11.4 Participant's Rights

No Participant in the Plan shall acquire any right to be retained in the Employer's employ by virtue of the Plan, nor, upon his dismissal, or upon his voluntary termination of employment, shall he have any right or interest in and to the Fund other than as specifically provided herein. The Employer shall not be liable for the payment of any benefit provided for herein. All benefits hereunder shall be payable only from the Fund.

11.5 Limitation on Assignment

Except for the reasons provided by section 59-1317~~,~~ of the Idaho Code, as amended or any successor statute, none of the benefits, payments, proceeds, or distributions under this Plan shall be subject to the claim of any creditor of a Participant or a Beneficiary hereunder or to any legal process by any creditor of a Participant or Beneficiary. Neither a Participant nor a Beneficiary shall have any right to alienate, commute, anticipate, or assign any of the benefits, payments, proceeds or distributions under this Plan.

11.6 Mistake of Fact

Notwithstanding anything herein to the contrary, upon the Employer's request, a contribution to this Plan which was made by a mistake of fact may be returned to the Employer by the Trustee within one (1) year after the payment of the contribution provided the funds have not been distributed.

11.7 Historical Provisions

(a) Prior to January 1, 2026, the following individuals were Eligible Employees:

(i) Any member of the Firemen's Retirement Fund created by Title 72, Chapter 14, Idaho Code, so long as he remains an Employee.

(ii) Any person who contributed to the PERSI Base Plan with the expectation of eligibility but who is not an active member solely because his employment with the Employer does not total five (5) consecutive months, pursuant to section 59-1302(14)(B)(b) of the Idaho Code.

(b) The following provision was applicable from January 1, 2001 and December 31, 2002: With respect to distributions under the Plan made in calendar years beginning on or after January 1, 2001, the Plan will apply the minimum distribution requirements of section 401(a)(9) of the Internal Revenue Code in accordance with the Treasury Regulations under section 401(a)(9) that were proposed in January 2001, notwithstanding any provision of the Plan to the contrary.

(c) Required Minimum Distribution Holiday - Notwithstanding Section 5.7 or Section 11.7(d), a Participant or Beneficiary who would have been required to receive required minimum distributions for 2009 ("2009 RMDs") but for the enactment of section 401(a)(9)(H) of the Code, and who would have satisfied that requirement by receiving distributions that are (1) equal to the 2009 RMDs or (2) one or more payments in a series of substantially equal distributions (that include the 2009 RMDs) made at least annually and expected to last for the life (or life expectancy) of the Participant, the joint lives (or joint life expectancy) of the Participant and the Participant's designated Beneficiary, or for a period of at least 10 years ("Extended 2009 RMDs"), will not receive those distributions for 2009 unless the Participant or Beneficiary chooses to receive such distributions. Participants and Beneficiaries described in the preceding sentence will be given the opportunity to elect to receive the distributions described in the preceding sentence.

(d) Minimum Distribution Requirements after December 31, 2002 and Prior to January 1, 2020.

(a) General.

(1) Effective Date. The provisions of this Section will apply for purposes of determining required minimum distributions for calendar years beginning with the 2003 calendar year.

(2) Precedence. The requirements of this Section will take precedence over any inconsistent provisions of the Plan.

(3) Requirements of Treasury Regulations Incorporated. All distributions under this Section will be determined and made in accordance with the final Treasury Regulations under Section 401(a)(9) of the Code.

(b) Time and Manner of Distribution.

(1) Required Beginning Date. The Participant's entire interest will be distributed, or begin to be distributed, to the Participant no later than the Participant's required beginning date.

(2) Death of Participant before Distributions Begin. If the Participant dies before distributions begin, the Participant's entire interest will be distributed, or begin to be distributed, no later than as follows:

(A) If the Participant's surviving spouse is the Participant's sole designated Beneficiary, then distributions to the surviving spouse will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died, or by December 31 of the calendar year in which the Participant would have attained age 70 1/2, if later.

(B) If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, then distributions to the designated Beneficiary will begin by December 31 of the calendar year immediately following the calendar year in which the Participant died.

(C) If there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, the Participant's entire interest will be distributed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(D) If the Participant's surviving spouse is the Participant's sole designated Beneficiary and the surviving spouse dies after the Participant but before distributions to the surviving spouse begin, this Section will apply as if the surviving spouse were the Participant.

For purposes of this Section, distributions are considered to begin on the Participant's required beginning date. However, if distributions are required to be made to the surviving spouse, distributions are considered to begin on the date distributions are required to begin to the surviving spouse under this Section.

(3) Forms of Distributions. Unless the Participant's interest is distributed in a single sum on or before the required beginning date, as of the first distribution calendar year distributions will be made in accordance with paragraphs (c) and (d) of this subsection.

(c) Required Minimum Distributions During Participant's Lifetime.

(1) Amount of Required Minimum Distribution for Each Distribution Calendar Year. During the Participant's lifetime, the minimum amount that will be distributed for each distribution calendar year is the lesser of:

(A) The quotient obtained by dividing the Participant's account balance by the distribution period in the Uniform Lifetime Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's age as of the Participant's birthday in the distribution calendar year; or

(B) If the Participant's sole designated Beneficiary for the distribution calendar year is the Participant's spouse, the quotient obtained by dividing the Participant's account balance by the number in the Joint and Last Survivor Table set forth in Section 1.401(a)(9)-9 of the Treasury Regulations, using the Participant's and spouse's attained ages as of the Participant's and spouse's birthdays in the distribution calendar year.

(2) Lifetime Required Minimum Distributions Continue Through Year of Participant's Death. Required minimum distributions will be determined under this paragraph (c) beginning with the first distribution calendar year and up to and including the distribution calendar year that includes the Participant's date of death.

(d) Required Minimum Distributions After Participant's Death. (1) Death On or After Date Distributions Begin.

(A) Participant's Survived by Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the longer of the remaining life expectancy of the Participant or the remaining life expectancy of the Participant's designated Beneficiary, determined as follows:

(i) The Participant's remaining life expectancy is calculated using the age of the Participant in the year of death, reduced by one for each subsequent year.

(ii). If the Participant's surviving spouse is the Participant's sole designated Beneficiary, the remaining life expectancy of the surviving spouse is calculated for each distribution calendar year after the year of the Participant's death using the surviving spouse's age as of the spouse's birthday in that year. For distribution calendar years after the year of the surviving spouse's death, the remaining life expectancy of the surviving spouse is calculated using the age of the surviving spouse as of the spouse's birthday in the calendar year of the spouse's death, reduced by one for each subsequent calendar year.

(iii). If the Participant's surviving spouse is not the Participant's sole designated Beneficiary, the designated Beneficiary's remaining life expectancy is calculated using the age of the Beneficiary in the year following the year of the Participant's death, reduced by one for each subsequent year.

