

NOTICE OF PUBLIC MEETING

**THE BOARD OF INVESTORS FOR
THE OKLAHOMA TOBACCO SETTLEMENT
ENDOWMENT TRUST FUND**

Zoom Videoconference

To Join the Meeting, go to:

<https://us02web.zoom.us/j/89054966019>

Or call (346) 248-7799

Meeting ID: 890 5496 6019

Tuesday, June 16, 2020

10:30 a.m.

This regular meeting is being held consistent with the amendments to the Open Meeting Act, 25 O.S.2011, § 301 *et seq.*, signed into law on Wednesday, March 18, 2020. See Senate Bill No. 661, 2020 O.S.L 3, § 3.

The following Board Members will participate remotely via videoconferencing:

The Honorable Randy McDaniel, State Treasurer and Chair of the Board

Debbie Mueggenborg, Senate Pro Tempore Appointee and Vice Chair of the Board

Brenda Bolander, State Auditor and Inspector Appointee

Bill Schonacher, Speaker of the House Appointee

Tyson Goetz, Governor Appointee

1. Call to Order.
2. Approval of meeting minutes from March 12, 2020.
3. Presentation of report by Bank of Oklahoma in regard to Tobacco Free Investments. (Sandra Rochell)
4. Discussion and review of the real estate debt search. (Don Stracke & Chris Miers)
5. Real estate debt investment manager presentations.
 - a. Presentation by Brookfield Asset Management.
 - b. Presentation by Oaktree Capital.
 - c. Presentation by PCCP, LLC.
6. Discussion and Possible Action on the selection of the real estate debt investment manager.
7. Presentation and discussion of FY20 third quarter investment performance and current asset allocation. (Don Stracke)
8. Discussion of estimated FY20 earnings as of March 31, 2020. (Charles Hover)

9. Discussion and Possible Action on Fund budgetary matters.
 - a. FY-2020 Revised Budget Approval
 - b. FY-2021 Budget Approval
10. Approval of intra-agency administrative and legal contracts with the Treasurer's Office.
11. Update on TSET Board of Director's FY-2021 budget and recently enacted legislation.
(Julie Bisbee)
12. Discussion and Possible Action regarding the processing of class action lawsuits and settlements involving the Board of Investors. (Matthew Lafon)
13. Ratification of consent to the assignment of the Western Assets Management Company, LLC Investment Management/Advisory Agreement.
14. Comments and questions from Board members.
15. New Business.
16. Adjournment.

In the event the meeting connection is lost or compromised during the meeting, the meeting will be stopped and the Board will attempt to restore communications for a maximum of thirty (30) minutes.

Materials shared electronically between members of the Board may be accessed here:

<https://www.ok.gov/treasurer/documents/TSET-BOI-agenda-6-16-20.pdf>

Note: The Board of Investors may discuss, vote to approve, vote to disapprove, vote to table or decide not to discuss any item on the agenda.

(Estimated Meeting Duration- 2.5 hours)

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #2

Approval of meeting minutes from March 12, 2020

**MINUTES OF THE SPECIAL MEETING OF THE BOARD OF INVSTORS FOR THE OKLAHOMA
TOBACCO SETTLEMENT ENDOWMENT FUND**

March 15, 2020

Teachers Retirement System Board Room
2500 N. Lincoln Blvd., Fifth Floor
Oklahoma City, Oklahoma

Call to order

Treasurer Randy McDaniel, board chair, called the meeting to order at 10:33 a.m. on Thursday, March 12, 2020.

Confirmation of quorum

Members of the Board present for the meeting were Chair McDaniel, Brenda Bolander, Debbie Mueggenborg, Tyson Goetz, and Bill Schonacher.

Others present were Paul Pustmueller, Michael Sweeney, Robert Kindt, Evan Walter, and Laura Gavula with Bank of Oklahoma, OST Chief Investment Officer Lisa Murray, OST Director of Portfolio Accounting and Reporting Charles Hover, OST Manager of Portfolio Accounting and Reporting Phyllis Chan, and Assistant Attorney General Matthew Lafon, counsel to the Board.

Tim Allen, OST Deputy Treasurer for Communication & Program Administration, served as recording secretary.

Approval of minutes from the meeting on November 12, 2019

Ms. Bolander moved to approve the minutes of the November 12, 2019 meeting of the board. Mr. Schonacher provided a second and the motion was unanimously adopted by roll call vote.

Presentation of report in regard to Tobacco Free Investments

Paul Pustmueller with Bank of Oklahoma verified the Trust was in compliance with the no-tobacco policy for the quarter ending December 31, 2019.

Presentation of annual audit for FY-19 by Finley & Cook

The annual audit for FY-19 of the Oklahoma Tobacco Settlement Endowment Trust was presented by Dan Bledsoe of Finley & Cook. No reportable conditions were found.

Discussion and possible action regarding NEPC's 2020 observations and forecasts

Don Stracke, Senior Consultant with NEPC, said the TSET portfolio was well diversified. When NEPC applied the Trust portfolio asset mix to their updated 10-year return assumptions, as of December 31, 2019, the target expected return for 2020 was 5.5% in comparison to 6.4% for 2019. The 90 basis point decrease of expected return reflected the realization that stock prices increased during 2019, but stock earnings did not increase as much as prices. In addition, fixed income earnings declined precipitously so investment opportunities going forward have declined. Mr. Stracke then discussed the 2020 asset class overview, key market themes, development of NEPC assumptions, an inflation overview and the current market environment.

Presentation and discussion of fourth quarter investment performance and current asset allocation

Mr. Stracke said the market value of the Trust was \$1.35 billion as of December 31, 2019. The 3-month portfolio return was 5% and the fiscal year-to-date earnings were 5.4%. The return for 2019 was 17% which ranked the Trust in the 69th percentile, outperforming the 5% spending rate plus inflation. The 3-year annualized standard deviation for the Trust was 6.4%, with a ranking in the 28th percentile reflecting that 72% of the endowments in the universe took more investment risk. Mr. Stracke then discussed the returns for several money managers, in comparison to their benchmarks.

Status update in regard to the request for proposals issued for the real estate debt mandate

The Board authorized replacing UBS with a new real estate debt money manager at their November 12th meeting, with a request for proposal mandate for approximately \$30 million. Mr. Stracke said NEPC had received 17 proposals reflecting a wide range of net internal rate of return (IRR) targets, ranging from 6%-7% to a high of 10%-13%. He stated that the IRR differences usually corresponded to a differing level of risk through either leverage degree of income certainty. NEPC would like to emphasize strategies that provide income durability and/or the potential for income growth. The bid process was on target and they anticipated that finalists firms would be interviewed by the Board at the June meeting, with a manager being selected at that time.

Discussion and Possible Action regarding a request for information for security fraud case action monitoring

Chairman McDaniel stated that the board has three signed agreements with security fraud class action law firms, Cohen Milstein, Robbins Geller, and Bernstein Liebhard, to monitor the TSET portfolio. At the time the agreements were executed, following a Request for Information process, the portfolio contained \$755 million. As of December 31, 2019, the fund contained \$1.35 billion, and the chair suggested that additional firms might need to be considered to also provide the monitoring service. Another firm – Pomerantz LLP – recently requested to be considered to be allowed to monitor the portfolio. Upon discussion, Ms. Mueggenborg made a motion to issue a Request for Information for securities fraud class action monitoring. Ms. Bolander provided a second to the motion, with was unanimously adopted by roll call vote.

Election to fill vacancy for the remaining term of the vice-chair for 2020, due to current vice-chair no long being on the board

During the November 2019 meeting, then-board member Todd Dobson was selected as vice-chair. In 2020, Mr. Dobson was not reappointed to the board, thus leaving the position vacant.

Upon a motion by Chairman McDaniel and a second by Mr. Schonacher, the board voted unanimously by roll call vote to select Ms. Mueggenborg as vice-chair during calendar year 2020.

Discussion and Possible Action regarding the processing of class action lawsuits and settlements involving the Board of Investors

Legal counsel to the board, Assistant Attorney General Matthew LaFon, said that it had come to his attention last year when the Board opted into the Citibank class action lawsuit that we needed to research and develop a process to more formally address the determination of participation in class action lawsuits. He said that he had been working with Sandra Rochell at Bank of Oklahoma (BOK) in regard to the current process, in which BOK partners with Chicago Clearing Corporation to ensure claims are filed on all eligible class actions. A procedure could be considered in which the Board would receive a quarterly filings report and could approve after-the-fact at each quarterly meeting. Mr. LaFon said he plans to present recommendations on this issue at the next Board meeting.

Discussion and Possible Action to enter an Executive Session pursuant to 25 O.S. §307 (B)(4) for confidential communications between the Board and its attorney concerning the Canada Revenue Agency's notice of nonresidential tax assessment where the Board's attorney has determined that disclosure will seriously impair the ability of the Board to conduct a pending investigation, litigation, or proceeding in the public interest.

Mr. LaFon suggested the board enter into executive session pursuant to 25 O.S. §307(B)(4) for confidential communications between the board and its attorney concerning the Canada Revenue Agency's notice of nonresidential tax assessment. Mr. LaFon answered in the affirmative when asked if disclosure of the communications between the board and counsel would seriously impair the ability to conduct the potential litigation as listed on the agenda.

Vote to enter Executive Session

A motion to enter executive session was made by Ms. Bolander, with a second provided by Mr. Schonacher. Roll call vote was taken and approved unanimously.

Exit Executive Session and vote to reenter open session

Following the executive session, Ms. Bolander moved to reopen the meeting. A second was made by Vice Chair Mueggenborg. The motion was adopted unanimously by roll call vote.

Vote on item discussed in Executive Session

A motion was made by Mr. Schonacher, with a second by Mr. Goetz, to authorize Chairman McDaniel to hire appropriate legal counsel, if necessary, in regard to the nonresidential tax assessment by the Canada Revenue Agency. By roll call vote, the board unanimously approved the motion.

Discussion of estimated FY-20 earnings as of December 31, 2019

Mr. Hover said the FY20 estimated earnings for certification as of December 31, 2019 was \$24.5 million, which was in comparison to twelve months before of \$23.1 million.

Update on the status of the SJC Onshore Direct Lending and SJC Offshore Capital Finance Fund

Chairman McDaniel explained that no action was required, but that the funds required the board be notified annually to continue its relationship.

Comments and questions from Board members

There were none.

Adjournment

Mr. Schonacher initiated and Ms. Bolander provided a second to a motion to adjourn the meeting, which was unanimously adopted by roll call vote at approximately 12:10 p.m.

Randy McDaniel, Chair

Tobacco Settlement Endowment Trust Fund Board of Investors

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #3

Presentation of report by Bank of Oklahoma in regard to
Tobacco Free Investments.



Sandra Rochell
Senior Vice President
(405) 272-2140
(405) 272-3965 (FAX)

April 2, 2020

BOARD OF INVESTORS
TOBACCO SETTLEMENT ENDOWMENT FUND

DEAR BOARD MEMBERS:

As Custodian Bank, we are aware of our various responsibilities to the Oklahoma Tobacco Settlement Endowment Trust Fund (the Fund). Those responsibilities include, but are not limited to, those specifically outlined in the Investment Policy as amended August, 2018 (the Policy). Such responsibilities include monitoring compliance with the Policy, including its prohibitions against investment in tobacco manufacturers as presented in bold below:

"Unless specifically approved by the Board, certain securities, strategies and investments are ineligible for inclusion within the Fund. Among these are:

Securities issued by companies engaged in the manufacture of tobacco products. This includes any company which is a signatory to the Master Settlement Agreement to which the State of Oklahoma is a party. A list of these companies, as updated periodically, is available on the website of the National Association of Attorneys General at http://www.naag.org/naag/about_naag/naag-center-for-tobacco-and-public-health/master-settlement-agreement.php. It shall also include tobacco manufactures identified and reported by MSCI Inc.

This restriction does not apply to the underlying holdings of commingled funds, mutual funds or exchange traded funds.

We have monitored the Fund's portfolio to ensure the continuous compliance with these requirements during the quarter ended March 31, 2020 and no exceptions were noted, any exceptions would have been reported to you immediately.

DocuSigned by:

Sandra Rochell

504F595D075041F...
Senior Vice President
Bank of Oklahoma

4/2/2020

Date

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #4

Discussion and review of the real estate debt search.



NEPC, LLC

To: Oklahoma Tobacco Settlement Endowment Trust Fund Board of Investors
From: Don Stracke, CFA, CAIA, Chris Miers, Senior Research Consultant
Date: June 12, 2020
Subject: Real Estate Debt Search Update

Background

At the November 12th meeting, in an effort to gain additional diversification in real estate and bring the portfolio closer to the target real estate allocation of 10%, staff and NEPC recommended conducting a publicly-advertised search to identify a real estate debt manager to complement the current portfolio. Today we recommend that the Board of Investors select one manager for this mandate of approximately \$30 million.

Finalist Managers

The managers presenting to the Board are Brookfield, Oaktree, and PCCP. They represent a nice mix of firm size, with Brookfield and Oaktree being quite a bit larger than PCCP. There is also a difference in the financial leverage employed, with Brookfield using no leverage at the fund level and Oaktree and PCCP using up to 40-60%. Also, PCCP will be exclusively invested in the United States with the other two managers potentially investing a percentage outside of the US. The three managers also distinguished in their strategies with PCCP and Brookfield primarily originating floating-rate loans on transitional assets and Oaktree investing in a diversified portfolio of both public and private debt.

A brief profile of each fund is below.

Real Estate Debt Search

We posted the RFP on January 10, 2020 and received 17 responses. Ten of the responses were open-ended and seven were closed-ended funds. While all the strategies focused on real estate debt, there were certainly differences in return targets, use of leverage, and relative experience.

NEPC's real estate research team scored all 17 responses on their investment expertise (50%), personnel (30%), admin (10%) and fees (10%). The top five firms were interviewed by staff and NEPC over the last three months. It was the opinion of both staff and NEPC that the three managers selected as finalists all featured strong offerings as well as provide a good contrast for the board to express their perspective on risk tolerance.



NEPC, LLC

FUND PROFILE: BROOKFIELD

General Fund Information		Fund Strategy		GP Fees, Promote and Commitment	
Fund Name	Brookfield Senior Mezzanine Real Estate Finance Fund	Fund Strategy	Real Estate Debt	Target Net IRR	6%-7%
General Partner	Brookfield Asset Management	Asset Focus	Diversified	Target Net Multiple	N/A
Main Address	Brookfield Place, New York 250 Vesey Street, 15 th Floor New York, NY 10281	Geographic Focus	United States	Management Fees	1.00% on NAV per annum
Target Fund Size / Hard Cap	Open-end	Target Fund Leverage	The Fund will not utilize financial leverage		
Capital Raised	\$1.1 billion as of Q3 2019	Target Deal Size	\$30 to \$50 million	Preferred Return	None
Expected Final Close	Open-End	Strategy Description	Brookfield Senior Real Estate Finance Fund invests primarily in private floating rate debt secured by generally well-leased/light transitional commercial real estate properties that generate significant cash flow and are located in U.S. markets. The Fund focuses on mezzanine loans with a loan-to-value ratio target of 70% or below. The Fund will originate floating rate whole loans and syndicate the first mortgage with Brookfield retaining the mezzanine exposure. The Fund generally targets individual investments of \$30 to \$50 million and will seek to make 10-20 investments a year.	Carried Interest	None
Fund Structure	Delaware Limited Partnership			GP Commitment	\$10 million
Investment Period	Open-end				
Term of Entity	Open-end				
Minimum Investment	\$5 million (GP may accept lower)				
Fund Auditor	Ernst & Young LLP				



FUND PROFILE: OAKTREE

General Fund Information	
Fund Name	Oaktree Real Estate Debt Fund III, L.P.
General Partner	Oaktree Capital Management
Main Address	333 South Grand Ave., 28th Floor Los Angeles, CA 90071
Target Fund Size / Hard Cap	\$2.75 / \$3.25 billion
Capital Raised	TBD – first close has not yet occurred
Expected Final Close	Q1 2021
Fund Structure	Delaware Limited Partnership
Investment Period	Four years from the initial investment
Term of Entity	Seven years from the initial investment, subject to extensions
Minimum Investment	\$10 million (GP may accept lower)
Fund Auditor	Ernst & Young LLP

Fund Strategy	
Fund Strategy	Real Estate Debt
Asset Focus	Diversified
Geographic Focus	United States
Target Fund Leverage	60-65% of Fund's underlying collateral; no maximum indicated
Target Deal Size	\$20-100 million of equity
Strategy Description	Oaktree Real Estate Debt Fund III will invest in commercial mezzanine loans, real estate structured credit, real estate-related corporate debt, commercial first mortgages, and residential first mortgages. Oaktree anticipates that the Fund will consist of approximately 70-100 investments with deal size ranging from \$20 to \$100 million.

GP Fees, Promote and Commitment	
Target Net IRR	9% - 11%
Target Net Multiple	1.2x – 1.3x
Management Fees	Management fees during commitment period are based on committed capital. After investment period, fees are based on the lesser of; LP commitment amount or the cost basis of the investments held by the Fund. First Close: <ul style="list-style-type: none"> • Less than \$100M: 0.90% • Greater than \$100M: 0.72% Post First Close: <ul style="list-style-type: none"> • Less than \$100M: 1.00% • Greater than \$100M: 0.80%
Preferred Return	6%
Carried Interest	15%
GP Commitment	Oaktree will commit at least 2.5% of the total capital commitments



FUND PROFILE: PCCP

General Fund Information	
Fund Name	PCCP Credit X, LP
General Partner	PCCP, LLC
Main Address	10100 Santa Monica Boulevard Suite 1000 Los Angeles, CA 90067
Target Fund Size / Hard Cap	\$1.5 billion
Capital Raised	First Close Q3 2020
Expected Final Close	Q3 2021
Fund Structure	Delaware Limited Partnership
Investment Period	Three years from the final close, subject to extensions
Term of Entity	Three years from the end of investment period, subject to extensions
Minimum Investment	\$10 million (GP may accept lower)
Fund Auditor	TBD

Fund Strategy	
Fund Strategy	Real Estate Debt
Asset Focus	Diversified
Geographic Focus	United States
Target Fund Leverage	50% of the Fund's underlying collateral; maximum of 60%
Target Deal Size	\$20 million to \$200 million
Strategy Description	PCCP Credit X will invest in PCCP-originated senior floating-rate real estate loans. The Fund will invest in the top 30 markets in the United States, and will be diversified by property type. The Fund will continue PCCP's strategy of primarily originating senior floating-rate loans with three to five year duration, and may also originate mezzanine and participating debt. The Fund will target a net levered return of 8-10%, with the majority of capital expected to be paid via current, quarterly distributions

GP Fees, Promote and Commitment	
Target Net IRR	8% - 10%
Target Net Multiple	1.25x-1.35x
Management Fees	1.5% fee on committed capital during the investment period and 1.5% fee on invested capital thereafter
Preferred Return	7%
Carried Interest	20%
GP Commitment	\$10 million

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #5a

Real estate debt investment manager presentations

Presentation by Brookfield Asset Management

Brookfield Senior Mezzanine Real Estate Finance Fund

PRESENTATION TO TOBACCO SETTLEMENT ENDOWMENT TRUST

JUNE 16, 2020



Confidential - For Institutional and Qualified Investor Use Only. Brookfield Asset Management Inc. ("BAM" or "Brookfield Asset Management", together with its affiliates, "Brookfield" or the "Firm") is pleased to present to Tobacco Settlement Endowment Trust, at its request, with the following information pertaining to Brookfield Senior Mezzanine Real Estate Finance Fund ("BSREF" or the "Fund"). The information/responses contained in this document are provided upon your request for informational purposes only and are necessarily general in nature. No agreement is being made hereby as to the terms and scope of your investment in any particular investment vehicle sponsored by Brookfield or its affiliates, the terms of which will be determined through a negotiation with you or your representative(s) and any other limited partners. The following information provided herein contains references to certain key terms and practices of the Fund only and is qualified in its entirety by the Fund's private placement memorandum (together with any supplements, the "PPM"), partnership agreement (as amended, the "Partnership Agreement") and other governing documents. Please refer to, and review carefully, such documents prior to making an investment in the Fund. Capitalized terms used herein, but not otherwise defined, have the meanings ascribed to them in the PPM. Please See Notice to Recipients on the last two pages.



Chris Reilly, Managing Partner
Brookfield Real Estate Financial Partners

Chris Reilly is a Managing Partner at Brookfield Real Estate Financial Partners and the Head of Debt Origination for Brookfield's Property Group where he is responsible for the origination, underwriting, and asset management of real estate transactions. Mr. Reilly has over 25 years of real estate finance and capital markets experience.

Prior to joining Brookfield in 2012, Mr. Reilly was a Managing Director at Natixis Real Estate Capital Markets, ran the Large Loan Group at UBS and was an Executive Director at Morgan Stanley, focused on the origination and distribution of commercial real estate loans. Prior to Morgan Stanley, Mr. Reilly was a Credit Analyst at Fitch Ratings.

Mr. Reilly holds a BS degree from the Stern School of Business at New York University.



Theo Buchsbaum, Vice President
Client Relationship Management (OK TSET Primary Coverage)

Theo Buchsbaum is a Vice President in Brookfield's Private Funds Group, and he is based in New York. Mr. Buchsbaum is responsible for developing and managing institutional client relationships across Brookfield's private funds throughout the Southern United States and Latin America.

Prior to joining Brookfield in 2017, Mr. Buchsbaum worked at The Carlyle Group and began his career in the investment banking division at Barclays, focusing on mergers & acquisitions in the chemicals space.

Mr. Buchsbaum holds a B.A. degree in Financial Economics from Columbia University.

Executive Summary

Brookfield Senior Mezzanine Real Estate Finance Fund (“BSREF” or the “Fund”) is a natural extension of the real estate debt strategy that Brookfield has successfully executed since 2002¹

FUND OFFERING

- Open-end fund to invest in real estate finance related transactions in a credit risk position that is (i) senior to traditional equity and junior mezzanine debt and (ii) subordinate to senior debt
- Targeting a net return of 6%-7%, a major component of which is expected to be current income²

TRACK RECORD³

- Over \$7.3 billion of capital deployed in real estate related finance transactions since 2004
- One of the largest and longest running debt fund platforms, which has generated strong, risk-adjusted returns for third-party investors⁴
- In 2019, the investment team screened \$79.5 billion of financing opportunities and originated \$3.9 billion of senior debt and mezzanine loan positions

STRATEGY

- Lend against high-quality properties in major U.S. metropolitan markets at valuations that we believe are below long-term intrinsic value
- Leverage Brookfield’s financial expertise and established operating businesses to enhance sourcing, underwriting, syndication, execution and asset management

COMPELLING OPPORTUNITY

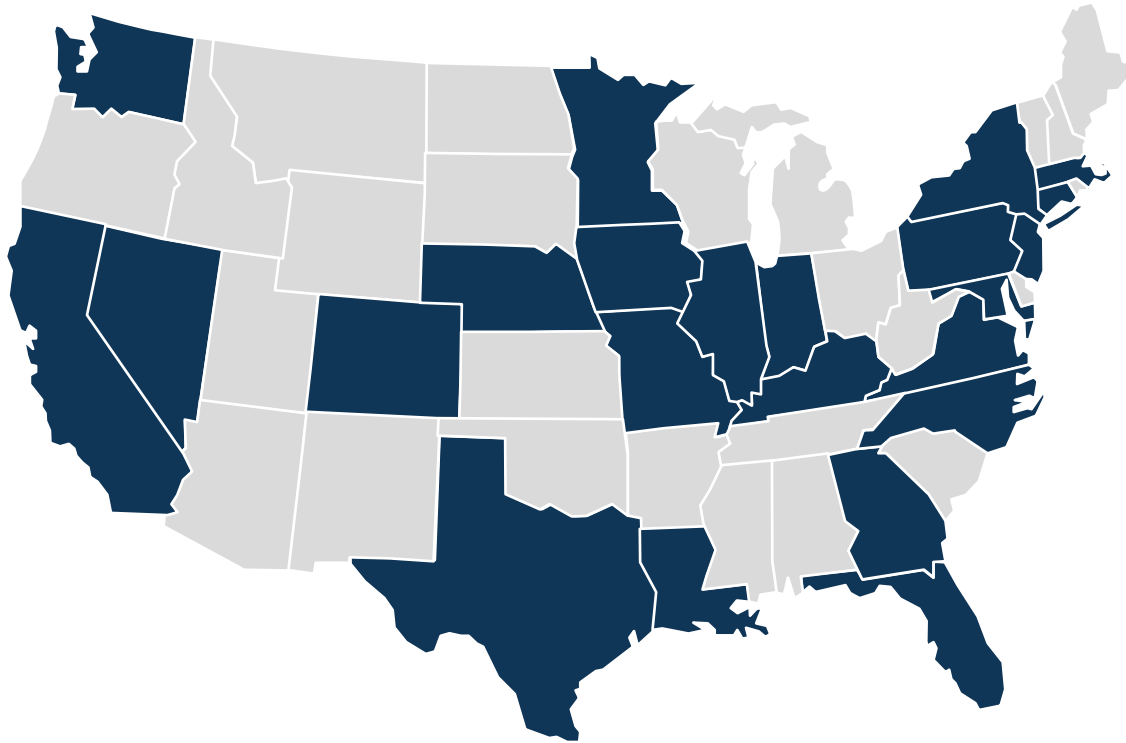
- Brookfield believes looming loan maturities and commercial mortgage-backed securities (“CMBS”) market volatility have increased opportunity for private lenders
- Limited universe of senior mezzanine lenders with discretionary capital and ability to execute quickly



Brookfield's Commercial Real Estate ("CRE") Presence

One of the largest and longest running debt fund platforms¹

5 Closed-end Funds | 1 Open-end Fund | 1 Separate Account | 27 Investment Professionals²



\$7.3B+

CAPITAL DEPLOYED
SINCE 2004

160+

REAL ESTATE
FINANCE
TRANSACTIONS
SINCE 2004

\$11B+

REAL ESTATE LOAN
ORIGINATIONS IN THE
LAST 5 YEARS

90+

REAL ESTATE
FINANCE
TRANSACTIONS IN
THE LAST 5 YEARS

Brookfield is one of the world's leading alternative asset managers, distinguished by a 120-year history of owning and operating real assets

- Brookfield manages over **\$515 billion** of assets focused on real estate, infrastructure and private equity¹
- Disciplined investment approach is focused on value-oriented acquisitions, operational value-add and capital preservation to deliver **attractive risk-adjusted returns**
- Global presence with over **1,000 investment professionals**² in approximately 100 offices or locations
- Brookfield's private funds have raised over **\$170 billion** of capital, including **\$47 billion** committed by Brookfield, which we believe demonstrates our **strong alignment of interests**

REAL ESTATE³

\$201B AUM

INFRASTRUCTURE³

\$125B AUM

PRIVATE EQUITY³

\$64B AUM

CREDIT³

\$113B AUM

Brookfield's established sector-specific real estate operating businesses offer the Fund access to real time market data

Brookfield Property Group¹ \$201 billion



Office
\$80 billion

- ~250 properties
- ~140 million square feet ("sf")



Retail
\$62 billion

- ~170 properties
- ~150 million sf



Multifamily
\$11 billion

- ~160 managed properties
- ~50,000 managed apartments



Student Housing
\$4 billion

- ~150 properties
- ~31,000 beds



Hospitality & Other Assets
\$42 billion

- ~170 hotels / holiday parks
- ~30,000 rooms
- ~280 triple net leases
- ~140 manufactured housing communities
- ~50 mixed-use properties
- ~100 self-storage properties
- ~100 senior living communities

Brookfield Real Estate Finance Funds

Brookfield



STRATEGY

- Real estate quality is primary driver of investment decision
- Utilize combination of real estate and finance expertise to make investment decisions
- Benefit from syndication strategy and market dislocation to seek to achieve above market returns



INVESTMENT APPROACH

- Create senior mezzanine debt positions by originating a whole loan, selling the first mortgage and retaining the senior mezzanine exposure
- Each investment requires an in-depth understanding of the underlying real estate on a case-by-case, market-specific basis
- Returns are not typically dependent upon a macro improvement in real estate prices



FOCUS ON CAPITAL PRESERVATION

- Lending against high-quality real estate assets at a valuation we believe is below long-term intrinsic value
- Perform thorough “equity like” due diligence on all potential investments
- Focused on sale of senior loans rather than cross collateralized, recourse, mark-to-market financing
- Leverage Brookfield’s experience owning and operating properties to seek to maximize return in a default situation



GEOGRAPHY

- Targeting high-quality real estate collateral in the United States



The Brookfield Advantage



EXPERIENCED MANAGEMENT

- Senior members of Brookfield Real Estate Financial Partners (“BREF”) have on average 22 years experience and have successfully invested in commercial real estate credit at Brookfield since 2002
- Extensive relationships with borrower, brokers and financing sources at BREF and across organization
- Over \$7.3 billion of capital deployed in real estate related finance transactions since 2004



INTEGRATED TEAM

- Fully vertically integrated team includes origination, underwriting, closing, asset management and accounting / reporting
- Utilize market and sector specific expertise of Brookfield’s dedicated office, retail, multifamily and industrial operating businesses to assist in obtaining market intelligence – benefits from Brookfield’s perspective both in deal selection and underwriting



COORDINATED ORGANIZATION

- BREF team leverages the broader organization to obtain “real time” market data when making investment decisions
- We believe the ability to make decisions quickly and consistently throughout the process provides significant competitive advantage in winning deals
- BREF funds utilize combined resources of BREF and Brookfield to pursue real estate transactions and create opportunities



Brookfield

TOWER 28
LONG ISLAND CITY, NY

Market Opportunity

- ✓ Opportunity for “gap capital” due to increased CRE maturities
- ✓ Increasing acceptance of mezzanine capital
- ✓ Supply / demand imbalance
- ✓ Strong CRE fundamentals
- ✓ Borrower demand for “lower leverage” mezzanine debt

Investment Opportunity

- ✓ Current income expected and seeks to deliver attractive risk-adjusted returns
- ✓ Potential to provide downside protection
- ✓ Complementary to equity strategies
- ✓ Reduce risk profile of portfolio
- ✓ Investment structure provides control in a default

Though it is not “business as usual,” we are in business, albeit more selectively

BORROWERS STILL NEED FINANCING

- Borrowers in need of financing are willing to borrow at attractive returns to BREF V with structures to address the current market situation
 - Unlike the 2008 crisis, banks are not troubled; they are being very cautious and limiting the number of new loans while concentrating on large, reputable firms like Brookfield
-

NEED FOR LIQUIDITY

- Mortgage REIT competitors using repurchase financing are confronting margin calls from their lenders, resulting in a need for liquidity
 - We are seeing in-trouble competitors selling CMBS securities and loans at reduced price levels to generate liquidity and to meet margin calls
-

- Open-end fund to invest in real estate finance related transactions in a credit risk position that is (i) senior to traditional equity and junior mezzanine debt and (ii) subordinate to senior debt
- Targeting a gross internal rate of return (“IRR”) of 7%-8% (net IRR of 6%-7%), a major component of which is expected to be current income¹

Primary Target Investments:

Senior Mezzanine Loans

- Originate first mortgage and mezzanine loans, syndicate the first mortgage, and retain senior mezzanine loan
 - Jointly originate mezzanine loans with a senior lender providing first mortgage
 - Acquire mezzanine loans from secondary market
 - 70% target LTV
-

The Fund also seeks to invest selectively in:

Fixed Rate Loans

- Originate or acquire fixed rate debt positions

Single Borrower CMBS

- Acquire below investment grade bonds secured by a single property or a specified portfolio
 - Brookfield to conduct full due diligence and underwrite the underlying real asset(s)
 - Brookfield is a rated special servicer; designation holds primary control of work out of securitized loans, if necessary
-

	BREF CLOSED-END FUNDS	BSREF OPEN-END FUND
INVESTMENT FOCUS	<ul style="list-style-type: none"> Value add, redevelopment, transitional / repositioning, and selective new construction 	<ul style="list-style-type: none"> Stabilized, light value add, and light transitional
TARGET LTV	<ul style="list-style-type: none"> Up to 80% LTV 	<ul style="list-style-type: none"> Target 70% LTV
TARGET RETURN¹	<ul style="list-style-type: none"> 11% - 13% gross IRR (9% - 10% net IRR) 	<ul style="list-style-type: none"> 7% - 8% gross IRR (6% - 7% net IRR)
LOAN TERM	<ul style="list-style-type: none"> Predominantly floating rate loans with 3 - 7 year terms 	<ul style="list-style-type: none"> Floating rate loans with up to 7 years of term Fixed rate loans to be considered on a limited basis with 5 - 10 year terms

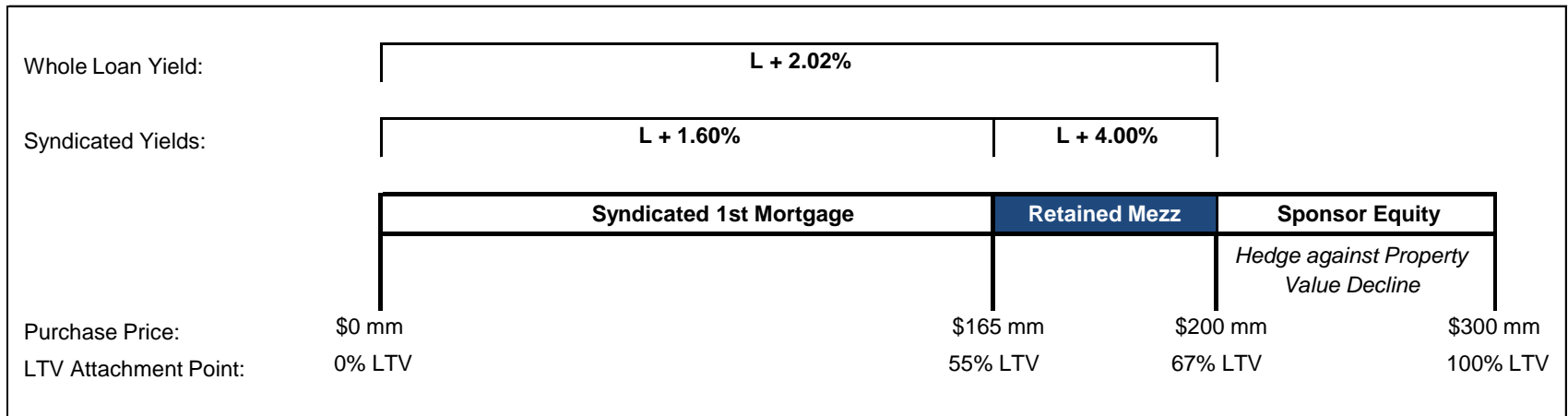
Illustration of BSREF Hypothetical Investment^{1,2}

Typically, BSREF seeks to originate the full financing envelope (e.g. a 0% - 70% LTV loan) and then syndicate the senior portion (0% - 55% LTV) of the debt capital structure.

Hypothetical Example:

- Floating rate debt investment earns LIBOR (“L”) + 4.00% yielding a gross IRR of 7%³. This calculation includes the forward one-month LIBOR curve, LIBOR flows, origination and extension fees.

Property Purchase Price:	\$300 Million
BSREF Whole Loan Amount:	\$200 Million at L+2.02%
BSREF Sells First Mortgage:	\$165 Million at L+1.60%
BSREF Retains Mezzanine Loan:	\$35 Million at L+4.00%





6.6% ONE YEAR GROSS INVESTMENT TWR^{2,3,4}

\$1.14B

TOTAL FUND CAPITAL COMMITMENT*

5.6%

AVERAGE FIXED-RATE
COUPON

66.6%

AVERAGE LAST
DOLLAR LTV

\$834M

PORTFOLIO LENDING COMMITMENT

L+ 4.0%

AVERAGE FLOATING-RATE
COUPON

24

FINANCINGS IDENTIFIED
SINCE INCEPTION

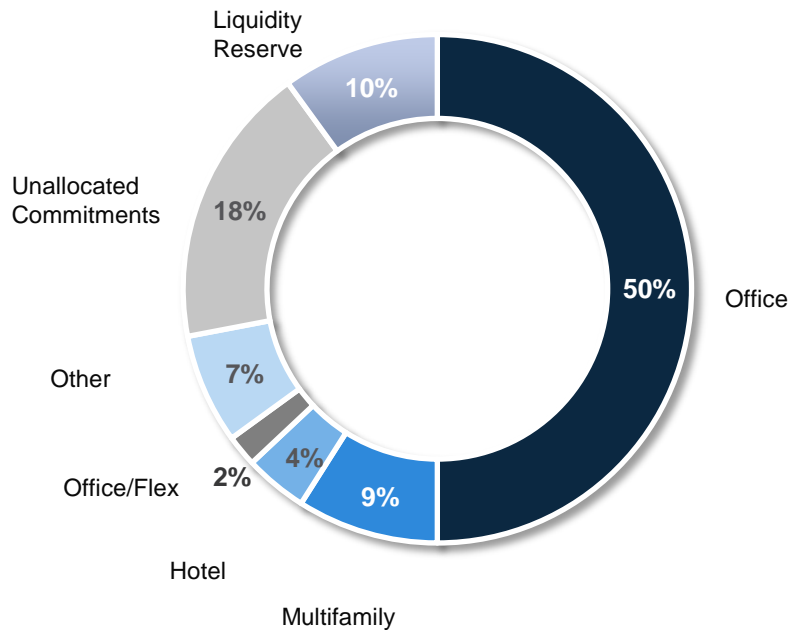
Please refer to endnotes on pages 31-33.

*Inclusive of Brookfield's Commitment.

BSREF seeks to invest in senior mezzanine positions with a target LTV of 70% secured by high-quality real estate at a valuation below long-term intrinsic value¹

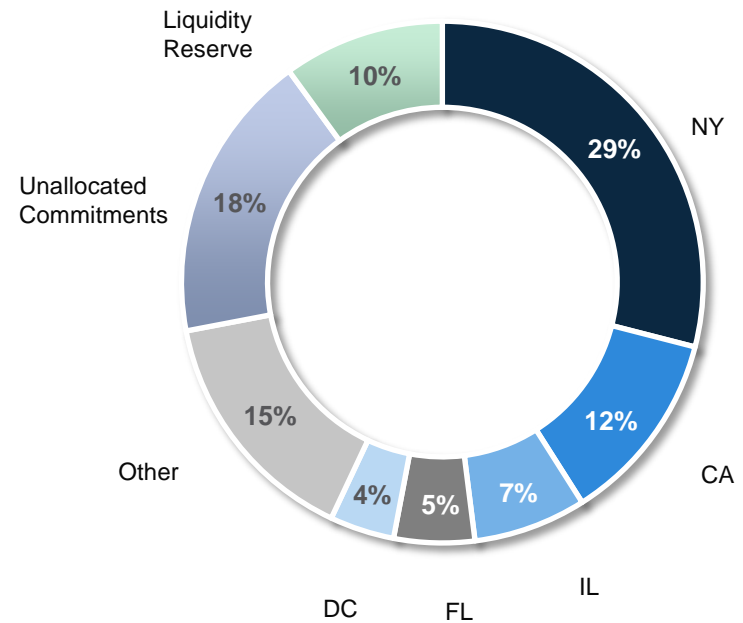
TOTAL FUND COMMITMENTS BY SECTOR¹

(INCLUDES IC APPROVED TRANSACTIONS SUBJECT TO EXECUTED TERM SHEETS)



TOTAL FUND COMMITMENTS BY GEOGRAPHY¹

(INCLUDES IC APPROVED TRANSACTIONS SUBJECT TO EXECUTED TERM SHEETS)



Overview of BSREF Transactions¹

Since inception, 24 financings have been identified for the Fund's portfolio

Transaction Name	Amount	Location	Coupon	As-Is LTV	Collateral	Status
Sojourn	\$13 million	Raleigh, NC	L + 4.05%	67.1%	Multifamily	Realized
KKR Industrial Portfolio	\$32 million	Diversified	L + 4.05%	71.2%	Industrial	Realized
Subtotal – Realized Investments	\$45 million					
Airport Business Center	\$20 million	Irvine, CA	7.21%	69.5%	Office	Closed
Sullivan Center	\$42 million	Chicago, IL	L + 5.04%	75.0%	Office	Closed
Hilton Orlando	\$48 million	Orlando, FL	L + 5.11%	63.3%	Hotel	Closed
1000 Wilshire	\$20 million	Los Angeles, CA	6.77%	74.9%	Office	Closed
1390 Market Street	\$39 million	San Francisco, CA	L + 4.02%	65.0%	Office	Closed
101 Mission Street	\$23 million	San Francisco, CA	L+ 3.70%	67.6%	Office	Closed
5 Bryant Park	\$40 million	New York, NY	L + 3.45%	72.3%	Office	Closed
350 Madison	\$50 million	New York, NY	L + 3.65%	60.6%	Office	Closed
Greystone	\$23 million	New York, NY	6.14%	60.5%	Multifamily	Closed
1200 New Hampshire	\$28 million	Washington DC	L+ 4.01%	69.7%	Office	Closed
One Dag Hammarskjold	\$50 million	New York, NY	L + 3.65%	69.1%	Office	Closed
200 West Adams	\$40 million	Chicago, IL	L+ 3.83%	69.6%	Office	Closed
Storagemart	\$85 million	Diversified	6.50%	61.4%	Self - Storage	Closed
Project Pioneer	\$63 million	Denver and Seattle	L+ 3.70%	65.8%	Office	Closed
Tower 28	\$50 million	Long Island City, NY	6.51%	64.2%	Multifamily	Closed
Wells Fargo Center	\$41 million	Minneapolis, MN	L + 4.10%	74.7%	Office	Closed
Park Avenue Tower	\$68 million	New York, NY	L + 3.55%	63.0%	Office	Closed
1333 Broadway	\$22 million	Oakland, CA	L + 3.98%	65.7%	Office	Closed
CityView at Longwood	\$20 million	Boston, MA	L + 3.90%	74.0%	Multifamily	Closed
1325 G Street	\$19 million	Washington DC	L + 4.78%	69.2%	Office	Closed
805 3rd Avenue	\$31 million	New York, NY	3.92%	59.8%	Office	Closed
825 South Hill	\$14 million	Los Angeles, CA	3.08%	58.2%	Multifamily	Closed
Subtotal – Current Portfolio	\$834 million					
Total / Wtd. Avg.	\$878 million	W.A. Floating Coupon	L+4.0%	66.6%		
		W.A. Fixed Coupon	5.6%			

Please refer to endnotes on pages 31-33.

Fund Team Structure

BSREF will be led by an experienced and tenured team with senior members who have successfully managed similar strategies at Brookfield since 2002

Investment Committee

Barry Blattman <i>Vice Chair, Brookfield Asset Management</i>	Anuj Ranjan <i>Managing Partner</i> <i>CEO, South Asia and Middle East, Brookfield Asset Management</i>	Bruce Flatt <i>CEO, Brookfield Asset Management</i>
Brian Kingston <i>Managing Partner</i> <i>CEO, Brookfield Property Group and Brookfield Property Partners</i>	Bill Powell <i>Managing Partner</i> <i>Chief Operating Officer, Brookfield Property Group</i>	Andrea Balkan¹ <i>Managing Partner</i> <i>Brookfield Real Estate Financial Partners</i>

Investment Team

Andrea Balkan Managing Partner	Chris Reilly Managing Partner	Nailah Flake-Brown Managing Director	John Lee Managing Director	Justin Monge Senior Vice President	Kathryn Gregorio Senior Vice President		
Tim McGuire Senior Vice President	Rohit Srivastava Senior Vice President	Zachary Cohn Senior Vice President	Corey Hall Senior Vice President	James Sharkey Senior Vice President	Laura Stepp Vice President		
Palmer Dobbs Vice President	Amit Rustgi Vice President	Daniel Buehrens Vice President	Thomas Flick Vice President	Philip Weaver Senior Associate	Joanne Chang Associate	Zachary Levine Associate	
Maxwell Opperman Associate	Deanna Grunfeld Analyst	Geoffrey Weinstock Analyst	Vicky Low Vice President	Kent Yip Director	Hyejin Kwon Senior Accountant	Lisa Lee Manager	Katherine O'Leary Senior Accountant

Extensive Resources of Brookfield

Operations	Design & Construction	Development	Leasing	Legal	Accounting & Tax
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Summary of Key Terms¹

Term	Perpetual
Investor Liquidity	Quarterly on a pro rata basis in tranches (based on available liquidity)
Period Redemption Lockout	Two years from the date of the first capital contribution in respect of a capital commitment
Management Fee	1.00% of the net asset value of the Fund per annum
Incentive Fee	None
Restrictions	No more than 20% of the combined balance of uncalled capital commitments and the net asset value of the Fund in any single investment
Asset Valuation	Annual third-party appraisal updated quarterly; overseen by Altus Group
Distributions	Quarterly, subject to reserves
Minimum Investment	\$5 million

Conclusion

Brookfield believes BSREF is a compelling and timely investment opportunity for Limited Partners



DEMONSTRATED INVESTMENT STRATEGY

- Lending at what Brookfield believes to be below intrinsic value (50% to 70%) of capital structure
- Focusing on control positions
- Leveraging Brookfield business group through investment cycle
- Demonstrated track record of innovation, strong performance & current income



ESTABLISHED REAL ESTATE OWNER / OPERATOR

- Experienced investment team with extensive relationships
- Enhance due diligence from an owner's perspective
- Active & aggressive asset management, including the ability to own/ operate foreclosed assets
- Compelling combination of real estate & finance expertise



OPPORTUNE TIME TO INVEST

- Significant need for debt capital
- Favorable structure and pricing



Appendices

Brookfield's CRE Finance Track Record

The summary set forth below includes the real estate finance investments made by Brookfield through BREF ONE LLC ("Real Estate Finance I" or "BREF I"), BREF TWO LLC ("Real Estate Finance II" or "BREF II"), Brookfield Real Estate Finance Fund III, L.P. ("Real Estate Finance III" or "BREF III"), Brookfield Real Estate Finance Fund IV, L.P. ("Real Estate Finance IV" or "BREF IV"), Brookfield Real Estate Finance Fund V ("Real Estate Finance V" or "BREF V"), (collectively, together the "BREF Funds"), a separate managed account ("Senior Mezzanine Separate Account") and Senior Mezzanine Real Estate Finance Fund ("BSREF" or the "Fund"). There are significant differences between the investment objectives and strategies and the terms of the BREF Funds and the Fund, including that the Fund's target return is lower than that of the BREF Funds and the Fund is generally expected to focus on investments in lower risk, lower return loans than the BREF Funds. Further, the Fund is an open-end investment vehicle while the BREF Funds are closed-end, which, among other things, may affect the timing and manner in which the funds deploy their capital. Moreover, although the Senior Mezzanine Separate Account utilizes the same strategy as the Fund, there are significant differences between the terms of the Senior Mezzanine Separate Account and the Fund. The Senior Mezzanine Separate Account is a non-discretionary account with a limited investment period. Prior performance is not indicative of future results and there can be no guarantee that the Fund or its investments will achieve comparable results or be able to avoid losses.

As of March 31, 2020
(US\$ in millions)

	Inception Date	Committed Capital	Equity Invested ⁵	Proceeds			Current Performance ^{1,2}				Projected Performance ^{2,4}			
				Realized ⁶	Unrealized ⁷	Total ⁸	Gross IRR/ Gross TWR ¹¹	Gross Investment Multiple ³	Net IRR ^{9,10} / Net TWR ¹¹	Net Investment Multiple ^{3,9,10}	Gross IRR/ Gross TWR ^{10,11}	Gross Investment Multiple	Net IRR ⁹ / Net TWR ^{10,11}	Net Investment Multiple ¹⁰
Real Estate Finance I	2004	\$ 600	\$ 1,580	\$ 1,928	\$ 371	\$ 2,299	10.8%	2.2x	8.3%	2.1x	12.0%	3.1x	10.0%	3.0x
Real Estate Finance II	2007	727	696	-	-	868	8.8%	1.2x	5.3%	1.2x				
Real Estate Finance III ¹²	2011	422	396	462	-	462	10.4%	1.2x	7.5%	1.1x				
Real Estate Finance IV	2014	1,375	1,230	1,395	114	1,510	11.7%	1.2x	9.2%	1.2x	11.0%	1.2x	9.0%	1.2x
Real Estate Finance V	2016	2,949	1,735	576	1,414	1,990	11.3%	1.1x	8.4%	1.1x	11.0%	1.3x	8.0%	1.2x
Total Closed End Funds		6,073	5,637	4,361	1,900	7,129								
Senior Mezzanine Separate Account	2016	850	877	434	549	983	7.4%	1.1x	6.1%	1.1x	7.0%	1.3x	6.0%	1.2x
Senior Mezzanine Real Estate Finance Fund	2018	1,144	832	113	792	905	5.9% ¹¹	N/A ¹³	5.0% ¹¹	N/A ¹³	N/A ¹⁴	N/A ¹³	N/A ¹⁴	N/A ¹³
Grand Total		\$ 8,066	\$ 7,346	\$ 4,908	\$ 3,241	\$ 9,017								

Totals may not add due to rounding.

- 1) Reflects performance from initial investment date to March 31, 2020, except for (a) BREF II, which reflects performance from initial investment date to March 31, 2016 and (b) BREF III which reflects performance from initial investment date to the wind up of the fund on December 31, 2018. In order to facilitate a restructuring (the "Restructuring") of BREF II's investment in the Hard Rock Hotel and Casino in Las Vegas (the "Hard Rock"), the last remaining investment held by BREF II, each member of BREF II was offered the opportunity to either assign certain of its interests in BREF II to Brookfield for nominal consideration or to increase such member's investment in BREF II in respect of the Hard Rock. As of March 31, 2016, Brookfield, as a member of BREF II and one other member of BREF II, who was an interested party in the Restructuring as a lender to the Hard Rock, are the only members retaining interests in BREF II (the "Remaining Investors"). Each of the other members of BREF II elected to assign their remaining interest in BREF II to Brookfield (the "Exiting Investors"). As a result, the BREF II performance information provided herein reflects the performance information applicable to all of the investors as of March 31, 2016 and does not reflect performance of the Hard Rock or BREF II following March 31, 2016. If a prospective investor would like more information regarding the performance of the Hard Rock after March 31, 2016, please contact Brookfield.
- 2) "Gross IRR" and "Gross Investment Multiple" reflect performance before fund expenses, management fees (or equivalent fees) and carried interest, which would reduce an investor's return. "Net IRR" and "Net Investment Multiple" take into account fund expenses, management fees (or equivalent fees) and carried interest. Performance figures exclude the effects of and returns from bridge financing provided by the fund.
- 3) To the extent that a fund's aggregate "Equity Invested" has exceeded the fund's committed capital as a result of the application of the recycling provisions of the fund's governing documents, the calculation of fund-level multiples is adjusted by reducing both the fund's "Total Proceeds" and its "Equity Invested" by the amount of such excess (which adjustment, where applicable, generally results in a higher fund-level multiple than the unadjusted figure). If a fund's aggregate "Equity Invested" does not exceed its committed capital, fund-level multiples are not adjusted for recycling. In either case, asset-level multiples are not adjusted for recycling.
- 4) Projected returns reflected herein have been prepared based on various estimations and assumptions made by Brookfield Asset Management Private Institutional Capital Adviser US, LLC (the "Manager") including estimations and assumptions about events that have not occurred. With respect to performing loans, the projected gross returns reflected herein are based on equity invested to date and equity projected to be invested, all cash flows generated to date, projected to be generated based on market yields during the remaining expected holding period and the terminal value. Projected returns in respect of loans for which foreclosures have taken place or are reasonably expected to take place in the near term are based on equity invested to date and equity projected to be invested, all cash flows generated to date, projected to be generated during the remaining expected holding period and the terminal value determined based on projected operating performance and projected capitalization rates in the applicable market. Projected net returns take into account fund and account expenses, management fees (or equivalent fees), and carried interest paid to date and projected to be paid within the fund and account. Projected gross returns do not take these amounts into account. Due to various risks, uncertainties and changes beyond the control of the Manager, the actual results of the referenced investments could differ materially from the results expressed or implied by the projected returns reflected herein in respect of such investments. There is no assurance, representation or warranty being made by any person that any of the projected returns will be achieved and undue reliance should not be put on the them. Industry experts may disagree with the estimations and assumptions used in preparing the projected returns. IMPORTANT: The projections or other information generated by the Manager's investment analysis tools and provided herein regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results and are not guarantees of future results. Additional information about the estimations and assumptions used in preparing the projected returns and the factors that could cause actual results to differ materially from the projected returns are available upon request. In addition, please contact the Manager to see projected performance information based on different assumptions. Prior performance is not indicative of future results and there can be no guarantee that the fund, future funds or their respective investments will achieve comparable results or be able to avoid losses.
- 5) "Equity Invested" represents the initial capital investment including short-term subscription facility drawdowns, follow-on investments, and capital expenditures as applicable.
- 6) "Realized Proceeds" represents any proceeds from disposition and distributions or other forms of current income and loss.
- 7) Values ascribed to "Unrealized Proceeds" as of March 31, 2020, and used in determining performance results, are based on assumptions that the manager believes are fair and reasonable under the circumstances and held at cost for investments acquired during the reporting quarter, where cost of the investment is considered to be an appropriate estimate of the fair value. Where applicable, "Unrealized Proceeds" include unrealized gains or losses resulting from hedges against foreign currency exposure. The actual returns on unrealized investments will depend on among other factors, future operating results, the value of the asset and market conditions at the time of dispositions, any related transactions costs and the time and manner of sale, all of which may differ from the assumptions on which the valuations contained herein are based. Accordingly, the actual realized returns on these unrealized investments may differ materially from the returns shown herein. The material assumptions that were applied in determining the values and the material factors that could cause actual results to differ materially will be provided upon request.
- 8) "Total Proceeds" are before fund and account expenses, management fees (or equivalent fees), carried interest and incentive fees.
- 9) "Net IRR" and "Net Investment Multiple" are calculated on a fund level and not for any particular investor, and take into account the average fund expenses, management fees (or equivalent fees) and carried interest, if any, allocated to or paid by each investor. For the purposes of this calculation, Brookfield is treated as having paid management fees and carried interest rates that correspond to the rates a similarly situated third party investor would pay per the fund's standard investor fee schedule. Since Brookfield is generally the largest investor in its funds and/or generally makes its commitment at a fund's first closing, the notional management fee and carried interest rates applied to Brookfield's commitment are typically the lowest rates available to third party investors, which reduces the fund's average management fees and carried interest rates (and increases the net returns presented here) below what they would have been if Brookfield was not invested in the fund. Since management fees and carried interest rates vary by investor, each particular investor would likely have a different net performance return than those shown here, and investors who do not qualify for discounted management fees and carried interest rates based on, as applicable, their commitment size or timing of commitment would likely experience lower net returns than those presented here. The calculation in respect of any particular set of economic terms will be provided upon request.

- 10) *"Net IRR" and "Net Investment Multiple" may take into account the effects of leverage incurred at the fund-level through the use of a subscription secured credit facility to temporarily fund investments and meet working capital needs. As a result, "Net IRR" and current "Net Investment Multiple" may be higher than what they would have been without the use of such facility. In some cases, this difference may be material.*
- 11) *"Gross TWR" and "Net TWR" is provided for BSREF. Fund "Gross TWR" reflects fund level performance after fund expenses and before management fees (or equivalent fees) and incentive fees, if any, which would reduce an investor's return. Fund "Net TWR" reflects fund level performance taking into account fund expenses, management fees (or equivalent fees) and incentive fees, if any, allocated to or paid by investors. For the purposes of this calculation, Brookfield is treated as having paid management fees and incentive fee rates that correspond to the rates a similarly situated third party investor would pay per the fund's standard investor fee schedule. Since Brookfield is generally the largest investor in its funds and/or generally makes its commitment at a fund's first closing, the management fee and incentive fee rates applied to Brookfield are typically the lowest rates available to third party investors, which reduces the fund's average management fees and incentive fee rates (and increases the net returns presented here) below what they would have been if Brookfield was not invested in the fund. Since management fee and incentive fee rates vary by investor, each particular investor would likely have a different net performance return than those shown here, and investors who do not qualify for discounted management fee and incentive fee rates based on, as applicable, their units held in the fund, commitment size or timing of commitment, would likely experience lower net returns than those presented here. The calculation in respect of any particular set of economic terms will be provided upon request. Calculations are based on the trading NAV of the fund, which represents the fair value of the fund's investments and other assets, less the value of its liabilities, adjusted by certain items as detailed in the fund's partnership agreement, as amended, such as unamortized organizational expenses.*
- 12) *There are co-investments alongside the Fund which have not been included herein. There can be no guarantee that the Fund will offer any investors, including qualifying investors, significant (or any) co-investment opportunities.*
- 13) *Due to the open ended nature of the fund, and consistent with industry practice, it is Brookfield's practice to not provide an investment multiple as a performance measurement for BSREF.*
- 14) *BSREF is targeting a gross IRR of 7-8% (net IRR of 6-7%). The target returns set forth herein are for illustrative and informational purposes only and have been presented based on various assumptions made by the Manager in relation to the investment strategy being pursued by BSREF, any of which may prove to be incorrect. The target returns are based on historical performance for similar investment strategies within the sector. Target gross returns do not reflect fund expenses, management fees and incentive fees, which would reduce an investor's returns. Target net returns take into account these items. Due to various risks, uncertainties and changes (including changes in economic, operational, political or other circumstances) beyond the control of the Manager, the actual performance of the Fund could differ materially from the target returns set forth herein. In addition, industry experts may disagree with the assumptions used in presenting the target returns. No assurance, representation or warranty is made by any person that the target returns will be achieved and undue reliance should not be put on them. Additional information about the assumptions used in determining the target returns and the factors that could cause actual results to differ materially from the target returns are available upon request. Prior performance is not indicative of future results and there can be no guarantee that the fund, future funds or their respective investments will achieve comparable results or be able to avoid losses*

Senior Mezzanine Real Estate Finance Fund

The summary set forth below includes real estate investments made by Brookfield Senior Mezzanine Real Estate Finance Fund ("BSREF"). Prior performance is not indicative of future results and there can be no guarantee that the fund, future funds or their respective investments will achieve comparable results or be able to avoid losses.

Investment	Investment Date	Realization Date ²	Equity Invested ³	Current			Performance ¹	
				Proceeds				
				Realized ⁴	Unrealized ⁵	Total ⁶		
As of March 31, 2020 (US\$ in millions)								
Office								
Unrealized Investments								
Airport Business Center	Jan 2018		\$ 20	\$ 3	\$ 21	\$ 24	9.1%	
1000 Wilshire	Feb 2018		20	2	20	23	8.2%	
Sullivan Center	Mar 2018		34	5	34	39	7.7%	
1390 Market	May 2018		32	3	32	36	4.6%	
101 Mission	Jun 2018		22	3	22	25	6.1%	
5 Bryant Park	Jun 2018		40	4	40	44	5.9%	
350 Madison	Sep 2018		50	5	50	54	6.1%	
1200 New Hampshire	Sep 2018		24	2	24	26	7.3%	
200 West Adams	Nov 2018		39	4	39	43	7.7%	
Project Pioneer	Jan 2019		57	4	56	60	5.0%	
One Dag Hammarskjold	Feb 2019		48	3	46	50	3.4%	
Wells Fargo Center	May 2019		36	2	35	37	2.6%	
Park Avenue Tower	May 2019		68	3	67	70	4.8%	
1333 Broadway	May 2019		24	2	24	26	8.4%	
1325 G Street	Oct 2019		19	1	19	20	6.1%	
805 Third Avenue	Dec 2019		31	0	34	34	33.1%	
Total Office			564	45	563	608	7.0%	
Hospitality								
Realized Investments								
Hilton Orlando	Mar 2018		48	7	47	54	6.5%	
Total Hospitality			48	7	47	54	6.5%	
Multifamily								
Realized Investments								
Sojourn	Aug 2018	Jan 2020	12	14	-	14	7.5%	
Unrealized Investments								
Greystone	Aug 2018		23	2	24	26	8.0%	
Tower 28	Apr 2019		50	3	52	55	10.3%	
CityView at Longwood	Jun 2019		20	1	20	21	7.9%	
Total Multifamily			105	20	96	116	8.2%	
Industrial								
Realized Investments								
KKR Industrial Portfolio	Aug 2018	Feb 2020	30	33	-	33	7.5%	
Total Industrial			30	33	-	33	7.5%	
Other								
Unrealized Investments								
StorageMart Portfolio	Dec 2018		85	7	87	94	8.1%	
Total Other			85	7	87	94	8.1%	
Total Portfolio⁷			\$ 832	\$ 112	\$ 792	\$ 905	7.3%	
							Total Fund Gross⁸	5.9%
							Total Fund Net⁹	5.0%
Total Realized Investments			43	47	-	47		
Total Unrealized Investments			789	65	792	858		
Total Portfolio			\$ 832	\$ 112	\$ 792	\$ 905		

Investment performance reflects individual investment performance before fund expenses, management fees (or equivalent fees) and incentive fees, if any, which would reduce investment level returns. Total Fund gross performance reflects fund level performance after fund expenses and before management fees (or equivalent fees) and incentive fees, if any, which would reduce an investor's return. Total Fund net performance reflects fund level performance taking into account fund expenses, management fees (or equivalent fees) and incentive fees, if any, allocated to or paid by investors. Totals may not add due to rounding. Refer to notes on next slide.

- 1) *Reflects performance from initial investment date to March 31, 2020. Time weighted return ("TWR") figures have not been annualized where the performance measurement date is within twelve months of the initial investment date.*
- 2) *"Realization Date" reflects the date in which the investment was realized.*
- 3) *"Equity Invested" represents the initial capital investment including short-term subscription facility drawdowns, follow-on investments, and capital expenditures as applicable.*
- 4) *"Realized Proceeds" represents any proceeds from disposition and distributions or other forms of current income and loss.*
- 5) *Values ascribed to "Unrealized Proceeds" and used in determining performance results represent the fair value of the fund's share of the applicable investment as of March 31, 2020, as derived through a third party appraisal process, plus capital expenditure reserves, post-closing adjustments, and operational and transaction expenses. Where applicable, "Unrealized Proceeds" include unrealized gains or losses resulting from hedges against foreign currency exposure. The actual realized returns on current unrealized investments may differ materially from the returns shown herein, as it will depend on, among other factors, future operating results, the value of the asset and market conditions at the time of dispositions, any related transactions costs and the time and manner of sale, all of which may differ from the assumptions on which the valuations contained herein are based. Any third party appraisal is based on certain estimations and assumptions made by the third party appraiser, including estimations and assumptions about events that have not occurred, any of which may prove to be incorrect. In addition, industry experts may disagree with the assumptions used.*
- 6) *"Total Proceeds" are before fund expenses, management fees (or equivalent fees) and incentive fees.*
- 7) *Investment "Gross TWR" reflects individual investment performance before fund expenses, management fees (or equivalent fees) and incentive fees, if any, which would reduce investment level returns. Total investment composite gross TWR reflects composite performance of all investments within the fund since inception. Net TWR is not available at an investment level as fund expenses, management fees (or equivalent fees) and incentive fees are applied at the fund-level only. If such fees and expenses were included, investment level TWRs would be lower.*
- 8) *Fund "Gross TWR" reflects fund level performance after fund expenses and before management fees (or equivalent fees) and incentive fees, if any, which would reduce an investor's return.*
- 9) *Fund "Net TWR" reflects fund level performance taking into account fund expenses, management fees (or equivalent fees) and incentive fees, if any, allocated to or paid by investors. For the purposes of this calculation, Brookfield is treated as having paid management fees and incentive fee rates that correspond to the rates a similarly situated third party investor would pay per the fund's standard investor fee schedule. Since Brookfield is generally the largest investor in its funds and/or generally makes its commitment at a fund's first closing, the management fee and incentive fee rates applied to Brookfield are typically the lowest rates available to third party investors, which reduces the fund's average management fees and incentive fee rates (and increases the net returns presented here) below what they would have been if Brookfield was not invested in the fund. Since management fee and incentive fee rates vary by investor, each particular investor would likely have a different net performance return than those shown here, and investors who do not qualify for discounted management fee and incentive fee rates based on, as applicable, their units held in the fund, commitment size or timing of commitment, would likely experience lower net returns than those presented here. The calculation in respect of any particular set of economic terms will be provided upon request. Calculations are based on the trading NAV of the fund, which represents the fair value of the fund's investments and other assets, less the value of its liabilities, adjusted by certain items as detailed in the fund's partnership agreement, as amended, such as unamortized organizational expenses.*

Andrea Balkan, Managing Partner

Andrea Balkan is a Managing Partner at Brookfield Real Estate Financial Partners, based in New York where she is responsible for the overall management of the activities of Brookfield's real estate finance funds. Ms. Balkan joined Brookfield in 2002, where she has overseen the fund raising, investing and portfolio management of Brookfield's series of mezzanine debt funds starting with the first fund (BREF One) in 2004. Since that time, Brookfield has raised over \$8B in capital to invest in mezzanine debt including its current fund offerings: (i) BREF V - a \$3B, closed end fund focused on investing in junior mezzanine loans (ii) BSREF - a \$1B open ended debt fund focused on investing in senior mezzanine loans and single asset, single borrower CMBS, and (iii) BSA - a \$750MM separate account investing in real estate debt. Prior to joining Brookfield, she was a Director at Merrill Lynch in New York in the Investment Banking and Debt Capital Markets groups, and before that, a Managing Director at Chase Manhattan Bank. Ms. Balkan holds a BA from Wesleyan University.

Chris Reilly, Managing Partner

Chris Reilly is a Managing Partner at Brookfield Real Estate Financial Partners and the Head of Debt Origination for Brookfield's Property Group where he is responsible for the origination, underwriting, and asset management of real estate transactions. Mr. Reilly has over 25 years of real estate finance and capital markets experience. Prior to joining Brookfield in 2012, he was a Managing Director at Natixis Real Estate Capital Markets, ran the Large Loan Group at UBS and was an Executive Director at Morgan Stanley, focused on the origination and distribution of commercial real estate loans. Prior to Morgan Stanley, Mr. Reilly was a Credit Analyst at Fitch Ratings. He holds a BS degree from the Stern School of Business at New York University.

Nailah Flake-Brown, Managing Director

Nailah Flake-Brown is a Managing Director of Brookfield Real Estate Financial Partners based in New York, and is responsible for the origination, underwriting and asset management of real estate transactions. Ms. Flake-Brown joined Brookfield in 2017 and has over 20 years of real estate finance and capital markets experience. Prior to Brookfield, she was a Managing Director and Head of Originations for the Commercial Real Estate Lending Group at Morgan Stanley. Ms. Flake-Brown holds a BA degree from Spelman College.

John Lee, Managing Director

John Lee is a Managing Director of Brookfield Real Estate Financial Partners based in New York, and is responsible for the underwriting and asset management of transactions included in the Fund. Mr. Lee has over 25 years of real estate finance and portfolio management experience. Prior to joining Brookfield in 2008, he held positions at Countrywide in the commercial real estate group and Deutsche Bank / Bankers Trust in the DB realty mezzanine group, real estate portfolio management group and investment management group. Mr. Lee holds a BS from St. John's University.

Justin Monge, Senior Vice President

Justin Monge is a Senior Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for the investor relations and finance functions of the Fund. Mr. Monge has over 25 years of experience in real estate finance and investment. Prior to joining Brookfield in 2003, he was a Director at Deutsche Bank where he served as a member of the management team of DB realty mezzanine investment funds. During his nine-year tenure at Deutsche Bank / Bankers Trust, he served in various capacities within the firm's real estate investment banking, real estate private equity and asset management operations. Mr. Monge holds an AB from Harvard College and an MBA from Columbia University Graduate School of Business.

Kathryn Gregorio, Senior Vice President

Kathryn Gregorio is a Senior Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for the underwriting and asset management of the Fund's transactions. Ms. Gregorio has over 33 years of experience in commercial real estate lending and investment. Prior to joining Brookfield in 2006, she was the Chief Credit Officer of the commercial mortgage division at Apple Bank where she oversaw the credit and administration of a \$1 billion real estate loan portfolio with individual loan exposures ranging in size from \$100,000 to \$20 million. Prior to Apple Bank, she was a Vice President in the realty group of Chemical Bank, specifically responsible for restructuring distressed real estate loans both for the bank and third-party clients. Ms. Gregorio holds a BA from the University of Pennsylvania and successfully completed Chemical Bank's credit training program in 1987.

Tim McGuire, Senior Vice President

Tim McGuire is a Senior Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for origination and underwriting of new investments for Brookfield's real estate debt funds, ongoing asset management of investments, and loan syndications. Mr. McGuire has over 13 years of real estate finance experience. Prior to joining Brookfield in 2014, he was an Executive Director at UBS Securities LLC, where he originated loans for CMBS execution and UBS's balance sheet. He began his real estate career as an underwriter in Morgan Stanley's large loan group. Mr. McGuire received his BA from the University of Pennsylvania in 2004.

Rohit Srivastava, Senior Vice President

Rohit Srivastava is a Senior Vice President of Brookfield Real Estate Financial Partners based in London, and is responsible for underwriting, structuring and asset management of the Fund's transactions. Mr. Srivastava has more than 15 years of experience in commercial real estate finance. Prior to joining Brookfield in 2016, he worked for over nine years in Credit Suisse's commercial real estate group in the U.S., Asia and Europe where he held a variety of roles, including asset management, origination, underwriting, structuring and real estate capital markets across various regions. Prior to Credit Suisse, he began his career in real estate finance at Gramercy Capital Corp working as an underwriter. Mr. Srivastava holds an MS degree in real estate development from Massachusetts Institute of Technology and a Bachelor's of Architecture degree from Manipal Institute of Technology.

Zachary Cohn, Senior Vice President

Zachary Cohn is a Senior Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for loan syndications, and origination and underwriting of new investments for Brookfield's series of debt funds. Mr. Cohn has more than 14 years of real estate finance experience. Prior to joining Brookfield in 2016, he was a Director at Citigroup, where he was primarily responsible for the structuring and distribution of high yield credit investments, and origination and execution of CMBS and balance sheet loans. Mr. Cohn received his BA from the University of Southern California in 2005.

Corey Hall, Senior Vice President

Corey Hall is a Senior Vice President at Brookfield Real Estate Financial Partners based in Los Angeles, where he is responsible for the origination, underwriting, structuring, and asset management of investments for Brookfield's real estate debt funds. Mr. Hall joined Brookfield in 2018 and has over 13 years of real estate and capital markets experience. Prior to joining Brookfield, Mr. Hall was a Managing Director at Cantor Commercial Real Estate, where he focused on the origination, structuring, and disposition of both fixed and floating rate securitized debt. Mr. Hall is a graduate of the University of Southern California, where he received a Bachelor of Science in Business Administration, with a concentration in Real Estate Development & Finance.

James Sharkey, Senior Vice President

James Sharkey is a Senior Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for the structuring, closing and asset management of the Fund's transactions. Mr. Sharkey has over 24 years of experience in commercial real estate law, finance and lending. Prior to joining Brookfield in 2015, he held a position as a senior associate in the real estate group of Skadden, Arps, Slate Meagher & Flom. Mr. Sharkey earned a JD from the Northwestern University School of Law, an MBA from the Kellogg School of Management and a BA from Georgetown University.

Laura Stepp, Vice President

Laura Stepp is a Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for the structuring, closing and asset management of the Fund's transactions. Ms. Stepp has over seven years of experience in commercial real estate law, with a practice focusing on the financing, acquisition, disposition and leasing of real property. Prior to joining Brookfield in 2019, she held positions as an associate in the real estate group of Cleary Gottlieb Steen & Hamilton LLP and as an Assistant General Counsel at JPMorgan Chase & Co. Ms. Stepp earned a JD from Georgetown University Law Center and a BA from Georgetown University.

Palmer Dobbs, Vice President

Palmer Dobbs is a Vice President of Brookfield Real Estate Financial Partners based in Atlanta/New York, and is responsible for the underwriting of the Fund's transactions. Mr. Dobbs has over 12 years of experience in real estate finance. Prior to joining Brookfield in 2011, he was at Alvarez & Marsal in the real estate advisory services group where he was primarily responsible for managing and underwriting Lehman Brothers Holdings' commercial real estate portfolio throughout its bankruptcy. Before that, he was at Bank of America Merrill Lynch in the real estate investment banking group. Mr. Dobbs holds a BS from Washington and Lee University.

Amit Rustgi, Vice President

Amit Rustgi is a Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for the underwriting of the Fund's transactions. Mr. Rustgi has more than 12 years of experience in real estate finance. Prior to joining Brookfield in 2013, he worked at Moody's Investors Service in the CMBS Structured Finance Group where he was primarily responsible for the ratings of older vintage CMBS deals. Prior to Moody's, he was at Trimont Real Estate Advisors where he held positions in the Primary and Special Asset Management groups. Mr. Rustgi holds a BBA from the Goizueta Business School at Emory University.

Daniel Buehrens, Vice President

Dan Buehrens is a Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for loan syndications, and origination and underwriting of new investments for Brookfield's series of debt funds. Prior to joining Brookfield in 2019, he was a Vice President in the Real Estate Financing Group within the Investment Banking Division at Goldman Sachs, where he was primarily responsible for the underwriting, origination, and execution of CMBS loans. Prior to joining Goldman Sachs in 2011, Mr. Buehrens was an Associate Economist at Moody's Analytics. Mr. Buehrens received his BA in Economics from the Hartwick College in 2009.

Thomas Flick, Vice President

Thomas Flick is a Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for the underwriting of the Fund's transactions. Mr. Flick has over 11 years of experience in real estate finance. Prior to joining Brookfield in 2015, he held a position at Spring11 where he was primarily responsible for underwriting new issuance CMBS loans and B-piece deals. Before that, he was at Rothschild Inc. as an associate in the restructuring group. Mr. Flick holds a BA from Cornell University, a JD from the University of Pennsylvania Law School, and an MBA from the Wharton School at the University of Pennsylvania.

Philip Weaver, Senior Associate

Philip Weaver is a Senior Associate of Brookfield Real Estate Financial Partners based in New York and is responsible for the underwriting and asset management of the Fund's transactions. Mr. Weaver has more than eight years of experience in real estate finance. Prior to joining Brookfield in 2018, he worked at Situs on a dedicated asset management platform for TPG Real Estate Finance. Before that, he worked at Trimont Real Estate Advisors where he managed a debt portfolio in the Primary Asset Management group. Mr. Weaver holds a BBA from the Terry College of Business at the University of Georgia.

Joanne Chang, Associate

Joanne Chang is an Associate of Brookfield Real Estate Financial Partners based in New York, and is responsible for the Fund's investor relations and finance functions. Ms. Chang joined Brookfield in 2012 and has over eight years of experience. Prior to joining Brookfield Real Estate Financial Partners, she was a Senior Financial Analyst in Brookfield's Private Funds Group where she focused primarily on finance, operations and fundraising. Ms. Chang holds a BBA from the University of Toronto and is a Chartered Professional Accountant and Certified Management Accountant of Ontario, Canada.

Zachary Levine, Associate

Zach Levine is an Associate of Brookfield Real Estate Financial Partners based in New York and is responsible for the underwriting and asset management of the Fund's transactions. Mr. Levine has more than five years of experience in real estate finance. Prior to joining Brookfield in 2019, he worked at Morgan Stanley specializing in the underwriting and closing of large loan transactions for both CMBS and balance sheet execution. Mr. Levine holds a BSBA from the McDonough School of Business at Georgetown University.

Maxwell Opperman, Associate

Maxwell Opperman is an Associate with Brookfield Real Estate Financial Partners based in New York, and is responsible for the underwriting of the Fund's transactions. Mr. Opperman has over four years of experience in real estate finance. Prior to joining Brookfield in 2018, Mr. Opperman worked at True North Management Group where he was responsible for the evaluation, underwriting, due diligence and asset management of opportunistic equity investments across the U.S. Mr. Opperman holds a Bachelor of Accountancy and BBA in Real Estate from the University of San Diego.

Deanna Grunfeld, Analyst

Deanna Grunfeld is an Analyst with Brookfield Real Estate Financial Partners based in New York, and is responsible for the underwriting of the Fund's transactions. Prior to joining Brookfield in 2019, Ms. Grunfeld worked as an investment analyst at Grosvenor Americas. Ms. Grunfeld holds a BS from the University of Southern California.

Geoffrey Weinstock, Analyst

Vicky Low, Vice President, Finance

Vicky Low is a Vice President of Brookfield Real Estate Financial Partners based in New York, and is responsible for overseeing the accounting and reporting functions of the Fund and its related entities. Ms. Low has approximately 13 years of experience in finance, accounting and SEC regulatory filings. Prior to joining Brookfield in 2007, she was an Assistant Manager of financial reporting at Brookfield Residential. Ms. Low earned her MS in Accounting from Hunter College in New York and is a Certified Public Accountant.

Kent Yip, Director, Finance

Kent Yip joined Brookfield in 2019 as a Manager and is responsible for the finance and operations for the closed ended BREF credit funds. Prior to joining Brookfield, Kent Yip was a Manager in the Wealth and Asset Management Financial Services Group at Ernst & Young LLP where he focused on financial statement audits for a variety of Asset Management Funds. Kent Yip holds a MS in accounting from SUNY at Buffalo.

Hyejin Kwon, Senior Accountant

Hyejin Kwon joined Brookfield in 2019 as a Senior Accountant of Brookfield Real Estate Financial Partners. Prior to joining Brookfield, Ms. Kwon was a senior fund accountant at the fund administration Gen II Fund Services, LLC. Ms. Kwon holds a bachelor degree in accounting from Baruch College.

Lisa Lee, Manager

Lisa Lee is a Manager of Brookfield Real Estate Financial Partners based in New York and is responsible for the accounting and financial reporting and operations for the Fund. Ms. Lee has over 10 years of accounting experience. Before joining Brookfield in 2018, she was a senior financial accountant at Golub Capital working specifically on Senior Loan Funds and Business Development Corporations. Prior to that, Ms. Lee was a hedge fund accountant at Northern Trust Corporation. Ms. Lee holds her BS in Accountancy from the University of Illinois at Chicago and is a Certified Public Accountant from the State of Illinois.

Katherine O'Leary, Senior Accountant

Katherine O'Leary joined Brookfield as a Senior Accountant of Brookfield Real Estate Financial Partners in October 2019. Prior to joining, she was a Senior Audit Associate at KPMG New York and primarily worked in the firm's Real Estate practice. Ms. O'Leary holds a Bachelor of Business Administration degree in Accounting from Villanova University.

Barry Blattman, Vice Chair

Barry Blattman is Vice Chair of Brookfield Asset Management, where he focuses on senior, strategic client and business relationships and contributes to general business development and transaction strategy globally. He also participates in the Investment Committee meetings for all of Brookfield's real estate, infrastructure and PE private fund programs. Prior to joining Brookfield in 2002, he was a Managing Director at Merrill Lynch, having begun his career with Salomon Brothers in 1986. Mr. Blattman holds a Bachelor of Arts from the University of Michigan and an MBA from New York University. He is a Trustee of Montefiore Health System, a member of The University of Michigan LSA Dean's Advisory Committee and Co-Chair of the University of Michigan's NY Metropolitan Regional Campaign Council.

Anuj Ranjan, Managing Partner & Chief Executive Officer of South Asia and Middle East

Anuj Ranjan is a Managing Partner and CEO of South Asia and Middle East for Brookfield Asset Management. In this role, he is responsible for overseeing all of Brookfield's investment initiatives and operations in the region. Mr. Ranjan joined Brookfield in 2006 and has held various positions within the company and its affiliates, including mergers and acquisitions, private equity and real estate. He relocated from Toronto to Mumbai in 2009, where he helped build Brookfield's India business, and then to Dubai in 2016 to further expand Brookfield's presence in the region. Mr. Ranjan holds a Bachelor of Science from the University of Alberta and an MBA from the Richard Ivey School of Business.

Bruce Flatt, Managing Partner & Chief Executive Officer

Bruce Flatt is Chief Executive Officer of Brookfield Asset Management, a leading global alternative asset manager with over \$500 billion in assets under management. Mr. Flatt joined Brookfield in 1990 and became CEO in 2002. Under his leadership, Brookfield has developed a global operating presence in more than 30 countries. Prior to his current role, Mr. Flatt ran Brookfield's real estate and investment operations and has served on numerous public company boards over the past two decades.

Brian Kingston, Managing Partner

Brian Kingston is a Managing Partner and Chief Executive Officer of Brookfield Property Group and Brookfield Property Partners. Since Mr. Kingston joined Brookfield in 2001, he has been engaged in a wide range of merger & acquisition activities, including Brookfield's investments in Canary Wharf, O&Y REIT and O&Y Corp., Trizec Properties and Multiplex. From 2008 to 2013 he led Brookfield's Australian business activities, holding the positions of CEO of Brookfield Office Properties Australia, CEO of Prime Infrastructure and CFO of Multiplex. Mr. Kingston serves as a member of the Investment Committee and Director of Brookfield's real estate company-affiliated boards, including General Growth Properties, Rouse Properties and Canary Wharf.

William Powell, Managing Partner

Bill Powell is a Managing Partner and Chief Operating Officer in Brookfield's Real Estate Group. Mr. Powell joined Brookfield in 2002 and has since held a number of roles across the organization. He was initially a Partner in Brookfield's Real Estate Finance Fund business before becoming Global Treasurer of Brookfield Asset Management. Prior to joining Brookfield, Mr. Powell held various senior management positions within the real estate capital markets groups at a number of investment management firms. Mr. Powell holds a Bachelor of Science in Accounting from the University of Richmond and an MBA from the Darden School of the University of Virginia.

Andrea Balkan, Managing Partner

See Investment Team biography above.

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- 1) Brookfield Real Estate Financial Partners (“BREF”) was established in 2002. The BREF team launched its first fund, BREF ONE, LLC (“BREF I”) in 2004.
- 2) The target returns set forth herein are for illustrative and informational purposes only and have been presented based on various assumptions made by Brookfield Asset Management Private Institutional Capital Adviser US, LLC (the “Manager”) in relation to the investment strategy being pursued by BSREF, any of which may prove to be incorrect. The target returns are based on historical performance for similar investment strategies within the sector. Target gross returns do not reflect fund expenses, management fees and incentive fees, which would reduce an investor’s returns. Target net returns take into account these items. Due to various risks, uncertainties and changes (including changes in economic, operational, political or other circumstances) beyond the control of the Manager, the actual performance of the Fund could differ materially from the target returns set forth herein. In addition, industry experts may disagree with the assumptions used in presenting the target returns. No assurance, representation or warranty is made by any person that the target returns will be achieved and undue reliance should not be put on them. Additional information about the assumptions used in determining the target returns and the factors that could cause actual results to differ materially from the target returns are available upon request. Prior performance is not indicative of future results and there can be no guarantee that the Fund will achieve the target returns or be able to avoid losses.
- 3) Prior performance is not indicative of future results and there can be no guarantee that the Fund or its investments will achieve comparable results or be able to avoid losses.
- 4) Debt platform includes Brookfield’s entire CRE Finance Track Record. Please refer to page 21 for further detail.

Page 4

- 1) Debt platform includes Brookfield’s entire CRE Finance Track Record. Please refer to page 21 for further detail. The map only outlines BREF’s presence in the U.S. However, the figures are inclusive of BREF’s complete portfolio, inclusive of its investments in Europe.
- 2) Employee figure as of March 31, 2020. Includes investment professionals in Brookfield’s commercial real estate finance business. Investment professionals include all personnel involved in the investment and related processes, including research, investment analysis, risk analysis, performance measurement analysis and other personnel.

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- 1) As of March 31, 2020. “AUM” is calculated as total assets presented on a fair value basis, and at 100%, for investments that Brookfield consolidates for accounting purposes or actively manages, including investments of which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager. For all other investments, AUM is presented at Brookfield’s or its controlled investment vehicles’, as applicable, proportionate share of the investment’s total assets on a fair value basis. Note that this includes Brookfield’s publicly traded affiliates, Brookfield Property Partners L.P. (“BPY”), Brookfield Renewable Partners L.P. (“BEP”), Brookfield Business Partners (“BBU”), and Brookfield Infrastructure Partners L.P. (“BIP”). Also includes Oaktree AUM as of December 31, 2019.
- 2) As of December 31, 2019. Covers investment professionals across all of Brookfield. Investment professionals include all personnel involved in the capital allocation process, including research, investment analysis, risk analysis, performance measurement analysis, and other personnel.
- 3) As of March 31, 2020. “AUM” is calculated as total assets presented on a fair value basis, and at 100%, for investments that Brookfield consolidates for accounting purposes or actively manages, including investments of which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager. For all other investments, AUM is presented at Brookfield’s or its controlled investment vehicles’, as applicable, proportionate share of the investment’s total assets on a fair value basis. Note that this includes Brookfield’s publicly traded affiliates, Brookfield Property Partners L.P. (“BPY”), Brookfield Renewable Partners L.P. (“BEP”), Brookfield Business Partners (“BBU”), and Brookfield Infrastructure Partners L.P. (“BIP”). Also includes Oaktree AUM as of December 31, 2019. AUM excludes public securities managed by Brookfield Investment Management Inc. (“Brookfield’s Public Securities Group” or “PSG”). PSG is a separate and walled-off business unit of Brookfield that focuses on investments in the public securities markets through institutional portfolios, mutual funds and structured products.

Page 6

- 1) As of March 31, 2020. AUM is calculated as total assets presented on a fair value basis, and at 100%, for investments that Brookfield consolidates for accounting purposes or actively manages, including investments of which Brookfield or a controlled investment vehicle is the largest shareholder or the primary operator or manager. For all other investments, AUM is presented at Brookfield’s or its controlled investment vehicles’, as applicable, proportionate share of the investment’s total assets on a fair value basis.

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- 1) Where not indicated otherwise, the source of such information is Brookfield internal research. Any conclusions provided herein are based on various assumptions, any of which may prove to be incorrect.
- 2) An investment in senior mezzanine loans involves substantial risks, including complete loss of capital. Please refer to "Section VI. Investment Considerations – Certain Risk Factors" of the Fund's confidential private placement memorandum (together with any supplements, the "PPM") for more information.

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- 1) Where not indicated otherwise, the source of such information is Brookfield internal research. Certain of the information provided herein has been prepared based on Brookfield's internal research and certain information is based on various assumptions made by Brookfield, any of which may prove to be incorrect. Brookfield may have not verified (and disclaims any obligation to verify) the accuracy or completeness of any information included herein including information that has been provided by third parties and you cannot rely on Brookfield as having verified such information. The information provided herein is for informational and illustrative purposes only and reflects Brookfield's perspectives and beliefs. Investors should consult with their advisors prior to making an investment in any fund or program, including a Brookfield-sponsored fund or program.

Pages 11-12

- 1) The target returns set forth herein are for illustrative and informational purposes only and have been presented based on various assumptions made by the Manager in relation to the investment strategy being pursued by the fund, any of which may prove to be incorrect. The target returns are based on historical performance for similar investment strategies within the sector. Target gross returns do not reflect fund expenses, management fees and incentive fees, which would reduce an investor's returns. Target net returns take into account these items. Due to various risks, uncertainties and changes (including changes in economic, operational, political or other circumstances) beyond the control of the Manager, the actual performance of the Fund could differ materially from the target returns set forth herein. In addition, industry experts may disagree with the assumptions used in presenting the target returns. No assurance, representation or warranty is made by any person that the target returns will be achieved and undue reliance should not be put on them. Additional information about the assumptions used in determining the target returns and the factors that could cause actual results to differ materially from the target returns are available upon request. Prior performance is not indicative of future results and there can be no guarantee that the Fund will achieve the target returns or be able to avoid losses.

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- 1) This is a hypothetical example describing the mechanics of a debt investment and the accompanying calculation of its gross IRR based on the Fund's target gross IRR. For illustrative purposes only and does not represent an actual investment of the Fund. There can be no guarantee that the Fund will achieve comparable results or avoid losses. Nothing is meant to be a prediction or projection of future performance.
- 2) The hypothetical example of floating rate mezzanine loan economics presented herein is based upon inputs believed by the Manager to be reasonable including, but not limited to, whole loan coupon spread, first mortgage loan LTV ratio, first mortgage loan coupon spread, origination fees and extension fees. The actual terms negotiated on future transactions will vary and will depend on, among other factors, future market conditions and specific attributes of the underlying property collateral being financed.
- 3) The hypothetical "Gross IRR" provided herein reflects performance before fund expenses, management fees and incentive fees, which would reduce an investor's return. "Net IRR" takes into account fund expenses, management fees and incentive fees and are not available on an asset level as fees, expenses and incentive fees are applied at the fund-level only. If such fees, expenses and incentive fees were included, asset level performance results would be lower. This hypothetical gross IRR is based on the target returns of the Fund. The target returns set forth herein are for illustrative and informational purposes only and have been presented based on various assumptions made by the Manager in relation to the investment strategy being pursued by BSREF, any of which may prove to be incorrect. The target returns are based on historical performance for similar investment strategies within the sector. Target gross returns do not reflect fund expenses, management fees and incentive fees, which would reduce an investor's returns. Target net returns take into account these items. Due to various risks, uncertainties and changes (including changes in economic, operational, political or other circumstances) beyond the control of the Manager, the actual performance of the Fund could differ materially from the target returns set forth herein. In addition, industry experts may disagree with the assumptions used in presenting the target returns. No assurance, representation or warranty is made by any person that the target returns will be achieved and undue reliance should not be put on them. Additional information about the assumptions used in determining the target returns and the factors that could cause actual results to differ materially from the target returns are available upon request. Prior performance is not indicative of future results and there can be no guarantee that the Fund will achieve the target returns or be able to avoid losses.

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- 1) As of June 2020. Except for the one-year gross investment TWR is as of March 31, 2020.
- 2) Prior performance is not indicative of future results and there can be no guarantee that the fund, future funds or their respective investments will achieve comparable results or be able to avoid losses.
- 3) “Gross TWR” and “Net TWR” is provided for BSREF. “Gross TWR” reflects performance before management fees (or equivalent fees) and incentive allocation, if any, which would reduce an investor’s return. “Net TWR” takes into account average management fees (or equivalent fees), if any, allocated to or paid by investors (including, as set forth above, Brookfield and its affiliates as an investor). Prior performance is not indicative of future results and there can be no guarantee that the funds, future funds or their respective investments will achieve comparable results or be able to avoid losses.
- 4) Please refer to page 24 for further detail.

Pages 15-16

- 1) As of June 2020.

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- 1) Investment oversight professional who will support the execution of BSREF strategy.

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- 1) The information provided herein, which may be subject to change, is presented as a summary of certain key terms of the Fund only and is qualified in its entirety by reference to the Fund's private placement memorandum and governing documents. Please refer to, and review carefully, such documents prior to making an investment in the Fund.

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An investment in the Fund is speculative and involves significant risks, including loss of the entire investment. There can be no guarantee that the Fund's investment objective will be achieved or that the investment will be successful. Interests in the Fund will be illiquid as there will be no secondary market for such interests and none is expected to develop. There will be restrictions on transferring interests in the Fund. The Fund's investments may be leveraged and its investment performance may be volatile. An investment in the Fund is suitable only for sophisticated investors and requires the financial ability and willingness to accept the risks and lack of liquidity that are characteristic of an investment in the

Fund described herein. Any references to "committed capital" include all pledged commitments.

The Fund may not be able to achieve its investment objectives (including target returns) for various reasons, as set out in more detail elsewhere in this presentation and in the [Fund's / strategy's] offering documents. Among other things, the novel coronavirus (COVID-19) outbreak throughout the world and related responses (e.g., closing of various market segments and businesses) has raised uncertainty in valuing (and making related estimates for) certain assets, including assets that the [Fund / strategy] holds or will seek to invest in. This uncertainty could remain for a significant period of time.

Except where otherwise indicated herein, the information provided herein is based on matters as they exist as of the date of preparation and not as of any future date, is subject to change, and will not be updated or otherwise revised to reflect information that subsequently becomes available or circumstances existing or changes occurring after the date hereof.

Certain information contained herein constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue," or "believe," or the negative thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of the Fund may differ materially from those reflected or contemplated in such forward-looking statements. Although Brookfield believes that the anticipated future results, performance or achievements for the Fund expressed or implied by the forward-looking statements and information are based upon reasonable assumptions and expectations in light of the information presently available, the reader should not place undue reliance on forward-looking statements and information because they involve known and unknown risks, uncertainties and other factors which may cause their actual results, performance or achievements of the Fund to differ materially from anticipated future results, performance or achievement expressed or implied by such forward-looking statements and information. Factors that could cause actual results to differ materially from those set forward in the forward-looking statements or information include but are not limited to: general economic conditions, changes in interest and exchange rates, availability of equity and debt financing and risks particular to underlying portfolio company investments.

Unless otherwise noted, any photographs appearing in this document are of investments owned or previously owned by funds or other investment vehicles managed by Brookfield. Any such photographs are intended for informational and historical purposes only. No assurance is made that the Fund will invest in similar investments.

In considering investment performance information contained herein, prospective investors should bear in mind that past performance is not necessarily indicative of future results and there can be no assurance that comparable results will be achieved, that an investment will be similar to the historic investments presented herein (because of economic conditions, the availability of investment opportunities or otherwise), that targeted returns, diversification or asset allocations will be met or that an investment strategy or investment objectives will be achieved. Any information regarding prior investment activities and returns contained herein has not been calculated using generally accepted accounting principles and has not been audited or verified by an auditor or any independent party. Unless otherwise indicated, internal rates of return (including targeted rates of return) are presented on a "gross" basis (i.e., they do not reflect management fees (or equivalent fees), carried interest, taxes, transaction costs and other expenses to be borne by investors, which in the aggregate are expected to be substantial and which would reduce the actual returns experienced by an investor). Returns presented on a "net" basis include costs and timing of any subscription facility, carried interest, management fees (or equivalent fees) and other fund expenses as applicable to the average investor, but do not reflect any potential tax burdens to an individual investor. Nothing contained herein should be deemed to be a prediction or projection of future performance.

This document includes Brookfield's estimates of the projected performance of certain unrealized investments currently held by other Brookfield-managed funds, including any predecessor funds,

and investment programs managed by Brookfield. Although this information is forward-looking by its nature and actual results are likely to differ, perhaps materially, from these estimates, Brookfield believes that the estimates have a reasonable basis.

Any changes to assumptions could have a material impact on projections and actual returns. Actual returns on unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, legal and contractual restrictions on transfer that may limit liquidity, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions and circumstances on which the valuations used in the prior performance data contained herein are based. Accordingly, the actual realized returns on unrealized investments may differ materially from the returns indicated herein. Brookfield will provide more detailed information on the material factors or assumptions that were applied in making the projections and the material factors that could cause actual results to differ materially from the projections to any investor on request.

Certain of the information contained herein is based on or derived from information provided by independent third party sources. While Brookfield believes that such information is accurate as of the date it was produced and that the sources from which such information has been obtained are reliable, Brookfield does not guarantee the accuracy or completeness of such information, and has not independently verified such information or the assumptions on which such information is based. This document is subject to the assumptions (if any) and notes contained herein.

The information in this document does not take into account your investment objectives, financial situation or particular needs and nothing contained herein should be construed as legal, business or tax advice. Each prospective investor should consult its own attorney, business adviser and tax advisor as to legal, business, tax and related matters concerning the information contained herein.

None of the information contained herein (or in any future communication (written or oral) regarding an investment) is intended to be investment advice with respect to a proposed investment. Brookfield's status as an ERISA fiduciary and the existence and nature of Brookfield's financial interest with respect to the proposed investment is set forth in the Fund's governing documents. Additionally, the information provided herein is being made available only to "independent fiduciaries with financial expertise" (within the meaning of the definition of the term "Fiduciary"; Conflict of Interest Rule – Retirement Investment Advice, 81 Fed. Reg. 20,946 (Apr. 8, 2017)). Any person who does not meet such requirements may not invest in the Fund and should promptly return these materials to Brookfield.

Neither this document nor the interests offered hereby have been approved by the United States Securities and Exchange Commission, the United Kingdom's Financial Conduct Authority, the Australian Securities and Investments Commission or by any regulatory or supervisory authority of any state or other jurisdiction, including Canada, nor has any such authority or commission passed on the accuracy or adequacy of this document. The information contained herein is subject to correction, completion, verification and amendment. Any representation to the contrary is a criminal offense.

This document is not intended to be made available to any person in Australia who is not a wholesale client (within the meaning of the Corporations Act 2001 (Cth) of Australia) and is provided to you on the basis that you are a person to whom an offer of interests in the Fund would not require disclosure under Part 7.9 of the Corporations Act 2001 (Cth) of Australia because of subsection 1012B(3)(b) (not a retail client). By receiving this document, you represent and warrant to Brookfield that you are not a retail client (within the meaning of the Corporations Act 2001 (Cth) of Australia). If you are a retail client, please do not consider the contents of this document and please return it. Any offer or invitation in Australia to invest in a fund, and any investment in a fund by a person in Australia, is limited to such wholesale clients. This document is not a disclosure document or product disclosure statement (within the meaning of the Corporations Act 2001 (Cth) of Australia).

Notice to Recipients (cont'd)

Unless otherwise noted, all references to "\$" or "Dollars" are to U.S. Dollars. All representations are made as of March 31, 2020, unless otherwise expressly indicated, and no duty to update said representations is assumed.

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #5b

Real estate debt investment manager presentations

Presentation by Oaktree Capital



OAKTREE



OAKTREE

CONFIDENTIAL

This brochure is provided for informational purposes only and does not constitute, and should not be construed as, an offer to sell, or a solicitation of an offer to buy, interests in Oaktree Real Estate Debt Fund III, L.P. or its related feeder fund(s) and parallel fund(s), if any (individually or collectively, as the context requires, the "Fund"). Any such offer may only be made pursuant to the Fund's confidential private placement memorandum and any related supplements (the "PPM"), subscription documents and constituent documents in their final form.

