



Nevada
Deferred
Compensation

Your journey to and through retirement.

Nevada Public Employees Deferred Compensation Program

Statement of Investment Policy

Amended 05/2018

Adopted March 2006

Nevada Public Employees Deferred Compensation Program

Statement of Investment Policy

TABLE OF CONTENTS	PAGE
INTRODUCTION & OBJECTIVES OF THE PROGRAM.....	3
PURPOSE OF STATEMENT.....	5
DECISION MAKING PROCESS.....	6
SELECTION OF INVESTMENT OPTIONS.....	7
INVESTMENT CATEGORIES, OBJECTIVES, GUIDELINES & PERFORMANCE STANDARDS	8
REPORTING AND MONITORING PROCEDURES.....	16
ADMINISTRATIVE POLICIES	18
PARTIES RESPONSIBLE FOR MNGT & ADMIN.....	19
SELF-DIRECTED BROKERAGE ACCOUNT	22
PARTICIPANT ADVISORY SERVICES.....	22
EXCESSIVE TRADING POLICY	23
EXHIBIT A.....	24

Section 1- Introduction

The Nevada Public Employees Deferred Compensation Committee (Committee) hereby adopts this Statement of Investment Policy (Policy) for the Nevada Public Employees Deferred Compensation Program (Program).

The Committee shall deliberate the status of the Program in an open forum, at least quarterly, conduct a review of the investment options and contracted service providers (i.e., Recordkeeper, Investment Consultant, and other contracted service providers) as necessary and take action as appropriate.

Objectives of the Program

The Program, established in 1977, is a voluntary tax-deferred supplemental retirement plan (IRC 457(b)), which provides participants and their beneficiaries with a supplement to their other retirement savings. The Program operates solely in the interest of plan participants and beneficiaries. As a voluntary, participant-directed plan, participants bear the ongoing responsibility for deciding the amount of current compensation to defer and the selection of investment allocation and options.

The Committee, appointed by the Governor pursuant to NRS 287.325, oversees the Program and strives to provide high-quality investment options at competitive costs while maintaining high standards of customer service. The Committee and its Executive Officer monitor the Program's contracted Service Providers (i.e., Recordkeeper, Investment Consultant, and other contracted service providers), communicate the importance of supplemental savings through educational group or individual sessions, electronic communications, newsletters, and other informational efforts, and administer the Program in accordance with state and federal guidelines. All Program expenses are paid from revenue generated by Plan participants to ensure that all participants equitably support the cost associated with the ongoing services of the Plan in a transparent manner. The Committee strives to utilize the most efficient share class investment management fee on all investment options adopted in the core investment line-up. Should any excess revenue be captured from a variable investment option that still requires a revenue sharing agreement, crediting will appear as investment earnings that are applied back to the specific investment option, reflected as a credit, and appear on

participant's quarterly statements accordingly. Consistent with Plan's goals of fee transparency and cost equality, the Program's cost structure will consist of two parts:

1. **Quarterly Asset Charge against All Variable Investment Options**- A quarterly asset charge against all variable investment options will result in a charge being assessed against all variable investment options to cover the annual Recordkeeping expenses charged per the current contract in place by the Plan. This asset based charge will not apply to assets invested in the Plan's current stable value investment option, but the Committee reserves the right to amend this parameter at any time.
2. **A Per Account Fee**- a single per account fee will be assessed quarterly against all accounts in excess of \$1000 on or around the 20th of the last month of each quarter, regardless of where the participant's investments are held.

The Program is a long-term retirement savings vehicle and is intended as a source of supplemental retirement income for eligible participants. The available options cover a range of investment risk and reward which the Committee deems appropriate for this retirement savings program. Although the Program is not mandated to follow guidelines set forth under the Employee Retirement Income Security Act (ERISA), the Program chooses to follow pertinent guidelines that are recommended as "Best Practices" in the industry as relevant to the Program. ERISA states the broad range of investment alternative requirement is met if investments are sufficient to permit participants a reasonable opportunity to materially affect the potential return and degree of risk on their investments. The participants must also have an opportunity to choose from at least three investments that:

- Are diversified;
- Have materially different risk and return characteristics;
- In the aggregate, enable the participant to achieve aggregate risk and return characteristics at any point within the range "normally appropriate for the participant;" and
- Each of which, when combined with the other alternatives, tends to minimize, through diversification, the overall risk of the portfolio.