(B) No Designated Beneficiary. If the Participant dies on or after the date distributions begin and there is no designated Beneficiary as of September 30 of the year after the year of the Participant's death, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the Participant's remaining life expectancy calculated using the age of the Participant in the year of the death, reduced by one for each subsequent year.

(2) Death Before Date Distributions Begin.

(A) Participant Survived by Designated Beneficiary. If the Participant dies before the date distributions begin and there is a designated Beneficiary, the minimum amount that will be distributed for each distribution calendar year after the year of the Participant's death is the quotient obtained by dividing the Participant's account balance by the remaining life expectancy of the Participant's designated Beneficiary.

(B) No Designated Beneficiary. If the Participant dies before the date distributions begin and there is no designated Beneficiary as of September 30 of the year following the year of the Participant's death, distribution of the Participant's entire interest will be completed by December 31 of the calendar year containing the fifth anniversary of the Participant's death.

(C) Death of Surviving Spouse Before Distributions to Surviving Spouse Are Required to Begin. If the Participant dies before the date distributions begin, the Participant's surviving spouse is the Participant's sole designated Beneficiary, and the surviving spouse dies before distributions are required to begin to the surviving spouse under this Section, this subsection (C) will apply as if the surviving spouse were the Participant.

(e) Definitions.

(1) Designated Beneficiary. The individual who is designated as the Beneficiary under Article X of the Plan and is the designated Beneficiary under Section 401(a)(9) of the Code and Section 1.401(a)(9)-4, of the Treasury Regulations.

(2) Distribution calendar year. A calendar year for which a minimum distribution is required. For distributions beginning before the Participant's death, the first distribution calendar year is the calendar year immediately preceding the calendar year which

contains the Participant's required beginning date. For distributions beginning after the Participant's death, the first distribution calendar year is the calendar year in which distributions are required to begin under Section. The required minimum distribution for the Participant's first distribution calendar year will be made on or before the Participant's required beginning date. The required minimum distribution for other distribution calendar years, including the required minimum distribution for the distribution calendar year in which the Participant's required beginning date occurs, will be made on or before December 31 of that distribution calendar year.

(3) Life expectancy. Life expectancy as computed by the use of the Single Life Table in Section 1.401(a)(9)-9 of the Treasury Regulations.

(4) Participant's account balance. The account balance as of the last Valuation Date in the calendar year immediately preceding the distribution calendar year (valuation calendar year) increased by the amount of any contributions made and allocated or forfeitures allocated to the account balance as of the dates in the valuation calendar year after the Valuation Date and decreased by distributions made in the valuation calendar year after the Valuation Date. The account balance for valuation calendar year includes any amounts rolled over or transferred to the plan either in the valuation calendar year or in the distribution calendar year if distributed or transferred in the valuation calendar year.

(5) Required beginning date. April 1 of the calendar year following the later of: (a) the calendar year in which the Participant reaches age 70 ½ or (b) the calendar year in which the Participant retires.

ARTICLE XII
ADOPTION OF THE PLAN

As evidence of its adoption of this ~~Tenth~~Twelfth Amended Plan, the Board of Trustees of the Public Employee Retirement System of Idaho (PERSI) has caused this instrument to be signed by its authorized officer this ______ day of _________________, ~~2024~~2025 effective generally as of January 1, ~~2025~~2026 and as otherwise provided herein.

ATTEST: PERSI

_____________________________ By:___________________________________

Michael Hampton

Executive Director and Secretary to the Retirement Board

12569675.~~v4~~v3

4912-7553-2314

PERSI
Public Employee Retirement System of Idaho
HELPING YOU BUILD A SECURE RETIREMENT

Date: July 29th, 2025

TO: PERSI Retirement Board

FROM: Mike Anderson
Financial Executive Officer

PHONES
Answer Center 208-334-3365
FAX 208-334-3805

Toll Free
Answer Center 1-800-451-8228
Employer Line 1-866-887-9525

MAILING ADDRESS
P.O. Box 83720
Boise ID 83720-0078

BOISE
Office Location Address
607 North 8th Street
Boise ID 83702-5518

POCATELLO
Office Location Address
1246 Yellowstone Ave – Ste.A5
Pocatello ID 83201

COEUR D'ALENE
Office Location Address
2005 Ironwood Pkwy #226
Coeur d' Alene ID 83814-2680

Choice Plan Recordkeeper
1-866-437-3774

www.persi.idaho.gov

Equal Opportunity Employer

SUBJECT: **UPDATE ON FISCAL ISSUES**

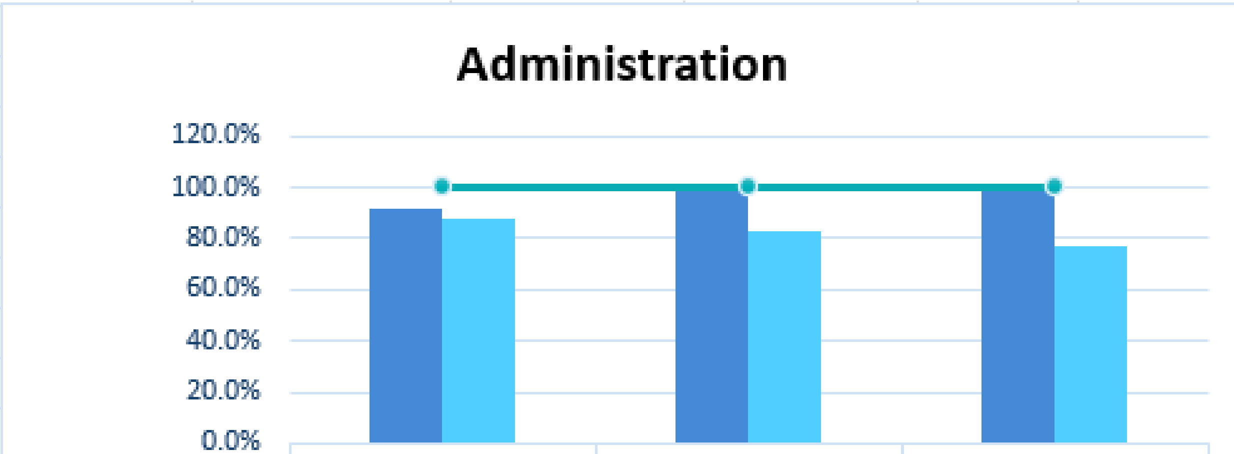
- **2025 EXPENSE REPORTS:** PERSI's year-to-date expense reports for the Administrative and Portfolio funds are enclosed.