This brochure does not constitute and should not be construed as investment, legal or tax advice, or a recommendation or opinion regarding the merits of investing in the Fund. Each potential investor should consult its own counsel, accountant or investment adviser as to the legal, tax and related matters concerning its investment. A potential investor considering an investment in the Fund should read this brochure in conjunction with the PPM. The PPM contains a more complete description of the Fund's investment fund, practices, terms and conditions, restrictions, risks and other factors relevant to a decision to invest in the Fund, and also contains tax information and risk disclosures that are important to any investment decision. All information herein is subject to and qualified in its entirety by the PPM. No person has been authorized to make any statement concerning the Fund other than as set forth in the PPM and any such statements, if made, may not be relied upon. Oaktree (as defined below) does not represent or warrant regarding the accuracy or completeness of the information contained herein and has no duty to update such information.

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See Marketing Disclosures section of the Appendix for relevant marketing disclosures.

The term "Oaktree®" used herein refers to Oaktree Capital Management, L.P.TM or its affiliates, individually or collectively, as the context requires. Terms used but not defined herein shall have the meanings set forth in the PPM.

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The information contained herein is unaudited and is being shared with you to help you obtain a better understanding of the investments and performance of the Fund. Oaktree makes no representation or warranty regarding the accuracy or completeness of the information contained herein or whether it will assist you in connection with your due diligence.

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1 | Oaktree Overview

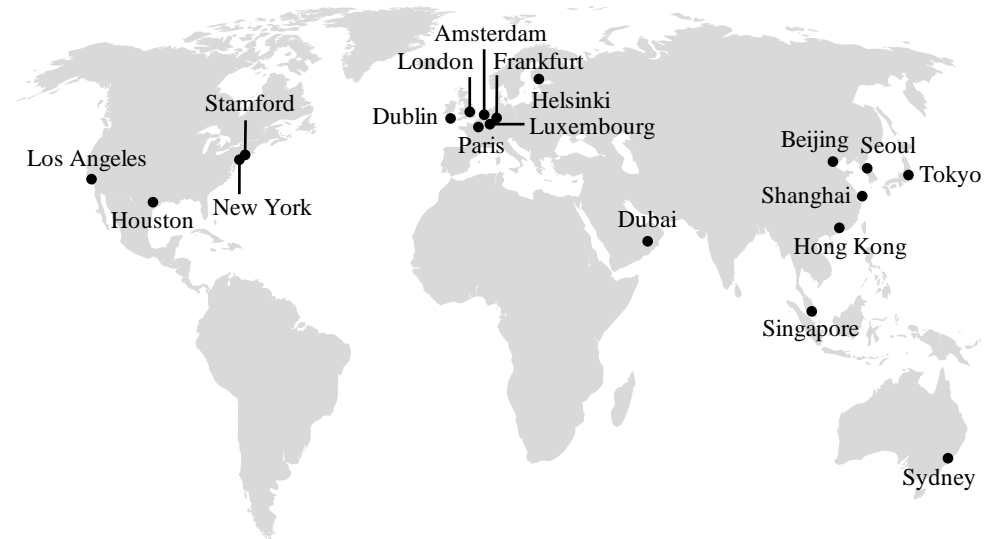


OAKTREE

Oaktree Overview

- Founded in 1995, Oaktree is a leading global investment management firm focused on alternative markets
- Assets under management of \$113.3 billion¹ in contrarian, value-oriented, risk-controlled investment strategies
- Manages assets for a wide variety of clients including many of the most significant investors in the world
 - 69 of the 100 largest U.S. pension plans
 - The main pension fund of 39 states in the United States
 - Over 400 corporations
 - Over 320 university, charitable and other endowments and foundations
 - Over 400 non-U.S. institutional investors and over 15 sovereign wealth funds

GLOBAL PRESENCE²



Over 950 employees in 19 cities and 14 countries

As of March 31, 2020

¹ Includes Oaktree's proportionate amount of DoubleLine Capital AUM resulting from its 20% minority interest therein. See the Legal Information and Marketing Disclosures section of the Appendix for important information regarding Oaktree's calculation methodology for assets under management.

² Includes offices of affiliates of Oaktree-managed funds. Oaktree is headquartered in Los Angeles.

Oaktree's Asset and Client Profile

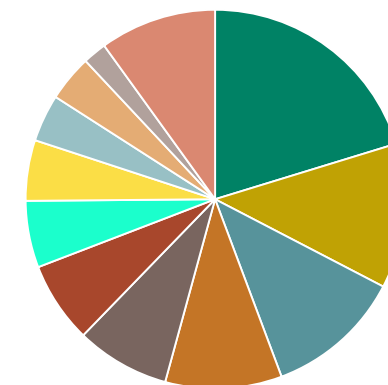
INVESTMENT AREAS¹

(Assets under management, \$ in millions)

Credit	\$55,275	Real Assets	\$12,730
Distressed Debt	\$18,245	Real Estate	\$9,301
High Yield Bonds	11,887	Infrastructure	3,429
Senior Loans	9,260		
Private/Alternative Credit	8,193	Listed Equities	\$5,362
Multi-Strategy Credit	3,687	Emerging Markets Equities	\$4,795
Emerging Markets Debt	2,422	Value/Other Equities	567
Convertible Securities	1,581		
		DoubleLine Capital	\$27,105
Private Equity	\$12,803		
Corporate Private Equity	\$7,962		
Special Situations	4,841	Total	\$113,275

CLIENTS²

(Assets under management)



- Public Funds (20%)
- Insurance Companies (12%)
- Corporate Pensions (12%)
- Intermediary Distribution (10%)
- Sovereign Wealth Funds (8%)
- Private - HNW/Family Office (7%)
- Endowments/Foundations (6%)
- Corporate (5%)
- Fund of Funds (4%)
- Oaktree and Affiliates (4%)
- Unions (2%)
- Other (10%)

As of March 31, 2020

¹ Includes Oaktree's proportionate amount of DoubleLine Capital AUM resulting from its 20% minority interest therein. See the Legal Information and Marketing Disclosures section of the Appendix for important information regarding Oaktree's calculation methodology for assets under management.

² Excludes proportionate amount of DoubleLine Capital AUM.

Investment Philosophy

All of Oaktree's strategies operate pursuant to an investment philosophy that has remained unchanged since our founding in 1995

PRIMACY OF RISK CONTROL

“Avoid the losers and the winners will take care of themselves”

EMPHASIS ON CONSISTENCY

A superior record is best built on a high batting average rather than the hope that great years will outweigh dismal ones

IMPORTANCE OF MARKET INEFFICIENCY

It is only in less-efficient markets that hard work and skill are likely to produce superior returns

BENEFITS OF SPECIALIZATION

Our team members' long-term experience gives us a substantial advantage

MACRO-FORECASTING NOT CRITICAL TO INVESTING

A bottom-up value approach to investing is most productive

DISAVOWAL OF MARKET TIMING

Bargains are purchased without reliance on guesses about the market's future direction

2 | Oaktree's Real Estate Platform



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Foundation of Oaktree's Real Estate Platform

INTEGRATED
GLOBAL
PLATFORM

THREE
SYNERGISTIC
STRATEGIES

REGIONAL
COVERAGE &
LOCAL EXPERTISE

REPUTATION OF
TRUST AND
INTEGRITY

- \$9.3 billion of AUM in Real Estate Opportunities, Real Estate Debt and Real Estate Income strategies
- Seven offices worldwide in Los Angeles, New York, London, Hong Kong, Seoul, Sydney and Tokyo
- Active in top 50 U.S. real estate markets as well as major European and Asian markets
- Enhanced by Oaktree's multi-disciplinary capabilities and excellent reputation globally

Established Real Estate Investor Across Strategies

REAL ESTATE OPPORTUNITIES



Inception: 1994¹
 AUM: \$5.0bn
 Committed Capital: \$11.5bn²

Focus Areas:

- Commercial
- Residential
- Corporate Platforms
- Opportunistic Credit
- Global Ex-U.S.

Vehicles Fundraising:

- Closed-end fund

REAL ESTATE DEBT



Inception: 2010
 AUM: \$2.7bn
 Committed Capital: \$6.6bn²

Focus Areas:

- Commercial First Mortgages
- Commercial Mezzanine Loans
- Residential First Mortgages
- Real Estate Structured Credit
- Real Estate-related Corporate Debt

Vehicles Fundraising:

- Real Estate Debt Fund III
- Separate Accounts

REAL ESTATE INCOME



Inception: 2016
 AUM: \$1.7bn
 Committed Capital: \$1.4bn²

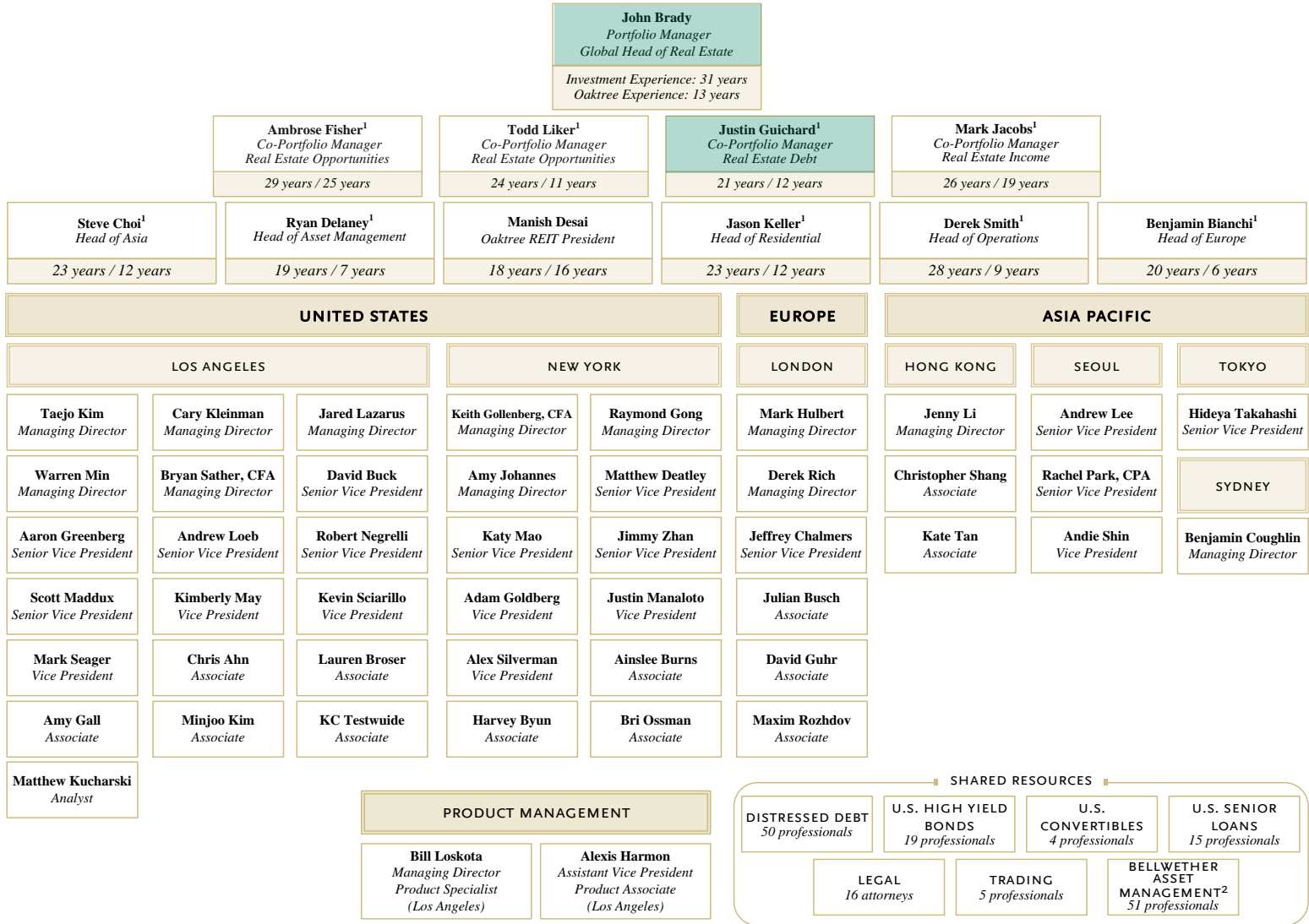
Focus Areas:

- Commercial
 - Office
 - Multifamily
 - Industrial

Vehicles Fundraising:

- Open-end Fund
- Separate Accounts

Oaktree's Real Estate Team



● **Significant Experience**
25 years on average³

● **Cohesive Leadership**
Over 12 years working together on average⁴

● **Deep Bench**
56-person team, including 23 managing directors

Largest investment team at Oaktree

As of May 9, 2020 (unless otherwise specified)

Note: Years above represent years of Investment Experience and Oaktree Experience, respectively, for each member of the leadership team as of March 31, 2020. See the "Endnotes" for footnote references on page 23

3 | Oaktree's Real Estate Debt Platform



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Oaktree's Real Estate Debt Platform

CONSISTENT
RESULTS &
ATTRACTIVE MARKET
OPPORTUNITY

\$5.4 billion realized
of
\$6.4 billion invested
across seven real estate
debt funds and accounts¹

Zero realized losses
across seven real estate
debt funds and accounts²

25 years
experience
of investing in
real estate debt³

RISK UNDER
CONTROL

62% LTV
portfolio average⁴

77% invested
in top-25 U.S. markets⁵

2% average
position size⁶

EXPERIENCED TEAM
& SYNERGISTIC
APPROACH

~\$53 billion
of total transaction
volume since 2008⁷

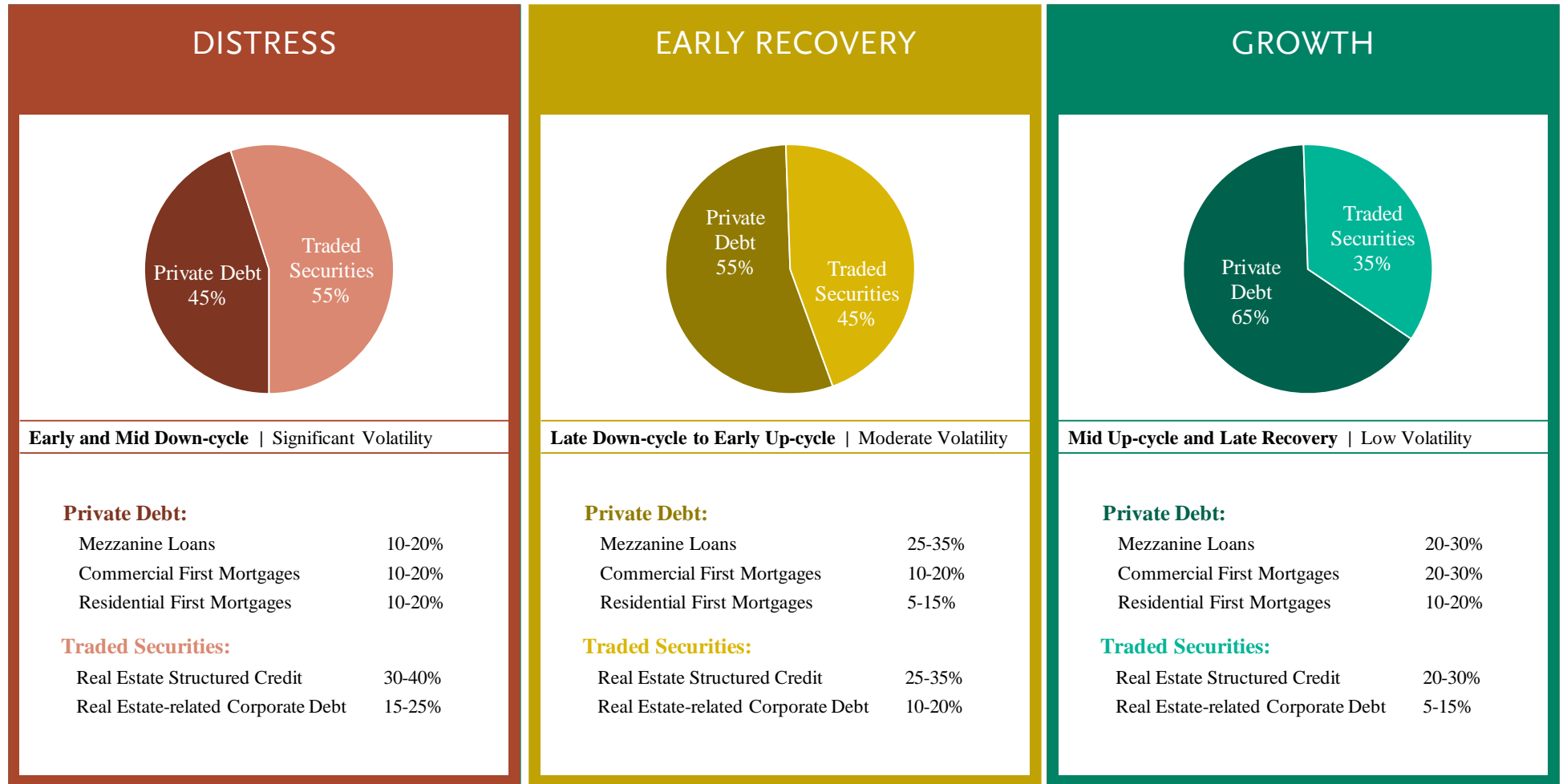
56 real estate
investment
professionals

249 investment
professionals
across the credit platform

As of March 31, 2020

Note: Reference to Real Estate Debt funds and accounts include Legacy CMBS, REDF I, REDSA I, REDSA II, REDF II, REDSA III and REDSA IV. See "Performance Disclosures" section of the Appendix for performance-related information and disclosures. Reference to commingled Real Estate Debt funds includes REDF I and REDF II. "Risk Under Control" statistics include REDF I and REDF II, unless otherwise specified. See the "Endnotes" for footnote references on page 23.

All-weather Strategy Invests Throughout the Economic Cycle



As of March 31, 2020

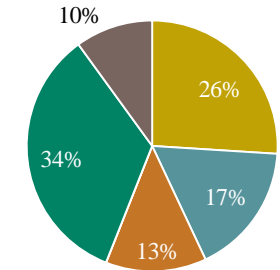
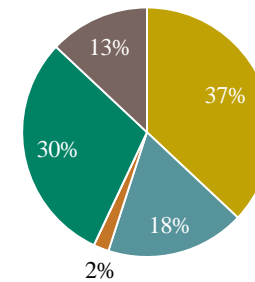
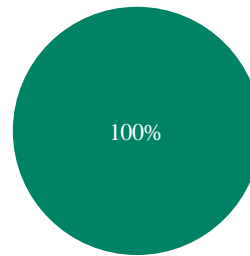
Note: There portfolio information is provided to illustrate the types of investments the Fund may pursue in various market environments. There can be no guarantee that investments or portfolios (including that of the Fund) in the future will be comparable.

Flexible Mandate

Investment Period/Market Environment: Legacy CMBS (2010-2013: Distressed) | REDF I (2013-2016: Recovery) | REDF II (2017-Present: Stabilization)

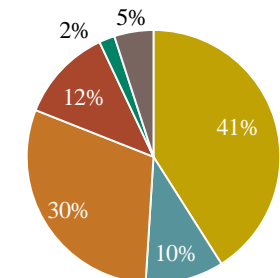
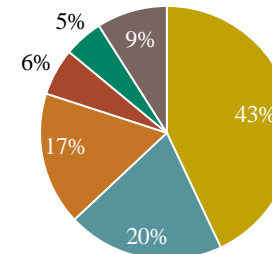
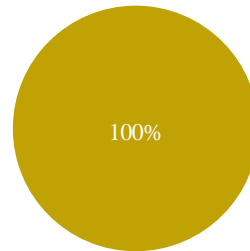
CAPITAL DEPLOYED ACROSS LOAN TYPE

- Private Debt:**
- Mezzanine Loans
 - Commercial First Mortgages
 - Residential First Mortgages
- Traded Securities:**
- Real Estate Structured Credit
 - Real Estate-related Corporate Debt



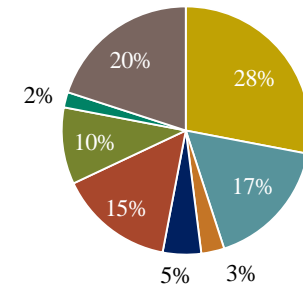
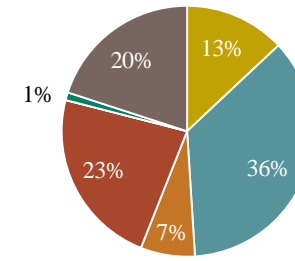
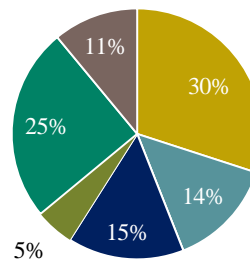
CAPITAL DEPLOYED ACROSS GEOGRAPHIES

- Geographic Distribution:**
- Multi-regional
 - Northeast
 - Pacific
 - Global non-U.S.
 - Mountain
 - Other U.S.

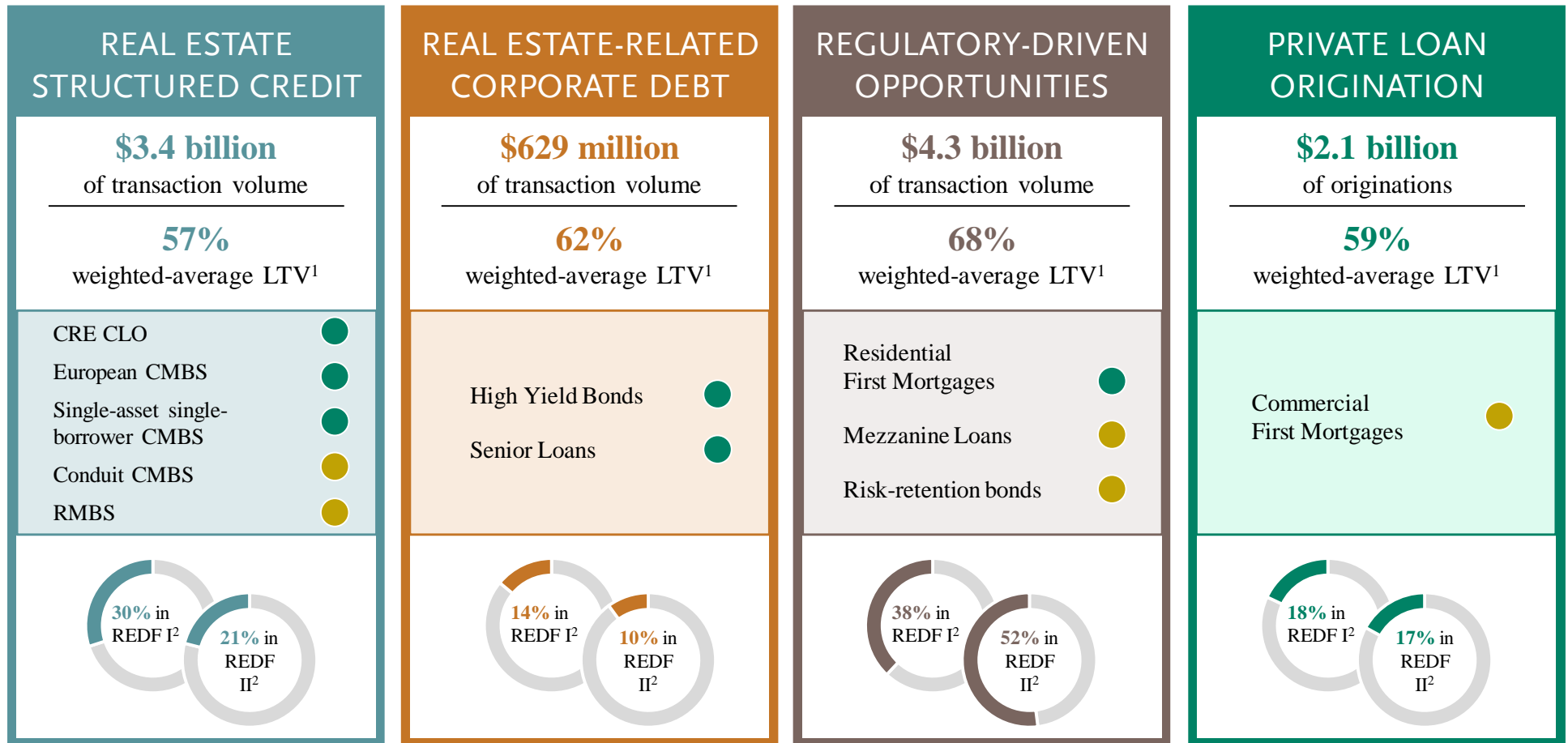


CAPITAL DEPLOYED ACROSS PROPERTY TYPE

- Property Type:**
- Office
 - Hotel/Gaming/Leisure
 - Mixed-use
 - Residential
 - Industrial
 - Retail
 - Multifamily
 - Other



Thematic Focus Drives Investment Approach

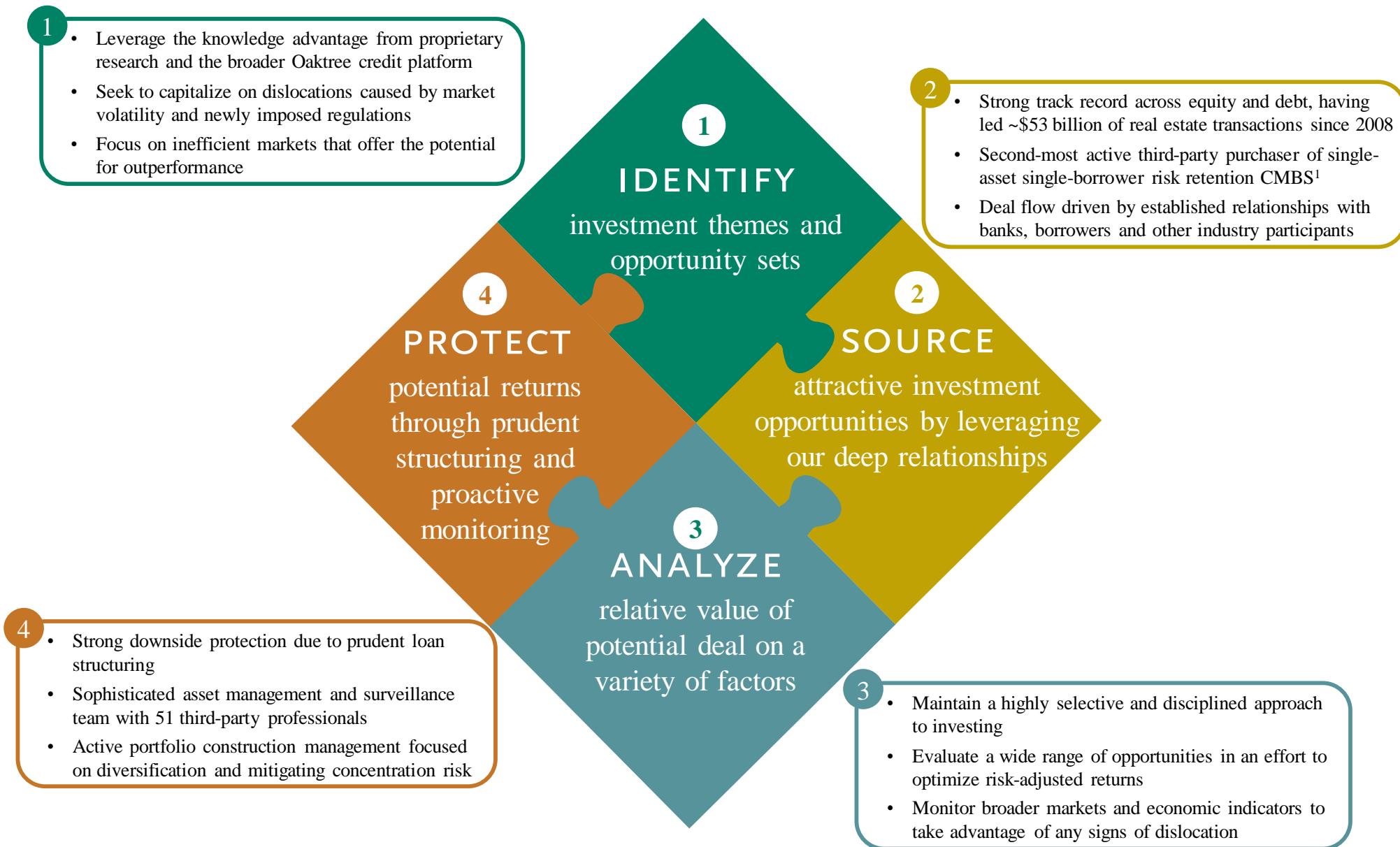


Relative Attractiveness: ● Strong ● Fair ● Weak

As of March 31, 2020 (unless otherwise noted)

Note: Private Loan Origination theme includes all commercial first-mortgage investments. Regulatory-driven Opportunities theme includes all residential first mortgages (non-QM), mezzanine loans and horizontal risk retention (HRR) bonds. Real Estate Structured Credit theme includes all non-HRR CMBS, RMBS and ABS. Real Estate-related Corporate Debt theme includes all senior loans, high-yield bonds and convertibles. Percentages represent net invested capital deployed by REDF I and REDF II across each respective theme. Current opportunity set reflects market environment as of April 2020. See the "Endnotes" for footnote references on page 23.

Oaktree's Real Estate Debt Investment Process Objectives



As of March 31, 2020

Note: See the "Endnotes" for footnote references on page 23.

4 | Recent Investment Environment Update



OAKTREE

Significant Market Opportunity in Real Estate Debt



The Fund targets a significantly broader opportunity set compared with most real estate debt funds



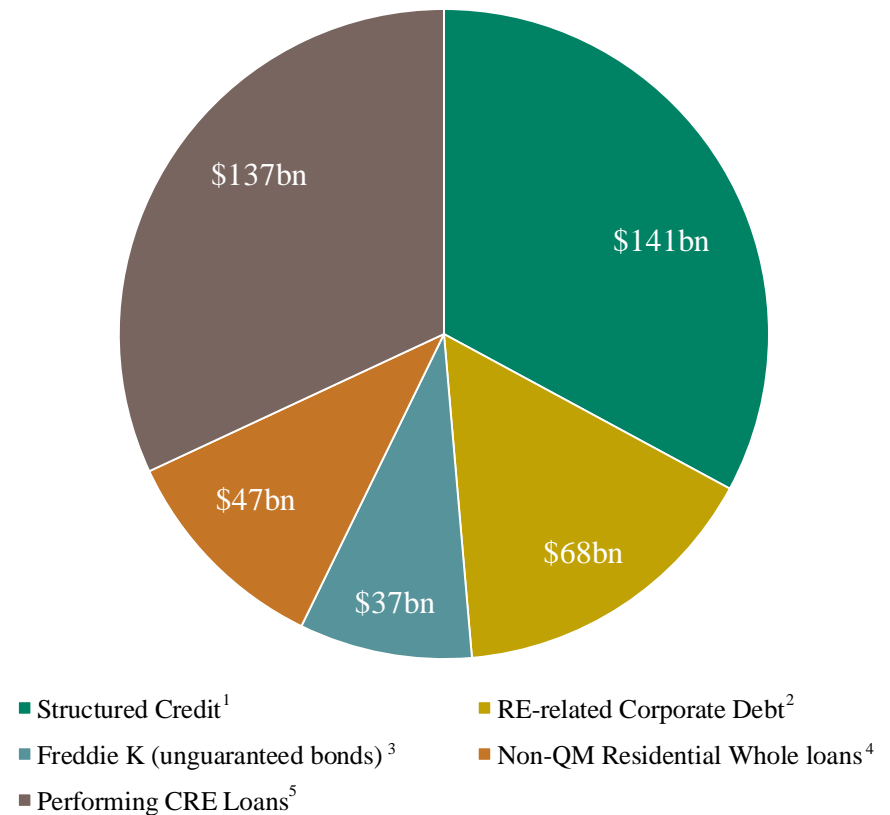
Our flexible mandate allows us to pivot among debt types as the market environment shifts, enabling optimal portfolio construction throughout market cycles



As we are entering a distressed phase of the cycle, the fund anticipates investing in traded securities in the short term and private loans in the medium term at attractive risk-adjusted potential returns

COMMERCIAL/MULTIFAMILY MORTGAGE DEBT OUTSTANDING

REDF III Total Addressable Market:
\$429 billion (2.5x larger vs. traditional debt funds)

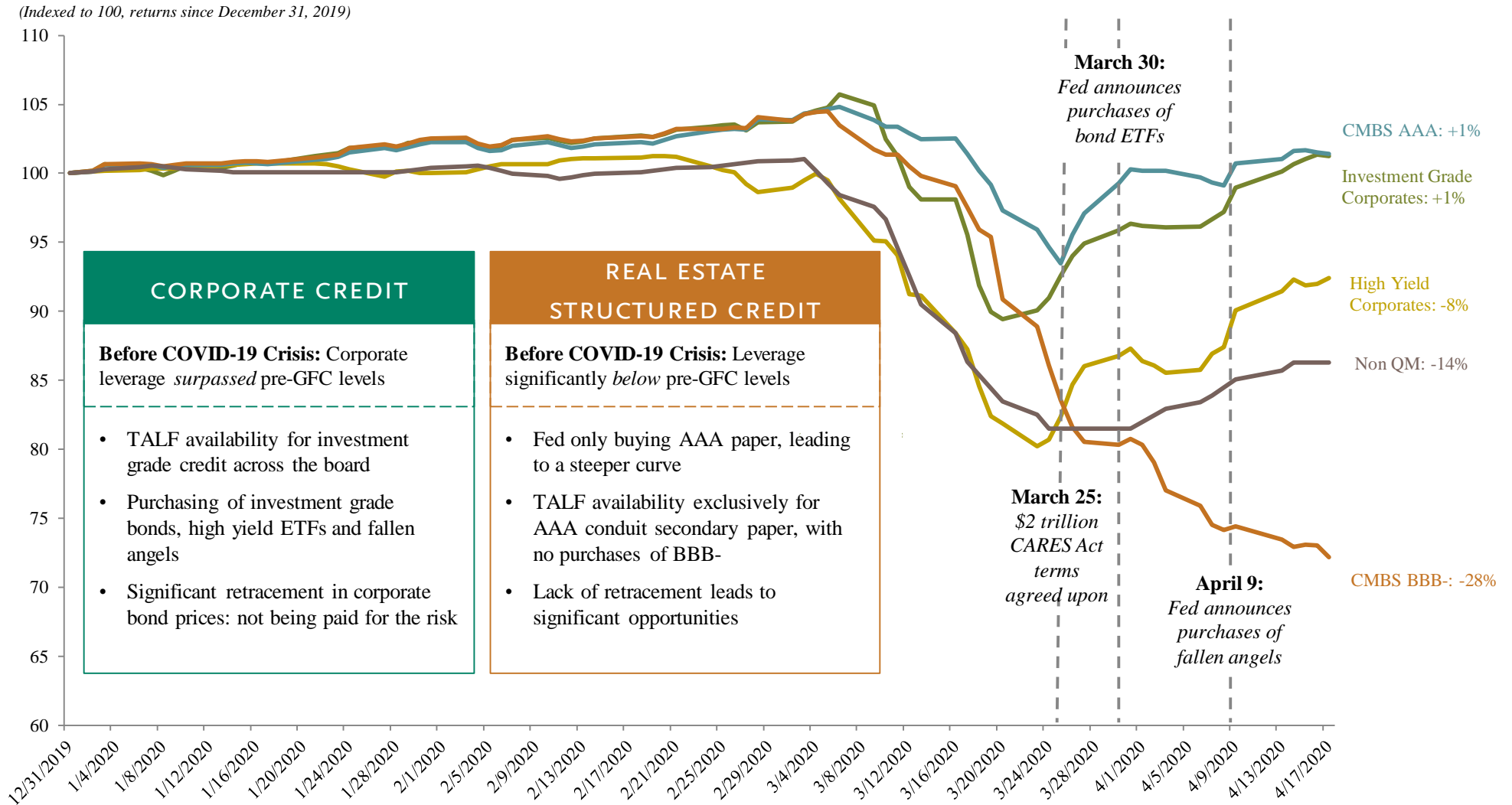


As of March 31, 2020

Source: J.P. Morgan, Morgan Stanley, Bank of America, Cantor Fitzgerald.

Note: The data shown in the above pie chart is assembled from various sources to provide an estimate of market size of the various investment categories depicted. See the 'Endnotes' for footnote references on page 23.

COVID-19 and Deleveraging Drives Buying Opportunity

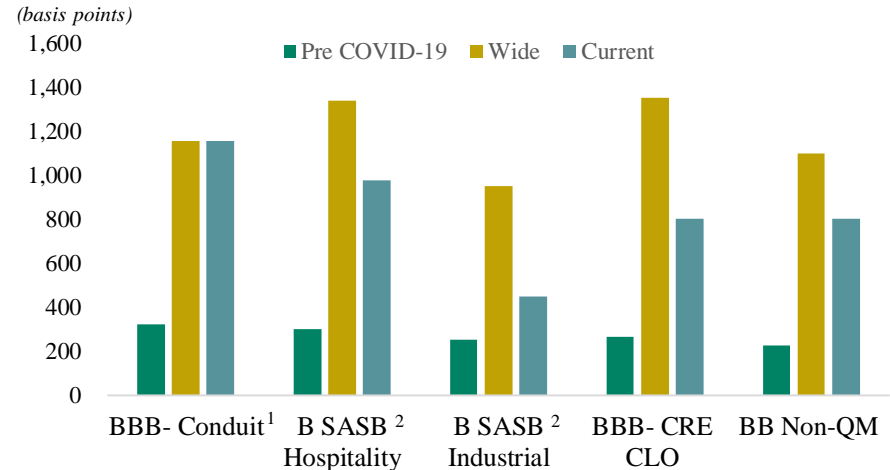


Fed actions have provided significantly more support in corporate credit

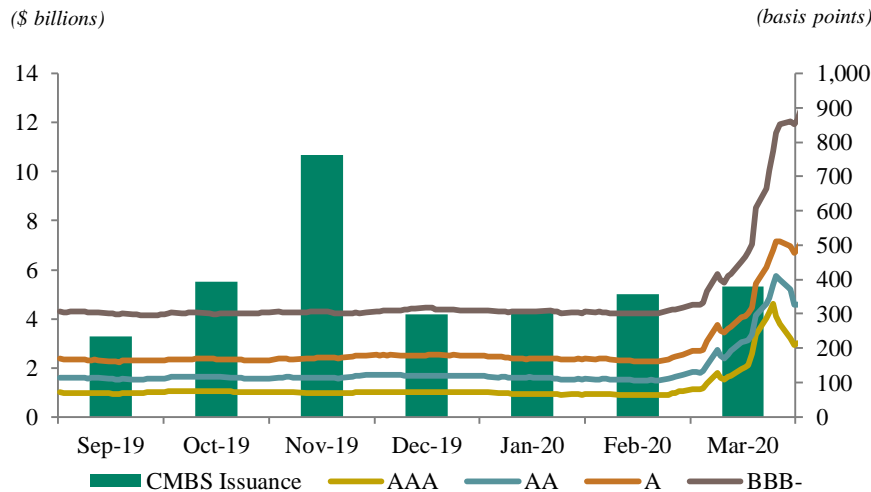
The First Wave of Opportunities in Traded Securities

- 1 SIGNIFICANT WIDENING IN YIELDS
- 2 ISSUANCE HAS DROPPED OFF AS SPREADS WIDENED
- 3 SURGE IN THE QUANTITY OF BONDS TRADED AT A DISCOUNT

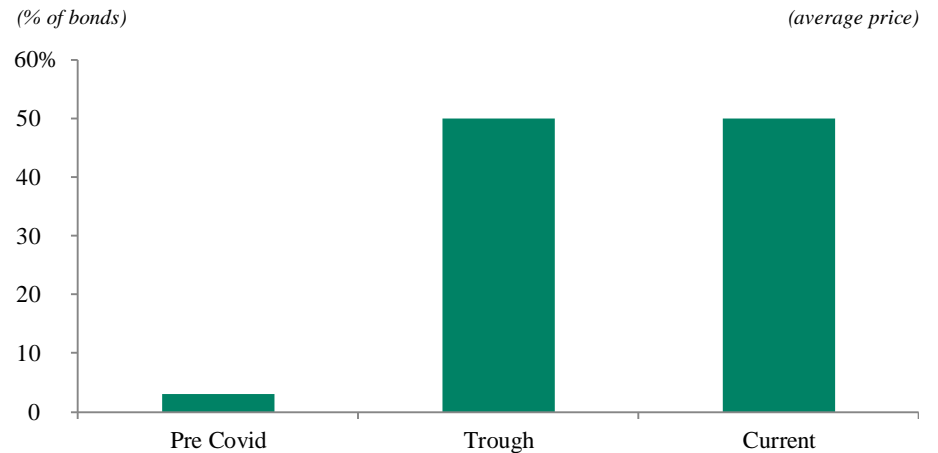
1 SPREADS ACROSS REAL ESTATE STRUCTURED CREDIT



2 CONDUIT CMBS ISSUANCE AND SPREADS



3 REAL ESTATE-RELATED BONDS TRADING AT A DISCOUNT³



As of March 31, 2020 unless otherwise noted

Source: Federal Reserve Economic Database, Bloomberg Barclays, Morgan Stanley, Bank of America Merrill Lynch, Oaktree Capital Management.

Note: See the 'Endnotes' for footnote references on page 23.

Varying COVID-19 Pandemic Can Present Opportunities

MOST IMPACTED

LEAST IMPACTED



HOTELS

Most severely impacted as travel and conference activity is placed on hold



RETAIL

Retail landlords are hit hard as tenants demand rent relief, with small shop tenants being particularly challenged



OFFICE

Proving more resilient due to long term leases, but are exposed as corporations suffer and are challenged in signing new leases



MULTIFAMILY

Record increase in U.S. unemployment threatens tenants' ability to pay rent



INDUSTRIAL

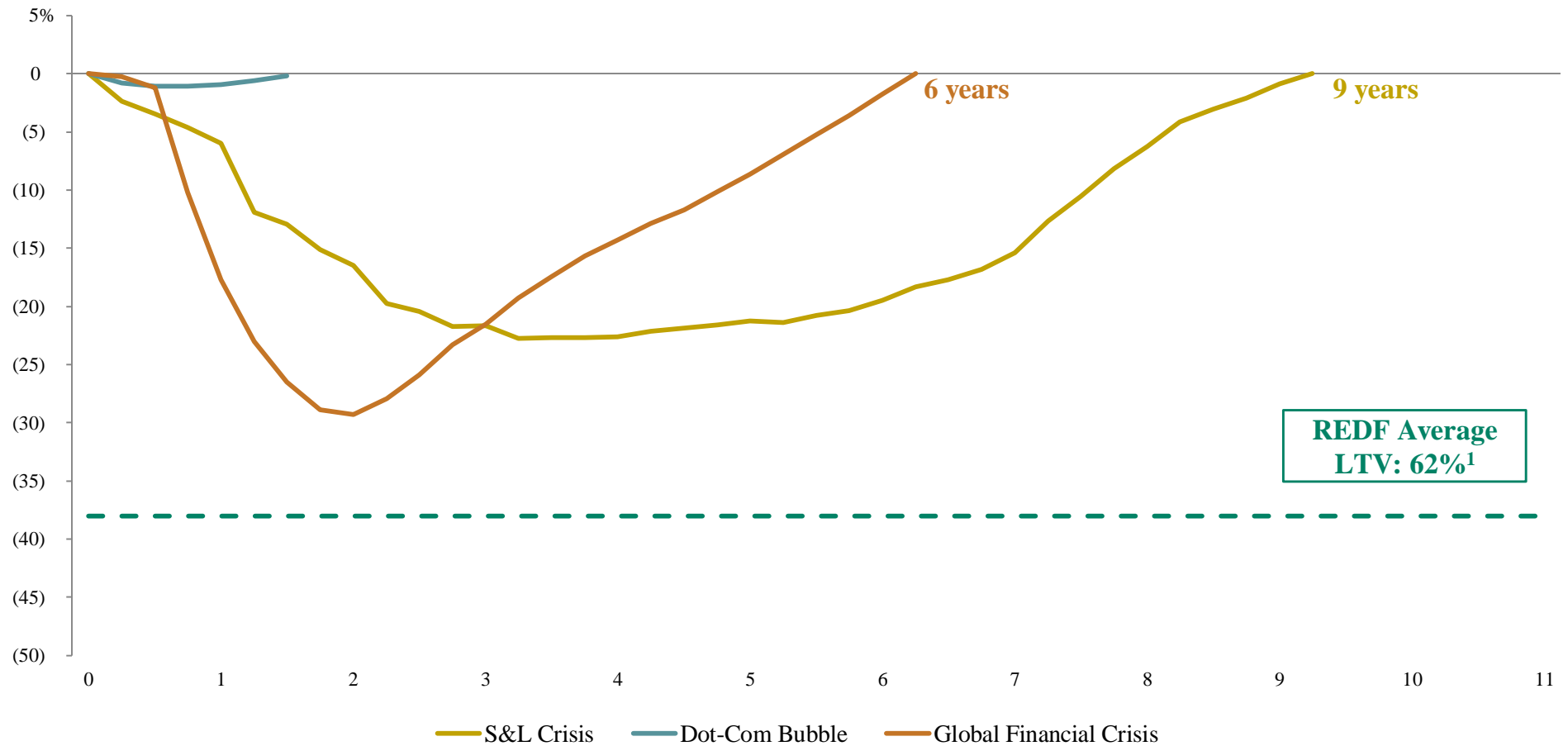
Less impacted immediately, the tailwind from e-commerce should support industrial assets

Fundamentals are challenging, but made up for by attractive pricing

History Doesn't Repeat Itself, but it Often Rhymes

AMOUNT OF TIME NEEDED FOR COMMERCIAL REAL ESTATE PRICES TO RECOVER IN PREVIOUS ECONOMIC CRISES

(% decline in real estate values from prior peak)



As of December 31, 2018

Source: Morgan Stanley, NCREIF

Note: Indexed to the prior peak. "0" represents the prior peak price. See the 'Endnotes' for footnote references on page 23.

Appendices



OAKTREE

Appendix I: Endnotes

Page 8

- ¹ Data that predates Oaktree Capital Management's inception relates to activities carried out by the Real Estate Group while at TCW Group from 1994 through the first quarter of 1995.
- ² Represents aggregate capital raised since the strategy's inception.

Page 9

- ¹ Represents member of the Real Estate Leadership Team.
- ² Third-party service provider.
- ³ Represents the Real Estate Leadership Team's average years of industry experience, as of March 31, 2020.
- ⁴ Represents the number of years John Brady and Justin Guichard have worked together, as of March 31, 2020.

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- ¹ Represents the net invested capital across all Real Estate Debt funds and accounts including \$126.5 million of capital reserved for future funding.
- ² Represents the losses attributable to any defaults or foreclosures in the Real Estate Debt funds and accounts portfolio since inception. Excludes any purchased non-performing loan portfolios.
- ³ This period predates Oaktree's inception related to activities carried out by the Real Estate group while at TCW Group from 1994 through the first quarter of 1995.
- ⁴ Represents the average loan-to-value ratio for active investments at the end of the investment period for REDF I and REDF II.
- ⁵ Represents the percentage of private loans invested in the U.S. markets that REDF I and REDF II have been most active since strategy inception through March 31, 2020.
- ⁶ Represents the average net invested capital for all investments across REDF I and REDF II. Note multiple positions with the same issuer are considered a single investment for the purposes of this calculation.
- ⁷ Represents the gross purchase price (or total loan commitments for performing debt deals) of Real Estate-led investments across all Oaktree-managed funds since 2008, including the pro-rata purchase price of real estate investments led by other strategies (represents only \$315 million across 11 transactions).

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- ¹ Represents the average loan-to-value ratio for active investments at the end of the investment period for REDF I and REDF II.
- ² Represents the percentage of capital deployed across each respective theme based on net invested capital. Percentages across themes may not total to 100% due to rounding. Legacy CMBS is 100% structured credit.

Page 15

- ¹ Based on number of single-asset single-borrower CMBS transactions since December 2016.

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- ¹ Represents A-rated through below investment grade conduit bonds and BBB-rated through below investment grade SASB bonds.
- ² Represents below investment grade homebuilder and REIT bonds.
- ³ Represents the unguaranteed B piece of Freddie K securitizations.
- ⁴ Represents Non-Qualified Mortgages (Non-QM). Non-QM loans are made to borrowers that currently do not qualify for traditional GSE, government or private label non agency jumbo products due to a number of factors including loan size, recent credit events, high debt-to income ratios, or a lack of traditional full income documentation (W-2, Tax Returns).
- ⁵ Represents loans held in the mortgage REIT/private debt fund market

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- ¹ "Conduit" refers to a pool of commercial mortgages that have been packaged together into a single deal.
- ² "SASB" refers to "Single Asset Single Borrower" and is a CMBS deal characterized by a loan on a single property or a portfolio of properties owned by a single borrower.
- ³ Includes real estate-related debt under surveillance by Oaktree Capital Management, as of May 13, 2020.

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- ¹ Represents the average loan-to-value ratio for active investments at the end of the investment period for REDF I and current investments as of March 31, 2020 for REDF II.

Appendix II: Oaktree Real Estate Debt's Role in a Portfolio

OAKTREE REAL ESTATE DEBT

- Seeks to generate attractive risk-adjusted returns and an attractive current income yield by investing in real estate debt
- Employs a relative value-driven approach to target the best risk-adjusted opportunities across private loans and traded securities
- Pursues a diverse set of investment themes in real estate debt including private loan origination, regulatory-driven opportunities, real estate structured credit and real estate-related corporate debt
- Harnesses the power of Oaktree's highly collaborative credit platform to source, evaluate and execute investments

ITS ROLE IN A PORTFOLIO

- A complement to core fixed-income and core real estate funds
- Potentially higher current income compared to that of traditional fixed income investments (e.g., high yield bonds or senior loans)
- Ability to invest throughout all market environments
- A debt or real estate portfolio diversifier
- Exposure to the real estate asset class in a risk-controlled manner

Appendix II: Leverage Available to Real Estate Debt Funds

SUBSCRIPTION LINE

Secured leverage backed by investors' uncalled capital commitments, which has no margin calls and does not allow the borrower (a fund) to invest more capital than what has been committed by LPs. Each dollar borrowed on the subscription line must be backed by (at least) a dollar of uncalled committed capital

REPURCHASE AGREEMENTS

Secured lending arrangement in which the borrower technically sells, rather than pledges, its collateral (predominately traded debt securities) to the lender with the right to repurchase the collateral from the lender at a future date at an agreed price

WAREHOUSE FINANCING

Type of repurchase agreements and are generally used for private senior loans (as opposed to repo which is mainly used for tradable securities)

COLLATERALIZED LOAN OBLIGATIONS ("CLO'S")

Form of securitization where payments from multiple loans are pooled together and passed on to different classes of owners in various tranches. A CLO is a type of collateralized debt obligation. The Fund could contribute private loans to a CLO and retain the junior tranche(s), effectively leveraging those positions

The type and degree of leverage used has a direct impact on the portfolio's risk profile

Appendix III: Performance Disclosures

The performance information contained herein is provided for informational purposes only. Oaktree makes no representation, and it should not be assumed, that past performance is an indication of future results. There can be no assurance that Oaktree's Real Estate Debt Fund III, L.P. (the "Fund") will be able to earn the rates of return indicated herein. Indeed, wherever there is the potential for profit, there is also the possibility of loss. In reviewing the performance information included herein, please note the following:

Investment Valuations

U.S. GAAP establishes a hierarchal disclosure framework, which prioritizes the inputs used in measuring financial instruments at fair value into three levels based on their market observability. Market price observability is affected by a number of factors, including the type of instrument and the characteristics specific to the instrument. Financial instruments with readily available quoted prices from an active market or for which fair value can be measured based on actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment inherent in measuring fair value.

Financial assets and liabilities measured and reported at fair value are classified as follows:

- *Level I* – Quoted unadjusted prices for identical instruments in active markets to which the applicable fund has access at the date of measurement. The types of investments in Level I include exchange-traded equities, debt and derivatives with quoted prices.
- *Level II* – Quoted prices for similar instruments in active markets; quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which all significant inputs are directly or indirectly observable. Level II inputs include interest rates, yield curves, volatilities, prepayment risks, loss severities, credit risks and default rates. The types of investments in Level II generally include corporate bonds and loans, government and agency securities, less liquid and restricted equity investments, over-the-counter traded derivatives and other investments where the fair value is based on observable inputs.
- *Level III* – Valuations for which one or more significant inputs are unobservable. These inputs reflect the applicable general partner's assessment of the assumptions that market participants use to value the investment based on the best available information. Level III inputs include prices of quoted securities in markets for which there are few transactions, less public information exists or prices vary among brokered market makers. The types of investments in Level III include non-publicly traded equity, debt, real estate and derivatives.

In some instances, an instrument may fall into different levels of the fair value hierarchy. In such instances, the instrument's level within the fair value hierarchy is based on the lowest of the three levels (with Level III being the lowest) that is significant to the value measurement. The assessment of the significance of an input requires judgment and considers factors specific to the instrument. Transfers of assets into or out of each fair value hierarchy level as a result of changes in the observability of the inputs used in measuring fair value are accounted for as of the beginning of the reporting period. Transfers resulting from a specific event, such as a reorganization or restructuring, are accounted for as of the date of the event that caused the transfer.

In the absence of observable market prices, the applicable general partner values Level III investments using valuation methodologies applied on a consistent basis. The quarterly valuation process for Level III investments begins with each portfolio company, property or security being initially valued by the investment or valuation teams. The valuations are then reviewed and approved by the valuation team and the valuation committee of each investment fund, which consists of senior members of the investment team. All Level III investment values are ultimately approved by the valuation committees and designated investment professionals as well as the valuation officer who is independent of the investment teams and reports directly to Oaktree's Chief Financial Officer. Results of the valuation process are evaluated each quarter, including an assessment of whether the underlying calculations should be adjusted or recalibrated. In connection with this process, the applicable general partner evaluates changes in fair value measurements from period to period for reasonableness, considering items such as industry trends, general economic and market conditions, and factors specific to the investment.

Certain assets are valued using prices obtained from brokers or pricing vendors. The applicable general partner obtains an average of one to two broker quotes. The applicable general partner seeks to obtain at least one price directly from a broker making a market for the asset and one price from a pricing vendor for the subject or similar securities. These investments may be classified as Level III because the quoted prices may be indicative in nature for securities that are in an inactive market, may be for similar securities, or may require adjustment for investment-specific factors or restrictions. Generally, the applicable general partner does not adjust any of the prices received from these sources, and all prices are reviewed by the applicable general partner. The applicable general partner evaluates the prices obtained from brokers or pricing vendors based on available market information, including trading activity of the subject or similar securities, or by performing a comparable security analysis to ensure that fair values are reasonably estimated. The applicable general partner also performs back-testing of valuation information obtained from brokers and pricing vendors against actual prices received in transactions. In addition to on-going monitoring and back-testing, the applicable general partner performs due diligence procedures over pricing vendors to understand their methodology and controls to support their use in the valuation process.

Non-publicly traded debt and equity securities and other securities or instruments for which reliable market quotations are not available, are valued by the applicable general partner using valuation methodologies applied on a consistent basis. These securities may initially be valued at the acquisition price as the best indicator of fair value. The applicable general partner reviews the significant unobservable inputs, valuations of comparable investments and other similar transactions for investments valued at acquisition price to determine whether another valuation methodology should be utilized. Subsequent valuations will depend on facts and circumstances known as of the valuation date and the application of valuation methodologies further described below. The fair value may also be based on a pending transaction expected to close after the valuation date. These valuation methodologies involve a significant degree of management judgment. Accordingly, valuations do not necessarily represent the amounts which may eventually be realized from sales or other dispositions of investments. Fair values may differ from the values that would have been used had a ready market for the investment existed, and the differences could be material to the applicable fund's financial statements.

Appendix III: Performance Disclosures (continued)

Exchange-Traded Investments

Securities listed on one or more national securities exchanges are valued at their last reported sales price on the date of valuation. If no sale occurred on the valuation date, the security is valued at the mean of the last “bid” and “ask” prices on the valuation date. Securities that are not marketable due to legal restrictions that may limit or restrict transferability are generally valued at a discount from quoted market prices. The discount would reflect the amount market participants would require due to the risk relating to the inability to access a public market for the security for the specified period and would vary depending on the nature and duration of the restriction and the risk and volatility of the underlying securities. Securities with longer duration restrictions or higher volatility are generally valued at a higher discount. Such discounts are generally estimated based on put option models or analysis of market studies. Instances where discounts have been applied to quoted prices of restricted listed securities have been infrequent. The impact of such discounts is not material to the applicable fund’s financial statements.

Credit-Oriented Investments (including Real Estate Loan Portfolios)

Investments in corporate and government debt which are not listed or admitted to trading on any securities exchange are valued at the mean of the last bid and ask prices on the valuation date based on quotations supplied by recognized quotation services or by reputable broker-dealers.

The market yield approach is considered in the valuation of non-publicly traded debt investments, utilizing expected future cash flows, discounted using estimated current market rates. Discounted cash flow calculations may be adjusted to reflect current market conditions and/or the perceived credit risk of the borrowers. Consideration is also given to a borrower’s ability to meet principal and interest obligations; this may include an evaluation of collateral or the underlying value of the borrower utilizing techniques described below under “Non-Publicly Traded Equity Investments” and “Non-Publicly Traded Real Estate Investments.”

Non-Publicly Traded Equity Investments

The fair values of private equity investments are determined by using a market approach or income approach. A market approach utilizes valuations of comparable public companies or transactions and generally seeks to establish the enterprise value of the portfolio company using a market multiple approach. This approach takes into account a specific financial measure (such as EBITDA, adjusted EBITDA, free cash flow, net operating income, net income, book value or net asset value) believed to be most relevant for the given company. Consideration may also be given to such factors as acquisition price of the security, historical and projected operational and financial results for the portfolio company, the strengths and weaknesses of the portfolio company relative to its comparable companies, industry trends, general economic and market conditions and other factors deemed relevant. The income approach is typically a discounted cash flow method that incorporates expected timing and level of cash flows. It incorporates assumptions in determining growth rates, income and expense projections, discount rates, capital structure, terminal values and other factors. The applicability and weight assigned to market and income approaches are determined based on the availability of reliable projections and comparable companies and transactions.

The valuation of securities may be impacted by expectations of investors’ receptiveness to a public offering of the securities, the size of the holding of the securities and any associated control, information with respect to transactions or offers for the securities (including the transaction pursuant to which the investment was made and the period of time elapsed from the date of the investment to the valuation date) and applicable restrictions on the transferability of the securities.

Non-Publicly Traded Real Estate Investments

The fair values of real estate investments are determined by using a cost approach, market approach or income approach. A cost approach is based upon the current cost of reproducing a real estate investment less deterioration and functional and economic obsolescence. A market approach utilizes valuations of comparable properties or transactions and generally seeks to establish the enterprise value of investment property using a market multiple approach. This approach takes into account a specific financial measure (such as free cash flow, net operating income, net income, book value, net asset value, EBITDA or adjusted EBITDA) believed to be most relevant for the given investment property. Consideration may also be given to such factors as acquisition price of investment property, historical and projected operational and financial results for the property, the strengths and weaknesses of the investment property relative to comparable properties, industry trends, geographical factors, general economic and market conditions and other factors deemed relevant. The income approach is typically a discounted cash flow method that incorporates expected timing and level of cash flows. It incorporates assumptions in determining growth rates, income and expense projections, discount and capitalization rates, capital structure, and other factors. The applicability and weight assigned to market and income approaches are determined based on the availability of reliable projections and comparable properties and transactions.

Valuation of Unrealized Investments

The performance information set forth herein contains valuations of investments in companies that have not been fully realized as of December 31, 2019. There can be no assurance that any of these valuations will be attained as actual realized returns will depend upon, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale, all of which may differ from the assumptions upon which the valuations contained herein are based. Consequently, the actual realized returns may differ materially from the current returns indicated in this brochure. Nothing contained herein should be deemed to be a prediction or projection of future performance.

Appendix III: Performance Disclosures (continued)

Internal Rate of Return

The internal rates of return (“IRR”) are the annualized implied discount rate calculated from a series of investment cash flows. It is the return that equates the present value of all capital invested in an investment to the present value of all returns of capital, or the discount rate that will provide a net present value of all cash flows equal to zero. Gross IRRs represent returns before the allocation of management fees, expenses and any incentive fees or “carried interest” paid, accrued or allocated to the general partner or investment manager of the funds and accounts, but after fund-level leverage costs, if applicable. Net IRRs represent returns to non-affiliated limited partners of the relevant funds after the allocation of management fees, all expenses of the funds and accounts and any incentive fees or “carried interest” paid, accrued or allocated to the general partner or investment manager of the funds and accounts. Fund level net IRRs presented herein exclude returns to the general partners and affiliated limited partners of the relevant funds. Because the “carried interest” allocated to the general partners of the relevant funds is not calculated on an investment-by-investment basis, but on an aggregate fund-by-fund basis only, comparable after-fee IRRs on an investment-by-investment basis are not available. As such, all net IRRs presented herein are on a fund-level basis only. The use of other calculation methodologies including different assumptions or methods may result in different and possibly lower IRRs. Furthermore, IRRs for funds or accounts in existence and investments held for less than one year may not be meaningful.

Calculations of net and gross IRRs in respect of investment and performance data included and/or referred to herein are based on the payment date of capital contributions received from limited partners, even in instances where a fund or account utilizes borrowings under a subscription-based credit facility. The use of a subscription-based credit facility (or other fund-level leverage) with respect to investments may result in a higher reported gross IRR and net IRR at the fund-level than if such subscription facility (or other fund-level leverage) had not been used and instead the investors' capital had been contributed at the inception of each such investment. This is due to the fact that calculations of gross IRR and net IRR are based on the relationship between investment gains and partners' capital employed. Therefore, if a subscription facility is used to fund an investment, capital may be called more slowly from the limited partners to repay such borrowings, which would shorten the time between such contribution and distribution and consequently increase gross IRR and net IRR. Please see “Capital Calls and Use of Subscription Lines and Asset-Backed Facilities” in the Fund’s PPM for additional information.

No Benchmark

No benchmarks are presented in this presentation, as Oaktree is not aware of any benchmarks that, in Oaktree’s opinion, provide a basis for measuring the performance of the relevant funds, particularly in light of the managers’ investment philosophy, fund and implementation.

We have presented the relative data described below for informational purposes only as a relative representation of the performance within certain market asset classes for similarly situated funds as described below and during the time periods shown:

Important Information About Quartile Rankings

Quartile rankings are based on the respective dedicated Prequin universes for Legacy CMBS Fund, REDF I, and REDF II. Dedicated universe ranked based on net fund-level returns. Dedicated universes are defined as all Real Estate Debt funds in North America in each fund’s respective vintage. The REDF I fund vintage is defined as 2012-2014 with 45 funds in the comparison set. The REDF II fund vintage is defined as 2015-2017 with 40 funds in the comparison set. Prequin data as of September 30, 2019.

Appendix IV: Legal Information and Marketing Disclosures

An investment in any fund or the establishment of an account within the Fund is speculative and involves a high degree of risk. Such risks include, but are not limited to, those described below. An investment should only be made after consultation with independent qualified sources of investment, tax and legal advice. Prospective investors must review a particular fund's confidential private placement memorandum prior to investing in such fund.

Investments

The Fund will invest in securities and obligations that entail substantial risk. There can be no assurance that such investments will increase in value, that significant losses will not be incurred or that the objectives of the Fund will be achieved. In addition, investing in such securities and obligations may result in the incurrence of significant costs, fees and expenses, including legal, advisory and consulting fees and expenses, costs of regulatory compliance and costs of defending third-party litigation.

Investment Environment

Many factors affect the demand for and supply of the types of investments that the Fund may target and their valuations. Interest rates and general levels of economic activity may affect the value and number of investments made by the Fund or considered for investment. The Fund and its investments could be materially adversely affected by instability in global financial markets or changes in market, economic, political or regulatory conditions, as well as by other factors outside the control of Oaktree or its affiliates.

Investments in Real Estate

The value of real estate and real estate-related securities and investments can be seriously affected by interest rate fluctuations, bank liquidity and the availability of financing, as well as by regulatory or governmentally imposed factors such as a zoning change, an increase in property taxes, the imposition of height or density limitations, the requirement that buildings be accessible to disabled persons, the requirement for environmental impact studies, the potential costs of remediation of environmental contamination or damage, the imposition of special fines to reduce traffic congestion or to provide for housing, competition from other investors, changes in laws, wars and earthquakes, typhoons, terrorist attacks or similar events. Income from income-producing real estate may be adversely affected by general economic conditions, local conditions such as oversupply or reduction in demand for space in the area, competition from other available properties, inadequate maintenance and inadequate coverage by insurance. Certain significant expenditures associated with real estate (such as mortgage payments (to the extent leveraged), real estate taxes and maintenance costs) have no relationship with, and thus do not diminish in proportion to, a reduction in income from the property. Reductions in value or cash flow could impair the Fund's ability to make distributions to investors, adversely impact its investment policy and reduce overall returns on investments.

Debt Securities

Investments in debt instruments entail normal credit risks (i.e., the risk of non-payment of interest and principal) and market risks (i.e., the risk that certain market factors will cause the value of the instrument to decline). A default on a loan or a sudden and extreme increase in prevailing interest rates may cause a decline in a portfolio holding such investments.

Fixed income securities may be subject to redemption at the option of the issuer. If a fixed income security is called for redemption, the holder may be required to permit the issuer to redeem the security, which could have an adverse effect on the holder's ability to achieve its investment objectives.

Floating rate instruments such as bank loans pay interest based on EURIBOR or LIBOR. As a result, a significant decline in EURIBOR or LIBOR could negatively impact the expected return on such loans. While loans with EURIBOR or LIBOR interest rates are available at lower prices (ignoring those with EURIBOR or LIBOR floors), there can be no guarantee that such prices will offset losses in current income. Although the prices of floating rate instruments may be less sensitive to interest rate changes than the prices of fixed-rate obligations, interest rates on bank loans only reset periodically and may not perfectly correlate with prevailing interest rates, potentially subjecting floating-rate loans to the same fluctuations as fixed-rate obligations during the period in which their interest rates are fixed.

Appendix IV: Legal Information and Marketing Disclosures (continued)

Bank Loans and Participations

Bank loans and participations are subject to unique risks, including: (a) the possible invalidation of an investment transaction, including the pledging of collateral, as a fraudulent conveyance under relevant creditors' rights laws, (b) lender-liability claims by the issuer of the obligations, (c) environmental liabilities that may arise with respect to collateral securing the obligations, (d) the utilization of a floating interest rate instead of a fixed interest rate and (e) limitations on the ability of the holder to directly enforce its rights with respect to participations. In analyzing each bank loan or participation, Oaktree will compare the relative significance of the risks against the expected benefits of the investment. Some of these risks are also present for fixed income securities. In addition, participation in bank loans may entitle Oaktree to receive material, non-public information which may limit its ability to trade in the public securities of the borrower, including high yield fixed income securities.

Mortgage Foreclosures

Oaktree may be required for business or other reasons to foreclose on one or more mortgages held in the Fund's portfolio. Foreclosures can be lengthy and expensive and borrowers often assert claims, counterclaims and defenses to delay or prevent foreclosure actions. At any time during the proceedings the borrower may file for bankruptcy, which would have the effect of staying the foreclosure action and further delaying the process and materially increasing the expense thereof which expenses may or may not be recoverable by the Fund. In addition, anti-deficiency and related laws in certain states and countries limit recourse and remedies available against borrowers in connection with or as a result of foreclosure proceedings or other enforcement actions taken with respect to such borrowers. Such laws can result in the loss of liens on collateral or personal recourse against a borrower altogether.

Leverage of Portfolio Companies

The Fund's investments are expected to include companies whose capital structures may have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates, creating a greater possibility of default or bankruptcy of the borrower.

Nature of Bankruptcy Proceedings

The Fund may make investments that could require substantial workout negotiations or restructuring in the event of a default or bankruptcy, which could entail significant risks, time commitments and costs.

Non-Payment of Mortgages Underlying CMBS

The collateral underlying CMBS generally consists of commercial mortgages or real property that have a multifamily or commercial use, such as retail space, office buildings, warehouse property and hotels. With most commercial mortgages underlying CMBS, the bulk of the loan balance is payable at maturity with a one-time payment, commonly known as a "balloon payment," and are usually non-recourse against the commercial borrower. The prospect of full repayment of the commercial mortgage loans underlying CMBS depends on the ability of the borrower to generate current income from its commercial property. Also, the likelihood of the borrower repaying the commercial mortgage loan at maturity is heavily influenced by the borrower's ability to secure subsequent financing, which can be negatively impacted by a difficult credit environment. If the borrower defaults on the mortgage loan underlying CMBS, the options for financial recovery are limited. In the event of default, the lender will have no right to assets beyond collateral attached to the commercial mortgage loan. In certain instances a negotiated settlement or an amendment to the terms of the commercial mortgage loan are the only options before an ultimate foreclosure on the property. The ultimate disposition of a foreclosed property may yield a price insufficient to cover the cost of the foreclosure process and the balance attached to the defaulted commercial mortgage loan.

The value of CMBS is also subject to risk from possible geographic or industry concentration. Certain geographic regions or industries may be more adversely affected from economic pressures when compared to other geographic regions or industries. A pool of CMBS backed by commercial mortgage loans with a substantial geographic or industry concentration will be more susceptible to the economic environment of such concentrated geographic regions or industries, and therefore may be at greater risk for a loss in value. There can be no guarantee that the Fund's investments in CMBS will not be adversely affected by such risks.

Removal or Remediation Liabilities

Certain companies and investors may be considered an owner or operator of properties on or in which asbestos or other hazardous or toxic substances exist and, therefore, potentially liable for removal or remediation costs, as well as certain other related costs, including governmental fines and costs of injuries to persons and property. These costs can be substantially in excess of the value of the property. The presence of hazardous or toxic substances or the failure to properly remediate such substances may also adversely affect the value of a property. In addition, remediated property may attract a limited number of potential purchasers because of the property's history of contamination, which may adversely affect the owner's ability to sell the property. Further, a transfer of property may not relieve from liability a person who owned the property at a time when hazardous or toxic substances were disposed of on, or released from, such property.

The properties the Fund will target for investment will be subject to a variety of laws and regulations concerning the protection of health and the environment. The particular environmental laws that apply to any particular property can vary greatly based on its location, environmental conditions and present and former uses. Noncompliance with environmental regulations may allow a governmental authority to order the owner/operator to cease operations at the property or to incur substantial costs to bring the property into compliance through the implementation of burdensome remediation or prophylactic measures. Finally, environmental laws applicable to the Fund's investments may be amended in the future in ways that could adversely affect such investments.

Appendix IV: Legal Information and Marketing Disclosures (continued)

International Investments

Oaktree expects the Fund to invest internationally. Investments in different countries involve risks and special considerations to which investors may not be accustomed. Such risks include (a) the risk of nationalization or expropriation of assets or confiscatory taxation, (b) social, economic and political uncertainty, including war and revolution, (c) dependence on exports and the corresponding importance of international trade, (d) price fluctuations, market volatility, less liquidity and smaller capitalization of securities markets, (e) currency exchange rate fluctuations, (f) rates of inflation, (g) controls on, and changes in controls on, non-U.S. investments and limitations on repatriation of invested capital and on the ability to exchange local currencies for the Fund's base currency, (h) governmental involvement in and control over the economies, (i) governmental decisions to discontinue support of economic reform programs generally and impose centrally planned economies, (j) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers, (k) less extensive regulation of the securities markets, (l) longer settlement periods for securities transactions, (m) less developed corporate laws regarding fiduciary duties and the protection of investors, (n) less reliable judicial systems to enforce contracts and applicable law, (o) certain considerations regarding the maintenance of the portfolio securities and cash with sub-custodians and securities depositories in different countries, (p) restrictions and prohibitions on ownership of property by foreign entities and changes in laws relating thereto and (q) terrorism. These factors may increase the likelihood of potential losses being incurred in connection with such investments.

Currency Risks and Foreign Exchange

The Fund may make investments denominated in currencies other than the base currency of the Fund. Changes in the rates of exchange between the Fund's base currency and other currencies may have an adverse effect on the value of investments denominated in such other currencies, the performance of the Fund and the amounts of distributions, if any, to be made by the Fund. In addition, the Fund will incur costs in converting investment proceeds from one currency to another. The Fund may or may not attempt to hedge currency risk of the portfolio, but in any event it does not expect that the full risk of currency fluctuations can be eliminated due to the complexity of its investments and limitations in the foreign currency market.

Options

The Fund may purchase and sell covered and uncovered put and call options. The successful use of options depends principally on the price movements of the underlying securities. If the price of the underlying security does not rise (in the case of a call purchased by the Fund) or fall (in the case of a put purchased by the Fund) to an extent sufficient to cover the option premium and transaction costs, the Fund will lose part or all of its investment in the option. If the Fund sells puts or uncovered calls, unfavorable price movements could result in significant losses.

Use of Leverage

The Fund may engage in certain investment activities that involve the use of leverage, including through swaps. While leverage presents opportunities for increasing the Fund's total return, it has the potential to increase losses as well. Accordingly, any event that adversely affects the value of an investment made by the Fund would be magnified to the extent leverage is used.

Contingent Liabilities on Disposition of Investments

The Fund may be required to indemnify the purchasers of investments that it sells. Investors in the Fund may be required to return amounts distributed to them to fund the Fund's indemnity obligations.

Illiquidity of Investments

The Fund's investments may consist of securities and obligations which are thinly traded, securities and obligations for which no market exists, or securities and obligations which are restricted as to their transferability. These factors may limit the ability to sell such securities at their fair market value.

Insufficient Investment Opportunities

Oaktree may not be able to identify a sufficient number of investment opportunities to invest the full amount of the Fund's committed capital.

Carried Interest

The performance element of the carried interest distribution arrangement may create an incentive for the Fund's general partner to cause the Fund to make investments that are riskier or more speculative than would be the case without the carried interest distribution arrangement.

ERISA Plan Assets Status

A portion of the assets of the Fund may be deemed to be "plan assets" if "benefit plan investors" exceed more than 25% of any class of equity interests in the Fund. If that were to happen, the operation and administration of the Fund and the duties, obligations and liabilities of Oaktree and, to the extent determined under ERISA, the general partner will be subject to the fiduciary responsibility provisions of ERISA and the prohibited transactions provisions of ERISA and the Code, meaning that the Fund will be precluded from engaging in a broad range of direct or indirect "prohibited transactions."

Appendix IV: Legal Information and Marketing Disclosures

(continued)

Regulatory Risks

Legal, tax and regulatory changes may adversely affect the Fund at any time during its term. The legal, tax and regulatory environment for funds that invest in alternative investments is evolving, and changes in the regulation and market perception of such funds, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by some politicians, regulators and market commentators, may adversely affect the ability of the Fund to pursue its investment fund and the value of investments held by the Fund.

Market disruptions and dramatic increases in capital allocated to alternative investment strategies have led to increased governmental and self-regulatory scrutiny of alternative investments. Greater regulation of the industry has been considered by both legislators and regulators. The effect of any future changes in regulations applicable to the Fund, its general partner, Oaktree, the markets in which the Fund invests or the counterparties with which it does business are impossible to predict, but could be substantial and adverse.

Market Conditions and Governmental Actions

The securities, futures and certain other derivatives markets are subject to comprehensive statutes, regulations and margin requirements. Government regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. Regulators have the ability to limit or suspend trading in securities, which could expose the Fund to significant losses. The regulation of derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by governmental and judicial action. The effect of any future regulatory change on the Fund could be substantial and adverse.

In recent years, world financial markets have experienced extraordinary market conditions. In reaction to these events, regulators in various countries have undertaken and continue to undertake unprecedented action to stabilize markets. The Fund may be adversely affected by unstable markets and significant new regulations could limit the Fund's activities and investment opportunities or change the functioning of the capital markets. In the event of a severe economic downturn, the Fund could suffer significant losses.

Institutional Risk

The brokerage firms, banks and other institutions with which the Fund does business, or to which securities will be entrusted for custodial and prime brokerage purposes, may encounter financial difficulties, fail or otherwise become unable to meet their obligations. In addition, legal, regulatory, reputational or other risks affecting such institutions could have a material adverse effect on the Fund.

Illiquidity

Participation in the Fund is an illiquid investment. Investors generally are not permitted to withdraw from the Fund and may only transfer their interests in the Fund in limited circumstances.

Unspecified Use of Proceeds

The cash proceeds of the offering of the interests in the Fund are intended to be invested in investments which, as of the date of the PPM, have not yet been selected by Oaktree.

Passive Investment

As passive investors in the Fund, investors will have no opportunity to control the Fund's day-to-day operations, including investment and disposition decisions. They must rely entirely on the Fund's general partner to conduct and manage the affairs of the Fund.

Material Non-public Information

In connection with the operation of the Fund or other activities, personnel of Oaktree may acquire confidential or material non-public information or otherwise be restricted from initiating transactions in certain securities. The Fund will not be free to act upon any such information and may not be able to initiate a transaction that it otherwise might have initiated.

Potential Conflicts of Interest

Oaktree and its affiliates manage a number of different funds and accounts (and may form additional funds and accounts) that invest in, and in some cases have priority ahead of the Fund with respect to, securities or obligations eligible for purchase by the Fund. This presents the possibility of overlapping investments, and thus the potential for conflicts of interest. To the extent permitted by law, Oaktree reserves the right to cause the Fund to take such steps as may be necessary to minimize or eliminate any conflict between the Fund and such other Oaktree-managed funds and accounts even if that requires the Fund to divest securities that, in the absence of such conflict, it would have continued to hold or otherwise take action that may benefit Oaktree or any other Oaktree-managed fund or account and that may not be in the best interests of the Fund or the investors of the Fund. Oaktree will seek to manage conflicts in good faith.

Tax Matters

There are a series of complex tax issues related to the investments that will be the focus of the Fund, as well as any investment in the Fund itself. In addition, changes in the tax laws may adversely affect the Fund's ability to efficiently realize income or capital gains and could materially and adversely affect the after-tax returns to investors. There can be no assurance that the Fund's distributions will be sufficient to satisfy any U.S. federal, state or local or non-U.S. income taxes imposed on the investors in respect of their distributive shares of the Fund's taxable income. Prospective investors are urged to consult their own tax advisors regarding the possible tax consequences of an investment in the Fund.

Appendix IV: Legal Information and Marketing Disclosures (continued)

Lack of Diversification

Other than as set forth in the Fund's governing documents, the Fund will be under no obligation to diversify its investments. Accordingly, the investment portfolio of the Fund may be subject to more rapid changes in value than would be the case if the Fund were required to maintain broad diversification among companies, industries and types of securities.

Investment Company Act

The Fund will not be registered under the Investment Company Act and investors in the Fund will not be accorded the protections of the Investment Company Act.

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Appendix IV: Legal Information and Marketing Disclosures (continued)

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OCM Investments, LLC

333 S. Grand Avenue, 28th Floor 1301 Avenue of the Americas, 34th Floor
Los Angeles, CA 90071 New York, NY 10019
Tel: +1 213 830 6300 Tel: +1 212 284 1900

Australia¹, Member States of the European Economic Area², Guernsey, Israel, Jersey, Monaco, South Africa, Switzerland and the United Kingdom

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Oaktree Capital Management (UK) LLP

Verde
10 Bressenden Place
London, SW1E 5DH
United Kingdom
Tel: +44 207 201 4600

Baltic States, Denmark, Finland, Iceland, the Netherlands, Norway and Sweden²

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Oaktree Capital Management (Lux.) S.à r.l., Finnish Branch

Life Science Centre
Keilaranta 16
02150 Espoo
Finland
Tel: +358 20 1277660

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Appendix IV: Legal Information and Marketing Disclosures (continued)

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Oaktree Capital Management (Lux.) S.à r.l., French Branch

39 Rue de Courcelles

Paris, 75008

France

Tel: +33 1 42 99 15 15

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Oaktree Capital Management (Lux.) S.à r.l., German Branch

Frankfurter Welle

An der Welle 3

9th Floor

60322 Frankfurt Am Main

Germany

Tel: +49 69 244 339 3000

Azerbaijan, Bahrain, the Dubai International Financial Centre, Kazakhstan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia, Turkey and the United Arab Emirates

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Oaktree Capital Management (Dubai) Limited

Dubai International Financial Centre

Office 5, The Gate Building, Level 15

PO Box 121208

Dubai, United Arab Emirates

Tel: +1 971 440 19877

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Appendix IV: Legal Information and Marketing Disclosures (continued)

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Oaktree Capital (Hong Kong) Limited

Suite 2001, 20/F, Champion Tower
3 Garden Road
Central, Hong Kong
Tel: +852 3655 6800

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Oaktree Japan, Inc.

Atago Green Hills Mori Tower
37th Floor
2-5-1 Atago, Minato-ku, Tokyo
Japan 105-6237
Tel: +81 3 5776 6760

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TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #5c

Real estate debt investment manager presentations

Presentation by PCCP, LLC

PCCP CREDIT X, LP

PRESENTATION TO OKLAHOMA TOBACCO SETTLEMENT ENDOWMENT TRUST

JUNE 16, 2020

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ESTIMATED AND ITD RETURNS

The estimated return calculations are based on historical and future estimated cash flows from inception through the applicable dates of estimated resolution. Inception to date (“ITD”) returns are derived based upon the sum of (i) historical cash flows and (ii) the cash flow that would be distributed if all investments were liquidated at book value on the date of the performance reported. IRRs are derived using an annually compounded IRR formula. These estimates, and the other estimates herein, including estimates of future market conditions were made as of the date of the performance reported and are made by PCCP in good faith pursuant to its valuation policies and procedures.

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TARGET RETURNS

The Fund's target return is stated as an IRR and is based on assumptions about expected cash receipts from the operations and sale of assets. The Fund's target gross levered IRR does not include the effects of management fees, carry, or other expenses, which in the aggregate may be substantial and reduce net returns to investors. The Fund's target net levered IRR includes the deduction of non-discounted management fees, incentive compensation and other expenses. The target returns shown are pre-tax. Management fees may vary among Limited Partners of the Fund for a number of reasons, including early closing incentives. The Fund's target net IRR of 8%-10% assumes a management fee of 1.50%, which reflects the highest management fees expected to be borne by investors. The terms of the Fund, including the Fund's management fees, will be included in the final Transaction Documents. The net IRR may be lower or higher depending on each investor's respective management fee. There can be no assurance that an investment offered by the Fund will achieve comparable results to any of the prior performance information contained herein or that targeted returns or other measuring standards will be met.

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PCCP's preliminary regulatory assets under management for purposes of its Form ADV filed March 31, 2020 equal \$7,918,042,259, as calculated pursuant to and in accordance with the instructions for Form ADV. In accordance with the instructions for Form ADV, PCCP's regulatory assets under management for purposes of the Form ADV do not include all of the investment vehicles managed by PCCP and as such, PCCP's regulatory assets under management for purposes of its Form ADV is less than the AUM set forth herein. Notwithstanding the foregoing, all PCCP managed investment vehicles included in the AUM set forth herein are subject to and operated in accordance with the policies and procedures of PCCP as a SEC-registered investment adviser under the Investment Advisers Act of 1940, as amended.

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PCCP PRESENTERS



Mr. Donald H. Kuemmeler

Founding Partner | Head of Debt

100 Pine Street, 29th Floor
San Francisco, CA 94111
+1 415 732 7545
dkuemmeler@pccpllc.com



Mr. Brian Heafey

Partner | Portfolio Manager

100 Pine Street, 29th Floor
San Francisco, CA 94111
+1 415 732 7548
bheafey@pccpllc.com



Ms. K.C. Kriegel

Senior Vice President

444 Madison Avenue, 30th Floor
New York, NY 10022
+1 646 308 2102
kkriegel@pccpllc.com

EXECUTIVE SUMMARY

PCCP CREDIT X

- Closed-end real estate debt fund with a \$1.5 billion target size
- Target 8-10% net return¹; 90% expected to be paid current

22-YEAR CYCLE-TESTED STRATEGY:

- Originate loans collateralized by institutional quality real estate throughout the U.S.
- Earn current income
- Get repaid upon maturity
- Utilize leverage when available and accretive

TODAY'S OPPORTUNITY

- COVID-19 has accelerated a market reset resulting in a compelling investment opportunity for well-capitalized lenders
 - Drastic reduction of competitors provides ample near-term runway
 - Increased borrower demand for shorter-duration loans
 - Lender-favorable terms have returned at reduced risk levels
 - Spreads have widened 150 to 200 bps with index floors
 - We expect available leverage to drop 5%-10%
 - We expect loan covenants and structure to revert to early-cycle levels
- We see senior lending opportunities at wider spreads to borrowers who need to finance new acquisitions or who are forced to refinance existing maturing debt at lower leverage amounts

WHY PCCP

LED BY 12 PARTNERS WHO WERE EMPLOYED BY PCCP DURING THE GFC – MANAGING LIQUIDITY AND WORKOUTS – AND INVESTING THROUGH THE SUBSEQUENT RECOVERY

CYCLE-TESTED TRACK RECORD

- Over \$16.5 billion of debt investments originated since 1998 across 491 loans¹
- 9.6% net return since inception across PCCP's value-add debt strategies²

CONSISTENT TEAM OVER CYCLES

- 12 partners average over 25 years of experience in the real estate market and over 17 at PCCP
- PCCP's 37 senior investment professionals average over 19 years of experience in the real estate market and over 11 at PCCP³

CYCLE-TESTED SOURCING

- Experience sourcing opportunities from borrowers and lenders who are liquidity starved and need help fixing a capital stack
- Integrated debt and equity team generates approximately \$25 billion of deal flow, annually⁴
- Deep relationships with experienced sponsors, borrowers, brokers and market players
- Established network and flexible capital expected to lead to repeat business

DEEP WORKOUT AND RECAP EXPERIENCE

- Managed our \$1.3 billion senior loan portfolio through the 2008 Global Financial Crisis (“GFC”)
- Stepped in as the replacement general partner of two distressed Lehman Brothers mezzanine funds in 2009
 - \$1.7 billion of troubled senior loans, structured real estate positions, mezzanine loans and real estate owned assets
- Complementary equity platform and ability to foreclose and manage collateral if required

PERSONNEL INFORMATION AS OF APRIL 2020

1. AS OF DECEMBER 31, 2019.
2. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT PCCP WILL ACHIEVE SUCH A RATE OF RETURN OR ITS INVESTMENT OBJECTIVES. FUND RETURNS ARE BASED ON NUMEROUS FACTORS, INCLUDING THE PACE AND DURATION OF INVESTMENT, INTEREST RATES, FUND EXPENSES AND MANAGEMENT FEES. MANAGEMENT FEES MAY VARY AMONG LIMITED PARTNERS FOR A NUMBER OF REASONS, INCLUDING FIRST CLOSING INCENTIVES. PCCP CALCULATES NET RETURNS BASED ON NUMEROUS ASSUMPTIONS INCLUDING ASSET LEVEL RETURNS, INVESTMENT PACING AND ACTUAL MANAGEMENT. DIFFERENCES IN AN INDIVIDUAL INVESTORS RETURNS COULD BE MATERIALLY DIFFERENT THAN THE FUND LEVEL RETURN. PCCP'S FUND MODEL IS AVAILABLE UPON REQUEST.
3. INCLUDES PCCP PARTNERS.
4. THIS FIGURE IS AN APPROXIMATION OF DEAL FLOW SOURCING BASED ON THE PAST 5 YEARS OF SOURCING ACTIVITY. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

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05 APPENDIX	30

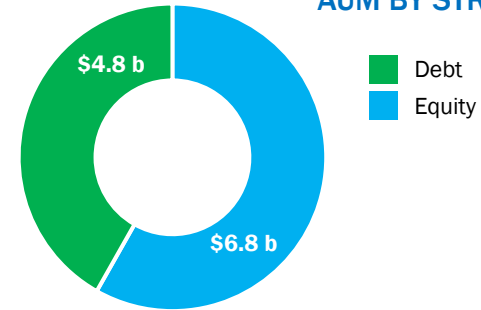


ABOUT PCCP

WHO WE ARE

LONG TENURED PLAYER IN U.S. MIDDLE MARKET REAL ESTATE DEBT AND EQUITY

- 22-year track record: Committed over \$22.7 billion to debt and equity transactions since inception¹
- SEC-registered investment adviser²
- Approximately \$11.6 billion AUM³ as of December 31, 2019
- National Platform: 100+ employees across 4 offices – New York, Los Angeles, San Francisco and Atlanta
- Majority owned by PCCP employees
 - Firm ownership made up of 13 employee shareholders and select senior management and 2 large strategic institutional shareholders



REAL ESTATE: Institutional-quality assets

TRANSITIONAL: Real estate with value-add element

MIDDLE MARKET: Total Capitalization under \$150 million

EQUITY & DEBT: Equity investor and balance sheet lender

U.S. FOCUSED: 22 years of U.S. investment experience

TOP 30 MARKETS⁴: PCCP identifies high growth, target markets

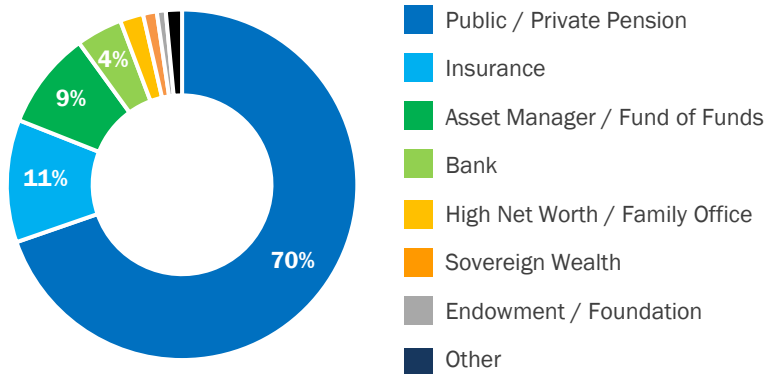
1. COMMITTED CAPITAL AS OF DECEMBER 31, 2019 IS DEFINED BY PCCP AS TOTAL EQUITY PLEDGED TO EQUITY DEALS, PLUS TOTAL EQUITY PLEDGED TO DEBT ORIGINATIONS. ACTUAL INVESTED CAPITAL MAY BE LESS.
2. SEC REGISTRATION DOES NOT IMPLY A LEVEL OF SKILL OR TRAINING.
3. AUM (AS DEFINED IN THE DISCLAIMERS & CAUTIONARY STATEMENTS SET FORTH ON PAGE 1) AS OF Q4 2019.
4. THE "TOP 30" MARKETS AS TARGETED BY PCCP ARE GENERALLY BASED ON THE LARGEST COSTAR PPR54 MARKETS BY MARKET CAPITALIZATION AND THE U.S. CENSUS BUREAU BY POPULATION, WITH A HANDFUL OF SUBSTITUTIONS MADE BY PCCP BASED ON INTERNAL FIRM VIEWS OF TARGET INVESTMENT MARKETS.

PCCP INVESTOR BASE

PCCP HAS A DIVERSIFIED CLIENT BASE CONSISTING OF INSTITUTIONAL INVESTORS FROM ACROSS THE GLOBE

- 5 of the 15 largest U.S. public pension plans¹
- 5 of the 10 largest commercial banks in the U.S.²
- Several prominent U.S. insurance companies
- One of the 3 largest sovereign wealth real estate investors in the world¹
- Additional institutional investors in the U.S., Europe, Middle East and Asia

INVESTOR MIX³



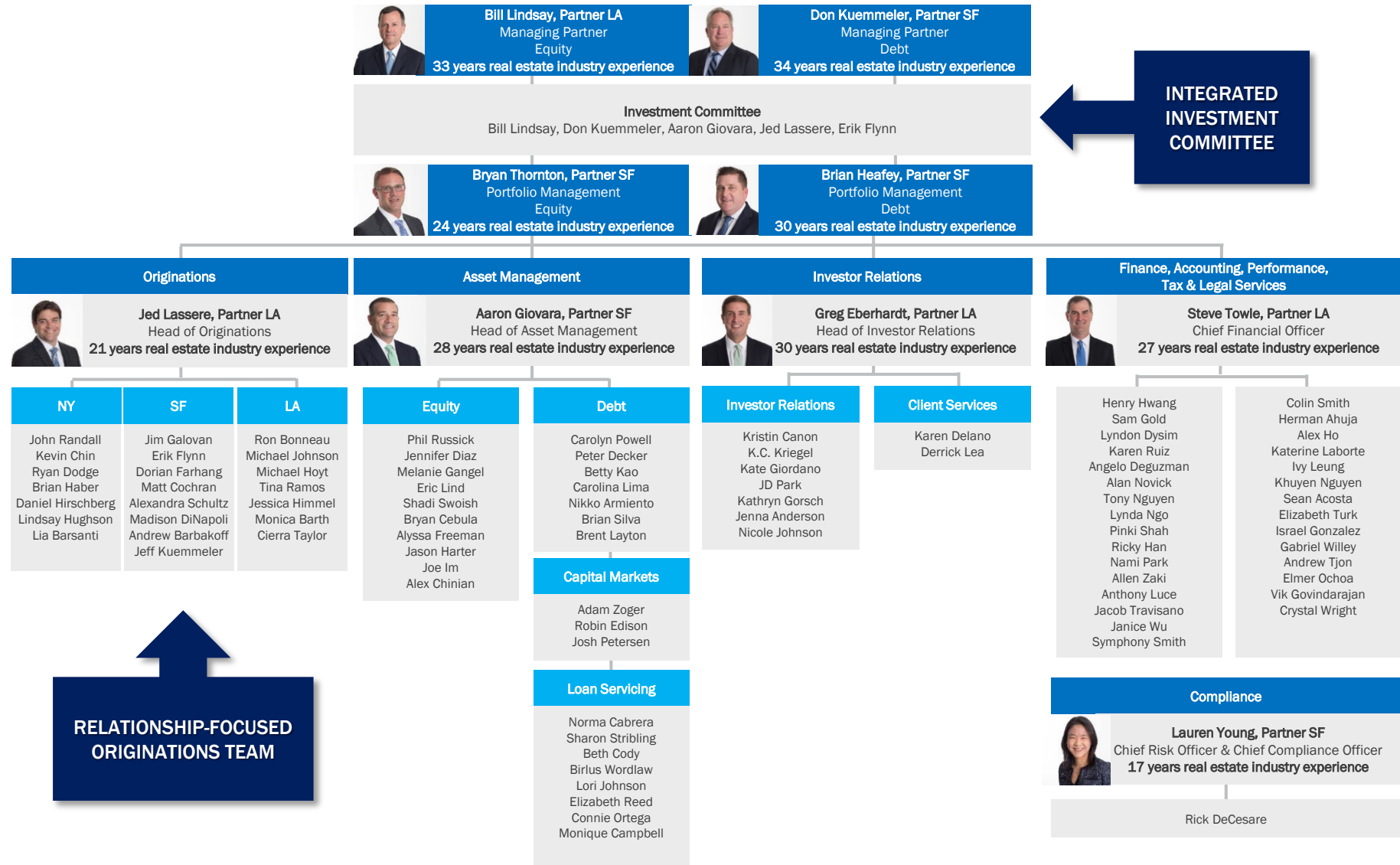
Tyson's Executive Plaza - McLean, VA

1. AS DEFINED BY PREQIN AS OF 4Q 2019.

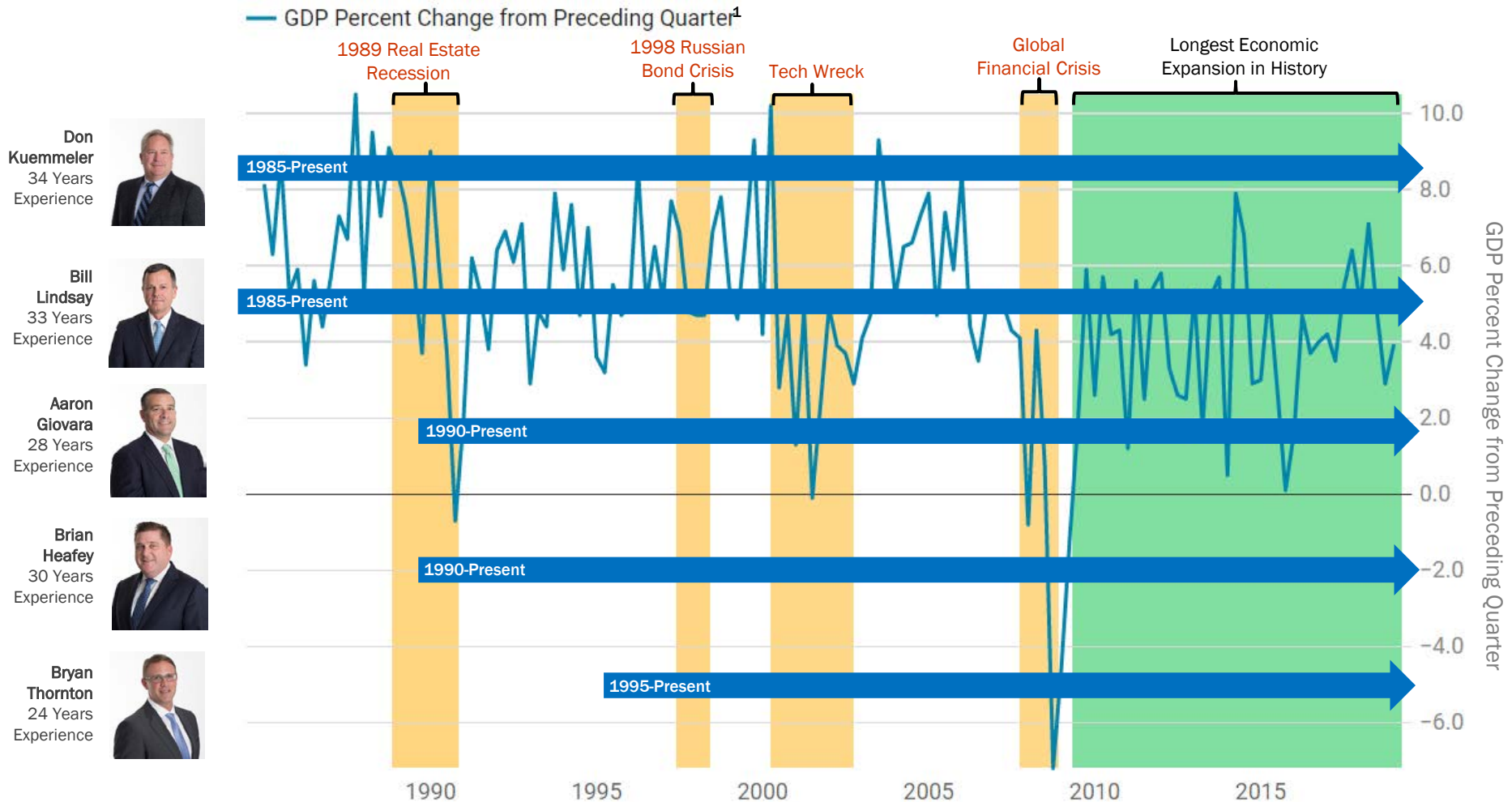
2. AS DEFINED BY FEDERAL RESERVE AS OF 4Q 2019, THE LATEST DATE AVAILABLE FOR THIS DATA.