The objectives of the Program are as follows:

- Assist employees and their beneficiaries in accumulating assets for retirement, as allowable under Section 457(b) of the Internal Revenue Code (IRC) and other governing rules and regulations;
- Provide a menu of high quality, diversified investment options that will allow participants of varying risk tolerance to construct portfolios tailored to meet their particular financial goals;
- Afford participants interested in investments other than core menu options access to a broad range of investment opportunities through a self-directed brokerage window; and

Minimize investment management and administrative expenses without compromising quality, performance, and service.

Purpose of the Statement of Investment Policy

The Committee has developed this Policy to define the objectives of the Program and establish policies and procedures for creating the highest probability that these objectives will be met in a prudent manner consistent with governing rules and regulations.

The Policy serves to:

- Define the Program objectives and link them to the Program's investment structure;
- Document the responsibilities of Program fiduciaries and non-fiduciaries;
- Define the investment categories offered and establish investment objectives and guidelines for each category;
- Determine appropriate benchmarks/performance standards;
- Set guidelines for monitoring investment performance ;
- Establish guidelines for changes to the investment options or Providers, including actions that may be taken upon failure to meet performance and or risk/return standards

- Outline remedies for investments that fail to satisfy these standards; and
- Establish quantitative and qualitative standards for ongoing evaluation of Program investments.

In general, it is understood that this Policy is intended to incorporate sufficient flexibility to accommodate current and future economic and market conditions and changes in applicable accounting, regulatory, and statutory requirements. The Committee will review this Policy at least annually, and, if appropriate, amend it to reflect changes in capital markets, Program participant objectives, or other relevant factors.

Decision Making Process

Participants make their own decisions when directing the investment of future contributions and accumulated account balances among the investment options offered under the Program. Participants bear the risk of investment results deriving from all decisions and from all investment results. No fiduciaries of the Program, shall be liable for any losses resulting from participant-directed investments. The Program is structured to enable a participant to build his/her own investment strategy. It is the participant's responsibility to re-allocate assets among investment options as personal circumstances and market conditions change. Participants may exchange and transfer money among the various investment options on a daily basis, subject to restrictions, if any, imposed by the Recordkeeper and the applicable investment manager. The Recordkeeper will make information available to participants regarding the various investment funds offered and guidance on the basic principles of investing, in accordance with ERISA and applicable law. However, the dissemination of such information alone does not constitute advice to participants. Participants are responsible for reading communications regarding the investment funds, establishing financial goals for themselves, and addressing their risks by diversification. The Program's contracted Recordkeeper will not provide investment advice to program participants, except through an optional independent third-party fiduciary advisory program as directed by the Committee (Section 6). Only educational information and general allocation guidance is permitted to be provided directly by the Program Administrative Staff, and/or its contracted Recordkeeper and its representatives.

Selection of Investment Options

The Program, at the Committee's discretion, may offer any of the following investment options:

Asset Allocation /Target Date Retirement

Principal Protection/Guaranteed Options

Fixed Income

U.S. Equity

International Equity

Global Equity

Each investment option offered under the Program shall:

- Include asset management fees that are reasonable and consistent with the industry;
- Operate in accordance with its prospectus or "fact sheet"

The Committee, in its sole discretion, may add or delete investment options/categories.

Investment Fund Selection

Before hiring a new investment fund manager, and based on the Investment consultant's recommendation to the Committee, the Committee will define the Investment Option/Style for the fund and the performance, quality, and risk characteristics of the investment manager that will be required. At a minimum, investment managers (and funds) under consideration should demonstrate they have met those performance and risk characteristics criteria under live, not modeled, conditions and over an appropriate time period. The selection process will involve a disciplined approach that will be fully documented.

Objectives in selecting a manager or fund would include the manager or fund's ability to:

- Maximize return within reasonable and prudent levels of risk;
- Maintain style consistency through a variety of market conditions;
- Provide returns comparable to returns for similar investment options;
- Control administrative and management costs; and
- Invest in assets consistent with investment objectives.

Section 2- Investment Categories:

Investment Structure

The Committee, taking into account the advice and counsel of its contracted Investment Consultant, has selected options to fit within the structure below to provide participants access to a diversified array of distinct asset classes along the risk return spectrum. The Program's investment structure can be segmented into tiers, with each meeting the varying needs of Participants. The Committee will review the list of options periodically to affirm its appropriateness for the Program. At any time, the Committee may decide to add or remove options as it deems necessary. Please see Exhibit A for specific investment options associated with the tiers described below.