    - **Administration:** The report is for FY2025 expenditures as of the end of June. As of 6/30/2025, the target expenses rate is 100.0%. Personnel expenses are below the target rate at 91.6%. Operating expenses are below the target rate at 99.6%. Capital Outlay expenses are below the target rate at 99.3%.

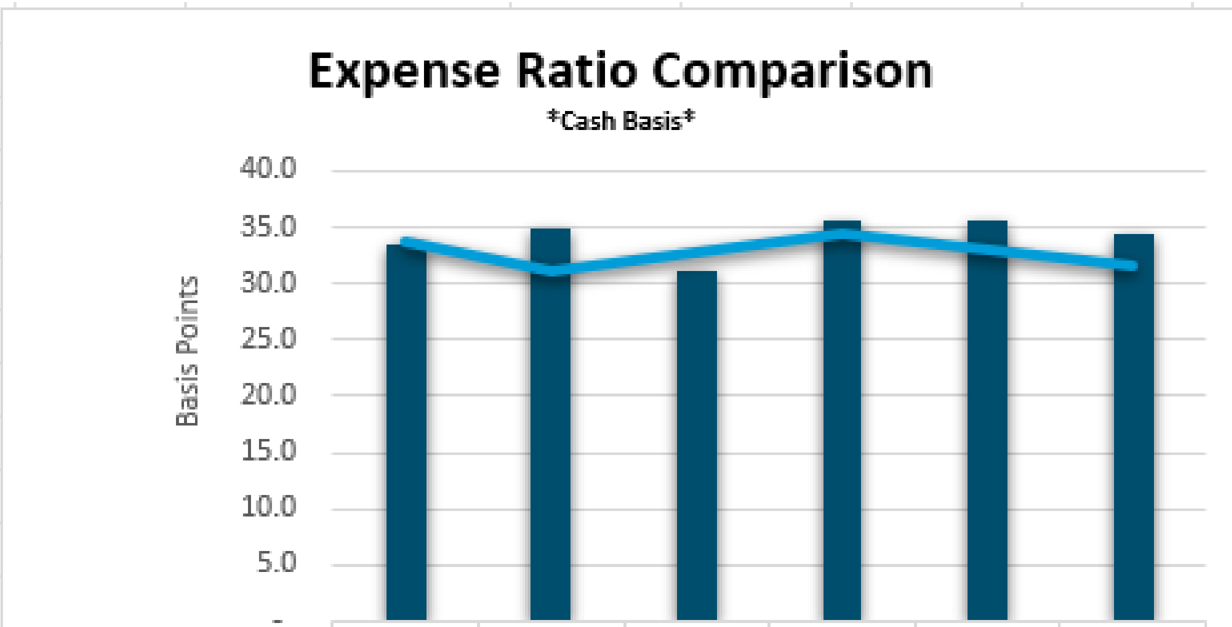
    - **Portfolio:** Our year-to-date expense ratio is 31.7 basis points of projected average net assets compared to the budgeted projection of 34.5 basis points. Both the budget and actual are below the 50-basis point target ratio. The total budgeted for FY 2025 assumed asset growth of 6.3% net. The reports are on a cash basis and, therefore, will vary from the expenses reported in the accrual-based financial statements.

- **MONTHLY OUT OF STATE TRAVEL REPORT:** The monthly travel report for May and June are included in the board report. Please let me know if you have any questions.

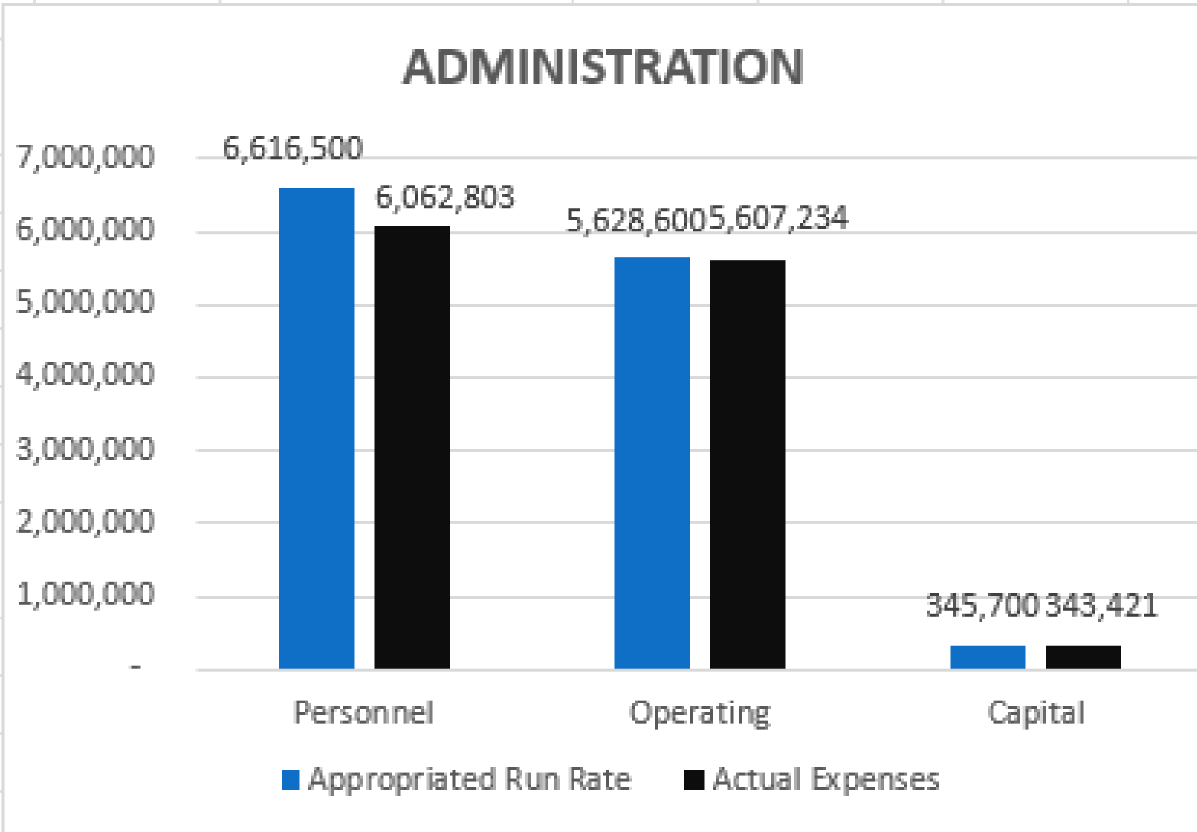
- **PRELIMINARY 2027 BUDGET REQUEST:** The FY 2027 preliminary appropriated budget request is included in your packet. I will present it in the meeting for discussion.