3. INVESTOR MIX BASED ON AUM (AS DEFINED IN THE DISCLAIMER AND CAUTIONARY STATEMENTS ON PAGE 1) THROUGH Q4 2019. CATEGORY "OTHER" REPRESENTS ENDOWMENTS, FOUNDATIONS, NON-PROFITS, PCCP INVESTMENTS AND SOCIAL SECURITY FUNDS.

PCCP ORGANIZATIONAL CHART

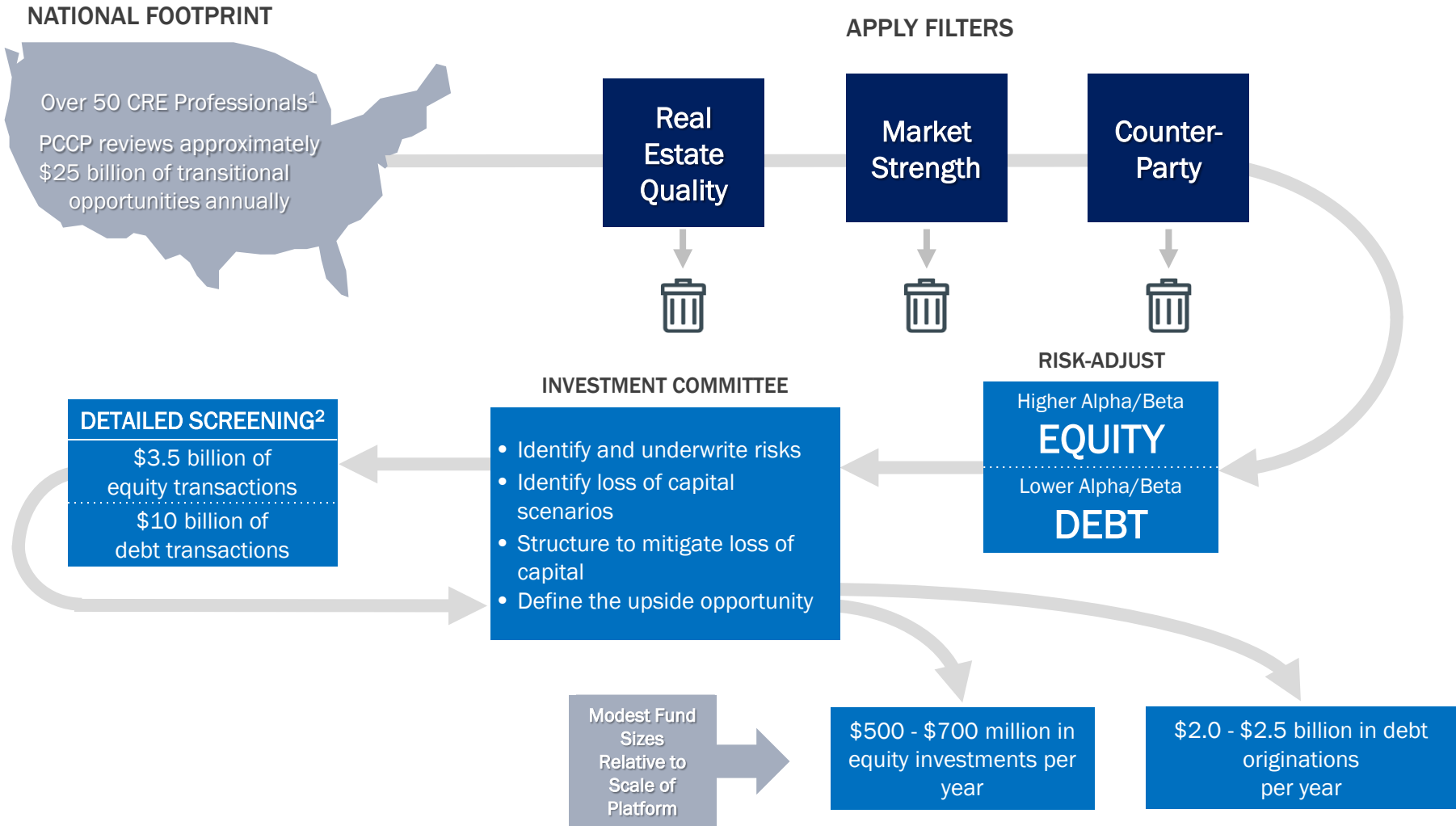


EXPERIENCE THROUGH REAL ESTATE CYCLES



THIS CORRECTION IS THE 5TH CYCLE FOR SENIOR MANAGEMENT

THE PCCP ADVANTAGE: SCOPE, SCALE & SELECTIVITY

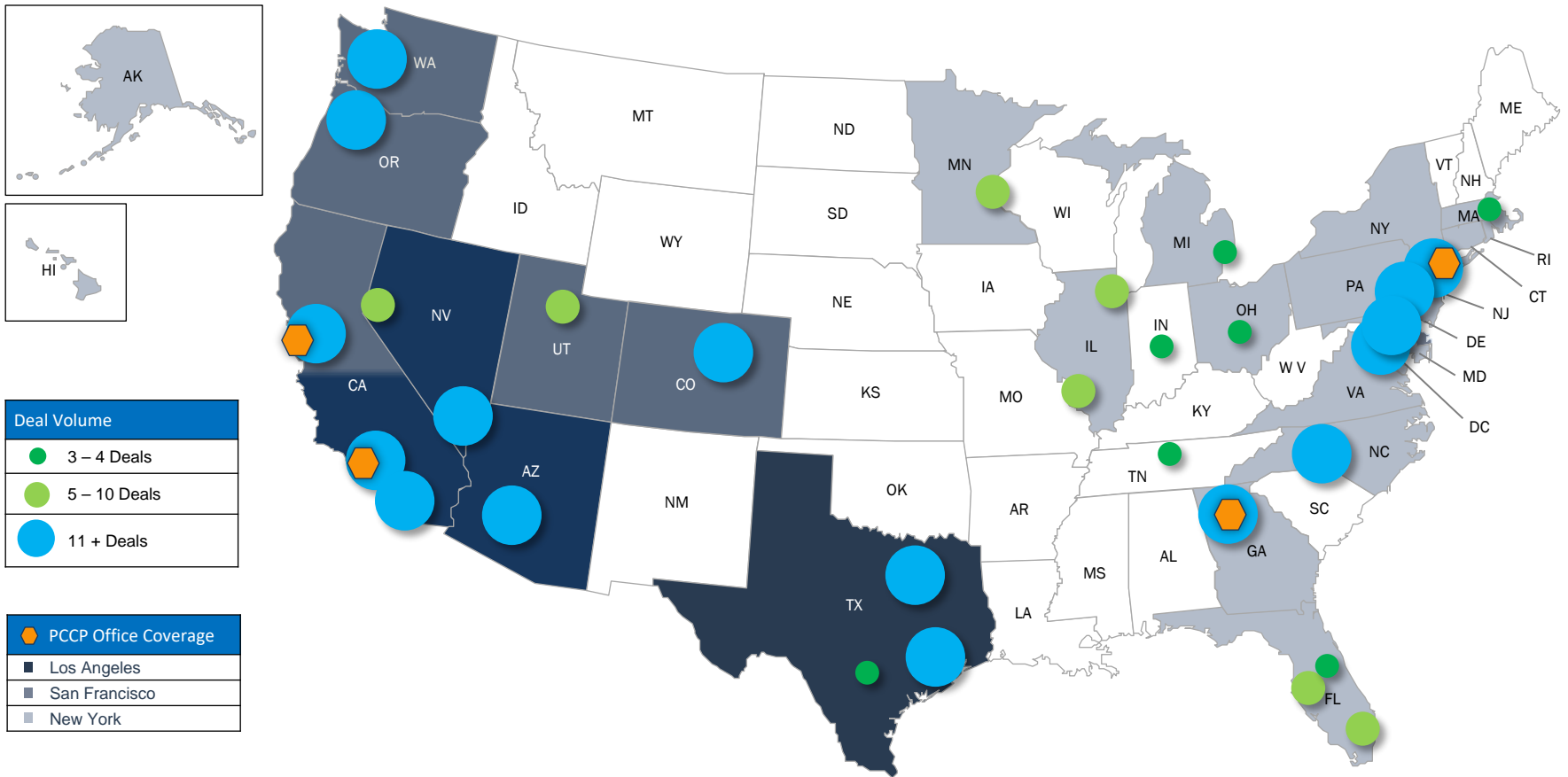


1. CRE PROFESSIONALS DEFINED AS MEMBERS OF OUR DEDICATED ORIGINATIONS, ASSET MANAGEMENT AND SERVICING TEAMS.
2. DETAILED SCREENING INCLUDES DEALS THAT ARE PRESENTED FOR DISCUSSION AT WEEKLY INVESTMENT MEETINGS AND TRACKED BY THE ORIGINATIONS TEAM.

* NOTE: THE FIGURES INCLUDED ON THIS PAGE ARE AN APPROXIMATION OF DEAL FLOW SOURCING BASED ON THE PAST 5 YEARS OF SOURCING ACTIVITY. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS.

NATIONAL MARKET COVERAGE

PCCP HAS NATIONAL COVERAGE WITH OFFICES IN NEW YORK, LOS ANGELES, SAN FRANCISCO AND ATLANTA



DEBT PLATFORM HISTORY (AS OF DECEMBER 31, 2019)

***PLEASE SEE NOTE 17 ON PAGE 39 FOR THE IMPACT OF COVID-19 ON PERFORMANCE.**

OVER \$16.5 BILLION ORIGINATED SINCE INCEPTION

(\$ millions)

VEHICLE	# INVESTMENTS	FUND SIZE	LENDING CAPACITY	TOTAL ORIGINATIONS	LEVERAGE USED	PROCEEDS						PERFORMANCE	
						EQUITY COMMITTED	EQUITY INVESTED	REALIZED PROCEEDS	UNREALIZED PROCEEDS	% REALIZED	DPI (NET)	ESTIMATED	ITD
												GROSS / NET IRR	GROSS / NET IRR
CLOSED-END VEHICLES													
VALUE-ADD													
PCCP Credit I 1998-2008	231	\$250.0	\$1,500.0	\$3,889.1	83.3%	\$574.3	\$574.3	\$768.7	\$0.0	100.0%	1.18x	27.3% / 13.0%	27.3% / 13.0%
PCCP Credit II 2010	25	\$513.9	\$663.9	\$806.1	24.4%	\$502.2	\$502.2	\$657.3	\$0.0	100.0%	1.26x	13.2% / 11.2%	13.2% / 11.2%
PCCP Credit III 2011	22	\$408.2	\$408.2	\$688.5	0.0%	\$552.7	\$552.7	\$664.2	\$0.0	100.0%	1.17x	9.5% / 7.8%	9.5% / 7.8%
PCCP Credit IV 2012	11	\$212.3	\$212.3	\$260.6	0.0%	\$248.3	\$248.3	\$290.1	\$0.0	100.0%	1.14x	8.2% / 6.6%	8.2% / 6.6%
PCCP Credit V 2013	17	\$612.2	\$612.2	\$724.7	0.0%	\$612.4	\$541.5	\$566.2	\$145.9	79.5%	1.02x	8.6% / 7.1%	8.6% / 7.1%
PCCP Credit VI 2014	63	\$909.2	\$2,448.3	\$2,448.3	43.1%	\$954.2	\$946.3	\$1,091.3	\$118.0	90.2%	1.10x	11.9% / 9.2%	12.0% / 9.2%
PCCP Credit IX 2017	49	\$1,250.0	\$3,571.4	\$3,065.8	32.4%	\$1,081.7	\$712.9	\$315.8	\$1,014.0	23.7%	0.46x	11.3% / 8.1%	14.2% / 8.0%
CORE-PLUS													
PCCP Credit VII 2014	9	\$500.0	\$500.0	\$246.4	0.0%	\$236.7	\$234.4	\$244.2	\$21.6	91.9%	1.03x	5.8% / 5.1%	5.8% / 5.1%
PCCP Credit VIII 2015	15	\$665.0	\$665.0	\$663.6	0.0%	\$672.6	\$511.9	\$353.7	\$415.2	46.0%	0.67x	6.4% / 5.1%	6.4% / 5.1%
PacificCal Debt I 2018	16	\$400.0	\$1,000.0	\$979.0	43.7%	\$342.6	\$259.7	\$86.8	\$336.6	20.5%	0.32x	8.3% / 6.6%	8.4% / 5.6%
PacificCal Debt III 2019	4	\$400.0	\$1,000.0	\$218.4	0.0%	\$54.6	\$49.2	\$1.7	\$66.6	2.5%	0.00x	7.6% / 5.8%	N/A / N/A

VEHICLE	# INVESTMENTS	FUND SIZE	TOTAL ORIGINATIONS	TIME-WEIGHTED RETURNS			
				GROSS / NET YTD	GROSS / NET ROLLING 1-YEAR	GROSS / NET ROLLING 3-YEAR	GROSS / NET ITD
OPEN-END VEHICLES							
CORE-PLUS							
CRED ¹ 2018	21	\$1,000.0	\$1,944.3	6.7% / 5.1%	6.7% / 5.1%	N/A / N/A	6.6% / 2.2%

1. U.S. CORE-PLUS REAL ESTATE DEBT FUND, REFERRED TO HEREIN AS "CRED."

* PLEASE SEE NOTES ON PERFORMANCE ON PAGES 37-39 FOR DETAILED FOOTNOTES WITH RESPECT TO THE PERFORMANCE OF PCCP'S GENERAL DEBT TRACK RECORD.

NOTE: PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT AN INVESTMENT OFFERED BY PCCP WILL ACHIEVE COMPARABLE RESULTS TO ANY OF THE PRIOR PERFORMANCE INFORMATION CONTAINED HEREIN OR THAT TARGETED RETURNS OR OTHER MEASURING STANDARDS, WHICH PCCP BELIEVES TO BE REASONABLE AND SOUND UNDER THE CIRCUMSTANCES WILL BE MET.



FUND STRATEGY

STRATEGY

PCCP CREDIT X

- Closed-end real estate debt fund with a \$1.5 billion target size
- Target 8-10% net return¹; 90% expected to be paid current

STRATEGY

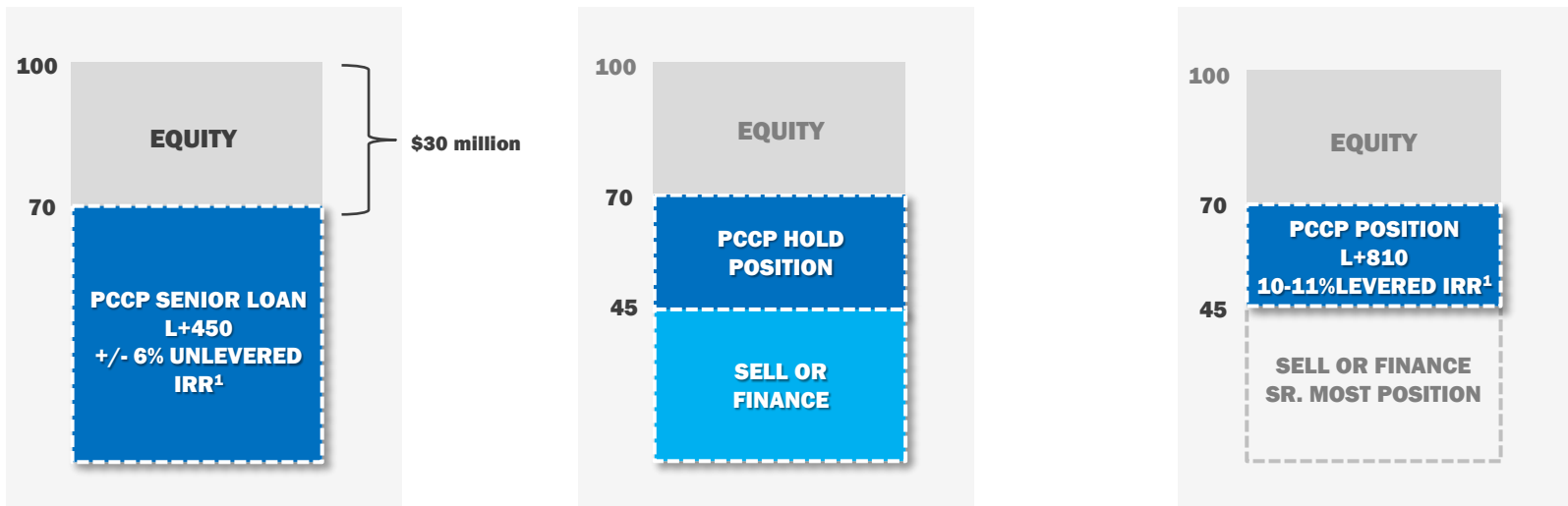
- We believe the market has swung back to a lender's market typical of correcting and early recovery periods of a market cycle
- We will seek to take advantage of the opportunity to provide senior loan financing in a liquidity-constrained market:
 - Originate traditional senior loans to borrowers seeking financing for new acquisitions or who are forced to refinance existing maturing debt at lower leverage
 - Provide financing in the form of senior loans secured by institutional real estate collateral to institutional lenders who are liquidity-constrained and seeking financing solutions to stabilize their portfolios
 - Banks
 - Mortgage REITS
 - Debt funds
 - Over-allocated mezzanine and preferred equity providers
 - Distressed real estate funds
 - Utilize structural and financial leverage if available and accretive to returns
 - Take advantage of improved lending conditions – wider spreads, index floors, lower advance rates, improved loan covenants and structure

CREDIT X SENIOR LOAN STRATEGY: ORIGINATION



EXAMPLE LOAN:

LOAN AMOUNT	\$70 million
TOTAL CAPITALIZATION	\$100 million
PCCP ORIGINATED LOAN	\$70 million @ L + 450
CREDIT X SELLS FIRST MORTGAGE	\$45 million @ L + 250
CREDIT X RETAINS	\$25 million @ L + 810 ¹

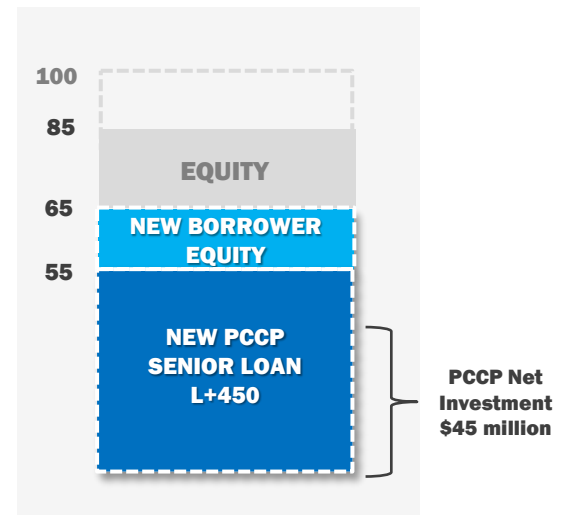
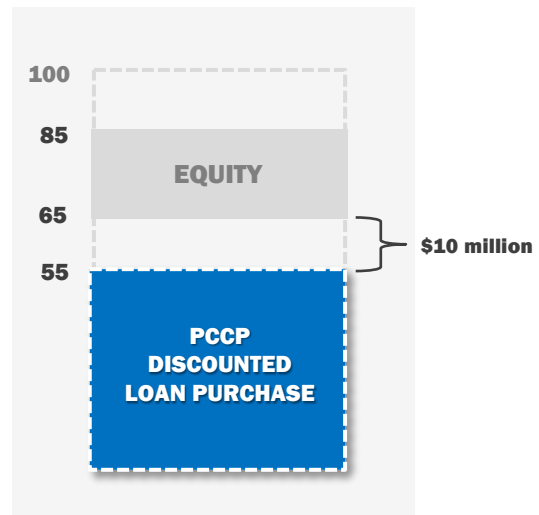
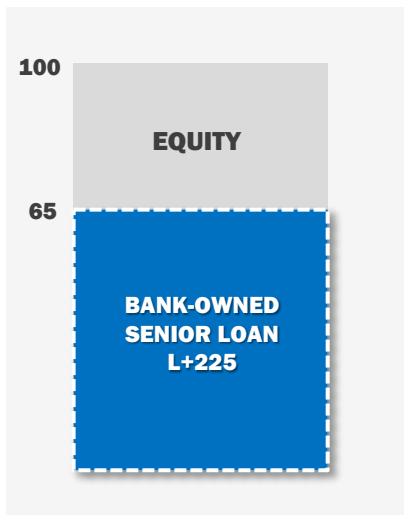


CREDIT X SENIOR LOAN STRATEGY: LENDER RECAP



EXAMPLE LOAN:

PCCP PURCHASES \$65M LOAN FOR \$55M AT 85% OF PAR	
PCCP WRITES NEW \$55M LOAN	\$55 million @ L+450
BORROWER CONTRIBUTES \$10M NEW EQUITY	(\$10 million)
PCCP NET INVESTMENT / YIELD	\$45 million / L+550 ¹



CREDIT X TARGET INVESTMENT CRITERIA¹

ASSET TYPE	<ul style="list-style-type: none"> • Senior loans on transitional or stabilized assets <ul style="list-style-type: none"> • Originated by PCCP • Acquired by PCCP • Financed by PCCP • Select mezzanine or subordinate opportunities
ASSET PROFILE	<ul style="list-style-type: none"> • Recapitalization, Repositioning, Redevelopment, Lease-up & Select Construction
BORROWER PROFILE	<ul style="list-style-type: none"> • Leverage existing relationships and partner with borrowers with proven depth and experience in the market and sector
MARKETS	<ul style="list-style-type: none"> • Top 30 U.S. Markets²
PROPERTY TYPES	<ul style="list-style-type: none"> • Liquid Sectors: Office, Industrial, Multifamily, Retail, Select Mixed-Use and Hotel
ADVANCE RATES	<ul style="list-style-type: none"> • 70% LTC / 65% LTV target
LOAN SIZE	<ul style="list-style-type: none"> • \$20 million to \$200 million • Average \$50-75 million
TERM	<ul style="list-style-type: none"> • 3-4 years initial term with 1-2 one-year extensions • Maximum 5 year term
PRICING	<ul style="list-style-type: none"> • Floating rate over index with spreads that have widened from pre-correction levels

INVESTMENT APPROACH

APPLYING LESSONS LEARNED OVER PAST CYCLES

FOCUS ON LENDING FUNDAMENTALS

Focus on the experience of the borrowers and liquidity of the real estate

Experienced borrowers

- Experienced through cycles, in their markets and product type
- Not looking for the most leverage in the market

Liquid real estate

- Class-A transitional or stabilized properties including office, industrial, multifamily, retail, select mixed-use and hotel

CONSERVATIVE APPROACH

Moderate advance rates and look to reduce leverage as spreads widen

Moderate advance rates against reset values

- Continue PCCP's approach late last cycle of holding advance rates steady

Utilize conservative structural leverage when available, appropriate and accretive

- Leverage is what drove losses during the GFC and is causing problems again this cycle
- Balance sources of leverage with non-marginable structures to mitigate bank line re-margin risk
- Concentrate borrowings with banks with whom PCCP has a relationship

PROACTIVE MANAGEMENT

Deep, seasoned team to actively manage and mitigate loss

Address problems early

- Work closely with borrowers; borrower behavior during challenging times can significantly impact performance

PCCP is staffed appropriately and experienced through market cycles

- 37 senior investment professionals across originations, debt asset management, capital markets and debt portfolio management¹
- Equity team on staff to step in and assist when taking ownership of underlying collateral

SOURCING LENDING OPPORTUNITIES

WE ANTICIPATE FLOW BEING DRIVEN BY THE NEED FOR NEW SENIOR FINANCING OR THE NEED TO MODIFY EXISTING LOANS THAT NEED TO BE RESTRUCTURED

FOCUS ON BORROWERS

- Leverage PCCP's nationwide footprint of experienced sponsors in the top 30 markets¹
- Identify one-off transactions requiring fresh debt capital
- Utilize PCCP's internal deal tracking and regional broker and banker networks to identify troubled situations in target markets and sectors

FOCUS ON LENDERS

- Regulated and unregulated lenders sell performing loans when under pressure
- Corporate, energy and asset-backed line exposure has stressed bank balance sheets
- Public mortgage REITs and many private debt funds are stressed due to lack of liquidity and margin calls

Las Colinas Highlands - Irving, TX

OUR VIEW OF THE MARKET: EARLY CYCLE

THE REAL ESTATE DEBT CAPITAL MARKETS HAVE INITIALLY RESET TO WHAT FEELS LIKE EARLY POST-GFC LEVELS CREATING OPPORTUNITIES FOR WELL CAPITALIZED LENDERS

BANKS

- Corporate, energy and asset-backed line exposure has impacted commercial real estate loan originations in money center banks
- Regional banks are active
- Coupons have widened out upward of 100 bps, advance rates have decreased and LIBOR floors have been input

DEBT FUNDS

- New lending is significantly reduced as many fund managers are faced with asset management and/or liquidity issues
- Spreads have widened 150-200 bps depending on product type, quality, location, leverage and borrower

PUBLIC MORTGAGE REITS

- Out of the market and potentially out of business
- Many prominent mortgage REITs have lost more than two-thirds of their value on average
- Anticipate individual or portfolio loan sales as mortgage REITs seek to cure liquidity issues

AGENCIES

- The agencies continue to transact in the multifamily sector
- Pricing has widened 25-75 bps
- New/increased reserves require more borrower equity

INSURANCE COMPANIES

- Life companies continue to quote deals that cover debt service but at low leverage with a focus on Class A properties
- Pricing has widened from 2.75% to 4.5%

CMBS

- Largely on the sideline for the time being and spreads have widened

REPO/A-NOTE MARKET

- Little to no activity post-correction so far
- Repo lenders have focused on public security collateral and expect to focus on direct collateral beginning with the most impacted property sectors



EXAMPLE TRANSACTIONS

PCCP REPRESENTATIVE TRANSACTIONS

The following transaction summaries are representative of the types of debt investments PCCP has made in the past and are intended to demonstrate PCCP's experience investing in transactions similar to those that PCCP may pursue on behalf of the Fund. The transaction summaries are characteristic of the markets, property types and transaction sizes in which the Fund expects to invest. Each of the following representative transaction examples are PCCP-originated debt investments and include one or more elements of the strategies PCCP intends to employ on behalf of the Fund. These strategies include, but are not limited to refinancing maturing loans, funding the completion of value-add business plans, restructuring financial structures, creative structuring in complex or time-sensitive situations, and funding heavy rehabilitation or development projects.



While these transactions are indicative of the strategies PCCP plans to pursue on behalf of the Fund, they are not representative of all the debt investments pursued by PCCP and are not necessarily indicative of the future investments or future performance of the Fund. The performance results shown should not be regarded as indicative of the performance the Fund will achieve and it should not be assumed that the Fund's investments will be profitable or that the Fund will make comparable investments. Investment summaries for all assets are available upon request.

PCCP REPRESENTATIVE TRANSACTION

300 SOUTH BREVARD (CHARLOTTE, NC)



LOAN TYPE	Refinance	COLLATERAL TYPE	Office
DATE ORIGINATED	Sep-2018 / May-2019 (Modified)	SIZE	358,414 SF
LOAN TERM	4 years + 1, 1 year extension option	OCCUPANCY AT CLOSING	11% / 99%

- Opportunity to refinance and lease up a recently renovated, 358,414 SF Class A office building located in the Uptown/CBD submarket of Charlotte, NC
- Location in Uptown Charlotte offers tenants access to numerous walkable amenities including a covered path to the Overstreet Mall which has over 50 restaurants, hotels, nightlife and retail amenities
- Compelling opportunity to originate a senior loan with a highly defensible basis on a recently renovated CBD office building that is well-located in the market and features superior public transit access
- At close in September 2018, occupancy was 11%
- In January 2019, Wells Fargo executed a lease for 96% NRA and in May 2019, PCCP upsized the loan by \$26.1 mm to fund the buildout of Wells Fargo's space

WHOLE LOAN SUMMARY:

Total Capitalization: \$137.2 mm

Loan Amount: \$105.1 mm

LTV (At Close / Stabilized): 66% / 65%

Spread: 290 bps

Fees: 0.75% commitment

Term: 4 years with 1, 1-year extension

Lock out / YM: \$7.5 mm minimum interest

PCCP HOLD POSITION:

Fund Exposure: \$26.3 mm

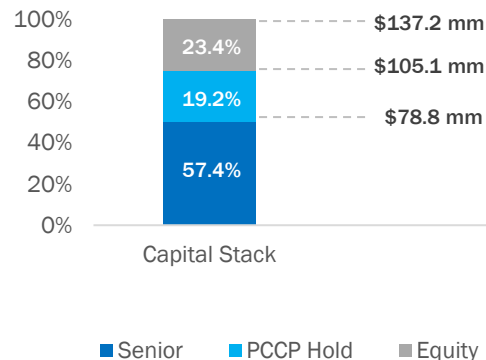
Leverage: Line 75% / L + 140

Debt Yield: 9.7%

Est. Gross Levered IRR: 10.8%

Est. Gross Levered Multiple: 1.34x

CAPITAL STACK AT CLOSE:



***PLEASE SEE NOTE 17 ON PAGE 39 FOR THE IMPACT OF COVID-19 ON PERFORMANCE.**

NOTE: LEVERAGE PRESENTED AS OF CLOSING. WHILE THE USE OF LEVERAGE MAY ENHANCE RETURNS, IT WILL ALSO INCREASE THE RISK OF LOSS.

NOTE: STATUS AS OF MARCH 2020.

THE INVESTMENT EXAMPLES INCLUDED HEREIN WERE CHOSEN TO SHOW RECENT, DEMONSTRATIVE TRANSACTIONS IN THE PCCP PORTFOLIO, WITH CHARACTERISTICS CONSISTENT WITH THE FUND'S STRATEGY. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT THE FUND WILL ACHIEVE SUCH A RATE OF RETURN OR ITS INVESTMENT OBJECTIVES. FUND RETURNS ARE BASED ON NUMEROUS FACTORS, INCLUDING THE PACE AND DURATION OF INVESTMENT, FUND EXPENSES, INTEREST RATES AND MANAGEMENT FEES. MANAGEMENT FEES MAY VARY AMONG LIMITED PARTNERS FOR A NUMBER OF REASONS, INCLUDING FIRST CLOSING INCENTIVES. PCCP CALCULATES NET RETURNS BASED ON NUMEROUS ASSUMPTIONS INCLUDING ASSET LEVEL RETURNS, INVESTMENT PACING AND ACTUAL MANAGEMENT FEES FOR ESTIMATED RETURNS AND NON-DISCOUNTED MANAGEMENT FEES FOR TARGET RETURNS. DIFFERENCES IN AN INDIVIDUAL INVESTOR'S RETURNS COULD BE MATERIALLY DIFFERENT THAN THE FUND LEVEL RETURN. PCCP'S FUND MODEL IS AVAILABLE UPON REQUEST.

PCCP REPRESENTATIVE TRANSACTION

FORUM FITZSIMMONS (AURORA, CO)



LOAN TYPE	Refinance	COLLATERAL TYPE	Multifamily
DATE ORIGINATED	Jul-2018	SIZE	397 units
LOAN TERM	3 years + 2, 1 year extension options	OCCUPANCY AT CLOSING	36%

- Opportunity to refinance a new construction, four-story, 397 unit multifamily project above 28,460 RSF of ground floor retail in Aurora, Colorado
- Only new construction apartment project completed in the last three years within a two mile radius of a 12.4 million SF medical campus
- One of the largest employment centers in the Denver MSA providing significant employment and educational support to the area
- Located adjacent to the Colfax light rail station which offers access to the retail

WHOLE LOAN SUMMARY:

Total Capitalization: \$158.7 mm

Loan Amount: \$118.5 mm

LTV (At Close / Stabilized): NAP / 74.7%

Spread: 345 bps

Fees: 1% origination

Term: 3 years with 2, 1-year extensions

Lock out / YM: \$8.5 mm minimum interest

PCCP HOLD POSITION:

Fund Exposure: \$39.5 mm

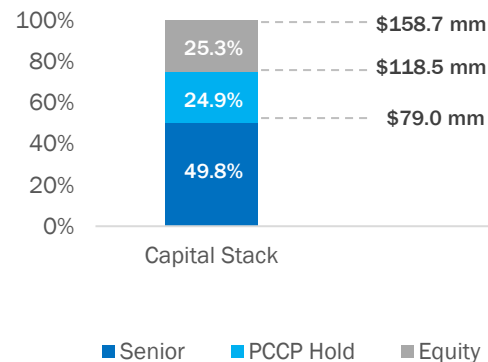
Leverage: A-Note 66.7% / L + 185

Debt Yield: 7.0%

Est. Gross Levered IRR: 10.1%

Est. Gross Levered Multiple: 1.28x

CAPITAL STACK AT CLOSE:



***PLEASE SEE NOTE 17 ON PAGE 39 FOR THE IMPACT OF COVID-19 ON PERFORMANCE.**

NOTE: LEVERAGE PRESENTED AS OF CLOSING. WHILE THE USE OF LEVERAGE MAY ENHANCE RETURNS, IT WILL ALSO INCREASE THE RISK OF LOSS. NOTE: STATUS AS OF MARCH 2020.

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PCCP REPRESENTATIVE TRANSACTION

BRIDGE POINT MILPITAS (MILPITAS, CA)



LOAN TYPE	Construction	COLLATERAL TYPE	Industrial
DATE ORIGINATED	Jul-2019	SIZE	1,028,572 SF
LOAN TERM	3 years + 2, 1 year extension options	OCCUPANCY AT CLOSING	N/A

- \$104.3 million construction loan for the speculative development of a two building, 740,000 SF industrial park in infill Silicon Valley
- Established institutional borrower that has a recent track record of delivering high quality industrial product
- Tight market with low vacancy and limited deliveries
- Close proximity to some of Silicon Valley's largest employers including Apple, Google and Tesla, as well as the Port of Oakland
- In February 2020, Amazon executed a lease for the entire site to develop a 388,240 SF building and a 14.7 acre (640,332 SF) parking lot

WHOLE LOAN SUMMARY:

Total Capitalization: \$159.4 mm

Loan Amount: \$104.3 mm

LTV (At Close / Stabilized): NAP/ 57.2%

Spread: 325 bps

Fees: 1% origination

Term: 3 years with 2, 1 year extensions

Lock out / YM: \$7.3 mm minimum interest

PCCP HOLD POSITION:

Fund Exposure: \$26.1 mm

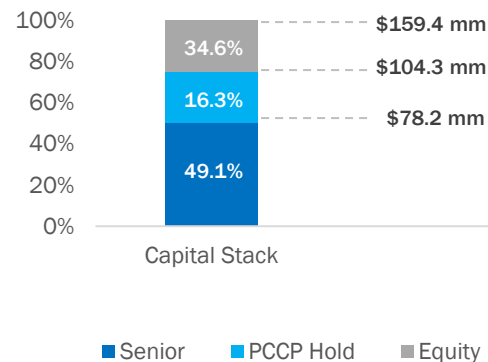
Leverage: Line 75% / L+250

Debt Yield: 8.1%

Est. Gross Levered IRR: 9.8%

Est. Gross Levered Multiple: 1.21x

CAPITAL STACK AT CLOSE:



***PLEASE SEE NOTE 17 ON PAGE 39 FOR THE IMPACT OF COVID-19 ON PERFORMANCE.**

NOTE: LEVERAGE PRESENTED AS OF CLOSING. WHILE THE USE OF LEVERAGE MAY ENHANCE RETURNS, IT WILL ALSO INCREASE THE RISK OF LOSS. NOTE: STATUS AS OF MARCH 2020.

THE INVESTMENT EXAMPLES INCLUDED HEREIN WERE CHOSEN TO SHOW RECENT, DEMONSTRATIVE TRANSACTIONS IN THE PCCP PORTFOLIO, WITH CHARACTERISTICS CONSISTENT WITH THE FUND'S STRATEGY. PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT THE FUND WILL ACHIEVE SUCH A RATE OF RETURN OR ITS INVESTMENT OBJECTIVES. FUND RETURNS ARE BASED ON NUMEROUS FACTORS, INCLUDING THE PACE AND DURATION OF INVESTMENT, FUND EXPENSES, INTEREST RATES AND MANAGEMENT FEES. MANAGEMENT FEES MAY VARY AMONG LIMITED PARTNERS FOR A NUMBER OF REASONS, INCLUDING FIRST CLOSING INCENTIVES. PCCP CALCULATES NET RETURNS BASED ON NUMEROUS ASSUMPTIONS INCLUDING ASSET LEVEL RETURNS, INVESTMENT PACING AND ACTUAL MANAGEMENT FEES FOR ESTIMATED RETURNS AND NON-DISCOUNTED MANAGEMENT FEES FOR TARGET RETURNS. DIFFERENCES IN AN INDIVIDUAL INVESTOR'S RETURNS COULD BE MATERIALLY DIFFERENT THAN THE FUND LEVEL RETURN. PCCP'S FUND MODEL IS AVAILABLE UPON REQUEST.



FUND TERMS

PCCP CREDIT X: KEY FUND TERMS¹

FUND	PCCP Credit X, LP (the “Fund”), a Delaware limited partnership
FUND STRUCTURE	Closed-end commingled fund
FUND SIZE	\$1.5 billion target with a \$2.0 billion hard cap
PCCP COMMITMENT	The greater of \$10 million or 1% of total capital commitments
TARGET RETURNS	Leveraged return target of 10-12% gross, 8-10% net with quarterly income distribution ²
FUND LEVERAGE	Maximum 60% measured on a portfolio-wide basis
MANAGEMENT FEE	1.5% Calculated (a) during the Investment Period, on committed capital; and (b) after the Investment Period, on invested capital. The General Partner desires to minimize the J-Curve effect brought about by paying fees on committed capital and start-up costs early in the Investment Period, and accordingly will reduce its fee to be payable on invested capital during the first 18 months and add an incremental fee over the remainder of the Fund’s life.
CARRIED INTEREST	20% after a 7% preferred return and return of capital to the limited partners with no catch-up. Fully back-ended
INVESTMENT PERIOD	3 years from Final Close
PARTNERSHIP TERM	3 years from end of Investment Period, with two 1-year extensions which may be exercised by the general partner with the consent of the advisory committee
MINIMUM CAPITAL	\$10 million per limited partner or such lesser amount as the general partner may accept in its sole discretion

¹ THIS PRESENTATION OF KEY TERMS OF THE FUND IS QUALIFIED IN ITS ENTIRETY BY THE FINAL TRANSACTION DOCUMENTS

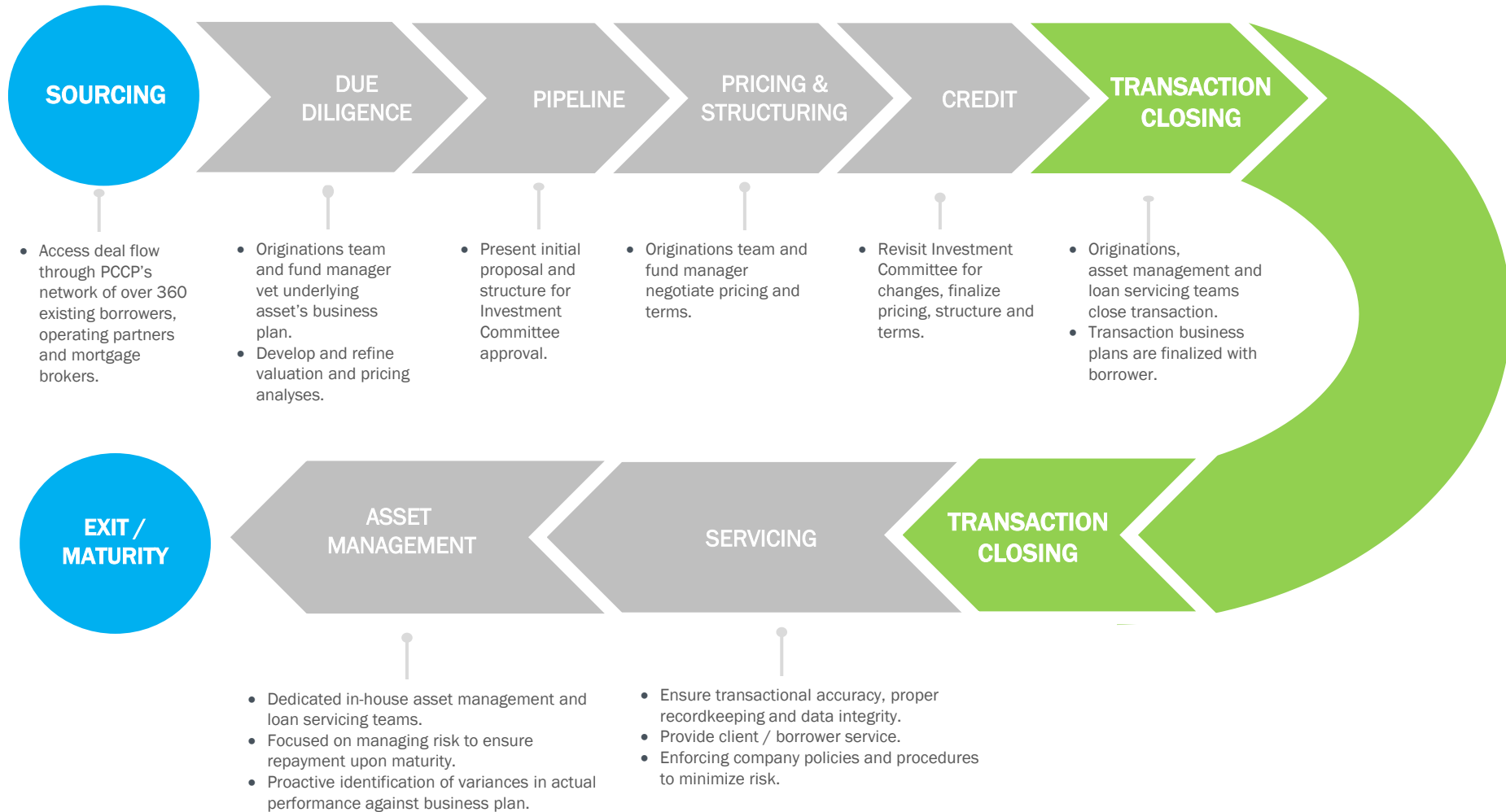
² PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT PCCP WILL ACHIEVE SUCH A RATE OF RETURN OR ITS INVESTMENT OBJECTIVES. FUND RETURNS ARE BASED ON NUMEROUS FACTORS, INCLUDING THE PACE AND DURATION OF INVESTMENT, INTEREST RATES, FUND EXPENSES AND MANAGEMENT FEES. MANAGEMENT FEES MAY VARY AMONG LIMITED PARTNERS FOR A NUMBER OF REASONS, INCLUDING FIRST CLOSING INCENTIVES. PCCP CALCULATES NET RETURNS BASED ON NUMEROUS ASSUMPTIONS INCLUDING ASSET LEVEL RETURNS, INVESTMENT PACING AND ACTUAL MANAGEMENT. GROSS IRRS DO NOT REFLECT THE PAYMENT OF MANAGEMENT FEES OR INCENTIVE COMPENSATION TO PCCP AND ITS AFFILIATES, AS WELL AS OTHER EXPENSES, ALL OF WHICH IN THE AGGREGATE WILL BE SUBSTANTIAL. DIFFERENCES IN AN INDIVIDUAL INVESTORS RETURNS COULD BE MATERIALLY DIFFERENT THAN THE FUND LEVEL RETURN. PCCP’S FUND MODEL IS AVAILABLE UPON REQUEST. FOR INFORMATION ON THE CALCULATION OF TARGET RETURNS, GROSS AND NET NUMBERS AND OTHER IMPORTANT INFORMATION, SEE NOTES ON PERFORMANCE.



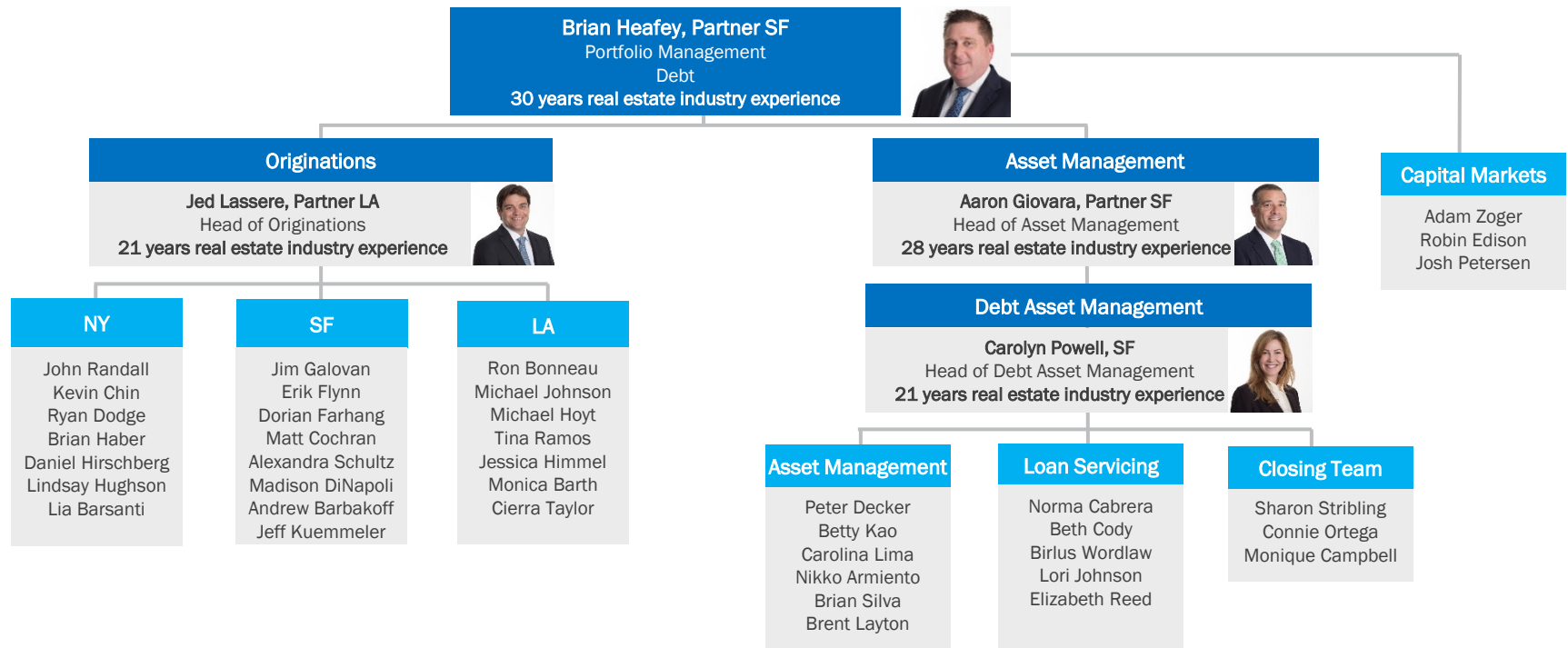
APPENDIX

OUR DEBT INVESTMENT PROCESS

PCCP IS FOCUSED ON MANAGING RISK OVER THE LIFECYCLE OF EACH INVESTMENT.



DEBT ORIGINATIONS & ASSET MANAGEMENT



ORIGINATION

- **Combined team:** 23 originations professionals work on both debt and equity platforms and cover all property types.
- **Specific market strengths:** Each investment professional is responsible for covering specific markets and potential investors based on geographical location and existing relationships.
- **Integrated with AMG:** Originations professionals work closely with PCCP's Asset Management Group (AMG), from pipeline meetings to loan maturity. The team is equipped to identify material changes to the markets in which PCCP operates.

ASSET MANAGEMENT & SERVICING

- **Team:** Debt AMG consists of 8 professionals averaging over 13 years of real estate experience. The loan servicing group has an average of over 15 years of real estate experience.
- **Further integration:** During diligence, an asset manager and loan servicing professional are added to the deal team to assist in underwriting and loan closing.
- **Active asset management:** Proactively working with the borrower before a situation deteriorates, is the approach that maximizes returns and minimizes losses.

TOP-10 GLOBAL PRIVATE EQUITY REAL ESTATE LENDER

PRIVATE EQUITY REAL ESTATE NEWS RANKS PCCP AS THE 9TH MOST ACTIVE PRIVATE EQUITY REAL ESTATE LENDER GLOBALLY AS OF MARCH 2019 BASED ON CAPITAL RAISED.

▼	Fund manager	Headquarters	Country	Amount raised
1	Blackstone	New York	United States	7,165.00
2	Goldman Sachs Merchant Banking Division	New York	United States	7,065.36
3	ICG-Longbow	London	United Kingdom	4,735.38
4	AllianceBernstein	New York	United States	4,655.00
5	M&G Investments	London	United Kingdom	4,607.07
6	Brookfield Asset Management	Toronto	Canada	4,324.00
7	PGIM Real Estate	Madison	United States	4,296.33
8	Oaktree Capital Management	Los Angeles	United States	3,827.00
9	Pacific Coast Capital Partners	Los Angeles	United States	3,724.20
10	LaSalle Investment Management	Chicago	United States	3,710.12
11	DRC Capital	London	United Kingdom	3,439.28
12	Prime Finance	New York	United States	3,298.38
13	Bridge Investment Group	Salt Lake City	United States	3,232.70
14	BlackRock	New York	United States	3,202.35
15	Nuveen Real Estate	London	United Kingdom	3,188.58
16	Kayne Anderson Capital Advisors	Los Angeles	United States	2,935.00
17	AgFe	London	United Kingdom	2,889.41
18	Colony Capital	Los Angeles	United States	2,755.05
19	GreenOak Real Estate	New York	United States	2,684.44
20	KKR	New York	United States	2,416.00
21	Caerus Debt Investments	Düsseldorf	Germany	2,173.74

CONSISTENCY OF RISK LATE IN THE LAST CYCLE

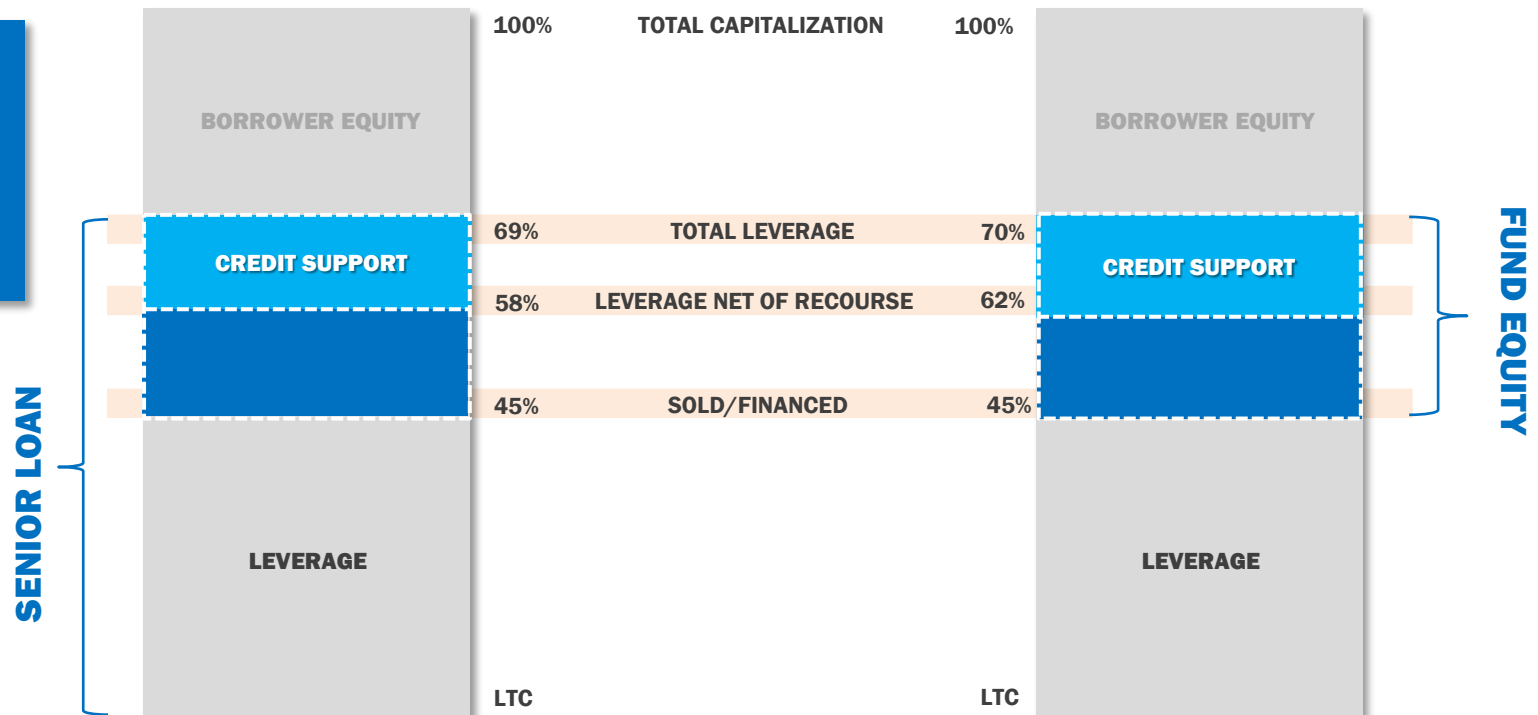
PCCP CREDIT VI
INVESTMENT PERIOD: 2014-2017

Fund Size: \$909.2 million
 Estimated gross/net IRR: 11.9%/9.2%

PCCP CREDIT IX
INVESTMENT PERIOD: 2017-2020

Fund Size: \$1.25 billion
 Estimated gross/net IRR: 11.3%/8.1%

**CONSISTENT
 ADVANCE RATES
 AND USE OF
 LEVERAGE AS THE
 CYCLES HAVE
 PROGRESSED**



AS OF 12/31/19, PAST PERFORMANCE IS NO GUARANTEE OF FUTURE RESULTS, AND THERE CAN BE NO ASSURANCE THAT PCCP WILL ACHIEVE SUCH A RATE OF RETURN OR ITS INVESTMENT OBJECTIVES. FUND RETURNS ARE BASED ON NUMEROUS FACTORS, INCLUDING THE PACE AND DURATION OF INVESTMENT, INTEREST RATES, FUND EXPENSES AND MANAGEMENT FEES. MANAGEMENT FEES MAY VARY AMONG LIMITED PARTNERS FOR A NUMBER OF REASONS, INCLUDING FIRST CLOSING INCENTIVES. PCCP CALCULATES NET RETURNS BASED ON NUMEROUS ASSUMPTIONS INCLUDING ASSET LEVEL RETURNS, INVESTMENT PACING AND ACTUAL MANAGEMENT. GROSS IRRs DO NOT REFLECT THE PAYMENT OF MANAGEMENT FEES OR INCENTIVE COMPENSATION TO PCCP AND ITS AFFILIATES, AS WELL AS OTHER EXPENSES, ALL OF WHICH IN THE AGGREGATE WILL BE SUBSTANTIAL. PLEASE SEE NOTES ON PERFORMANCE ON PAGES 37-39 FOR DETAILED FOOTNOTES WITH RESPECT TO THE PERFORMANCE OF PCCP'S GENERAL DEBT TRACK RECORD AND PAGE 14 FOR DEBT PLATFORM HISTORY.

CREDIT VI PORTFOLIO METRICS

As of December 31, 2019.

PORTFOLIO OVERVIEW

Portfolio Pricing and Advance Rates

	Senior	Mezzanine	Total
Loan Spread (bps)	488	963	508
LTC - Portfolio	67.9%	74.9%	69.0%
LTC - Portfolio - Net of Recourse	55.0%	72.1%	57.7%
Stabilized LTV - Portfolio	61.2%	71.6%	62.8%
Stabilized LTV - Portfolio - Net of Recourse	49.6%	68.9%	52.5%

	Non-Construction	Construction	Total
Loan Spread (bps)	473	609	508
LTC - Portfolio	71.0%	64.2%	69.0%
LTC - Portfolio - Net of Recourse	61.8%	47.9%	57.7%
Stabilized LTV - Portfolio	65.1%	57.4%	62.8%
Stabilized LTV - Portfolio - Net of Recourse	56.6%	42.8%	52.5%

Portfolio Leverage

	Senior	Mezzanine	Total
Financial Leverage %	45.7%	0.0%	43.1%
Structural Leverage % - Total	61.1%	80.0%	64.5%

CREDIT IX PORTFOLIO METRICS

As of December 31, 2019.

PORTFOLIO OVERVIEW

Portfolio Pricing and Advance Rates

	Senior	Mezzanine	Total
Loan Spread (bps)	406	0	406
LTC - Portfolio	69.7%	0.0%	69.7%
LTC - Portfolio - Net of Recourse	62.2%	0.0%	62.2%
Stabilized LTV - Portfolio	59.7%	0.0%	59.7%
Stabilized LTV - Portfolio - Net of Recourse	53.2%	0.0%	53.2%

	Non-Construction	Construction	Total
Loan Spread (bps)	357	450	406
LTC - Portfolio	70.7%	68.8%	69.7%
LTC - Portfolio - Net of Recourse	68.0%	57.2%	62.2%
Stabilized LTV - Portfolio	63.7%	56.5%	59.7%
Stabilized LTV - Portfolio - Net of Recourse	61.3%	46.9%	53.2%

Portfolio Leverage

	Senior	Mezzanine	Total
Financial Leverage %	32.4%	0.0%	32.4%
Structural Leverage % - Total	64.4%	0.0%	64.4%

NOTES ON PERFORMANCE

Notes to the Investment Performance of PCCP's Debt Platform

- 1) PCCP makes no guarantee that any returns set forth herein will be achieved. Any returns are being shown for informational purposes only and should not be relied upon to make predictions of actual future performance.
- 2) The estimated return calculations are based on historical and future estimated cash flows from inception through the applicable dates of estimated resolution. Inception to date ("ITD") returns are derived based upon the sum of (i) historical cash flows and (ii) the cash flow that would be distributed if all investments were liquidated at book value on the date of the performance reported. IRRs are derived using an annually compounded IRR formula. These estimates, and the other estimates herein, including estimates of future market conditions were made as of the date of the performance reported and are made by PCCP in good faith pursuant to its valuation policies and procedures.

Estimated returns are derived by PCCP from analyses based upon (i) the expected cumulative returns generated by a series of real estate investments across a multi-year investment period, (ii) market experience, including, but not limited to, data related to operating expenses, market expectations and historical averages related to the risk/return profile and generally accepted criteria for making investments in the type of anticipated investments and (iii) subjective estimates and assumptions about circumstances and events that may not yet have taken place and may never take place. Estimated returns are also based on certain assumptions including, but not limited to, anticipated hold period, market conditions, default rates, tenant credit stability and turnover, exit strategies and availability and cost of financing. If any of the assumptions used do not prove to be true, results may vary substantially from the targeted and estimated returns set forth herein.

Further, many factors may affect actual performance, including changes in market conditions and interest rates and changes in response to other economic, political or financial developments. Therefore, estimates set forth herein may not be meaningful. The information underlying any forecasts has been obtained from or is based upon sources believed to be reliable, but PCCP assumes no responsibility for, and makes no representation or warranty, express or implied as to the adequacy, accuracy or completeness of, any such information.

Gross returns and multiples do not include the effects of management fees, carry, or other expenses, which in the aggregate may be substantial and reduce net returns to investors. Net returns include the deduction of actual management fees, incentive compensation and other expenses in aggregate across all investors. Investors may be offered reduced fees based on the size of their commitment as well as participating in an initial close or closing within a specified period of time within an initial close. As a result of the timing of an investor's investment and/or paying a reduced fee, an individual investor's net return may differ from the reported net return, and in the case of reduced fees the net return will be higher than that of an investor paying a higher fee rate. Differences in an individual investors net returns could be materially different than the Fund level net return. In addition, returns shown are pre-tax. Estimated returns represent possible returns that may be achieved only for the period of time expressly identified.

- 3) Equity Committed represents the aggregate underwritten capital actually contributed or estimated to be contributed to investments by the investment vehicle over the life of the life of the investments.
- 4) Equity Invested represents the capital contributed to investments by the investment vehicle from inception to date.
- 5) Realized Proceeds represents the actual capital returned from investments to the investment vehicle from inception to date. This includes all distributions, return of and return on capital.
- 6) Unrealized Proceeds represents the capital estimated to be returned from the investments to the investment vehicle over the remaining life of the investment vehicle. This includes all estimated distributions, return of and return on capital.
- 7) % Realized is calculated as $(\text{Realized Proceeds} / (\text{Realized Proceeds} + \text{Unrealized Proceeds}))$.
- 8) Distributed to Paid-In ("DPI") is calculated as $(\text{capital distributed to investors by the investment vehicle} / \text{capital contributed to the investment vehicle by investors})$. DPI is a net number and is a figure which ranges between zero and the Net ITD Multiple.
- 9) PCCP's debt performance set forth herein represents certain debt investments made by PCCP since inception across 12 debt investment vehicles ("PCCP's Debt Platform"). From 1999 - 2008, PCCP operated its loan origination business primarily through PCCP Credit I. In July 2010, PCCP began to manage a separate account ("PCCP Credit II") with a U.S. public pension plan. In August 2011, PCCP began to manage a joint venture ("PCCP Credit III") with a U.S. financial institution. In June 2012, PCCP closed a closed-end, commingled fund ("PCCP Credit IV") with several institutional investors. In March 2013, PCCP began to manage PCCP Credit III's follow-on vehicle, a non-exclusive joint venture ("PCCP Credit V") with a U.S. financial institution and a sovereign wealth fund. In June 2014, PCCP closed a closed-end, commingled fund ("PCCP Credit VI") with institutional investors. In November 2014, PCCP began to manage a separate account ("PCCP Credit VII") with a U.S. financial institution. In August 2015, PCCP began to manage a joint venture ("PCCP Credit VIII") with a U.S. financial institution. In February 2017, PCCP held its initial closing on ("PCCP Credit IX"), a closed-end, commingled fund with institutional investors. In February 2018, PCCP began managing a joint venture ("PacificCal Debt I") with a U.S. public pension plan and an off-shore pension fund. In April 2018, PCCP and Nuveen Real Estate Global LLC ("Nuveen"), a global investment manager, held an initial closing for an open-end, discretionary commingled fund U.S. Core-Plus Real Estate Debt Fund ("CRED") with commitments from institutional investors. CRED is jointly sponsored by PCCP and Nuveen. Affiliates of PCCP and Nuveen each act as an advisor to CRED and are jointly responsible for originating, structuring, negotiating and management of CRED's investments, with all investment decisions being subject to the approval of CRED's investment committee, which is comprised of half PCCP representatives and half Nuveen representatives. Although PCCP's investment discretion is constrained by Nuveen's investment approval, PCCP is including CRED in its track record. As an open-end fund, CRED differs from PCCP's closed-end investment vehicles particularly with respect to liquidity, because, as an open-end fund, CRED must meet certain redemption requirements. In November 2019, PCCP began managing a joint venture ("PacificCal Debt III") with a U.S. public pension plan and an off-shore pension fund.

NOTES ON PERFORMANCE – CONT'D

Notes to the Investment Performance of PCCP's Debt Platform – cont'd:

- PCCP Credit VII, PCCP Credit VIII, PacificCal Debt I, PacificCal Debt III and CRED are all categorized as “core-plus” which represents a similar investment strategy but with a targeted lower risk and return profile relative to PCCP's other “value-add” investment vehicles. PCCP includes the returns for both its core-plus and value-add investment vehicles because PCCP believes that there is sufficient overlap in the strategies, geographic locations and property types of the underlying investments.
- 10) PCCP Credit I, PCCP Credit II, PCCP Credit III, PCCP Credit IV, PCCP Credit V and PCCP Credit VII were not actually called or legally organized as PCCP Credit I-VII. PCCP Credit IV, PCCP Credit VI, PCCP Credit IX, PacificCal Debt I and CRED have utilized or expect to utilize a subscription secured credit facility in connection with their investment activities. Subscription secured credit facility borrowings are primarily utilized to make investments and to pay fees and expenses at both the fund and investment level. Since subscription secured credit facility borrowings are generally not repaid until investor capital is called, the use of a subscription secured credit facility by a fund defers the deployment of investor capital and, consequently, the accrual of any preferred return on such capital. In certain instances the use of a subscription secured credit facility may increase the net IRR shown for a fund.
- The Sponsors intend to use leverage on a secured or unsecured basis in connection with the acquisition and financing of the Fund's investments. See note 14 for additional information regarding the Fund's expected use of leverage.
- 11) The net estimated IRR and multiple and net ITD IRR and multiple for PCCP Credit I is based on the difference between gross cash flows and the sum of vehicle operating expenses and management fees and carried interest paid to PCCP. In 2008, at the election of US Bank, the lender to and 51% member of the primary joint venture in PCCP Credit I, a decision was made to suspend distributions to the members and instead use distributable proceeds to re-margin and de-lever the credit facility and hold additional cash. The net IRR for PCCP Credit I using an annual compounded IRR formula based on actual cash flows would be 8.8%. PCCP Credit I includes 21 loans originated by PCCP for a joint venture between PCCP and Lehman Brothers Holdings Inc. (“LBHI JV”). Because of the legal structure of LBHI JV, 8 of the 21 loans in the LBHI JV became part of the LBHI bankruptcy estate in September 2008 (the “Lehman Assets”). After September 2008, approval authority for the LBHI JV moved from LBHI to the LBHI bankruptcy estate with PCCP continuing as the manager. PCCP believes that the LBHI bankruptcy estate made consent decisions for the Lehman Assets based upon bankruptcy considerations, such as liquidity, that an investor who is not encumbered by bankruptcy would not otherwise make. Accordingly, PCCP has not included the Lehman Assets in the investment performance of PCCP Credit I beyond June 30, 2008 (the last complete quarter of performance results prior to the LBHI bankruptcy filing. If the LBHI Assets were to be included in the investment performance of PCCP Credit I beyond June 30, 2008, the gross and net levered IRR would be 23.7% and 9.0% respectively with respect to all PCCP Credit I assets.
- 12) PCCP Credit I used leverage of 83.3% from 1998-2007 and began de-levering in 2008. PCCP Credit II was permitted to utilize up to 50% leverage. Actual leverage over the life of PCCP Credit II was 24.4%. Maximum permitted financial leverage for PCCP Credit VI and PCCP Credit IX are 50% and 60% on a portfolio-wide basis, respectively. Financial leverage for PCCP Credit VI and PCCP Credit IX is calculated as borrowings under a line of credit (excluding subscription line borrowings) divided by the sum of all whole loans and subordinate unlevered holdings. Subordinate holdings such as B-Notes and mezzanine loans while structurally levered are considered to be financially unlevered. Actual leverage over the life of PCCP Credit VI is estimated to be 43.1% and as of the date of the performance reported is 41.0%. Actual leverage for the loans in place over the life of PCCP Credit IX is estimated to be 32.2% and as of the date of the performance reported is 24.4%. Actual leverage for the loans in place over the life of PacificCal Debt I is estimated to be 43.7% and as of the date of the performance reported is 30.4%. Actual leverage for the loans in place over the life of PacificCal Debt III is estimated to be 0% and as of the date of the performance reported is 0%. PCCP Credit III, PCCP Credit IV, PCCP Credit V, PCCP Credit VII and PCCP Credit VIII did not or are not expected to use leverage.
- 13) PCCP Credit VII, PCCP Credit VIII, PCCP Credit IX and PacificCal Debt I were not fully invested as of the date of the performance reported. The gross estimated IRR and multiple provided herein for PCCP Credit VII and PCCP Credit VIII are based on the aggregate cash flows for the investments closed as of the date of the performance reported. To calculate the gross and net estimated IRR and multiple that PCCP estimates may be representative of a fully invested fund for Credit IX and PacificCal Debt I, the gross and net estimated IRR and multiple calculations are based on (I) actual and estimated cash flows from in place investments and (II) estimated cash flows from pipeline investments and a hypothetical portfolio of investments sized to gross-up PCCP Credit IX and PacificCal Debt I to a level equal to the estimated total capital committed by investors to PCCP Credit IX and PacificCal Debt I. A gross IRR target equal to PCCP Credit IX's in place and pipeline deals was applied to the hypothetical portfolio of investment cash flows for the Fund and a gross IRR target equal to PacificCal Debt I's target gross IRR was applied to the hypothetical portfolio of investment cash flows for the Fund. Changes in one or more assumed variables in such hypothetical return projection may materially alter the projected results. PCCP is available to model alternative hypotheticals upon request.
- 14) The Fund intends to utilize both structural and financial leverage. Structural leverage may include servicing an originated loan into an "A-note" or "B-note" and selling the "A-note." The Fund's leverage limitations shall only include financial leverage (excluding credit facility borrowings) and will be tested on a portfolio-wide basis and therefore financial leverage on a particular asset may exceed the Fund's leverage limitation so long as the portfolio-wide financial leverage is below the leverage limitation. Although the use of leverage may enhance restrictions, it will also substantially increase the Fund's risk of loss. There can be no assurance that an investment offered by the Fund will achieve comparable results to any performance information contained herein or that targeted returns or other measuring standards will be met.

NOTES ON PERFORMANCE – CONT'D

Notes to the Investment Performance of PCCP's Debt Platform – cont'd:

- 15) CRED utilizes Time-Weighted Returns (“TWR”) as its primary return calculation. TWR is calculated using the Modified Dietz methodology frequently used in the real estate private equity industry for open-end funds. As such, TWRs are calculated on a monthly basis and geometrically linked for the represented time periods. For periods longer than one year, TWRs are annualized. The monthly TWR represents the net income divided by the weighted average capital for that time period. Weighted average capital is the limited partner's beginning capital balances plus daily weighted capital contributions and less daily weighted capital distributions. Gross TWR represents the return before all fees to the Advisors.
- 16) For a complete list of all debt limitations, please refer to Appendix A of the Fund's Confidential Private Placement Memorandum. In addition, PCCP claims compliance with the Global Investment Performance Standards (GIPS®) and has prepared and presented the information set forth in Appendix B in compliance with the GIPS standards. For a complete list of all debt transactions closed by PCCP presented in compliance with the GIPS standards, please refer to Appendix B “GIPS Standards Performance of PCCP's Debt Platform”.
- 17) All unrealized performance information presented throughout this presentation were prepared as of the dates indicated. Such information was prepared at such times in good faith based on a number of fundamental assumptions as of such dates, including assumptions relating to the broader economy, macro and applicable micro economic conditions, the geopolitical landscape, interest rates, availability and pricing of credit, liquidity and depth of transactional markets, health, population, and the environment, etc. With the unprecedented (and to date incurable) advancement of the COVID-19 pandemic, most of those assumptions at the current time appear to be materially off or in a state of suspension. Consequently, all unrealized performance information is at the time of this writing indeterminate, but presumed to be materially lower than those last presented.

PARTNER BIOGRAPHIES



San Francisco

AARON GIOVARA

Partner

Mr. Giovara is one of the founding partners of PCCP, a member of its Investment Committee, and serves as the Head of Asset Management. Mr. Giovara focuses on maximizing performance of the firm's investment portfolio. Additionally, Mr. Giovara is responsible for overseeing the day-to-day asset management of all of the firm's equity investments. Since co-founding the firm in 1998, Mr. Giovara has been a member of the Credit Committee and since 2010 has served as Chair. Over his tenure, Mr. Giovara has led all aspects of underwriting, due diligence, structuring and asset management of loans or equity investments in residential developments, retail centers, hotels, industrial and office buildings. Prior to forming PCCP, Mr. Giovara was a Vice President at Wells Fargo Bank and a Principal in the Real Estate Capital Markets Group (formerly called the Merchant Banking Group,) where he was responsible for originating more than \$600 million of highly leveraged real estate investments. Mr. Giovara received his bachelor's degree in Real Estate and Finance from the University of California, Berkeley. Mr. Giovara is a senior member of the Guardsmen of San Francisco, which helps at-risk youth in the San Francisco Bay area.



Los Angeles

BILL LINDSAY

Partner

Mr. Lindsay is a founding partner of PCCP. Mr. Lindsay is responsible for the investment and operation of PCCP's equity investment vehicles. Prior to forming PCCP, Mr. Lindsay was Co-Head of the real estate department at Gibson, Dunn & Crutcher LLP. From 1986 to 1987, Mr. Lindsay served as a law clerk to Chief Justice William H. Rehnquist on the U.S. Supreme Court. Mr. Lindsay received his bachelor's degree from Dartmouth College. Mr. Lindsay received his J.D. from the Boalt Hall School of Law at the University of California, Berkeley and is a member of the Board of Directors of the Center Theatre Group in Los Angeles, California. He is a member of the Pension Real Estate Association and National Association of Real Estate Investment Managers.



San Francisco

BRIAN HEAFEY

Partner

Mr. Heafey is a partner and is responsible for PCCP's debt portfolio management, serving as the fund manager for its various debt investment vehicles. Having joined PCCP in 2000, his fund management experience at the firm includes overseeing \$2.4 billion in lending capacity for PCCP Credit VI. Mr. Heafey also serves as the fund manager for PCCP Credit IX. Previously, Mr. Heafey was head of investment and portfolio management for both PCCP's equity and debt portfolios and managed PCCP's joint venture that originated over \$3.8 billion of commercial real estate loans. Prior to joining PCCP, Mr. Heafey was a Consulting Manager for E&Y Kenneth Leventhal Real Estate Group throughout Asia and the United States. During that time, Mr. Heafey oversaw the acquisition of loans in Japan, served as a consultant in connection with sales of financial assets for the Financial Sector Restructuring Authority of Thailand and managed sales of over \$1 billion in loans and other financial assets for the Bank of Tokyo Mitsubishi and Mitsui Trust. Mr. Heafey's experience also includes Resolution Trust Company asset dispositions, underwriting CMBS issuances and loan workouts. Mr. Heafey received his bachelor's degree from Stanford University. He is a Trustee for St. Ignatius College Preparatory and a board member of Rose Court, a low-income housing development.

PARTNER BIOGRAPHIES



San Francisco

BRYAN THORNTON

Partner

Mr. Thornton joined PCCP in 1999 and oversees the management of PCCP's equity business, including the implementation of fund and individual client strategies and portfolio management. Prior to joining PCCP, Mr. Thornton was a Real Estate Finance Officer at Nomura, where he was responsible for construction loan origination and balance sheet asset dispositions. His experience also includes work as an Associate with Capital Trust, where he underwrote and closed mezzanine investment opportunities as well as managed distressed loan workout pools including the restructuring of the firm's equity and mezzanine holdings. Mr. Thornton earned his bachelor's degree in Economics from the Wharton School at the University of Pennsylvania. He is a member of the Urban Land Institute, the University of Pennsylvania Swim Team Board and Lambda Alpha International. In connection with Urban Land Institute, Mr. Thornton is the current chairman of the national curriculum for ULI's UrbanPlan program which works with high school seniors on the challenges of communities and developing a built environment.



San Francisco

DONALD H. KUEMMELER

Partner

Mr. Kuemmel is a founding partner of PCCP. Mr. Kuemmel is co-managing partner and the leader of PCCP's debt business. Mr. Kuemmel has presided over the firm's growth in assets to over \$7 billion including the absorption of the Lehman Brothers Real Estate Mezzanine Partners business in 2008. Prior to forming PCCP in 1998, Mr. Kuemmel held senior management positions at Wells Fargo Bank in the Real Estate Merchant Banking and Workout Groups. During his 13-year tenure, Mr. Kuemmel managed and restructured shared national credits across the U.S. on behalf of Wells Fargo. Mr. Kuemmel earned his bachelor's degree in Business Administration from the University of California, Berkeley and his master's degree in Finance and Real Estate from the University of California, Berkeley's Haas School of Business. Mr. Kuemmel is a member of the Fisher Center for Real Estate, the Urban Land Institute and International Council of Shopping Centers. Mr. Kuemmel also is a frequent speaker and panelist at professional real estate conferences and investment venues across the country.



San Francisco

ERIK FLYNN

Partner

Mr. Flynn joined PCCP in May 2004 and is responsible for running the debt and equity originations effort for the San Francisco office. In addition to managing the originations team in San Francisco, Mr. Flynn spearheads the new investment sourcing effort, for both debt and equity, in Northern California and the Pacific Northwest. During his tenure at PCCP, Mr. Flynn has closed nearly 100 debt and equity transactions representing over \$2.5 billion of invested capital. Prior to joining PCCP, Mr. Flynn worked in the asset management group of Unico Properties, an investment real estate and operating company headquartered in Seattle, where he focused on the investment performance of their west coast office portfolio. Mr. Flynn received a B.S. in Finance and Information Systems from Boston College.

PARTNER BIOGRAPHIES



Los Angeles

GREG EBERHARDT

Partner

Mr. Eberhardt joined PCCP in 2000. Mr. Eberhardt is responsible for overseeing investor services, including raising investment capital for PCCP's debt and equity platforms, and oversight of investor relations. Mr. Eberhardt has oversight of project level finance and assists in the development of investment strategy. Prior to joining PCCP, Mr. Eberhardt was Vice President at Maguire Partners in Los Angeles where he was responsible for oversight of project finance for an institutional real estate portfolio comprising 15 million square feet of existing and development investments. Prior to that, Mr. Eberhardt worked as a Portfolio Manager for MetLife Real Estate Investments in Los Angeles. Mr. Eberhardt received his bachelor's degree in Engineering from California State University, Northridge. Mr. Eberhardt received a master's degree from the Marshall School of Business at University of Southern California.



Los Angeles

JED LASSERE

Partner

Mr. Lassere serves as Head of Originations and is a member of the Investment Committee. Mr. Lassere joined PCCP in June 2002 and has closed more than \$3 billion of debt and equity investments during his career. Prior to joining PCCP, Mr. Lassere was a Senior Consultant in the Real Estate Advisory Practice of Ernst & Young. At Ernst & Young, Mr. Lassere specialized in strategy and capital markets engagements while working for a wide variety of clients from public REITs to Fortune 500 corporations. Mr. Lassere received a B.A. in Business Economics from the University of California, Los Angeles.



San Francisco

JIM GALOVAN

Partner

Mr. Galovan joined PCCP in February of 2008. Mr. Galovan's primary responsibility is originations, with a focus on debt and equity investments in the Western United States. He has originated over \$1 billion of multi-family, office, retail, industrial and other investments for PCCP since 2008. Mr. Galovan oversees all aspects of sourcing, underwriting, negotiating and conducting due diligence for new investments. He also manages several of PCCP's equity relationships with large U.S. pension plans. Prior to joining PCCP, Mr. Galovan spent five years in northern California as a Vice President at Woodside Group, Inc., a national developer of residential real estate. Mr. Galovan received a B.A. in both History and Business Management from Brigham Young University and an M.B.A. from Harvard Business School.

PARTNER BIOGRAPHIES



New York

JOHN RANDALL

Partner

Mr. Randall joined PCCP in December 2009 and focuses on East Coast originations for the Firm. Since joining PCCP, Mr. Randall has originated equity and debt business in over a dozen states and in excess of \$1 billion. Prior to PCCP, Mr. Randall spent six years and invested over \$1 billion in real estate debt and preferred equity positions within the Real Estate Private Equity group of Lehman Brothers. Prior to Lehman Brothers, Mr. Randall was a Vice President with Deutsche Bank, originating and underwriting mezzanine investments for the DB Real Estate Mezzanine Investment Funds. Mr. Randall's experience also includes work at Daiwa Securities originating and structuring conduit loans for their CMBS group. Mr. Randall started his career with Arthur Andersen and Jones Lang Wootton where he valued over \$1 billion of real estate in the U.S. and Latin America. Mr. Randall has over 20 years of real estate experience and holds a B.A. in Economics from Bowdoin College, magna cum laude, and an M.B.A. from the Wharton School of the University of Pennsylvania.



San Francisco

LAUREN YOUNG

Partner

Mrs. Young is a Partner and serves as Chief Risk Officer and Chief Compliance Officer at PCCP. She is a member of the firm's Executive Committee. Ms. Young joined PCCP in 2003, and her responsibilities have included Head of Portfolio Management, responsible for PCCP's equity investment vehicles and portfolio operations and Head of Equity Asset Management, responsible for implementing asset management strategies for the firm's \$2.5 billion equity platform. Other responsibilities have included portfolio manager for two opportunistic commingled equity funds and four value-add equity joint ventures, as well as serving on the firm's credit and workout committees in 2008 and 2009. Prior to her corporate and management roles, Ms. Young focused on acquisitions, debt origination, and asset management with a focus on northern California and Colorado, having originated equity, mezzanine, and senior debt transactions totaling more than \$1.2 billion in commitments to condominium, retail, land, office, multifamily, and industrial projects throughout the United States.

Prior to PCCP, Ms. Young held management consulting, strategic planning, and market intelligence roles at Mercer Management Consulting and Philips Electronics Hong Kong. Ms. Young received her A.B. in Economics magna cum laude from Harvard University and holds an M.B.A. from Stanford University. She is a Board Member and 2019 President of the San Francisco Bay Area chapter of the National Association of Office and Industrial Properties (NAIOP).



Los Angeles

STEVE TOWLE

Partner

Mr. Towle joined PCCP in 2006. Mr. Towle is Chief Financial Officer and is responsible for corporate finance and strategy, tax structuring, and operations. Prior to joining PCCP, Mr. Towle was Vice President of Finance at Lowe Enterprises Investors overseeing the finance and accounting team and was responsible for corporate and investor reporting for several equity commingled funds and separate accounts. Prior to that, Mr. Towle was a senior manager in the audit practice of Ernst & Young specializing in real estate and focused on real estate investment advisors, private equity funds and homebuilding. Mr. Towle received his bachelor's degree in accounting from the University of Southern California.

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #7

Presentation and discussion of FY-20 third quarter investment performance and current asset allocation

QUARTERLY PERFORMANCE REPORT

Oklahoma Tobacco Settlement Endowment Trust Fund



Quarter Ending March 31, 2020

Don Stracke, CFA, CAIA, Senior Consultant

Tony Ferrara, CAIA, Consultant

Lisa Lang and Roseann Woodford, Performance Analysts



BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | PORTLAND | SAN FRANCISCO

MARKET ENVIRONMENT UPDATE & OUTLOOK

NEPC, LLC

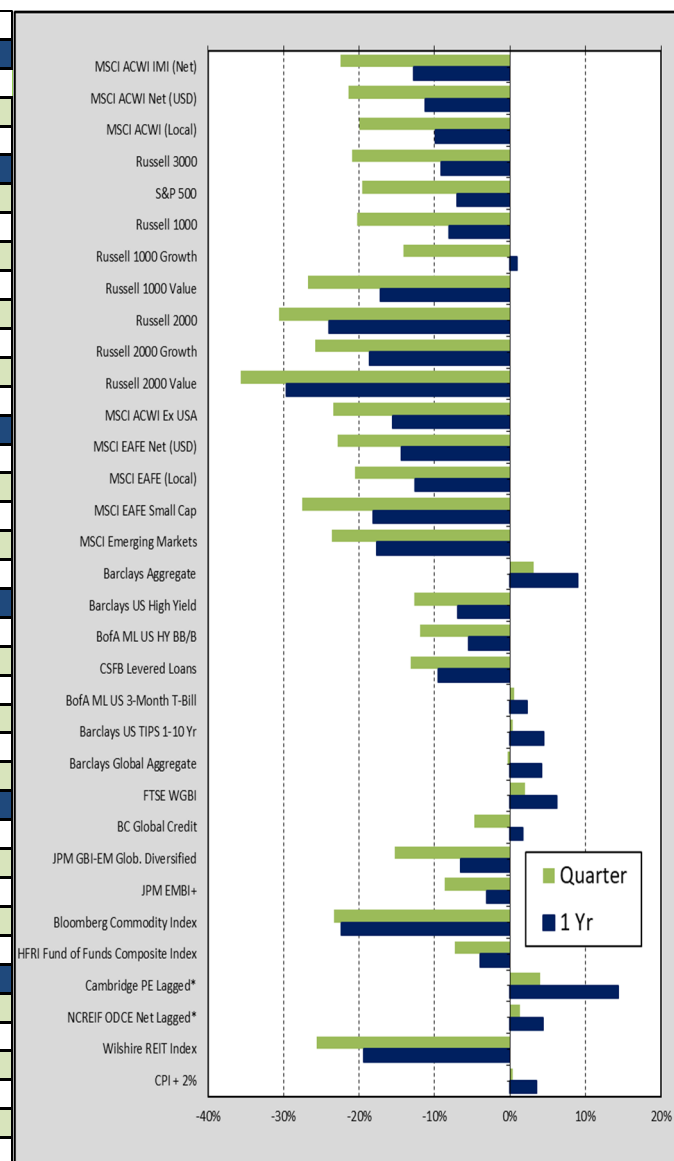
ECONOMIC ENVIRONMENT

- **Q1 Real GDP (advance estimate) decreased at an annual rate of 4.8%.**
 - Retail sales ended January at +4.5% on a YoY basis. In the same period last year the YoY growth rate was 1.9%.
 - Corporate profits (ended September) as a percent of GDP increased to 8.8% from 8.5% (in June) and remain elevated relative to historical levels.
 - The inventory-to-sales ratio ended January flat at 1.4 from December levels and has remained relatively constant since early 2010.
 - The U.S. trade deficit fell ended January (-6.7%) as imports fell and exports fell due to the coronavirus.
- **The unemployment rate ticked up to 4.4% ended March, up from 3.6% in Q4; U-6, a broader measure of unemployment, increased to 8.7% in Q1 from 6.7% in Q4.**
- **The Case-Shiller Home Price Index (ended February) increased to 213.2 from 212.4 (in December) and remains at levels higher than that of pre-financial crisis levels of 150.9.**
- **Rolling 12-month seasonally-adjusted CPI saw a down-tick to 1.52% in Q1 from 2.29% ended Q4; Capacity Utilization decreased to 72.7% from 77.1% in Q1.**
- **Fed Funds rate was cut 1.50% to a targeted range of 0.00%-to-0.25%. The 10-year Treasury Yield (constant maturity) finished Q1 down to 0.9% from 1.9%.**
- **The Fed announced an unlimited expansion of the balance sheet to support the US economy. This move expanded on previous announcements for smaller QE denominations**
- **S&P valuations decreased in Q1 to 24.9x, and is lower than the 10-year average of 25.8x.**
 - Cyclically adjusted Shiller PE ratio remains above the long-term average of 16.7x



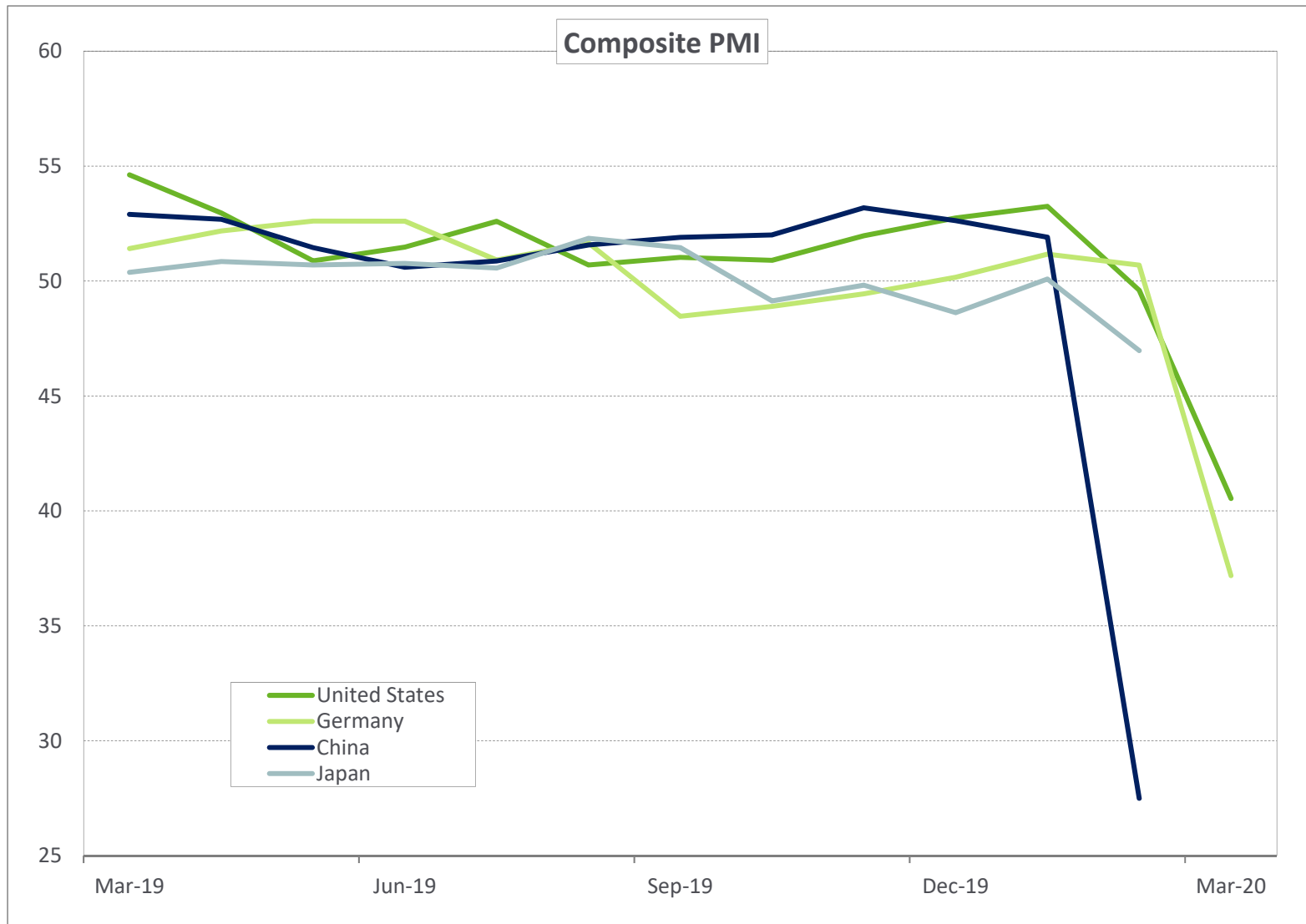
MARKET ENVIRONMENT – Q1 2020 OVERVIEW

		Qtr.	1 Yr.	3 Yr.	5 Yr.	10 Yr.
World Equity Benchmarks						
MSCI ACWI IMI (Net)	World with Small Cap	-22.44%	-12.73%	0.76%	2.45%	5.80%
MSCI ACWI Net (USD)	World W/O Small Cap	-21.37%	-11.26%	1.50%	2.85%	5.88%
MSCI ACWI (Local)	World (Local Currency)	-19.97%	-9.87%	1.69%	3.14%	6.80%
Domestic Equity Benchmarks						
Russell 3000	Domestic All Cap	-20.90%	-9.13%	4.00%	5.77%	10.15%
S&P 500	Large Core	-19.60%	-6.98%	5.10%	6.73%	10.53%
Russell 1000	Large Core	-20.22%	-8.03%	4.64%	6.22%	10.39%
Russell 1000 Growth	Large Growth	-14.10%	0.91%	11.32%	10.36%	12.97%
Russell 1000 Value	Large Value	-26.73%	-17.17%	-2.18%	1.90%	7.67%
Russell 2000	Small Core	-30.61%	-23.99%	-4.64%	-0.25%	6.90%
Russell 2000 Growth	Small Growth	-25.77%	-18.58%	0.10%	1.70%	8.89%
Russell 2000 Value	Small Value	-35.66%	-29.64%	-9.51%	-2.42%	4.79%
International Equity Benchmarks						
MSCI ACWI Ex USA	World ex-US	-23.36%	-15.57%	-1.96%	-0.64%	2.05%
MSCI EAFE Net (USD)	Int'l Developed	-22.83%	-14.38%	-1.82%	-0.62%	2.72%
MSCI EAFE (Local)	Int'l Developed (Local Currency)	-20.55%	-12.58%	-1.80%	-0.15%	4.36%
MSCI EAFE Small Cap	Small Cap Int'l	-27.52%	-18.15%	-2.88%	0.97%	4.81%
MSCI Emerging Markets	Emerging Equity	-23.60%	-17.69%	-1.62%	-0.37%	0.68%
Domestic Fixed Income Benchmarks						
Barclays Aggregate	Core Bonds	3.15%	8.93%	4.82%	3.36%	3.88%
Barclays US High Yield	High Yield	-12.69%	-6.94%	0.76%	2.78%	5.64%
BofA ML US HY BB/B	High Yield	-11.88%	-5.46%	1.31%	2.92%	5.63%
CSFB Levered Loans	Bank Loans	-13.19%	-9.51%	-0.73%	1.21%	3.26%
BofA ML US 3-Month T-Bill	Cash	0.57%	2.26%	1.83%	1.19%	0.64%
Barclays US TIPS 1-10 Yr	Inflation	0.31%	4.50%	2.54%	2.18%	2.52%
Global Fixed Income Benchmarks						
Barclays Global Aggregate	Global Core Bonds	-0.33%	4.20%	3.55%	2.64%	2.47%
FTSE WGBI	World Gov. Bonds	2.00%	6.17%	4.27%	2.96%	2.19%
BC Global Credit	Global Bonds	-4.68%	1.67%	3.09%	2.42%	3.39%
JPM GBI-EM Glob. Diversified	Em. Mkt. Bonds (Local Currency)	-15.21%	-6.52%	-0.80%	0.25%	0.49%
JPM EMBI+	Em. Mkt. Bonds	-8.67%	-3.13%	0.53%	2.93%	4.77%
Alternative Benchmarks						
Bloomberg Commodity Index	Commodities	-23.29%	-22.31%	-8.61%	-7.76%	-6.74%
HFRI Fund of Funds Composite Index	Fund of Hedge Funds	-7.30%	-3.94%	0.50%	0.33%	1.91%
Cambridge PE Lagged*	Private Equity	4.03%	14.33%	14.07%	12.14%	13.81%
NCREIF ODCE Net Lagged*	Real Estate	1.27%	4.39%	6.13%	7.99%	10.39%
Wilshire REIT Index	REIT	-25.63%	-19.39%	-2.50%	-0.19%	7.66%
CPI + 2%	Inflation/Real Assets	0.31%	3.55%	3.96%	3.84%	3.76%



* As of 12/31/2019

GLOBAL ECONOMY EXPECTED TO CONTRACT



Source: Markit, FactSet



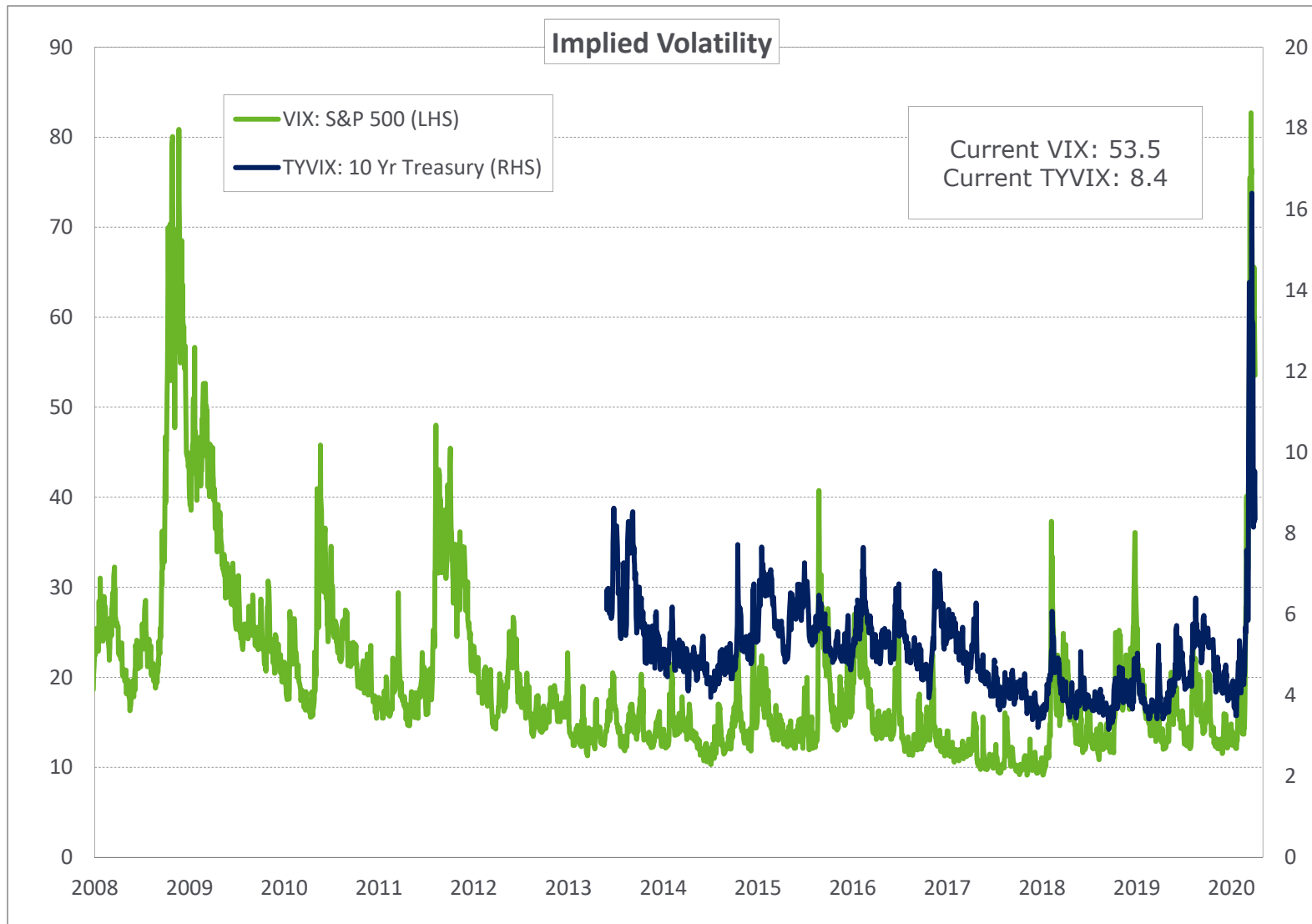
MONETARY AND FISCAL RESPONSES

Fed Action	Description
Fed Rate Cuts	The Fed cut rates in two emergency sessions by a total of 1.50% to a range of 0.00% - 0.25%.
Balance Sheet Expansion	The Fed announced an unlimited expansion of the balance sheet to support the US economy. This move expanded on previous announcements for smaller QE denominations
Liquidity Support Facilities	The Fed announced additional measures to ensure market liquidity, including facilities to support money market funds, commercial paper, and broad credit support systems
Credit Support Facilities	The Fed established programs aimed at supporting consumers and businesses, such as the Term Asset-Backed Securities Loan Facility (TALF) and a Main Street Business Lending Program. These programs provide preferential borrower agreements, such as deferred interest and principal payments, for consumers and small businesses.