Tier	Description
Tier I: Asset Allocation Options (Target Date Portfolios)	Allows participants to choose a pre-mixed, diversified portfolio that best fits their anticipated retirement year or maturity date. These funds generally start with a greater allocation to equities; and over time, the allocation will reduce equity exposure and increase the percentage to

	bonds and cash.
--	-----------------

Tier II (A): Passive Core Options	A set of passively managed funds from the major asset classes that can be used as building blocks to allow participants to create their own portfolios based on their time horizon, risk tolerance and investment goals.
Tier II (B): Active Core Options	A set of actively managed funds from the major asset classes that can be used as building blocks to allow participants to create their own portfolios based on their time horizon, risk tolerance and investment goals.
Tier III: Specialty Options	Allows participants who are interested in investments outside Tiers I and II the opportunity to diversify their investments through a vast array of additional mutual funds or other diversified investments based on their time horizon, risk tolerance and investment goals.

Objectives & Performance Standards

Asset Allocation Portfolios / Target Retirement Date Funds

Objective

The objective of this investment category is to invest in a diversified portfolio of holdings that are systematically rebalanced during the various market cycles or stages of an investor's lifetime. Lifecycle Funds (also known as Target Date Funds) establish a targeted "maturity date" and will automatically reallocate the investments over time from a more aggressive to a more conservative allocation. The funds are designed for the participant to select the fund that has its "maturity date" set similarly to his or her own investment horizon; often the participant's retirement age. The underlying mutual fund investments that comprise each Lifecycle Fund will be either active or passively managed by the investment manager. The dynamic asset allocation applied to each target date fund will be determined and rebalanced, accordingly, by the investment manager.

Lifecycle Funds provide a single, diversified alternative for retirement savings for participants in various stages of saving. The Funds allow the investor to take advantage of the diversification and asset allocation strategies that are in line with the date of retirement.

The Lifecycle/Target Date option will be the Qualified Default Investment Alternative (QDIA) based upon a participant date of birth and assumed retirement age of 65. This election has been based upon guidelines under the Department of Labor rules and guidelines related to permissible default investment options.

Performance Standards/Benchmarks (Net of fees)

- Index funds should track the performance of the stated index allowing a tracking differential of no more than 20 basis points less than the current index benchmark performance.
- The composite index for each fund will be established by the fund manager to reflect the asset allocation of the portfolio.
- The composite indexes for all the funds will consistently change allocation by gradually

shifting its allocation to more conservative investments as the fund matures.

Stability of Principle/Guaranteed Option

Objective

The objective of this fund option is to provide principal preservation, benefit responsiveness, liquidity, and current income at levels that typically are higher than those provided by money market funds over an interest rate cycle. The book value accounting feature of the Stable Value Fund investments is expected to produce relatively stable annual return on fund assets with little to no fluctuation in account values. The fund is to provide a competitive rate of interest consistent with the marketplace of similar products.

Performance Standards

- Competitive rate of interest relative to the Hueler Stable Value Index;
- Declared annualized rate of interest at least quarterly and prior to the quarter; and
- Book to market ratio of the portfolio reviewed on a quarterly basis.

Investment Objective:

Within the parameters as stated below, the objectives of the fund are to:

1. Preserve principal;
2. Provide sufficient liquidity to pay plan benefits;
3. Provide stable and predictable returns; and
4. Earn a high level of return relative to other objectives of the fund.

Benchmark Index:

To exceed the returns of the Market Index for that particular investment category, over a full market cycle, or in general, a period of 3 to 5 years.

General Account Stable Value Fund may primarily invest in fixed income instruments, including those of the US Government and its agencies, corporations, mortgage- and asset-backed securities, collateralized, emerging market and high yield debt, foreign securities,

privately placed notes and bonds and preferred stock securities. A Stable Value, General Account holds a diversified portfolio of securities that provides the capital, reserves and liquidity to support the insurance company's contractual obligations. The General Account product is designed to protect investors from market volatility by offering a guaranteed dependable crediting rate. Invested principal remains stable during the ups and downs of capital market cycles. The crediting rate provided to participants will reflect the contractual minimum guarantees. The general account contract should contain competitive discontinuance settlement options in the event of a change in investment manager.

General Account Characteristics:

Investment Objective: A guaranteed option provided by the Insurance Company, which seeks to provide a minimum level of return while preserving principal.

This option is typically supported by the General Account of the Insurance Company.

Performance: This funding option should provide a rate of return that is competitive with other similar options in the marketplace and will generally provide a higher return than money market funds.