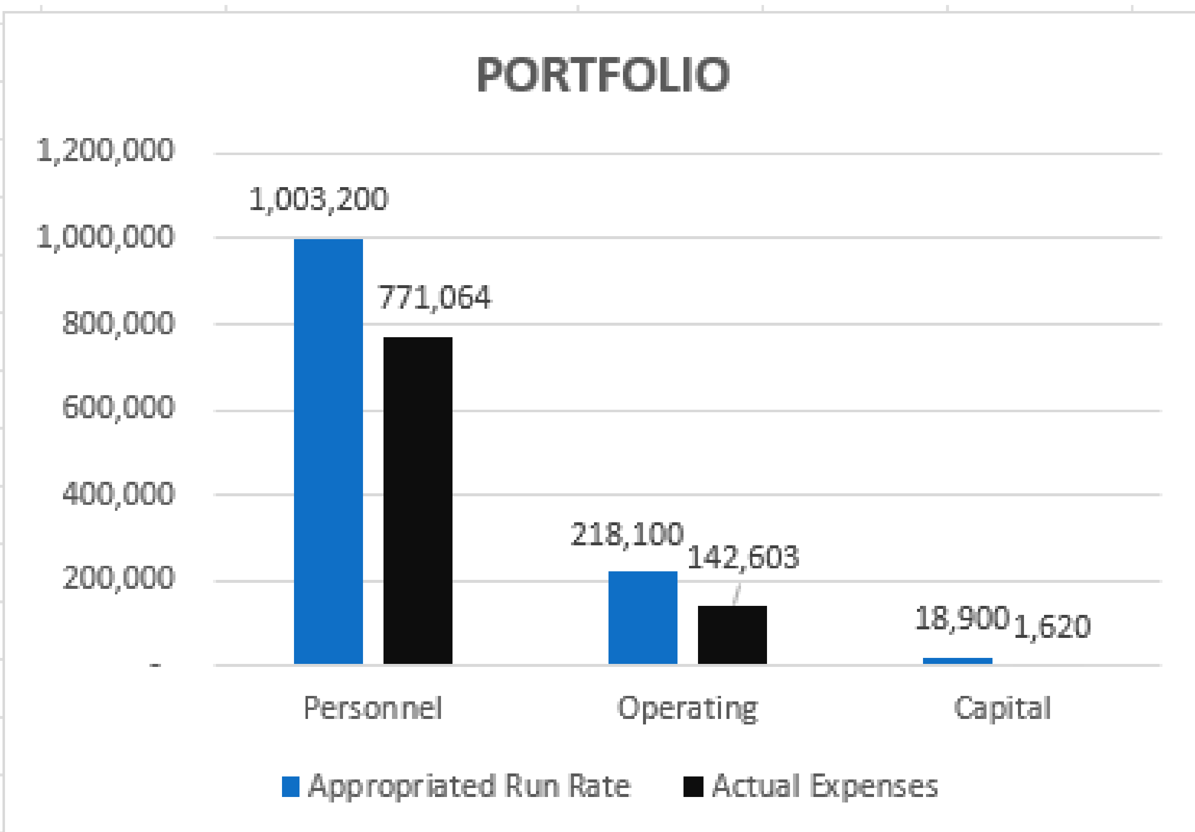


	Personnel	Operating	Capital
2025	91.6%	99.6%	99.3%
2024	87.5%	82.7%	77.1%
Target Rate	100.0%	100.0%	100.0%



	2020	2021	2022	2023	2024	2025
Budg Exp Ratio	33.6	34.8	31.1	35.6	35.6	34.5
YTD Actual	33.7	31.2	32.7	34.4	33.0	31.7


ADMINISTRATION
7,000,000
6,000,000
5,000,000
4,000,000
3,000,000
2,000,000
1,000,000
-
6,616,500
6,062,803
5,628,600
5,607,234
345,700
343,421
Personnel
Operating
Capital
Appropriated Run Rate
Actual Expenses


PORTFOLIO
1,200,000
1,000,000
800,000
600,000
400,000
200,000
-
1,003,200
771,064
218,100
142,603
18,900
1,620
Personnel
Operating
Capital
Appropriated Run Rate
Actual Expenses

SUMMARY REPORT							TARGET:		100.0%
ADMINISTRATIVE BUDGET									
JUNE 30, 2025									
	FY 2024 BUDGETED	FY 2024 ACTUAL	FY 2025 BUDGETED	PRIOR MONTHS	MAY	JUNE	FY 2025 YTD Actual Portfolio	Current Spending Balance	Actual as % of Budget
PERSONNEL	6,478,600	5,667,669	6,616,500	5,110,283	464,590	487,929	6,062,803	553,697	91.6%
OPERATING	5,652,900	4,673,300	5,628,600	4,189,025	672,430	745,779	5,607,234	21,366	99.6%
CAPITAL	200,500	154,496	345,700	180,210	-	163,211	343,421	2,279	99.3%
TOTAL	**12,332,000**	**10,495,465**	**12,590,800**	**9,479,518**	**1,137,019**	**1,396,919**	**12,013,458**	**577,342**	**95.4%**

SUMMARY REPORT - PORTFOLIO							TARGET:	100.0%
JUNE 30, 2025								
INVESTMENTS	FY 2024 BUDGETED	FY 2024 ACTUAL	FY 2025 BUDGETED	PRIOR MONTHS	MAY	JUNE	FY 2025 YTD Actual Portfolio	Actual as % of Budget
STAFF EXPENSE								
Personnel	991,900	751,089	1,003,200	649,248	60,444	61,372	771,064	76.9%
Operations	224,600	143,759	218,100	108,684	20,682	13,237	142,603	65.4%
Capital Outlay	18,900	24,734	18,900	-	-	1,620	1,620	8.6%

PUBLIC EMPLOYEE RETIREMENT SYSTEM
FY 2025 CASH BASIS ADMINISTRATION EXPENSES

SUMMARY REPORT
ADMINISTRATIVE BUDGET
JUNE 30, 2025

TARGET: 100.0%

	FY 2024 BUDGETED	FY 2024 ACTUAL	FY 2025 BUDGETED	PRIOR MONTHS	MAY	JUNE	FY 2025 YTD Actual Portfolio	Current Spending Balance	Actual as % of Budget
PERSONNEL	6,478,600	5,667,669	6,616,500	5,110,283	464,590	487,929	6,062,803	553,697	91.6%
OPERATING	5,652,900	4,673,300	5,628,600	4,189,025	672,430	745,779	5,607,234	21,366	99.6%
CAPITAL	200,500	154,496	345,700	180,210	-	163,211	343,421	2,279	99.3%
TOTAL	**12,332,000**	**10,495,465**	**12,590,800**	**9,479,518**	**1,137,019**	**1,396,919**	**12,013,458**	**577,342**	**95.4%**