US Government Action	Description
Families First Coronavirus Response Act	The bill was passed to provide sick leave, expand food assistance and unemployment benefits, and provide additional protection for health care employees
Fiscal Stimulus Package	Congress is finalizing a \$2 trillion economic stimulus package aimed at providing direct financial assistance, expanded benefits programs, and loans to individuals, small businesses, and industries impacted by COVID-19



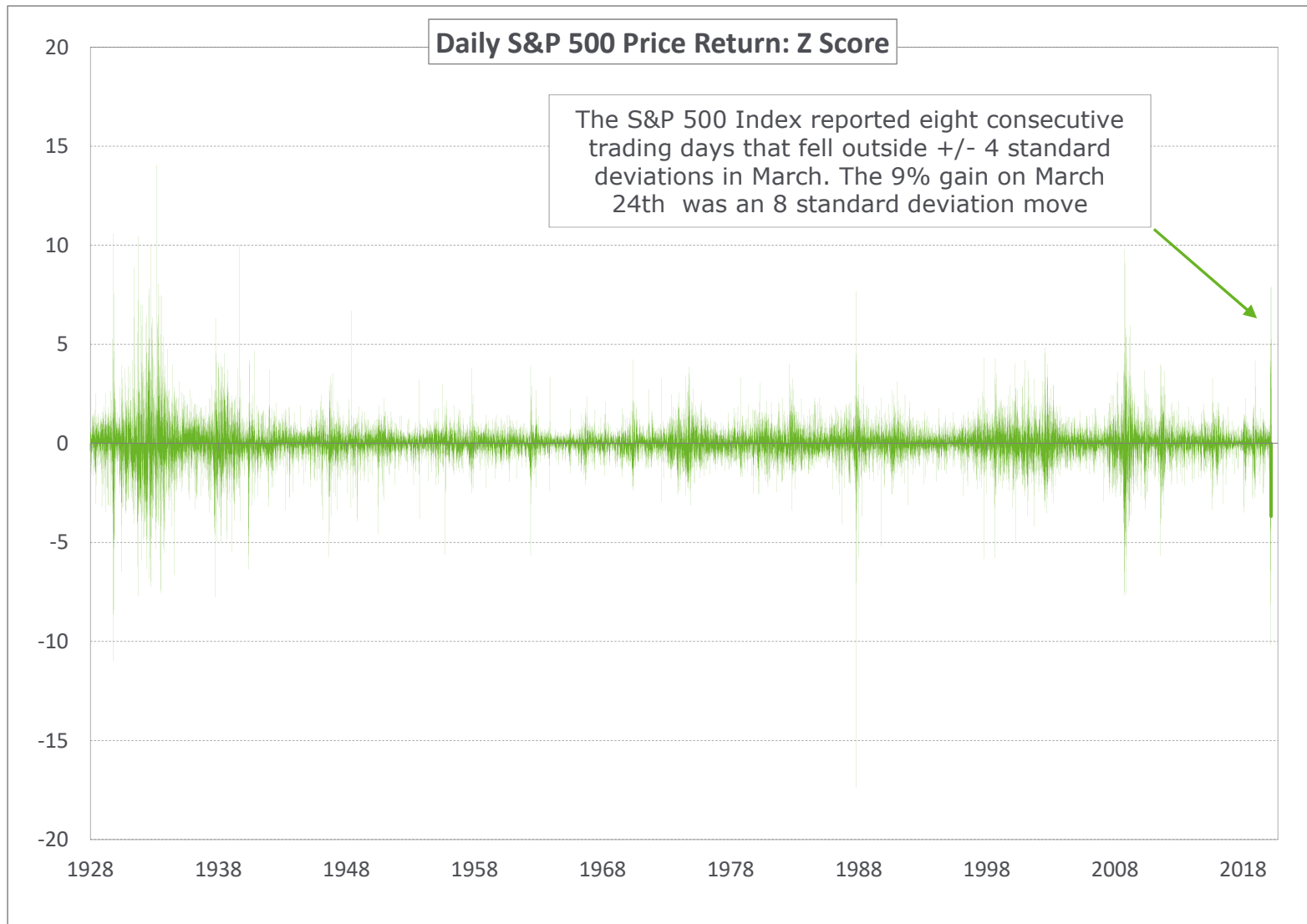
CORRELATIONS AND VOLATILITY ARE ELEVATED



Source: CBOE, FactSet
Data as of 3/31/2020



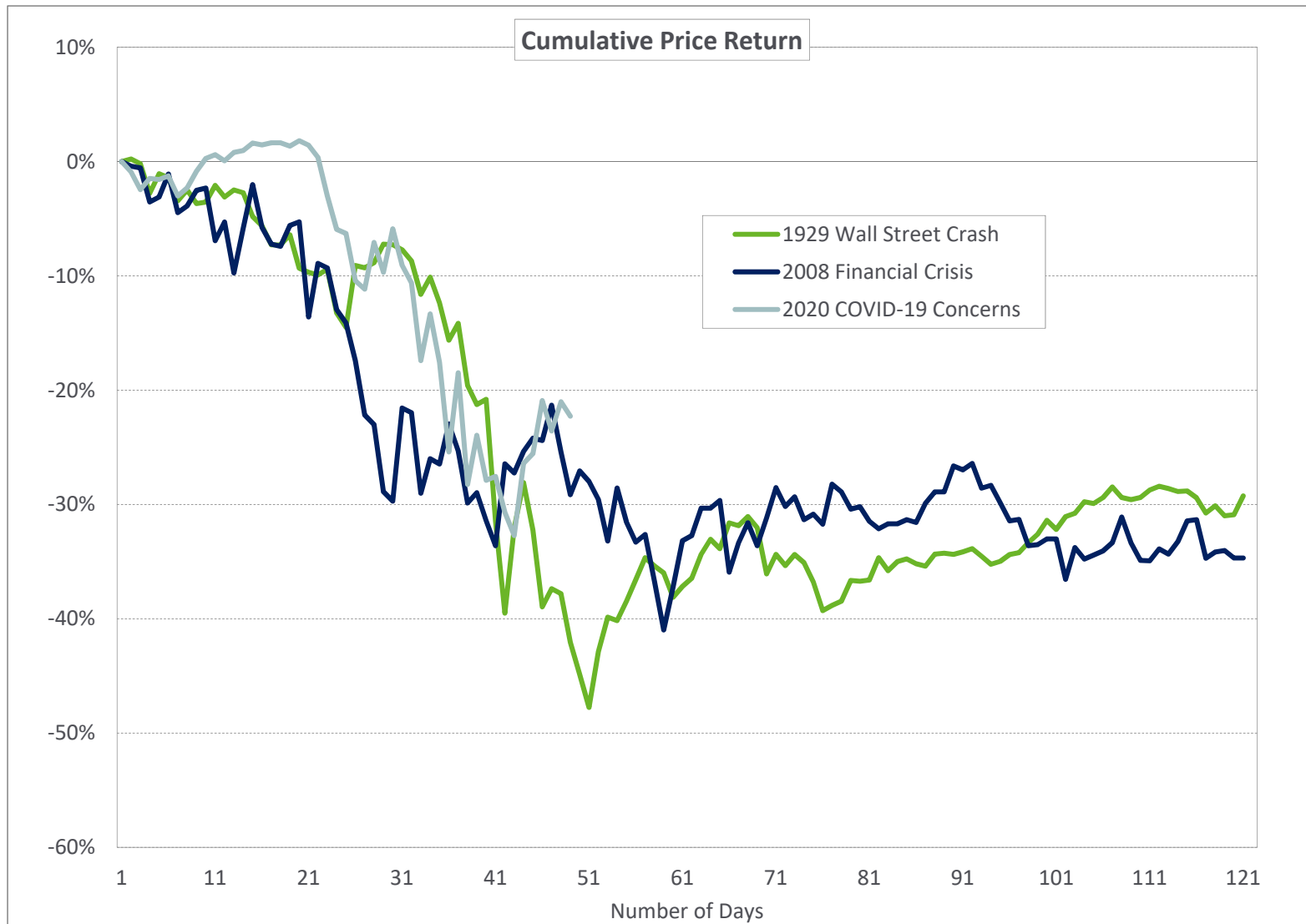
ABNORMALLY LARGE PRICE MOVEMENTS



Source: S&P, FactSet
Calculated of as 1/04/28 - 3/31/2020



US EQUITY DURING MARKET DELEVERAGING

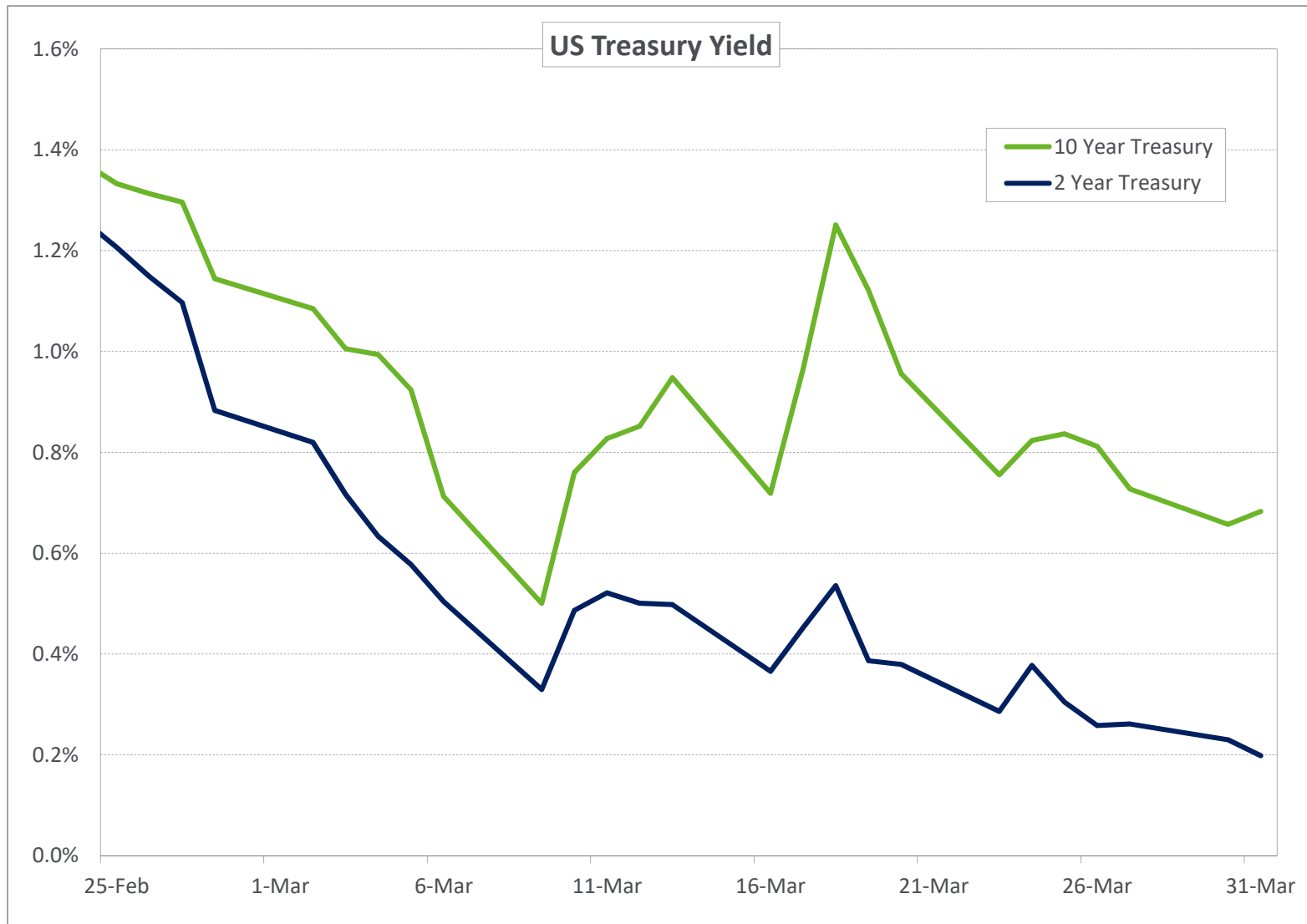


Source: S&P, Dow Jones, FactSet

Financial Crisis represents S&P returns from 9/1/2008 – 3/9/2009; Wall Street Crash represents Dow Jones returns from 8/30/1929 – 2/26/1930; COVID-19 represents S&P returns from 1/23/2020 (representing the start of the Wuhan, China lockdown) – 3/31/2020



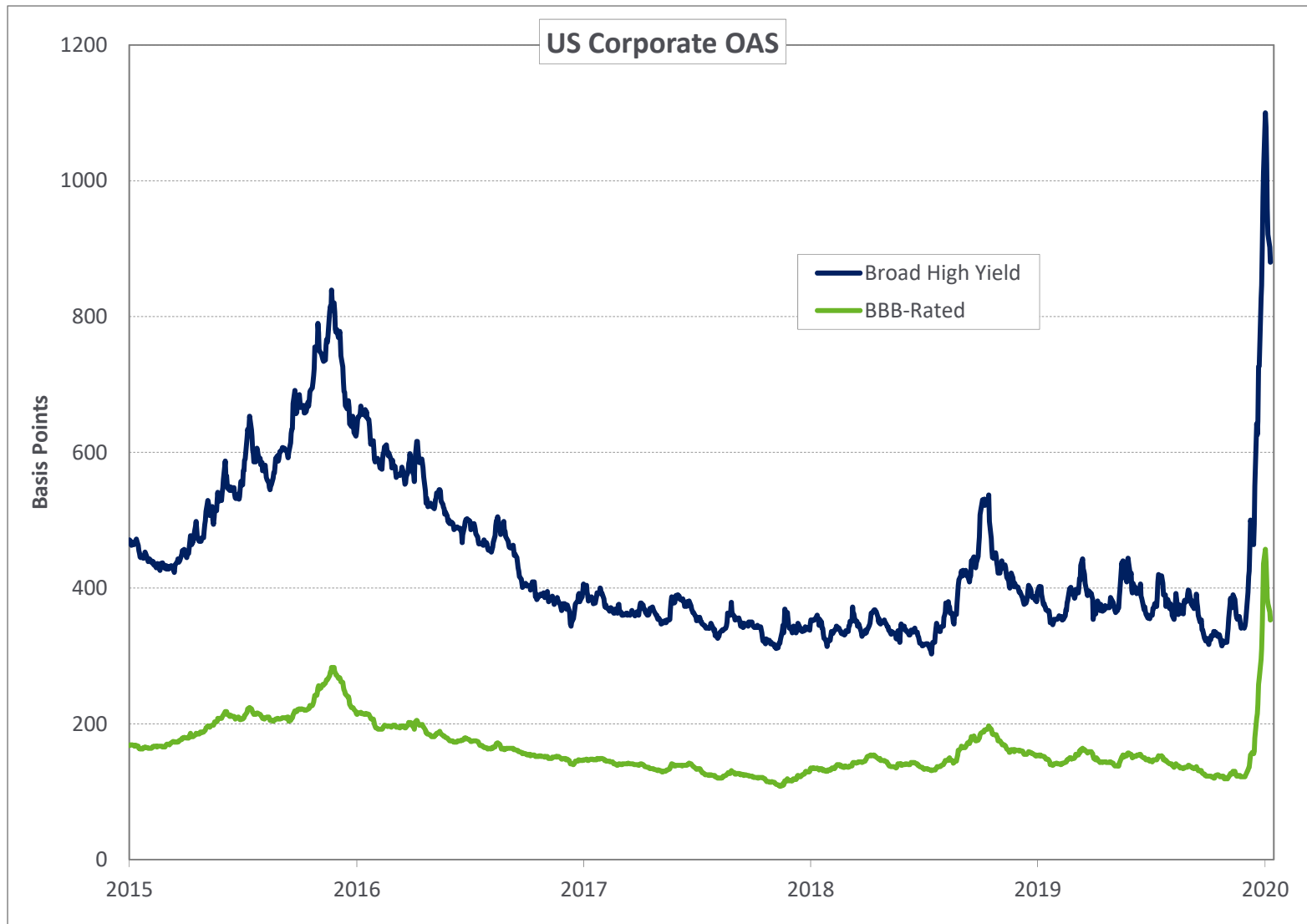
U.S. TREASURY YIELDS ARE STRESSED



Source: FactSet
Data as of 3/31/2020



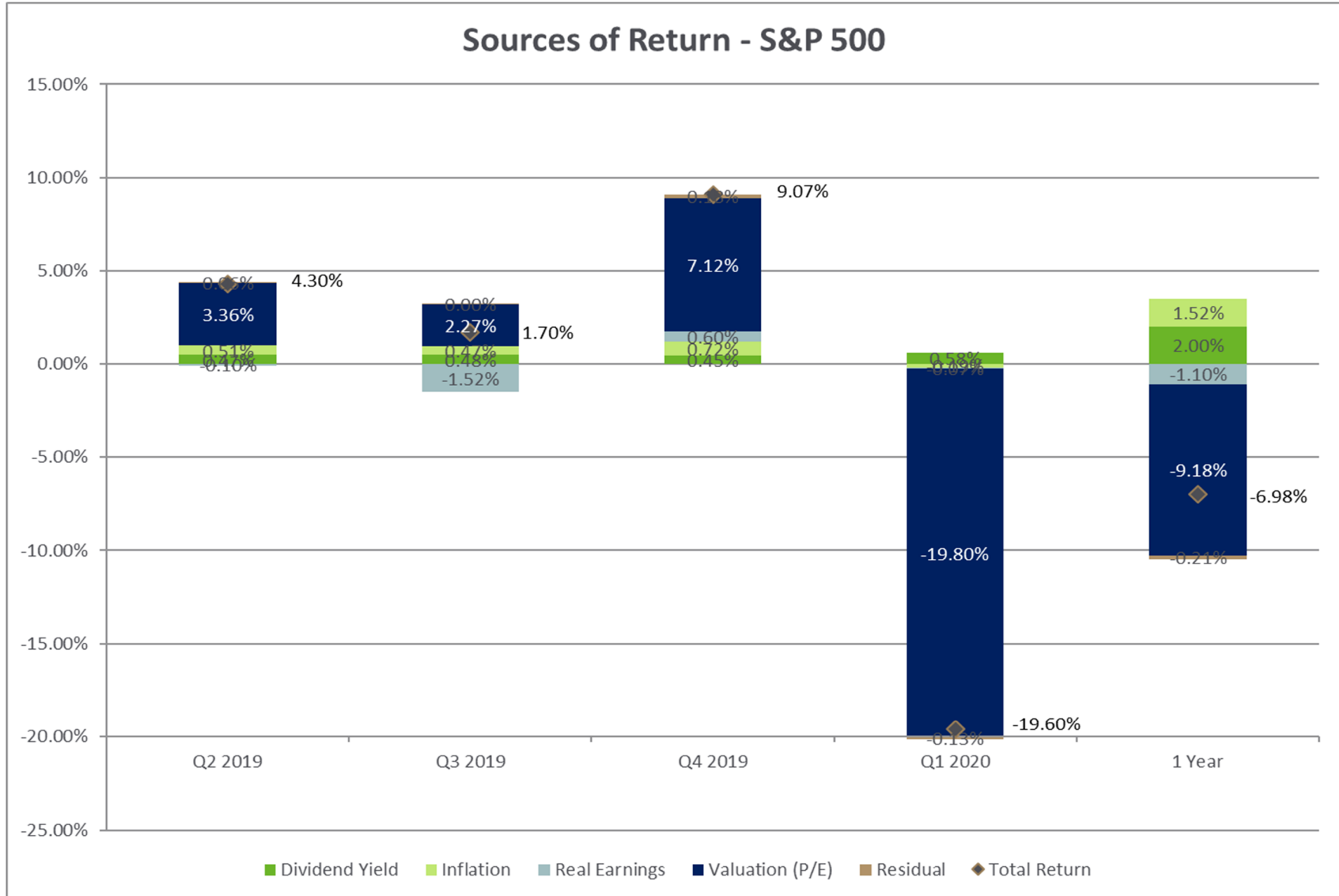
CREDIT SPREADS HAVE WIDENED



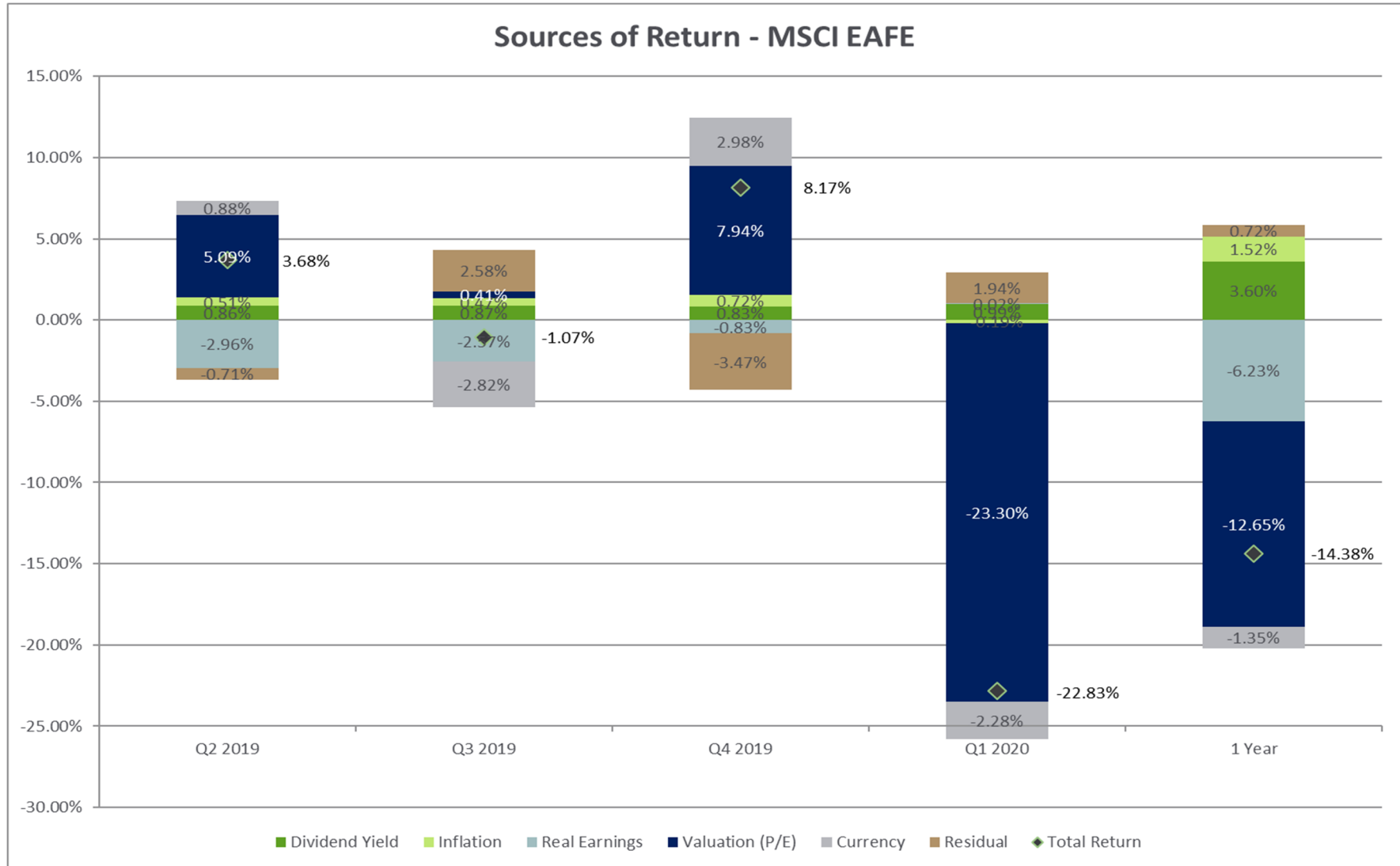
Source: Bloomberg, FactSet
Data as of 3/31/2020



1 YEAR ATTRIBUTION OF S&P 500 RETURNS



1 YEAR ATTRIBUTION OF MSCI EAFE RETURNS



Spot Rates

1 USD = 0.880 Euro

1 USD = 0.917 Euro

1 USD = 0.891 Euro

1 USD = 0.901 Euro



Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE SUMMARY

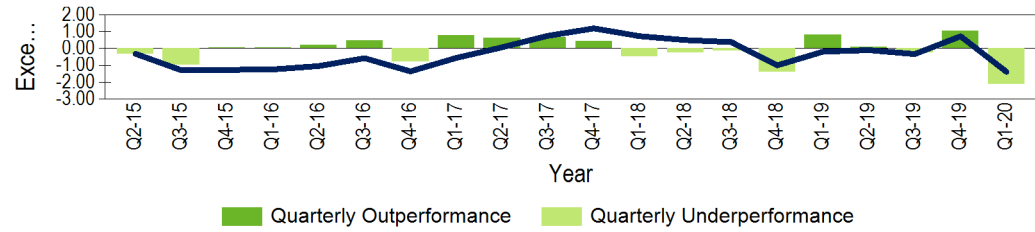
	Market Value	3 Mo	Rank	Fiscal YTD	Rank	1 Yr	Rank	3 Yrs	Rank	5 Yrs	Rank	7 Yrs	Rank	10 Yrs	Rank
Total Fund	\$1,144,917,568	-14.7%	50	-10.0%	58	-7.6%	65	1.7%	51	2.9%	33	4.1%	56	5.3%	51
<i>Policy Index</i>		-12.6%	23	-8.5%	31	-6.1%	39	2.2%	35	3.3%	20	4.7%	35	5.7%	36
<i>Allocation Index</i>		-12.7%	25	-8.4%	30	-6.0%	36	2.2%	34	3.3%	20	4.5%	40	5.5%	42
<i>60% MSCI World (Gross) / 40% FTSE WGBI</i>		-12.2%	20	-7.0%	19	-3.3%	15	3.5%	9	3.7%	11	4.6%	38	5.4%	47
<i>InvMetrics All Endowment Net Median</i>		-14.7%		-9.7%		-7.0%		1.8%		2.5%		4.2%		5.3%	

- The Trust's performance over the last five year period was 2.9% net of fees, ranking in the 33rd percentile. The risk-adjusted returns over this period rank in the top half of a universe of the Trust's peers, with the Trust's assets totaling \$1.14 billion.

- Over the three year period, the Trust had a 1.7% net of fee return ranking in the 51st percentile.

- The one year return was -7.6% net of fees ranking in the 65th percentile, underperforming the Trust's objective of the 5.0% spending rate plus inflation.

Quarterly and Cumulative Excess Performance



3 Years Ending March 31, 2020								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Total Fund	1.7%	51	9.4%	35	0.0	51	0.0	51
Allocation Index	2.2%	34	8.2%	15	0.1	32	0.1	33
Policy Index	2.2%	35	7.9%	13	0.1	32	0.1	34

5 Years Ending March 31, 2020								
	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Sharpe Ratio	Rank	Sortino Ratio RF	Rank
Total Fund	2.9%	33	8.2%	28	0.2	31	0.2	35
Allocation Index	3.3%	20	7.0%	11	0.3	13	0.3	18
Policy Index	3.3%	20	6.9%	10	0.3	12	0.3	18

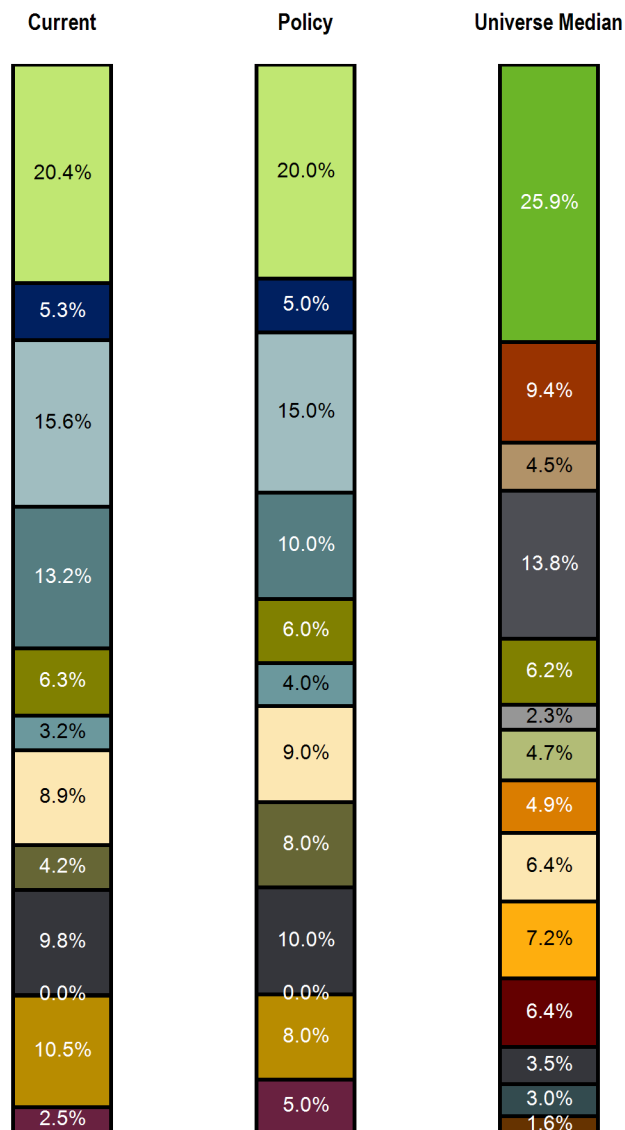
*Fiscal Year ends June 30.

*Performance returns are reported net of fees unless otherwise noted.

*As of 1/1/2019, the policy index was changed to 20% Russell 1000, 17% 3-Month LIBOR + 3%, 15% MSCI ACWI ex US, 10% Barclays Agg, 6% 91 Day T-Bill + 2%, 8% NCREIF Property Index, 8% 3-Month LIBOR + 5%, 6% BofA Merrill Lynch US High Yield BB-B Rated, 5% Russell 2500, 5% Alerian MLP Index.

Oklahoma Tobacco Settlement Endowment

TOTAL FUND ASSET ALLOCATION



Asset Class	Asset Allocation vs. Target					Within Range
	Current	Current	Policy	Difference*	Policy Range	
Domestic Equity	--	--	--	0.0%	--	No
Large Cap Equity	\$233,917,198	20.4%	20.0%	0.4%	15.0% - 25.0%	Yes
Small/Mid Cap Equity	\$60,663,468	5.3%	5.0%	0.3%	2.0% - 8.0%	Yes
Non-US Equity	\$179,107,302	15.6%	15.0%	0.6%	10.0% - 20.0%	Yes
Global Equity	--	--	--	0.0%	--	No
Equity - Emerging	--	--	--	0.0%	--	No
Domestic Fixed Income	--	--	--	0.0%	--	No
Core Bonds	\$151,363,479	13.2%	10.0%	3.2%	5.0% - 15.0%	Yes
High Yield	\$71,893,816	6.3%	6.0%	0.3%	4.0% - 10.0%	Yes
Emerging Market Debt	--	--	--	0.0%	--	No
Fixed Income - Global	--	--	--	0.0%	--	No
Dynamic Fixed Income	\$37,120,216	3.2%	4.0%	-0.8%	4.0% - 11.0%	No
Balanced	--	--	--	0.0%	--	No
GTAA	\$102,050,805	8.9%	9.0%	-0.1%	5.0% - 15.0%	Yes
Private Debt	\$48,053,544	4.2%	8.0%	-3.8%	2.0% - 10.0%	Yes
Private Equity	--	--	--	0.0%	--	No
Hedge Funds	--	--	--	0.0%	--	No
Real Estate	\$112,563,892	9.8%	10.0%	-0.2%	0.0% - 10.0%	Yes
Real Assets	--	--	--	0.0%	--	No
Cash	\$8,686	0.0%	0.0%	0.0%	0.0% - 5.0%	Yes
Absolute Return Fixed Income	\$119,944,883	10.5%	8.0%	2.5%	5.0% - 15.0%	Yes
MLPs	\$28,230,277	2.5%	5.0%	-2.5%	0.0% - 10.0%	Yes
Total	\$1,144,917,568	100.0%	100.0%			

*Difference between Policy and Current Allocation

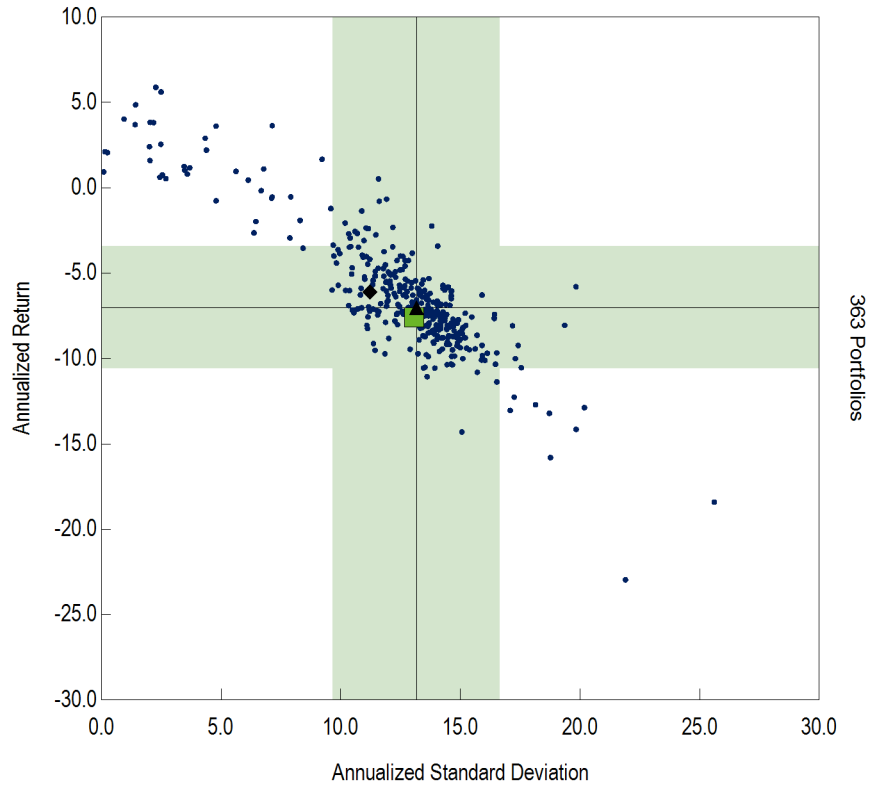
Universe Median: InvestorForce All Endowment Net



Oklahoma Tobacco Settlement Endowment

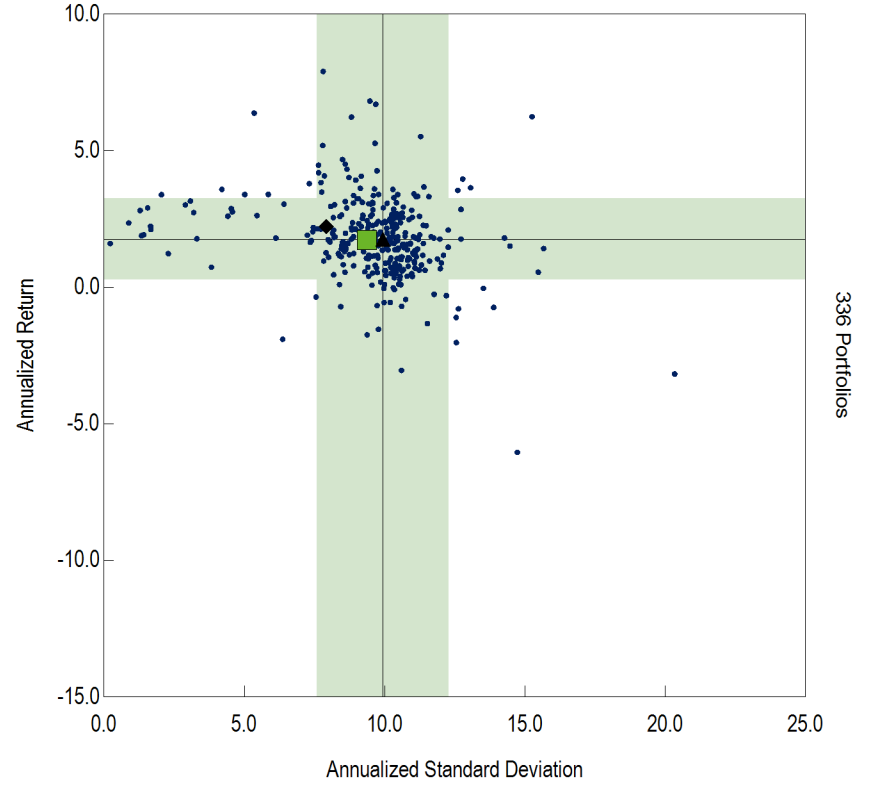
TOTAL FUND RISK/RETURN

1 Year Ending March 31, 2020



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All Endowment Net

3 Years Ending March 31, 2020

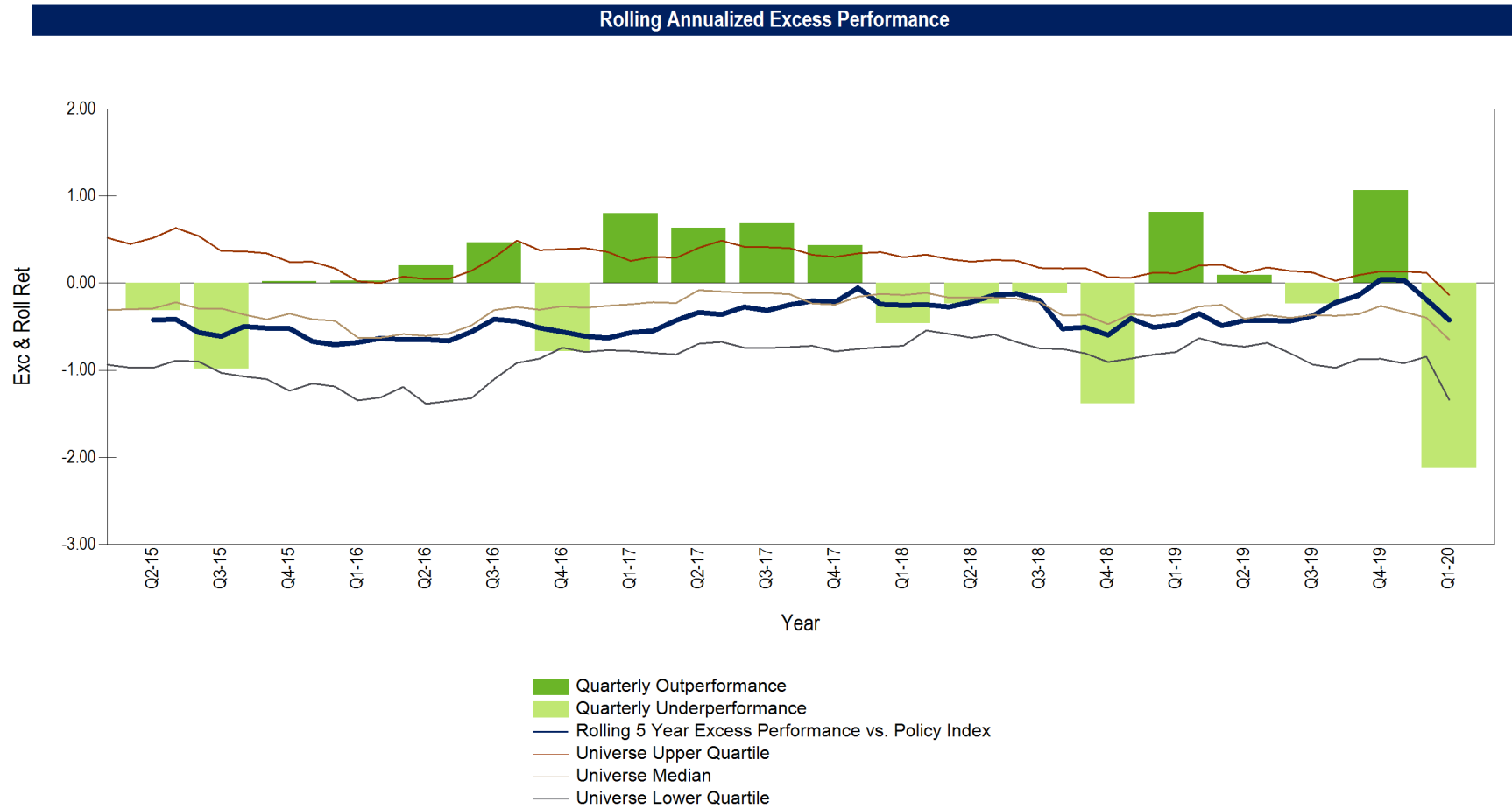


- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All Endowment Net



Oklahoma Tobacco Settlement Endowment

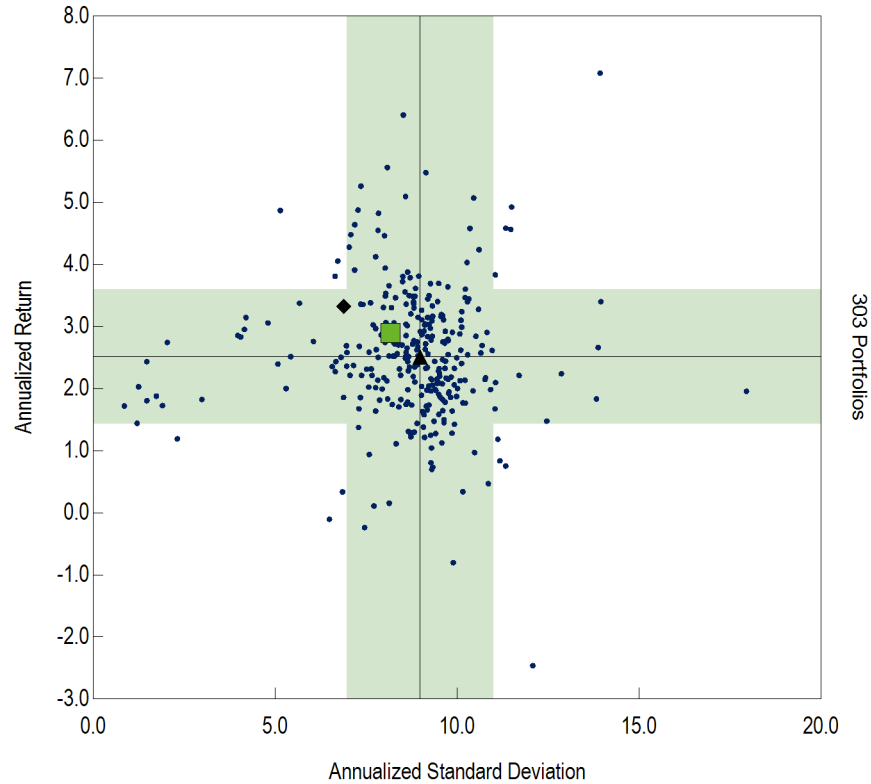
ROLLING 5 YEAR EXCESS RETURN



Oklahoma Tobacco Settlement Endowment

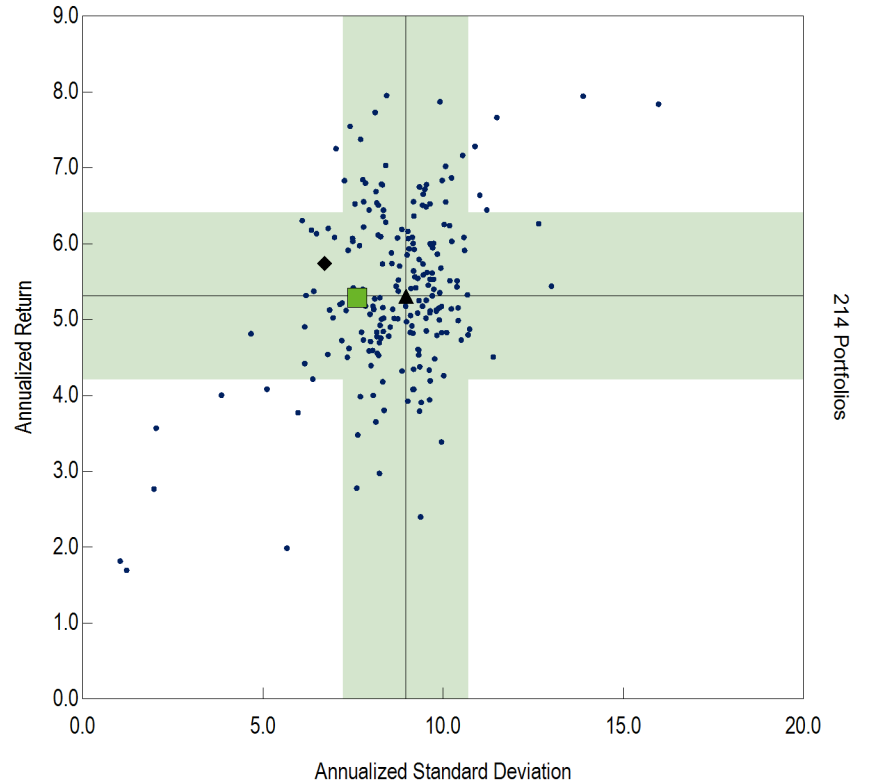
TOTAL FUND RISK/RETURN

5 Years Ending March 31, 2020



- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All Endowment Net

10 Years Ending March 31, 2020



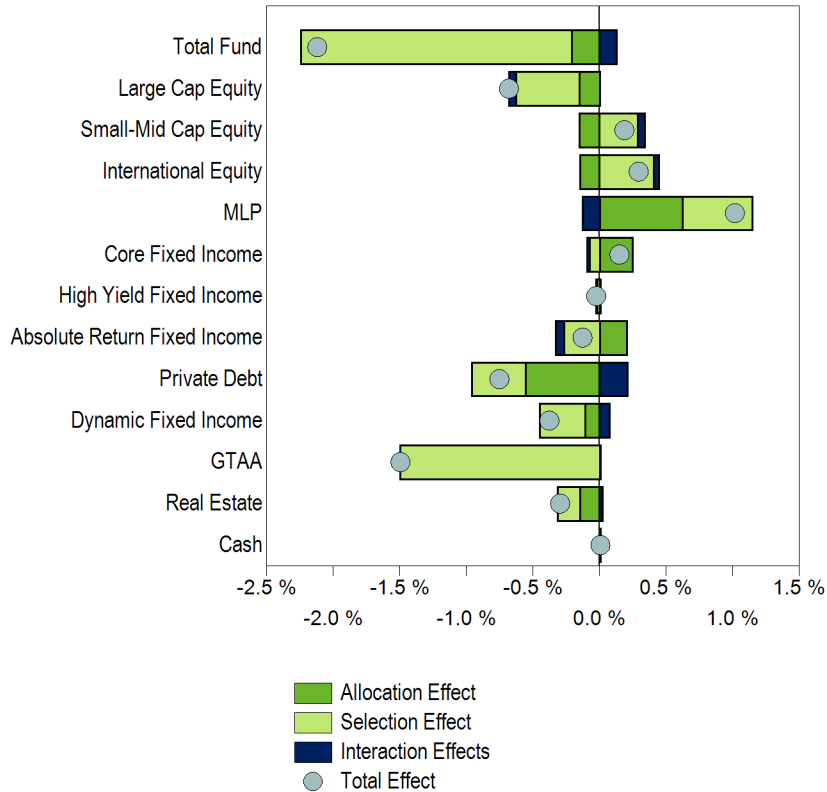
- Total Fund
- ◆ Policy Index
- ▲ Universe Median
- 68% Confidence Interval
- InvMetrics All Endowment Net



Oklahoma Tobacco Settlement Endowment

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects Relative to Allocation Index
3 Months Ending March 31, 2020



Attribution Summary
3 Months Ending March 31, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Equity	-22.4%	-20.2%	-2.2%	-0.5%	-0.2%	0.0%	-0.7%
Small-Mid Cap Equity	-24.5%	-29.7%	5.2%	0.3%	-0.2%	0.1%	0.2%
International Equity	-20.8%	-23.4%	2.6%	0.4%	-0.1%	0.0%	0.3%
MLP	-49.0%	-57.2%	8.2%	0.5%	0.6%	-0.1%	1.0%
Core Fixed Income	2.3%	3.1%	-0.9%	-0.1%	0.2%	0.0%	0.1%
High Yield Fixed Income	-12.3%	-11.9%	-0.4%	0.0%	0.0%	0.0%	0.0%
Absolute Return Fixed Income	-2.5%	1.1%	-3.7%	-0.3%	0.2%	-0.1%	-0.1%
Private Debt	-3.7%	1.6%	-5.3%	-0.4%	-0.6%	0.2%	-0.8%
Dynamic Fixed Income	-8.1%	0.9%	-8.9%	-0.3%	-0.1%	0.1%	-0.4%
GTAA	-16.0%	1.1%	-17.2%	-1.5%	0.0%	0.0%	-1.5%
Real Estate	-1.0%	0.7%	-1.7%	-0.2%	-0.2%	0.0%	-0.3%
Cash	0.3%	0.4%	-0.1%	0.0%	0.0%	0.0%	0.0%
Total	-14.7%	-12.6%	-2.1%	-2.0%	-0.2%	0.1%	-2.1%

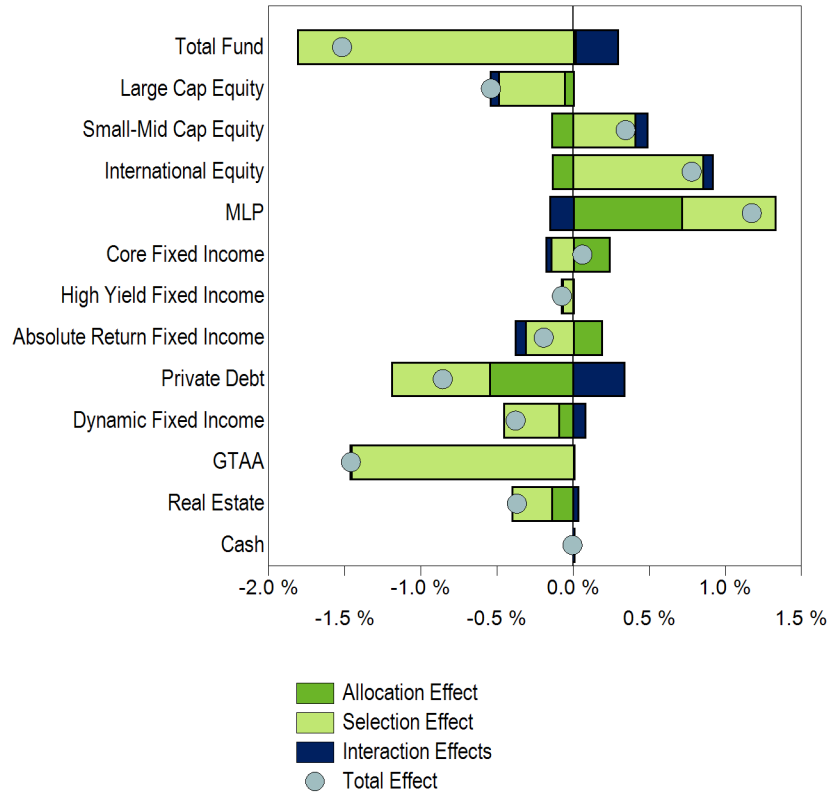
Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated return shown on the performance summary.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects Relative to Allocation Index
Fiscal YTD Ending March 31, 2020



Attribution Summary
Fiscal YTD Ending March 31, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Equity	-13.9%	-11.8%	-2.1%	-0.4%	-0.1%	0.0%	-0.5%
Small-Mid Cap Equity	-17.2%	-24.7%	7.5%	0.4%	-0.1%	0.1%	0.3%
International Equity	-12.6%	-18.0%	5.4%	0.9%	-0.1%	0.1%	0.8%
MLP	-52.8%	-61.0%	8.2%	0.6%	0.7%	-0.2%	1.2%
Core Fixed Income	4.1%	5.7%	-1.6%	-0.1%	0.2%	0.0%	0.1%
High Yield Fixed Income	-9.2%	-8.1%	-1.2%	-0.1%	0.0%	0.0%	-0.1%
Absolute Return Fixed Income	-0.4%	3.7%	-4.1%	-0.3%	0.2%	-0.1%	-0.2%
Private Debt	-3.2%	5.2%	-8.5%	-0.6%	-0.6%	0.3%	-0.9%
Dynamic Fixed Income	-6.4%	2.8%	-9.2%	-0.4%	-0.1%	0.1%	-0.4%
GTAA	-12.8%	3.7%	-16.5%	-1.5%	0.0%	0.0%	-1.5%
Real Estate	1.0%	3.7%	-2.7%	-0.3%	-0.1%	0.0%	-0.4%
Cash	1.1%	1.3%	-0.2%	0.0%	0.0%	0.0%	0.0%
Total	-10.0%	-8.5%	-1.5%	-1.8%	0.0%	0.3%	-1.5%

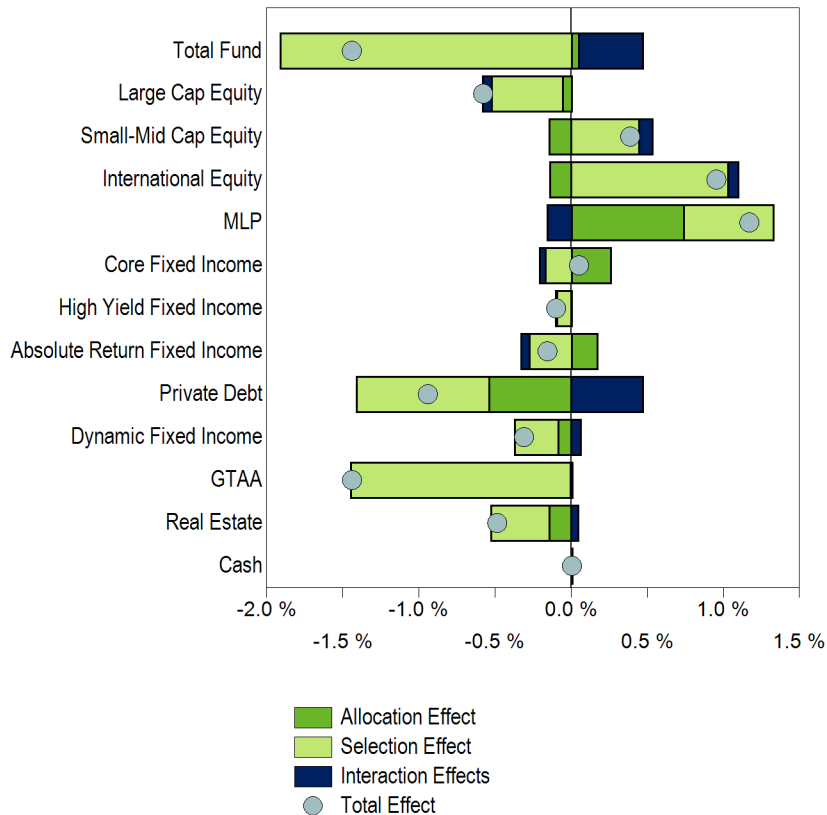
Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated return shown on the performance summary.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects Relative to Allocation Index
1 Year Ending March 31, 2020



Attribution Summary
1 Year Ending March 31, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Equity	-10.4%	-8.0%	-2.3%	-0.5%	-0.1%	-0.1%	-0.6%
Small-Mid Cap Equity	-14.2%	-22.5%	8.2%	0.4%	-0.1%	0.1%	0.4%
International Equity	-9.1%	-15.6%	6.5%	1.0%	-0.1%	0.1%	0.9%
MLP	-53.1%	-60.9%	7.8%	0.6%	0.7%	-0.2%	1.2%
Core Fixed Income	7.0%	8.9%	-1.9%	-0.2%	0.3%	0.0%	0.0%
High Yield Fixed Income	-7.0%	-5.5%	-1.5%	-0.1%	0.0%	0.0%	-0.1%
Absolute Return Fixed Income	1.5%	5.1%	-3.6%	-0.3%	0.2%	-0.1%	-0.2%
Private Debt	-4.2%	7.2%	-11.4%	-0.9%	-0.5%	0.5%	-1.0%
Dynamic Fixed Income	-3.1%	3.9%	-7.0%	-0.3%	-0.1%	0.1%	-0.3%
GTAA	-10.9%	5.1%	-16.0%	-1.4%	0.0%	0.0%	-1.4%
Real Estate	1.3%	5.3%	-4.0%	-0.4%	-0.1%	0.0%	-0.5%
Cash	1.5%	1.9%	-0.4%	0.0%	0.0%	0.0%	0.0%
Total	-7.6%	-6.1%	-1.5%	-1.9%	0.0%	0.4%	-1.5%

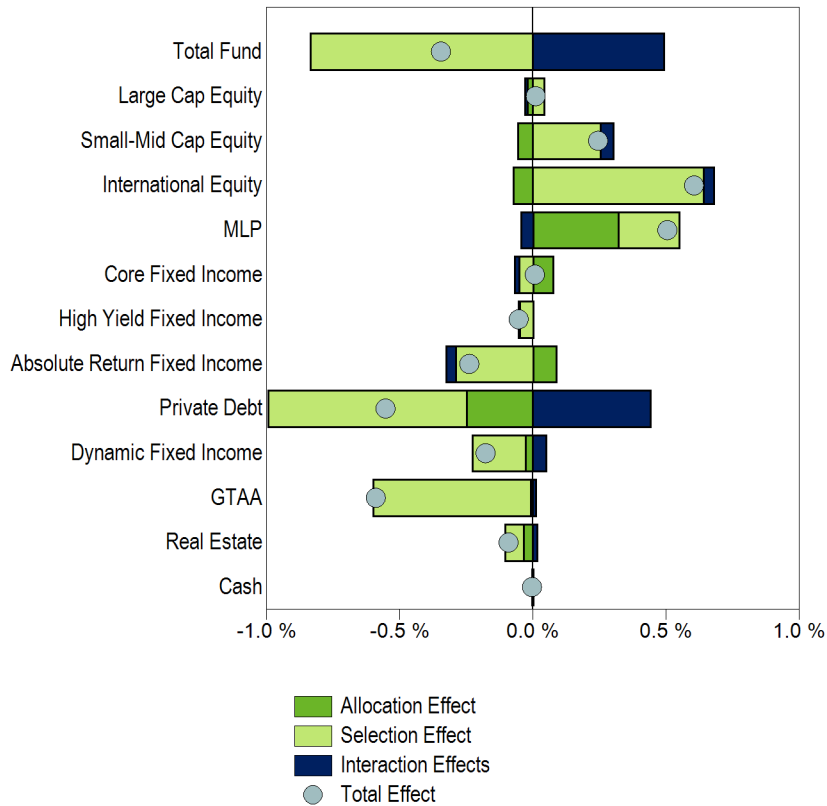
Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated return shown on the performance summary.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects Relative to Allocation Index
3 Years Ending March 31, 2020



Attribution Summary
3 Years Ending March 31, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Equity	4.8%	4.6%	0.2%	0.0%	0.0%	0.0%	0.0%
Small-Mid Cap Equity	2.2%	-3.1%	5.3%	0.3%	-0.1%	0.0%	0.2%
International Equity	2.3%	-2.0%	4.2%	0.6%	-0.1%	0.0%	0.6%
MLP	-22.9%	-28.1%	5.2%	0.2%	0.3%	-0.1%	0.4%
Core Fixed Income	4.3%	4.8%	-0.5%	-0.1%	0.1%	0.0%	0.0%
High Yield Fixed Income	0.5%	1.3%	-0.8%	-0.1%	0.0%	0.0%	-0.1%
Absolute Return Fixed Income	2.0%	5.1%	-3.1%	-0.3%	0.1%	0.0%	-0.3%
Private Debt	-2.1%	7.1%	-9.3%	-0.7%	-0.2%	0.4%	-0.6%
Dynamic Fixed Income	0.7%	3.8%	-3.1%	-0.2%	0.0%	0.0%	-0.2%
GTAA	-1.2%	5.1%	-6.3%	-0.6%	0.0%	0.0%	-0.6%
Real Estate	5.9%	6.4%	-0.5%	-0.1%	-0.1%	0.0%	-0.1%
Cash	1.7%	1.7%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	1.7%	2.2%	-0.5%	-0.8%	-0.1%	0.5%	-0.5%

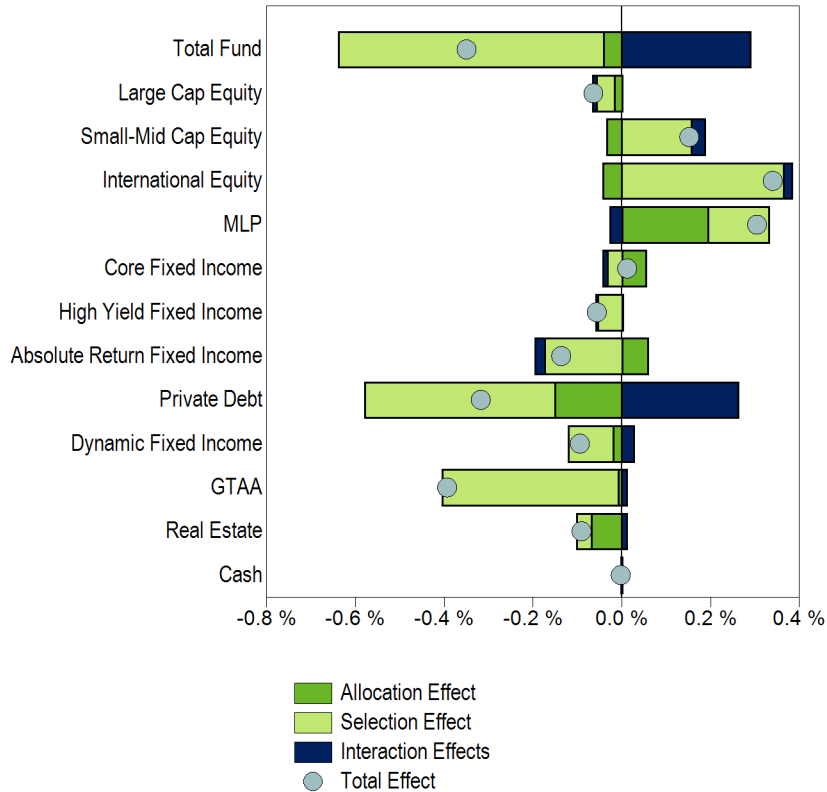
Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated return shown on the performance summary.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND ATTRIBUTION ANALYSIS

Attribution Effects Relative to Allocation Index
5 Years Ending March 31, 2020



Attribution Summary
5 Years Ending March 31, 2020

	Wtd. Actual Return	Wtd. Index Return	Excess Return	Selection Effect	Allocation Effect	Interaction Effects	Total Effects
Large Cap Equity	6.0%	6.2%	-0.2%	0.0%	0.0%	0.0%	-0.1%
Small-Mid Cap Equity	3.9%	0.5%	3.4%	0.2%	0.0%	0.0%	0.2%
International Equity	1.8%	-0.6%	2.4%	0.4%	0.0%	0.0%	0.3%
MLP	-14.5%	-18.0%	3.5%	0.1%	0.2%	0.0%	0.3%
Core Fixed Income	3.0%	3.4%	-0.3%	0.0%	0.1%	0.0%	0.0%
High Yield Fixed Income	2.1%	2.9%	-0.8%	-0.1%	0.0%	0.0%	-0.1%
Absolute Return Fixed Income	2.7%	4.5%	-1.8%	-0.2%	0.1%	0.0%	-0.1%
Private Debt	1.2%	6.6%	-5.4%	-0.4%	-0.1%	0.3%	-0.3%
Dynamic Fixed Income	1.6%	3.1%	-1.6%	-0.1%	0.0%	0.0%	-0.1%
GTAA	0.3%	4.5%	-4.2%	-0.4%	0.0%	0.0%	-0.4%
Real Estate	7.5%	7.6%	-0.2%	0.0%	-0.1%	0.0%	-0.1%
Cash	1.1%	1.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Total	2.9%	3.3%	-0.4%	-0.6%	-0.1%	0.3%	-0.4%

Note: Plan attribution calculations are returns based and the results shown reflect the composites shown. As a result, the total returns shown may vary from the calculated return shown on the performance summary.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND RISK STATISTICS

3 Years Ending March 31, 2020

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Info Ratio	Rank	Beta
Total Equity	41.4%	3.5%	3	15.9%	74	2.0%	5	1.8%	37	1.1	4	1.1
MSCI ACWI	--	1.5%	31	14.9%	24	0.0%	36	0.0%	1	--	--	1.0
Domestic Equity	25.7%	4.2%	17	16.6%	80	0.1%	19	1.5%	36	0.2	16	1.0
Russell 3000	--	4.0%	23	15.8%	34	0.0%	24	0.0%	1	--	--	1.0
Large Cap Equity	20.4%	4.8%	36	16.2%	61	0.0%	39	1.8%	2	0.1	36	1.0
Russell 1000	--	4.6%	37	15.5%	45	0.0%	39	0.0%	1	--	--	1.0
Small-Mid Cap Equity	5.3%	2.2%	30	18.7%	29	4.8%	30	4.6%	26	1.1	20	0.9
Russell 2500	--	-3.1%	53	20.3%	57	0.0%	52	0.0%	1	--	--	1.0
International Equity	15.6%	2.3%	3	15.4%	38	4.2%	3	2.7%	30	1.6	1	1.0
MSCI ACWI ex USA	--	-2.0%	35	15.1%	31	0.0%	34	0.0%	1	--	--	1.0
Total Fixed Income	30.0%	2.7%	53	3.3%	62	-1.2%	75	2.6%	59	-0.8	72	0.7
BBgBarc US Aggregate TR	--	4.8%	2	3.2%	56	0.0%	15	0.0%	1	--	--	1.0
Core Fixed Income	13.2%	4.3%	12	3.3%	61	-0.5%	39	0.8%	10	-0.7	65	1.0
BBgBarc US Aggregate TR	--	4.8%	1	3.2%	52	0.0%	2	0.0%	1	--	--	1.0
High Yield Fixed Income	6.3%	0.5%	99	7.7%	99	-0.8%	60	1.3%	28	-0.6	48	1.0
ICE BofA BB-B US High Yield TR	--	1.3%	98	7.5%	99	0.0%	2	0.0%	1	--	--	1.0
Absolute Return Fixed Income	10.5%	2.0%	67	2.5%	33	-18.0%	67	2.5%	32	-1.2	78	5.4
3-Month LIBOR + 3%	--	5.1%	10	0.1%	2	0.0%	2	0.0%	1	--	--	1.0
Dynamic Fixed Income	3.2%	0.7%	65	6.1%	49	-7.7%	60	6.1%	47	-0.5	76	3.3
91 Day T-Bill + 2%	--	3.8%	12	0.1%	1	0.0%	33	0.0%	1	--	--	1.0
GTAA	8.9%	-1.2%	76	9.1%	73	-22.1%	99	9.1%	99	-0.7	22	5.7
3-Month LIBOR + 3%	--	5.1%	1	0.1%	1	0.0%	4	0.0%	1	--	--	1.0

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Private Debt	4.20%	-2.14%	91	4.02%	2
3-Month LIBOR + 5%	--	7.15%	1	0.15%	1
Real Estate	9.83%	5.94%	32	3.25%	61
NCREIF Property Index	--	6.41%	7	2.66%	28

*Manager Universe rankings are used for Large Cap Equity (eV US Large Cap Equity), Small-Mid Cap Equity (eV US Small-Mid Cap Equity), Dynamic Fixed Income (eV All Global Fixed Inc) and Private Debt (eV Float-Rate Bank Loan).



Oklahoma Tobacco Settlement Endowment

TOTAL FUND RISK STATISTICS

5 Years Ending March 31, 2020

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Info Ratio	Rank	Beta
Total Equity	41.4%	4.2%	6	14.2%	59	1.3%	7	1.8%	30	0.7	5	1.0
MSCI ACWI	--	2.8%	49	13.7%	24	0.0%	34	0.0%	1	--	--	1.0
Domestic Equity	25.7%	5.6%	15	14.7%	63	-0.4%	18	1.3%	24	-0.2	17	1.0
Russell 3000	--	5.8%	10	14.2%	32	0.0%	12	0.0%	1	--	--	1.0
Large Cap Equity	20.4%	6.0%	36	14.3%	54	-0.4%	40	1.7%	1	-0.1	38	1.0
Russell 1000	--	6.2%	33	13.9%	41	0.0%	36	0.0%	1	--	--	1.0
Small-Mid Cap Equity	5.3%	3.9%	24	16.4%	25	3.3%	23	4.7%	28	0.7	17	0.9
Russell 2500	--	0.5%	45	18.0%	54	0.0%	45	0.0%	1	--	--	1.0
International Equity	15.6%	1.8%	10	14.5%	37	2.4%	9	2.9%	28	0.8	3	1.0
MSCI ACWI ex USA	--	-0.6%	39	14.5%	36	0.0%	36	0.0%	1	--	--	1.0
Total Fixed Income	30.0%	2.9%	24	3.1%	52	0.3%	19	2.6%	62	-0.2	31	0.6
BBgBarc US Aggregate TR	--	3.4%	8	3.1%	53	0.0%	39	0.0%	1	--	--	1.0
Core Fixed Income	13.2%	3.0%	20	3.0%	50	-0.2%	63	0.7%	11	-0.5	66	1.0
BBgBarc US Aggregate TR	--	3.4%	4	3.1%	56	0.0%	34	0.0%	1	--	--	1.0
High Yield Fixed Income	6.3%	2.1%	88	6.8%	99	-0.8%	94	1.4%	32	-0.6	80	1.0
ICE BofA BB-B US High Yield TR	--	2.9%	28	6.9%	99	0.0%	34	0.0%	1	--	--	1.0
Absolute Return Fixed Income	10.5%	2.7%	42	3.0%	40	0.4%	5	3.0%	41	-0.6	56	0.4
3-Month LIBOR + 3%	--	4.5%	8	0.2%	2	0.0%	6	0.0%	1	--	--	1.0
Dynamic Fixed Income	3.2%	1.6%	68	5.7%	54	0.2%	51	5.7%	52	-0.3	68	0.1
91 Day T-Bill + 2%	--	3.1%	15	0.2%	1	0.0%	55	0.0%	1	--	--	1.0
GTAA	8.9%	0.3%	53	8.5%	46	-4.8%	82	8.5%	88	-0.5	26	1.2
3-Month LIBOR + 3%	--	4.5%	1	0.2%	1	0.0%	5	0.0%	1	--	--	1.0

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Private Debt	4.20%	1.17%	43	3.80%	2
3-Month LIBOR + 5%	--	6.55%	1	0.24%	1
Real Estate	9.83%	7.49%	24	3.64%	40
NCREIF Property Index	--	7.65%	19	3.28%	19

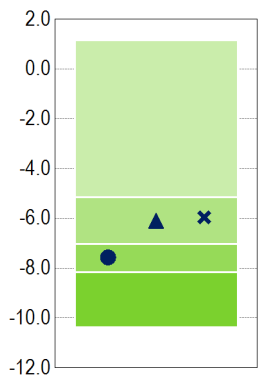
*Manager Universe rankings are used for Large Cap Equity (eV US Large Cap Equity), Small-Mid Cap Equity (eV US Small-Mid Cap Equity), Dynamic Fixed Income (eV All Global Fixed Inc) and Private Debt (eV Float-Rate Bank Loan).



TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

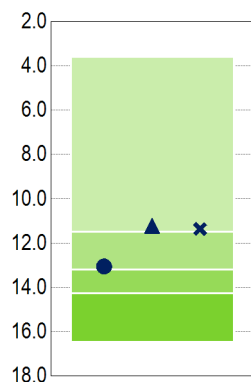
Total Fund vs. InvMetrics All Endowment Net 1 Year

Anlzd Return



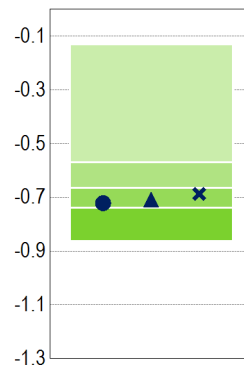
● Total Fund	
Value	-7.57
Rank	65
▲ Policy Index	
Value	-6.10
Rank	39
✘ Allocation Index	
Value	-5.96
Rank	36
Universe	
5th %tile	1.16
25th %tile	-5.13
Median	-7.01
75th %tile	-8.15
95th %tile	-10.35

Anlzd Standard Deviation



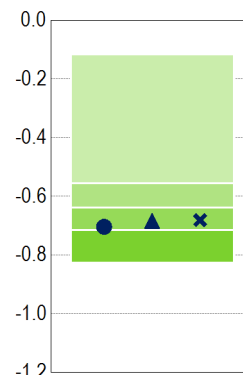
● Total Fund	
Value	13.06
Rank	49
▲ Policy Index	
Value	11.22
Rank	23
✘ Allocation Index	
Value	11.37
Rank	24
Universe	
5th %tile	3.60
25th %tile	11.46
Median	13.17
75th %tile	14.25
95th %tile	16.43

Sharpe Ratio



● Total Fund	
Value	-0.72
Rank	71
▲ Policy Index	
Value	-0.71
Rank	66
✘ Allocation Index	
Value	-0.69
Rank	58
Universe	
5th %tile	-0.13
25th %tile	-0.57
Median	-0.66
75th %tile	-0.74
95th %tile	-0.86

Sortino Ratio RF



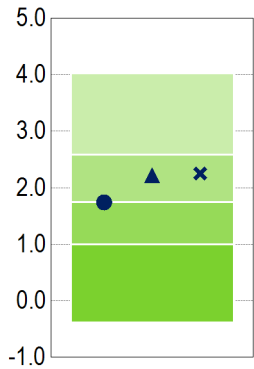
● Total Fund	
Value	-0.70
Rank	74
▲ Policy Index	
Value	-0.68
Rank	67
✘ Allocation Index	
Value	-0.68
Rank	66
Universe	
5th %tile	-0.12
25th %tile	-0.55
Median	-0.64
75th %tile	-0.71
95th %tile	-0.83



TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

Total Fund vs. InvMetrics All Endowment Net 3 Years

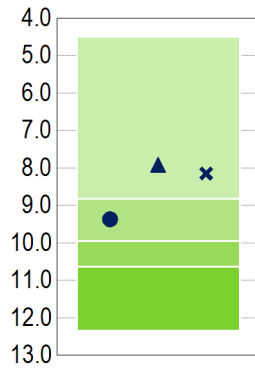
Anlzd Return



● Total Fund	
Value	1.74
Rank	51
▲ Policy Index	
Value	2.22
Rank	35
✕ Allocation Index	
Value	2.25
Rank	34

Universe	
5th %tile	4.03
25th %tile	2.59
Median	1.76
75th %tile	1.01
95th %tile	-0.38

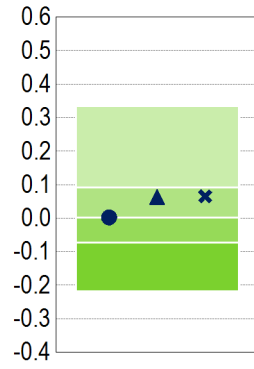
Anlzd Standard Deviation



● Total Fund	
Value	9.37
Rank	35
▲ Policy Index	
Value	7.92
Rank	13
✕ Allocation Index	
Value	8.15
Rank	15

Universe	
5th %tile	4.50
25th %tile	8.82
Median	9.94
75th %tile	10.62
95th %tile	12.34

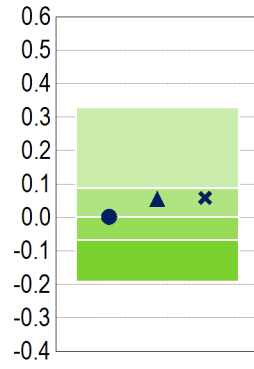
Sharpe Ratio



● Total Fund	
Value	0.00
Rank	51
▲ Policy Index	
Value	0.06
Rank	32
✕ Allocation Index	
Value	0.06
Rank	32

Universe	
5th %tile	0.33
25th %tile	0.09
Median	0.00
75th %tile	-0.07
95th %tile	-0.22

Sortino Ratio RF



● Total Fund	
Value	0.00
Rank	51
▲ Policy Index	
Value	0.06
Rank	34
✕ Allocation Index	
Value	0.06
Rank	33

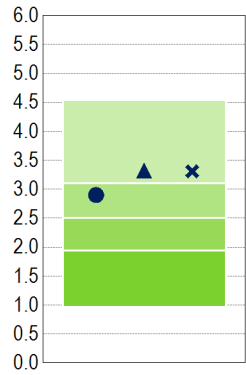
Universe	
5th %tile	0.33
25th %tile	0.09
Median	0.00
75th %tile	-0.07
95th %tile	-0.19



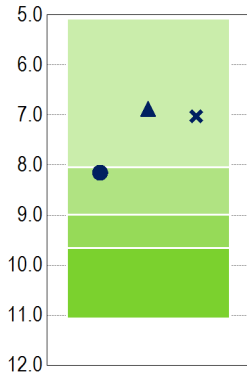
TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

Total Fund vs. InvMetrics All Endowment Net 5 Years

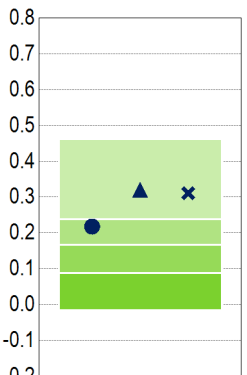
Anlzd Return



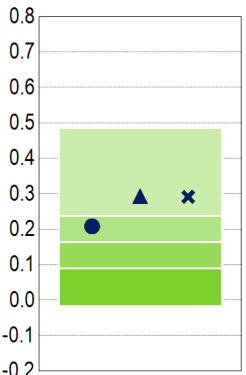
Anlzd Standard Deviation



Sharpe Ratio



Sortino Ratio RF



● Total Fund	
Value	2.90
Rank	33
▲ Policy Index	
Value	3.32
Rank	20
✕ Allocation Index	
Value	3.31
Rank	20
Universe	
5th %tile	4.54
25th %tile	3.12
Median	2.51
75th %tile	1.95
95th %tile	0.98

● Total Fund	
Value	8.15
Rank	28
▲ Policy Index	
Value	6.88
Rank	10
✕ Allocation Index	
Value	7.03
Rank	11
Universe	
5th %tile	5.07
25th %tile	8.03
Median	8.98
75th %tile	9.64
95th %tile	11.05

● Total Fund	
Value	0.22
Rank	31
▲ Policy Index	
Value	0.32
Rank	12
✕ Allocation Index	
Value	0.31
Rank	13
Universe	
5th %tile	0.46
25th %tile	0.24
Median	0.17
75th %tile	0.09
95th %tile	-0.01

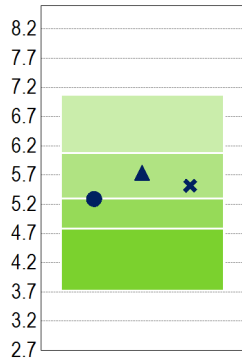
● Total Fund	
Value	0.21
Rank	35
▲ Policy Index	
Value	0.29
Rank	18
✕ Allocation Index	
Value	0.29
Rank	18
Universe	
5th %tile	0.48
25th %tile	0.24
Median	0.17
75th %tile	0.09
95th %tile	-0.01



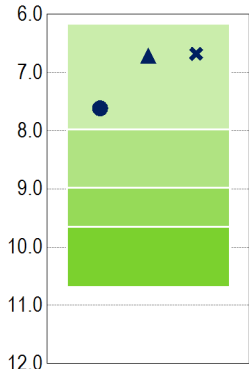
TOTAL FUND RISK STATISTICS VS. PEER UNIVERSE

Total Fund vs. InvMetrics All Endowment Net 10 Years

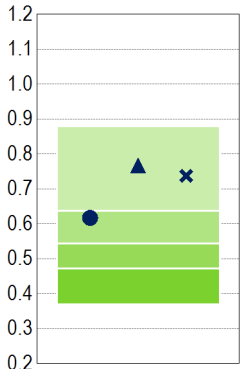
Anlzd Return



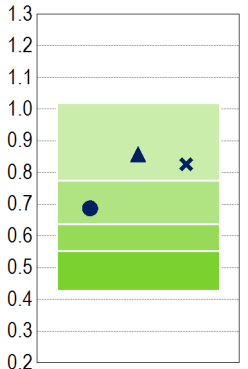
Anlzd Standard Deviation



Sharpe Ratio



Sortino Ratio RF



● Total Fund	
Value	5.29
Rank	51
▲ Policy Index	
Value	5.74
Rank	36
✕ Allocation Index	
Value	5.52
Rank	42
Universe	
5th %tile	7.08
25th %tile	6.09
Median	5.31
75th %tile	4.79
95th %tile	3.73

● Total Fund	
Value	7.62
Rank	18
▲ Policy Index	
Value	6.71
Rank	8
✕ Allocation Index	
Value	6.68
Rank	8
Universe	
5th %tile	6.16
25th %tile	7.97
Median	8.97
75th %tile	9.64
95th %tile	10.68

● Total Fund	
Value	0.62
Rank	33
▲ Policy Index	
Value	0.77
Rank	10
✕ Allocation Index	
Value	0.74
Rank	13
Universe	
5th %tile	0.88
25th %tile	0.64
Median	0.55
75th %tile	0.47
95th %tile	0.37

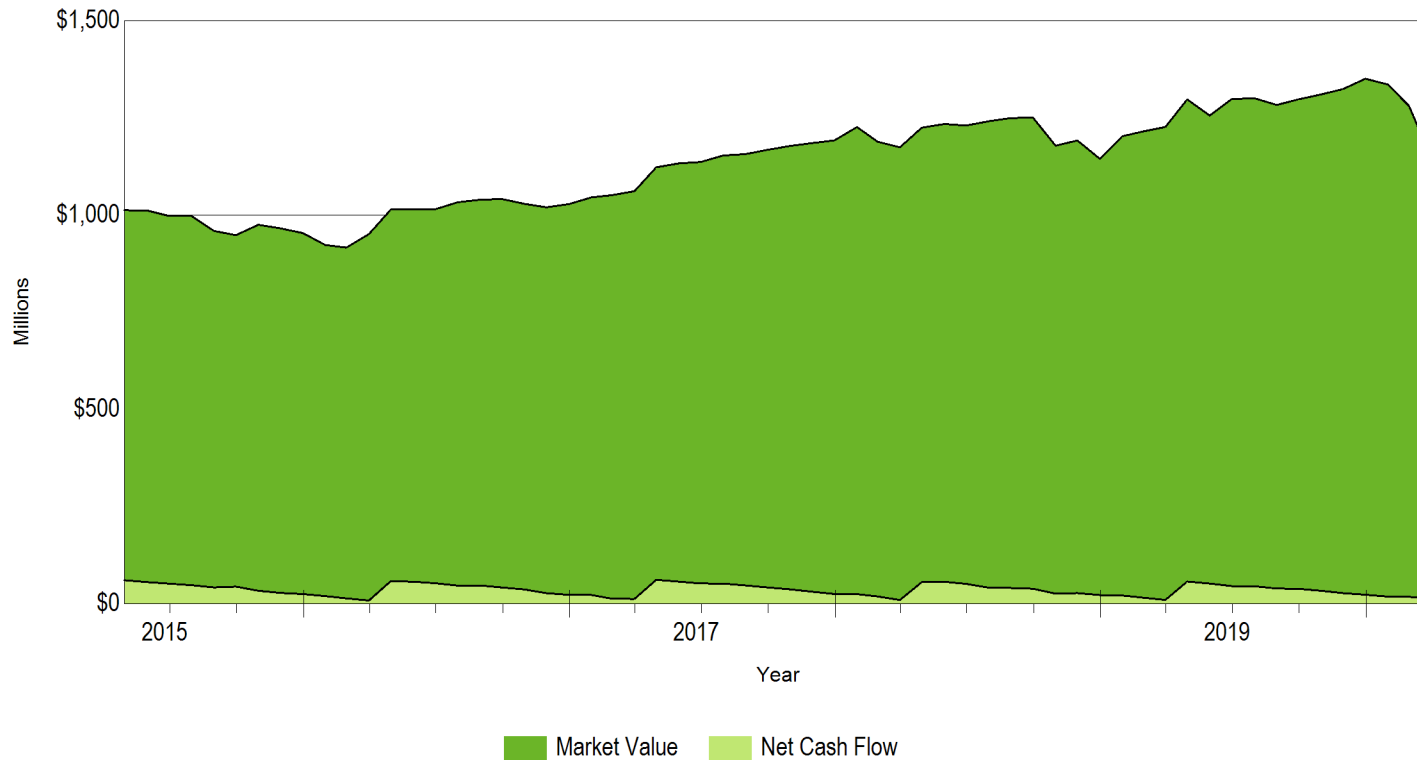
● Total Fund	
Value	0.69
Rank	39
▲ Policy Index	
Value	0.86
Rank	15
✕ Allocation Index	
Value	0.83
Rank	16
Universe	
5th %tile	1.02
25th %tile	0.78
Median	0.64
75th %tile	0.55
95th %tile	0.43



Oklahoma Tobacco Settlement Endowment

TOTAL FUND ASSET GROWTH SUMMARY

5 Years Ending March 31, 2020



	Last Three Months	Fiscal Year-To-Date	One Year	Two Years	Three Years	Four Years	Five Years
Beginning Market Value	\$1,351,519,822	\$1,298,843,936	\$1,227,276,262	\$1,174,977,221	\$1,061,933,476	\$951,574,863	\$943,532,840
Net Cash Flow	-\$10,074,091	-\$29,675,534	\$7,233,384	\$12,533,381	\$15,019,350	\$23,867,342	\$36,126,207
Net Investment Change	-\$196,528,164	-\$124,250,834	-\$89,592,078	-\$42,593,034	\$67,964,741	\$169,475,362	\$165,258,521
Ending Market Value	\$1,144,917,568	\$1,144,917,568	\$1,144,917,568	\$1,144,917,568	\$1,144,917,568	\$1,144,917,568	\$1,144,917,568



Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	Inception (%)	Inception Date
Total Fund	1,144,917,568	100.0	-14.7	50	-10.0	58	-7.6	65	1.7	51	2.9	33	4.1	56	5.4	Jan-01
<i>Policy Index</i>			<u>-12.6</u>	23	<u>-8.5</u>	31	<u>-6.1</u>	39	<u>2.2</u>	35	<u>3.3</u>	20	<u>4.7</u>	35	<u>5.6</u>	<i>Jan-01</i>
Over/Under			-2.1		-1.5		-1.5		-0.5		-0.4		-0.6		-0.2	
<i>Allocation Index</i>			-12.7	25	-8.4	30	-6.0	36	2.2	34	3.3	20	4.5	40	5.8	<i>Jan-01</i>
<i>60% MSCI World (Gross) / 40% FTSE WGBI</i>			-12.2	20	-7.0	19	-3.3	15	3.5	9	3.7	11	4.6	38	4.9	<i>Jan-01</i>
<i>InvMetrics All Endowment Net Median</i>			-14.7		-9.7		-7.0		1.8		2.5		4.2		4.7	<i>Jan-01</i>
Total Equity	473,687,968	41.4	-22.1	38	-13.8	16	-10.4	15	3.5	3	4.2	6	6.8	9	6.2	Jul-02
<i>MSCI ACWI</i>			<u>-21.4</u>	21	<u>-14.3</u>	21	<u>-11.3</u>	29	<u>1.5</u>	31	<u>2.8</u>	49	<u>5.1</u>	73	<u>6.2</u>	<i>Jul-02</i>
Over/Under			-0.7		0.5		0.9		2.0		1.4		1.7		0.0	
<i>InvMetrics All Endowment Total Eq Net Median</i>			-22.6		-15.6		-12.5		1.0		2.8		5.8		6.4	<i>Jul-02</i>
Domestic Equity	294,580,667	25.7	-22.8	67	-14.6	49	-11.2	52	4.2	17	5.6	15	9.0	9	7.4	Jul-02
<i>Russell 3000</i>			<u>-20.9</u>	21	<u>-12.7</u>	15	<u>-9.1</u>	16	<u>4.0</u>	23	<u>5.8</u>	10	<u>9.0</u>	10	<u>7.8</u>	<i>Jul-02</i>
Over/Under			-1.9		-1.9		-2.1		0.2		-0.2		0.0		-0.4	
<i>InvMetrics All Endowment US Eq Net Median</i>			-22.1		-14.6		-11.1		3.0		4.7		8.0		7.5	<i>Jul-02</i>
Large Cap Equity	233,917,198	20.4	-22.4	58	-13.9	55	-10.4	54	4.8	36	6.0	36	9.3	33	6.8	Jul-02
<i>Russell 1000</i>			<u>-20.2</u>	47	<u>-11.8</u>	43	<u>-8.0</u>	44	<u>4.6</u>	37	<u>6.2</u>	33	<u>9.3</u>	33	<u>7.9</u>	<i>Jul-02</i>
Over/Under			-2.2		-2.1		-2.4		0.2		-0.2		0.0		-1.1	
<i>eV US Large Cap Equity Net Median</i>			-20.9		-13.1		-9.5		2.9		4.7		7.9		7.6	<i>Jul-02</i>
SSGA Russell 1000 Growth	128,262,626	11.2	-13.9	50	-3.4	23	1.2	30	11.5	38	10.3	26	12.9	27	9.7	Oct-06
<i>Russell 1000 Growth</i>			<u>-14.1</u>	51	<u>-3.6</u>	23	<u>0.9</u>	34	<u>11.3</u>	39	<u>10.4</u>	26	<u>12.9</u>	27	<u>9.8</u>	<i>Oct-06</i>
Over/Under			0.2		0.2		0.3		0.2		-0.1		0.0		-0.1	
<i>eV US Large Cap Growth Equity Net Median</i>			-14.0		-5.9		-1.0		10.2		8.7		11.7		8.9	<i>Oct-06</i>
Barrow Hanley	105,654,572	9.2	-30.8	85	-24.1	83	-21.5	81	-2.0	56	1.5	57	5.6	49	4.5	Sep-05
<i>Russell 1000 Value</i>			<u>-26.7</u>	55	<u>-20.2</u>	57	<u>-17.2</u>	53	<u>-2.2</u>	58	<u>1.9</u>	51	<u>5.6</u>	49	<u>5.3</u>	<i>Sep-05</i>
Over/Under			-4.1		-3.9		-4.3		0.2		-0.4		0.0		-0.8	
<i>eV US Large Cap Value Equity Net Median</i>			-26.4		-19.7		-16.8		-1.5		2.0		5.5		5.6	<i>Sep-05</i>

*Fiscal Year ends June 30.

*Performance returns are reported net of fees unless otherwise noted.

*SSGA Index Fund includes the Russell 1000 Growth Index excluding tobacco.

*Large Cap Equity Composite is using the eV US Large Cap Equity Net manager universe.

Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	Inception (%)	Inception Date
Small-Mid Cap Equity	60,663,468	5.3	-24.5	35	-17.2	24	-14.2	31	2.2	30	3.9	24	7.9	20	10.0	Aug-03
<i>Russell 2500</i>			<u>-29.7</u>	56	<u>-24.7</u>	58	<u>-22.5</u>	58	<u>-3.1</u>	53	<u>0.5</u>	45	<u>4.9</u>	47	<u>7.8</u>	<i>Aug-03</i>
Over/Under			5.2		7.5		8.3		5.3		3.4		3.0		2.2	
<i>eV US Small-Mid Cap Equity Net Median</i>			-28.3		-23.7		-20.3		-2.6		-0.2		4.4		8.1	<i>Aug-03</i>
Earnest	60,663,468	5.3	-24.5	76	-17.2	57	-14.2	68	2.2	76	3.9	61	7.9	48	10.0	Aug-03
<i>Russell 2500</i>			<u>-29.7</u>	93	<u>-24.7</u>	92	<u>-22.5</u>	90	<u>-3.1</u>	92	<u>0.5</u>	84	<u>4.9</u>	86	<u>7.8</u>	<i>Aug-03</i>
Over/Under			5.2		7.5		8.3		5.3		3.4		3.0		2.2	
<i>eV US Small-Mid Cap Growth Equity Net Median</i>			-20.5		-16.7		-10.9		5.9		4.7		7.7		9.0	<i>Aug-03</i>
International Equity	179,107,302	15.6	-20.8	11	-12.6	5	-9.1	3	2.3	3	1.8	10	2.9	11	4.3	May-04
<i>MSCI ACWI ex USA</i>			<u>-23.4</u>	32	<u>-18.0</u>	37	<u>-15.6</u>	42	<u>-2.0</u>	35	<u>-0.6</u>	39	<u>1.1</u>	64	<u>4.4</u>	<i>May-04</i>
Over/Under			2.6		5.4		6.5		4.3		2.4		1.8		-0.1	
<i>InvMetrics All Endowment ex-US Eq Net Median</i>			-24.6		-18.8		-16.3		-2.8		-1.1		1.3		4.5	<i>May-04</i>
Schroders	179,107,302	15.6	-20.8	33	-12.6	21	-9.1	23	2.3	23	1.8	31	2.9	44	2.4	Jul-11
<i>MSCI ACWI ex USA</i>			<u>-23.4</u>	53	<u>-18.0</u>	58	<u>-15.6</u>	59	<u>-2.0</u>	60	<u>-0.6</u>	65	<u>1.1</u>	69	<u>0.9</u>	<i>Jul-11</i>
Over/Under			2.6		5.4		6.5		4.3		2.4		1.8		1.5	
<i>eV All ACWI ex-US Equity Net Median</i>			-23.1		-16.9		-13.6		-0.9		0.3		2.5		2.3	<i>Jul-11</i>

*Fiscal Year ends June 30.

*Performance returns are reported net of fees unless otherwise noted.

*Small-Mid Cap Equity Composite is using the eV US Small-Mid Cap Equity Net manager universe.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	Inception (%)	Inception Date
MLP	28,230,277	2.5	-49.0	44	-52.8	39	-53.1	42	--	--	--	--	--	--	-40.7	Oct-18
<i>Alerian MLP Index</i>			<u>-57.2</u>	94	<u>-61.0</u>	95	<u>-60.9</u>	87	<u>-28.9</u>	85	<u>-20.7</u>	80	<u>-14.6</u>	99	<u>-47.8</u>	<i>Oct-18</i>
Over/Under			8.2		8.2		7.8								7.1	
<i>Tortoise Advisors</i>	<i>28,230,277</i>	<i>2.5</i>	<i>-49.0</i>	<i>44</i>	<i>-52.8</i>	<i>39</i>	<i>-53.1</i>	<i>42</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>--</i>	<i>-40.7</i>	<i>Oct-18</i>
<i>Alerian MLP Index</i>			<u>-57.2</u>	94	<u>-61.0</u>	95	<u>-60.9</u>	87	<u>-28.9</u>	85	<u>-20.7</u>	80	<u>-14.6</u>	99	<u>-47.8</u>	<i>Oct-18</i>
Over/Under			8.2		8.2		7.8								7.1	
<i>eV Master Limited Partnership (MLP) Net Median</i>			<i>-52.9</i>		<i>-55.0</i>		<i>-55.3</i>		<i>-25.5</i>		<i>-18.2</i>		<i>-11.0</i>		<i>-42.1</i>	<i>Oct-18</i>
Total Fixed Income	343,202,178	30.0	-2.8	73	-0.5	68	1.9	64	2.7	53	2.9	24	2.5	28	4.6	Jul-02
<i>BBgBarc US Aggregate TR</i>			<u>3.1</u>	1	<u>5.7</u>	1	<u>8.9</u>	1	<u>4.8</u>	2	<u>3.4</u>	8	<u>3.2</u>	6	<u>4.5</u>	<i>Jul-02</i>
Over/Under			-5.9		-6.2		-7.0		-2.1		-0.5		-0.7		0.1	
<i>InvMetrics All Foundation Total Fix Inc Net Median</i>			<i>-1.4</i>		<i>0.4</i>		<i>2.7</i>		<i>2.8</i>		<i>2.3</i>		<i>2.1</i>		<i>4.7</i>	<i>Jul-02</i>
Core Fixed Income	151,363,479	13.2	2.3	12	4.1	20	7.0	18	4.3	12	3.0	20	2.9	24	4.5	Jul-02
<i>BBgBarc US Aggregate TR</i>			<u>3.1</u>	3	<u>5.7</u>	2	<u>8.9</u>	1	<u>4.8</u>	1	<u>3.4</u>	4	<u>3.2</u>	4	<u>4.5</u>	<i>Jul-02</i>
Over/Under			-0.8		-1.6		-1.9		-0.5		-0.4		-0.3		0.0	
<i>InvMetrics All Endowment US Fix Inc Net Median</i>			<i>-0.1</i>		<i>2.1</i>		<i>4.9</i>		<i>3.5</i>		<i>2.7</i>		<i>2.6</i>		<i>4.2</i>	<i>Jul-02</i>
<i>Bank of Oklahoma</i>	<i>151,363,479</i>	<i>13.2</i>	<i>2.3</i>	<i>36</i>	<i>4.1</i>	<i>51</i>	<i>7.0</i>	<i>59</i>	<i>4.3</i>	<i>56</i>	<i>3.0</i>	<i>68</i>	<i>3.2</i>	<i>31</i>	<i>4.1</i>	<i>Jul-02</i>
<i>BBgBarc US Aggregate TR</i>			<u>3.1</u>	15	<u>5.7</u>	12	<u>8.9</u>	13	<u>4.8</u>	15	<u>3.4</u>	30	<u>3.2</u>	39	<u>4.5</u>	<i>Jul-02</i>
Over/Under			-0.8		-1.6		-1.9		-0.5		-0.4		0.0		-0.4	
<i>eV US Core Fixed Inc Net Median</i>			<i>1.7</i>		<i>4.1</i>		<i>7.3</i>		<i>4.4</i>		<i>3.2</i>		<i>3.1</i>		<i>4.6</i>	<i>Jul-02</i>

*Fiscal Year ends June 30.