Issuer Credit Rating/Risk and Reserves : The issuer shall have and maintain a rating that conveys significant financial strength as determined by nationally recognized statistical rating agencies such as A.M. Best, Standard & Poor's, Moody's, and Fitch and retain adequate reserves to meet liabilities as measured by maintaining a risk based capital ratio that is equal to or exceeds NIAC requirements. In the event of a ratings downgrade, the Committee will take necessary actions in accordance with its responsibilities as a fiduciary.

Portfolio management: The insurance company shall invest the underlying assets in a diversified portfolio of securities and instruments to support the contractual guarantees and to provide the required liquidity to satisfy all participant and contractual obligations.

Liquidity: General Account is to provide full liquidity at all times for participant directed transfers. Stable value will also offer full liquidity to fund participant-directed transfers to other investment options offered within the plan, except in the case where the plan offers a competing investment option. In the event of a competing option, a restriction such as an

"equity wash-provision" may apply.

The General Account product is to contain favorable discontinuance features that will allow for the transfer of assets to a newly contracted investment manager, and/or Recordkeeper.

The custodian's Risk Based Capital and other publicly available financial information to enable the evaluation of the insurer's ability to support the liability and guaranteed contractual rates is monitored by the Plan through its contracted Investment Consultant.

In addition to a General Account Stable Value fund the Plan may also offer a separate account stable value structure as an alternative vehicle. The Committee is to periodically review the book to market ratio of the portfolio and guidelines established by the investment manager of the portfolio.

Fixed Income

Objective

The objective is to invest in bonds, including those issued by the US and foreign governments, corporate securities (primarily investment grade), as well as mortgage-backed and asset-backed securities.

Performance Standards (Net of Fees)

- Actively managed accounts should exceed the return of the Market Index for that particular investment category and the median return of the fixed income fund universe over a 5 year period.
- Index funds should track the performance of the stated index allowing a tracking differential of no more than 20 basis points less than the current index benchmark performance.
- Risk, as measured by the standard deviation of quarterly returns, shall be consistent with that of the Market Index for that particular investment category and the fixed income fund universe, as appropriate.

U.S. Equity

Objective

The objective of this investment category is to invest in common stock of primarily US companies of varying capitalizations.

Performance Standards (Net of Fees)

- Actively managed funds shall exceed the return of the stated index and median return of the appropriate equity fund universe over a 5 year period.
- Index funds should track the performance of the stated index allowing a tracking differential of no more than 20 basis points less than the current index benchmark performance.
- Risk, as measured by the standard deviation of quarterly returns, shall be consistent with the stated index and the appropriate equity fund universe.

International Equity

Objective

The objective of this investment category is to invest primarily in the common stock of companies located outside the United States.

Performance Standards (Net of Fees)

- Actively managed funds shall exceed the return of the Market Index for that particular investment category and the median return of the international equity fund universe over a 5 year period.
- Index funds should track the performance of the stated index allowing a tracking differential of no more than 20 basis points less than the current index benchmark performance. .

- Risk, as measured by the standard deviation of quarterly returns, shall be consistent with that of the Market Index for that particular investment category and the international equity fund universe.

Global Equity

Objective

The objective of this investment category is to invest primarily in the common stock of companies located within and outside the United States.

Performance Standards (Net of fees)

- Actively managed funds shall exceed the return of the Market Index for that particular investment category and the median return of the global equity fund universe over a 5 year period.
- Index funds should track the performance of the stated index allowing a tracking differential of no more than 20 basis points less than the current index benchmark performance.
- Risk, as measured by the standard deviation of quarterly returns, shall be consistent with that of the Market Index for that particular investment category and the global equity fund universe.

Fees & Expense Standards

The Committee along with the investment consultant will review the fee structure of the investment options at least annually. Investment management fees for each of the investment options should be competitive versus asset in their peer universe for similar managed funds. Where several share classes of an investment fund are available, the Committee will seek to offer the most efficient share class available to support the recordkeeping and administration costs that are required, to administer and support the Program. The Committee will review all Program costs, including investment management fees at least annually.

At year-end, any surplus revenue collected by the Plan may be allocated to plan participants on a

basis selected by the Committee. Committee reserves the right to change its Plan fee and expense policy at any time in its sole discretion.

Qualified Default Investment Alternative

The Qualified Default Investment Alternative (QDIA) will be the Lifecycle (Target Date) option based upon a participant date of birth and assumed retirement age of 65. This election has been based upon guidelines under the Department of Labor rules and guidelines related to permissible default investment options. A Participant may transfer assets or reallocate contributions from the default investment into other investments at any time.