ADMINISTRATIVE BUDGET
By Cost Center and Account Category
JUNE 30, 2025

DESCRIPTION	FY 2024 BUDGETED	FY 2024 ACTUAL	FY 2025 BUDGETED	PRIOR MONTHS	MAY	JUNE	FY 2025 YTD Actual Portfolio	Current Spending Balance	Actual as % of Budget
ADMINISTRATION									
Personnel	740,170	620,492	759,100	528,848	48,673	63,709	641,230	117,870	84.5%
Operating	157,600	106,937	188,500	153,453	18,623	16,412	188,489	11	100.0%
Capital	-	-	75,000	48,948	-	22,980	71,928	3,073	95.9%
BOARD			-						
Personnel	10,985	5,493	11,300	2,801	323	323	3,448	7,852	30.5%
Operating	21,300	59,409	37,000	29,646	4,926	2,277	36,849	151	99.6%
Capital	-	-	-	-	-	-	-	-	0.0%
LEGAL			-						
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	129,575	147,736	137,000	133,857	1,961	-	135,818	1,182	99.1%
Capital	-	-	-	-	-	-	-	-	0.0%
QUALITY ASSURANCE			-						
Personnel	503,313	538,359	518,400	407,571	47,411	48,071	503,053	15,347	97.0%
Operating	5,900	18,321	20,000	18,212	105	1,488	19,804	196	99.0%
Capital	-	-	24,000	-	-	23,420	23,420	580	97.6%
FISCAL ADMINISTRATION			-						
Personnel	928,982	919,564	950,300	781,236	73,266	75,646	930,147	20,153	97.9%
Operating	108,500	67,091	105,000	90,910	2,626	4,820	98,356	6,644	93.7%
Capital	-	-	-	-	-	-	-	-	0.0%
EMPLOYER SERVICE CENTER			-						
Personnel	306,266	266,777	305,600	235,133	20,978	21,343	277,454	28,146	90.8%
Operating	2,700	53,188	2,000	1,625	137	104	1,867	133	93.4%
Capital	-	-	-	-	-	-	-	-	0.0%

ADMINISTRATIVE BUDGET (Cont.) By Cost Center and Acco JUNE 30, 2025	FY 2024 BUDGETED	FY 2024 ACTUAL	FY 2025 BUDGETED	PRIOR MONTHS	MAY	JUNE	FY 2025 YTD Actual	Current Spending Balance	Actual as % of Budget
OVERHEAD									
Personnel	90,956	17,545	33,700	8,783	-	-	8,783	24,917	26.1%
Operating	640,605	586,693	605,100	603,536	542	(9,087)	594,992	10,108	98.3%
Capital	-	20,635	-	-	-	-	-	-	0.0%
IT - ADMINISTRATION			-						
Personnel	900,469	937,887	948,000	796,835	73,636	72,076	942,548	5,452	99.4%
Operating	52,000	53,646	46,000	18,040	24,788	3,070	45,898	102	99.8%
Capital	-	-	-	-	-	-	-	-	0.0%
IT - SYSTEM MAINTENANCE			-						
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	965,850	848,476	947,000	565,147	153,704	227,179	946,030	970	99.9%
Capital	200,500	118,859	191,700	76,353	-	108,355	184,708	6,992	96.4%
			-						
IT - PROJECTS			-						
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	3,000,000	2,272,945	3,000,000	2,132,328	400,000	471,040	3,003,368	(3,368)	100.1%
Capital	-	-	-	-	-	-	-	-	0.0%
MEMBER SERVICES			-						
Personnel	434,558	298,170	533,800	431,318	25,908	29,914	487,141	46,659	91.3%
Operating	17,900	44,578	35,000	32,272	1,344	358	33,974	1,026	97.1%
Capital	-	-	-	-	-	-	-	-	0.0%
DISABILITY ASSESSMENT			-						
Personnel	-	-	-	-	-	-	-	-	0.0%
Operating	227,000	150,221	149,000	131,300	17,025	-	148,325	675	99.5%
Capital	-	-	-	-	-	-	-	-	0.0%
FIELD SERVICES - CSO			-						
Personnel	130,215	134,734	135,100	116,473	11,173	11,426	139,071	(3,971)	102.9%
Operating	30,350	32,148	36,000	31,820	2,341	1,455	35,616	384	98.9%
Capital	-	200	-	-	-	-	-	-	0.0%
FIELD SERVICES - PSO			-						
Personnel	134,191	134,159	137,200	105,308	8,487	10,250	124,045	13,155	90.4%
Operating	37,220	42,298	67,000	57,207	4,064	4,881	66,151	849	98.7%
Capital	-	14,582	-	-	-	-	-	-	0.0%
PERSI RETIREMENT CENTER			-						
Personnel	471,986	196,774	436,100	255,369	28,004	28,477	311,850	124,250	71.5%
Operating	35,950	4,149	3,500	2,837	293	279	3,409	91	97.4%
Capital	-	-	-	-	-	-	-	-	0.0%
PERSI ANSWER CENTER			-						
Personnel	541,449	319,504	388,800	234,720	22,684	16,866	274,270	114,530	70.5%
Operating	36,400	4,886	16,500	15,603	420	358	16,381	119	99.3%
Capital	-	-	55,000	54,909	-	-	54,909	91	99.8%
PERSI PROCESSING CENTER			-						
Personnel	250,858	393,942	393,400	324,241	24,955	29,643	378,840	14,560	96.3%
Operating	12,600	12,136	22,000	20,150	406	495	21,050	950	95.7%
Capital	-	-	-	-	-	-	-	-	0.0%
IMAGING			-						
Personnel	68,196	68,237	70,200	58,842	5,451	5,546	69,840	360	99.5%
Operating	1,700	746	2,000	1,642	-	300	1,942	58	97.1%
Capital	-	-	-	-	-	-	-	-	0.0%
TRAINING			-						
Personnel	628,311	547,255	643,400	524,816	50,769	51,484	627,070	16,331	97.5%
Operating	62,950	78,819	102,000	76,536	6,986	18,074	101,596	404	99.6%
Capital	-	220	-	-	-	8,456	8,456	(8,456)	0.0%
COMMUNICATIONS			-						
Personnel	86,988	91,200	104,600	84,058	7,746	7,839	99,644	4,956	95.3%
Operating	91,900	86,207	97,000	64,537	32,088	52	96,678	322	99.7%
Capital	-	-	-	-	-	-	-	-	0.0%
DC PLAN ADMINISTRATION			-						
Personnel	250,707	177,577	247,500	213,931	15,124	15,316	244,370	3,130	98.7%
Operating	14,900	2,670	11,000	8,367	52	2,223	10,642	358	96.7%
Capital	-	-	-	-	-	-	-	-	0.0%
TOTAL									
PERSONNEL	**6,478,600**	**5,667,669**	**6,616,500**	**5,110,283**	**464,590**	**487,929**	**6,062,803**	**553,697**	**91.6%**
OPERATING	**5,652,900**	**4,673,300**	**5,628,600**	**4,189,025**	**672,430**	**745,779**	**5,607,234**	**21,366**	**99.6%**
CAPITAL	**200,500**	**154,496**	**345,700**	**180,210**	**-**	**163,211**	**343,421**	**2,279**	**99.3%**
	12,332,000	**10,495,465**	**12,590,800**	**9,479,518**	**1,137,019**	**1,396,919**	**12,013,458**	**577,342**	**95.4%**