*Performance returns are reported net of fees unless otherwise noted.

*All performance numbers are time weighted returns.

*All returns over one year are annualized.

*Longer-term composite returns include terminated managers.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	Inception (%)	Inception Date
High Yield Fixed Income	71,893,816	6.3	-12.3	99	-9.2	99	-7.0	99	0.5	99	2.1	88	2.6	50	5.6	Oct-03
ICE BofA BB-B US High Yield TR			-11.9	99	-8.1	99	-5.5	99	1.3	98	2.9	28	3.5	1	6.3	Oct-03
Over/Under			-0.4		-1.1		-1.5		-0.8		-0.8		-0.9		-0.7	
InvMetrics All Endowment US Fix Inc Net Median			-0.1		2.1		4.9		3.5		2.7		2.6		4.1	Oct-03
Invesco High Yield	71,893,816	6.3	-12.3	52	-9.2	57	-7.0	56	0.5	55	--	--	--	--	2.1	Jun-15
ML US HY BB Rated Constrained Index			-10.6	26	-6.6	18	-3.6	15	2.0	6	--	--	--	--	3.2	Jun-15
Over/Under			-1.7		-2.6		-3.4		-1.5						-1.1	
eV US High Yield Fixed Inc Net Median			-12.1		-8.9		-6.6		0.6		2.3		2.9		2.0	Jun-15
Absolute Return Fixed Income	119,944,883	10.5	-2.5	64	-0.4	68	1.5	69	2.0	67	2.7	42	--	--	1.8	Jul-14
3-Month LIBOR + 3%			1.1	25	3.7	21	5.1	33	5.1	10	4.5	8	4.2	11	4.4	Jul-14
Over/Under			-3.6		-4.1		-3.6		-3.1		-1.8				-2.6	
Reams Unconstrained Bond	119,944,883	10.5	-2.5	64	-0.4	68	1.5	69	2.0	67	2.7	42	--	--	1.6	Apr-14
3-Month LIBOR + 3%			1.1	25	3.7	21	5.1	33	5.1	10	4.5	8	4.2	11	4.3	Apr-14
Over/Under			-3.6		-4.1		-3.6		-3.1		-1.8				-2.7	
eV All US Fixed Inc Net Median			-0.5		1.3		3.2		2.9		2.5		2.6		2.7	Apr-14

*Fiscal Year ends June 30

*Performance returns are reported net of fees unless otherwise noted.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	Inception (%)	Inception Date
Private Debt	48,053,544	4.2	-3.7	1	-3.2	1	-4.2	4	-2.1	91	1.2	43	3.2	1	3.7	Jan-11
3-Month LIBOR + 5%			<u>1.6</u>	1	<u>5.2</u>	1	<u>7.2</u>	1	<u>7.1</u>	1	<u>6.6</u>	1	<u>6.2</u>	1	<u>6.0</u>	Jan-11
Over/Under			-5.3		-8.4		-11.4		-9.2		-5.4		-3.0		-2.3	
eV US Float-Rate Bank Loan Fixed Inc Net Median			-11.9		-9.6		-8.3		-0.7		1.1		1.7		2.7	Jan-11
Monroe Capital Private Credit Fund III	35,419,855	3.1	-2.8	1	3.2	1	5.6	1	--	--	--	--	--	--	14.7	Jul-18
3-Month LIBOR + 5%			<u>1.6</u>	1	<u>5.2</u>	1	<u>7.2</u>	1	<u>7.1</u>	1	<u>6.6</u>	1	<u>6.2</u>	1	<u>7.4</u>	Jul-18
Over/Under			-4.4		-2.0		-1.6								7.3	
eV US Float-Rate Bank Loan Fixed Inc Net Median			-11.9		-9.6		-8.3		-0.7		1.1		1.7		-3.6	Jul-18
Medley	12,560,173	1.1	-6.0	2	-14.8	96	-19.0	99	-9.5	99	-3.8	99	-0.3	99	-2.1	Mar-11
3-Month LIBOR + 5%			<u>1.6</u>	1	<u>5.2</u>	1	<u>7.2</u>	1	<u>7.1</u>	1	<u>6.6</u>	1	<u>6.2</u>	1	<u>6.0</u>	Mar-11
Over/Under			-7.6		-20.0		-26.2		-16.6		-10.4		-6.5		-8.1	
eV US Float-Rate Bank Loan Fixed Inc Net Median			-11.9		-9.6		-8.3		-0.7		1.1		1.7		2.5	Mar-11
Czech II	73,516	0.0	-10.6	12	-35.6	99	-40.3	99	-14.9	99	-6.4	99	-2.4	99	-2.4	Apr-13
3-Month LIBOR + 5%			<u>1.6</u>	1	<u>5.2</u>	1	<u>7.2</u>	1	<u>7.1</u>	1	<u>6.6</u>	1	<u>6.2</u>	1	<u>6.2</u>	Apr-13
Over/Under			-12.2		-40.8		-47.5		-22.0		-13.0		-8.6		-8.6	
eV US Float-Rate Bank Loan Fixed Inc Net Median			-11.9		-9.6		-8.3		-0.7		1.1		1.7		1.7	Apr-13

*Fiscal Year ends June 30

*Performance returns are reported net of fees unless otherwise noted.

*Private Debt Composite is using the eV Float-Rate Bank Loan Net manager universe.

*Medley Capital is preliminary and subject to change.

*Czech I fully liquidated in October, 2019.



Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	Inception (%)	Inception Date
Dynamic Fixed Income	37,120,216	3.2	-8.1	55	-6.4	58	-3.1	55	0.7	65	1.6	68	1.5	63	3.3	Nov-05
91 Day T-Bill + 2%			<u>0.9</u>	9	<u>2.8</u>	6	<u>3.9</u>	15	<u>3.8</u>	12	<u>3.1</u>	15	<u>2.8</u>	27	<u>3.2</u>	Nov-05
Over/Under			-9.0		-9.2		-7.0		-3.1		-1.5		-1.3		0.1	
eV All Global Fixed Inc Net Median			-7.1		-4.5		-2.0		1.6		2.0		2.0		4.2	Nov-05
WAMCO	37,120,216	3.2	-8.1	55	-6.4	58	-3.1	55	0.7	65	1.6	68	1.5	63	3.3	Nov-07
91 Day T-Bill + 2%			<u>0.9</u>	9	<u>2.8</u>	6	<u>3.9</u>	15	<u>3.8</u>	12	<u>3.1</u>	15	<u>2.8</u>	27	<u>2.7</u>	Nov-07
Over/Under			-9.0		-9.2		-7.0		-3.1		-1.5		-1.3		0.6	
eV All Global Fixed Inc Net Median			-7.1		-4.5		-2.0		1.6		2.0		2.0		3.7	Nov-07
GTAA	102,050,805	8.9	-16.0	66	-12.8	54	-10.9	76	-1.2	76	0.3	53	--	--	-0.3	Aug-14
3-Month LIBOR + 3%			<u>1.1</u>	1	<u>3.7</u>	1	<u>5.1</u>	1	<u>5.1</u>	1	<u>4.5</u>	1	<u>4.2</u>	1	<u>4.4</u>	Aug-14
Over/Under			-17.1		-16.5		-16.0		-6.3		-4.2				-4.7	
InvMetrics All Endowment Global Tactical Net Median			-16.0		-12.7		-10.6		-1.0		0.5		1.2		0.1	Aug-14
GMO	50,243,494	4.4	-16.1	70	-12.6	79	-11.2	80	-1.4	76	-0.4	77	--	--	-0.5	Aug-14
3-Month LIBOR + 3%			<u>1.1</u>	1	<u>3.7</u>	1	<u>5.1</u>	1	<u>5.1</u>	5	<u>4.5</u>	3	<u>4.2</u>	16	<u>4.4</u>	Aug-14
Over/Under			-17.2		-16.3		-16.3		-6.5		-4.9				-4.9	
eV Global TAA Net Median			-12.8		-9.4		-6.6		0.2		0.6		2.2		1.2	Aug-14
PIMCO	51,807,311	4.5	-16.0	70	-12.9	82	-10.6	75	-1.0	72	1.1	35	--	--	-0.2	Sep-14
3-Month LIBOR + 3%			<u>1.1</u>	1	<u>3.7</u>	1	<u>5.1</u>	1	<u>5.1</u>	5	<u>4.5</u>	3	<u>4.2</u>	16	<u>4.4</u>	Sep-14
Over/Under			-17.1		-16.6		-15.7		-6.1		-3.4				-4.6	
eV Global TAA Net Median			-12.8		-9.4		-6.6		0.2		0.6		2.2		0.8	Sep-14

*Fiscal Year ends June 30.

*Performance returns are reported net of fees unless otherwise noted.

*Dynamic Fixed Income Composite is using the eV All Global Fixed Inc Net manager universe.

*All returns over one year are annualized.

*Longer-term composite returns include terminated managers.

Oklahoma Tobacco Settlement Endowment

TOTAL FUND PERFORMANCE DETAIL

	Market Value (\$)	% of Portfolio	3 Mo (%)	Rank	Fiscal YTD (%)	Rank	1 Yr (%)	Rank	3 Yrs (%)	Rank	5 Yrs (%)	Rank	7 Yrs (%)	Rank	Inception (%)	Inception Date
Real Estate	112,563,892	9.8	-1.0	75	1.0	56	1.3	54	5.9	32	7.5	24	7.5	24	7.5	Apr-13
<i>NCREIF Property Index</i>			<u>0.7</u>	20	<u>3.7</u>	1	<u>5.3</u>	16	<u>6.4</u>	7	<u>7.6</u>	19	<u>8.9</u>	19	<u>8.9</u>	<i>Apr-13</i>
Over/Under			-1.7		-2.7		-4.0		-0.5		-0.1		-1.4		-1.4	
<i>InvMetrics All Endowment Real Estate Pub+Priv Net Median</i>			0.0		1.0		1.6		4.0		4.9		6.8		6.8	<i>Apr-13</i>
AEW Capital Management	50,364,446	4.4	-1.1		1.2		2.6		5.2		7.2		8.2		8.2	Apr-13
<i>NCREIF Property Index</i>			<u>0.7</u>	--	<u>3.7</u>	--	<u>5.3</u>	--	<u>6.4</u>	--	<u>7.6</u>	--	<u>8.9</u>	--	<u>8.9</u>	<i>Apr-13</i>
Over/Under			-1.8		-2.5		-2.7		-1.2		-0.4		-0.7		-0.7	
AEW VII	2,521,146	0.2	-4.9		-2.8		17.9		17.0		15.3		--		14.5	Mar-14
<i>NCREIF Property Index</i>			<u>0.7</u>	--	<u>3.7</u>	--	<u>5.3</u>	--	<u>6.4</u>	--	<u>7.6</u>	--	<u>8.9</u>	--	<u>8.5</u>	<i>Mar-14</i>
Over/Under			-5.6		-6.5		12.6		10.6		7.7		6.0		6.0	
Siguler Guff Distress Real Estate II	23,215,425	2.0	-2.4		1.1		2.2		8.4		9.2		--		7.2	May-14
<i>NCREIF Property Index</i>			<u>0.7</u>	--	<u>3.7</u>	--	<u>5.3</u>	--	<u>6.4</u>	--	<u>7.6</u>	--	<u>8.9</u>	--	<u>8.6</u>	<i>May-14</i>
Over/Under			-3.1		-2.6		-3.1		2.0		1.6		-1.4		-1.4	
UBS Trumbull	36,462,875	3.2	0.2		0.7		-3.2		2.5		4.6		--		5.2	Oct-14
<i>NCREIF Property Index</i>			<u>0.7</u>	--	<u>3.7</u>	--	<u>5.3</u>	--	<u>6.4</u>	--	<u>7.6</u>	--	<u>8.9</u>	--	<u>8.2</u>	<i>Oct-14</i>
Over/Under			-0.5		-3.0		-8.5		-3.9		-3.0		-3.0		-3.0	
Cash	8,686	0.0														
Clearing Account	8,686	0.0	0.3	--	1.1	--	1.5	--	1.7	--	1.1	--	0.8	--	1.3	Jul-02
<i>91 Day T-Bills</i>			<u>0.4</u>	--	<u>1.3</u>	--	<u>1.9</u>	--	<u>1.7</u>	--	<u>1.1</u>	--	<u>0.8</u>	--	<u>1.3</u>	<i>Jul-02</i>
Over/Under			-0.1		-0.2		-0.4		0.0		0.0		0.0		0.0	

*Real Estate composite is using InvMetrics All Endowment Real Estate Pub+Priv Net manager universe.

*Siguler Guff is preliminary and subject to change.

*Fiscal Year ends June 30.

*Performance returns are reported net of fees unless otherwise noted.

*All returns over one year are annualized.

*Longer-term composite returns include terminated managers.



Oklahoma Tobacco Settlement Endowment

PRIVATE EQUITY AND REAL ESTATE IRR

Private Debt	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-3.7%	-3.2%	-4.2%	-2.1%	1.2%	3.2%
Money Weighted	-3.7%	-3.4%	-4.4%	-2.0%	2.0%	3.5%

Monroe Capital Private Credit Fund III	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-2.8%	3.2%	5.6%			
Money Weighted	-2.8%	2.9%	5.2%			

Medley	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-6.0%	-14.8%	-19.0%	-9.5%	-3.8%	-0.3%
Money Weighted	-6.0%	-14.8%	-18.9%	-8.6%	-1.7%	1.2%

Czech II	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-10.6%	-35.6%	-40.3%	-14.9%	-6.4%	-2.4%
Money Weighted	-8.1%	-34.2%	-27.7%	2.8%	6.3%	7.0%

*Performance returns are reported net of fees.

*Returns are one quarter lagged.

*Czech I fully liquidated in October, 2019.

**Medley Capital is preliminary and subject to change.



Oklahoma Tobacco Settlement Endowment

PRIVATE EQUITY AND REAL ESTATE IRR

Real Estate	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-1.0%	1.0%	1.3%	5.9%	7.5%	7.5%
Money Weighted	-1.2%	0.4%	0.5%	5.0%	6.4%	6.3%
AEW Capital Management	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-1.1%	1.2%	2.6%	5.2%	7.2%	8.2%
Money Weighted	-1.3%	0.5%	1.6%	3.9%	5.6%	6.2%
AEW VII	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-4.9%	-2.8%	17.9%	17.0%	15.3%	
Money Weighted	-4.9%	-1.4%	25.7%	16.1%	13.4%	
Siguler Guff Distress Real Estate II	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	-2.4%	1.1%	2.2%	8.4%	9.2%	
Money Weighted	-2.3%	1.1%	2.3%	9.1%	10.0%	
UBS Trumbull	QTD	Fiscal YTD	1 Yr	3 Yrs	5 Yrs	7 Yrs
Time Weighted	0.2%	0.7%	-3.2%	2.5%	4.6%	
Money Weighted	0.0%	0.1%	-4.0%	0.8%	2.3%	

*Performance returns are reported net of fees.

*Returns are one quarter lagged.

*Siguler Guff Distressed Real Estate II is preliminary and subject to change.



Oklahoma Tobacco Settlement Endowment

FEE SCHEDULE

Investment Expense Analysis

As Of March 31, 2020

Name	Market Value	% of Portfolio	Vehicle Type	Fee Schedule	Estimated Fee	Estimated Fee Value
Total Equity	\$473,687,968	41.4%				
Domestic Equity	\$294,580,667	25.7%				
Large Cap Equity	\$233,917,198	20.4%				
SSgA Russell 1000 Growth	\$128,262,626	11.2%	Separate Account	0.09% of Assets	0.09%	\$115,436
Barrow Hanley	\$105,654,572	9.2%	Separate Account	0.75% of First 10.0 Mil, 0.50% of Next 15.0 Mil, 0.25% of Next 175.0 Mil, 0.20% of Next 600.0 Mil, 0.15% Thereafter	0.33%	\$351,636
Small-Mid Cap Equity	\$60,663,468	5.3%				
Earnest	\$60,663,468	5.3%	Separate Account	0.75% of Assets	0.75%	\$454,976
International Equity	\$179,107,302	15.6%				
Schroders	\$179,107,302	15.6%	Separate Account	0.65% of First 50.0 Mil, 0.60% of Next 50.0 Mil, 0.55% Thereafter	0.59%	\$1,060,090
MLP	\$28,230,277	2.5%				
Tortoise Advisors	\$28,230,277	2.5%	Separate Account			
Total Fixed Income	\$343,202,178	30.0%				
Core Fixed Income	\$151,363,479	13.2%				
Bank of Oklahoma	\$151,363,479	13.2%	Separate Account	0.18% of Assets	0.18%	\$272,454
High Yield Fixed Income	\$71,893,816	6.3%				
Invesco High Yield	\$71,893,816	6.3%	Separate Account	0.40% of Assets	0.40%	\$287,575
Transition Account	\$0	0.0%	Other			
Absolute Return Fixed Income	\$119,944,883	10.5%				
Reams Unconstrained Bond	\$119,944,883	10.5%	Commingled Fund	0.20% of First 150.0 Mil, 0.15% Thereafter	0.20%	\$239,890



Oklahoma Tobacco Settlement Endowment

FEE SCHEDULE

Name	Market Value	% of Portfolio	Vehicle Type	Fee Schedule	Estimated Fee	Estimated Fee Value
Private Debt	\$48,053,544	4.2%				
Monroe Capital Private Credit Fund III	\$35,419,855	3.1%	Commingled Fund			
Medley	\$12,560,173	1.1%	Commingled Fund	1.75% of Assets	1.75%	\$219,803
Czech II	\$73,516	0.0%				
Czech Offshore Fund II	\$62,316	0.0%	Other	1.5% Management Fee and 20% Performance Fee with no preferred return		
Czech Onshore Fund II	\$11,200	0.0%	Other	1.5% Management fee and 20% performance fee with no preferred return		
Dynamic Fixed Income	\$37,120,216	3.2%				
WAMCO	\$37,120,216	3.2%	Commingled Fund	0.40% of Assets	0.40%	\$148,481
GTAA	\$102,050,805	8.9%				
GMO	\$50,243,494	4.4%	Mutual Fund	0.93% of Assets	0.93%	\$467,264
PIMCO	\$51,807,311	4.5%	Mutual Fund	0.86% of Assets	0.86%	\$445,543
Real Estate	\$112,563,892	9.8%				
AEW Capital Management	\$50,364,446	4.4%	Other	1.10% of First 10.0 Mil, 1.00% of Next 15.0 Mil, 0.85% of Next 25.0 Mil, 0.80% of Next 50.0 Mil, 0.75% Thereafter	0.94%	\$475,416
AEW VII	\$2,521,146	0.2%	Other	1.25% on committed capital 9.0% preferred return 20% Carried Interest 50% Catch Up		



Oklahoma Tobacco Settlement Endowment

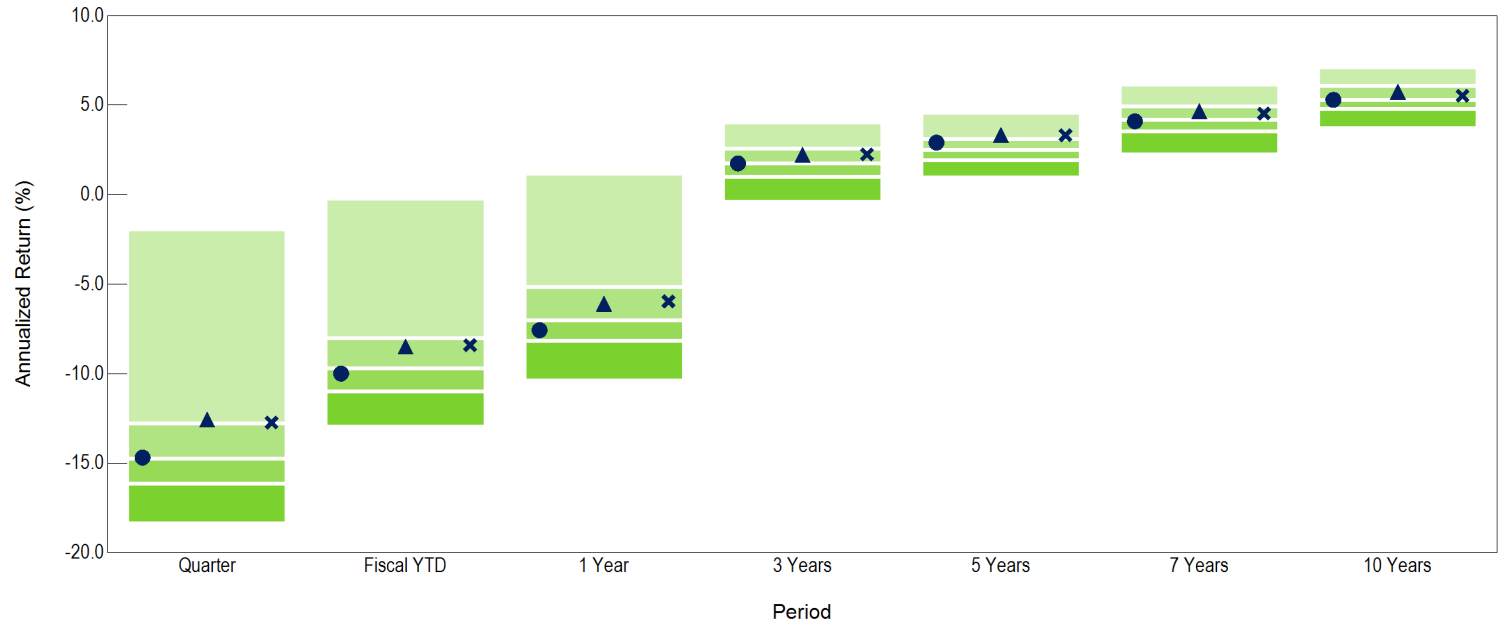
FEE SCHEDULE

Name	Market Value	% of Portfolio	Vehicle Type	Fee Schedule	Estimated Fee	Estimated Fee Value
Siguler Guff Distress Real Estate II	\$23,215,425	2.0%	Other	1.0% on committed capital 80% of prior year's fee after end of direct investment commitment period 8% Preferred Return 8% Carried Interest 100% Catch up		
UBS Trumbull	\$36,462,875	3.2%	Commingled Fund	Management Fee - 1.00% Investment Period Management Fee - 1.50% Post-Investment Period Preferred Return 7.0% Carried Interest 15% Catch-Up 0%		
Clearing Account	\$8,686	0.0%	Other			
Total	\$1,144,917,568	100.0%			0.40%	\$4,538,565



TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

Total Fund vs. InvMetrics All Endowment Net

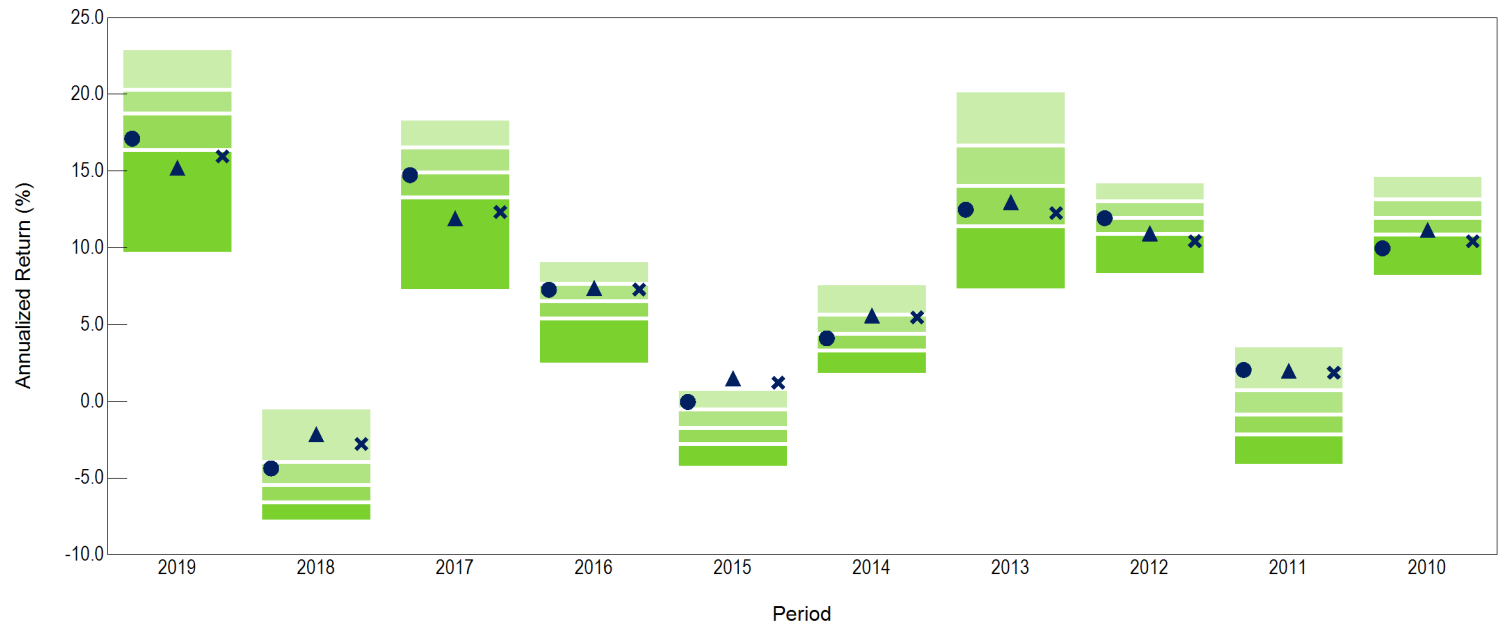


	Return (Rank)													
5th Percentile	-2.0		-0.3		1.2		4.0		4.5		6.1		7.1	
25th Percentile	-12.8		-8.0		-5.1		2.6		3.1		5.0		6.1	
Median	-14.7		-9.7		-7.0		1.8		2.5		4.2		5.3	
75th Percentile	-16.1		-11.0		-8.1		1.0		2.0		3.6		4.8	
95th Percentile	-18.3		-12.9		-10.4		-0.4		1.0		2.3		3.7	
# of Portfolios	372		366		363		336		303		251		214	
● Total Fund	-14.7	(50)	-10.0	(58)	-7.6	(65)	1.7	(51)	2.9	(33)	4.1	(56)	5.3	(51)
▲ Policy Index	-12.6	(23)	-8.5	(31)	-6.1	(39)	2.2	(35)	3.3	(20)	4.7	(35)	5.7	(36)
× Allocation Index	-12.7	(25)	-8.4	(30)	-6.0	(36)	2.2	(34)	3.3	(20)	4.5	(40)	5.5	(42)



TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

Total Fund vs. InvMetrics All Endowment Net

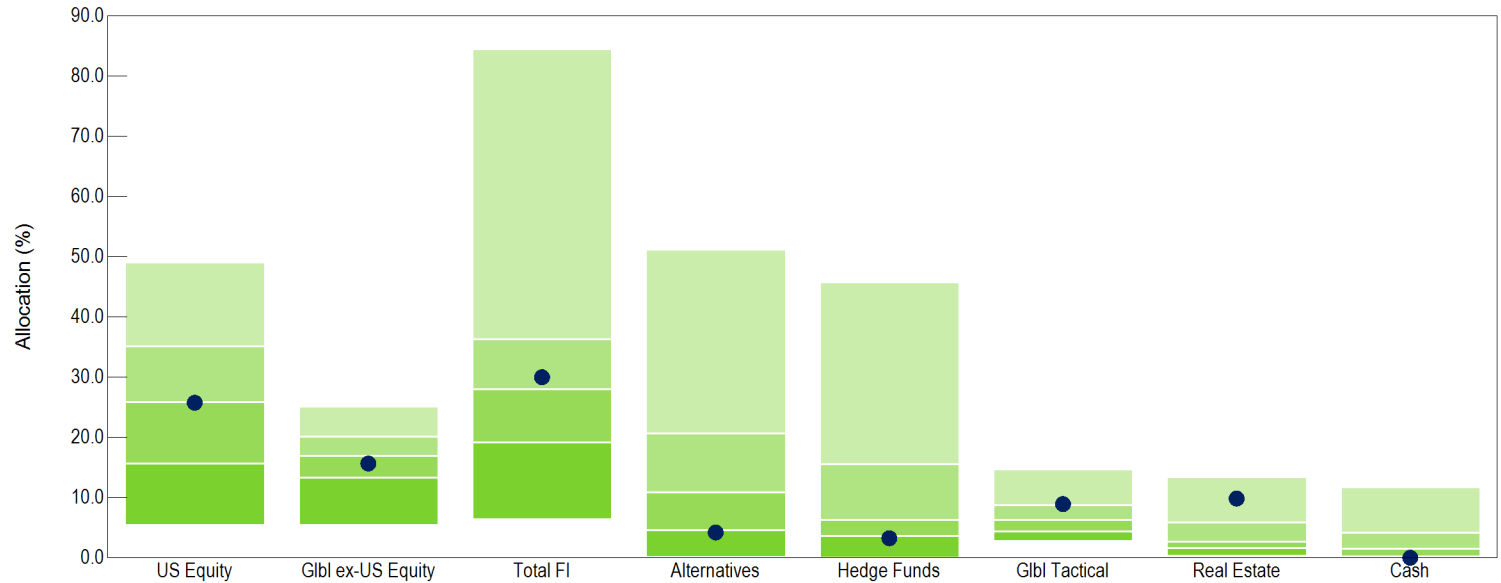


	Return (Rank)																			
5th Percentile	23.0	-0.4	18.4	9.2	0.8	7.7	20.2	14.3	3.6	14.7										
25th Percentile	20.3	-3.9	16.5	7.7	-0.5	5.6	16.7	13.0	0.7	13.2										
Median	18.8	-5.4	14.9	6.5	-1.7	4.4	14.1	11.9	-0.8	12.0										
75th Percentile	16.4	-6.6	13.3	5.4	-2.8	3.3	11.4	10.9	-2.1	10.9										
95th Percentile	9.6	-7.8	7.2	2.4	-4.3	1.7	7.2	8.2	-4.2	8.1										
# of Portfolios	371	462	366	367	342	305	225	223	193	177										
● Total Fund	17.1	(67)	-4.4	(33)	14.7	(55)	7.3	(34)	0.0	(16)	4.1	(58)	12.5	(64)	11.9	(51)	2.0	(13)	10.0	(88)
▲ Policy Index	15.2	(82)	-2.2	(10)	11.9	(86)	7.4	(33)	1.5	(3)	5.6	(27)	13.0	(60)	10.9	(74)	2.0	(14)	11.2	(69)
× Allocation Index	16.0	(79)	-2.8	(13)	12.3	(84)	7.3	(34)	1.2	(4)	5.5	(29)	12.3	(67)	10.4	(80)	1.9	(15)	10.4	(81)



TOTAL FUND RETURN SUMMARY VS. PEER UNIVERSE

Total Plan Allocation vs. InvMetrics All Endowment Net



	US Equity		Gbl ex-US Equity		Total FI		Alternatives		Hedge Funds		Gbl Tactical		Real Estate		Cash	
5th Percentile	49.0	25.1	84.4	51.1	45.7	14.7	13.4	11.8								
25th Percentile	35.2	20.2	36.3	20.8	15.7	8.9	6.0	4.3								
Median	25.9	17.1	28.1	11.0	6.4	6.4	2.8	1.6								
75th Percentile	15.7	13.4	19.2	4.7	3.7	4.5	1.7	0.4								
95th Percentile	5.6	5.5	6.5	0.2	0.1	2.9	0.4	0.0								
# of Portfolios	213	279	320	180	119	51	119	293								
● Total Fund	25.7	(51)	15.6	(64)	30.0	(42)	4.2	(77)	3.2	(79)	8.9	(25)	9.8	(12)	0.0	(95)

*Alternatives includes the Total Fund's allocation to Private Debt strategies.

*The Alternatives category includes plan composites classified as Venture Capital, Private Equity, and Real Assets/Commodities.



Oklahoma Tobacco Settlement Endowment

DOMESTIC EQUITY

Statistics Summary													
3 Years Ending March 31, 2020													
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Down Mkt Cap Ratio	Rank	Sharpe Ratio	Rank	Info Ratio	Rank	Tracking Error	Rank
Domestic Equity	25.73%	4.25%	17	16.64%	80	104.34%	71	0.15	20	0.17	16	1.47%	36
Russell 3000	--	4.00%	23	15.83%	34	100.00%	28	0.14	25	--	--	0.00%	1
Large Cap Equity	20.43%	4.79%	36	16.22%	61	102.57%	60	0.19	39	0.08	36	1.84%	2
Russell 1000	--	4.64%	37	15.54%	45	100.00%	54	0.19	39	--	--	0.00%	1
SSgA Russell 1000 Growth	11.20%	11.54%	38	15.43%	52	99.80%	56	0.64	37	0.93	6	0.24%	1
Russell 1000 Growth	--	11.32%	39	15.40%	52	100.00%	57	0.62	40	--	--	0.00%	1
Barrow Hanley	9.23%	-2.03%	56	18.26%	75	107.40%	74	-0.21	52	0.04	56	3.61%	42
Russell 1000 Value	--	-2.18%	58	16.79%	52	100.00%	55	-0.23	57	--	--	0.00%	1
Small-Mid Cap Equity	5.30%	2.18%	30	18.71%	29	86.59%	32	0.02	31	1.15	20	4.60%	26
Russell 2500	--	-3.10%	53	20.33%	57	100.00%	64	-0.24	52	--	--	0.00%	1
Earnest	5.30%	2.18%	76	18.71%	34	86.59%	66	0.02	76	1.15	52	4.60%	7
Russell 2500	--	-3.10%	53	20.33%	57	100.00%	64	-0.24	52	--	--	0.00%	1

*Composite rankings are used for Domestic Equity (InvMetrics All Endowment US Equity).



Oklahoma Tobacco Settlement Endowment

DOMESTIC EQUITY

Statistics Summary													
5 Years Ending March 31, 2020													
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Down Mkt Cap Ratio	Rank	Sharpe Ratio	Rank	Info Ratio	Rank	Tracking Error	Rank
Domestic Equity	25.73%	5.56%	15	14.66%	63	103.02%	54	0.30	21	-0.16	17	1.32%	24
Russell 3000	--	5.77%	10	14.16%	32	100.00%	23	0.33	13	--	--	0.00%	1
Large Cap Equity	20.43%	5.97%	36	14.34%	54	102.32%	61	0.34	39	-0.15	38	1.70%	1
Russell 1000	--	6.22%	33	13.91%	41	100.00%	50	0.37	34	--	--	0.00%	1
SSgA Russell 1000 Growth	11.20%	10.31%	26	14.03%	46	100.67%	44	0.65	22	-0.20	35	0.27%	1
Russell 1000 Growth	--	10.36%	26	13.97%	44	100.00%	39	0.66	21	--	--	0.00%	1
Barrow Hanley	9.23%	1.49%	57	15.83%	68	105.14%	73	0.02	57	-0.12	57	3.31%	33
Russell 1000 Value	--	1.90%	51	14.83%	49	100.00%	52	0.05	51	--	--	0.00%	1
Small-Mid Cap Equity	5.30%	3.91%	24	16.40%	25	88.88%	29	0.17	26	0.73	17	4.67%	28
Russell 2500	--	0.49%	45	17.97%	54	100.00%	64	-0.04	46	--	--	0.00%	1
Earnest	5.30%	3.91%	61	16.40%	27	88.88%	54	0.17	64	0.73	43	4.67%	7
Russell 2500	--	0.49%	45	17.97%	54	100.00%	64	-0.04	46	--	--	0.00%	1

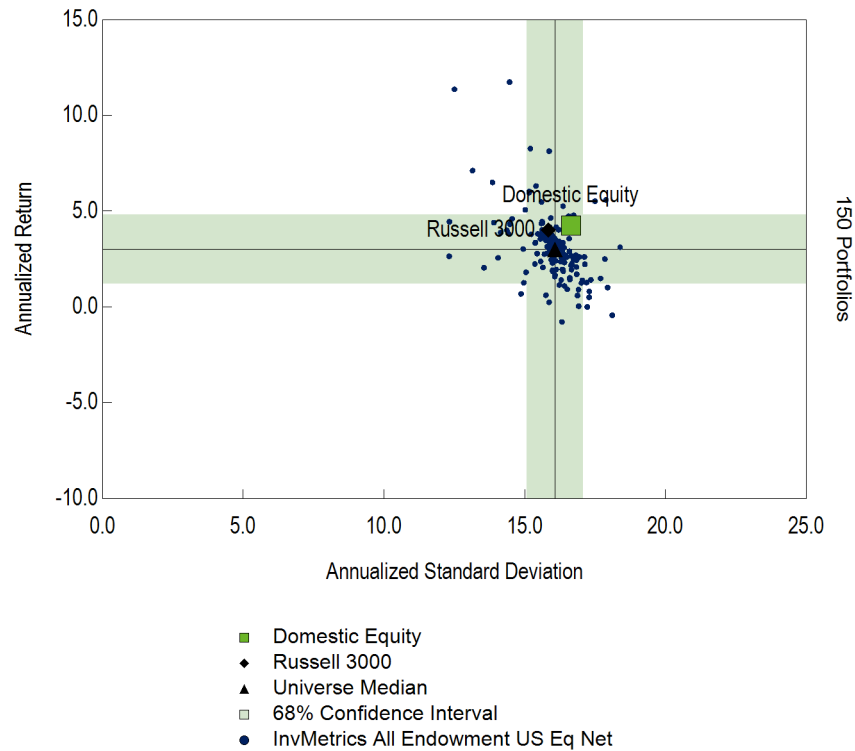
*Composite rankings are used for Domestic Equity (InvMetrics All Endowment US Equity).



Oklahoma Tobacco Settlement Endowment

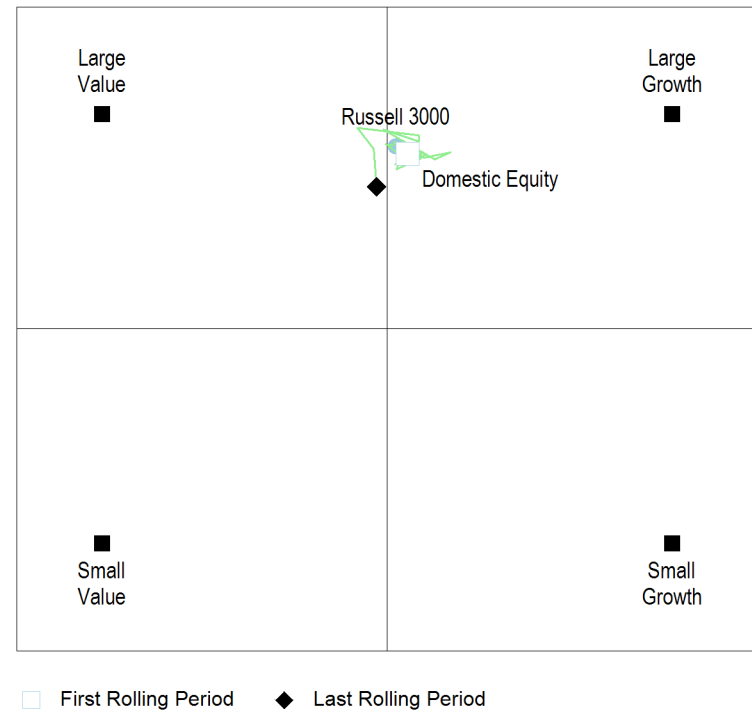
DOMESTIC EQUITY

3 Year Risk Return



	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Domestic Equity	4.25%	17	16.64%	80
Russell 3000	4.00%	23	15.83%	34

Style Analysis (Returns Based)
3 Years Ending March 31, 2020

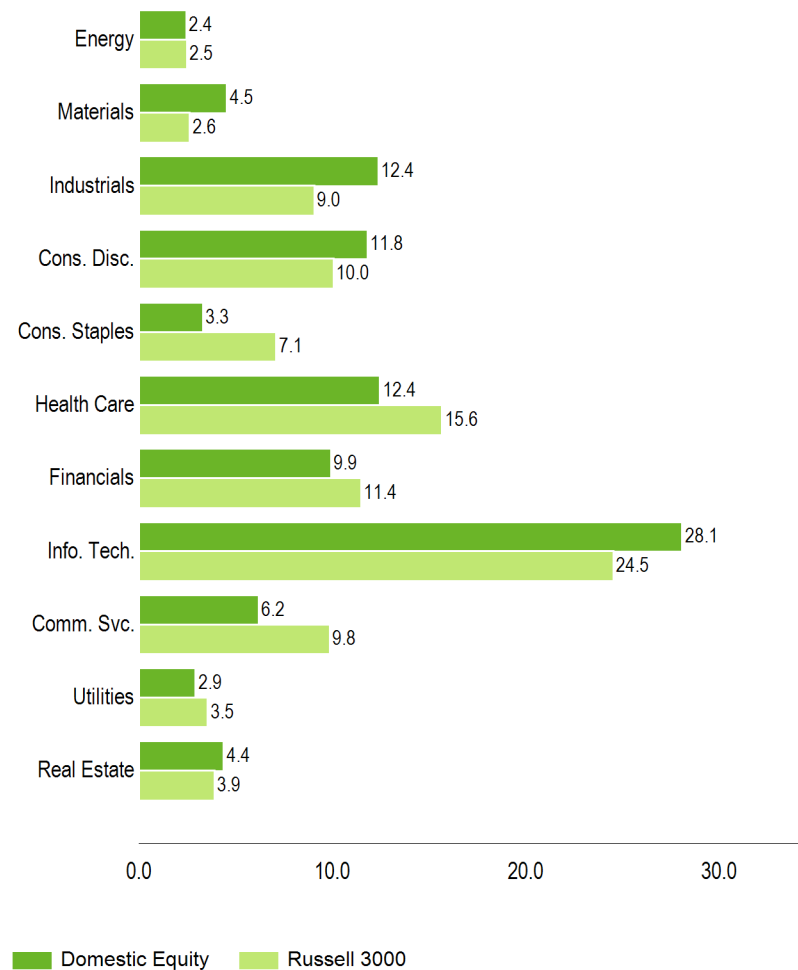


Oklahoma Tobacco Settlement Endowment

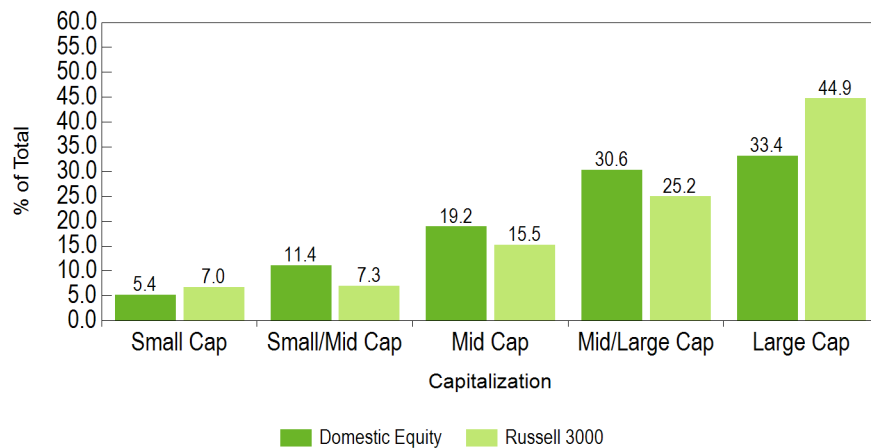
DOMESTIC EQUITY

Characteristics		
	Portfolio	Russell 3000
Number of Holdings	592	2,976
Weighted Avg. Market Cap. (\$B)	189.1	227.2
Median Market Cap. (\$B)	9.9	1.1
Price To Earnings	18.0	16.8
Price To Book	3.6	3.6
Price To Sales	2.5	2.5
Return on Equity (%)	25.9	21.9
Yield (%)	2.1	2.3
Beta	1.0	1.0
R-Squared	1.0	1.0

Equity Sector Allocation



Market Capitalization As of March 31, 2020



Oklahoma Tobacco Settlement Endowment

DOMESTIC EQUITY

Top Ten Holdings	
MICROSOFT	4.0%
APPLE	3.5%
AMAZON.COM	2.7%
CASH - USD	1.8%
UNITEDHEALTH GROUP	1.8%
DOLLAR GENERAL	1.6%
ORACLE	1.4%
COMCAST A	1.4%
LOWE'S COMPANIES	1.3%
FACEBOOK CLASS A	1.3%

Top Positive Contributors		
	Relative Contribution %	Return %
MICROSOFT	0.1%	-2.7%
MCDONALDS	0.1%	-14.8%
OCCIDENTAL PTL.	0.1%	-62.4%
HOME DEPOT	0.1%	-13.7%
INTERNATIONAL BUS.MCHS.	0.1%	-14.8%
APPLE	0.1%	-7.0%
COCA COLA	0.1%	-16.6%
ONEOK	0.0%	-67.3%
CENTENE	0.0%	12.1%
HONEYWELL INTL.	0.0%	-17.5%

Top Negative Contributors		
	Relative Contribution %	Return %
HESS	-0.4%	-40.3%
SPIRIT AEROSYSTEMS CL.A	-0.4%	-54.7%
ADV.AUTO PARTS	-0.3%	-29.6%
AMERICAN INTL.GP.	-0.3%	-41.8%
ARAMARK	-0.3%	-42.5%
WOLVERINE WWD.	-0.3%	-41.8%
SIMON PROPERTY GROUP	-0.2%	-55.4%
EOG RES.	-0.2%	-43.2%
WABTEC	-0.2%	-29.9%
LOWE'S COMPANIES	-0.2%	-19.3%

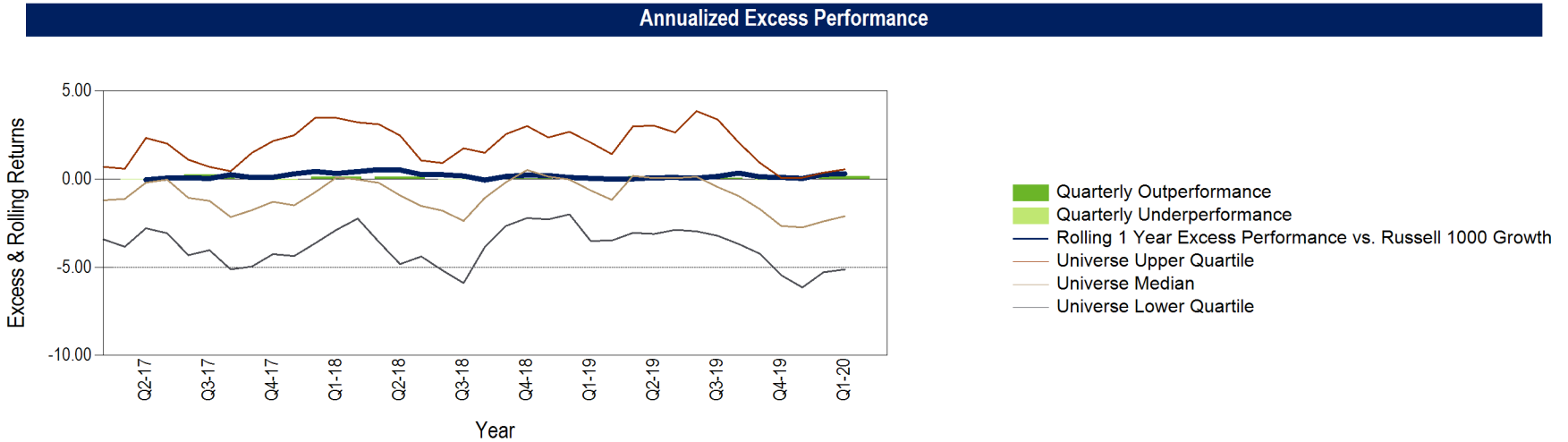
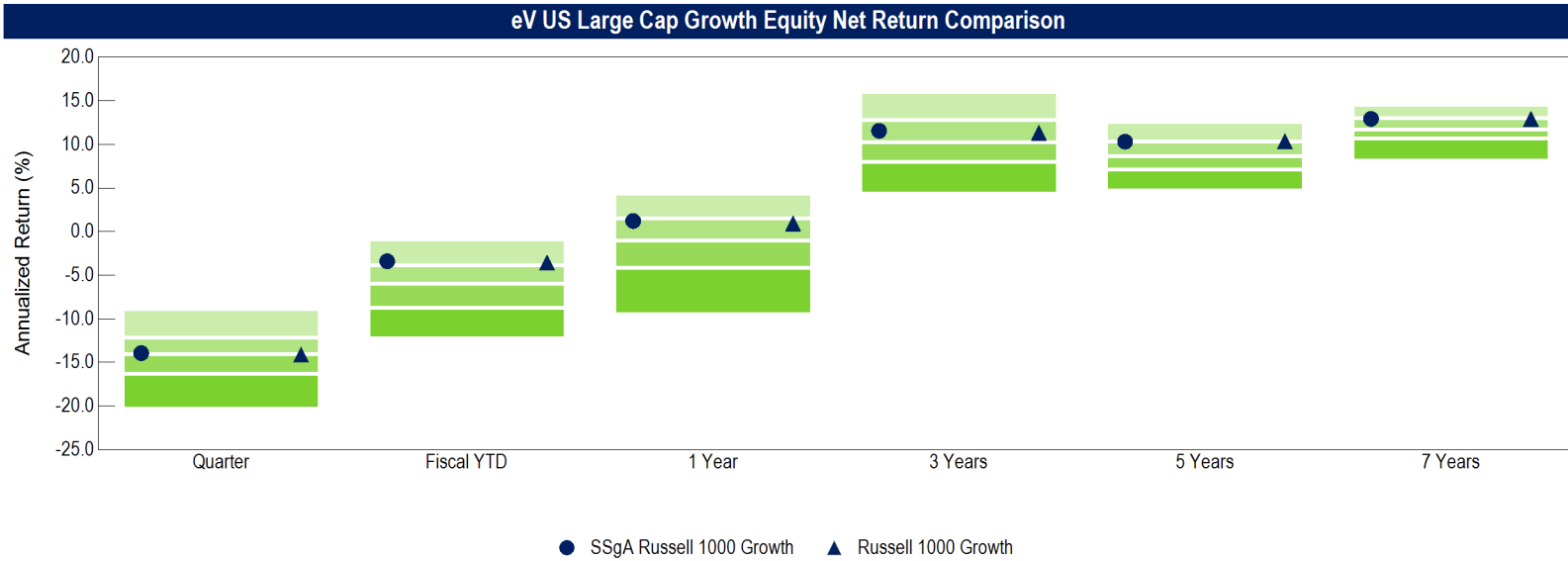
	Equity Sector Attribution										
	Total Effects	Selection Effect	Attribution Effects				Returns		Sector Weights		
			Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	-0.6%	0.0%	-0.6%	0.0%	-51.4%	-51.9%	5.8%	4.1%			
Materials	-0.1%	0.0%	-0.1%	0.0%	-28.6%	-28.0%	4.4%	2.9%			
Industrials	-0.8%	-0.3%	-0.3%	-0.1%	-31.3%	-27.8%	13.8%	9.9%			
Consumer Discretionary	-0.5%	-0.4%	0.0%	-0.1%	-25.4%	-21.5%	11.9%	10.0%			
Consumer Staples	-0.4%	-0.1%	-0.3%	0.1%	-14.5%	-13.2%	1.8%	6.4%			
Health Care	-0.5%	-0.3%	-0.2%	0.1%	-15.2%	-13.0%	11.4%	14.2%			
Financials	0.3%	0.1%	0.2%	0.0%	-31.6%	-32.7%	11.9%	13.5%			
Information Technology	-0.6%	-0.6%	0.1%	0.0%	-15.6%	-12.8%	24.9%	22.4%			
Communication Services	0.0%	0.2%	-0.1%	-0.1%	-15.7%	-17.5%	5.9%	9.4%			
Utilities	-0.1%	-0.1%	0.0%	0.0%	-16.1%	-13.1%	2.7%	3.2%			
Real Estate	0.1%	0.1%	0.0%	0.0%	-22.3%	-24.2%	3.9%	4.0%			
Cash	0.6%	0.0%	0.6%	0.0%	0.4%	--	1.5%	0.0%			
Portfolio	-2.6%	=	-1.4%	+	-1.0%	+	-0.2%	-23.4%	-20.8%	100.0%	100.0%

*Statistics based on monthly buy and hold methodology. Performance may be different due to security turnover in the portfolio.



Oklahoma Tobacco Settlement Endowment

SSGA INDEX FUND



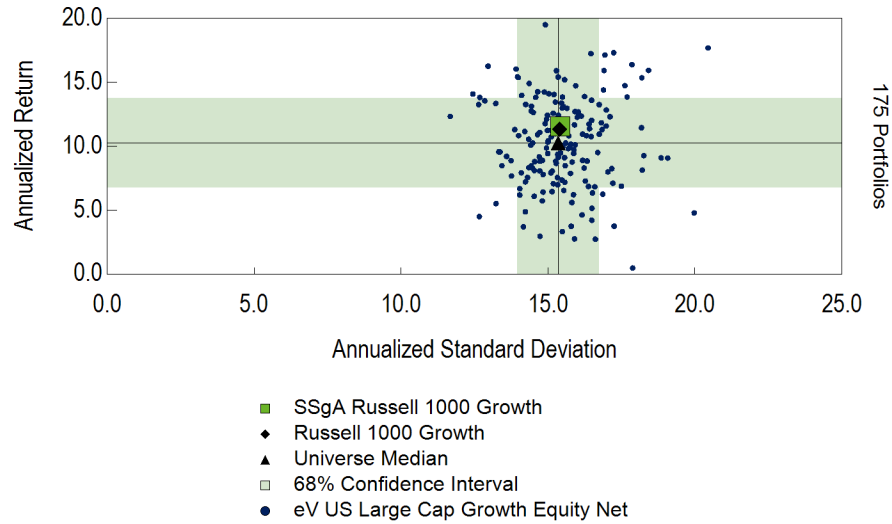
*SSGA Index Fund includes the Russell 1000 Growth Index excluding tobacco.



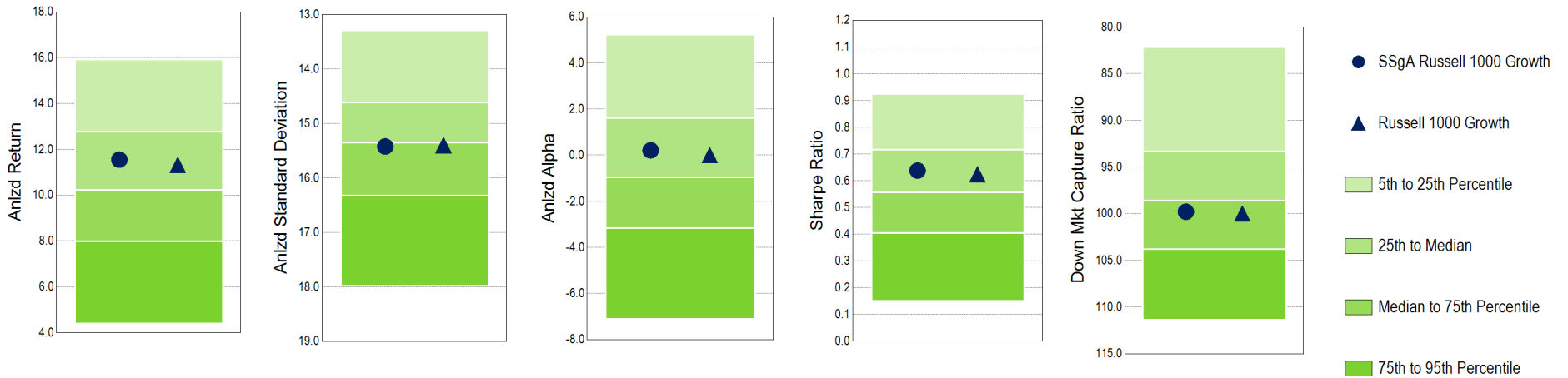
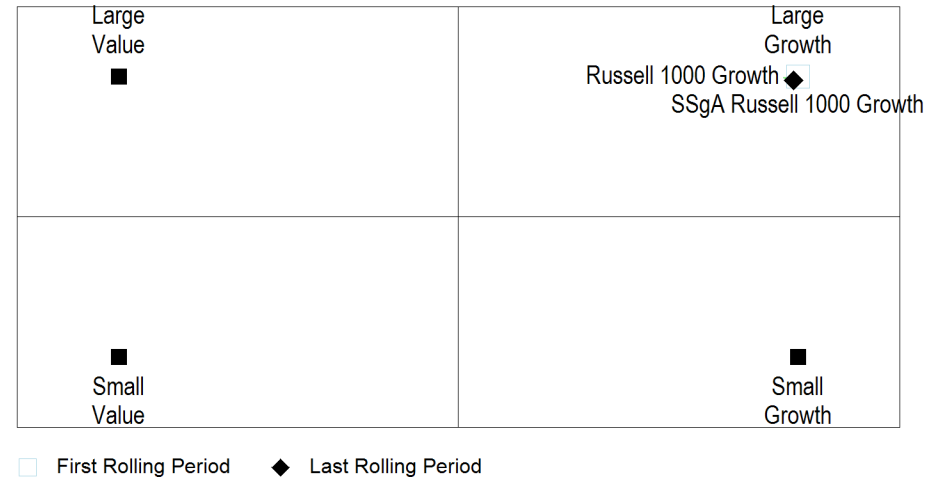
Oklahoma Tobacco Settlement Endowment

SSGA INDEX FUND

3 Year Risk Return



Style Analysis (Returns Based)
3 Years Ending March 31, 2020



*SSGA Index Fund includes the Russell 1000 Growth Index excluding tobacco.



Oklahoma Tobacco Settlement Endowment

SSGA INDEX FUND

Characteristics		
	Portfolio	Russell 1000 Growth
Number of Holdings	534	532
Weighted Avg. Market Cap. (\$B)	355.1	355.2
Median Market Cap. (\$B)	9.8	9.8
Price To Earnings	23.8	23.8
Price To Book	6.7	6.7
Price To Sales	4.0	4.0
Return on Equity (%)	35.4	35.4
Yield (%)	1.3	1.3
Beta	1.0	1.0
R-Squared	1.0	1.0

Top Positive Contributors		
	Relative Contribution %	Return %
SAGE THERAPEUTICS	0.0%	-60.2%
DIAMONDBACK ENERGY	0.0%	-71.6%
NORDSTROM	0.0%	-62.0%
DELTA AIR LINES	0.0%	-50.9%
ATHENE HOLDING A	0.0%	-47.2%
SKECHERS USA 'A'	0.0%	-45.0%
ALASKA AIR GROUP	0.0%	-57.7%
W R GRACE	0.0%	-48.8%
SYNCHRONY FINANCIAL	0.0%	-55.0%
XPO LOGISTICS	0.0%	-38.8%

Top Negative Contributors		
	Relative Contribution %	Return %
FISERV	-0.1%	-17.9%
O REILLY AUTOMOTIVE	-0.1%	-31.3%
LAM RESEARCH	0.0%	-17.5%
XILINX	0.0%	-19.9%
AUTODESK	0.0%	-14.9%
ULTA BEAUTY	0.0%	-30.6%
ROKU	0.0%	-34.7%
ZEBRA TECHNOLOGIES 'A'	0.0%	-28.1%
CHENIERE EN.	0.0%	-45.1%
COSTCO WHOLESALE	0.0%	-2.8%

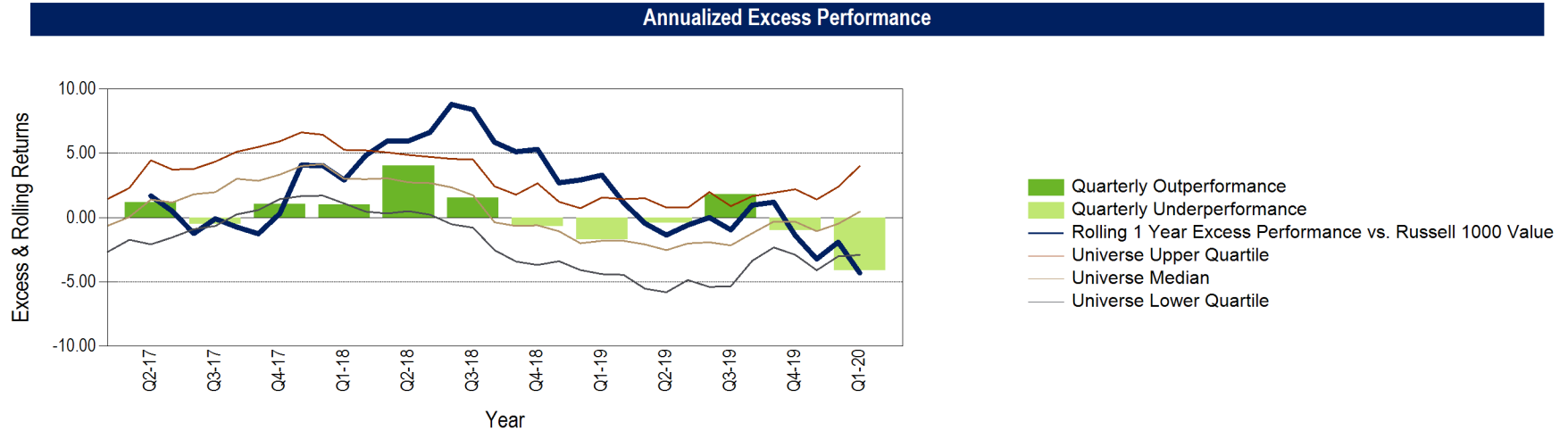
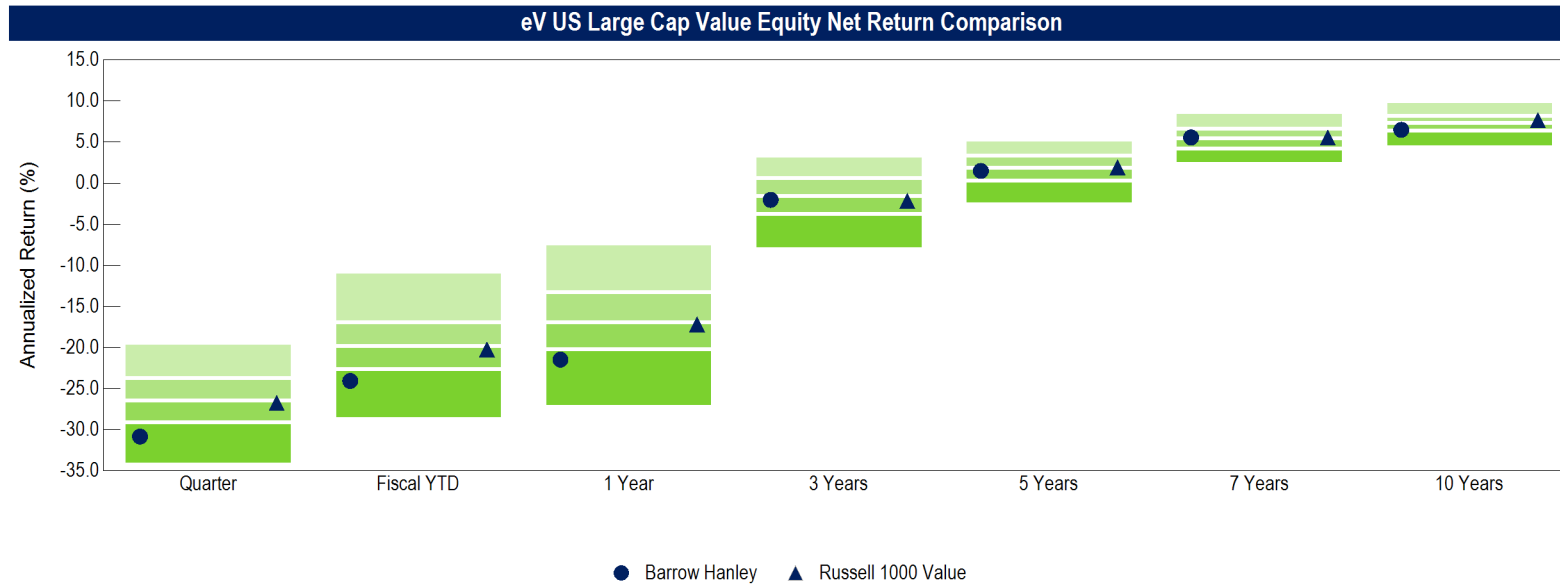
Equity Sector Attribution											
	Attribution Effects					Returns		Sector Weights			
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.0%	0.0%	0.0%	0.0%	-52.8%	-53.0%	0.3%	0.3%			
Materials	0.0%	0.0%	0.0%	0.0%	-20.5%	-20.6%	1.3%	1.3%			
Industrials	0.0%	0.0%	0.0%	0.0%	-26.0%	-25.9%	9.3%	9.3%			
Consumer Discretionary	0.0%	0.0%	0.0%	0.0%	-13.5%	-13.5%	13.9%	13.9%			
Consumer Staples	-0.3%	-0.3%	0.0%	0.0%	-14.5%	-7.9%	4.6%	4.6%			
Health Care	0.0%	0.0%	0.0%	0.0%	-12.4%	-12.4%	14.7%	14.7%			
Financials	0.0%	0.0%	0.0%	0.0%	-20.0%	-19.9%	3.1%	3.1%			
Information Technology	0.0%	0.0%	0.0%	0.0%	-11.4%	-11.4%	39.0%	38.9%			
Communication Services	0.0%	0.0%	0.0%	0.0%	-13.9%	-13.9%	11.5%	11.5%			
Utilities	0.0%	--	--	--	--	--	0.0%	0.0%			
Real Estate	0.0%	0.0%	0.0%	0.0%	-10.1%	-10.1%	2.4%	2.4%			
Cash	0.0%	--	--	--	--	--	0.0%	0.0%			
Portfolio	-0.3%	=	-0.3%	+	0.0%	+	0.0%	-14.1%	-13.8%	100.0%	100.0%

*Statistics based on monthly buy and hold methodology. Performance may be different due to security turnover in the portfolio.



Oklahoma Tobacco Settlement Endowment

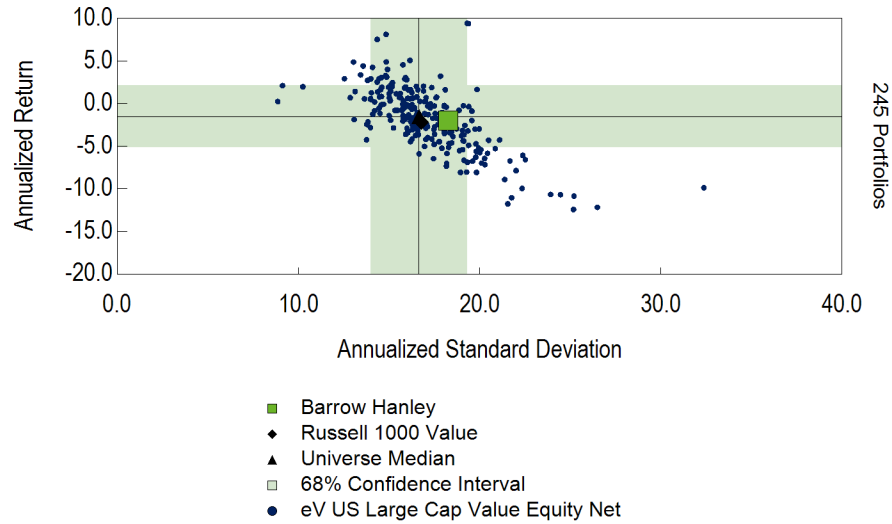
BARROW HANLEY



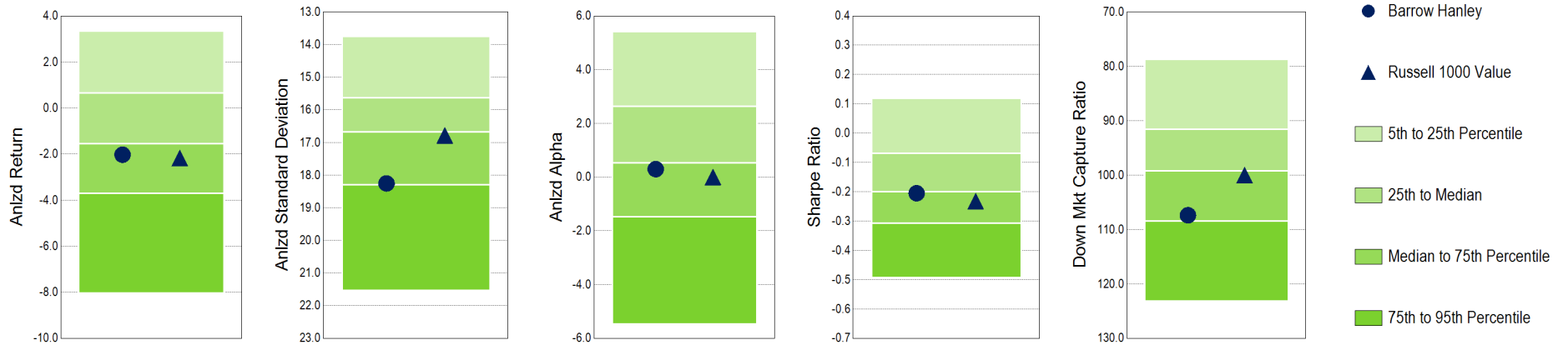
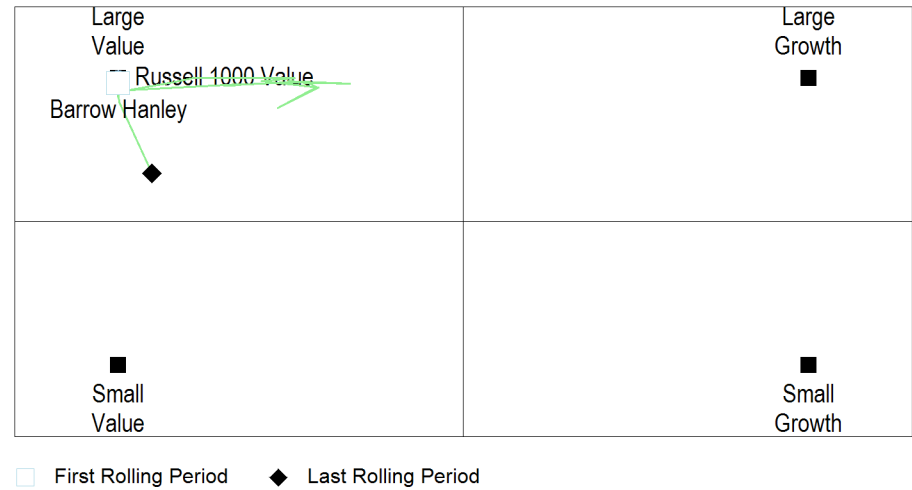
Oklahoma Tobacco Settlement Endowment

BARROW HANLEY

3 Year Risk Return



Style Analysis (Returns Based)
3 Years Ending March 31, 2020



Oklahoma Tobacco Settlement Endowment

BARROW HANLEY

Characteristics	Portfolio	Russell 1000 Value
Number of Holdings	49	765
Weighted Avg. Market Cap. (\$B)	77.3	98.9
Median Market Cap. (\$B)	38.1	6.3
Price To Earnings	14.3	12.6
Price To Book	2.5	2.2
Price To Sales	1.8	1.9
Return on Equity (%)	19.6	15.0
Yield (%)	3.4	3.5
Beta	1.1	1.0
R-Squared	1.0	1.0

Top Positive Contributors		
	Relative Contribution %	Return %
JOHNSON & JOHNSON	0.1%	-9.5%
ROYAL CARIBBEAN CRUISES	0.1%	-75.6%
COGNIZANT TECH.SLTN.'A'	0.1%	-24.8%
MGM GROWTH PROPERTIES CL.A	0.0%	-22.1%
AON CLASS A	0.0%	-20.6%
DOLLAR GENERAL	-0.1%	-3.0%
DEERE	-0.1%	-19.8%
NEW YORK COMMUNITY BANCORP	-0.2%	-20.7%
ORACLE	-0.2%	-8.4%
HUNT JB TRANSPORT SVS.	-0.2%	-20.8%

Top Negative Contributors		
	Relative Contribution %	Return %
PHILLIPS 66	-1.3%	-51.4%
HESS	-1.3%	-49.8%
AMERICAN INTL.GP.	-1.1%	-52.2%
VALERO ENERGY	-1.1%	-51.0%
ADV.AUTO PARTS	-1.0%	-41.6%
EOG RES.	-1.0%	-57.0%
ARAMARK	-1.0%	-53.9%
SPIRIT AEROSYSTEMS CL.A	-0.9%	-67.1%
LOWE'S COMPANIES	-0.8%	-27.8%
SIMON PROPERTY GROUP	-0.8%	-62.6%

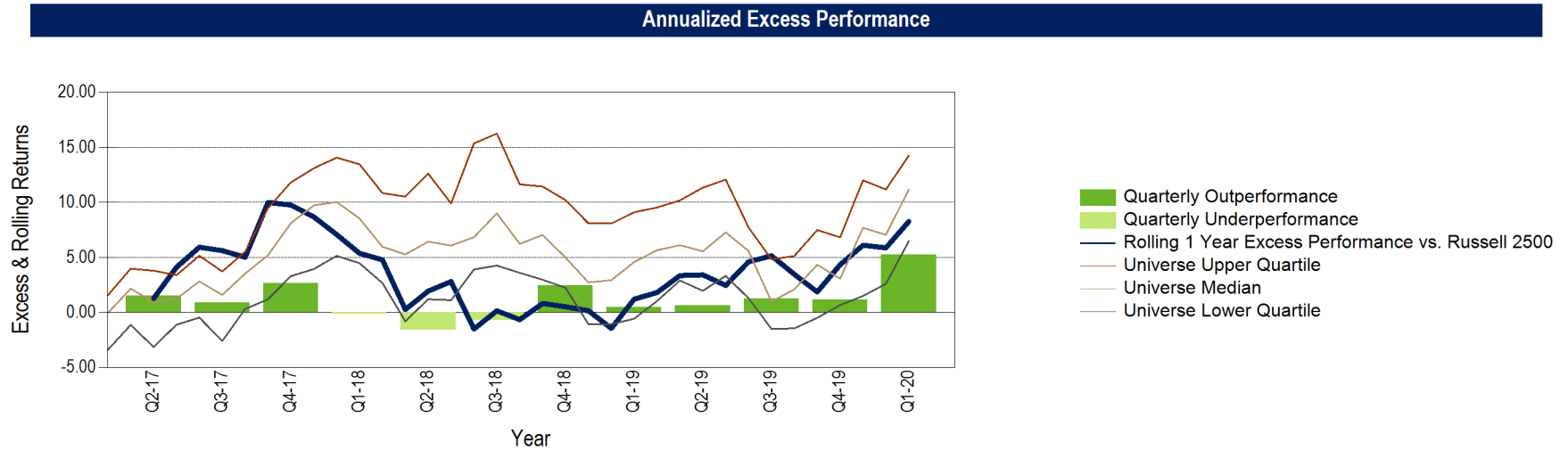
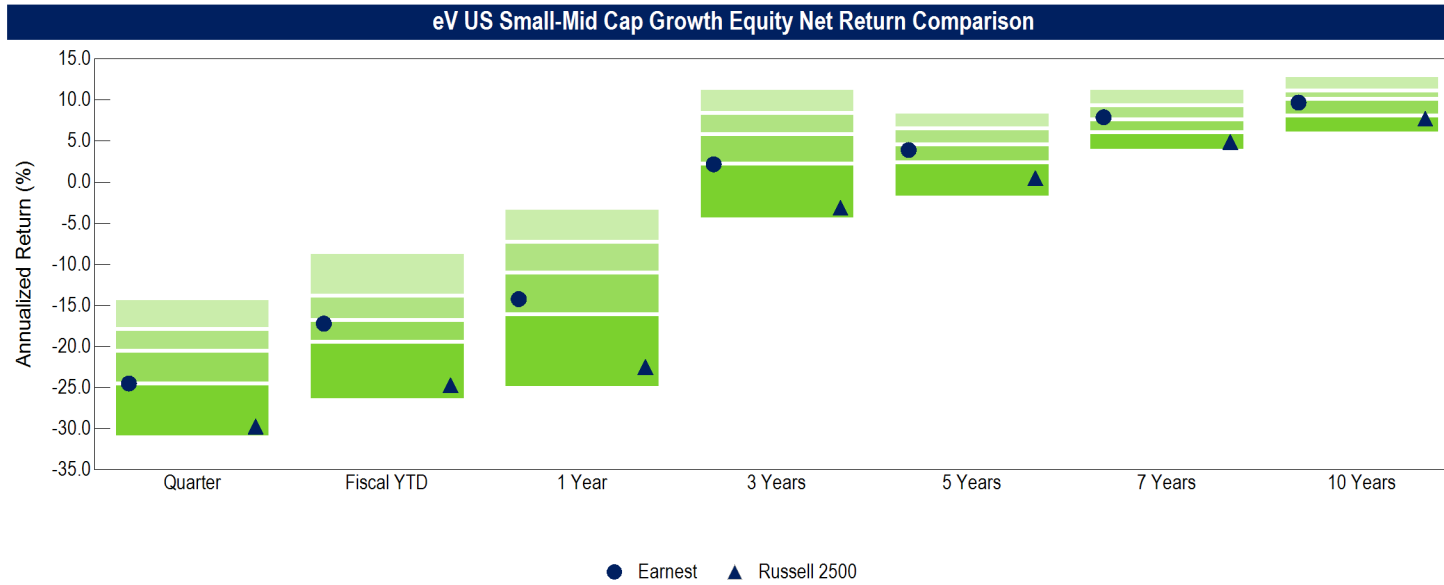
Equity Sector Attribution											
	Total Effects	Selection Effect	Attribution Effects			Returns		Sector Weights			
			Allocation Effect	Interaction Effects		Portfolio	Benchmark	Portfolio	Benchmark		
Energy	-1.5%	0.0%	-1.5%	0.0%	-50.9%	-51.3%	14.5%	8.2%			
Materials	0.0%	0.1%	-0.1%	0.0%	-27.7%	-29.1%	7.7%	4.3%			
Industrials	-1.0%	-0.6%	-0.1%	-0.3%	-34.9%	-28.3%	14.3%	9.7%			
Consumer Discretionary	-0.2%	0.2%	-0.6%	0.2%	-32.1%	-35.4%	11.0%	5.9%			
Consumer Staples	-1.2%	--	-1.2%	--	--	-12.5%	0.0%	8.9%			
Health Care	-1.0%	-0.7%	-0.6%	0.2%	-18.2%	-12.5%	9.0%	13.0%			
Financials	-0.1%	-0.6%	0.4%	0.1%	-36.6%	-34.3%	19.5%	23.9%			
Information Technology	0.2%	0.0%	0.2%	0.0%	-19.0%	-19.4%	9.7%	6.3%			
Communication Services	-0.2%	0.0%	-0.2%	0.0%	-22.7%	-22.6%	3.3%	8.2%			
Utilities	-0.3%	-0.3%	0.0%	0.0%	-17.6%	-13.2%	6.3%	6.6%			
Real Estate	-0.4%	-0.8%	0.0%	0.4%	-45.5%	-29.3%	3.0%	5.2%			
Cash	0.7%	0.0%	0.7%	0.0%	0.4%	--	1.7%	0.0%			
Portfolio	-4.9%	=	-2.8%	+	-2.8%	+	0.7%	-31.6%	-26.6%	100.0%	100.0%

*Statistics based on monthly buy and hold methodology. Performance may be different due to security turnover in the portfolio.



Oklahoma Tobacco Settlement Endowment

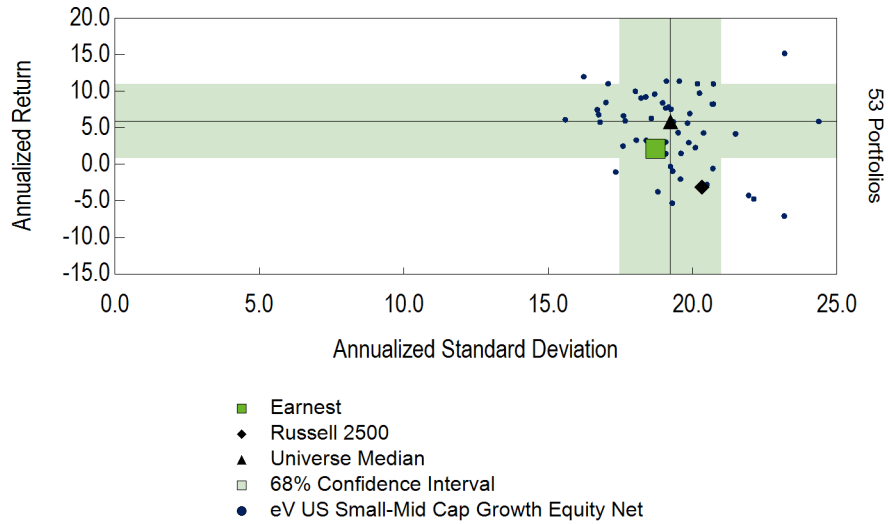
EARNEST PARTNERS



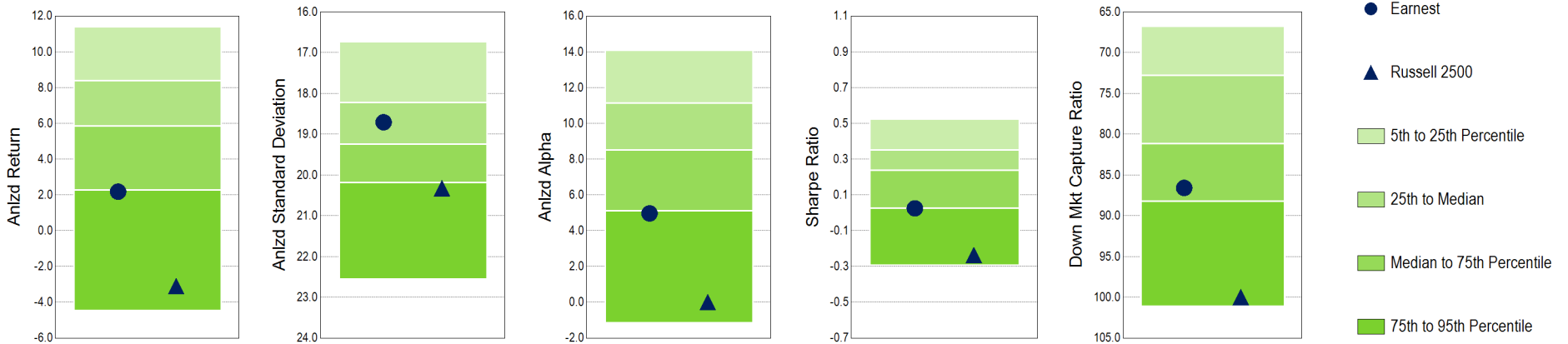
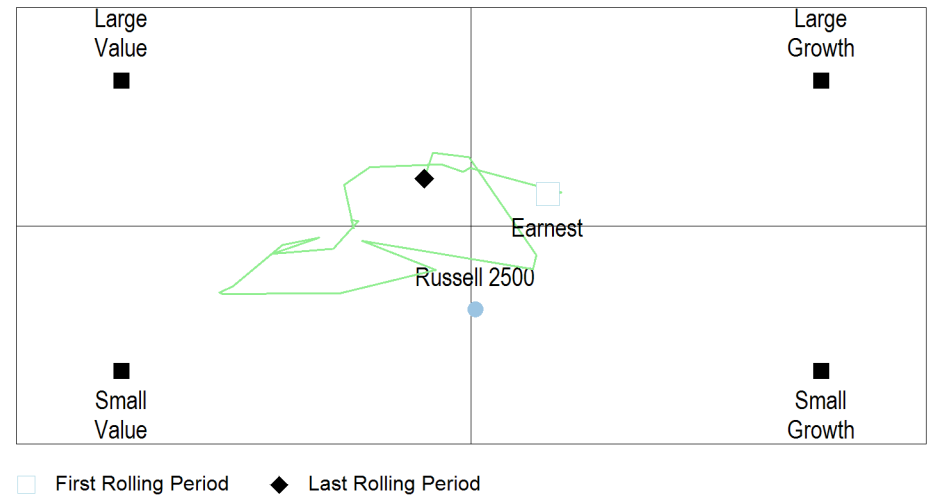
Oklahoma Tobacco Settlement Endowment

EARNEST PARTNERS

3 Year Risk Return



Style Analysis (Returns Based)
3 Years Ending March 31, 2020



Oklahoma Tobacco Settlement Endowment

EARNEST PARTNERS

Characteristics	Russell 2500	
	Portfolio	Russell 2500
Number of Holdings	54	2,484
Weighted Avg. Market Cap. (\$B)	14.7	4.7
Median Market Cap. (\$B)	6.0	0.7
Price To Earnings	15.9	13.9
Price To Book	2.3	2.7
Price To Sales	1.9	1.8
Return on Equity (%)	15.6	6.6
Yield (%)	1.7	2.2
Beta	0.9	1.0
R-Squared	1.0	1.0

Top Positive Contributors		
	Relative Contribution %	Return %
CENTENE	0.2%	12.1%
MONOLITHIC PWR.SYS.	0.1%	5.9%
AKAMAI TECHS.	0.1%	5.8%
SBA COMMS.	0.1%	2.0%
HOULIHAN LOKEY CL.A	0.1%	2.4%
CF INDUSTRIES HDG.	0.0%	-26.2%
HUDSON PACIFIC PROPS.	0.0%	-20.4%
BIO-RAD LABORATORIES 'A'	0.0%	-0.4%
VAREX IMAGING	0.0%	-2.2%
HORACE MANN EDUCATORS	-0.1%	-5.2%

Top Negative Contributors		
	Relative Contribution %	Return %
WOLVERINE WWD.	-1.2%	-41.8%
D R HORTON	-0.9%	-36.2%
CBRE GROUP CLASS A	-0.8%	-32.8%
WOODWARD	-0.8%	-42.4%
GLOBAL PAYMENTS	-0.7%	-21.5%
ON SEMICONDUCTOR	-0.7%	-33.3%
ALBEMARLE	-0.7%	-30.7%
AUTODESK	-0.6%	-18.2%
HEXCEL	-0.6%	-42.5%
DARDEN RESTAURANTS	-0.6%	-44.1%

	Equity Sector Attribution						Returns		Sector Weights		
	Total Effects	Selection Effect	Attribution Effects		Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark		
			Allocation Effect								
Energy	0.6%	0.2%	0.6%		-0.1%	-61.9%	-66.6%	1.2%	2.7%		
Materials	-0.1%	-0.1%	0.0%		0.0%	-36.7%	-33.0%	4.3%	5.1%		
Industrials	0.1%	0.2%	-0.1%		0.1%	-31.4%	-32.0%	20.9%	15.0%		
Consumer Discretionary	0.1%	0.0%	0.1%		0.0%	-41.2%	-41.0%	10.1%	11.3%		
Consumer Staples	-0.1%	--	-0.1%		--	--	-25.2%	0.0%	2.9%		
Health Care	-0.8%	-0.2%	-0.7%		0.0%	-18.1%	-15.5%	9.4%	13.8%		
Financials	1.6%	1.6%	0.1%		-0.1%	-25.1%	-35.3%	14.7%	16.1%		
Information Technology	1.3%	0.3%	0.8%		0.2%	-18.7%	-20.9%	25.8%	16.1%		
Communication Services	-0.1%	--	-0.1%		--	--	-27.8%	0.0%	3.1%		
Utilities	-0.1%	0.4%	-0.3%		-0.3%	-3.8%	-17.4%	1.4%	3.6%		
Real Estate	1.5%	1.8%	0.0%		-0.3%	-13.8%	-32.5%	8.2%	10.2%		
Cash	1.1%	0.0%	1.1%		0.0%	0.4%	--	3.9%	0.0%		
Portfolio	5.1%	=	4.3%	+	1.4%	+	-0.6%	-24.6%	-29.7%	100.0%	100.0%

*Statistics based on monthly buy and hold methodology. Performance may be different due to security turnover in the portfolio.



Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

3 Years Ending March 31, 2020													
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
International Equity	15.64%	2.26%	3	15.38%	38	4.22%	3	2.66%	30	0.04	3	96.65%	24
MSCI ACWI ex USA	--	-1.96%	35	15.15%	31	0.00%	34	0.00%	1	-0.29	40	100.00%	35
Schroders	15.64%	2.26%	23	15.38%	41	4.22%	22	2.66%	10	0.04	22	96.65%	49
MSCI ACWI ex USA	--	-1.96%	35	15.15%	31	0.00%	34	0.00%	1	-0.29	40	100.00%	35

*Composite rankings are used for International Equity (InvMetrics All Endowment ex-US Equity).



Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

5 Years Ending March 31, 2020													
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
International Equity	15.64%	1.77%	10	14.53%	37	2.38%	9	2.87%	28	0.06	10	97.07%	35
MSCI ACWI ex USA	--	-0.64%	39	14.52%	36	0.00%	36	0.00%	1	-0.16	42	100.00%	48
Schroders	15.64%	1.77%	31	14.53%	41	2.38%	30	2.87%	8	0.06	29	97.07%	59
MSCI ACWI ex USA	--	-0.64%	39	14.52%	36	0.00%	36	0.00%	1	-0.16	42	100.00%	48

*Composite rankings are used for International Equity (InvMetrics All Endowment ex-US Equity).

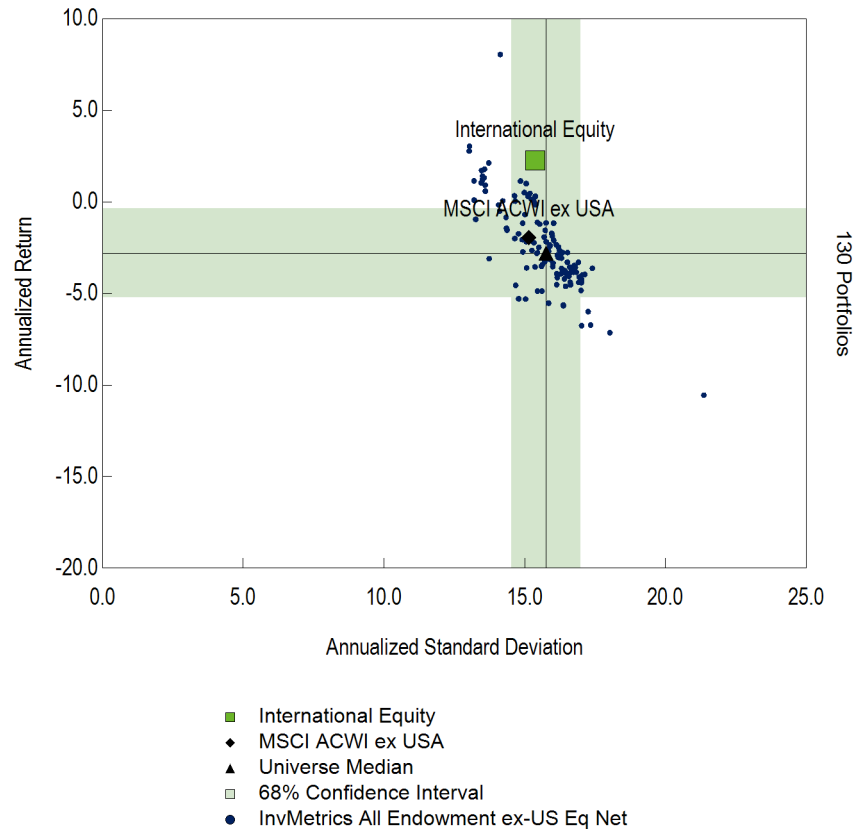
*Schroders was funded in July 2011



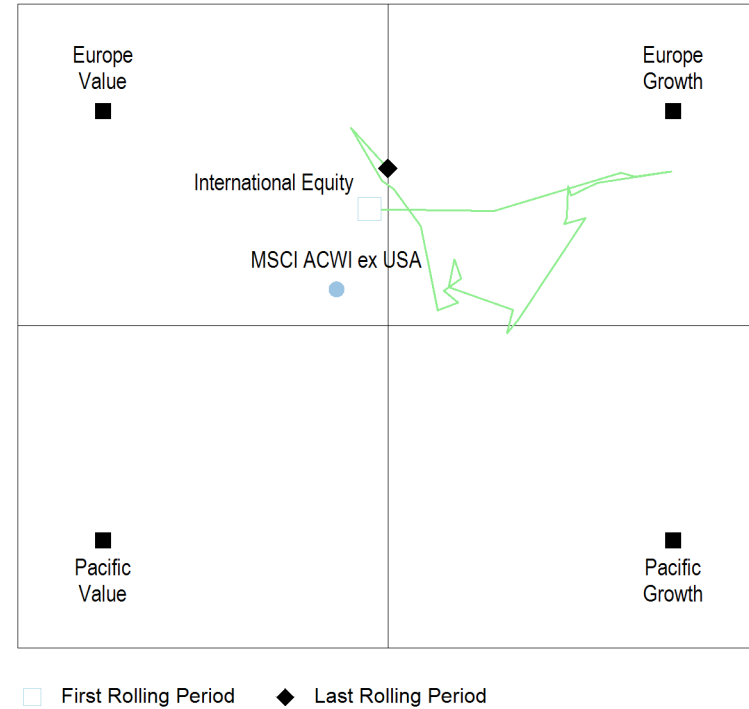
Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

3 Year Risk Return



Style Analysis (Returns Based)
3 Years Ending March 31, 2020



	Anlzd Ret	Rank	Anlzd Std Dev	Rank
International Equity	2.26%	3	15.38%	38
MSCI ACWI ex USA	-1.96%	35	15.15%	31

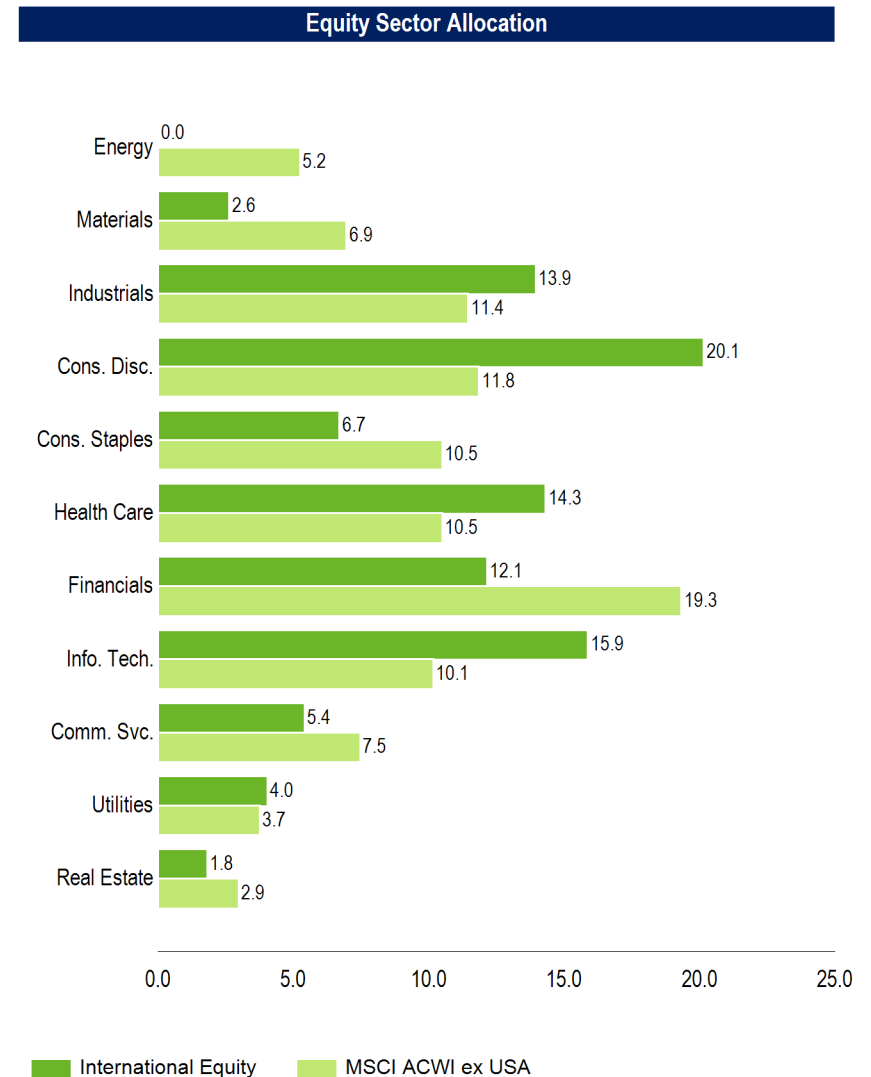


Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

Characteristics		
	Portfolio	MSCI ACWI ex USA
Number of Holdings	59	2,404
Weighted Avg. Market Cap. (\$B)	106.7	69.2
Median Market Cap. (\$B)	31.0	5.9
Price To Earnings	17.2	13.1
Price To Book	3.3	2.5
Price To Sales	2.3	1.3
Return on Equity (%)	17.9	15.5
Yield (%)	2.7	3.8
Beta	1.0	1.0
R-Squared	1.0	1.0

Regional Allocation		
	International Equity	MSCI ACWI ex USA
Region Weighting		
Americas	7.34	9.19
Europe	58.16	42.03
Asia/Pacific	34.50	46.13
Other	0.00	2.65



Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

Top Ten Holdings	
ROCHE HOLDING	3.9%
ALIBABA GROUP HOLDING ADR 1:8	3.8%
TAIWAN SEMICON.SPN.ADR 1:5	3.7%
SAMSUNG ELECTRONICS 1 GDS	3.6%
NESTLE 'N'	3.4%
TENCENT HOLDINGS	3.3%
AIA GROUP	3.0%
SAP	2.9%
ASML HOLDING	2.6%
GLAXOSMITHKLINE (OTC)	2.6%

Top Positive Contributors		
	Relative Contribution %	Return %
LONZA GROUP	0.2%	14.0%
ROCHE HOLDING	0.1%	3.0%
TENCENT HOLDINGS	0.0%	1.8%
NATIONAL GRID	0.0%	-6.2%
ALCON (SWX) ORD SHS	0.0%	-9.9%
IBERDROLA	0.0%	-2.6%
NINTENDO	-0.1%	-3.3%
HONG KONG EXS.& CLEAR.	-0.1%	-6.0%
NESTLE 'N'	-0.1%	-5.0%
DEUTSCHE WOHNEN BR.SHS.	-0.1%	-7.7%

Top Negative Contributors		
	Relative Contribution %	Return %
LLOYDS BANKING GP. (OTC)	-0.9%	-51.4%
HDFC BANK ADR 1:3	-0.8%	-39.3%
ERSTE GROUP BANK	-0.7%	-50.8%
BURBERRY GROUP	-0.7%	-43.8%
DNB	-0.7%	-40.4%
INFINEON TECHNOLOGIES	-0.6%	-34.6%
GEA GROUP	-0.6%	-38.9%
WHITBREAD	-0.6%	-41.5%
GLAXOSMITHKLINE (OTC)	-0.6%	-24.2%
TAIWAN SEMICON.SPN.ADR 1:5	-0.6%	-17.0%

	Equity Sector Attribution										
	Attribution Effects				Returns		Sector Weights				
	Total Effects	Selection Effect	Allocation Effect	Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark			
Energy	0.9%	0.4%	0.4%	0.0%	-27.3%	-37.9%	2.8%	6.1%			
Materials	0.1%	-0.5%	0.1%	0.4%	-36.4%	-27.5%	2.9%	7.4%			
Industrials	0.6%	0.5%	0.0%	0.1%	-21.1%	-26.2%	13.2%	12.0%			
Consumer Discretionary	-0.7%	-0.2%	-0.2%	-0.2%	-25.3%	-24.2%	22.8%	11.9%			
Consumer Staples	-0.2%	0.1%	-0.3%	0.0%	-15.0%	-14.7%	6.3%	9.5%			
Health Care	0.3%	-0.2%	0.3%	0.2%	-8.5%	-8.9%	11.3%	8.9%			
Financials	0.3%	-0.4%	0.4%	0.4%	-32.4%	-31.1%	16.6%	21.6%			
Information Technology	-0.1%	-0.1%	0.2%	-0.2%	-19.2%	-17.7%	14.9%	9.4%			
Communication Services	0.5%	0.7%	-0.2%	-0.1%	-0.4%	-14.1%	4.5%	6.7%			
Utilities	-0.1%	--	-0.3%	--	--	-15.8%	0.0%	3.4%			
Real Estate	0.4%	0.6%	0.1%	-0.3%	-7.7%	-26.3%	1.5%	3.1%			
Cash	0.3%	0.0%	0.3%	0.0%	0.4%	--	1.4%	0.0%			
Portfolio	2.0%	=	0.9%	+	0.6%	+	0.5%	-21.2%	-23.2%	98.2%	100.0%

*Statistics based on quarterly buy and hold methodology. Performance may be different due to security turnover in the portfolio.



Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

Country Allocation				
	Manager	Index	Manager	Index
	Allocation (USD)	Allocation (USD)	Return (USD)	Return (USD)
Americas				
Brazil*	2.8%	2.1%	-31.3%	-50.0%
United States	2.9%	0.0%	-24.9%	-19.8%
Total-Americas	5.8%	9.9%	-28.0%	-33.1%
Europe				
Austria	1.5%	0.1%	-50.8%	-42.9%
Denmark	1.7%	1.2%	-19.7%	-7.8%
France	6.1%	7.5%	-24.7%	-27.0%
Germany	13.5%	5.7%	-27.5%	-27.0%
Netherlands	3.7%	2.6%	-13.1%	-20.5%
Norway	3.1%	0.4%	-41.1%	-33.3%
Spain	1.6%	1.9%	-42.8%	-29.8%
Switzerland	11.7%	6.2%	-4.7%	-11.1%
United Kingdom	13.1%	10.5%	-31.5%	-28.4%
Total-Europe	56.0%	42.8%	-24.0%	-24.5%

Country Allocation				
	Manager	Index	Manager	Index
	Allocation (USD)	Allocation (USD)	Return (USD)	Return (USD)
AsiaPacific				
China*	5.2%	9.2%	-11.5%	-10.5%
Hong Kong	6.5%	2.3%	-6.2%	-17.3%
India*	3.7%	2.4%	-35.6%	-31.2%
Japan	10.9%	16.3%	-16.1%	-16.8%
Korea*	3.5%	3.3%	-16.8%	-22.6%
New Zealand	1.6%	0.2%	-26.1%	-16.4%
Singapore	1.7%	0.9%	-25.7%	-28.2%
Taiwan*	3.6%	3.3%	-17.0%	-19.0%
Total-AsiaPacific	36.8%	44.3%	-16.7%	-19.4%
Totals				
Developed	79.7%	72.5%	-21.6%	-23.0%
Emerging*	18.9%	27.5%	-21.2%	-23.8%
Cash	1.4%		0.4%	



Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

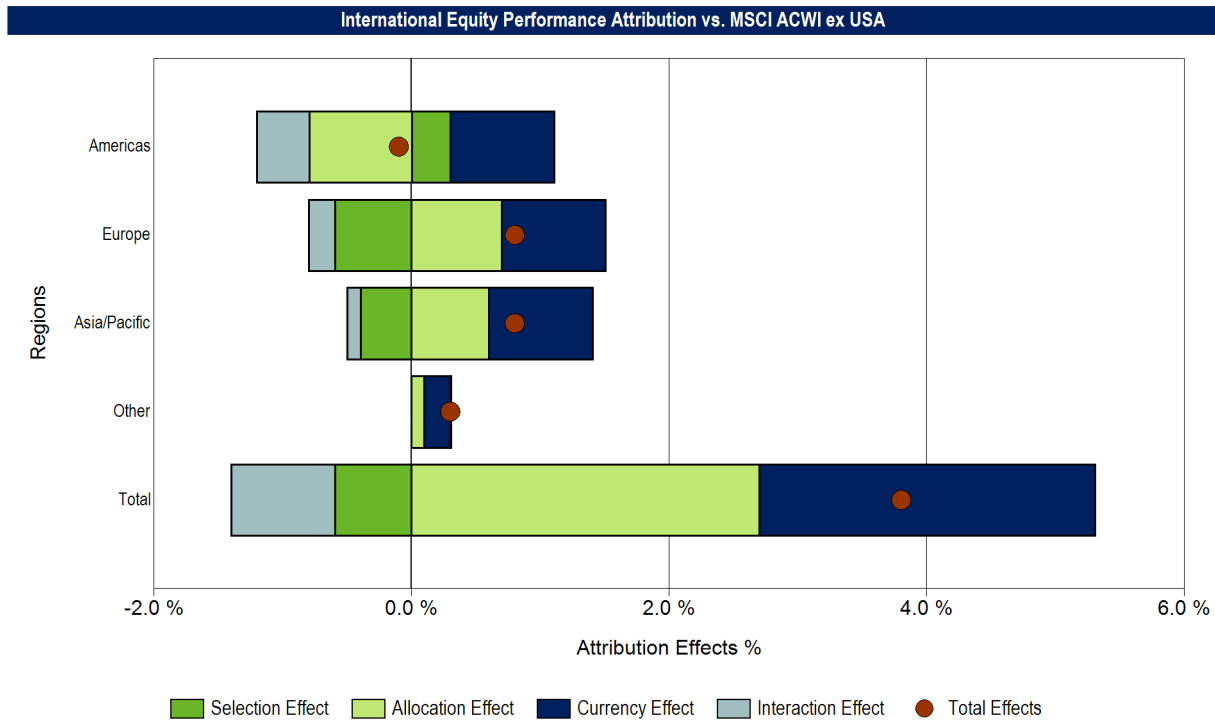
International Equity Performance Attribution									
Returns and Weights				Attribution Effects				Total	
Manager	Index	Manager	Index	Selection	Allocation	Currency	Interaction	Total	
Return	Return	Weight	Weight	Effect	Effect	Effect	Effect	Effects	
Europe									
Austria	-2.5%	-42.9%	1.5%	0.1%	0.0%	0.0%	0.0%	0.0%	0.0%
Belgium	--	-32.6%	0.0%	0.7%	--	0.1%	0.0%	--	0.1%
Czech Republic*	--	-38.5%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Denmark	-1.3%	-7.7%	1.7%	1.2%	0.0%	-0.1%	0.0%	0.0%	-0.1%
Finland	--	-18.9%	0.0%	0.6%	--	0.0%	0.0%	--	0.0%
France	-6.0%	-27.2%	6.1%	7.5%	-0.2%	0.4%	0.1%	0.0%	0.3%
Germany	-4.2%	-27.2%	13.5%	5.7%	0.0%	0.3%	0.0%	-0.1%	0.1%
Greece*	--	-45.2%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Hungary*	--	-39.0%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Ireland	--	-24.9%	0.0%	0.4%	--	0.0%	0.0%	--	0.0%
Italy	--	-29.2%	0.0%	1.5%	--	0.1%	0.0%	--	0.1%
Netherlands	-5.4%	-20.6%	3.7%	2.6%	-0.1%	0.0%	0.0%	0.0%	-0.1%
Norway	-10.0%	-33.3%	3.1%	0.4%	0.0%	0.0%	-0.1%	-0.1%	-0.2%
Poland*	--	-36.5%	0.0%	0.2%	--	0.0%	0.0%	--	0.0%
Portugal	--	-13.1%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Russia*	--	-36.8%	0.0%	1.1%	--	0.0%	0.1%	--	0.2%
Spain	-7.5%	-29.8%	1.6%	1.9%	-0.1%	0.1%	0.0%	0.0%	0.1%
Sweden	--	-21.3%	0.0%	1.8%	--	-0.1%	0.1%	--	0.0%
Switzerland	2.6%	-11.1%	11.7%	6.2%	0.1%	-0.3%	0.0%	0.1%	-0.1%
United Kingdom	-6.9%	-28.1%	13.1%	10.9%	-0.3%	0.2%	0.5%	-0.1%	0.3%
Americas									
Argentina*	--	-39.3%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Brazil*	5.5%	-50.1%	2.8%	2.1%	0.2%	0.3%	0.2%	0.1%	0.8%
Canada	--	-27.3%	0.0%	6.7%	--	0.0%	0.5%	--	0.5%
Chile*	--	-33.3%	0.0%	0.2%	--	0.0%	0.0%	--	0.0%
Colombia*	--	-49.6%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
Mexico*	--	-35.4%	0.0%	0.6%	--	0.0%	0.1%	--	0.1%
Peru*	--	-35.8%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
United States	-24.9%	-19.8%	2.9%	0.0%	0.0%	-0.2%	0.0%	-1.3%	-1.5%

International Equity Performance Attribution									
Returns and Weights				Attribution Effects				Total	
Manager	Index	Manager	Index	Selection	Allocation	Currency	Interaction	Total	
Return	Return	Weight	Weight	Effect	Effect	Effect	Effect	Effects	
AsiaPacific									
Australia	--	-33.1%	0.0%	4.5%	--	0.1%	0.5%	--	0.6%
China*	-10.7%	-10.3%	5.2%	9.2%	0.0%	1.5%	0.0%	0.0%	1.4%
Hong Kong	-1.6%	-17.3%	6.5%	2.3%	0.1%	-0.2%	0.0%	0.1%	-0.1%
India*	-35.6%	-31.2%	3.7%	2.4%	-0.2%	-1.4%	0.1%	-1.0%	-2.5%
Indonesia*	--	-39.5%	0.0%	0.5%	--	0.0%	0.1%	--	0.1%
Japan	-1.1%	-16.8%	10.9%	16.2%	0.0%	-0.4%	-0.1%	0.0%	-0.4%
Korea*	-1.8%	-22.6%	3.5%	3.2%	0.0%	-0.1%	0.1%	0.0%	0.1%
Malaysia*	--	-19.1%	0.0%	0.5%	--	0.0%	0.0%	--	0.0%
New Zealand	1.9%	-16.4%	1.6%	0.2%	0.0%	0.0%	-0.1%	0.0%	0.0%
Pakistan*	--	-39.6%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Philippines*	--	-32.0%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Singapore	-2.8%	-28.2%	1.7%	0.8%	0.0%	0.0%	0.0%	0.0%	0.0%
Taiwan*	-17.0%	-19.0%	3.6%	3.2%	0.0%	0.6%	0.0%	0.7%	1.4%
Thailand*	--	-33.9%	0.0%	0.7%	--	0.1%	0.0%	--	0.1%
Other									
Egypt*	--	-27.1%	0.0%	0.0%	--	0.0%	0.0%	--	0.0%
Israel	--	-18.0%	0.0%	0.4%	--	0.0%	0.0%	--	0.0%
Qatar*	--	-17.3%	0.0%	0.3%	--	0.0%	0.0%	--	0.0%
Saudi Arabia*	--	-24.0%	0.0%	0.7%	--	0.0%	0.0%	--	0.0%
South Africa*	--	-40.0%	0.0%	1.3%	--	0.0%	0.2%	--	0.3%
Turkey*	--	-30.0%	0.0%	0.1%	--	0.0%	0.0%	--	0.0%
United Arab Emirates*	--	-28.6%	0.0%	0.2%	--	0.0%	0.0%	--	0.0%
Totals									
Developed	-28.6%	-23.1%	79.7%	72.6%	-5.4%	0.5%	1.5%	3.0%	-0.4%
Emerging*	-19.3%	-23.8%	18.9%	27.4%	0.2%	1.0%	1.1%	-0.1%	2.2%
Cash	0.4%	--	1.4%	0.0%	0.0%	2.1%	0.0%	0.0%	2.1%



Oklahoma Tobacco Settlement Endowment

INTERNATIONAL EQUITY

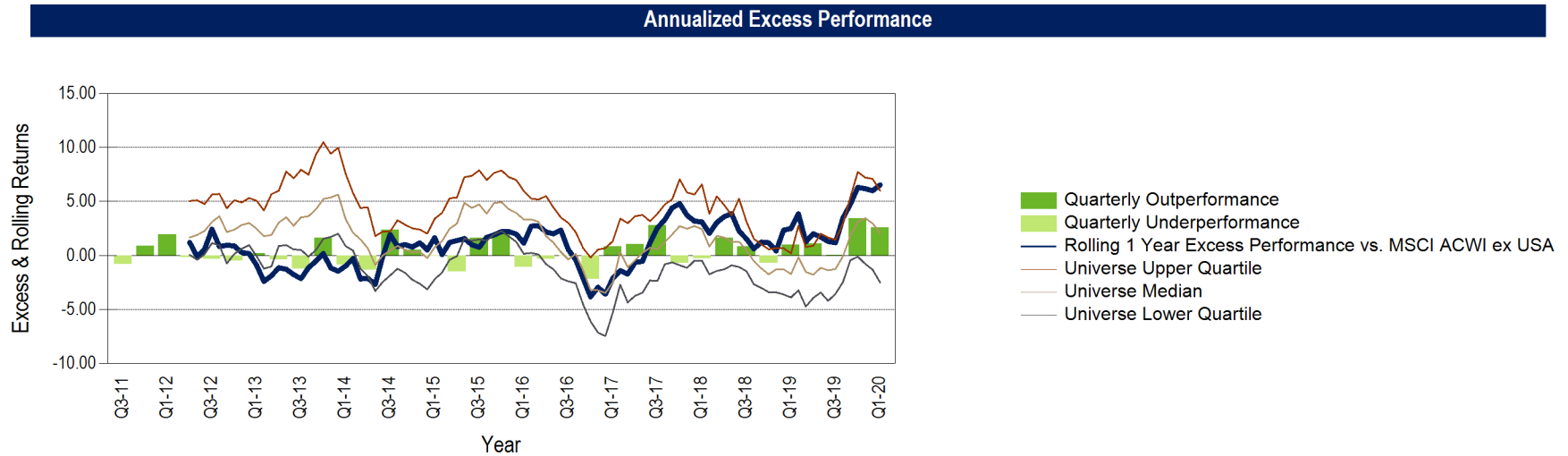
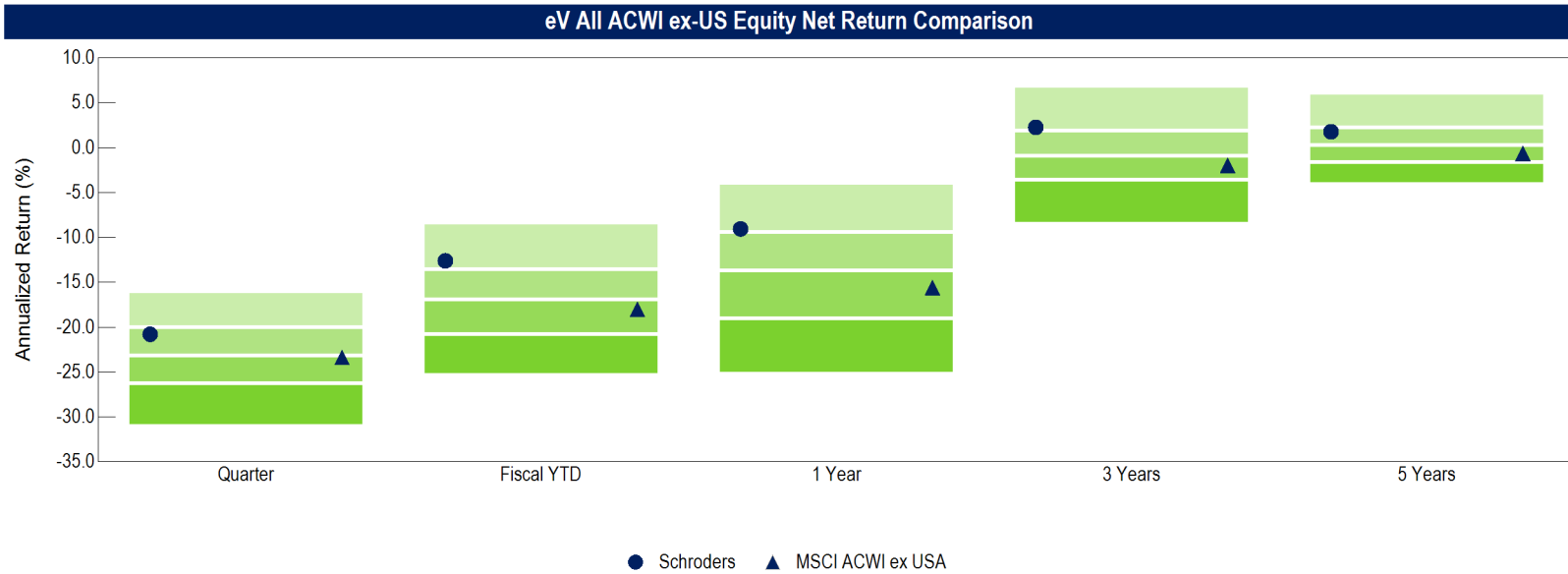


	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
Totals									
Americas	-23.7%	-33.2%	5.8%	9.8%	0.3%	-0.8%	0.8%	-0.4%	-0.1%
Europe	-4.0%	-24.5%	56.0%	43.1%	-0.6%	0.7%	0.8%	-0.2%	0.8%
Asia/Pacific	-18.8%	-19.4%	36.8%	44.1%	-0.4%	0.6%	0.8%	-0.1%	0.8%
Other	--	-30.1%	0.0%	3.0%	--	0.1%	0.2%	--	0.3%
Cash	0.4%	--	1.4%	0.0%	0.0%	2.1%	0.0%	0.0%	2.1%
Total	-19.4%	-23.2%	100.0%	100.0%	-0.6%	2.7%	2.6%	-0.8%	3.8%
Totals									
Developed	-28.6%	-23.1%	79.7%	72.6%	-5.4%	0.5%	1.5%	3.0%	-0.4%
Emerging*	-19.3%	-23.8%	18.9%	27.4%	0.2%	1.0%	1.1%	-0.1%	2.2%
Cash	0.4%	--	1.4%	0.0%	0.0%	2.1%	0.0%	0.0%	2.1%



Oklahoma Tobacco Settlement Endowment

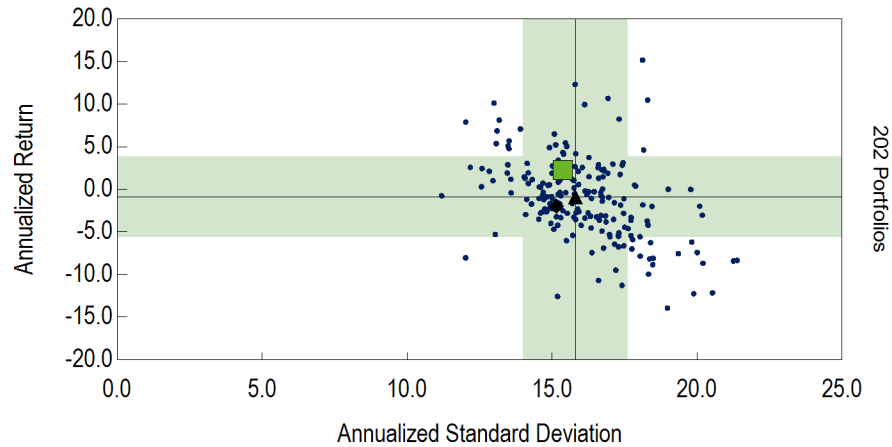
SCHRODERS



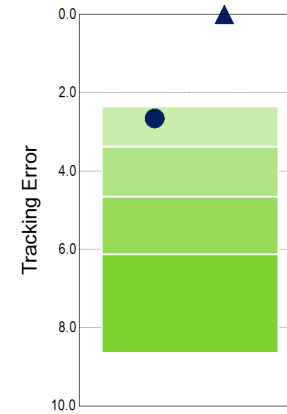
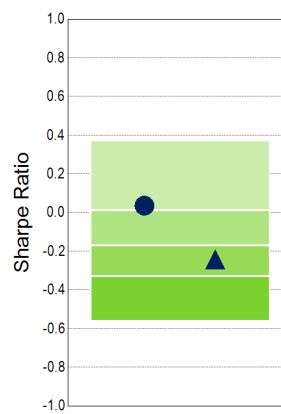
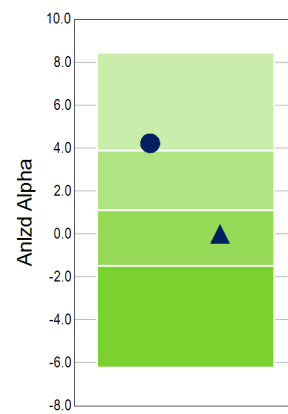
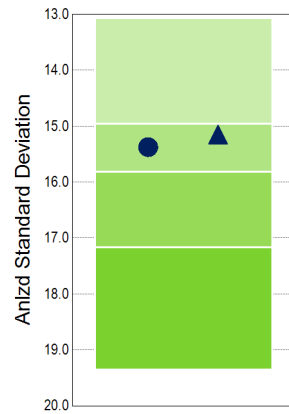
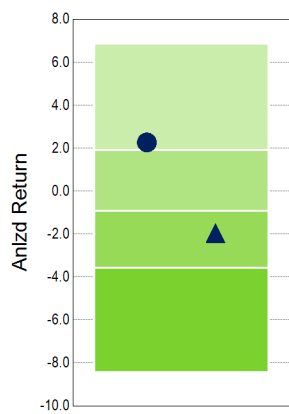
Oklahoma Tobacco Settlement Endowment

SCHRODERS

3 Years Risk Return



- Schrodgers
- ◆ MSCI ACWI ex USA
- ▲ Universe Median
- 68% Confidence Interval
- eV All ACWI ex-US Equity Net



- Schrodgers
- ▲ MSCI ACWI ex USA
- 5th to 25th Percentile
- 25th to Median
- Median to 75th Percentile
- 75th to 95th Percentile



Oklahoma Tobacco Settlement Endowment

SCHRODERS

Characteristics	MSCI ACWI ex USA	
	Portfolio	MSCI ACWI ex USA
Number of Holdings	59	2,404
Weighted Avg. Market Cap. (\$B)	106.7	69.2
Median Market Cap. (\$B)	31.0	5.9
Price To Earnings	17.2	13.1
Price To Book	3.3	2.5
Price To Sales	2.3	1.3
Return on Equity (%)	17.9	15.5
Yield (%)	2.7	3.8
Beta	1.0	1.0
R-Squared	1.0	1.0

Top Positive Contributors		
	Relative Contribution %	Return %
LONZA GROUP	0.2%	14.0%
ROCHE HOLDING	0.1%	3.0%
TENCENT HOLDINGS	0.0%	1.8%
NATIONAL GRID	0.0%	-6.2%
ALCON (SWX) ORD SHS	0.0%	-9.9%
IBERDROLA	0.0%	-2.6%
NINTENDO	-0.1%	-3.3%
HONG KONG EXS.& CLEAR.	-0.1%	-6.0%
NESTLE 'N'	-0.1%	-5.0%
DEUTSCHE WOHNEN BR.SHS.	-0.1%	-7.7%

Top Negative Contributors		
	Relative Contribution %	Return %
LLOYDS BANKING GP. (OTC)	-0.9%	-51.4%
HDFC BANK ADR 1:3	-0.8%	-39.3%
ERSTE GROUP BANK	-0.7%	-50.8%
BURBERRY GROUP	-0.7%	-43.8%
DNB	-0.7%	-40.4%
INFINEON TECHNOLOGIES	-0.6%	-34.6%
GEA GROUP	-0.6%	-38.9%
WHITBREAD	-0.6%	-41.5%
GLAXOSMITHKLINE (OTC)	-0.6%	-24.2%
TAIWAN SEMICON.SPN.ADR 1:5	-0.6%	-17.0%

	Equity Sector Attribution					Returns		Sector Weights			
	Total Effects	Selection Effect	Attribution Effects		Interaction Effects	Portfolio	Benchmark	Portfolio	Benchmark		
			Allocation Effect								
Energy	0.9%	0.4%	0.4%		0.0%	-27.3%	-37.9%	2.8%	6.1%		
Materials	0.1%	-0.5%	0.1%		0.4%	-36.4%	-27.5%	2.9%	7.4%		
Industrials	0.6%	0.5%	0.0%		0.1%	-21.1%	-26.2%	13.2%	12.0%		
Consumer Discretionary	-0.7%	-0.2%	-0.2%		-0.2%	-25.3%	-24.2%	22.8%	11.9%		
Consumer Staples	-0.2%	0.1%	-0.3%		0.0%	-15.0%	-14.7%	6.3%	9.5%		
Health Care	0.3%	-0.2%	0.3%		0.2%	-8.5%	-8.9%	11.3%	8.9%		
Financials	0.3%	-0.4%	0.4%		0.4%	-32.4%	-31.1%	16.6%	21.6%		
Information Technology	-0.1%	-0.1%	0.2%		-0.2%	-19.2%	-17.7%	14.9%	9.4%		
Communication Services	0.5%	0.7%	-0.2%		-0.1%	-0.4%	-14.1%	4.5%	6.7%		
Utilities	-0.1%	--	-0.3%		--	--	-15.8%	0.0%	3.4%		
Real Estate	0.4%	0.6%	0.1%		-0.3%	-7.7%	-26.3%	1.5%	3.1%		
Cash	0.3%	0.0%	0.3%		0.0%	0.4%	--	1.4%	0.0%		
Portfolio	2.0%	=	0.9%	+	0.6%	+	0.5%	-21.2%	-23.2%	98.2%	100.0%

*Statistics based on quarterly buy and hold methodology. Performance may be different due to security turnover in the portfolio.



Oklahoma Tobacco Settlement Endowment

SCHRODERS

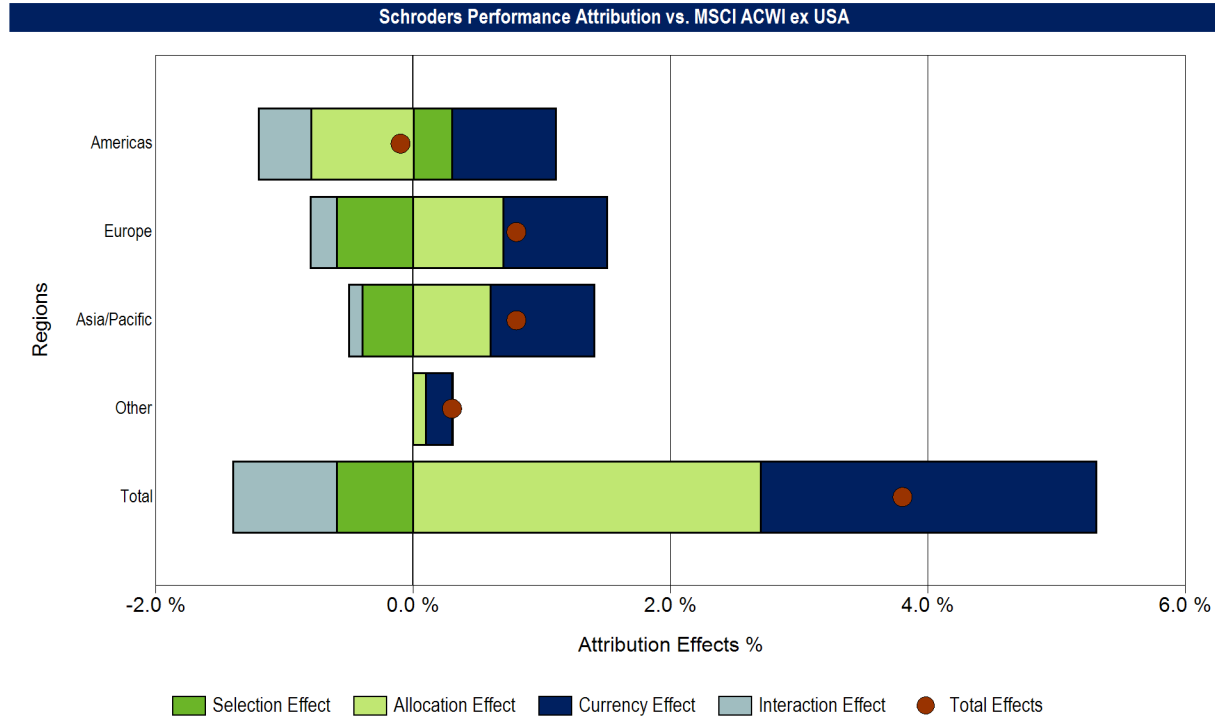
Country Allocation				
	Manager	Index	Manager	Index
	Allocation (USD)	Allocation (USD)	Return (USD)	Return (USD)
Americas				
Brazil*	2.8%	2.1%	5.5%	-50.1%
United States	2.9%	0.0%	-24.9%	-19.8%
Total-Americas	5.8%	9.8%	-23.7%	-33.2%
Europe				
Austria	1.5%	0.1%	-2.5%	-42.9%
Denmark	1.7%	1.2%	-1.3%	-7.7%
France	6.1%	7.5%	-6.0%	-27.2%
Germany	13.5%	5.7%	-4.2%	-27.2%
Netherlands	3.7%	2.6%	-5.4%	-20.6%
Norway	3.1%	0.4%	-10.0%	-33.3%
Spain	1.6%	1.9%	-7.5%	-29.8%
Switzerland	11.7%	6.2%	2.6%	-11.1%
United Kingdom	13.1%	10.9%	-6.9%	-28.1%
Total-Europe	56.0%	43.1%	-4.0%	-24.5%

Country Allocation				
	Manager	Index	Manager	Index
	Allocation (USD)	Allocation (USD)	Return (USD)	Return (USD)
AsiaPacific				
China*	5.2%	9.2%	-10.7%	-10.3%
Hong Kong	6.5%	2.3%	-1.6%	-17.3%
India*	3.7%	2.4%	-35.6%	-31.2%
Japan	10.9%	16.2%	-1.1%	-16.8%
Korea*	3.5%	3.2%	-1.8%	-22.6%
New Zealand	1.6%	0.2%	1.9%	-16.4%
Singapore	1.7%	0.8%	-2.8%	-28.2%
Taiwan*	3.6%	3.2%	-17.0%	-19.0%
Total-AsiaPacific	36.8%	44.1%	-18.8%	-19.4%
Totals				
Developed	79.7%	72.6%	-28.6%	-23.1%
Emerging*	18.9%	27.4%	-19.3%	-23.8%
Cash	1.4%		0.4%	



Oklahoma Tobacco Settlement Endowment

SCHRODERS



	Returns and Weights				Attribution Effects				
	Manager Return	Index Return	Manager Weight	Index Weight	Selection Effect	Allocation Effect	Currency Effect	Interaction Effect	Total Effects
Totals									
Americas	-23.7%	-33.2%	5.8%	9.8%	0.3%	-0.8%	0.8%	-0.4%	-0.1%
Europe	-4.0%	-24.5%	56.0%	43.1%	-0.6%	0.7%	0.8%	-0.2%	0.8%
Asia/Pacific	-18.8%	-19.4%	36.8%	44.1%	-0.4%	0.6%	0.8%	-0.1%	0.8%
Other	--	-30.1%	0.0%	3.0%	--	0.1%	0.2%	--	0.3%
Cash	0.4%	--	1.4%	0.0%	0.0%	2.1%	0.0%	0.0%	2.1%
Total	-19.4%	-23.2%	100.0%	100.0%	-0.6%	2.7%	2.6%	-0.8%	3.8%
Totals									
Developed	-28.6%	-23.1%	79.7%	72.6%	-5.4%	0.5%	1.5%	3.0%	-0.4%
Emerging*	-19.3%	-23.8%	18.9%	27.4%	0.2%	1.0%	1.1%	-0.1%	2.2%
Cash	0.4%	--	1.4%	0.0%	0.0%	2.1%	0.0%	0.0%	2.1%



Oklahoma Tobacco Settlement Endowment

TOTAL FIXED INCOME

	3 Years Ending March 31, 2020												
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Total Fixed Income	29.98%	2.70%	53	3.30%	62	-1.19%	75	2.62%	59	0.26	55	95.17%	60
BBgBarc US Aggregate TR	--	4.82%	2	3.20%	56	0.00%	15	0.00%	1	2.30	2	100.00%	71
Core Fixed Income	13.22%	4.28%	12	3.26%	61	-0.51%	39	0.76%	10	1.66	18	105.72%	55
BBgBarc US Aggregate TR	--	4.82%	1	3.20%	52	0.00%	2	0.00%	1	2.30	4	100.00%	50
Bank of Oklahoma	13.22%	4.28%	56	3.26%	37	-0.51%	55	0.76%	28	1.66	37	105.72%	33
BBgBarc US Aggregate TR	--	4.82%	15	3.20%	30	0.00%	12	0.00%	1	2.30	10	100.00%	20
High Yield Fixed Income	6.28%	0.47%	99	7.73%	99	-0.84%	60	1.34%	28	-0.13	97	105.89%	56
ICE BofA BB-B US High Yield TR	--	1.31%	98	7.54%	99	0.00%	2	0.00%	1	-0.04	92	100.00%	50
Absolute Return Fixed Income	10.48%	2.03%	67	2.54%	33	-18.00%	67	2.49%	32	0.12	68	--	--
3-Month LIBOR + 3%	--	5.11%	10	0.15%	2	0.00%	2	0.00%	1	--	--	--	--
Reams Unconstrained Bond	10.48%	2.03%	67	2.54%	33	-18.00%	67	2.49%	32	0.12	68	--	--
3-Month LIBOR + 3%	--	5.11%	10	0.15%	2	0.00%	2	0.00%	1	--	--	--	--

*Composite rankings are used for Total Fixed Income (InvMetrics All Endowment Total Fix Inc), Core Fixed Income (InvMetrics All Endowment US Fix Inc) and High Yield Fixed Income (InvMetrics All Endowment US Fix Inc).



Oklahoma Tobacco Settlement Endowment

TOTAL FIXED INCOME

	5 Years Ending March 31, 2020												
	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank	Down Mkt Cap Ratio	Rank
Total Fixed Income	29.98%	2.88%	24	3.08%	52	0.30%	19	2.57%	62	0.58	36	75.16%	40
BBgBarc US Aggregate TR	--	3.36%	8	3.09%	53	0.00%	39	0.00%	1	1.25	6	100.00%	80
Core Fixed Income	13.22%	3.02%	20	3.04%	50	-0.24%	63	0.74%	11	1.09	10	93.93%	49
BBgBarc US Aggregate TR	--	3.36%	4	3.09%	56	0.00%	34	0.00%	1	1.25	1	100.00%	61
Bank of Oklahoma	13.22%	3.02%	68	3.04%	24	-0.24%	61	0.74%	31	1.09	43	93.93%	18
BBgBarc US Aggregate TR	--	3.36%	30	3.09%	32	0.00%	35	0.00%	1	1.25	16	100.00%	31
High Yield Fixed Income	6.28%	2.08%	88	6.81%	99	-0.77%	94	1.44%	32	0.12	92	97.82%	54
ICE BofA BB-B US High Yield TR	--	2.92%	28	6.92%	99	0.00%	34	0.00%	1	0.23	85	100.00%	61

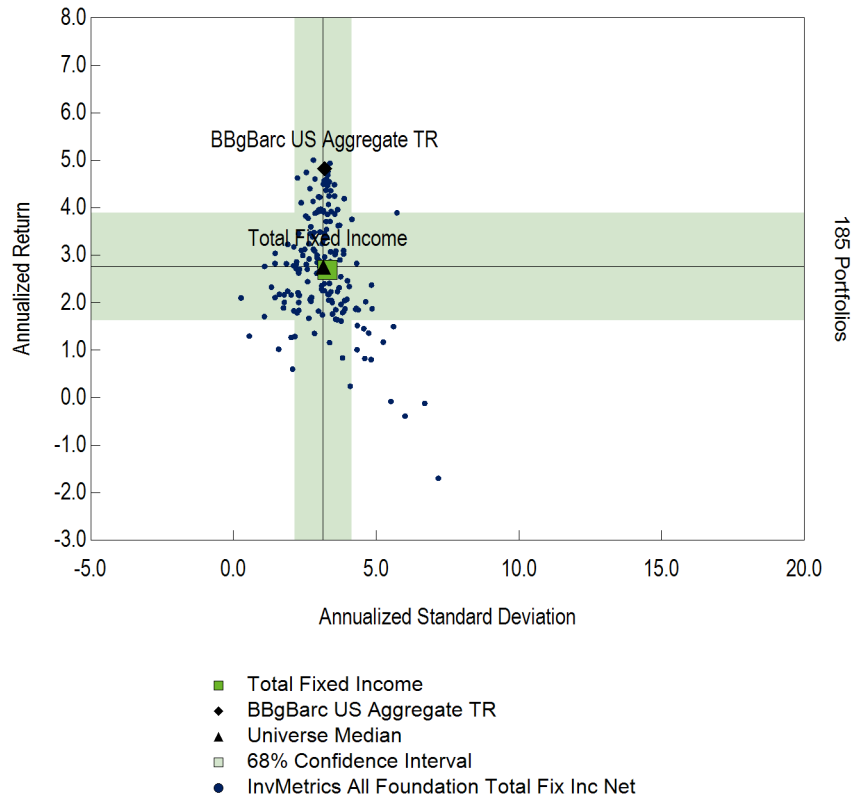
*Composite rankings are used for Total Fixed Income (InvMetrics All Endowment Total Fix Inc), Core Fixed Income (InvMetrics All Endowment US Fix Inc) and High Yield Fixed Income (InvMetrics All Endowment US Fix Inc).



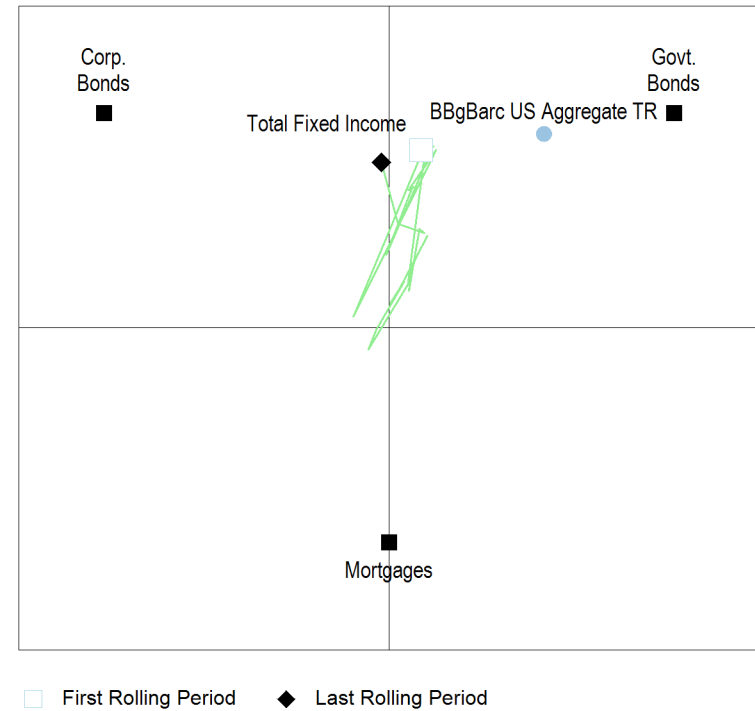
Oklahoma Tobacco Settlement Endowment

DOMESTIC FIXED INCOME

3 Year Risk Return



Style Analysis (Returns Based)
3 Years Ending March 31, 2020

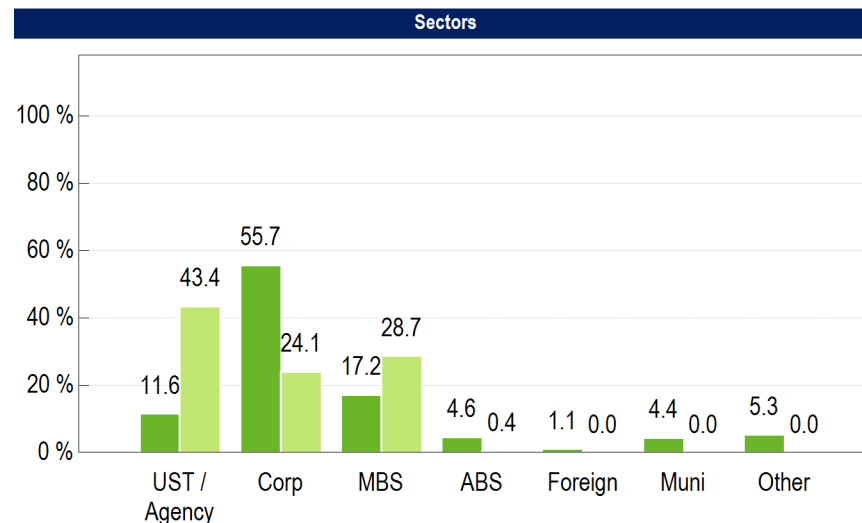
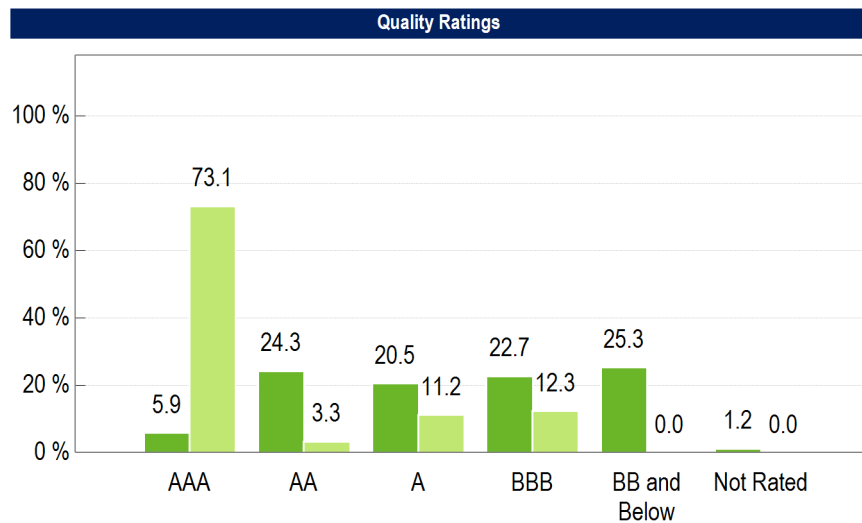
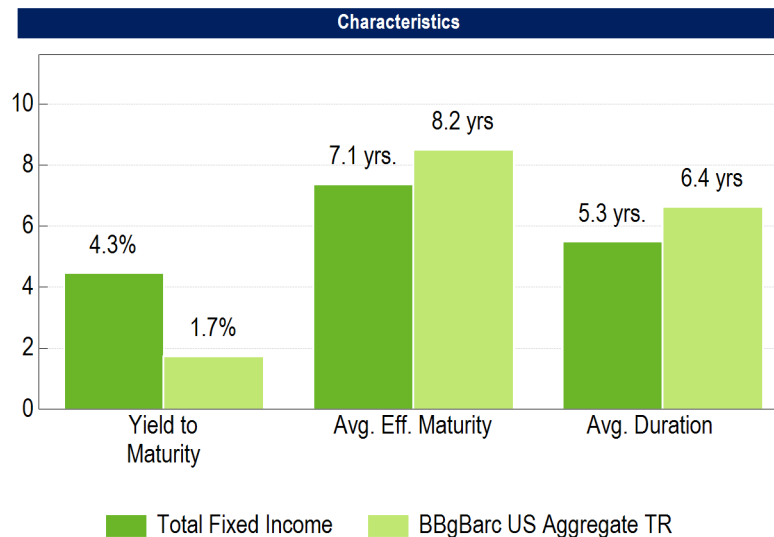


	Anlzd Ret	Rank	Anlzd Std Dev	Rank
Total Fixed Income	2.70%	53	3.30%	62
BBgBarc US Aggregate TR	4.82%	2	3.20%	56



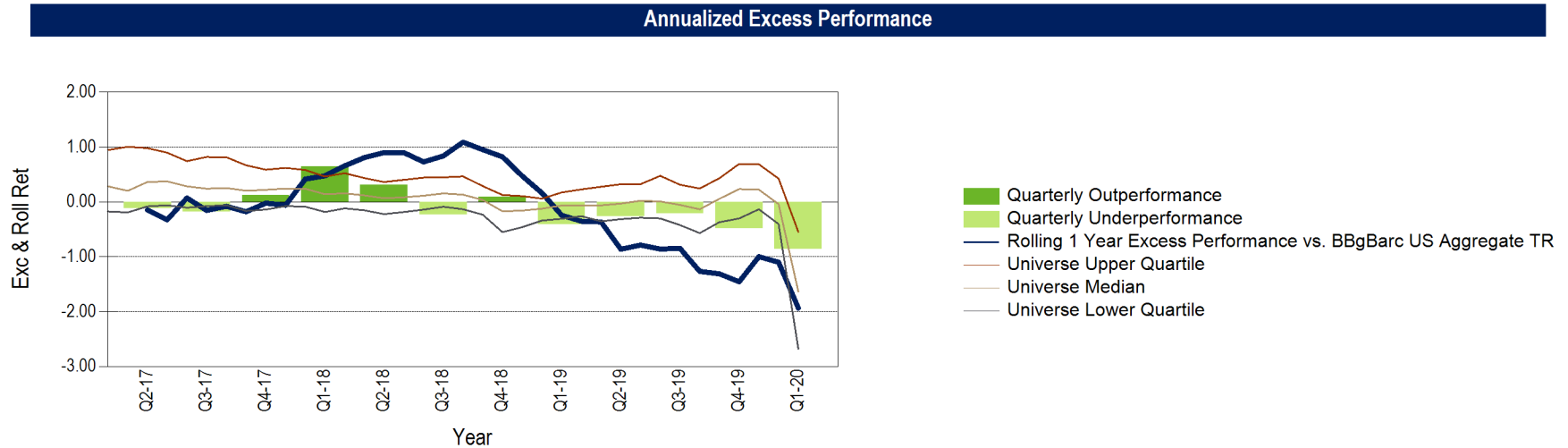
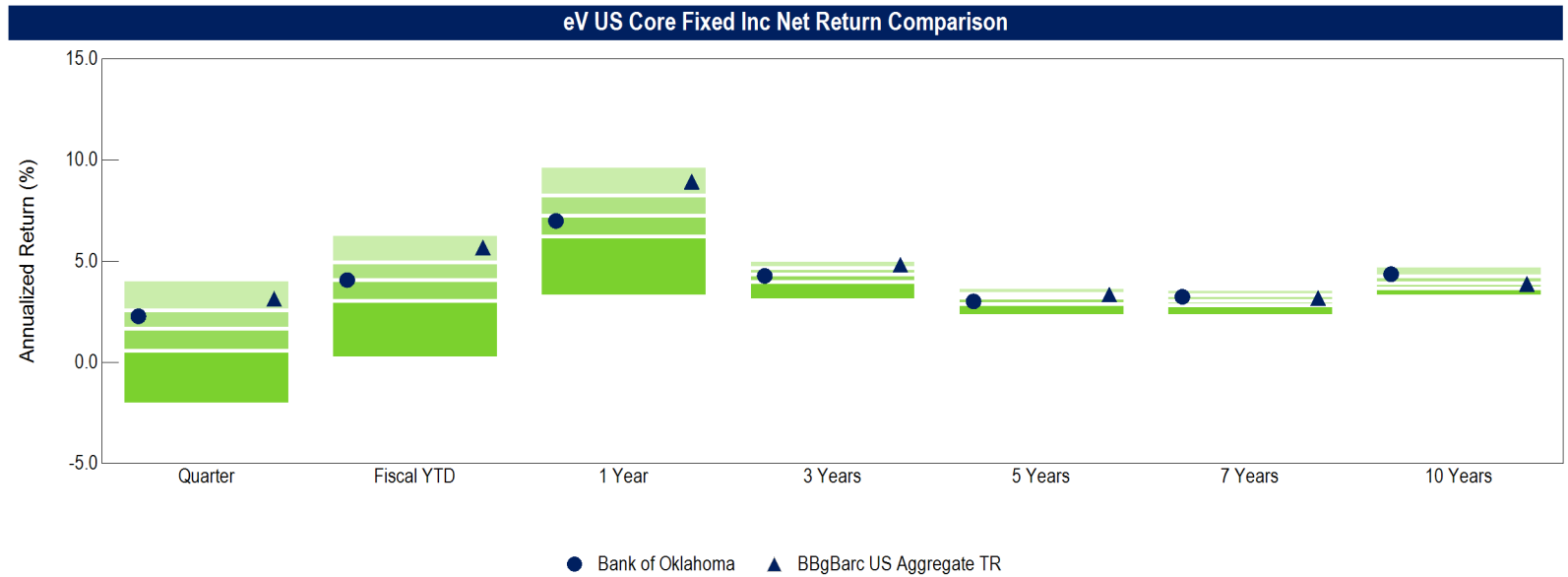
Oklahoma Tobacco Settlement Endowment

DOMESTIC FIXED INCOME



Oklahoma Tobacco Settlement Endowment

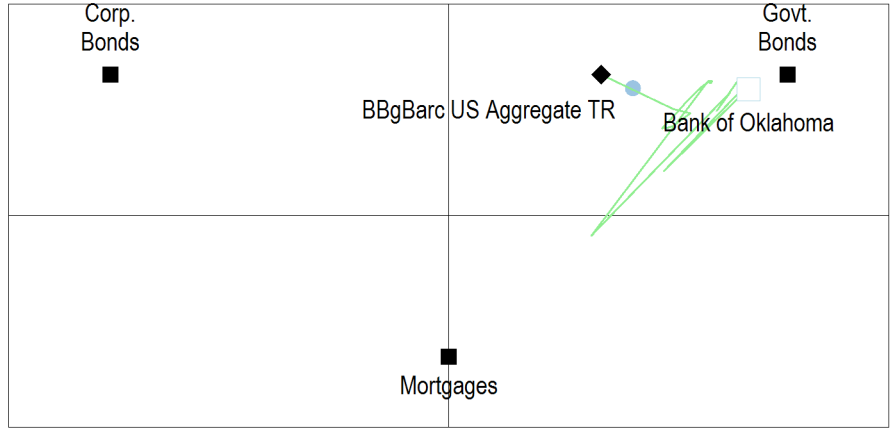
BANK OF OKLAHOMA



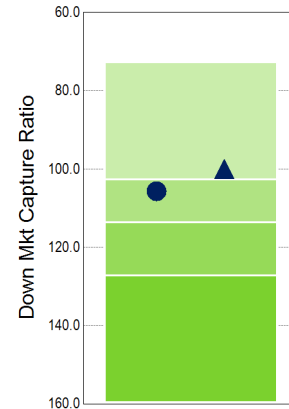
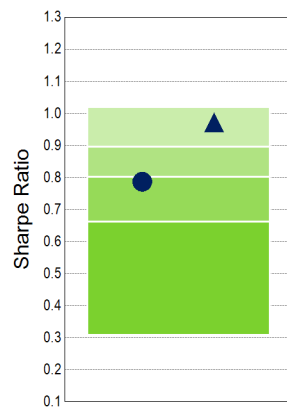
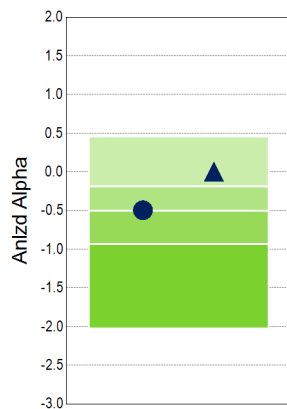
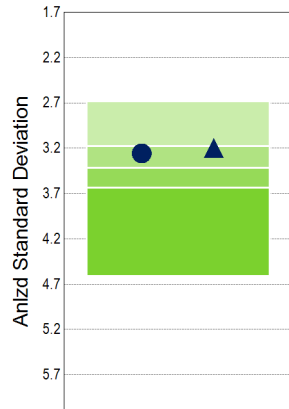
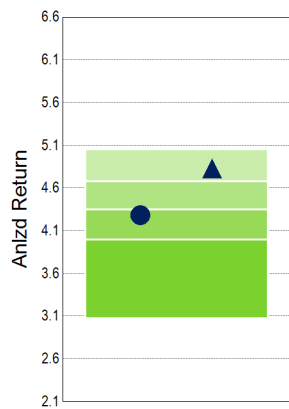
Oklahoma Tobacco Settlement Endowment

BANK OF OKLAHOMA

Style Analysis (Returns Based) 3 Years Ending March 31, 2020



□ First Rolling Period ◆ Last Rolling Period

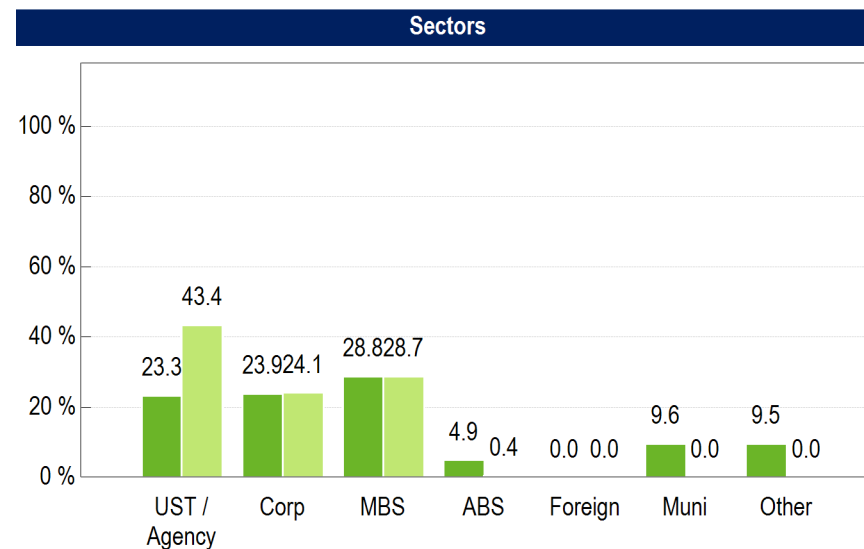
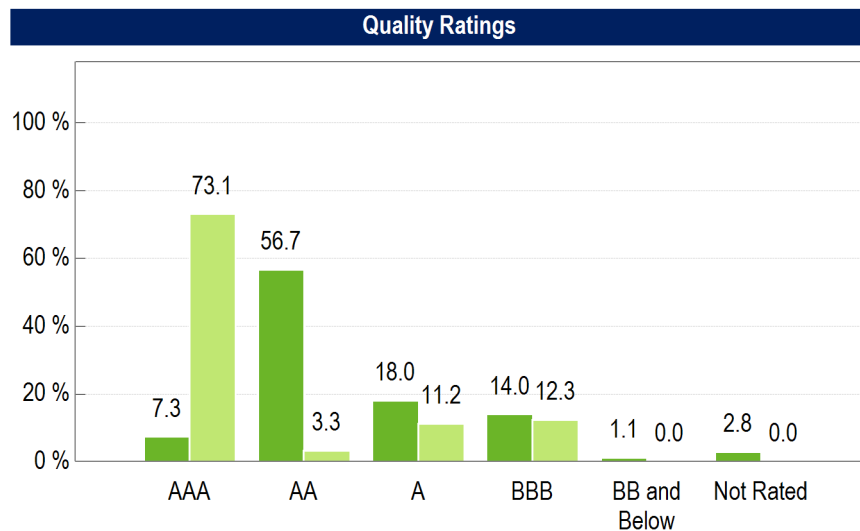
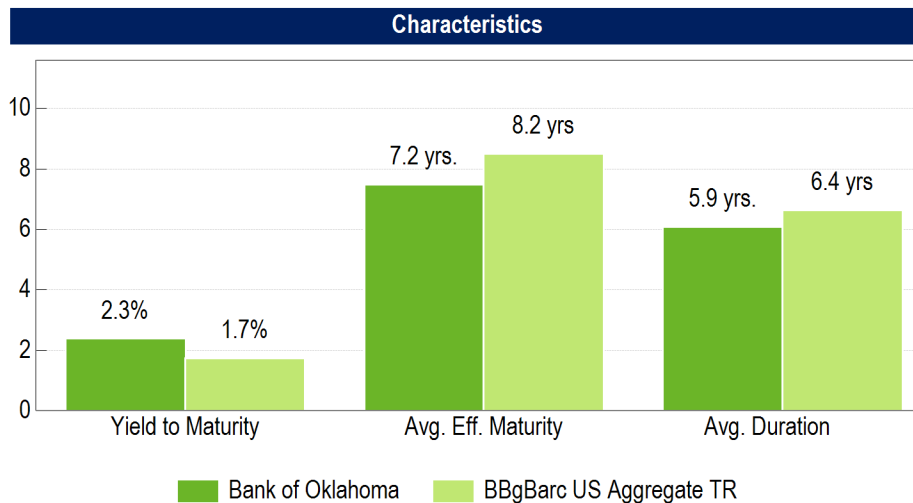


- Bank of Oklahoma
- ▲ BBgBarc US Aggregate TR
- 5th to 25th Percentile
- 25th to Median
- Median to 75th Percentile
- 75th to 95th Percentile



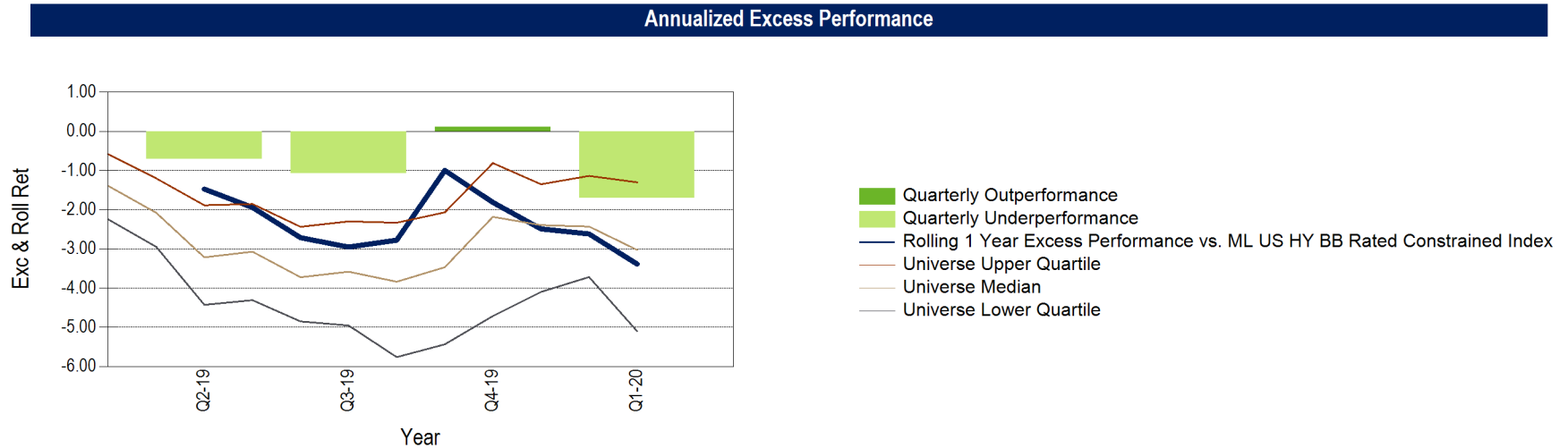
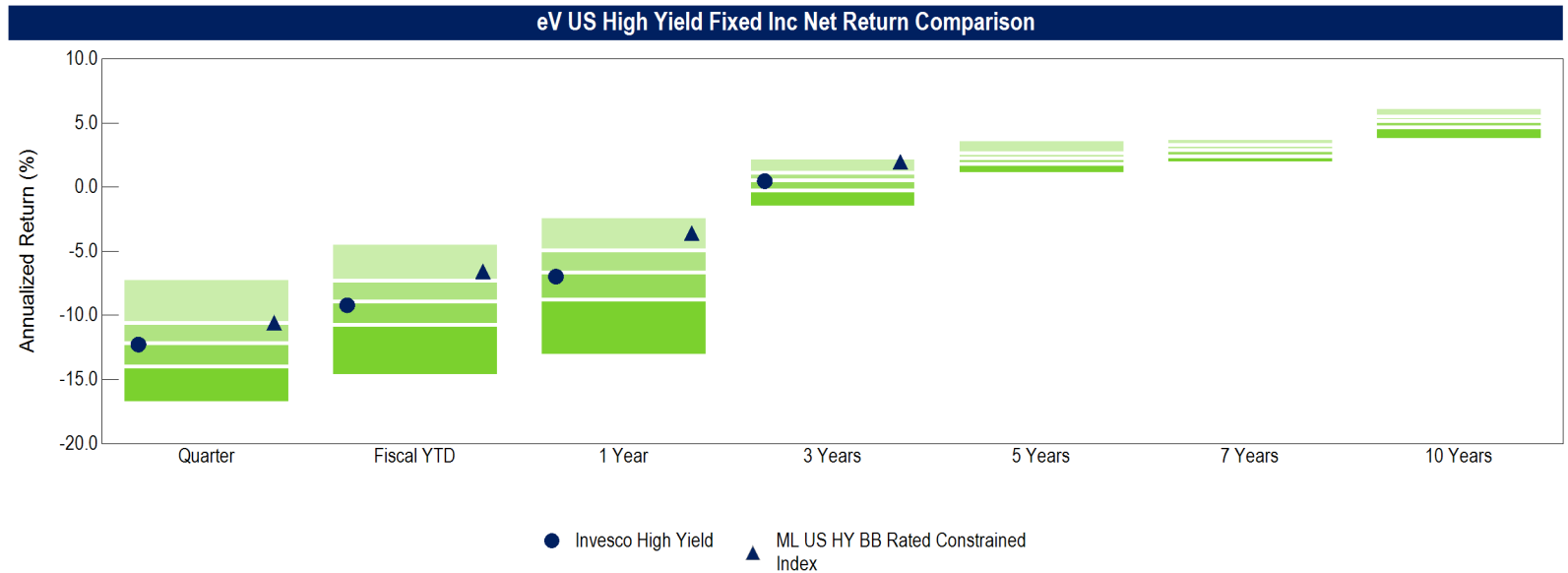
Oklahoma Tobacco Settlement Endowment

BANK OF OKLAHOMA



Oklahoma Tobacco Settlement Endowment

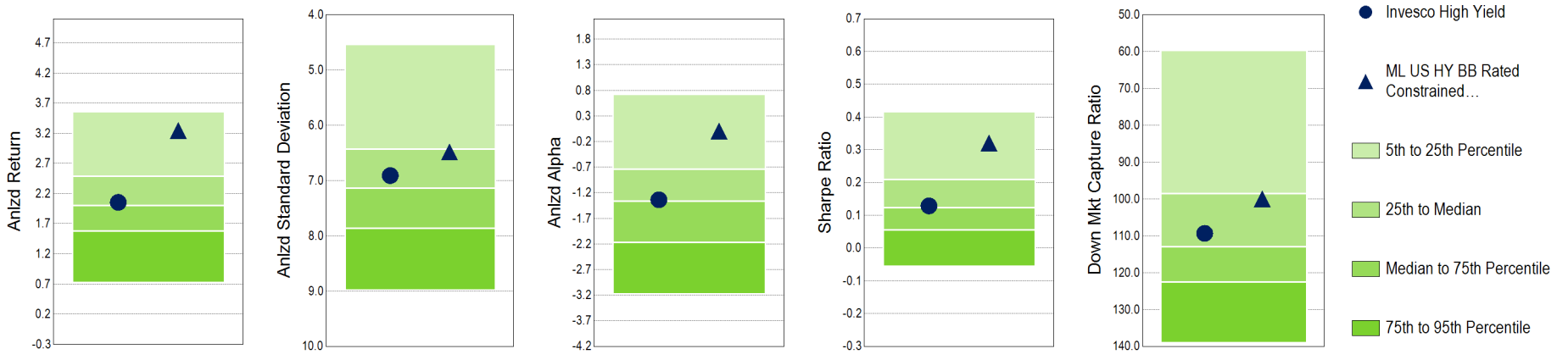
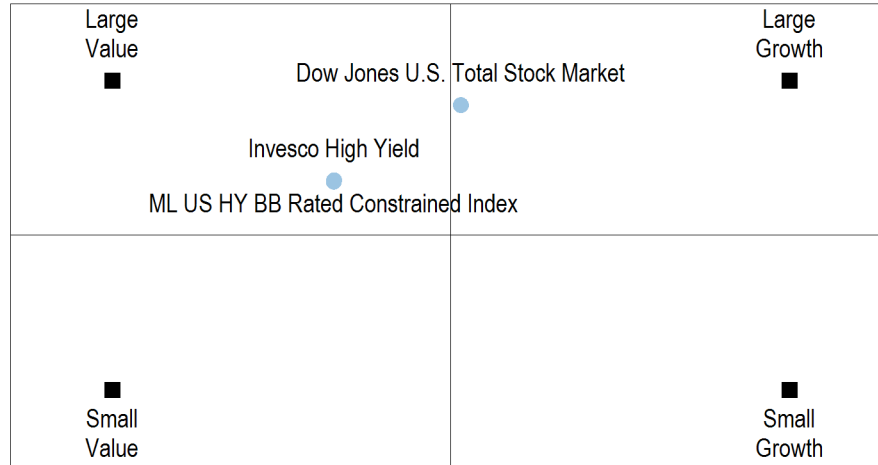
INVESCO HIGH YIELD



Oklahoma Tobacco Settlement Endowment

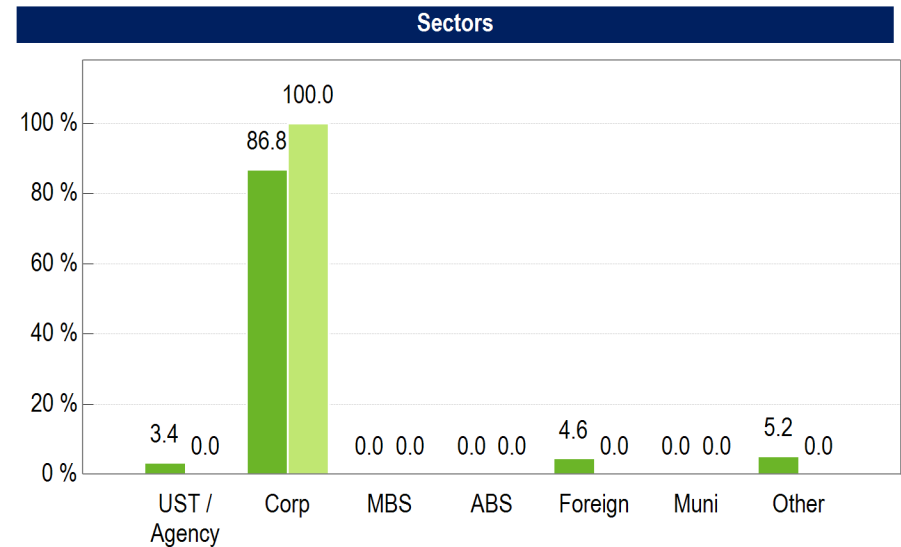
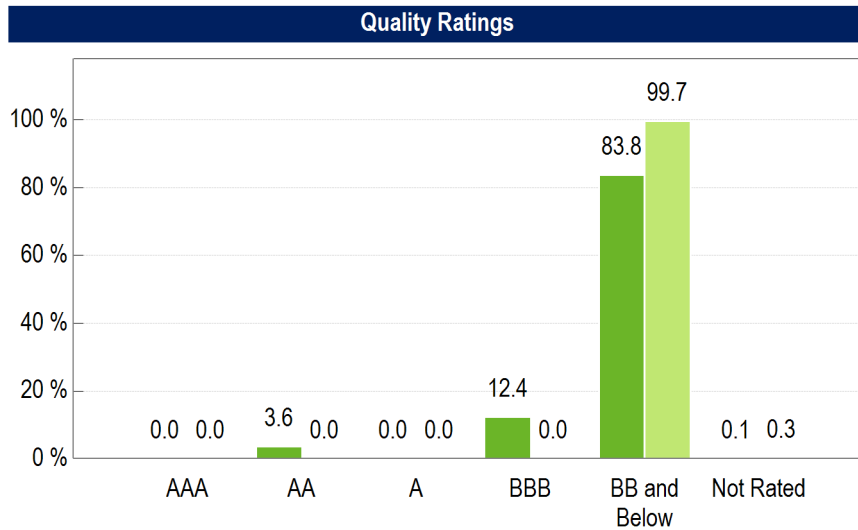
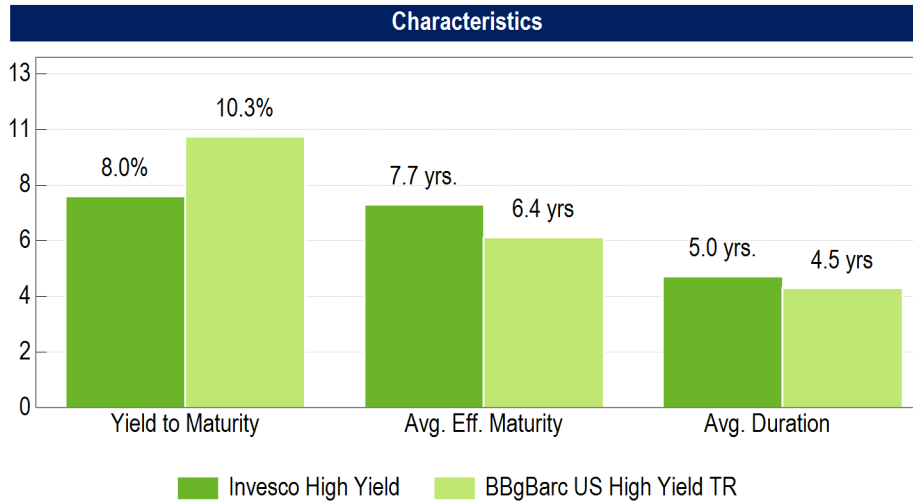
INVESCO HIGH YIELD

Fixed Income Style Map
Since Inception Ending March 31, 2020

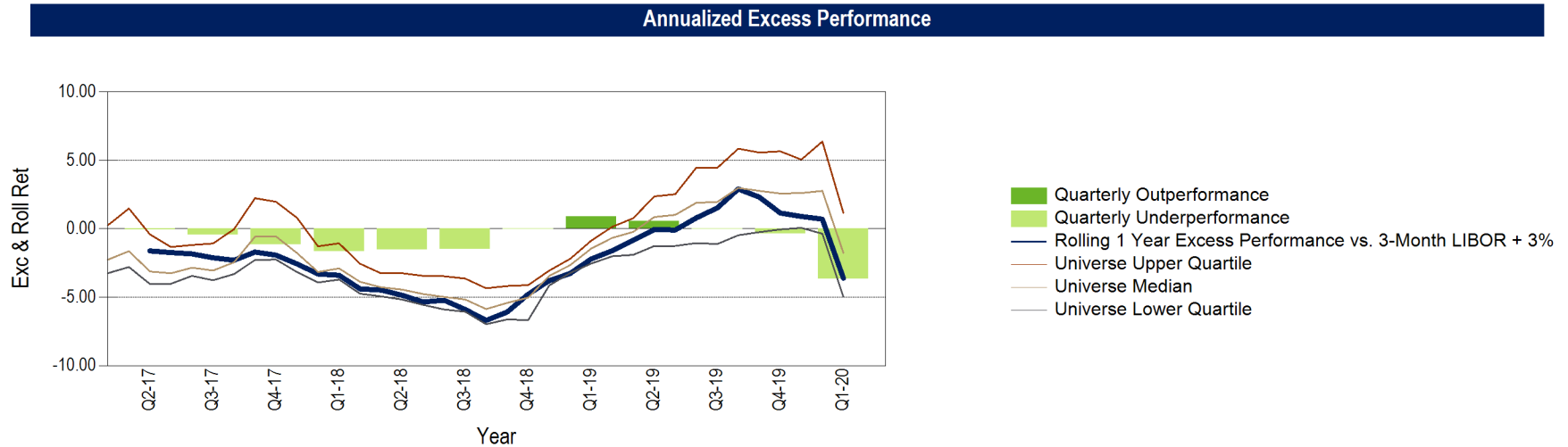
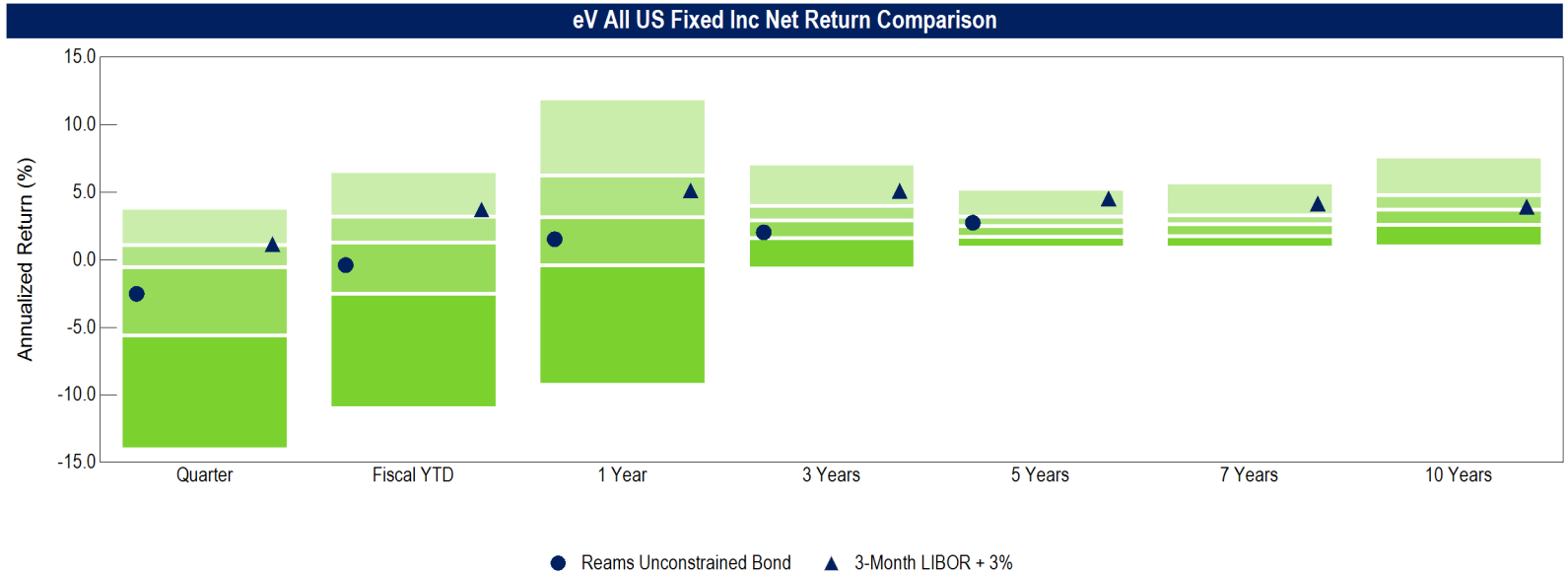


Oklahoma Tobacco Settlement Endowment

INVESCO HIGH YIELD

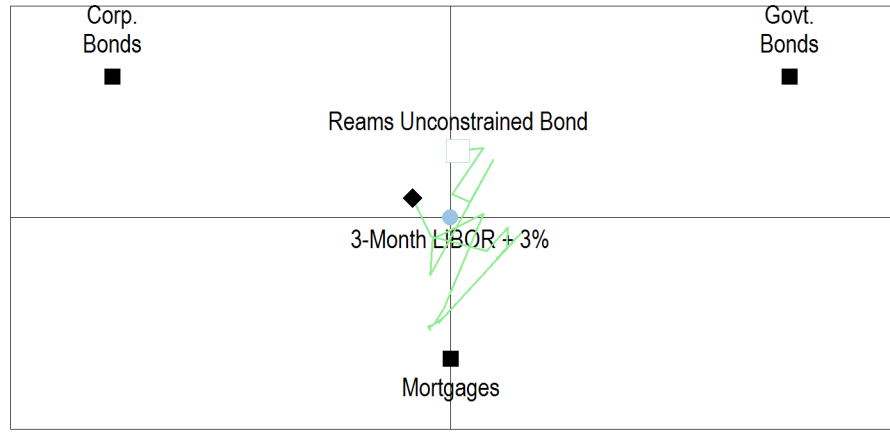


REAMS UNCONSTRAINED BOND

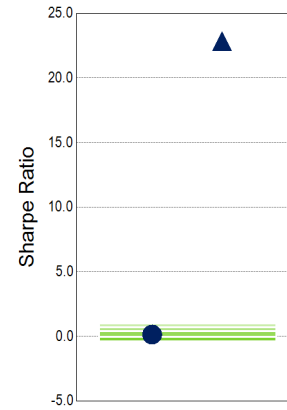
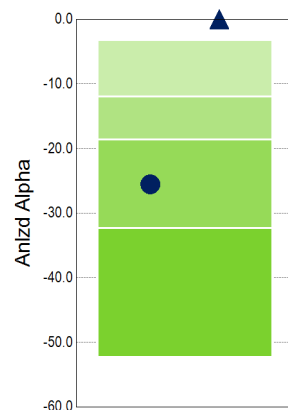
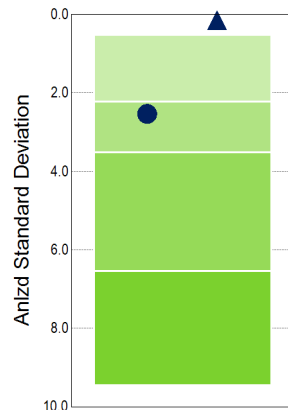
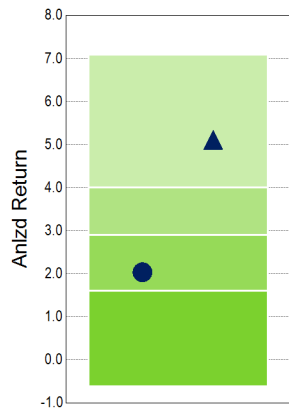


REAMS UNCONSTRAINED BOND

Style Analysis (Returns Based)
3 Years Ending March 31, 2020



□ First Rolling Period ◆ Last Rolling Period

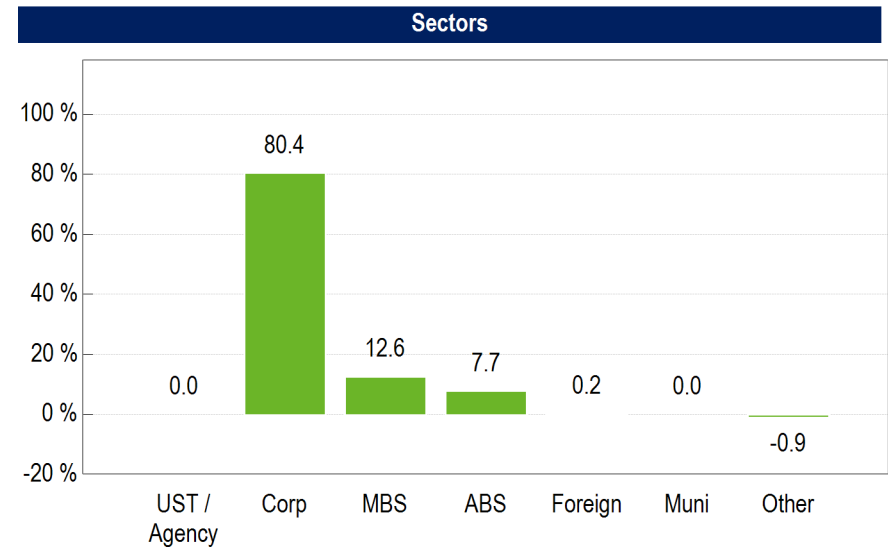
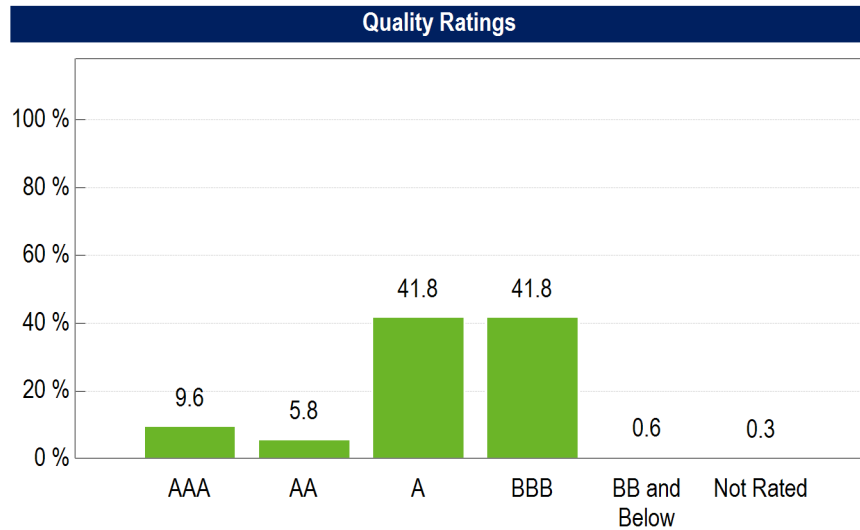
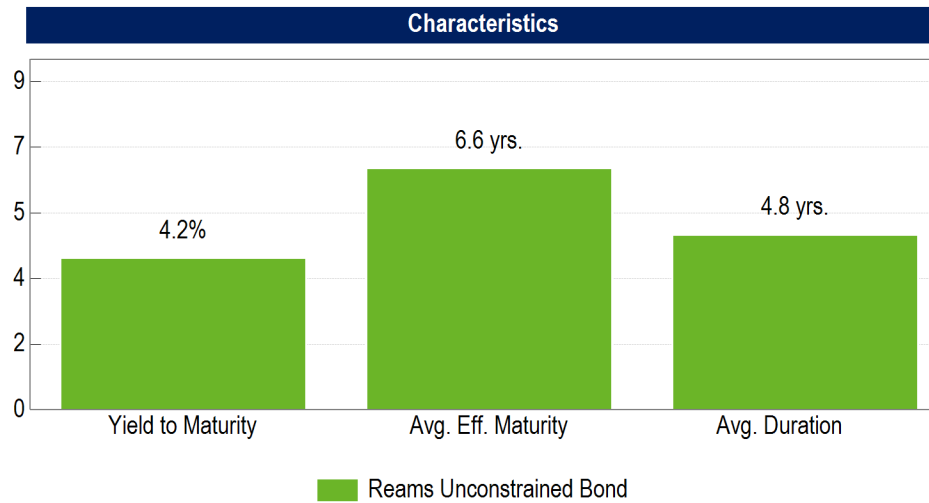


- Bank of Oklahoma
- ▲ BBgBarc US Aggregate TR
- 5th to 25th Percentile
- 25th to Median
- Median to 75th Percentile
- 75th to 95th Percentile



Oklahoma Tobacco Settlement Endowment

REAMS UNCONSTRAINED BOND



Oklahoma Tobacco Settlement Endowment

DYNAMIC FIXED INCOME

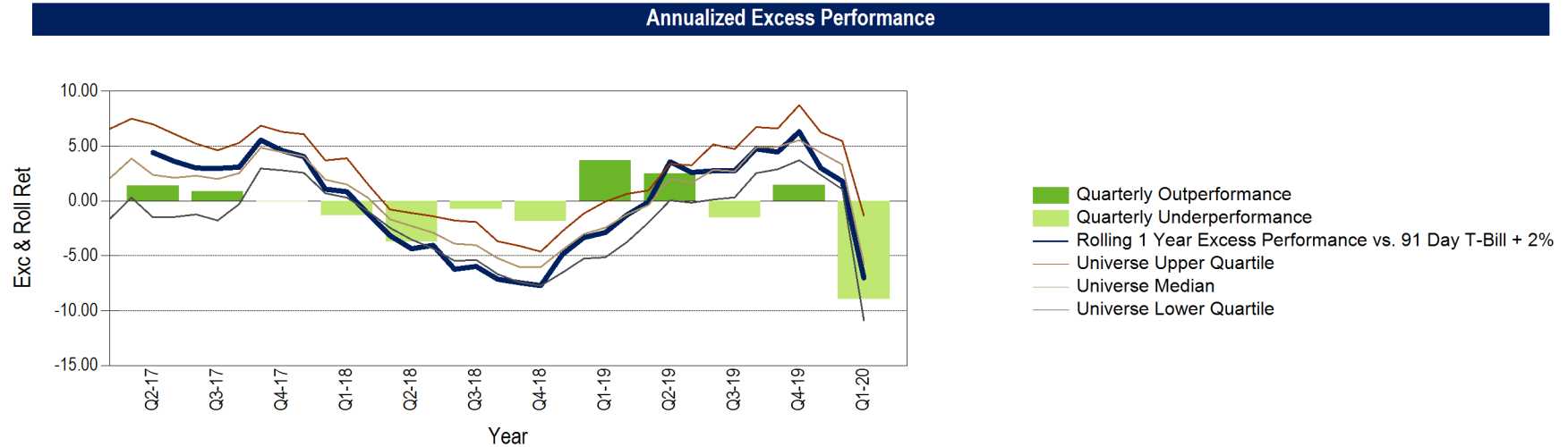
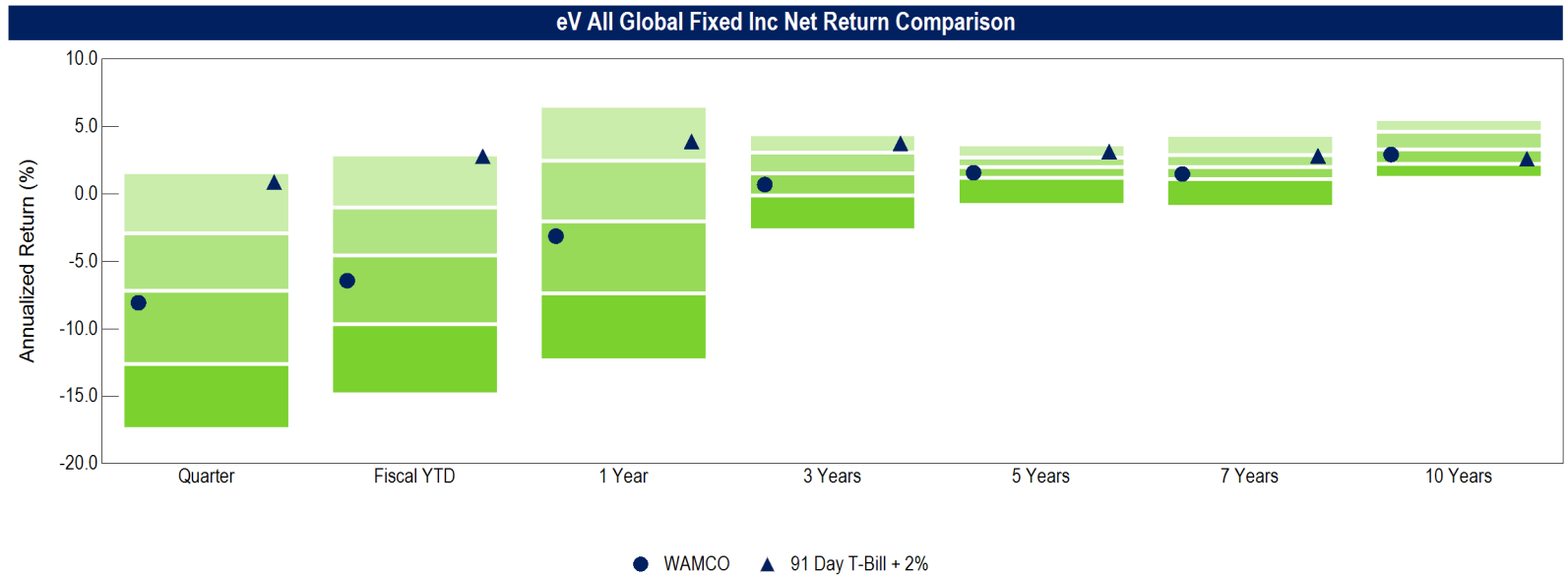
3 Years Ending March 31, 2020

	% of Tot	Anlzd Ret	Rank	Anlzd Std Dev	Rank	Anlzd AJ	Rank	Tracking Error	Rank	Sortino Ratio RF	Rank
Dynamic Fixed Income	3.24%	0.68%	65	6.07%	49	-7.73%	60	6.06%	47	-0.15	71
91 Day T-Bill + 2%	--	3.75%	12	0.14%	1	0.00%	33	0.00%	1	--	--
WAMCO	3.24%	0.68%	65	6.07%	49	-7.73%	60	6.06%	47	-0.15	71
91 Day T-Bill + 2%	--	3.75%	12	0.14%	1	0.00%	33	0.00%	1	--	--



Oklahoma Tobacco Settlement Endowment

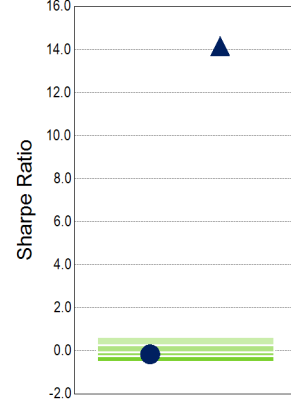
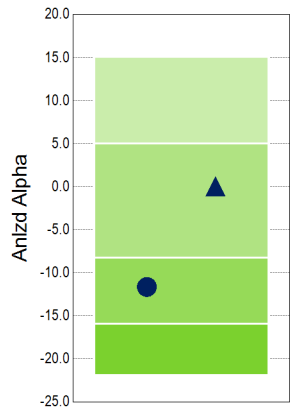
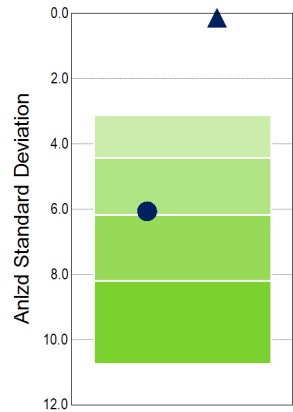
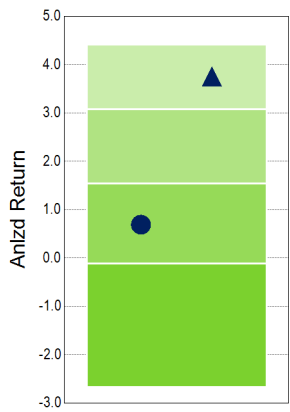
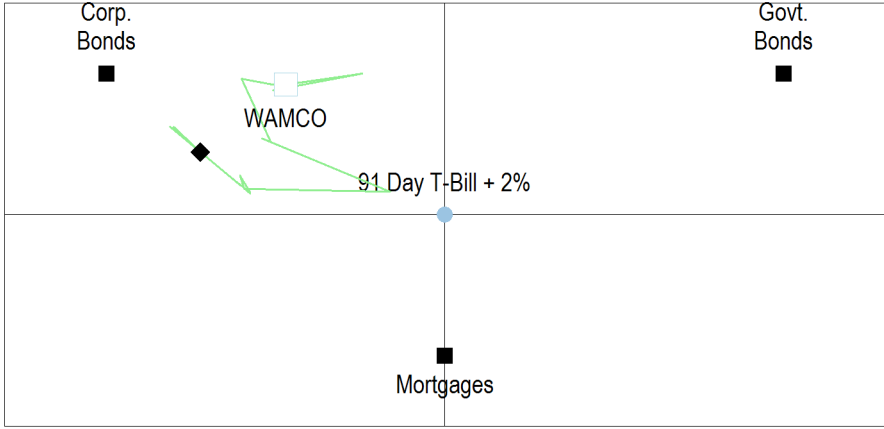
WAMCO



Oklahoma Tobacco Settlement Endowment

WAMCO

Style Analysis (Returns Based) 3 Years Ending March 31, 2020

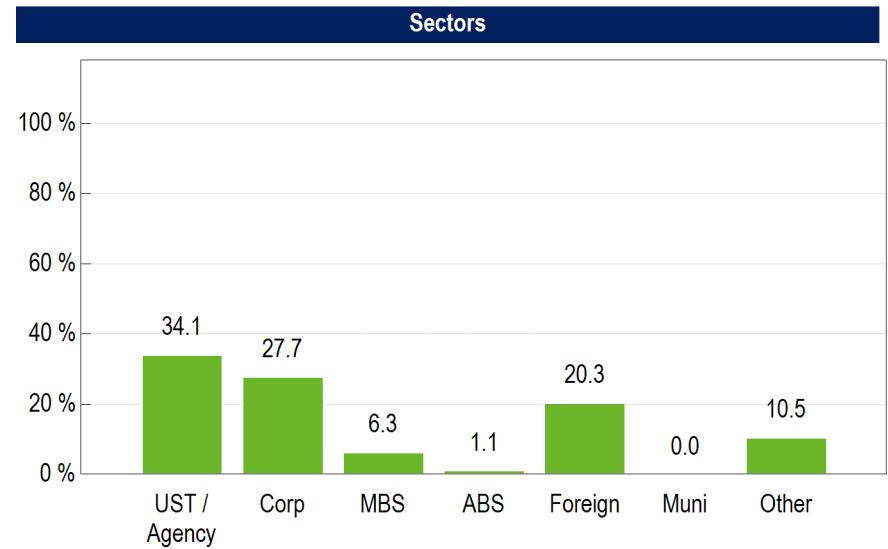
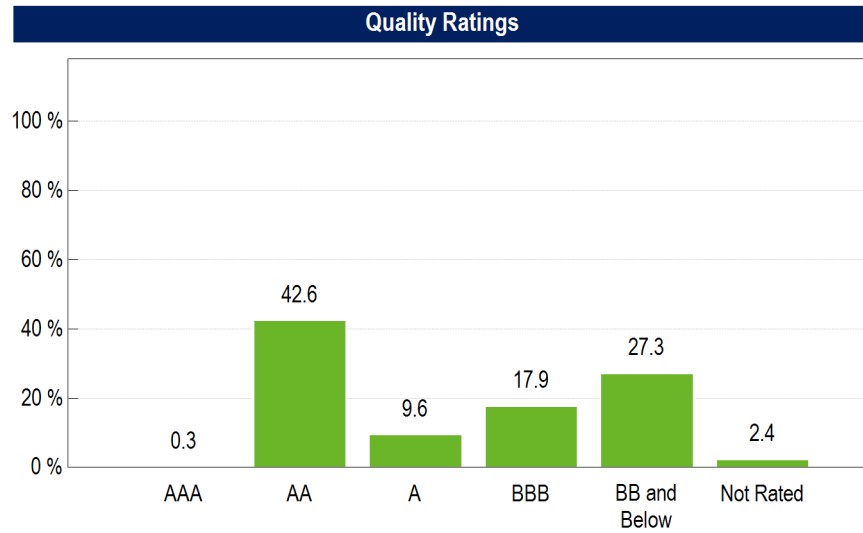
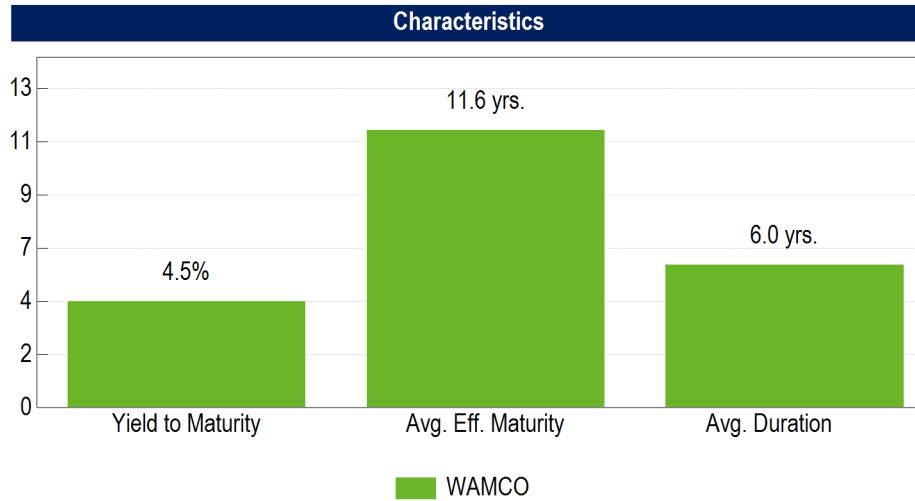