Section 3- Reporting and Monitoring Procedures

The Committee will review the Program quarterly, including review of the following:

- Recordkeeper's credit/corporation update;
- Current trends and developments in the capital markets and investment management community (market review);
- Overall participation in the investment options, maintaining the right to remove an option with limited use;
- Personnel changes in the investment management staff related to each investment option (organizational review), as well as changes in ownership of the organization (i.e. merger, acquisition activity and regulatory issues);
- Investment process consistency;
- Compliance with stated investment guidelines (review of the holdings and characteristics of each investment option); and
- Recordkeeping and investment management fees (reviewed at least annually).

Investment Option Evaluation

The Committee shall monitor investment options on a quarterly basis and may, in its discretion, conduct informal or formal evaluations of investment funds at any time.

The Committee may place an investment option under formal fund review or on a Watch List, terminate an investment option, “freeze” an investment option to new contributions, or initiate a search for a replacement investment option for any of the following reasons:

1. The investment option has not met the performance standards under the Plan for the investment category;
2. The investment option has failed to meet its risk/return standards;
3. The investment option has changed investment manager, or such change appears imminent;
4. The investment manager has had a significant change in ownership or control;
5. The investment option has changed investment focus or has experienced style drift, departing from the investment objectives or parameters in its prospectus or “fact sheet”;
6. The investment option has experienced excessive asset growth or influx of investments;
7. The investment option charges excessive fees or has changed the fees;
8. The investment option has violated a SEC rule or other applicable regulation;
9. The investment option has experienced other changes or problems in its procedures, operations, investing, or reporting which, in the Committee’s view, has or could detract from the objectives of the Plan; or
10. Any other reason that the Committee deems significant.

When a fund has been placed on the Watch List or designated for formal or informal review, the Committee shall conduct a more detailed evaluation of the fund, its operations, and its performance with the assistance of the Investment Consultant. Upon completion of the evaluation, the Committee may continue the fund under formal review status, remove the fund from formal review, terminate the fund, or conduct a search for a replacement fund.

Termination of Fund

When the Committee terminates a fund:

- The Committee shall notify the Recordkeeper that a fund is being terminated;
- The Committee shall notify fund Participants within a reasonable time (30 days) of action taken.

Fund Mapping

The Program will transfer fund assets of terminated investment options in accordance with ERISA standards. These standards include mapping to a fund with similar risk and reward characteristics or, alternatively, in accordance with the Qualified Default Investment Alternative (QDIA) policy.

Section 4- Administrative Policies

The Program will be administered and record-kept as authorized by NRS 287.250 – 370.

Program Design and Administration

The 457 Deferred Compensation Program is governed by the rules and requirements specified in the adopted Program Plan Document. The Internal Revenue Service (IRS) has established rules that apply to contributions and their limitations.

Review of the Record keeper

The Committee, through the direction and oversight of the Executive Officer or another assigned certified contract manager, shall conduct annual reviews of the contracted recordkeeper to evaluate their performance, as it relates to agreed upon standards outlined in the Scope of Work and administrative service agreement established in their contract.

Communication to Participants

Information about investment options will be made available to Participants to support making informed investment choices. The Program, through its contracted Recordkeeper, shall provide quarterly statements of fund performance to Participants. The Program, through its contracted Recordkeeper, shall make available detailed information regarding all fund and Plan fees. This information will be provided to Participants at all times during the contract of the recordkeeper.

Hard Copy Investment option prospectuses or fact sheets will be provided to participants by the recordkeeper, on request.

Section 5- Parties Responsible for Management and Administration of the Program's Investments

The Committee will act in the sole interest of the Program participants and beneficiaries, for the exclusive purpose of assisting public employees with achieving their retirement goals through a supplemental retirement program. The safeguards to which a prudent investor would adhere must be observed. Furthermore, the Committee must comply with the regulations set forth in this Policy, the Internal Revenue Code, and other governing rules and regulations that relate to the administration and investment of the Plan assets.

Several entities are responsible for various aspects of the management and administration of the Program's investments. The entities and their responsibilities include, but are not limited to:

Committee

The tasks for which the Committee is responsible, but are not limited to include:

- Providing governance with regard to the contracting of Third Party Administrators, Recordkeepers, and/or consultants;
- Maintaining the Investment Policy;
- Selecting investment options;
- Periodically evaluating the Program's investment performance, and recommending investment option changes;
- Reviewing overall Program costs to ensure they are reasonable;
- Assessing on an ongoing basis the performance of the contracted recordkeeper(s); and
- Contracting for necessary audits (compliance and financial), as appropriate and in accordance with widely used practices within the industry.