PUBLIC EMPLOYEE RETIREMENT SYSTEM
FY 2025 CASH BASIS PORTFOLIO EXPENSES

SUMMARY REPORT - PORTFOLIO
JUNE 30, 2025

TARGET: 100.0%

INVESTMENTS	FY 2024 BUDGETED	FY 2024 ACTUAL	FY 2025 BUDGETED	PRIOR MONTHS	MAY	JUNE	FY 2025 YTD Actual Portfolio	Actual as % of Budget
MANAGEMENT FEES	62,023,608	57,876,903	68,558,103	56,063,256	4,423,122	3,269,244	63,755,621	93.0%
CONSULTANTS	1,110,000	1,106,103	1,500,000	1,101,946	49,156	78,916	1,230,018	82.0%
CUSTODIAL SERVICES	3,516,000	3,108,881	3,000,000	1,985,510	173,528	195,389	2,354,427	78.5%
REPORTING SERVICES								
1. Investment Related	121,000	117,635	240,000	132,897	-	5,000	137,897	57.5%
2. Non-Investment Related	550,000	597,246	710,000	480,549	59,538	52,860	592,947	83.5%
LEGAL	805,000	786,738	1,100,000	918,548	94,399	88,095	1,101,042	100.1%
STAFF EXPENSE	1,235,400	919,582	1,240,200	757,932	81,126	76,230	915,287	73.8%
ENCUMBRANCES*	-	-	-	-	-	-	-	
TOTAL EXPENDITURES*	69,361,008	64,513,088	76,348,303	61,440,637	4,880,868	3,765,734	70,087,239	91.8%
ADMINISTRATION	12,708,870	10,495,464	12,590,800	9,479,520	1,137,019	1,396,919	12,013,458	95.4%
YTD EXPENDITURES INCLUSIVE	82,069,878	75,008,552	88,939,103	70,920,157	6,017,887	5,162,653	82,100,697	92.3%

	FY 2024 Actual	FY 2025 Budgeted	FY 2025 ACTUAL
Investment Related Services	63,915,842	75,638,303	69,494,292
Non-Investement Related Services	597,246	710,000	592,947
Judges Retirement Fund	437,195	467,100	453,271
PERSI Administration[1]	10,495,464	12,590,800	12,013,458
1) TOTAL PERSI COSTS	75,445,747	89,406,203	82,553,968
2) ESTIMATED NET AVERAGE ASSETS	24,142,867,889	25,878,647,171	24,870,348,486
3) RATIO OF COSTS TO NET ASSETS	0.312%	0.345%	
Investment Expense	0.265%	0.292%	0.279%
Non-Investment Contracted Services	0.002%	0.003%	0.002%
Judges Retirement Fund	0.002%	0.002%	0.002%
PERSI Administration	0.043%	0.049%	0.048%
4) BUDGETED EXPENSE RATIO		34.5	
5) ACTUAL EXPENSE RATIO[2]		31.7	33.2

PUBLIC EMPLOYEE RETIREMENT
SYSTEM OF IDAHO
DETAIL REPORT
JUNE 30, 2025

TARGET: 100.0%

DESCRIPTION	FY 2024 BUDGETED	FY 2024 ACTUAL	FY 2025 BUDGETED	PRIOR MONTHS	MAY	JUNE	FY 2025 YTD Actual Portfolio	Actual as % of Budget
MANAGEMENT FEES								
Equity - Domestic	9,788,143	10,548,941	11,213,525	11,520,086	1,159,354	-	12,679,440	113.1%
Equity - International	7,716,570	3,030,958	8,155,000	7,181,421	1,665,840	88,243	8,935,504	109.6%
Fixed Income	2,843,895	2,765,360	2,939,577	2,552,184	455,607	-	3,007,792	102.3%
Real Estate	16,500,000	14,434,551	17,250,000	10,962,762	-	2,840,877	13,803,639	80.0%
Idaho Mortgage Program	3,675,000	3,773,228	4,500,000	3,258,083	330,479	332,623	3,921,185	87.1%
Equity Global	21,500,000	23,323,865	24,500,000	20,588,720	811,841	7,500	21,408,061	87.4%
CONSULTANTS								
Investment Consultants	710,000	616,648	760,000	602,309	-	22,500	624,809	82.2%
Advisors	380,000	345,855	380,000	264,508	26,913	30,221	321,642	84.6%
Other Consultants	20,000	143,600	360,000	235,128	22,243	26,195	283,566	78.8%
CUSTODIAL SERVICES								
Trust/Custody	3,000,000	2,635,150	3,000,000	1,786,771	173,528	195,389	2,155,687	71.9%
Clearwater Analytics, LLC	516,000	473,731	-	198,739	-	-	198,739	
REPORTING SERVICES								
1. Auditors Fees								
a. Annual Audit	100,000	151,367	160,000	37,961	-	-	37,961	23.7%
2. Actuarial Fees								
Milliman USA	250,000	262,546	350,000	292,588	42,871	52,860	388,319	110.9%
Cavanaugh MacDonald	200,000	183,333	200,000	150,000	16,667	-	166,667	83.3%
3. Bloomberg LP & Other	121,000	117,635	240,000	132,897	-	5,000	137,897	57.5%
LEGAL								
1. Legal Fees								
Legal Advice - Other	5,000	355,790	400,000	217,820	61,895	36,406	316,120	79.0%
Legal Advice - Priv Equity	600,000	409,873	600,000	615,902	26,143	25,854	667,899	111.3%
Legal Advice - Fiduciary/Liability	200,000	21,075	100,000	84,825	6,362	25,836	117,023	117.0%
STAFF EXPENSE								
Personnel	991,900	751,089	1,003,200	649,248	60,444	61,372	771,064	76.9%
Operations	224,600	143,759	218,100	108,684	20,682	13,237	142,603	65.4%
Capital Outlay	18,900	24,734	18,900	-	-	1,620	1,620	8.6%
Encumbrances	-	-	-	-	-	-	-	0.0%
Total Monthly Expenditures	69,361,008	64,513,088	76,348,303	61,440,637	4,880,868	3,765,734	70,087,239	91.8%
JUDGES RETIREMENT FUND								
Invest, Mgmt, Consulting, Custody, Reporting	325,000	320,000	330,000	290,487	22,683	17,296	330,466	100.1%
Accounting, Auditing	11,000	15,140	15,000	8,377	-	-	8,377	55.8%
Other Professional Services	-		-	-	-	-	-	0.0%
Actuary	30,000	36,521	40,000	31,690	-	-	31,690	79.2%
Legal	2,000	2,000	4,000	4,501	461	431	5,393	134.8%
Administration	76,900	63,534	78,100	50,108	21,194	5,651	76,953	98.5%
Admin Rule	-	-	-	392	-	-	392	0.0%
	444,900	437,195	467,100	385,555	44,338	23,378	453,271	97.0%