- WAMCO
- ▲ 91 Day T-Bill + 2%
- 5th to 25th Percentile
- 25th to Median
- Median to 75th Percentile
- 75th to 95th Percentile



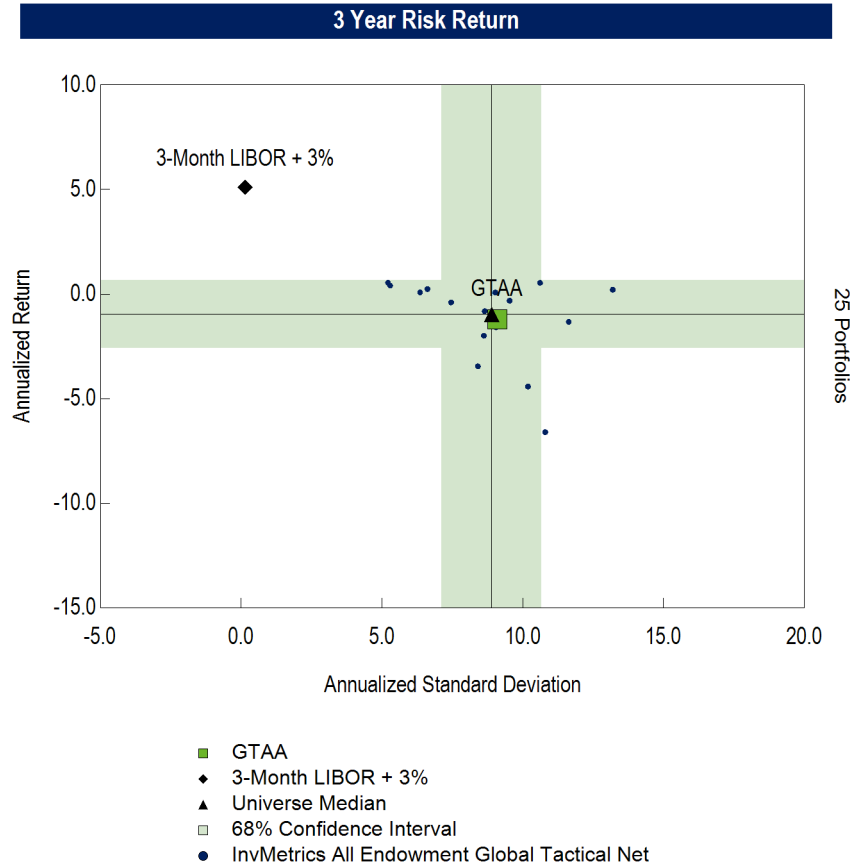
Oklahoma Tobacco Settlement Endowment

WAMCO



Oklahoma Tobacco Settlement Endowment

GTAA

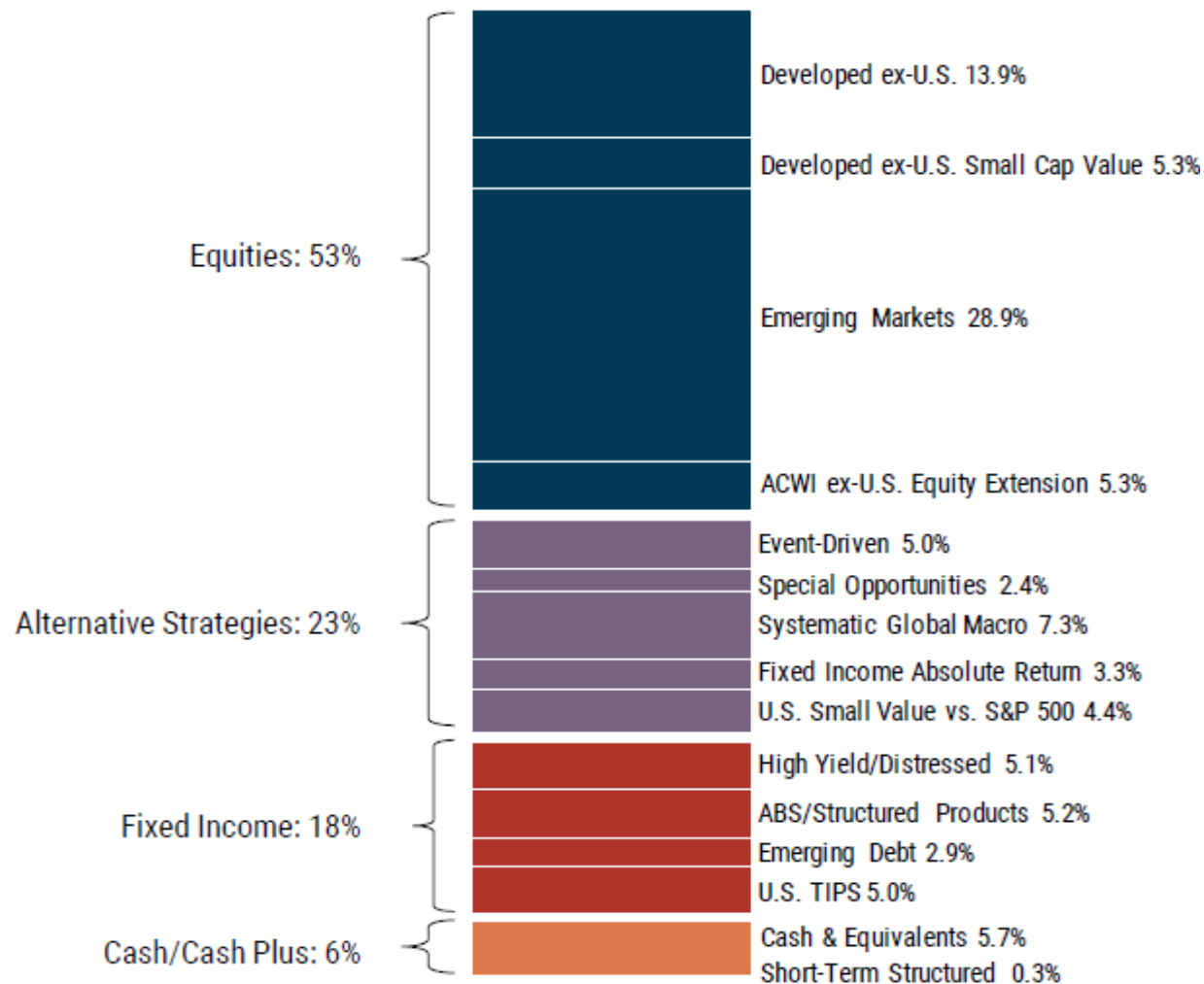


	Anlzd Ret	Rank	Anlzd Std Dev	Rank
GTAA	-1.21%	76	9.09%	73
3-Month LIBOR + 3%	5.11%	1	0.15%	1



GMO BENCHMARK FREE ALLOCATION FUND

Strategy Composition

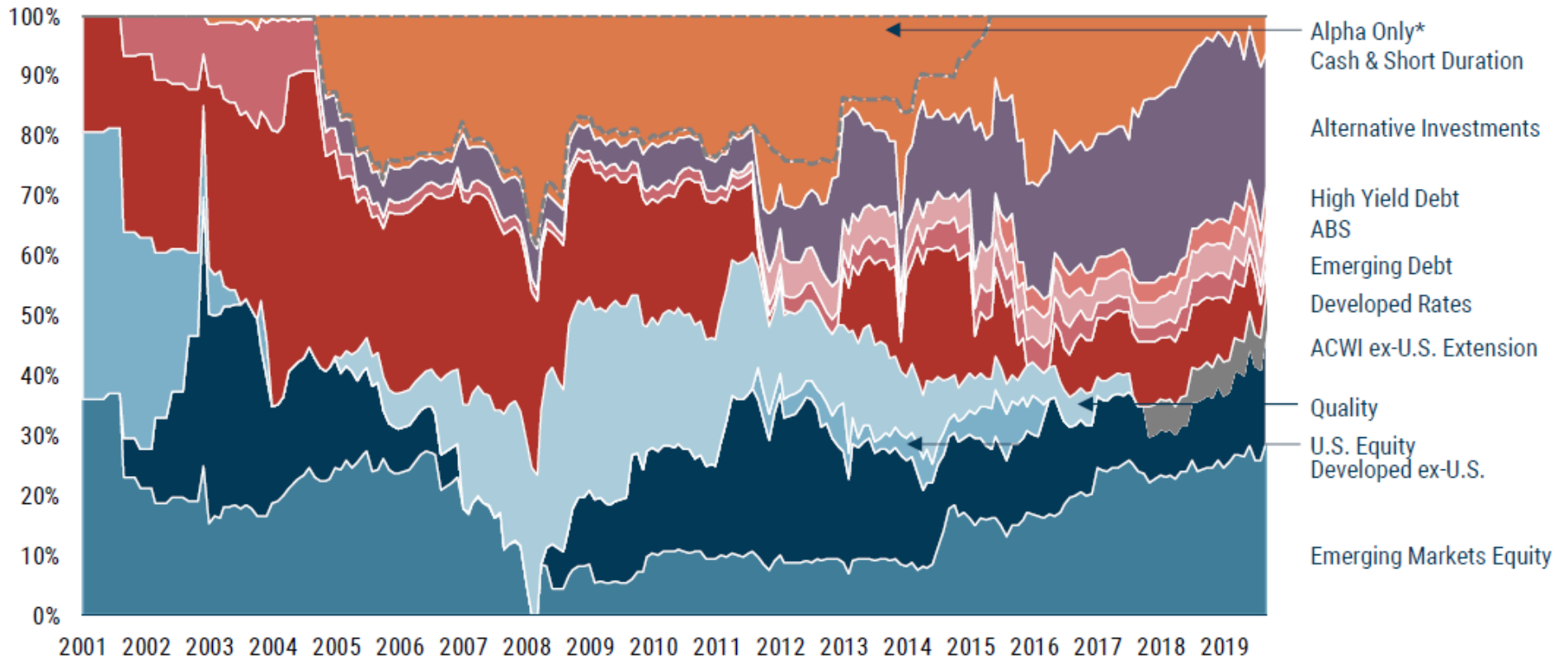


Source: GMO



GMO BENCHMARK FREE ALLOCATION FUND

Allocation History



Source: GMO



Oklahoma Tobacco Settlement Endowment

PIMCO

Fund Name	All Asset Fund																
Total Fund Net Assets (\$US MM)		14,574.5															
	6/30/2014	12/31/2014	6/30/2015	12/31/2015	6/30/2016	12/31/2016	6/30/2017	12/31/2017	6/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019	12/31/2019	1/31/2020	2/29/2020	3/31/2020
Third Pillar	78.71%	74.17%	85.75%	81.91%	81.04%	74.27%	70.05%	70.82%	74.15%	74.69%	79.97%	79.70%	79.83%	80.38%	79.13%	78.91%	77.51%
Emerging Markets Equities	12.81%	11.83%	13.67%	14.11%	22.17%	18.77%	17.50%	17.76%	18.35%	22.87%	23.58%	24.91%	25.77%	26.19%	23.80%	22.56%	20.44%
RAE Emerging Markets Fund	-	-	-	-	4.22%	4.63%	4.47%	5.33%	5.31%	6.66%	7.40%	8.70%	10.75%	11.36%			
RAE PLUS EMG Fund	5.99%	4.12%	4.73%	4.65%	6.11%	3.39%	3.70%	6.41%	9.14%	11.95%	11.97%	12.08%	10.54%	10.27%			
RAE Low Volatility PLUS EMG Fund	6.80%	7.70%	8.94%	9.46%	11.83%	10.74%	9.33%	5.76%	2.97%	3.30%	3.23%	2.84%	2.77%	2.79%			
EqS Emerging Markets Fund	0.02%	0.02%	-	-	-	-	-	-	-	-	-	-	-	-			
RAFI Dynamic Multi-Factor EM Equity ETF	-	-	-	-	-	-	-	0.26%	0.92%	0.94%	0.97%	1.30%	1.69%	1.76%			
Commodities and REITs	8.76%	9.89%	6.36%	5.52%	5.53%	5.25%	8.29%	10.66%	10.41%	8.48%	8.42%	8.05%	8.03%	8.02%	7.73%	7.88%	9.93%
CommoditiesPLUS™ Strategy Fund	3.03%	3.06%	2.19%	1.68%	3.12%	3.47%	4.05%	5.38%	4.72%	3.25%	3.43%	3.70%	4.02%	4.40%			
CommodityRealReturn Strategy Fund®	1.66%	3.97%	2.18%	1.62%	0.89%	0.53%	1.05%	1.08%	1.10%	1.21%	1.04%	1.00%	0.98%	0.99%			
RealEstateRealReturn Strategy Fund	4.06%	2.86%	1.99%	2.23%	1.53%	1.26%	3.19%	4.20%	4.59%	4.02%	3.95%	3.36%	3.03%	2.62%			
Emerging Markets Bonds	19.86%	18.83%	22.45%	20.83%	17.67%	19.97%	20.55%	20.11%	18.62%	17.72%	15.43%	15.47%	14.44%	13.94%	14.01%	14.19%	13.02%
Emerging Local Bond Fund	7.42%	9.10%	9.79%	8.48%	6.94%	6.98%	6.76%	6.44%	5.70%	5.73%	4.42%	3.93%	2.95%	2.49%			
Emerging Markets Currency and Short-Term Investments Fund	7.10%	9.05%	12.29%	11.94%	10.73%	12.99%	13.80%	13.66%	12.92%	11.99%	11.00%	11.54%	11.49%	11.45%			
Emerging Markets Bond Fund	3.90%	0.47%	0.29%	0.32%	-	-	-	-	-	-	-	-	-	-			
Emerging Markets Corporate Bond Fund	1.43%	0.20%	0.07%	0.09%	-	-	-	-	-	-	-	-	-	-			
Credit	21.84%	14.21%	15.23%	15.32%	17.72%	17.46%	14.08%	12.40%	12.17%	8.16%	8.48%	7.36%	6.54%	5.89%	5.03%	5.12%	5.24%
High Yield Fund	1.11%	2.64%	2.88%	2.53%	2.90%	2.35%	1.01%	0.59%	0.58%	1.03%	1.06%	0.71%	0.00%	0.00%			
High Yield Spectrum Fund	3.69%	2.90%	3.20%	3.84%	4.67%	4.64%	2.50%	1.55%	1.59%	1.59%	1.62%	1.40%	1.18%	0.97%			
Income Fund	10.28%	6.21%	6.01%	6.34%	7.51%	7.63%	6.62%	6.27%	7.00%	5.54%	5.80%	5.25%	5.36%	4.92%			
Diversified Income Fund	3.21%	0.10%	0.21%	0.24%	0.57%	0.49%	0.15%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Low Duration Income Fund	1.75%	0.06%	0.33%	0.29%	-	-	-	-	-	-	-	-	-	-			
Senior Floating Rate Fund	1.79%	2.30%	2.61%	2.07%	2.06%	2.34%	3.81%	3.99%	2.99%	0.00%	0.00%	0.00%	0.00%	0.00%			
Convertible Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
European Convertible Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Global Bonds	1.21%	0.35%	1.07%	1.17%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
International Bond Fund (Unhedged)	0.26%	0.30%	0.30%	0.29%	-	-	-	-	-	-	-	-	-	-			
Global Advantage Strategy Fund	0.95%	0.05%	0.76%	0.88%	-	-	-	-	-	-	-	-	-	-			
Global Bond Opportunities Fund (Unhedged)	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
Inflation Linked Bonds	0.90%	2.73%	7.88%	7.90%	3.21%	3.85%	3.97%	3.75%	2.61%	1.93%	7.33%	6.73%	7.15%	7.99%	9.24%	9.79%	9.86%
Real Return Fund	0.29%	1.38%	1.29%	0.81%	0.18%	3.19%	3.53%	3.32%	2.16%	1.49%	1.26%	1.06%	1.27%	1.82%			
Long-Term Real Return Fund	0.53%	1.27%	6.50%	6.99%	2.91%	0.54%	0.44%	0.43%	0.44%	0.44%	6.07%	5.67%	5.88%	6.17%			
Global Advantage® Inflation-Linked Bond ETF	0.08%	0.08%	0.08%	0.10%	0.12%	0.12%	-	-	-	-	-	-	-	-			
Alternative Strategies	13.34%	16.33%	19.09%	17.05%	14.74%	8.98%	5.65%	6.15%	12.00%	15.54%	16.74%	17.16%	17.91%	18.36%	19.32%	19.36%	19.02%
Dynamic Bond Fund	2.53%	1.79%	2.44%	2.08%	1.96%	-	-	-	-	1.58%	1.53%	1.49%	0.99%	0.97%			
Credit Opportunities Bond Fund	2.78%	0.76%	0.44%	0.23%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%			
Mortgage Opportunities and Bond Fund	0.55%	0.61%	0.66%	0.74%	0.78%	0.74%	0.72%	0.69%	0.71%	0.74%	0.71%	0.79%	0.82%	0.80%			
TRENDS Managed Futures Strategy Fund	0.16%	0.19%	0.20%	0.26%	0.29%	0.30%	0.28%	0.29%	0.29%	1.08%	1.02%	1.00%	1.01%	0.97%			
EqS Long/Short Fund	0.47%	0.49%	0.25%	-	-	-	-	-	-	-	-	-	-	-			
RAE Worldwide Long/Short PLUS Fund	-	3.08%	7.49%	7.96%	7.28%	5.73%	3.06%	3.03%	5.15%	6.25%	6.76%	6.40%	6.61%	6.62%			
RAE Fundamental Advantage PLUS Fund	2.62%	4.84%	3.75%	2.62%	2.20%	1.06%	1.59%	2.14%	5.85%	5.88%	6.72%	7.48%	8.48%	9.00%			
RAE Worldwide Fundamental Adv PLUS Fund	4.24%	4.57%	3.86%	3.16%	2.23%	1.15%	-	-	-	-	-	-	-	-			

Source: PIMCO



Oklahoma Tobacco Settlement Endowment

PIMCO

	6/30/2014	12/31/2014	6/30/2015	12/31/2015	6/30/2016	12/31/2016	6/30/2017	12/31/2017	6/30/2018	12/31/2018	3/31/2019	6/30/2019	9/30/2019	12/31/2019	1/31/2020	2/29/2020	3/31/2020
Second Pillar	9.05%	13.80%	6.15%	10.78%	10.63%	14.67%	20.07%	19.88%	19.91%	19.63%	13.93%	13.84%	14.06%	13.81%	15.02%	15.58%	12.44%
US Core Bonds	3.10%	4.58%	3.17%	3.66%	6.28%	4.68%	7.71%	7.21%	6.46%	4.17%	4.55%	4.16%	3.54%	3.48%	3.63%	3.81%	3.53%
Total Return Fund	3.07%	2.25%	1.39%	1.65%	3.41%	1.92%	4.44%	4.90%	4.25%	2.07%	2.49%	2.16%	1.83%	1.81%			
Investment Grade Credit Bond Fund	0.02%	2.34%	1.78%	2.01%	2.87%	2.76%	3.26%	2.30%	2.21%	2.09%	2.07%	2.00%	1.71%	1.66%			
Mortgage-Backed Securities Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
GNMA and Government Securities Fund	-	-	-	-	-	-	-	-	-	-	-	-	-	-			
US Long Maturity Bonds	4.82%	7.70%	1.52%	2.31%	2.55%	5.30%	8.63%	8.70%	8.22%	9.56%	5.11%	6.33%	6.74%	6.74%	7.48%	7.90%	4.83%
Extended Duration Fund	-	-	-	-	0.42%	1.51%	2.91%	3.13%	3.52%	4.61%	2.83%	3.47%	4.35%	4.10%			
Long-Term US Government Fund	0.27%	3.91%	0.00%	0.00%	1.18%	2.41%	4.42%	4.29%	3.45%	3.64%	0.97%	1.50%	1.62%	1.68%			
Long-Term Credit Bond Fund	4.20%	1.93%	0.57%	0.88%	0.27%	0.17%	-	-	-	-	-	-	-	-			
Long Duration Total Return Fund	0.35%	1.86%	0.95%	1.42%	0.68%	1.20%	1.30%	1.28%	1.26%	1.31%	1.31%	1.36%	0.76%	0.96%			
Short-Term Bonds	1.13%	1.52%	1.46%	4.81%	1.80%	4.69%	3.73%	3.97%	5.23%	5.91%	4.27%	3.35%	3.78%	3.59%	3.92%	3.87%	4.09%
Low Duration Fund	0.94%	0.53%	0.87%	1.54%	1.26%	2.44%	3.37%	3.34%	4.89%	5.33%	3.93%	3.01%	3.46%	3.02%			
Low Duration Exchange Traded Fund	0.20%	0.22%	0.24%	0.19%	-	-	-	-	-	-	-	-	-	-			
Short Term Fund	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-			
Government Money Market Fund	-	0.80%	0.35%	-	0.54%	2.26%	0.37%	0.63%	0.34%	0.56%	0.34%	0.34%	0.32%	0.55%			
Money Market Fund	-	-	-	3.13%	-	-	-	-	-	-	-	-	-	-			
Net Short Duration Instruments	-0.01%	-0.02%	-0.01%	-0.04%	0.00%	-0.01%	-0.01%	0.00%	0.00%	0.01%	0.00%	0.00%	0.00%	0.03%			
First Pillar	12.24%	12.03%	8.10%	7.32%	8.33%	11.06%	9.88%	9.30%	5.95%	5.68%	6.10%	6.46%	6.11%	5.81%	5.85%	5.51%	10.05%
US Equities	1.12%	4.03%	2.38%	1.53%	0.55%	0.25%	0.25%	0.27%	0.28%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.98%
RAE PLUS Fund	0.03%	0.55%	0.21%	-	-	-	-	-	-	-	-	-	-	-			
RAE Low Volatility PLUS Fund	0.41%	2.70%	1.74%	1.21%	0.55%	0.25%	0.25%	0.27%	0.28%	-	-	-	-	-			
RAE PLUS Small Fund	0.65%	0.74%	0.43%	0.32%	-	-	-	-	-	-	-	-	-	-			
StocksPLUS® Small Fund	0.02%	0.02%	-	-	-	-	-	-	-	-	-	-	-	-			
Fundamental IndexPLUS™	-	0.00%	-	-	-	-	-	-	-	-	-	-	-	-			
StocksPLUS® Fund	0.00%	0.00%	-	-	-	-	-	-	-	-	-	-	-	-			
StocksPLUS® Absolute Return Fund	0.01%	0.01%	-	-	-	-	-	-	-	-	-	-	-	-			
Developed ex-US Equities	11.12%	8.00%	5.73%	5.79%	7.78%	10.81%	9.62%	9.03%	5.67%	5.68%	6.10%	6.46%	6.11%	5.81%	5.85%	5.51%	9.07%
RAE PLUS International Fund	3.16%	3.01%	1.60%	1.51%	1.56%	2.51%	3.45%	3.43%	0.50%	0.91%	0.96%	1.33%	1.15%	1.18%			
RAE Low Volatility PLUS Intl Fund	5.73%	3.79%	4.13%	4.24%	3.35%	5.31%	2.50%	1.80%	1.83%	1.73%	1.92%	1.91%	1.86%	1.88%			
StocksPLUS® International Fund (USD-Hedged)	0.01%	0.01%	-	0.05%	2.58%	2.83%	2.94%	3.02%	3.08%	3.04%	3.21%	3.22%	3.11%				
StocksPLUS® International Fund (Unhedged)	0.02%	0.02%	-	-	0.29%	0.16%	0.73%	0.77%	0.26%	-	-	-	-	2.74%			
EqS Global Dividend Fund	0.01%	0.01%	-	-	-	-	-	-	-	-	-	-	-	-			
EqS Pathfinder Fund	2.19%	1.16%	-	-	-	-	-	-	-	-	-	-	-	-			

Source: PIMCO



March 31, 2018

GLOSSARY OF INVESTMENT TERMINOLOGY

Alpha - Measures the relationship between the fund performance and the performance of another fund or benchmark index and equals the excess return while the other fund or benchmark index is zero.

Alpha Jensen - The average return on a portfolio over and above that predicted by the capital asset pricing model (CAPM), given the portfolio's beta and the average market return. Also known as the abnormal return or the risk adjusted excess return.

Annualized Excess Return over Benchmark - Annualized fund return minus the annualized benchmark return for the calculated return.

Annualized Return - A statistical technique whereby returns covering periods greater than one year are converted to cover a 12 month time span.

Beta - Measures the volatility or systematic risk and is equal to the change in the fund's performance in relation to the change in the assigned index's performance.

Information Ratio - A measure of the risk adjusted return of a financial security, asset, or portfolio.

Formula:
 $(\text{Annualized Return of Portfolio} - \text{Annualized Return of Benchmark}) / \text{Annualized Standard Deviation}(\text{Period Portfolio Return} - \text{Period Benchmark Return})$. To annualize standard deviation, multiply the deviation by the square root of the number of periods per year where monthly returns per year equals 12 and quarterly returns is four periods per year.

R-Squared - Represents the percentage of a fund's movements that can be explained by movements in an index. R-Squared values range from 0 to 100. An R-Squared of 100 denotes that all movements of a fund are completely explained by movements in the index.

Sharpe Ratio - A measure of the excess return or risk premium per unit of risk in an investment asset or trading strategy.

Sortino Ratio - A method to differentiate between good and bad volatility in the Sharpe Ratio. The differentiation of up and down volatility allows the calculation to provide a risk adjusted measure of a security or fund's performance without upward price change penalties.

Formula:
 $\text{Calculation Average } (X-Y) / \text{Downside Deviation } (X-Y) * 2$
Where X=Return Series X Y = Return Series Y which is the risk free return (91 day T-bills)

Standard Deviation - The standard deviation is a statistical term that describes the distribution of results. It is a commonly used measure of volatility of returns of a portfolio, asset class, or security. The higher the standard deviation the more volatile the returns are.

Formula:
 $(\text{Annualized Return of Portfolio} - \text{Annualized Return of Risk Free}) / \text{Annualized Standard Deviation (Portfolio Returns)}$

Tracking Error - Tracking error, also known as residual risk, is a measure of the degree to which a portfolio tracks its benchmark. It is also a measure of consistency of excess returns. Tracking error is computed as the annualized standard deviation of the difference between a portfolio's return and that of its benchmark.

Formula:
 $\text{Tracking Error} = \text{Standard Deviation } (X-Y) * \sqrt{\text{\# of periods per year}}$
Where X = periods portfolio return and Y = the period's benchmark return
For monthly returns, the periods per year = 12
For quarterly returns, the periods per year = 4

Treynor Ratio - A risk-adjusted measure of return based on systematic risk. Similar to the Sharpe ratio with the difference being the Treynor ratio uses beta as the measurement of volatility.

Formula:
 $(\text{Portfolio Average Return} - \text{Average Return of Risk-Free Rate}) / \text{Portfolio Beta}$

Up/Down Capture Ratio - A measure of what percentage of a market's returns is "captured" by a portfolio. For example, if the market declines 10% over some period, and the manager declines only 9%, then his or her capture ratio is 90%. In down markets, it is advantageous for a manager to have as low a capture ratio as possible. For up markets, the higher the capture ratio the better. Looking at capture ratios can provide insight into how a manager achieves excess returns. A value manager might typically have a lower capture ratio in both up and down markets, achieving excess returns by protecting on the downside, whereas a growth manager might fall more than the overall market in down markets, but achieve above-market returns in a rising market.

$\text{Upside Capture} = \text{Total Return}(\text{Fund Returns}) / \text{Total Returns}(\text{BM Return})$ when Period Benchmark Return is $> = 0$

$\text{Downside Capture} = \text{Total Return}(\text{Fund Returns}) / \text{Total Returns}(\text{BM Return})$ when Benchmark < 0

Data Source: InvestorForce



GLOSSARY OF INVESTMENT TERMINOLOGY

Of Portfolios/Observations¹ – The total number of data points that make up a specified universe

Allocation Index³ - The allocation index measures the value added (or subtracted) to each portfolio by active management. It is calculated monthly: The portfolio asset allocation to each category from the prior month-end is multiplied by a specified market index.

Asset Allocation Effect² - Measures an investment manager's ability to effectively allocate their portfolio's assets to various sectors. The allocation effect determines whether the overweighting or underweighting of sectors relative to a benchmark contributes positively or negatively to the overall portfolio return. Positive allocation occurs when the portfolio is over weighted in a sector that outperforms the benchmark and underweighted in a sector that underperforms the benchmark. Negative allocation occurs when the portfolio is over weighted in a sector that underperforms the benchmark and under weighted in a sector that outperforms the benchmark.

Agency Bonds (Agencies)³ - The full faith and credit of the United States government is normally not pledged to payment of principal and interest on the majority of government agencies issuing these bonds, with maturities of up to ten years. Their yields, therefore, are normally higher than government and their marketability is good, thereby qualifying them as a low risk-high liquidity type of investment. They are eligible as security for advances to the member banks by the Federal Reserve, which attests to their standing.

Asset Backed Securities (ABS)³ - Bonds which are similar to mortgage-backed securities but are collateralized by assets other than mortgages; commonly backed by credit card receivables, auto loans, or other types of consumer financing.

Attribution³ - Attribution is an analytical technique that allows us to evaluate the performance of the portfolio relative to the benchmark. A proper attribution tells us where value was added or subtracted as a result of the manager's decisions.

Average Effective Maturity⁴ - For a single bond, it is a measure of maturity that takes into account the possibility that a bond might be called back to the issuer.

For a portfolio of bonds, average effective maturity is the weighted average of the maturities of the underlying bonds. The measure is computed by weighing each bond's maturity by its market value with respect to the portfolio and the likelihood of any of the bonds being called. In a pool of mortgages, this would also account for the likelihood of prepayments on the mortgages.

Batting Average¹ - A measurement representing an investment manager's ability to meet or beat an index.

Formula: Divide the number of days (or months, quarters, etc.) in which the manager beats or matches the index by the total number of days (or months, quarters, etc.) in the period of question and multiply that factor by 100.

Brinson Fachler (BF) Attribution¹ - The BF methodology is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance. The main advantage of the BF methodology is that rather than using the overall return of the benchmark, it goes a level deeper than BHB and measures whether the benchmark sector, country, etc. outperformed/or underperformed the overall benchmark.

Brinson Hood Beebower (BHB) Attribution¹ - The BHB methodology shows that excess return must be equal to the sum of all other factors (i.e., allocation effect, selection effect, interaction effect, etc.). The advantage to using the BHB methodology is that it is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance.

Corporate Bond (Corp)⁴ - A debt security issued by a corporation and sold to investors. The backing for the bond is usually the payment ability of the company, which is typically money to be earned from future operations. In some cases, the company's physical assets may be used as collateral for bonds.

Correlation¹ - A range of statistical relationships between two or more random variables or observed data values. A correlation is a single number that describes the degree of relationship between variables.

Data Source: ¹InvestorForce, ²Interaction Effect Performance Attribution, ³NEPC, LLC, ⁴Investopedia, ⁵Hedgeco.net



GLOSSARY OF INVESTMENT TERMINOLOGY

Coupon⁴ – The interest rate stated on a bond when it is issued. The coupon is typically paid semiannually. This is also referred to as the "coupon rate" or "coupon percent rate."

Currency Effect¹ - Is the effect that changes in currency exchange rates over time affect excess performance.

Derivative Instrument³ - A financial obligation that derives its precise value from the value of one or more other instruments (or assets) at the same point of time. For example, the relationship between the value of an S&P 500 futures contract (the derivative instrument in this case) is determined by the value of the S&P 500 Index and the value of a U.S. Treasury bill that matures at the expiration of the futures contract.

Downside Deviation¹ - Equals the standard deviation of negative return or the measure of downside risk focusing on the standard deviation of negative returns.

Formula:

Annualized Standard Deviation (Fund Return - Average Fund Return) where average fund return is greater than individual fund returns, monthly or quarterly.

Duration³ - Duration is a measure of interest rate risk. The greater the duration of a bond, or a portfolio of bonds, the greater its price volatility will be in response to a change in interest rates. A bond's duration is inversely related to interest rates and directly related to time to maturity.

Equity/Debt/Cash Ratio¹ – The percentage of an investment or portfolio that is in Equity, Debt, and/or Cash (i.e. A 7/89/4 ratio represents an investment that is made up of 7% Equity, 89% Debt, and 4% Cash).

Foreign Bond³ - A bond that is issued in a domestic market by a foreign entity, in the domestic market's currency. A foreign bond is most often issued by a foreign firm to raise capital in a domestic market that would be most interested in purchasing the firm's debt. For foreign firms doing a large amount of business in the domestic market, issuing foreign bonds is a common practice.

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Median³ - The value (rate of return, market sensitivity, etc.) that exceeds one-half of the values in the population and that is exceeded by one-half of the values. The median has a percentile rank of 50.

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Mortgage Backed Securities (MBS)³ - Bonds which are a general obligation of the issuing institution but are also collateralized by a pool of mortgages.

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GLOSSARY OF INVESTMENT TERMINOLOGY

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Total Return¹ - The actual rate of return of an investment over a specified time period. Total return includes interest, capital gains, dividends, and distributions realized over a defined time period.

Universe³ - The list of all assets eligible for inclusion in a portfolio.

Upside Deviation¹ - Standard Deviation of Positive Returns

Weighted Avg. Market Cap.⁴ - A stock market index weighted by the market capitalization of each stock in the index. In such a weighting scheme, larger companies account for a greater portion of the index. Most indexes are constructed in this manner, with the best example being the S&P 500.

Yield (%)³ - The current yield of a security is the current indicated annual dividend rate divided by current price.

Yield to Maturity³ - The discount rate that equates the present value of cash flows, both principal and interest, to market price.

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GLOSSARY OF INVESTMENT TERMINOLOGY

Of Portfolios/Observations¹ - The total number of data points that make up a specified universe

Allocation Index³ - The allocation index measures the value added (or subtracted) to each portfolio by active management. It is calculated monthly: The portfolio asset allocation to each category from the prior month-end is multiplied by a specified market index.

Asset Allocation Effect² - Measures an investment manager's ability to effectively allocate their portfolio's assets to various sectors. The allocation effect determines whether the overweighting or underweighting of sectors relative to benchmark contributes positively or negatively to the overall portfolio return. Positive allocation occurs when the portfolio is over weighted in a sector that outperforms the benchmark and underweighted in a sector that underperforms the benchmark. Negative allocation occurs when the portfolio is over weighted in a sector that underperforms the benchmark and under weighted in a sector that outperforms the benchmark.

Agency Bonds (Agencies)³ - The full faith and credit of the United States government is normally not pledged to payment of principal and interest on the majority of government agencies issuing these bonds, with maturities of up to ten years. Their yields, therefore, are normally higher than government and their marketability is good, thereby qualifying them as a low risk-high liquidity type of investment. They are eligible as security for advances to the member banks by the Federal Reserve, which attests to their standing.

Asset Backed Securities (ABS)³ - Bonds which are similar to mortgage-backed securities but are collateralized by assets other than mortgages; commonly backed by credit card receivables, auto loans, or other types of consumer financing.

Attribution³ - Attribution is an analytical technique that allows us to evaluate the performance of the portfolio relative to the benchmark. A proper attribution tells us where value was added or subtracted as a result of the manager's decisions.

Average Effective Maturity⁴ - For a single bond, it is a measure of maturity that takes into account the possibility that a bond might be called back to the issuer.

For a portfolio of bonds, average effective maturity is the weighted average of the maturities of the underlying bonds. The measure is computed by weighing each bond's maturity by its market value with respect to the portfolio and the likelihood of any of the bonds being called. In a pool of mortgages, this would also account for the likelihood of prepayments on the mortgages.

Batting Average¹ - A measurement representing an investment manager's ability to meet or beat an index.

Formula: Divide the number of days (or months, quarters, etc.) in which the manager beats or matches the index by the total number of days (or months, quarters, etc.) in the period of question and multiply that factor by 100.

Brinson Fachler (BF) Attribution¹ - The BF methodology is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance. The main advantage of the BF methodology is that rather than using the overall return of the benchmark, it goes a level deeper than BHB and measures whether the benchmark sector, country, etc. outperformed/or underperformed the overall benchmark.

Brinson Hood Beebower (BHB) Attribution¹ - The BHB methodology shows that excess return must be equal to the sum of all other factors (i.e., allocation effect, selection effect, interaction effect, etc.). The advantage to using the BHB methodology is that it is a highly accepted industry standard for calculating the allocation, selection, and interaction effects within a portfolio that collectively explains a portfolio's underlying performance.

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Information Disclaimer

- Past performance is no guarantee of future results.
- All investments carry some level of risk. Diversification and other asset allocation techniques are not guaranteed to ensure profit or protect against losses.
- NEPC's source for portfolio pricing, calculation of accruals, and transaction information is the plan's custodian bank. Information on market indices and security characteristics is received from other sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.
- Some index returns displayed in this report or used in calculation of a policy, allocation or custom benchmark may be preliminary and subject to change.
- This report is provided as a management aid for the client's internal use only. Information contained in this report does not constitute a recommendation by NEPC.
- This report may contain confidential or proprietary information and may not be copied or redistributed to any party not legally entitled to receive it.

Reporting Methodology

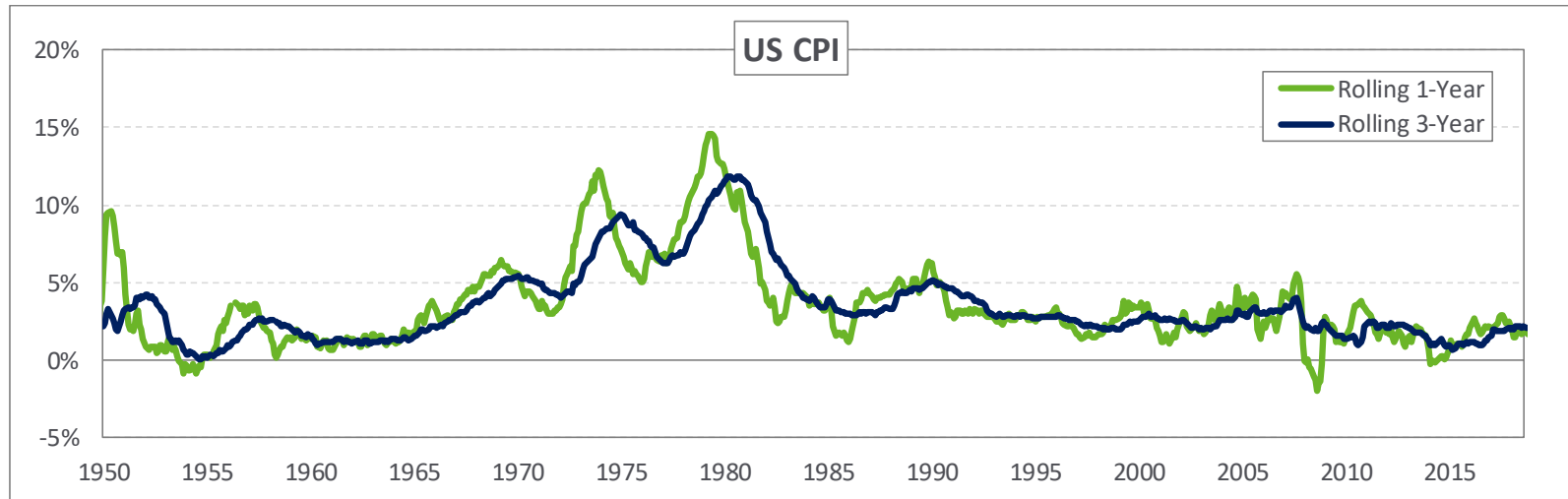
- The client's custodian bank is NEPC's preferred data source unless otherwise directed. NEPC generally reconciles custodian data to manager data. If the custodian cannot provide accurate data, manager data may be used.
- Trailing time period returns are determined by geometrically linking the holding period returns, from the first full month after inception to the report date. Rates of return are annualized when the time period is longer than a year. Performance is presented gross and/or net of manager fees as indicated on each page.
- For managers funded in the middle of a month, the "since inception" return will start with the first full month, although actual inception dates and cash flows are taken into account in all Composite calculations.
- This report may contain forward-looking statements that are based on NEPC's estimates, opinions and beliefs, but NEPC cannot guarantee that any plan will achieve its targeted return or meet other goals.



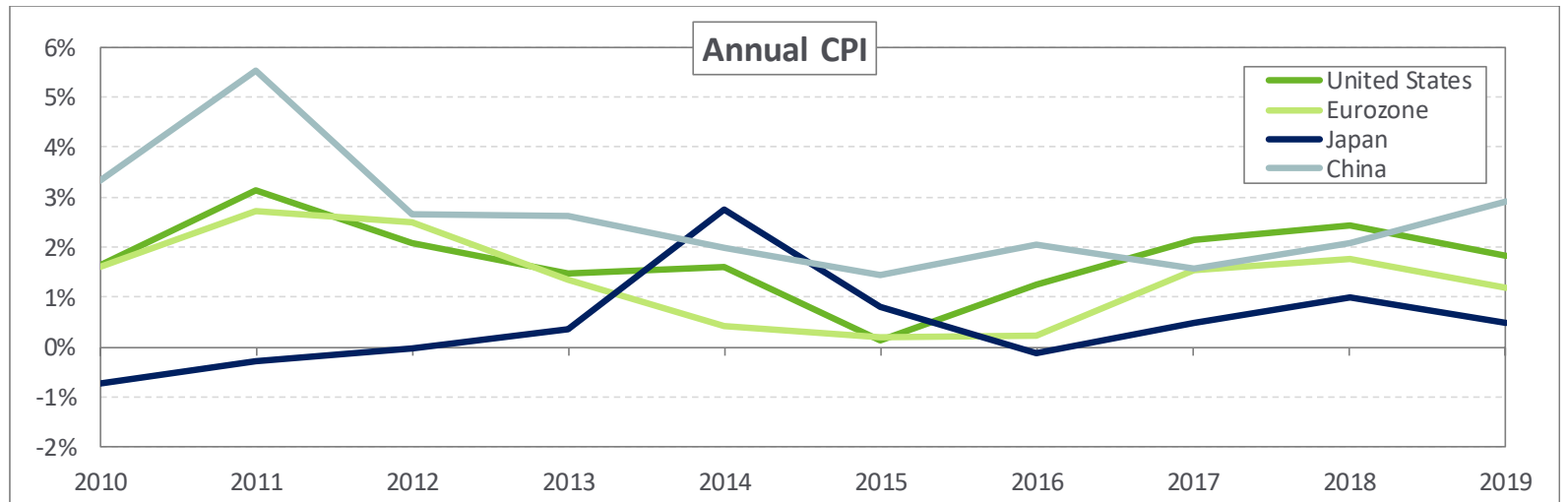
MACRO

NEPC, LLC

INFLATION



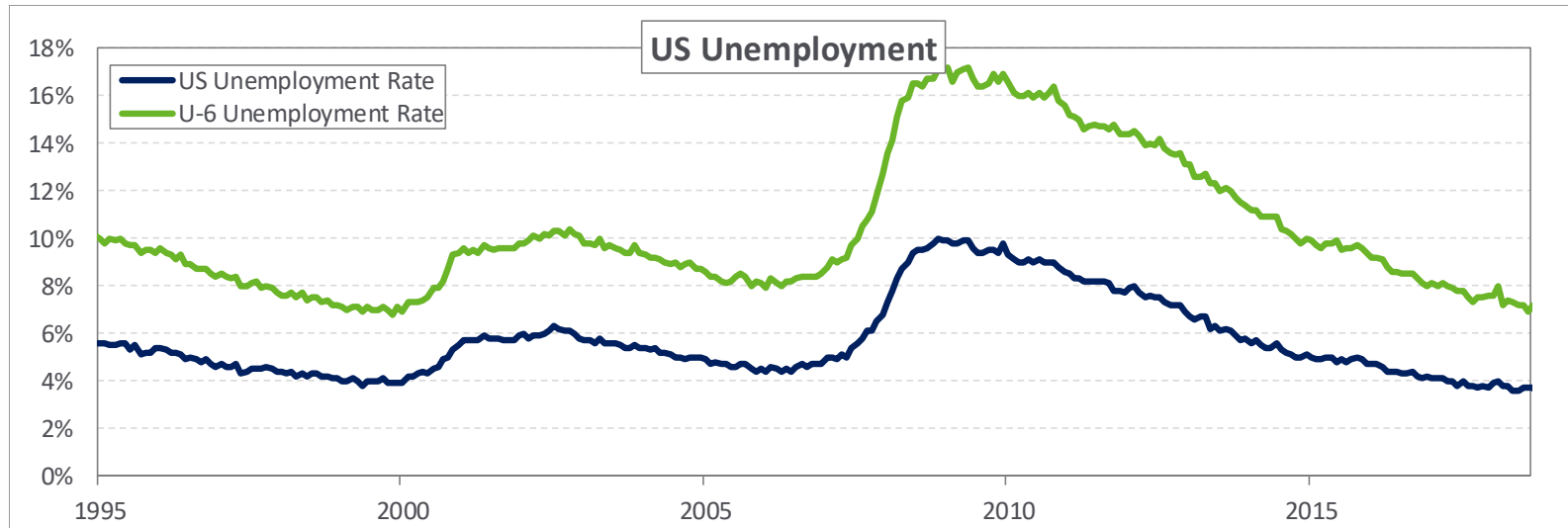
Source: Bureau of Labor Statistics, FactSet



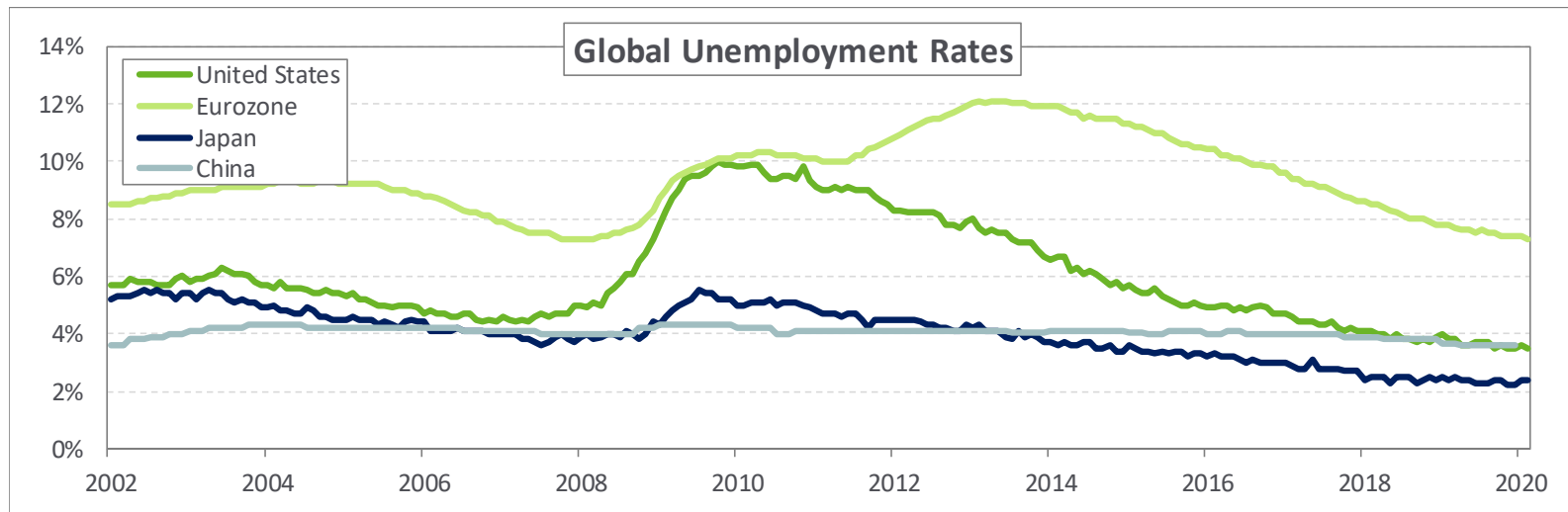
Source: FactSet



UNEMPLOYMENT



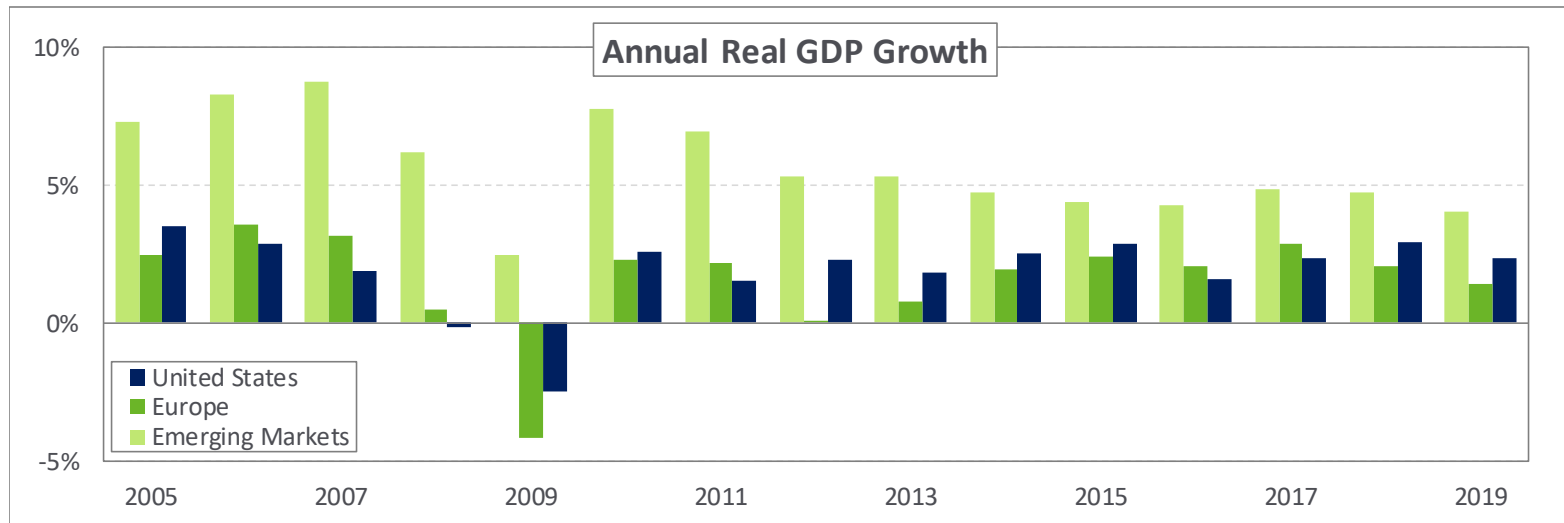
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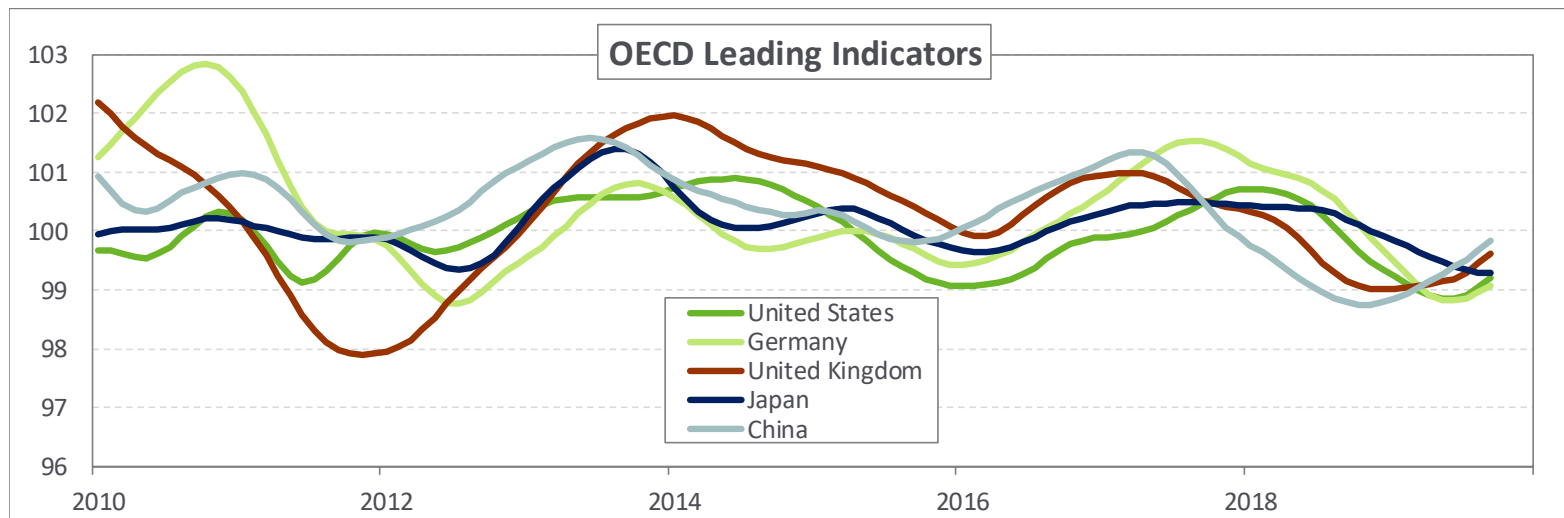
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ECONOMIC INDICATORS



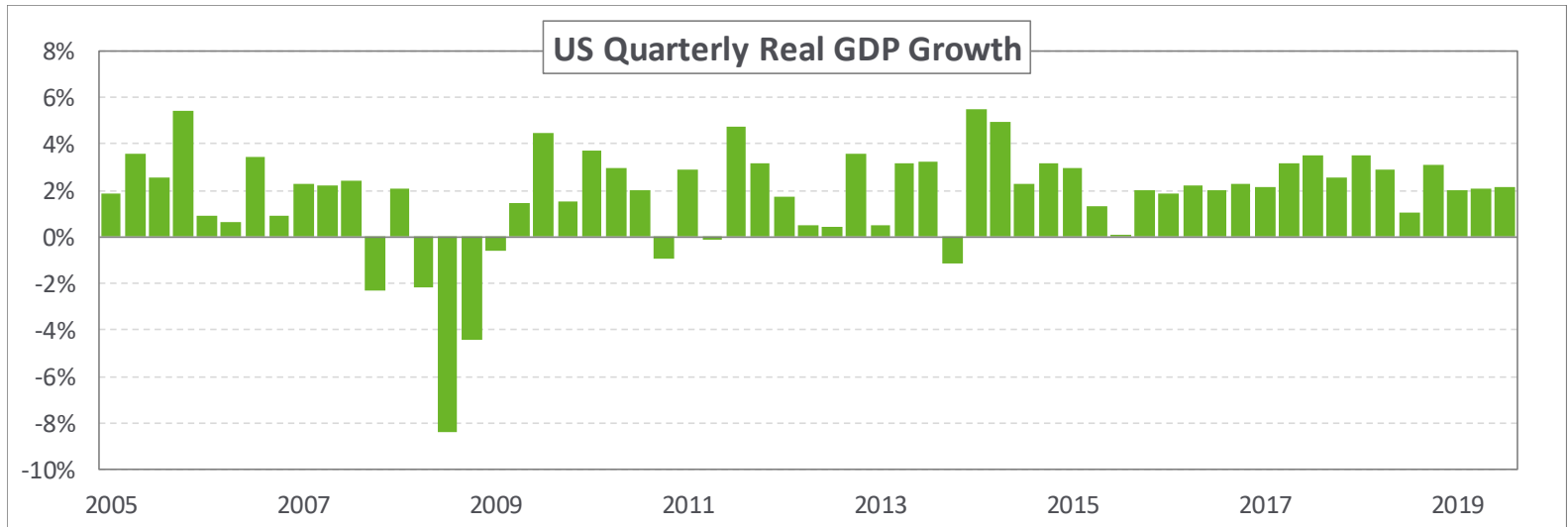
Source: Bureau of Economic Analysis, Oxford Economics, FactSet



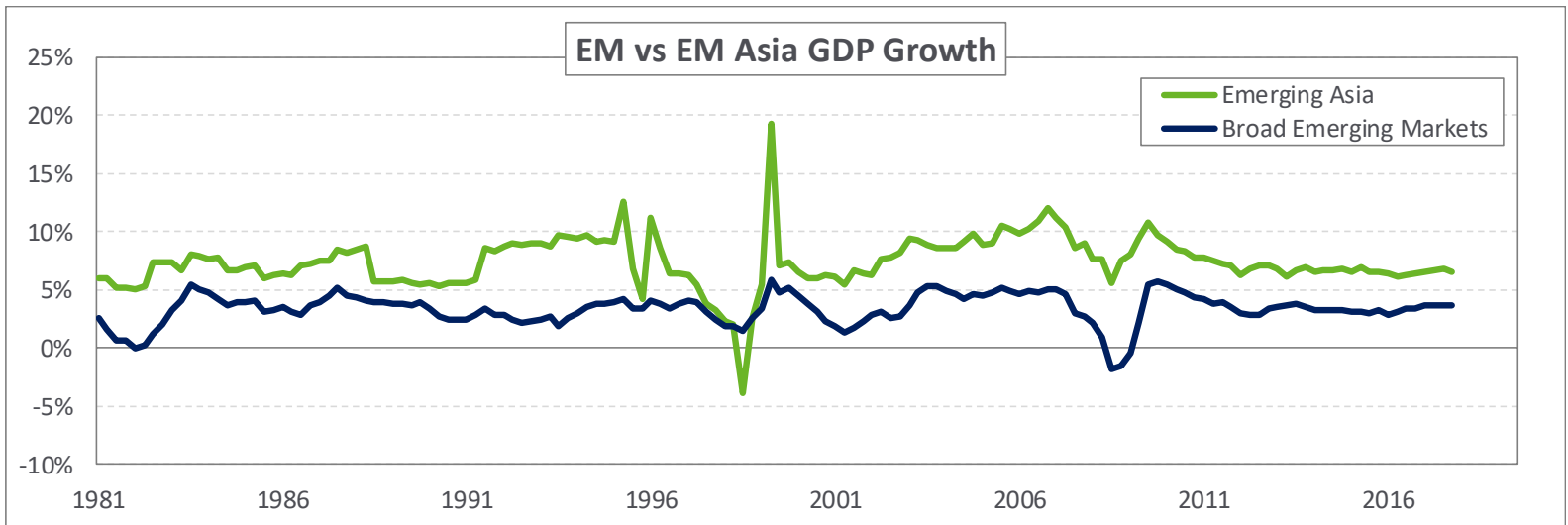
Source: OECD, FactSet



GROSS DOMESTIC PRODUCT



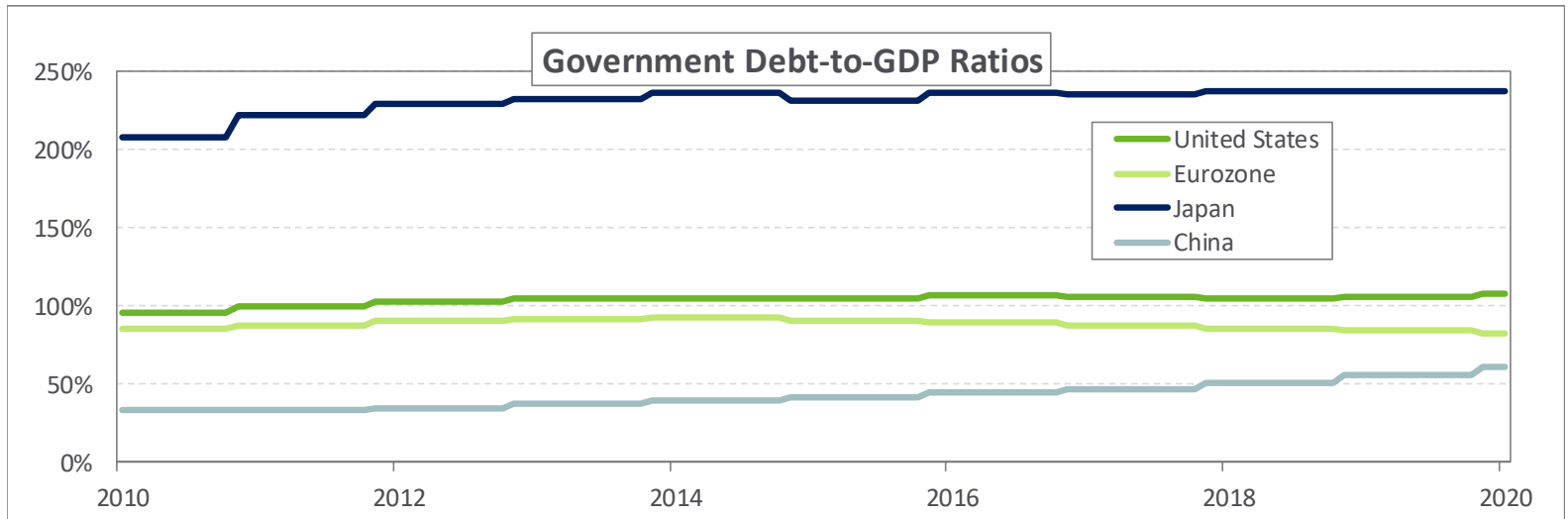
Source: Bureau of Economic Analysis, FactSet



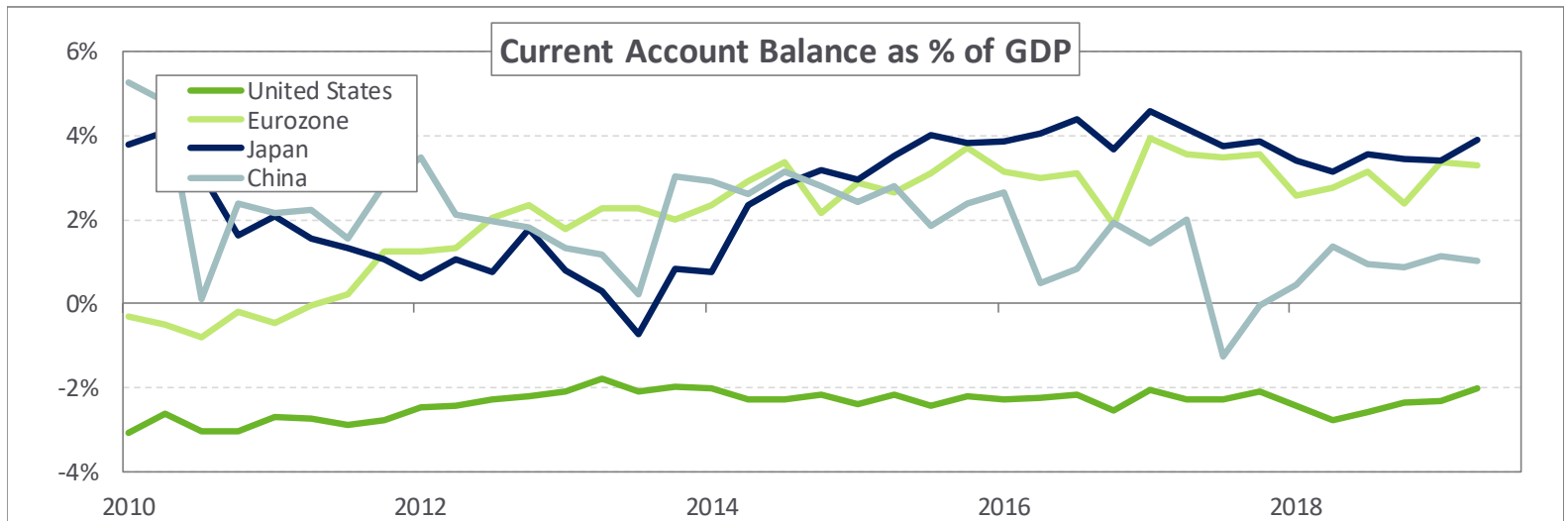
Source: IMF, FactSet



GROSS DOMESTIC PRODUCT METRICS



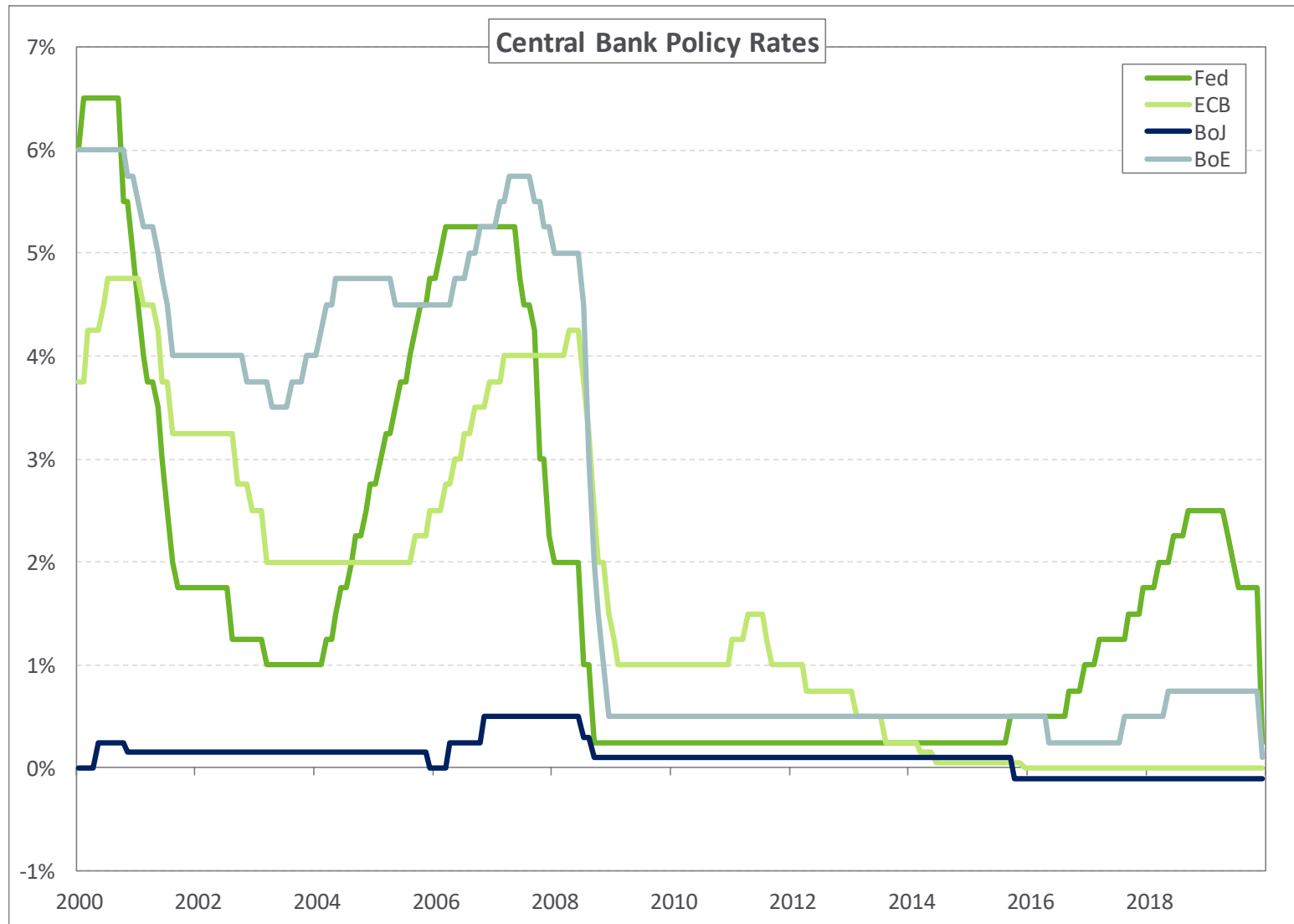
Source: IMF, FactSet



Source: FactSet



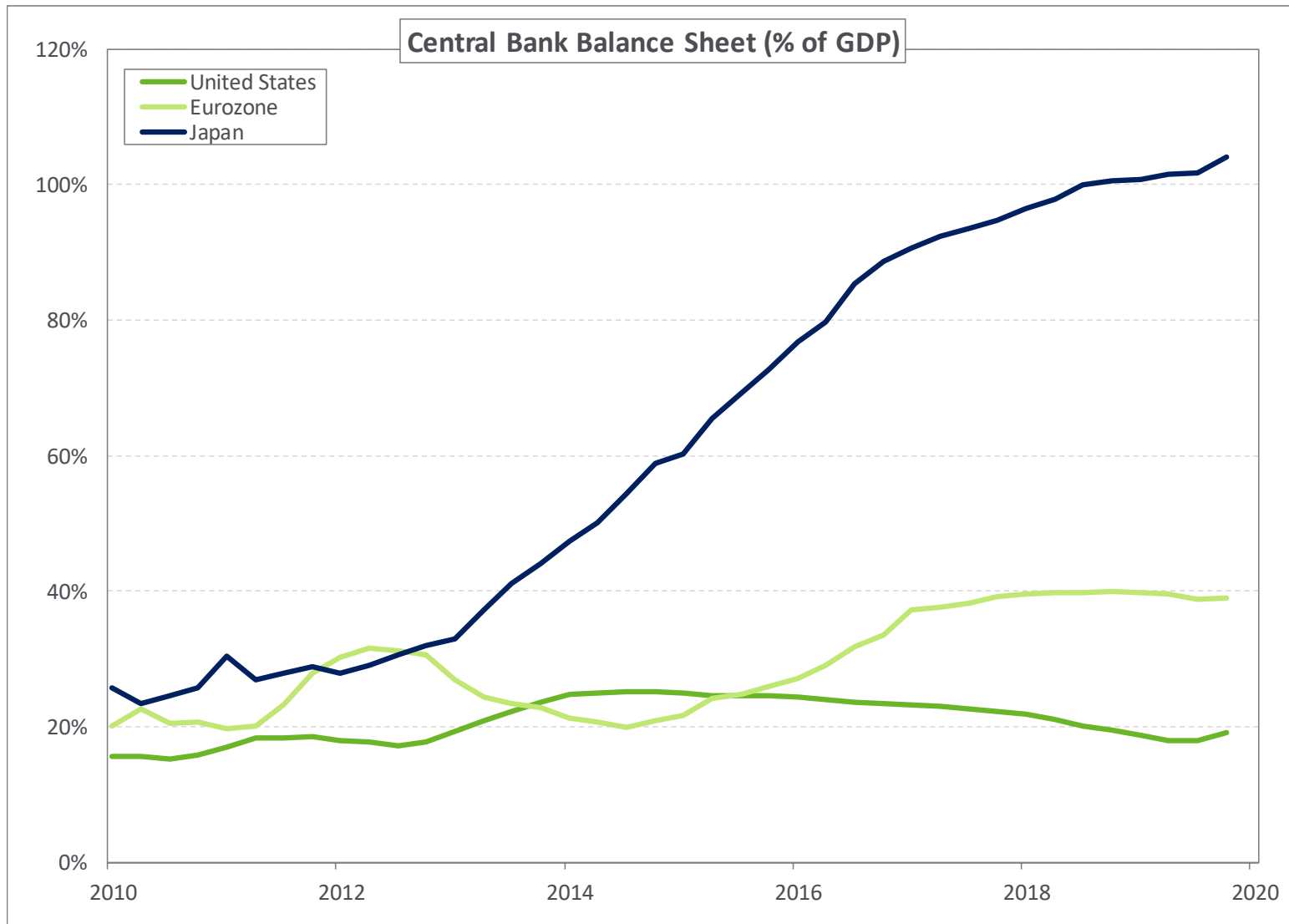
CENTRAL BANK RATES



Source: Federal Reserve, ECB, Bank of Japan, Bank of England, FactSet



CENTRAL BANK BALANCE SHEETS



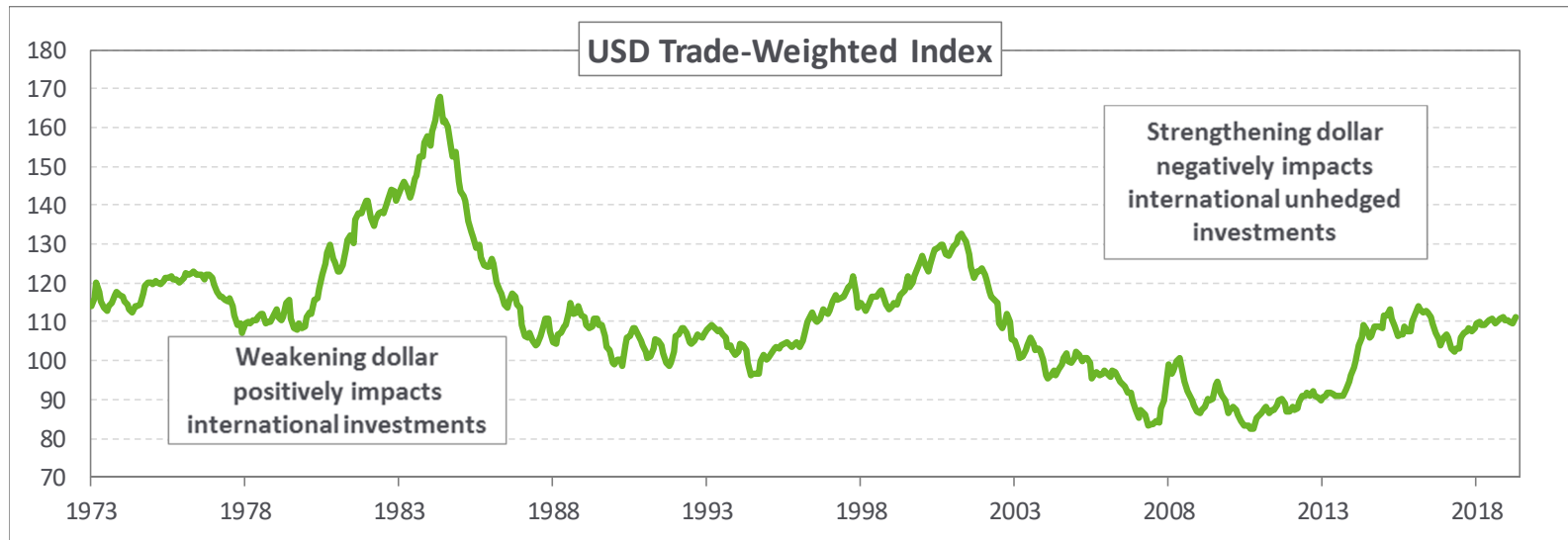
Source: FactSet



CURRENCIES

% Change Relative to USD				
Currencies	Spot	1 Month	YTD	1 Year
Euro	1.10	-0.11%	-2.25%	-2.28%
British Pound	1.24	-2.92%	-6.40%	-4.84%
Japanese Yen	107.96	0.08%	-0.66%	-2.47%
Swiss Franc	0.97	-0.04%	-0.08%	-2.85%
Australian Dollar	0.61	-5.07%	-12.93%	-13.84%
Chinese Yuan	7.09	1.47%	1.83%	5.55%
Brazilian Real	5.19	14.96%	28.93%	33.27%
Russian Ruble	78.13	16.27%	25.80%	18.93%
Indian Rupee	75.65	4.83%	5.99%	9.20%
Mexican Peso	23.46	18.50%	24.23%	20.94%
South African Rand	17.86	13.53%	27.72%	23.85%

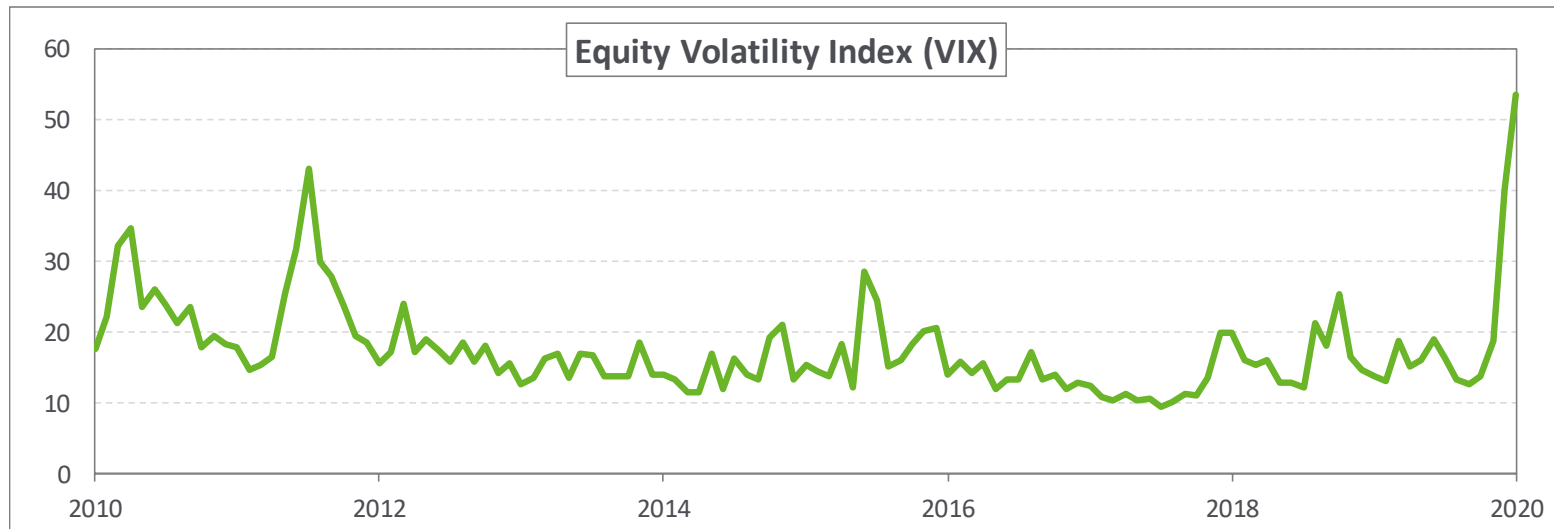
Source: FactSet



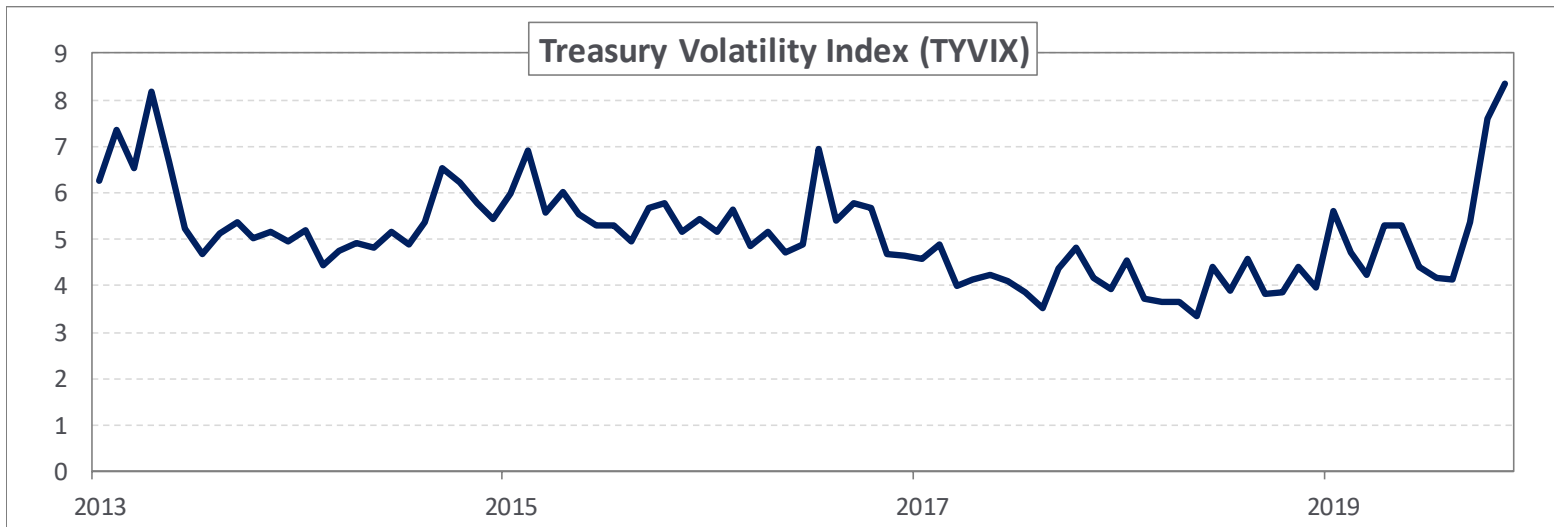
Source: FactSet



VOLATILITY



Source: CBOE, FactSet



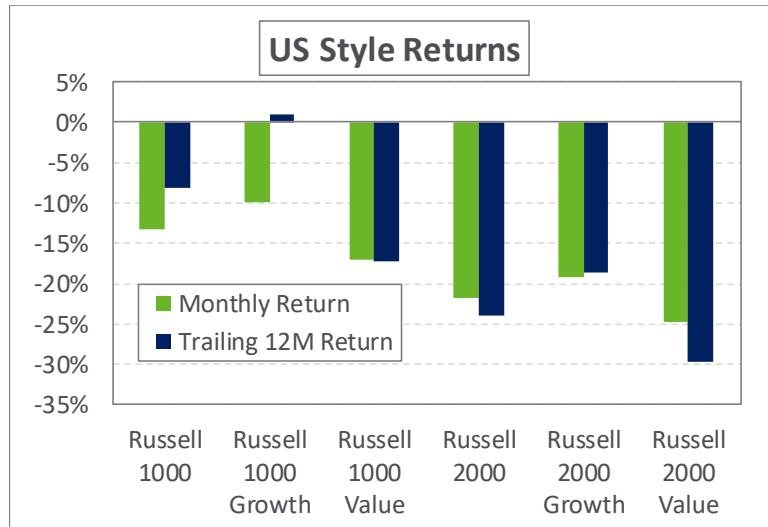
Source: CBOE, FactSet



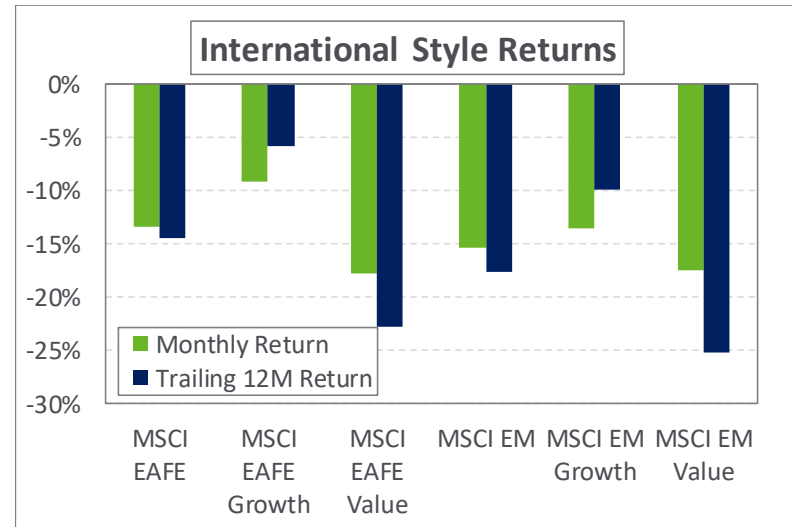
EQUITY

NEPC, LLC

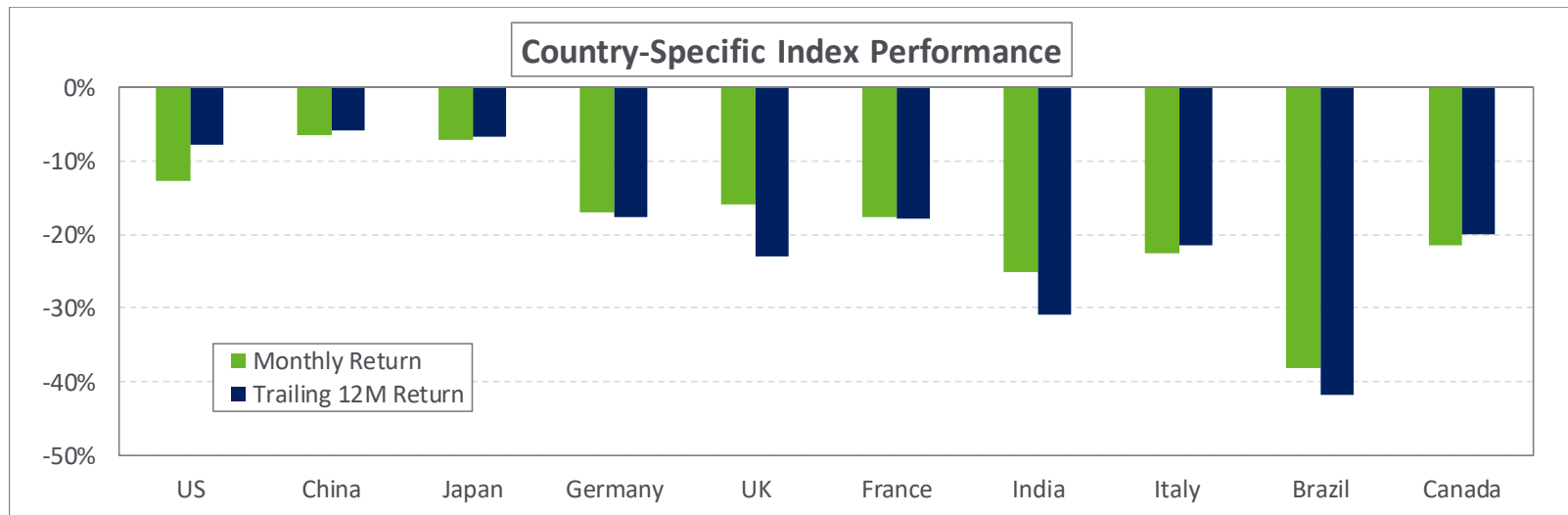
EQUITY INDEX PERFORMANCE



Source: Russell, FactSet



Source: MSCI, FactSet



Source: MSCI, FactSet
Represents returns in USD



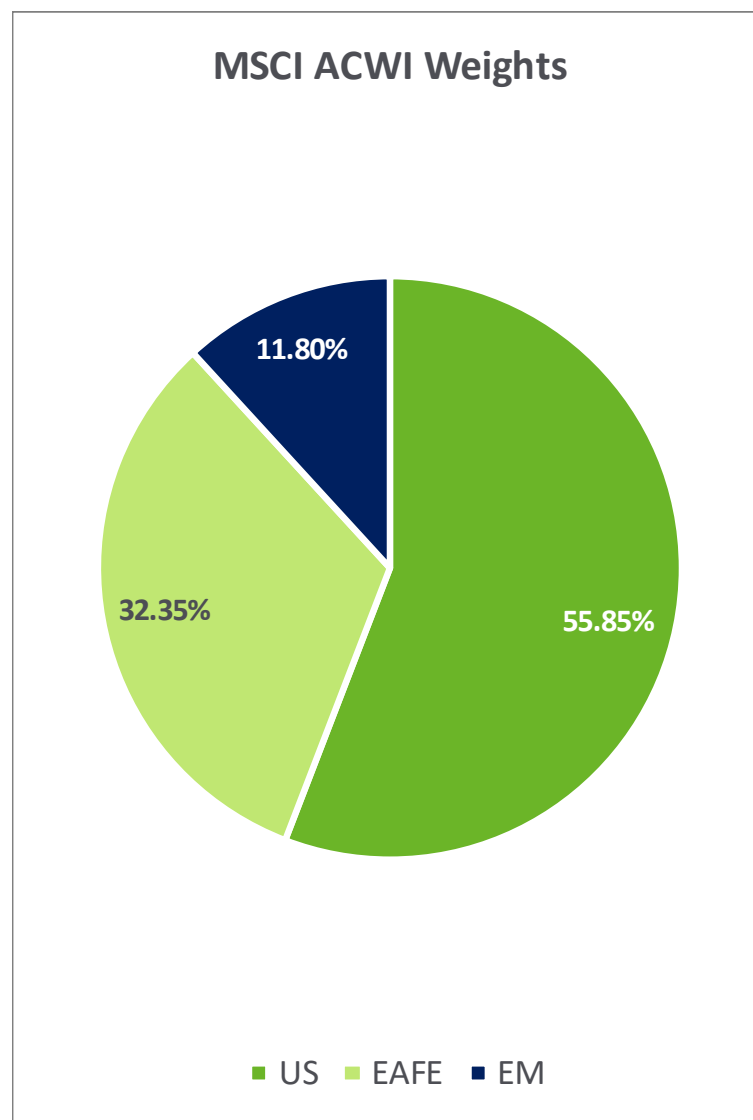
INDEX COMPOSITION

	MTD	QTD	YTD	Index Weight
S&P 500	-12.4%	-19.6%	-19.6%	100.0%
Communication Services	-1.3%	-1.8%	-1.8%	10.7%
Consumer Discretionary	-1.2%	-1.8%	-1.8%	9.8%
Consumer Staples	-0.6%	-1.1%	-1.1%	7.8%
Energy	-1.2%	-2.0%	-2.0%	2.6%
Financials	-2.5%	-4.0%	-4.0%	10.9%
Health Care	-0.8%	-1.9%	-1.9%	15.4%
Industrials	-1.7%	-2.4%	-2.4%	8.2%
Information Technology	-1.9%	-2.7%	-2.7%	25.5%
Materials	-0.3%	-0.7%	-0.7%	2.4%
Real Estate	-0.6%	-0.7%	-0.7%	3.0%
Utilities	-0.4%	-0.6%	-0.6%	3.6%

Source: S&P, FactSet

	MTD	QTD	YTD	Index Weight
MSCI ACWI	-13.5%	-21.4%	-21.4%	100.0%
Communication Services	-1.0%	-1.4%	-1.4%	9.3%
Consumer Discretionary	-1.4%	-2.2%	-2.2%	10.8%
Consumer Staples	-0.6%	-1.2%	-1.2%	8.8%
Energy	-1.2%	-2.1%	-2.1%	3.7%
Financials	-3.6%	-5.3%	-5.3%	14.4%
Health Care	-0.5%	-1.4%	-1.4%	13.3%
Industrials	-1.8%	-2.7%	-2.7%	9.6%
Information Technology	-1.6%	-2.3%	-2.3%	18.8%
Materials	-0.6%	-1.2%	-1.2%	4.4%
Real Estate	-0.7%	-0.9%	-0.9%	3.1%
Utilities	-0.5%	-0.6%	-0.6%	3.6%

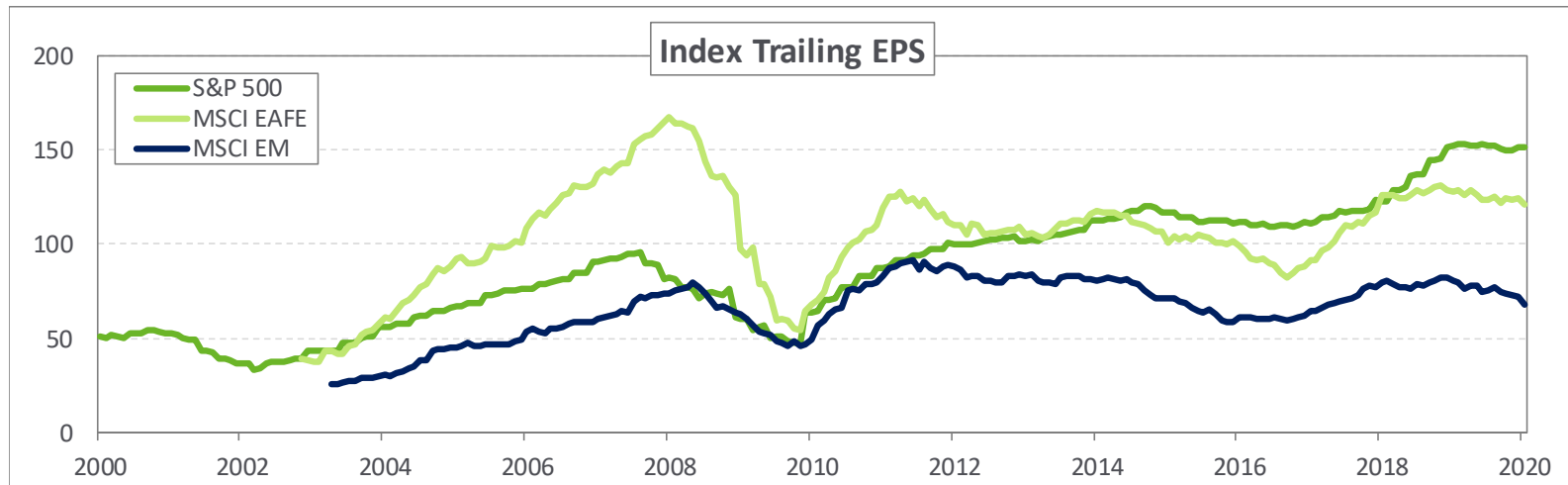
Source: MSCI, FactSet



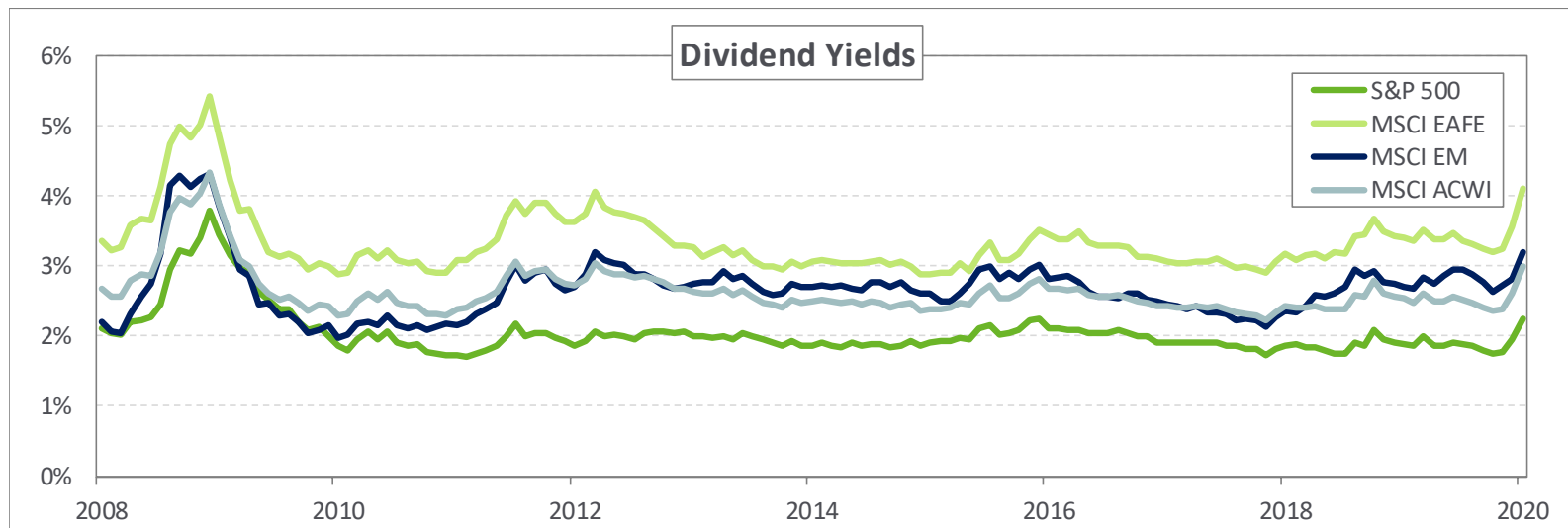
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EARNINGS & YIELDS