Investment Consultant

The Committee will elect to hire an investment consultant (Investment Consultant) to assist it in dispensing its fiduciary duties. Specific responsibilities include, but are not limited to:

- Advising the Committee and Program Administrative Staff on the Investment Structure of the Plan, fund selection/removal, objectives, guidelines or performance standards for each investment fund option;
- Evaluating and communicating to the Committee and Program Administrative Staff the performance results for each investment option on an ongoing basis;
- Monitoring investment expenses and communicating any changes to Program Administrative Staff;
- Documenting these findings in quarterly investment performance reports;
- Advising the Committee as to the continuing appropriateness of each investment manager and each investment fund option;
- Assisting the Committee and/or State Purchasing Division in requests for proposals from investment providers and recordkeepers;
- Keeping the Committee informed on current investment trends and issues;
- Advising the Committee of significant organizational changes of the investment managers' firms including changes in key personnel;
- Advise the Committee through Program Administrative Staff of any Federal or State law changes; and
- Maintaining and recommending changes as necessary to this Statement.

The Investment Consultant is a fiduciary with respect to these services that consist of investment advice that satisfies the ERISA definition of such service being fiduciary in nature. Accordingly, the Investment Consultant is under a duty to exercise a skill greater

than that of an ordinary person, and the manner in which advice is handled or services are rendered will be evaluated in light of the Investment Consultant's superior skill.

Recordkeeper

Under the direction and oversight of the Committee and Executive Officer, the Recordkeeper will be responsible for performing the following in conjunction with Program and statutory provisions:

- Complying with all applicable rulings, regulations, and legislation. Advise Committee and Program Administrative staff of any Federal or State Law changes that would affect the administration of the Program;
- Notifying the Program of change (deterioration or improvement) in Recordkeeper's financial condition;
- Notifying the Program of significant corporate events/changes;
- Acting in accordance with the provisions of trust and/or custodial agreements and annuity and other insurance contracts;
- Reporting financial transactions and preparing periodic summaries of transactions, asset valuations, and other related information as deemed appropriate by the Committee;
- Educating and communicating the investment options offered in the Program;
- Accepting and initiating employee investment direction;
- Enrolling employees in the Program;
- Maintaining and updating participant accounts;
- Maintaining beneficiary designations;
- Preparing activity reports;
- Preparing and providing participant statements; and

- Marketing the Program.

Section 6- Self-Directed Brokerage Services

The self-directed brokerage account is offered to Participants as a supplemental investment option. The self-directed brokerage account is intended for participants that are interested in a wider array of investment options and are willing to accept the additional risks associated with those options.

The Committee has no responsibility for selecting, monitoring or evaluating the investment options available through the self-directed brokerage account. Participants will have sole discretion in regards to the investment options they select through the brokerage account.

The Program's Recordkeeper, under the direction and oversight of the Committee and Executive Officer, are responsible for providing participants with enrollment and educational materials for them to decide whether or not a self-directed brokerage account is suitable. The Recordkeeper, under the direction and oversight of the Committee and Executive Officer, are to provide all necessary materials in connection with participant inquiries regarding the establishment of the brokerage account rules and restrictions.

Under the self-directed brokerage account the Participant will be responsible for the on-going research, trading, and risk management responsibilities associated with their specific investment choices. The maximum allowed cumulative transfer from a Participant's account is limited to 50% of a Participant's total account value in the Program. Account balances must have a minimum of \$5,000, with an initial transfer of at least \$2,500 and subsequent transfers in \$1,000 increments.

Section 7- Participant Advisory Services

The Program may provide participant investment advisory services through an independent third-party fiduciary financial advisory firm.

The objective of advisory services is to offer asset allocation alternatives and recommendations with varying risk and reward. Advisory services are non-discretionary with the Participant solely responsible for determining whether or not to follow the recommendations. There may be additional costs assessed to the participant for various advisory services elected by the individual participant.

Section 8- Excessive Trading Policy

In the absence of an industry standard excessive trading guideline, as well as part of its fiduciary duty, the Committee has adopted the Excessive Trading Policies of the Recordkeeper or investment managers. The Policies are used to protect the interest of the Program's long-term investors from potential adverse impact of excessive trading. The purpose is to eliminate excessive trading as well as warn individuals who engage in frequent trading that such activity may be detrimental.

EXHIBIT A