Scheduled and Completed Out of State Travel - Staff

Traveler	Request Created	Destination City/ State	Description	Dates of Travel	Final Voucher Amount
Richelle Sugiyama	X	Los Angeles, CA	2025 Global Milken Institute Conference	05/04/25-05/07/25	3,454.92
Chris Brechbuhler	X	Los Angeles, CA	2025 Global Milken Institute Conference	05/04/25-05/07/25	3,774.06
Richelle Sugiyama	X		AEW Client Conference/Annual Fund Meeting/meet w/managers	05/26/25-05/29/25	1,343.58
Chris Brechbuhler	X		AEW Client Conference/Annual Fund Meeting/meet w/managers	05/26/25-05/29/25	1,145.38
Branden Kennah		Memphis, TN	PRISM Conference	04/12/25-04/17/25	3,598.87
Kelly Cross		Denver, CO	NCPERS ACE 2025	05/18/25-05/21/25	2,713.50

Scheduled and Completed Out of State Travel - Staff

Traveler	Request Created	Destination City/ State	Description	Dates of Travel	Final Voucher Amount
Chris Wester	X	New York City, NY	BNY Asset Owners conf	05/18/25-05/22/25	2,715.57
Helen Santana	X	Sacramento, CA	NCTR Admin Assistant Workshop	06/08/25-06/11/25	3,002.16
Mike Hampton		Sacramento, CA	NCTR Conference	06/11/25-06/13/25	2,629.01
Chris Brechbuhler		Philadelphia, PA	Hamilton Lane University 2025	06/22/25-06/26/25	2,044.81

2027 Budget Request
Proposed
ADMINISTRATION

Proposed Budget Request for FY 2027*

		Unit Cost	Quantity	FTP	PC	OE	CO	Total
					PERSI Requested Budget			
FY 2026 Maintenance Budget				77.0	7,121,600	2,646,000		9,767,600
FY 2026 Enhancement Budget	1% CEC (PC), Arrivos Upgrade (OE), Capital Needs (CO)					3,000,000	615,600	3,615,600
Less Adjustments:	Arrivos Upgrade, IT Replacements					(3,000,000)	(615,600)	(3,615,600)
2027 Base Budget				77.0	**7,121,600**	**2,646,000**	**-**	**9,767,600**
Adjustments:								
Estimate CEC per budget book	1.0%				58,153			58,153
Change in Health Benefits					280,280			280,280
Change in Variable Benefits					13,063			13,063
Total Adjustments					351,496	-	-	351,496
Replacements Items		Unit Cost	Quantity					
Connectrix Fiber Switches		$22,500	2				45,000	45,000
Meraki Network Security/Firewall Appliance		$23,500	1				23,500	23,500
PowerEdge Immutable Backup Server for DR Site		$15,000	1				15,000	15,000
Storage Flash Array		$200,000	1				200,000	200,000
Standard Ultra-thin Laptop Computers		$1,550	15				23,250	23,250
High-end Laptop Computer		$2,900	1				2,900	2,900
Flat Panel Monitors		$290	32				9,280	9,280
							-	-
							-	-
Total Replacement Capital Outlay					-	-	318,930	318,930
Proposed 2027 Budget				77.0	7,473,096	2,646,000	318,930	10,438,026

Line Items (Enhancements):		FTP	PC	OE	CO	Total
Upgrade Arrivos to 2.0 (4 yr plan) Year 4.5*				2,000,000		2,000,000
Information Management Specialist III	**L**	1.0	106,263			106,263
COOP/DR Program Manager	**N**	1.0	134,410			134,410
						-
Total Line Items (Enhancements)		2.0	240,673	2,000,000	-	2,240,673
Proposed FY 2027 Budget Request*		**79.0**	**7,713,769**	**4,646,000**	**318,930**	**12,678,699**
	FY 2026 Budget	77.0	7,121,600	5,646,000	615,600	13,383,200
	FY 2027 Total % Change from FY2026	2.6%	8.3%	-17.7%	-48.2%	-5.3%

Notes:
*** The numbers making up the budget request in this document are preliminary and may have revisions in the final budget request document presented to DFM and LSO in September.**

2027 Budget Request
Proposed
PORTFOLIO

Proposed Budget Request for FY 2027*

				PERSI Requested Budget			
			FTP	**PC**	**OE**	**CO**	**Total**
FY 2026 Maintenance Budget			4.0	1,024,500	211,900		1,236,400
FY 2026 Enhancement Budget	1% CEC (PC) and Capital Needs (CO)				12,500	12,900	25,400
Less Adjustments:	IT Replacements					(12,900)	(12,900)
2027 Base Budget			4.0	**1,024,500**	**224,400**	**-**	**1,248,900**
Adjustments:							
Estimate CEC per budget book	1.0%			8,366			8,366
Change in Health Benefits				14,560			14,560
Change in Variable Benefits				1,879			1,879
Total Adjustments				24,805	-	-	24,805
Replacements Items	Unit Cost	Quantity					
Standard Desktop PC's	$1,100	2				2,200	2,200
High-end Ultra-thin Laptop Computers	$2,250	1				2,250	2,250
Flat panel monitors	$290	4				1,160	1,160
Cell Phone Replacement	$600	1				600	600
Conference Room Camera and Microphone	$2,000	1				2,000	2,000
Printer, Scanner, Copier	$7,500	1				7,500	7,500
Apple iPad Pro	$2,400	1				2,400	2,400
						-	-
Total Replacement Capital Outlay				-	-	18,110	18,110
Proposed 2027 Budget			4.0	1,049,305	224,400	18,110	1,291,815

Line Items (Enhancements):	FTP	PC	OE	CO	Total
					-
					-
					-
					-
Total Line Items (Enhancements)	-	-	-	-	-
Proposed FY 2027 Budget Request*	**4.0**	**1,049,305**	**224,400**	**18,110**	**1,291,815**
FY 2026 Budget	4.0	1,024,500	224,400	12,900	1,261,800
FY 2027 Total % Change from FY2026	0.0%	2.4%	0.0%	40.4%	2.4%

Notes:
*** The numbers making up the budget request in this document are preliminary and may have revisions in the final budget request document presented to DFM and LSO in September.**

2027 Budget Request
Proposed
ADMINISTRATION

Proposed Budget Request for FY 2027*

				FTP	PC	OE	CO	Total
				PERSI Requested Budget				
FY 2026 Maintenance Budget				77.0	7,121,600	2,646,000		9,767,600
FY 2026 Enhancement Budget	1% CEC (PC), Arrivos Upgrade (OE), Capital Needs (CO)					3,000,000	615,600	3,615,600
Less Adjustments:	Arrivos Upgrade, IT Replacements					(3,000,000)	(615,600)	(3,615,600)
2027 Base Budget				77.0	**7,121,600**	**2,646,000**	**-**	**9,767,600**
Adjustments:								
Estimate CEC per budget book	1.0%				58,153			58,153
Change in Health Benefits					280,280			280,280
Change in Variable Benefits					13,063			13,063
Total Adjustments					351,496	-	-	351,496
Replacements Items		Unit Cost	Quantity					
Connectrix Fiber Switches		$22,500	2				45,000	45,000
Meraki Network Security/Firewall Appliance		$23,500	1				23,500	23,500
PowerEdge Immutable Backup Server for DR Site		$15,000	1				15,000	15,000
Storage Flash Array		$200,000	1				200,000	200,000
Standard Ultra-thin Laptop Computers		$1,550	15				23,250	23,250
High-end Laptop Computer		$2,900	1				2,900	2,900
Flat Panel Monitors		$290	32				9,280	9,280
							-	-
							-	-
Total Replacement Capital Outlay					-	-	318,930	318,930
Proposed 2027 Budget				77.0	7,473,096	2,646,000	318,930	10,438,026

Line Items (Enhancements):		FTP	PC	OE	CO	Total
Upgrade Arrivos to 2.0 (4 yr plan) Year 4.5*				2,000,000		2,000,000
Information Management Specialist III	**L**	1.0	106,263			106,263
COOP/DR Program Manager	**N**	1.0	134,410			134,410
						-
Total Line Items (Enhancements)		2.0	240,673	2,000,000	-	2,240,673
Proposed FY 2027 Budget Request*		**79.0**	**7,713,769**	**4,646,000**	**318,930**	**12,678,699**
	FY 2026 Budget	77.0	7,121,600	5,646,000	615,600	13,383,200
	FY 2027 Total % Change from FY2026	2.6%	8.3%	-17.7%	-48.2%	-5.3%

Notes:
*** The numbers making up the budget request in this document are preliminary and may have revisions in the final budget request document presented to DFM and LSO in September.**

2027 Budget Request

Proposed

PORTFOLIO

Proposed Budget Request for FY 2027*

		Unit Cost	Quantity	FTP	PC	OE	CO	Total
				PERSI Requested Budget				
FY 2026 Maintenance Budget				4.0	1,024,500	211,900		1,236,400
FY 2026 Enhancement Budget	1% CEC (PC) and Capital Needs (CO)					12,500	12,900	25,400
Less Adjustments:	IT Replacements						(12,900)	(12,900)
2027 Base Budget				4.0	**1,024,500**	**224,400**	**-**	**1,248,900**
Adjustments:								
Estimate CEC per budget book	1.0%				8,366			8,366
Change in Health Benefits					14,560			14,560
Change in Variable Benefits					1,879			1,879
Total Adjustments					24,805	-	-	24,805
Replacements Items		Unit Cost	Quantity					
Standard Desktop PC's		$1,100	2				2,200	2,200
High-end Ultra-thin Laptop Computers		$2,250	1				2,250	2,250
Flat panel monitors		$290	4				1,160	1,160
Cell Phone Replacement		$600	1				600	600
Conference Room Camera and Microphone		$2,000	1				2,000	2,000
Printer, Scanner, Copier		$7,500	1				7,500	7,500
Apple iPad Pro		$2,400	1				2,400	2,400
							-	-
Total Replacement Capital Outlay					-	-	18,110	18,110
Proposed 2027 Budget				4.0	1,049,305	224,400	18,110	1,291,815
Line Items (Enhancements):				FTP	PC	OE	CO	Total
								-
								-
								-
								-
Total Line Items (Enhancements)				-	-	-	-	-
Proposed FY 2027 Budget Request*				**4.0**	**1,049,305**	**224,400**	**18,110**	**1,291,815**
	FY 2026 Budget			4.0	1,024,500	224,400	12,900	1,261,800
	FY 2027 Total % Change from FY2026			0.0%	2.4%	0.0%	40.4%	2.4%

Notes:

*** The numbers making up the budget request in this document are preliminary and may have revisions in the final budget request document presented to DFM and LSO in September.**

Meeting of the PERSI Retirement Board
July 29, 2025 │ 8:30 A.M. - 12:00 P.M.
PERSI Office - 607 N. 8th St. Boise, ID 83702
Zoom: https://us02web.zoom.us/webinar/register/WN_YYyfuOUvRxSShPgL3q2Omw

PERSI
www.persi.idaho.gov

AGENDA

Tuesday, July 29				
8:30 AM		Call to Order│Welcome		Jeff Cilek
	I.	Approval of Minutes		Jeff Cilek
		A.	Draft of May 20, 2025 Minutes *	
		B.	Selection of Vice Chair (GPM § I.8.A)*	
8:40 AM	II.	Investments│Portfolio		Richelle Sugiyama
		A.	Monthly Portfolio Update	Richelle Sugiyama, Chris Brechbuhler
		B.	Clearwater Advisors	Rhet Hulbert
9:25 AM	III.	Operations│Administration		Mike Hampton
		A.	Operations / Administration Update	Alex Simpson
		B.	2026 Executive Legislation	Mike Hampton
		C.	Requirements to comply with HB508 (2024)	Mike Hampton, Cheryl George
		D.	Choice Plan Document Amendments*	Diane Kaiser
10:25 AM		Break		
10:35 AM	IV.	Fiscal│Budget		Mike Anderson
		A.	Fiscal Update/Travel/Expense Report	Mike Anderson
		B.	Preview Budget Setting/Budget Guidance memo	Mike Anderson
10:55 AM	V.	Board		Jeff Cilek
		A.	Trustee Call for Future Agenda Items *	
11:00 AM	**	Executive Session - Idaho Code § 74-206 (1)(a)(b)(f)*		Jeff Cilek
12:00 PM		Adjournment		

2025 Future Board Meetings:
August 26, September 16, October 14, December 8-9

*Decision/Action of the Board Requested
**For the purpose of entering into Executive Session