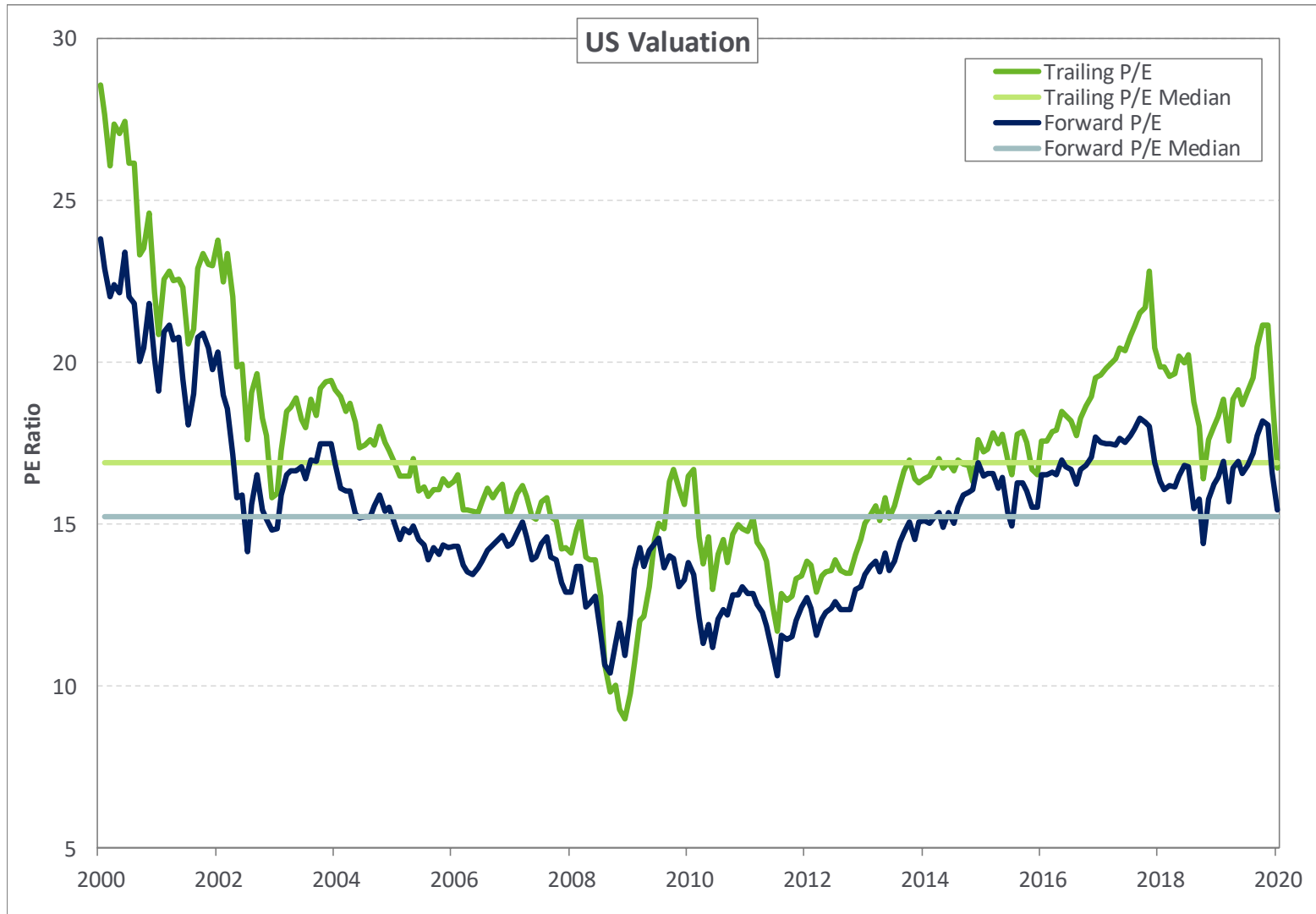
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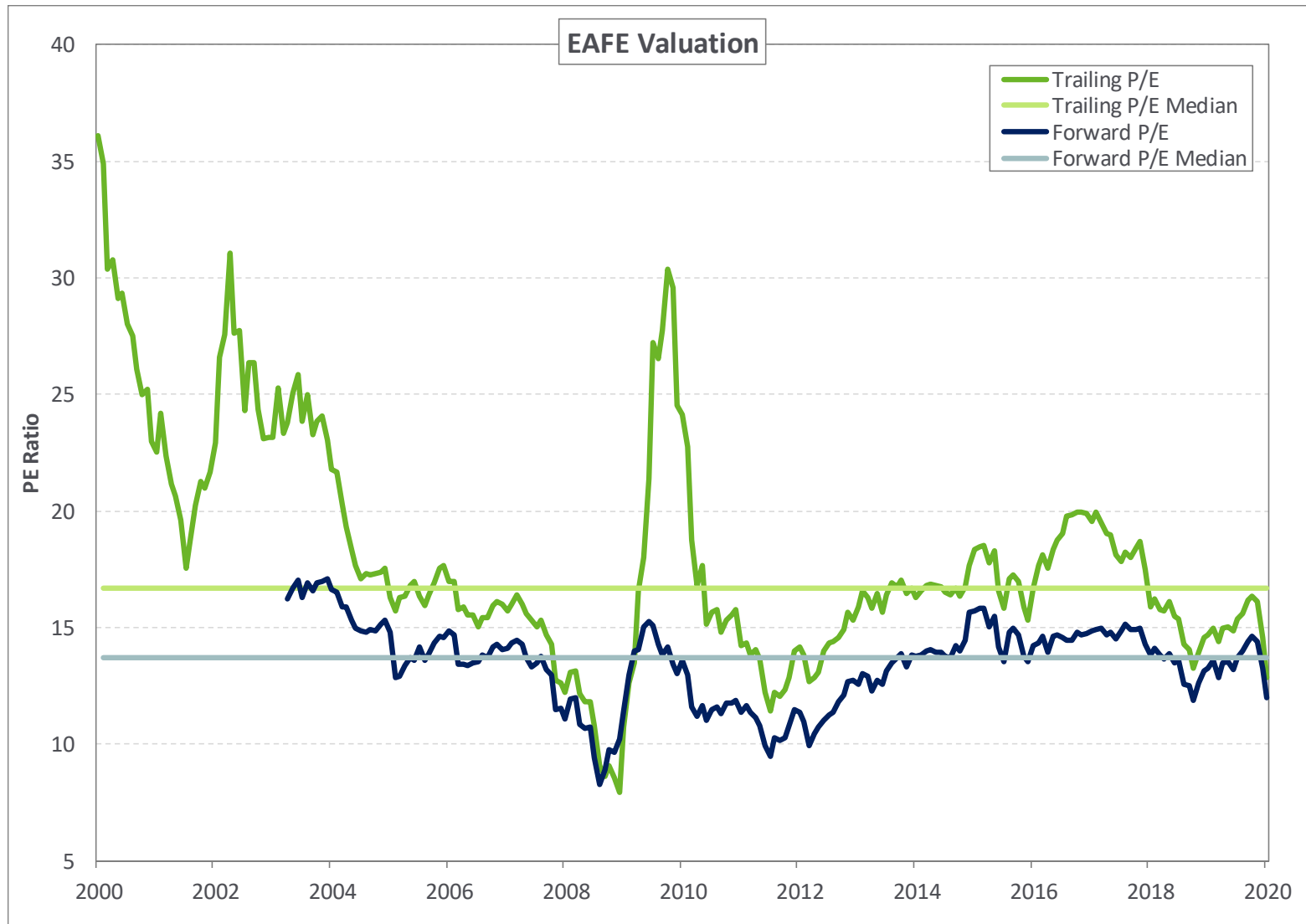
US EQUITY VALUATIONS



Source: S&P, FactSet



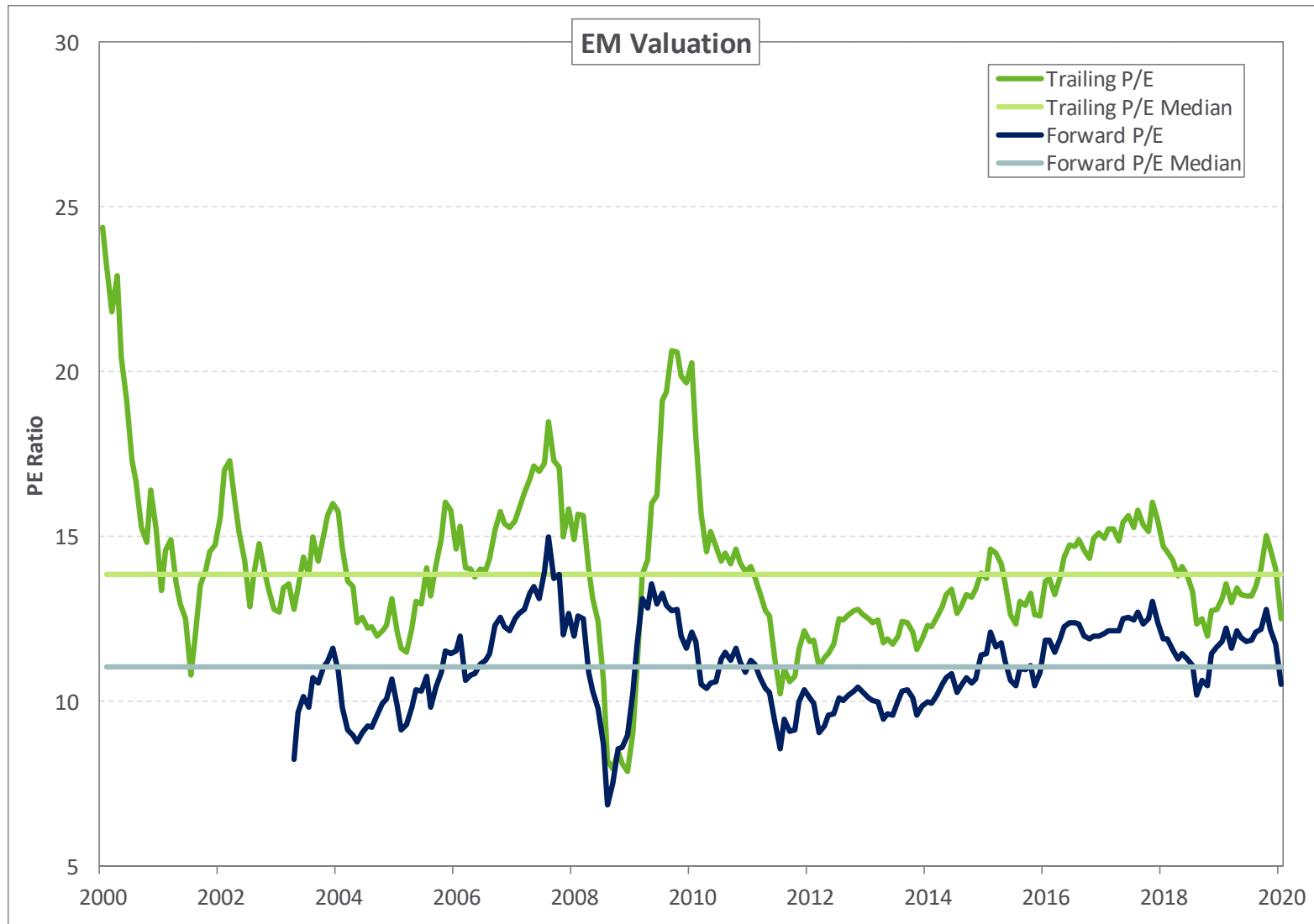
EAFE EQUITY VALUATIONS



Source: MSCI, FactSet



EM EQUITY VALUATIONS



Source: MSCI, FactSet



CREDIT

NEPC, LLC

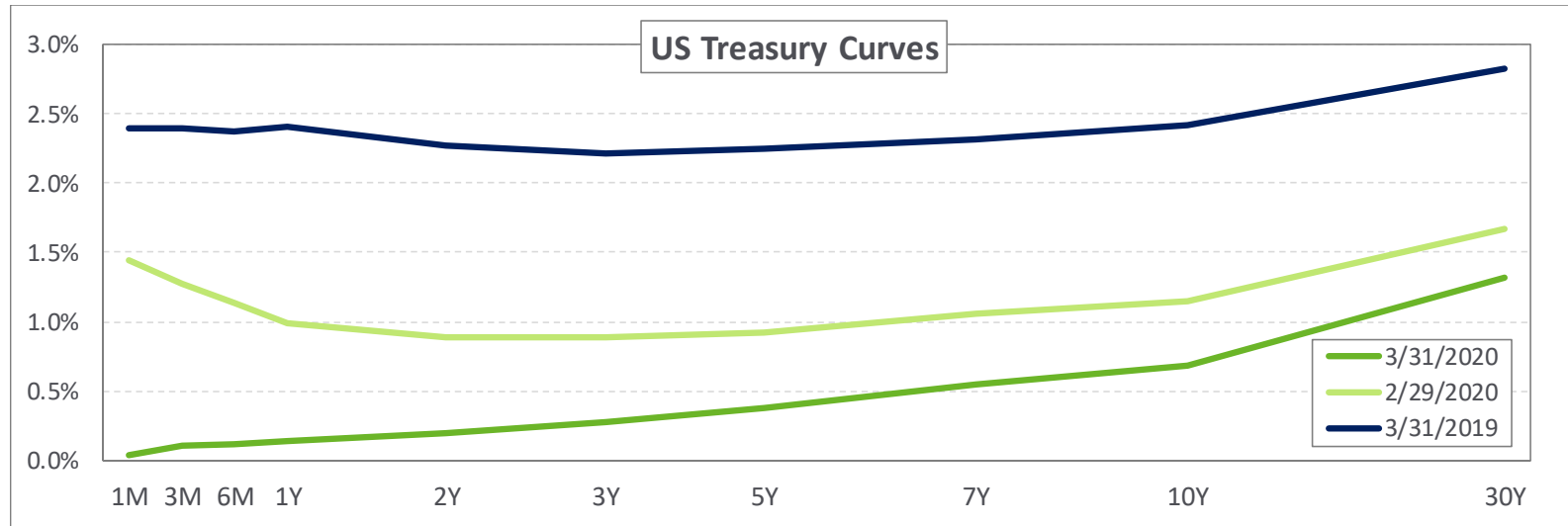
FIXED INCOME CHARACTERISTICS

	Averages			Total Returns (%)		
	Yield to Worst	Spread (bps)	Duration (Years)	1-Month	YTD	1-Year
Barclays Aggregate	1.59%	95	5.7	-0.6%	3.1%	8.9%
Barclays Treasury	0.58%	-	7.0	2.9%	8.2%	13.1%
Barclays Agency	0.94%	49	3.9	1.0%	4.1%	8.2%
Barclays MBS	1.34%	60	1.7	1.1%	2.8%	7.0%
Barclays ABS	2.40%	213	2.1	-2.1%	-0.2%	2.8%
Barclays CMBS	1.80%	130	5.6	-1.3%	3.6%	8.2%
Barclays Corp IG	3.43%	272	8.0	-7.1%	-3.6%	4.9%
Barclays Muni	2.01%	-	5.4	-3.6%	-0.6%	3.8%
Barclays HY Muni	5.24%	-	10.0	-11.0%	-6.9%	-0.7%
Barclays TIPS	0.93%	-	6.7	-1.8%	1.7%	6.8%
Barclays HY	9.44%	880	4.1	-11.5%	-12.7%	-6.9%
Barclays Global Agg	1.22%	82	7.0	-2.2%	-0.3%	4.2%
JPM EMBI Glob Div	-	627	7.1	-13.8%	-13.4%	-6.8%
JPM GBI - EM	4.61%	-	5.3	-11.1%	-15.2%	-6.5%

Source: Barclays, JP Morgan, FactSet



TREASURIES



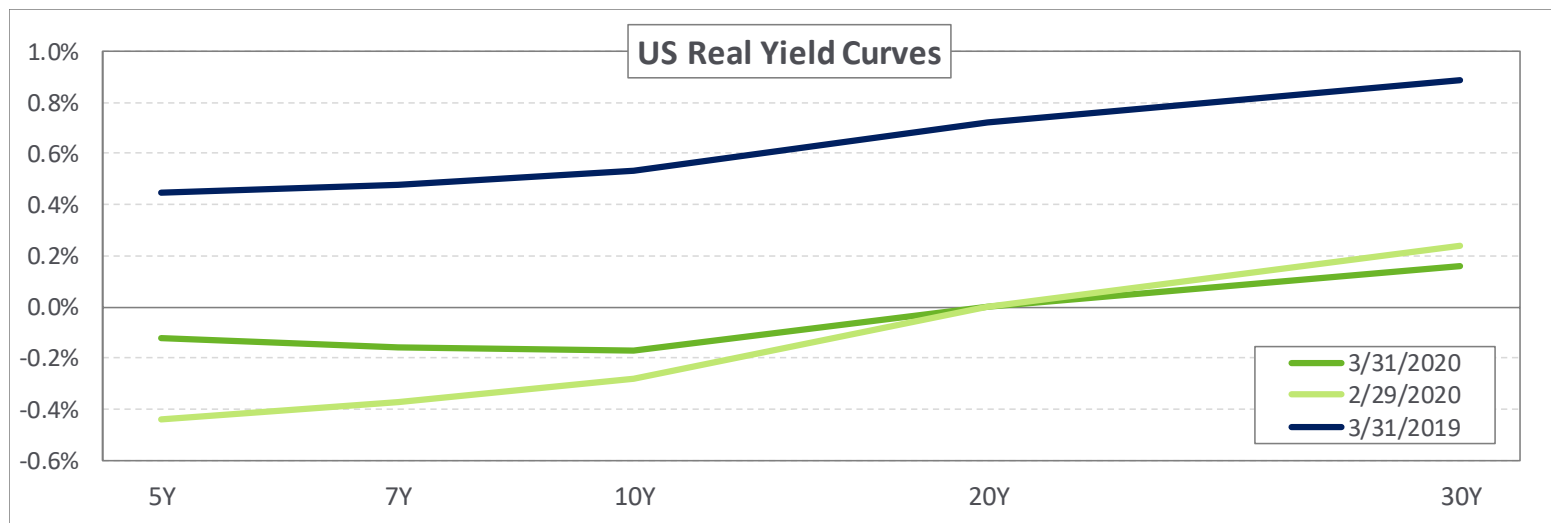
Source: FactSet

	Yield (%)			Total Return (%)	
	Current	1 Month Ago	12 Months Ago	1 Month	12 Months
3M Treasury	0.10%	1.27%	2.39%	0.29%	2.25%
6M Treasury	0.11%	1.14%	2.37%	0.52%	2.85%
2Y Treasury	0.20%	0.88%	2.27%	1.32%	5.38%
5Y Treasury	0.37%	0.92%	2.24%	2.62%	10.88%
10Y Treasury	0.68%	1.14%	2.42%	4.16%	18.25%
30Y Treasury	1.32%	1.67%	2.82%	7.57%	39.50%

Source: FactSet



REAL YIELDS



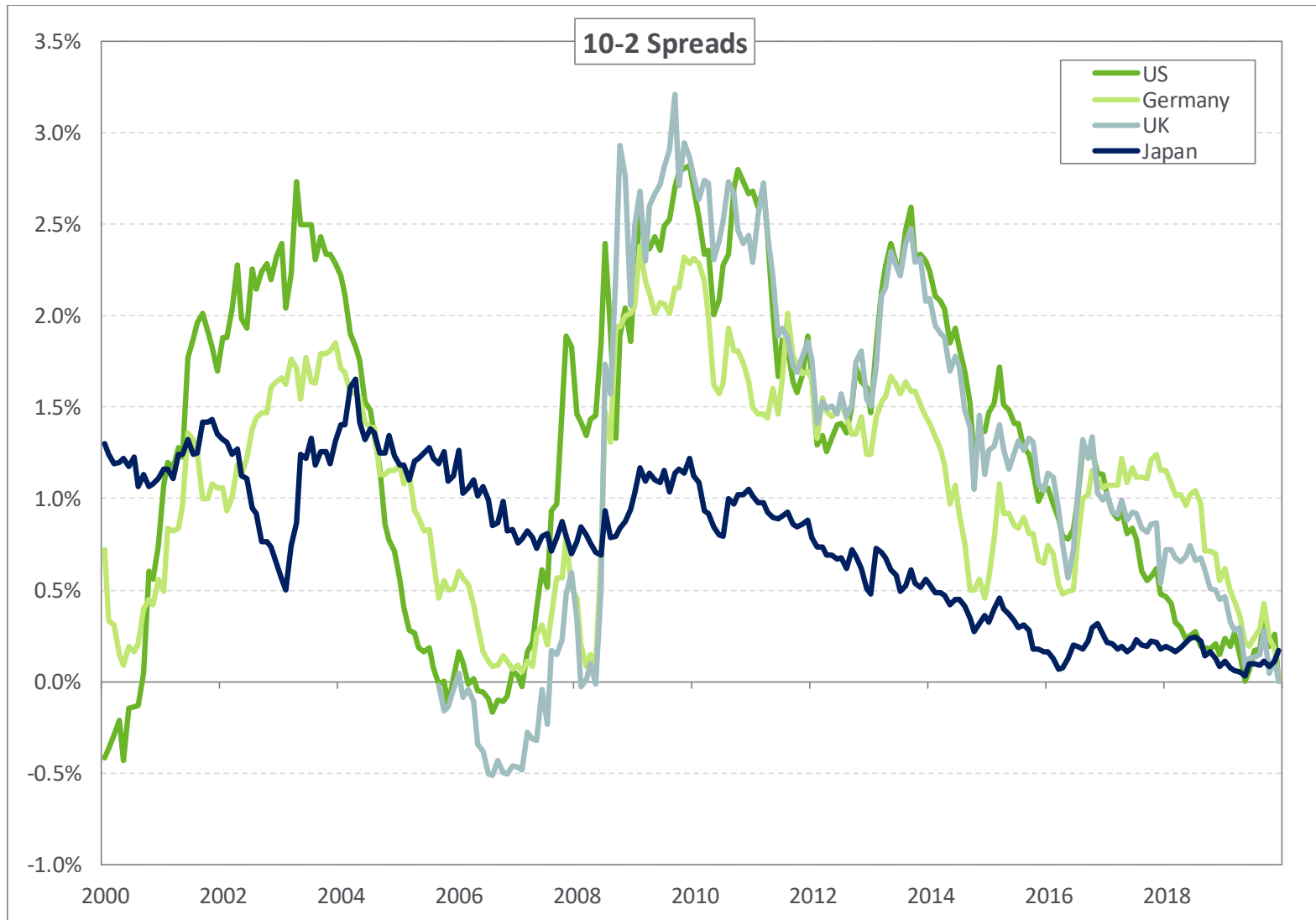
Source: FactSet

	Real Rates			Breakeven Rates	
	Current	1 Month Ago	12 Months Ago	Current	12 Months
5-Year	-0.12%	-0.44%	0.45%	0.49%	1.79%
7-Year	-0.16%	-0.37%	0.48%	0.71%	1.84%
10-Year	-0.17%	-0.28%	0.53%	0.85%	1.89%
30-Year	0.16%	0.24%	0.89%	1.16%	1.93%

Source: FactSet



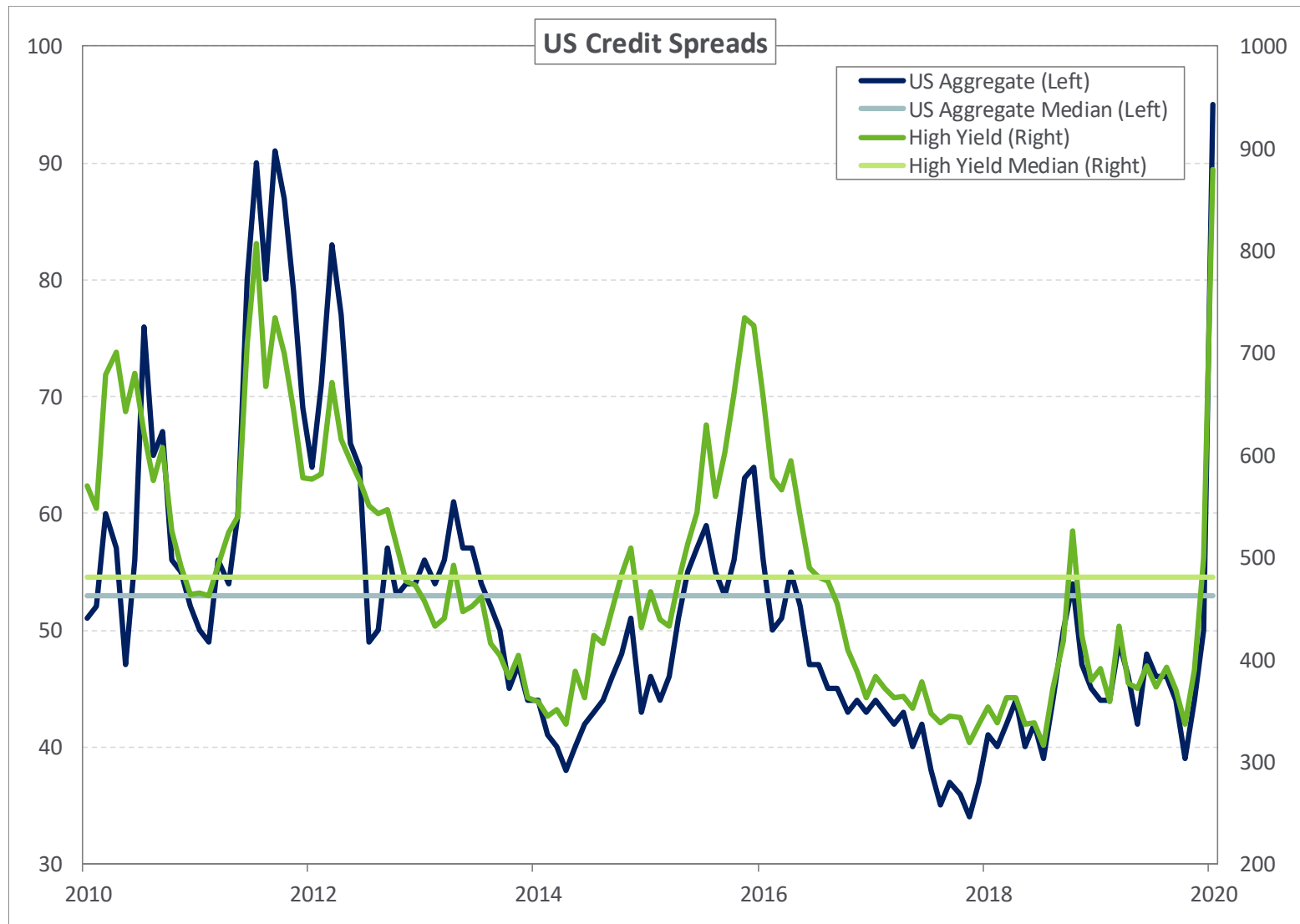
NOMINAL YIELDS



Source: FactSet



CREDIT SPREADS



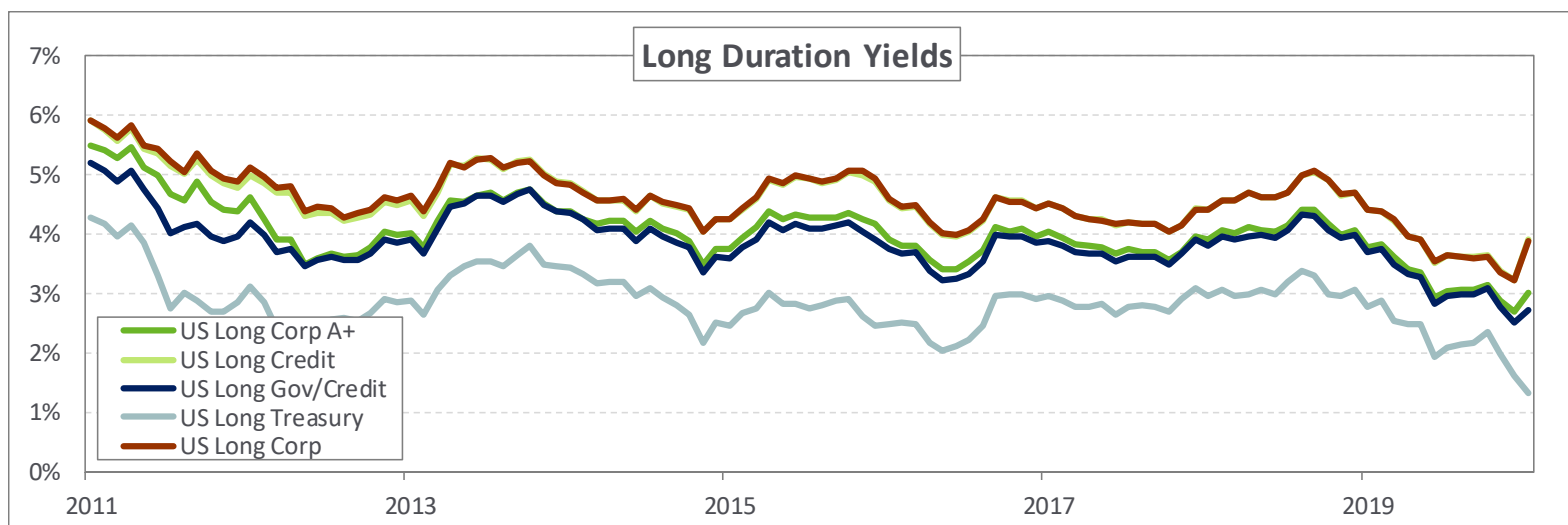
Source: Barclays, FactSet



LONG DURATION

Index	Current	1 Month Ago	12 Months Ago	Duration
Barclays Long Treasury	1.3%	1.6%	2.8%	19.0
Barclays 20+ STRIPS	1.4%	1.7%	2.8%	26.8
Barclays Long Credit	3.9%	3.2%	4.4%	14.1
Barclays Long Gov/Credit	2.7%	2.5%	3.7%	16.4
Barclays Long Corp A+	3.3%	2.8%	4.0%	15.2

Source: Barclays, FactSet



Source: Barclays, FactSet



REAL ASSETS

NEPC, LLC

REAL ASSETS INDEX PERFORMANCE

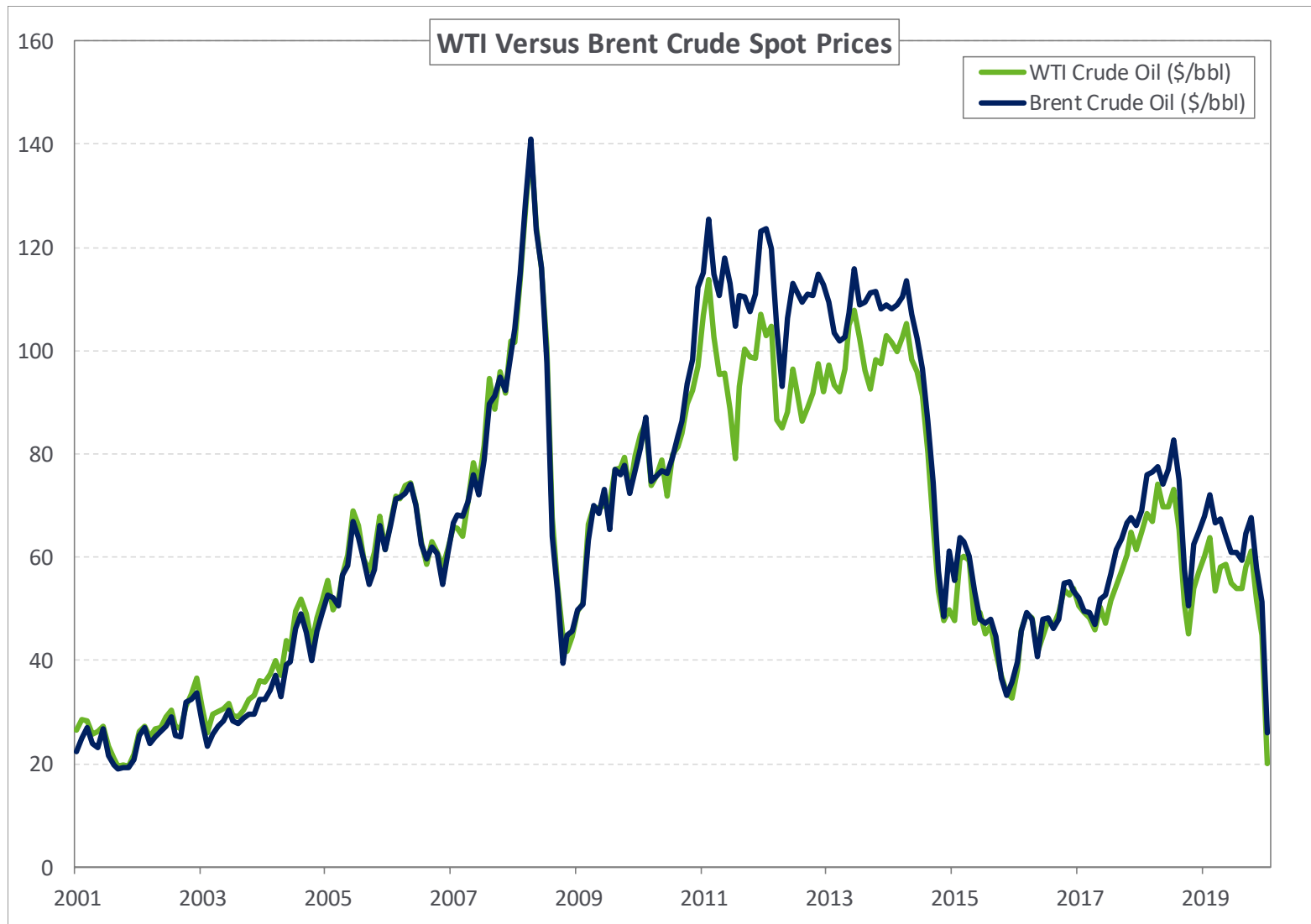
Index	1 Month	3 Month	YTD	1 Year	3 Year	5 Year
Bloomberg Commodity Index	-12.8%	-23.3%	-23.3%	-22.2%	-8.6%	-7.7%
Bloomberg Sub Agriculture Index	-3.3%	-9.9%	-9.9%	-5.3%	-9.1%	-7.2%
Coffee	7.4%	-9.4%	-9.4%	12.1%	-14.4%	-11.5%
Corn	-7.4%	-12.9%	-12.9%	-11.8%	-12.0%	-11.4%
Cotton	-16.8%	-26.4%	-26.4%	-35.0%	-12.6%	-4.7%
Soybean	-0.7%	-8.2%	-8.2%	-6.7%	-7.4%	-5.2%
Soybean Oil	-5.8%	-23.0%	-23.0%	-8.8%	-8.7%	-6.0%
Sugar	-26.3%	-20.0%	-20.0%	-22.8%	-19.4%	-8.5%
Wheat	8.4%	2.1%	2.1%	22.4%	-0.2%	-7.2%
Bloomberg Sub Energy	-35.1%	-51.1%	-51.1%	-52.6%	-19.8%	-18.7%
Brent Crude	-43.2%	-56.3%	-56.3%	-52.4%	-14.5%	-15.3%
Heating Oil	-32.0%	-50.0%	-50.0%	-47.6%	-12.4%	-13.6%
Natural Gas	-5.3%	-27.5%	-27.5%	-50.3%	-29.6%	-26.4%
Unleaded Gas	-59.9%	-68.1%	-68.1%	-63.3%	-27.1%	-20.7%
WTI Crude Oil	-54.4%	-66.5%	-66.5%	-65.1%	-25.5%	-23.3%
Bloomberg Sub Industrial Metals	-9.7%	-18.5%	-18.5%	-22.5%	-5.5%	-3.4%
Aluminum	-10.6%	-16.8%	-16.8%	-22.3%	-8.9%	-5.1%
Copper	-12.2%	-20.3%	-20.3%	-23.5%	-6.2%	-4.9%
Nickel	-6.4%	-18.4%	-18.4%	-10.8%	4.5%	-2.2%
Zinc	-5.9%	-16.2%	-16.2%	-31.2%	-7.7%	0.1%
Bloomberg Sub Precious Metals	-1.4%	-1.1%	-1.1%	15.6%	3.7%	3.2%
Gold	1.8%	4.5%	4.5%	22.1%	7.7%	5.4%
Silver	-13.9%	-21.1%	-21.1%	-7.6%	-9.2%	-4.4%
Bloomberg Sub Livestock	-13.5%	-28.1%	-28.1%	-35.3%	-11.0%	-9.7%
Lean Hogs	-19.9%	-36.8%	-36.8%	-51.9%	-20.4%	-15.1%
Live Cattle	-9.1%	-22.6%	-22.6%	-23.3%	-5.9%	-6.8%

Source: Bloomberg, FactSet

Bloomberg subindex total return indices reflects the return of the underlying one month commodity futures price movements



OIL MARKETS



Source: FactSet



INFORMATION DISCLAIMER

Past performance is no guarantee of future results.

The goal of this report is to provide a basis for monitoring financial markets. The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.

Information on market indices was provided by sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.

All investments carry some level of risk. Diversification and other asset allocation techniques do not ensure profit or protect against losses.

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NEPC 2020 INVESTMENT OUTLOOK

ASSET CLASS ASSUMPTIONS & OK TSET RETURN EXPECTATIONS

June 16, 2020

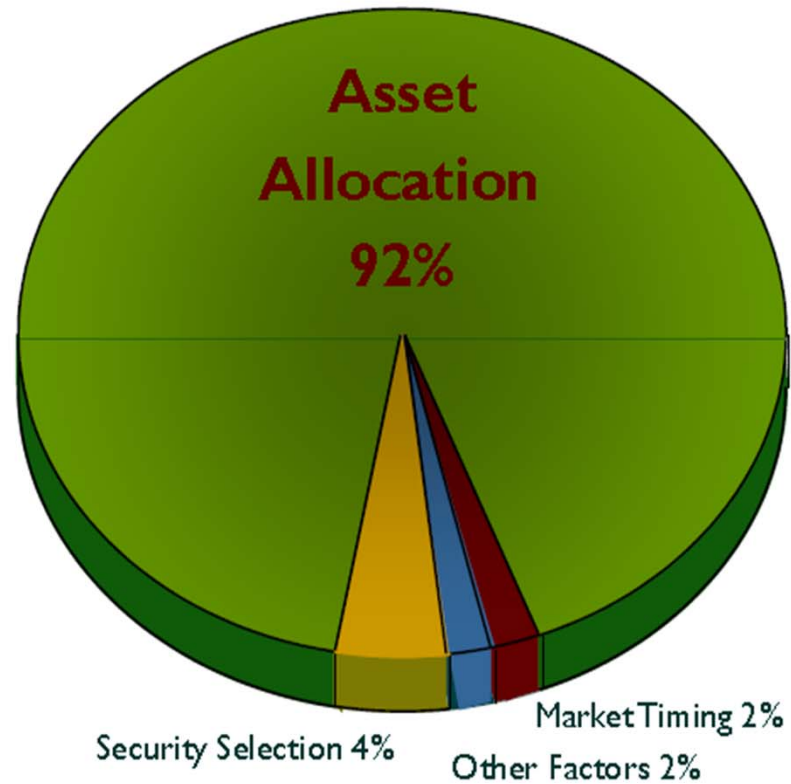
Don Stracke, Senior Consultant, CFA, CAIA



BOSTON | ATLANTA | CHARLOTTE | CHICAGO | DETROIT | LAS VEGAS | PORTLAND | SAN FRANCISCO

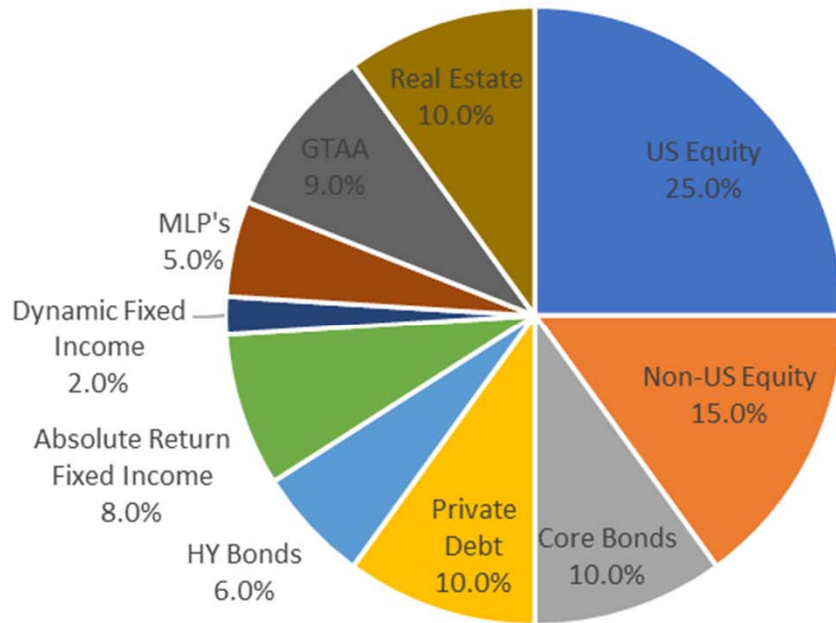
ASSET ALLOCATION: THE KEY INVESTMENT DECISION

Determinants of Portfolio Performance



Source: *Determinants of Portfolio Performance II: An Update*, Brinson, et al, *Financial Analysts Journal*, May/June 1991, pp 40-48.

OK TSET TARGET MIX – USING NEPC’S 2020 ASSUMPTIONS



	10 Year		30 Year	
	2019	2020	2019	2020
Expected Return	6.4%	5.5%	7.4%	6.6%
Expected Volatility	11.0%	10.3%	11.0%	10.3%
Sharpe Ratio	0.35	0.34	0.40	0.38
Sortino Ratio	0.72	0.69	0.94	0.86

Probabilities using 2020 Assumptions

Probability of 1-Year Return Under 0.00%	30.8%
Probability of 10 Year Return Under 0.00%	5.7%
Probability of 10 Year Return Under 7.50%	72.1%
Probability of 30-Year Return Under 7.50%	67.9%

Notes:

- 2019 Assumptions used a 5-7 yr time frame
- Expected Returns are Geometric
- Real Estate is a 50/50 Mix of Core and Non-Core



NEPC PROCESS OVERVIEW AND CHANGES

NEPC, LLC

INTRODUCTION

- **New assumptions and capital markets outlook reflect best thinking in very uncertain times**
- **Potential actions should be taken carefully**
- **Focus on fundamentals**
 - Liquidity management is a top priority
 - Confirm organizational risk tolerance and align asset allocation appropriately
 - Disciplined rebalancing is an opportunity to take advantage of volatility

ASSUMPTION DEVELOPMENT

Capital market assumptions are published for over 65 asset classes

Assumptions include 10-year and 30-year return forecasts, volatility expectations, and correlations

NEPC publishes both 10- and 30-year return forecasts

10-year forecasts are appropriate for strategic asset allocation analysis and are influenced by global forecasts/pricing of growth, inflation, and yield, with spreads and valuations converging to NEPC-defined terminal values

30-year forecasts are appropriate for actuarial inputs and long-term planning

Based on data as of March 31, 2020

Assumptions are developed by the Asset Allocation Committee and approved by the Partners Research Committee (PRC)

Assumptions are developed with proprietary valuation models and rely on a core building block methodology

Asset Allocation Process

Finalize List of New Asset Classes

Discuss Outlook with NEPC Beta Groups

Calculate Asset Class Volatility and Correlation Assumptions

Set Model Terminal Values, Reflecting Long-Term Views on Key Inputs

Update Asset Models as of Quarter-End

Review Model Output and Produce Updated Return Assumptions

Present Draft Assumptions to the PRC

Assumptions published on the 15th calendar day following quarter-end



BUILDING BLOCKS METHODOLOGY

Forward-looking asset class models incorporate current and forecasted market and economic data to inform expected returns

Quantitative inputs combined with a conversion to long-term terminal values drive the 10-year outlook

Asset components are aggregated to capture core drivers of return across asset classes – forming the foundation of our building blocks framework

Building block components will differ for equity, fixed income, and real assets



CAPITAL MARKET EXPECTATIONS

NEPC, LLC

CORE GEOMETRIC RETURN ASSUMPTIONS

	Asset Class	10-Year Return	30-Year Return	Volatility*
	Cash	0.7%	1.8%	1.00%
	US Inflation	1.7%	2.4%	-
Equity	Large Cap Equities	6.6%	7.4%	16.50%
	International Equities (Unhedged)	7.5%	7.6%	20.50%
	Emerging International Equities	10.2%	9.5%	28.00%
	<i>Global Equity**</i>	7.7%	8.1%	17.79%
	<i>Private Equity**</i>	10.9%	11.2%	24.58%
Fixed Income	Treasuries	0.6%	1.9%	5.50%
	<i>Core Bonds**</i>	1.6%	2.6%	6.01%
	TIPS	1.2%	2.0%	6.50%
	High Yield Bonds	5.6%	5.8%	12.50%
	<i>Private Debt**</i>	8.0%	7.8%	11.54%
Real Assets	Commodities	1.4%	4.0%	19.00%
	REITs	7.0%	7.6%	20.00%
	Core Real Estate	4.5%	5.7%	13.00%
	Private Real Assets: Infrastructure/Land	6.2%	7.2%	12.00%
Multi-Asset	<i>US 60/40**</i>	4.9%	5.8%	10.35%
	<i>Global 60/40**</i>	5.3%	5.8%	11.61%
	<i>Absolute Return**</i>	5.0%	5.8%	8.18%

*Standard Asset Volatility Assumptions

**Calculated as a blend of other asset classes



KEY MARKET THEMES

NEPC, LLC

KEY MARKET THEMES OVERVIEW

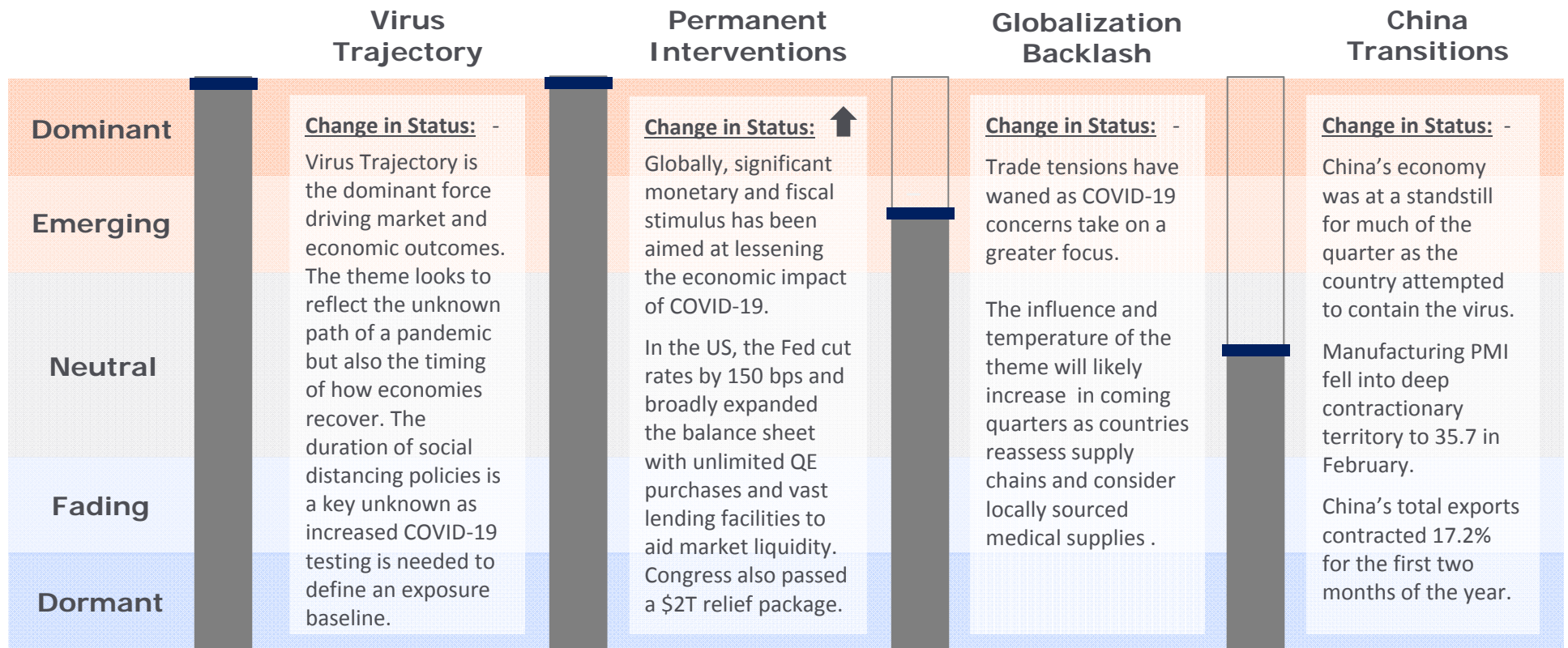
Key Market Themes are factors that define global markets and can be expected to both evolve and remain relevant without a clear timeline of conclusion. At times, themes may be challenged or disrupted and generate market volatility. The conclusion of a theme likely alters both market dynamics and our market outlook. Our intent is for clients to be aware of these themes and understand their implications for asset allocation and portfolio implementation.

NEPC currently has four Key Market Themes:



ASSESSING THE KEY MARKET THEMES

3/31/20 Assessment



VIRUS AND ECONOMIC PATHS ARE ALIGNED

The COVID-19 pandemic has brought global economic activity to a halt

Economic data releases in the US and globally will be historically poor over the next quarter with levels of contraction in GDP not seen since the late 1940s

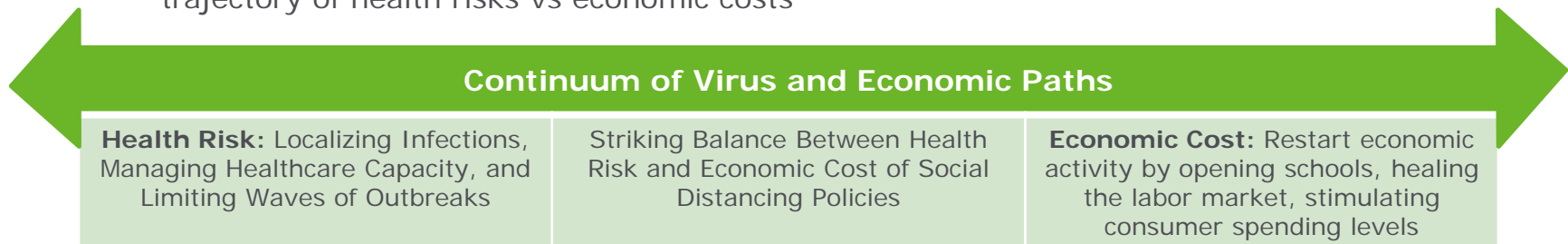
The intensity of social distancing policies has significantly disrupted consumer spending patterns and the labor market with US unemployment rate likely near 15%

Virus Trajectory looks to reflect the unknown path of a pandemic but also the timing and ability of economies to restart throughout the world

The duration and scope of social distancing policies is the key unknown as the market struggles to discount the potential scale of short and long-term economic costs

Investor focus likely to shift along a continuum of health risks and economic costs should we see COVID-19 infection rates escalate

Increased COVID-19 testing is needed to define an exposure baseline to inform potential trajectory of health risks vs economic costs



Represents an incredibly wide range of outcomes and a swift movement through the continuum could accelerate a “V-shaped recovery”

A lengthy economic shutdown or harmful second virus wave could inhibit transition along the continuum leading to self-reinforcing downward economic spiral

POTENTIAL OUTCOMES AND IMPLICATIONS

	Description	Market Implications
Base Case	Virus containment efforts aimed at slowing the spread of COVID-19 will result in a global recession, but the shape and trajectory of a recovery is unknown. Increased monetary and fiscal stimulus offset some of the economic disruption, but economic growth and labor markets are likely to take longer to normalize than historical recessions may suggest.	Market volatility remains at elevated levels for the next 6+ months. Low interest rates are here to stay but likely increased volatility around the path of inflation with large deflationary pressures paired with a potentially stimulative fiscal response. While uncertainty remains high, long-term opportunities may be available for investors willing to take on greater equity and credit risk. Market impact of Virus Trajectory looks to recede within 12 months.
Economic Depression	2 year period of extreme economic disruption characterized by unemployment levels greater than 20% and falling consumer spending levels. Waves of intense social distancing periods damage consumer confidence, limiting economic activity during times of less restrictive social distancing measures. Massive government fiscal relief measures look to plug holes in GDP but lack of economic dynamism reduces productivity and "creative destruction".	Combined fiscal and monetary policies are MMT-like and impact global currency regimes with outsized volatility with relative benefits to the yuan and dollar. Extreme deflationary pressures offer value for nominal government debt for local currency investors (e.g. US Treasuries). Overall represents the largest economic disruption of our lifetime across industries and countries. Patience is required as equity markets reprice and credit default cycle is elevated. Maintaining liquidity is a first order priority, but look to allocate surplus liquidity levels to distressed investments and large-cap equities following extreme market repricing.
V is for Victory...not Virus	Combination of targeted social distancing, summer lull, better testing, and human resilience lead to a quick path of economic recovery, even before vaccine availability. Unprecedented policy action is enough to fill the economic gap during shutdown and by late summer the world economy restarts as economic activity normalizes.	Strongly positive for all cyclical assets. Provides path for moderately higher inflation in medium- and long-term and fiscal policy is stimulative. The world turns back to worries of populism, political friction, and developed world demographics. The relative brevity of the shutdown limits moves to shift away from globalization.

ELEVATED PERMANENT INTERVENTIONS

The developed world is undergoing a regime shift defined by central bank market interventions and permanent fiscal support by governments to support economic growth rates and address deflationary pressures

Recent actions by global central banks and governments aimed at lessening the economic impact of COVID-19 have increased the dominance of the theme

The unprecedented level of monetary and fiscal stimulus is supportive for risk assets, though likely encourages debt issuance - increasing the fragility of the system as a whole

Federal Reserve		
<u>Traditional Actions</u>	<u>Liquidity Actions/Facilities</u>	<u>Lending Actions/Facilities</u>
Interest Rate Cuts (150 bps)	Currency Swap Agreements	Cut Discount Window (0.25%) and Reserve Requirement (0.0%)
Unlimited Quantitative Easing	Money Market Mutual Fund Liquidity Facility (MMLF)	Repo Operations
	FIMA Repo Facility	Commercial Paper Funding Facility (CPFF)
		Credit Facilities (PMCCF, SMCCF, PDCF)
		Main Street Lending Facilities (MSNLF, MSELF)
		Term Asset-Backed Securities Loan Facility (TALF), Municipal Liquidity Facility
		Paycheck Protection Program Liquidity Facility (PPPLF)

US Government Actions
Emergency Coronavirus Response Bill
Families First Coronavirus Response Act
CARES Act

~ 11.5% of US nominal GDP

~ 9% of US nominal GDP

THE END OF LATE CYCLE DYNAMICS

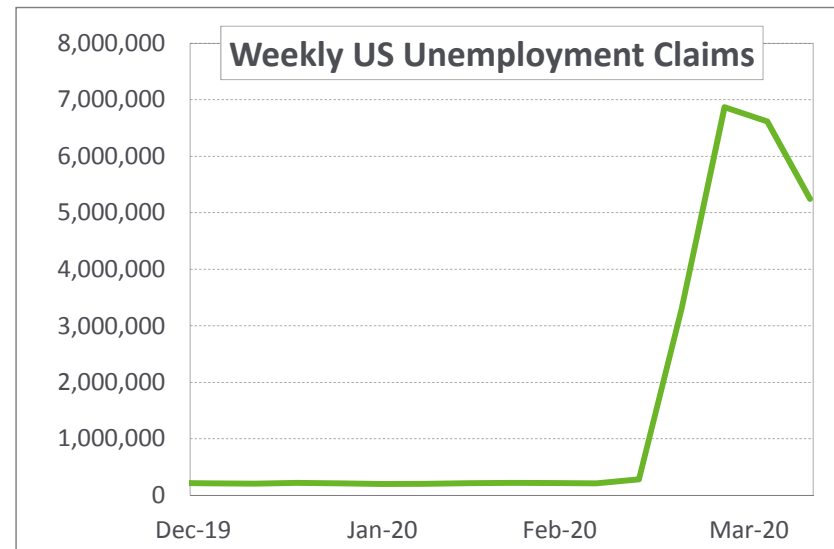
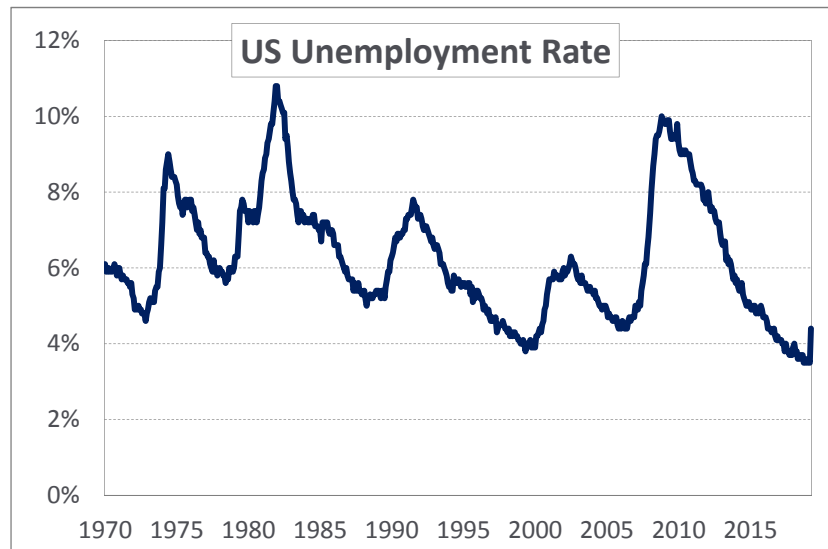
Key Market Themes Change

The dominance of the Virus Trajectory and Permanent Interventions themes have disrupted the extended economic expansion in the US

Economic cycles can end due to several factors, often as a result of a build-up of excesses in some part of the financial system, but sometimes due to an exogenous factor – such as COVID-19

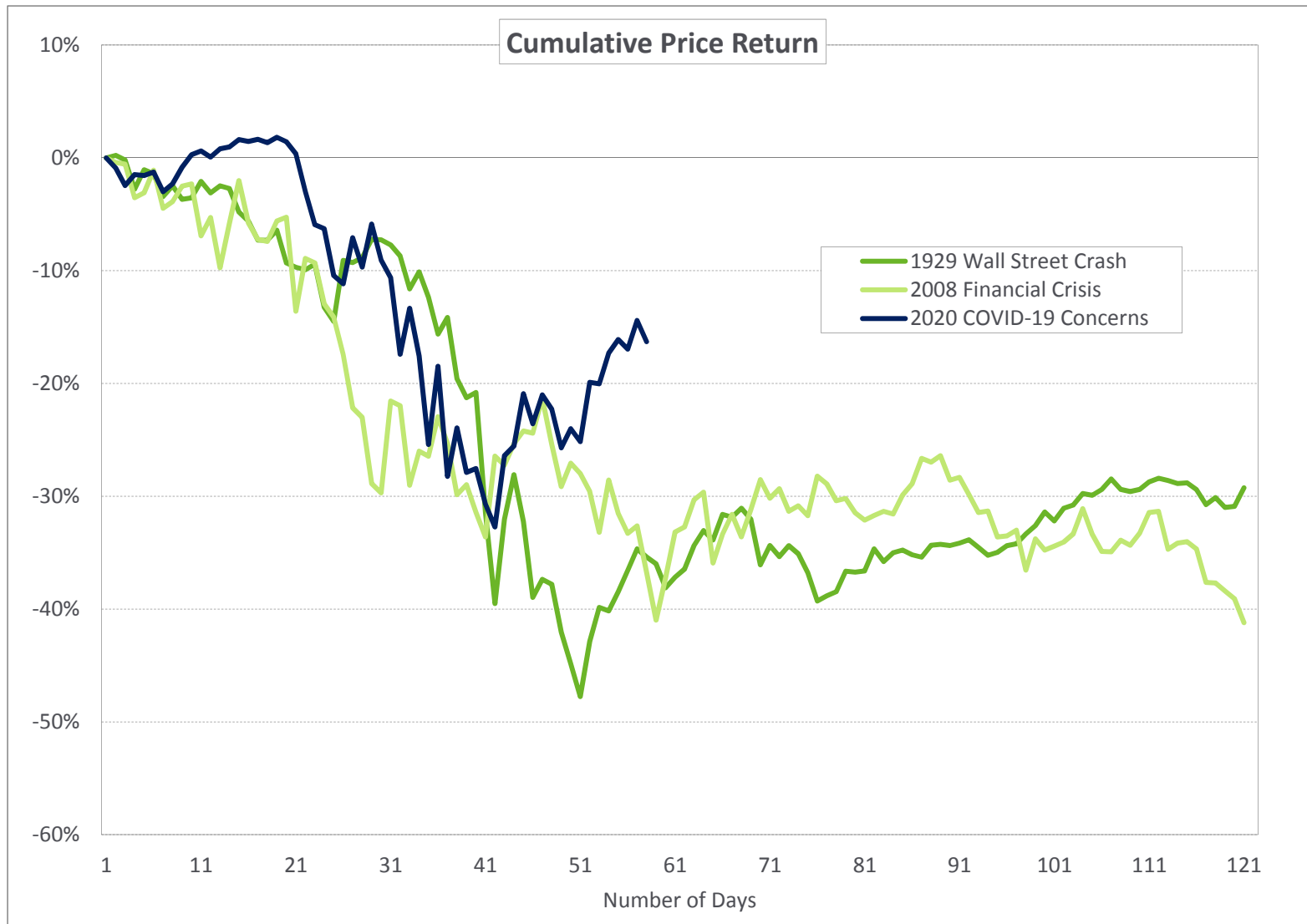
The virus has already created significant stress in financial and economic data, as evidenced by preliminary labor market data. The impact of COVID-19 will also result in severe declines in key economic indicators, such as economic growth and profit margins.

This trend is likely to tip the US economy into a recession, even as significant monetary and fiscal responses aimed at lessening the economic impact have already been implemented



Source: (Left) US Department of Labor, FactSet
Source: (Right) US Department of Labor, FactSet

US EQUITY MARKET PATH IN A DOWNTURN



Source: S&P, Dow Jones, FactSet

Financial Crisis represents S&P returns from 9/1/2008 – 3/9/2009; Wall Street Crash represents Dow Jones returns from 8/30/1929 – 2/26/1930; COVID-19 represents S&P returns from 1/23/2020 (representing the start of the Wuhan, China lockdown) – 4/15/2020



POTENTIAL ACTIONS FOR INVESTORS

Maintain discipline with a rebalancing approach aimed at preserving long-term strategic targets to risk assets

Consider increasing targets to risky assets from a strategic viewpoint

Ensure higher risk targets fit within organizational risk tolerance

Market recovery from bottom has been significant...better timing may become available

Long-term expected difference between safe and risky assets is attractive

Favor US and EM over EAFE among public market equity

Strong virus response and massive Fed/Fiscal intervention support quicker US recovery

Virus response and long-term expected return (over 10%) support EM equity

Within betas, look to rotate the risk profile and increase risk posture

Carve out fixed income allocations to Credit Opportunities and Distressed Investments

Shift hedged equity exposure to higher beta strategies

Investigate high conviction, capacity-constrained strategies for access



MACRO ASSUMPTIONS

NEPC, LLC

INFLATION OVERVIEW

Inflation is an integral component of our asset allocation assumptions

Represents an essential building block for developing asset class returns

Inflation building blocks are model-driven and informed by multiple sources for both the US and global asset classes

Includes forecasts from international organizations (e.g. IMF), local consumer and producer price indices, break-even inflation expectations, and global interest rate curves

NEPC's US inflation expectation has come down and incorporates the material decline of inflation break-even rates due to COVID-19

We anticipate meaningful volatility from quarter to quarter in our inflation assumption as market-based inflation expectations discount the potential economic scenarios

Market-based inflation expectations reflect little to no inflation pressure

Inflation break-evens (difference between Treasury and TIPS yields) suggest inflation will be near current levels for the next twenty years

NEPC's return assumptions incorporate higher inflation expectations than break-evens, but are in line with IMF forecasts and are well below long-term averages

Region	10-Year Inflation Assumption	30-Year Inflation Assumption
United States	1.7%	2.4%

US CASH EXPECTATIONS

Cash is a foundation for all asset classes

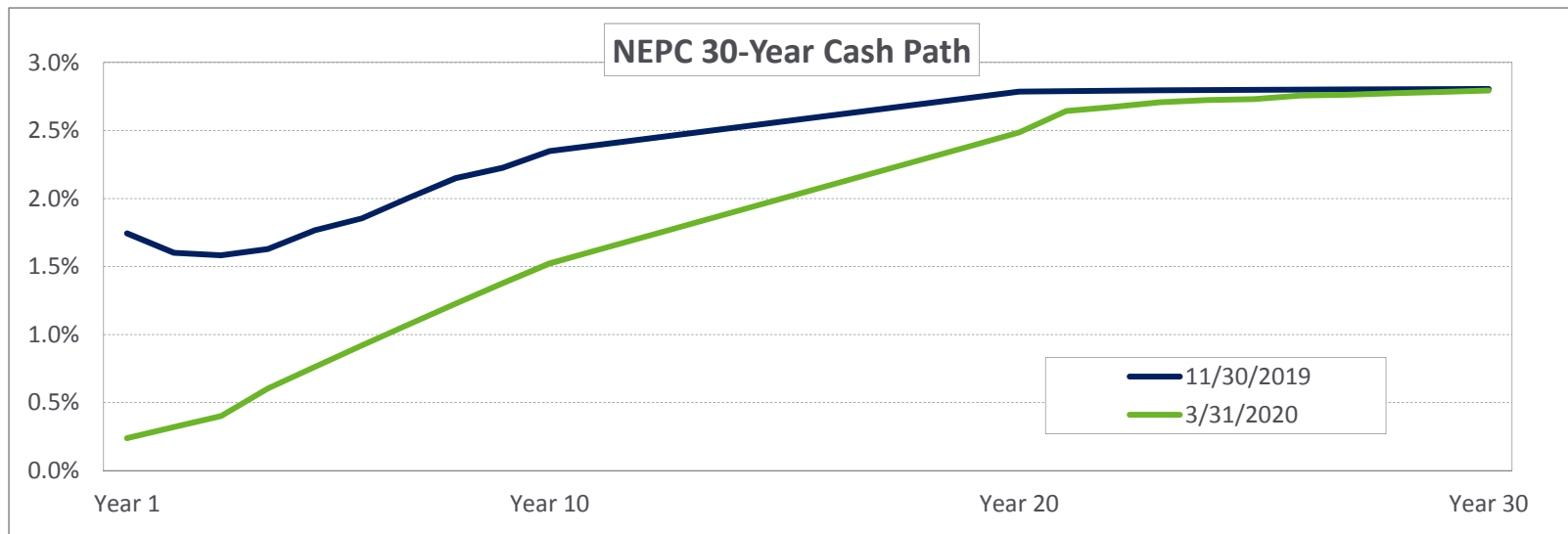
The assumption flows through as a direct building block component and as a relative value adjustment (cash + risk premia) in long-term return projections

Long-term cash assumption is a result of forecasted inflation plus a real interest rate path

US nominal rates are at a historically low point for NEPC's forecasts

This level reflects recent rate cuts by the Federal Reserve and muted inflation pressures

Market expectations for a relatively flat curve and negligible inflation expectations create a slow and muted trend for cash to reach terminal value assumptions



Source: Bloomberg, FactSet, NEPC



EQUITY ASSUMPTIONS

NEPC, LLC

EQUITY ASSUMPTIONS OVERVIEW

Equity return assumptions are materially higher from the prior quarter due to depressed valuation levels following the recent equity downturn

The discounting of future cash flows with lower interest rates and inflation levels also support higher equity valuation multiples over the long-term

We recommend investors consider increasing strategic targets to equity as the equity risk premia is elevated relative to cash and Treasuries

The higher relative return assumption of equities vs Treasuries is amidst unprecedented uncertainty and the sizing of higher strategic equity targets should be calibrated carefully

The return assumption for emerging market equity remains elevated and we continue to believe a modest strategic overweight is appropriate

We encourage the use of EAFE exposure as a funding source for an EM equity overweight

NEPC encourages maintaining a strategic bias to US and international small cap relative to the exposure in MSCI ACWI IMI

The overweight should be considered relative to total equity beta exposure. For example, investors with large private equity allocations might adopt an index weight to small caps



EQUITY: ASSUMPTIONS

Equity Building Blocks	
Illiquidity Premium	The additional return expected for investments carrying liquidity risk
Valuation	An input representing P/E multiple contraction or expansion relative to long-term trend
Inflation	Represents market-specific inflation derived from index country revenue contribution and region-specific forecasted inflation
Real Earnings Growth	Reflects market-specific real growth for each equity asset class as a weighted-average derived from index country revenue contribution and forecasted GDP growth
Dividend Yield	Informed by current income distributed to shareholders with adjustments made to reflect market conditions and trends

Asset Class	2020 Q1 10-Year Return	Change from 11/30/19
US Large Cap	6.6%	+1.6%
US Small/Mid-Cap	7.3%	+1.8%
US Micro Cap	8.4%	+1.4%
International (Unhedged)	7.5%	+1.5%
International Small Cap	7.8%	+1.4%
Emerging Markets	10.2%	+1.2%
Emerging Markets Small Cap	10.2%	+1.0%
China Equity	8.9%	+0.1%
Hedge Funds – Long/Short	4.8%	-
<i>Global Equity</i>	7.7%	+1.5%
<i>Private Equity</i>	10.9%	+1.5%

Source: NEPC



EQUITY: REAL EARNINGS GROWTH

Global growth rates are subdued reflecting the economic impact of COVID-19, demographic trends, and US-China trade tensions

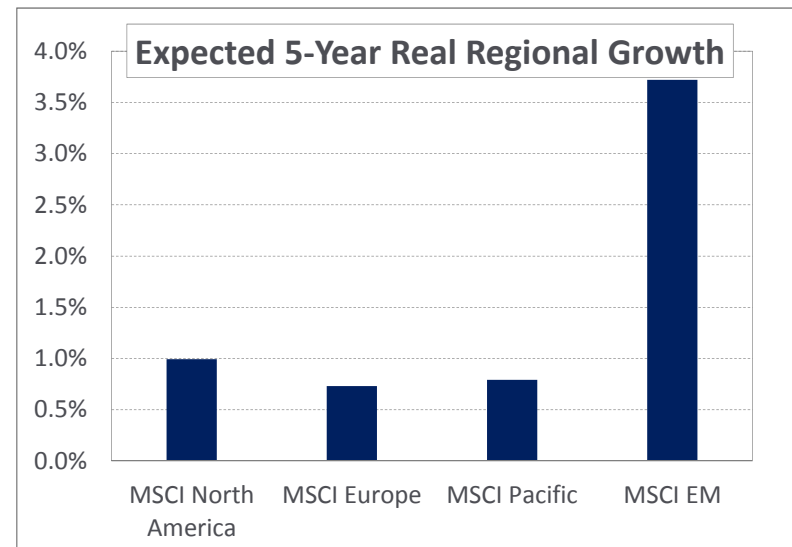
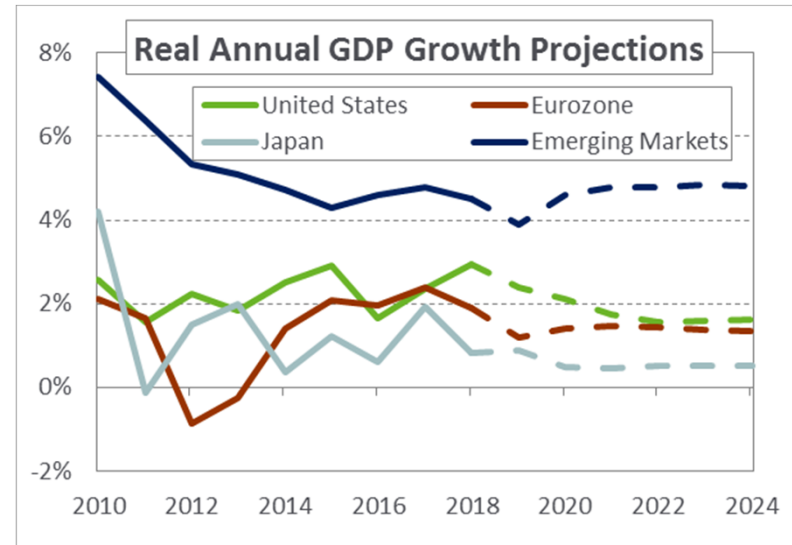
Regions more reliant on emerging markets for revenue generation are forecasted to enjoy higher expected real earnings growth

International and emerging markets benefit from generating a much larger portion of revenues from this region than the US

Small caps have higher terminal values for real earnings growth relative to large caps

This premium reflects a risk premium for small over large cap, which has existed historically

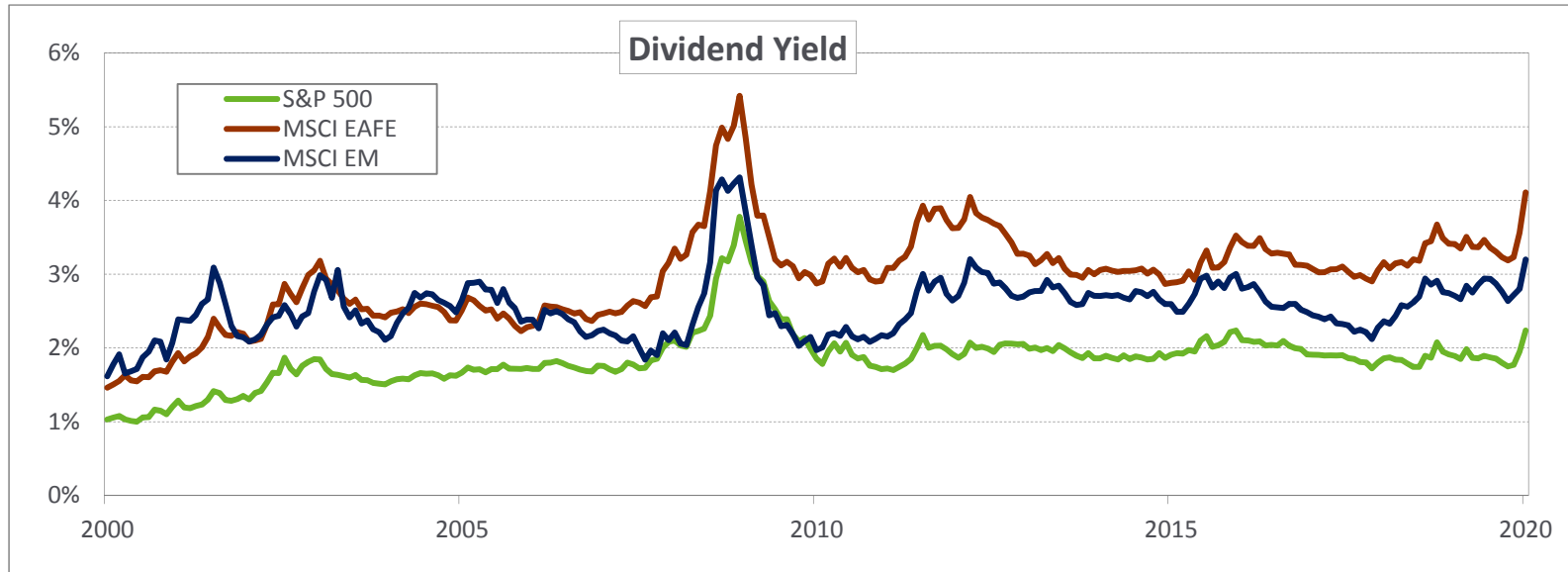
In US markets, this represents a 50 basis point premium over large cap



Source: (Top) FactSet, NEPC
Source: (Bottom) IMF, MSCI, FactSet, NEPC



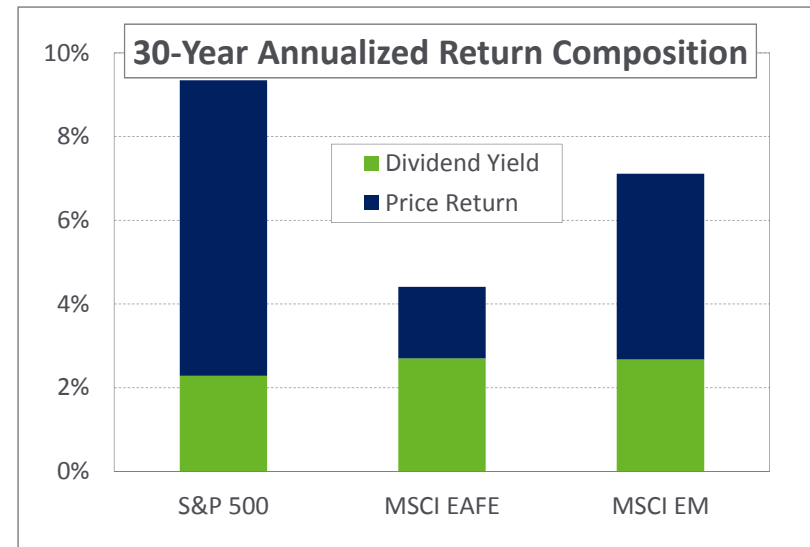
EQUITY: DIVIDEND YIELD



NEPC's long-term terminal value assumption for the S&P 500 dividend yield is 2.50%

EAFE and emerging markets offer structurally higher dividend yields relative to the US equity market

Long-term terminal value assumptions for the MSCI EAFE and MSCI Emerging Market dividend yields are 3.00% and 2.50%



Source: (Top) S&P, MSCI, FactSet, NEPC
Source: (Bottom) S&P, MSCI, FactSet, NEPC



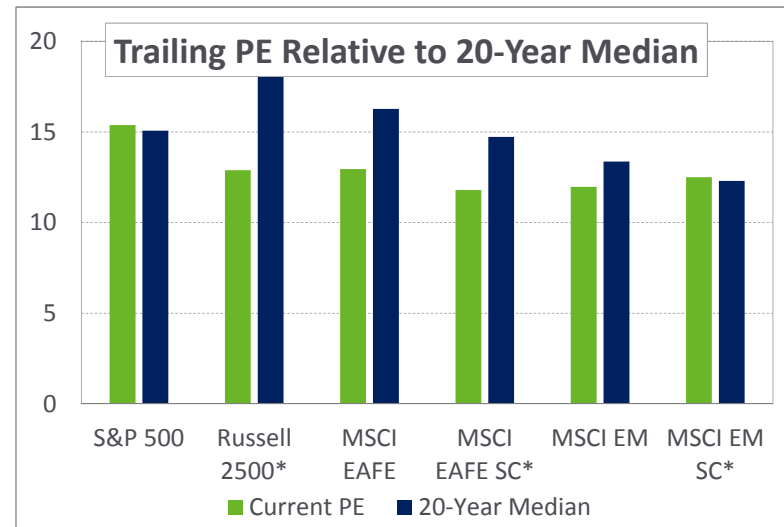
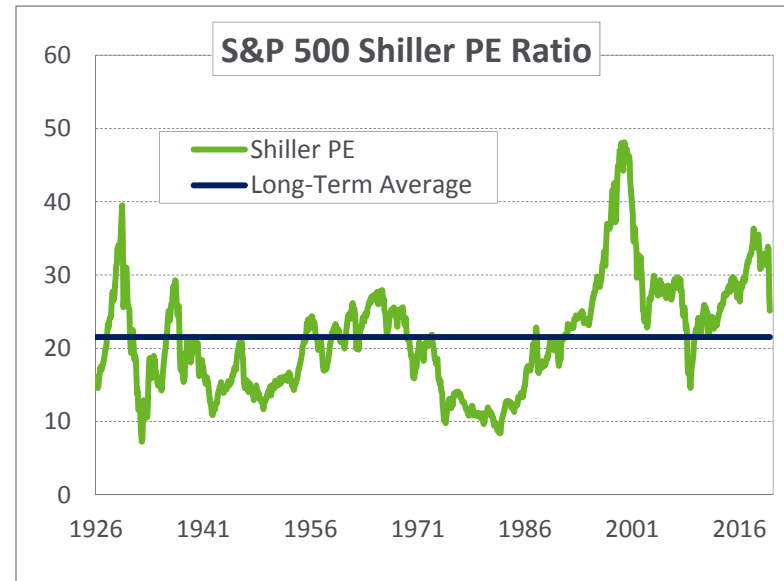
EQUITY: VALUATION

Despite the recent correction, US equities remain slightly overvalued relative to long-term averages

Terminal P/E values for the US are higher than historical averages to reflect expected low interest rates and higher discounting of future cashflows

Terminal values for EAFE are above current for investing in these regions, however they are reflective of a less constructive market environment

In emerging markets, equity and currency valuations remain near long-term averages, suggesting an attractive total return opportunity

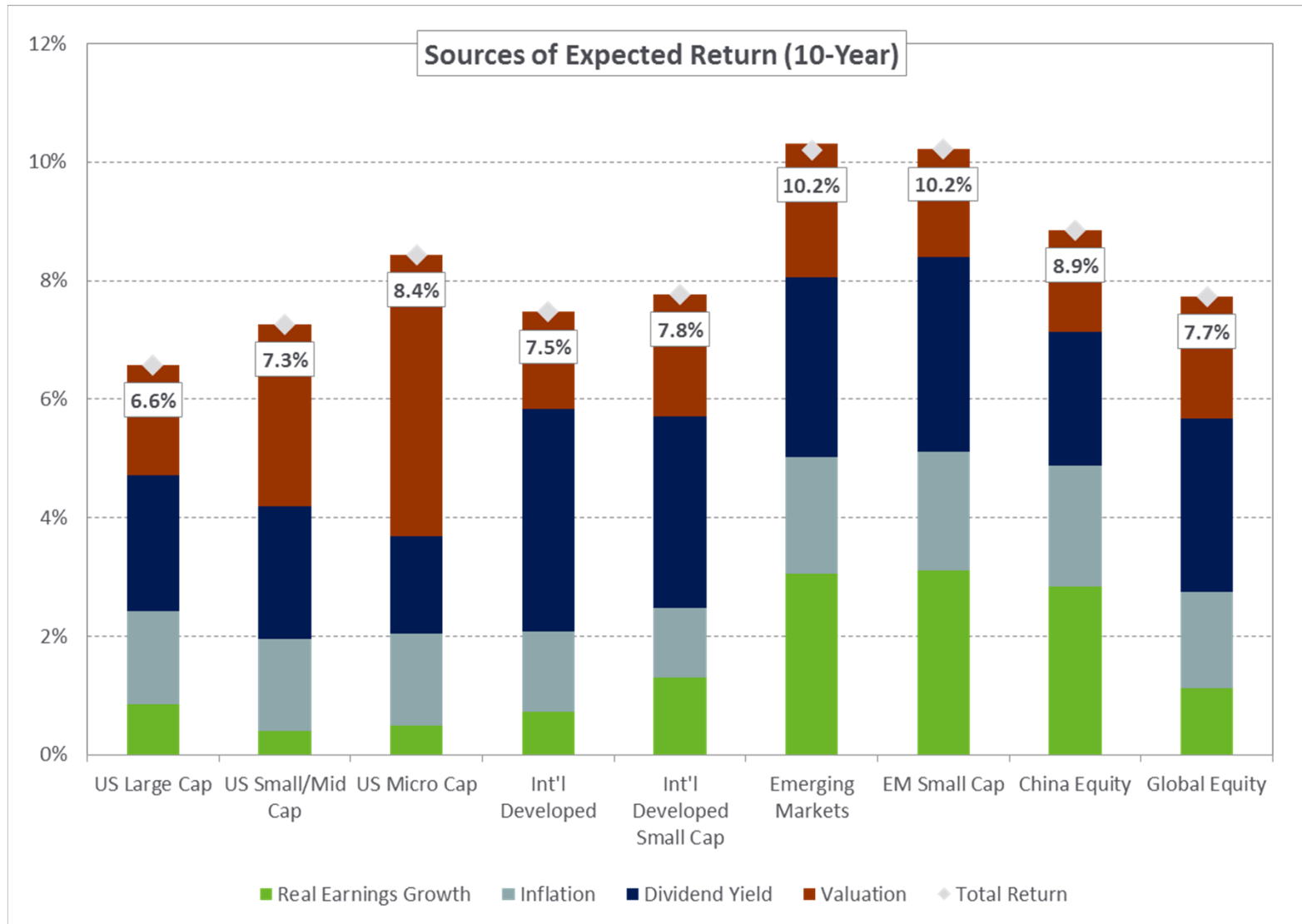


Source: (Top) S&P, Shiller, NEPC; long-term average beginning in 1926

Source: (Bottom) S&P, Russell, MSCI, FactSet, NEPC; *Small cap indices use index positive-adjusted earnings; MSCI EM Small Cap median calculated since 12/31/2008



EQUITY: BUILDING BLOCKS



Source: NEPC



FIXED INCOME ASSUMPTIONS

NEPC, LLC

FIXED INCOME ASSUMPTIONS OVERVIEW

Credit return assumptions are higher from the prior quarter due to elevated credit spread levels following the recent market downturn

Safe-haven fixed income return assumptions are materially lower due to falling interest rates and market-based inflation expectations

While return assumptions are low for safe-haven assets, we encourage maintaining an allocation to Treasuries to provide portfolio balance

For investors without a natural hedge, NEPC suggests a strategic safe-haven allocation of 50% Treasuries and 50% TIPS to provide a balanced portfolio diversification benefit

We recommend investors consider increasing strategic targets to return-seeking credit as elevated spreads tend to lead to higher returns

A strategic allocation to return-seeking credit can enhance risk-adjusted returns with additional yield and diversification benefits

NEPC recommends an equal weight target to bank loans, blended emerging market debt, and high-yield for return-seeking public credit

In this framework, investors should consider sourcing capital calls for private debt from bank loans and high yield but only in a “normal” market environment



FIXED INCOME: ASSUMPTIONS

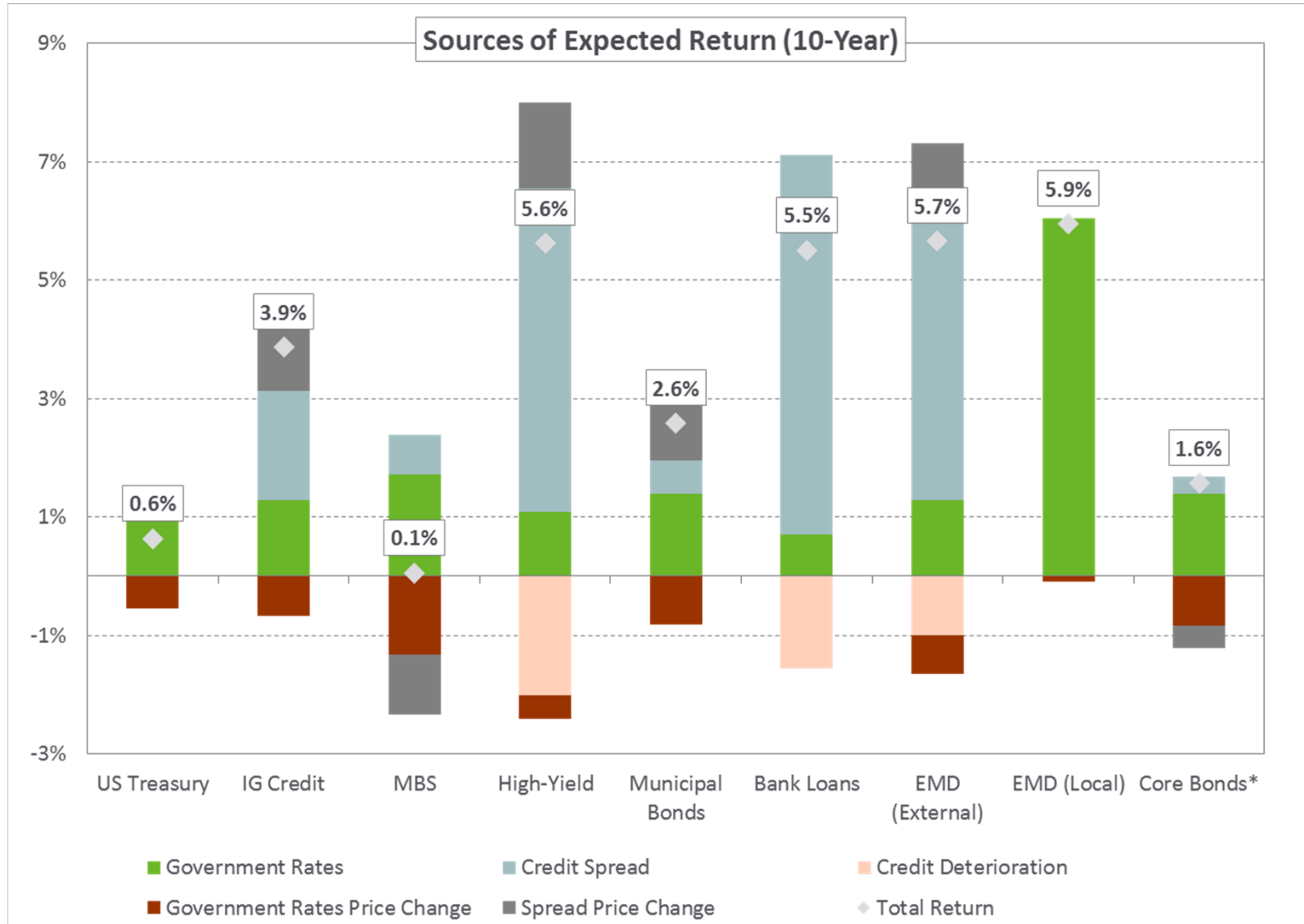
Fixed Income Building Blocks	
Illiquidity Premium	The additional return expected for investments carrying liquidity risk
Government Rates Price Change	The valuation change resulting from a change in the current yield curve to forecasted rates
Credit Deterioration	The average loss for credit securities associated with an expected default cycle and recovery rates
Spread Price Change	The valuation change resulting from a change in credit spreads over the duration of the investment and highly sensitive to economic cycles
Credit Spread	Additional yield premium provided by securities with credit risk
Government Rates	The yield attributed to sovereign bonds that do not have credit risk associated with their valuation

Asset Class	2020 Q1 10-Year Return	Change from 11/30/19
TIPS	1.2%	-1.0%
Treasuries	0.6%	-1.3%
Investment-Grade Corporate Credit	3.9%	+0.5%
MBS	0.9%	-1.6%
High-Yield Bonds	5.6%	+1.5%
Bank Loans	5.5%	+0.7%
EMD (External)	5.7%	+1.6%
EMD (Local Currency)	5.9%	+0.5%
Non-US Bonds (Unhedged)	0.7%	+0.5%
Municipal Bonds (1-10 Year)	1.5%	-0.4%
High-Yield Municipal Bonds	4.4%	+1.2%
Hedge Funds – Credit	5.0%	+0.2%
<i>Core Bonds</i>	1.6%	-0.9%
<i>Private Debt</i>	8.0%	+1.3%

Source: NEPC



FIXED INCOME: BUILDING BLOCKS



Source: NEPC

*Calculated as a blend of other classes



REAL ASSETS ASSUMPTIONS

NEPC, LLC

REAL ASSET ASSUMPTIONS OVERVIEW

The strategic outlook for real assets reflects a high level of uncertainty due to the dislocation in energy prices and market-based inflation levels

Real assets offer a meaningful portfolio diversification benefit but are exposed to the wide range of potential inflation scenarios in the current economic environment

Energy-related asset class returns are higher but dividend and growth inputs are heavily discounted to reflect the economic distress

For most clients, we recommend that no new energy investments be made at this time but also do not recommend selling liquid exposure at distressed prices

In addition, NEPC's Real Asset team has formed a Distressed Energy Working Group to detail current market views and assess near-term investment opportunities

Real assets exhibit different betas to inflation and inflation-sensitive objectives should influence an investor's strategic allocation decision

Within real asset exposures, NEPC recommends a strategic allocation to infrastructure and real estate, which offer inflation-sensitive income. For total return-focused investors, private real assets are preferred over public market proxies.

We encourage investors to remove commodity futures from strategic asset allocation targets due to the low expected return assumption

While commodities provide a pure market beta to inflation, a persistently negative roll yield reduces expected long-term returns



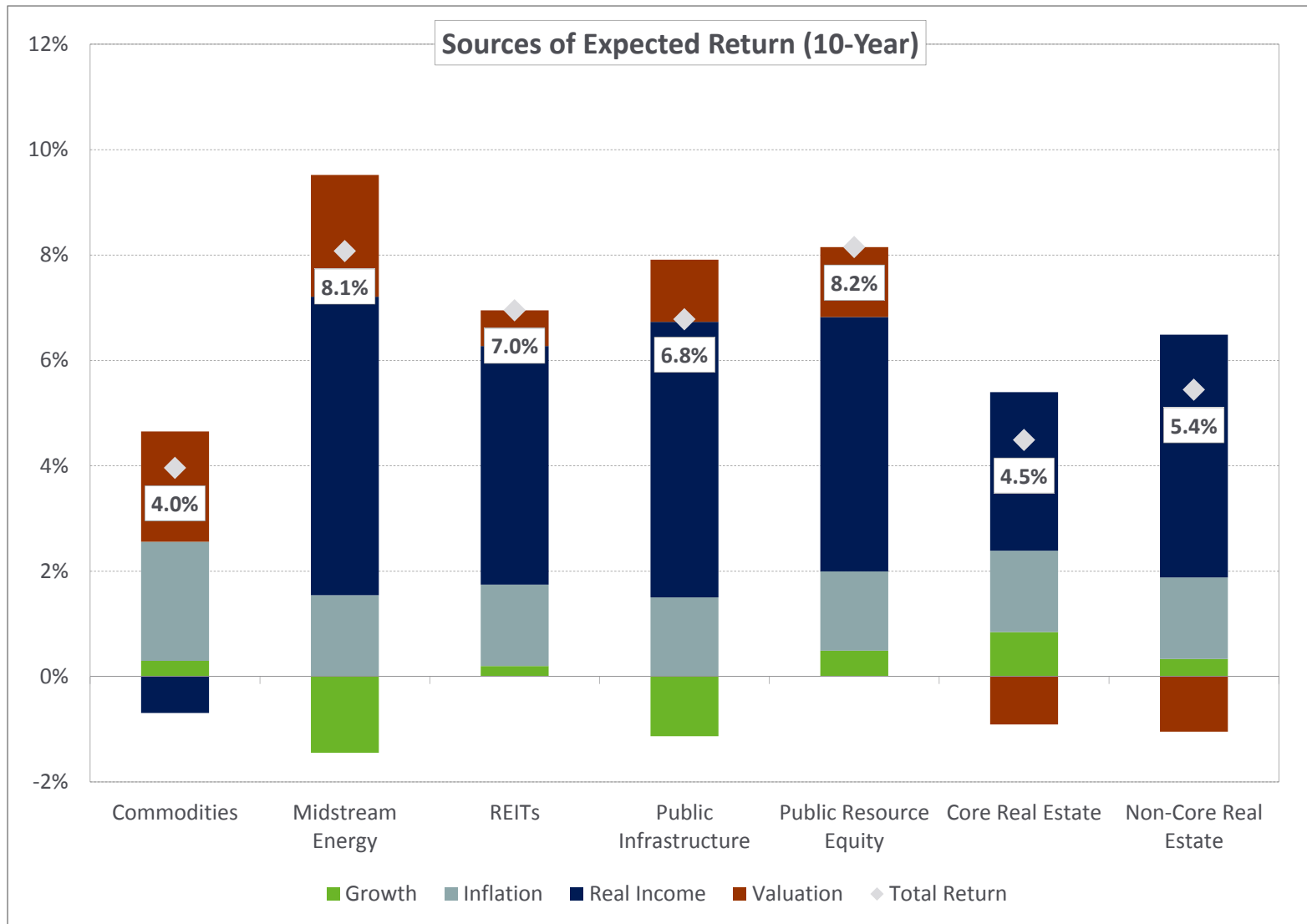
REAL ASSETS: ASSUMPTIONS

Real Assets Building Blocks		Asset Class	2020 10-Year Return	Change from 11/30/19
Illiquidity Premium	The additional return expected for investments carrying liquidity risk	Commodities	1.4%	-2.6%
Valuation	The expected change in price of the underlying asset reverting to a long-term real average or terminal value assumption	Midstream Energy	8.1%	+0.7%
Inflation	Incorporates the inflation paths as defined by TIPS breakeven expectations and NEPC expected inflation assumptions	REITs	7.0%	+1.6%
Growth	Reflects market-specific growth for each equity asset class as a weighted-average derived from index country revenue contribution and forecasted GDP growth	Public Infrastructure	6.8%	+1.5%
Real Income	Represents the inflation-adjusted income produced by the underlying tangible or physical asset	Public Resource Equity	8.2%	+0.9%
		Core Real Estate	4.5%	-0.7%
		Non-Core Real Estate	5.4%	-1.0%
		Private RE Debt	4.6%	-0.4%
		Private Real Assets: Energy/ Metals	8.9%	-0.2%
		Private Real Assets: Infra/Land	6.2%	+0.3%

Source: NEPC



REAL ASSETS: BUILDING BLOCKS



Source: NEPC



APPENDIX

NEPC, LLC

GLOBAL INFLATION

In most developed economies, core inflation is below central bank targets

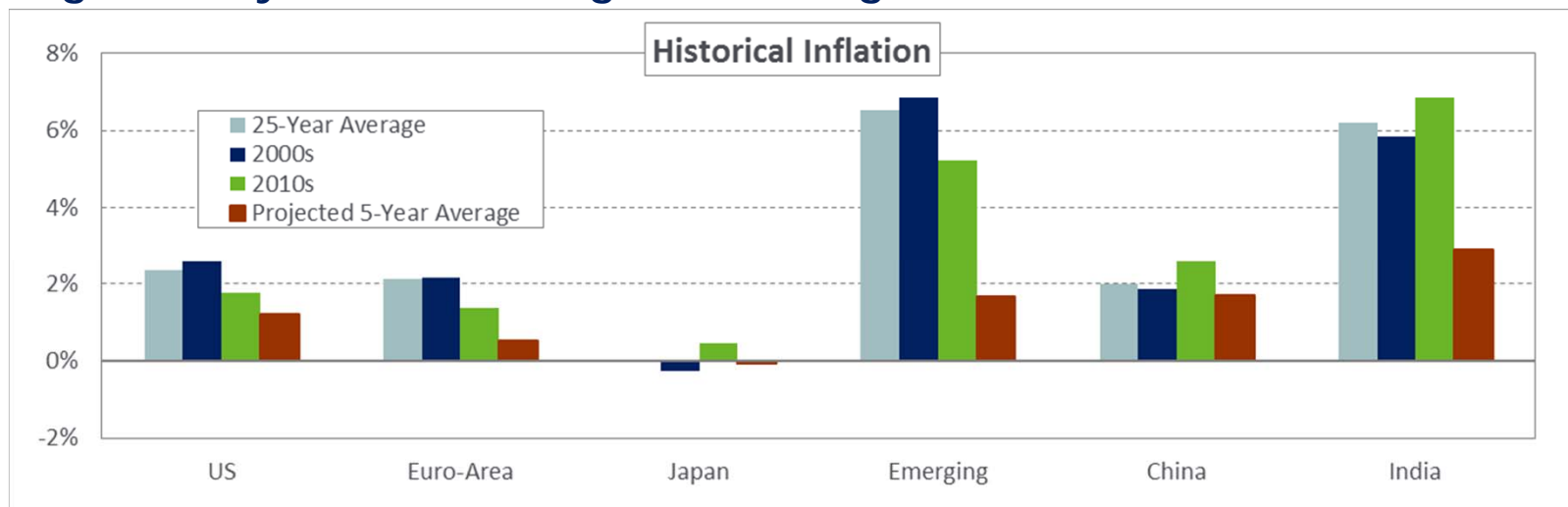
Globalization, deflationary technology, aging demographics and a decade of deleveraging are all deflationary headwinds

This trend will likely continue as global central banks rely on expansive monetary policy programs to mitigate deflationary headwinds

A shift toward sustained expansion of fiscal spending may be a source for potential inflation, but would require significant agreement across political spectrums

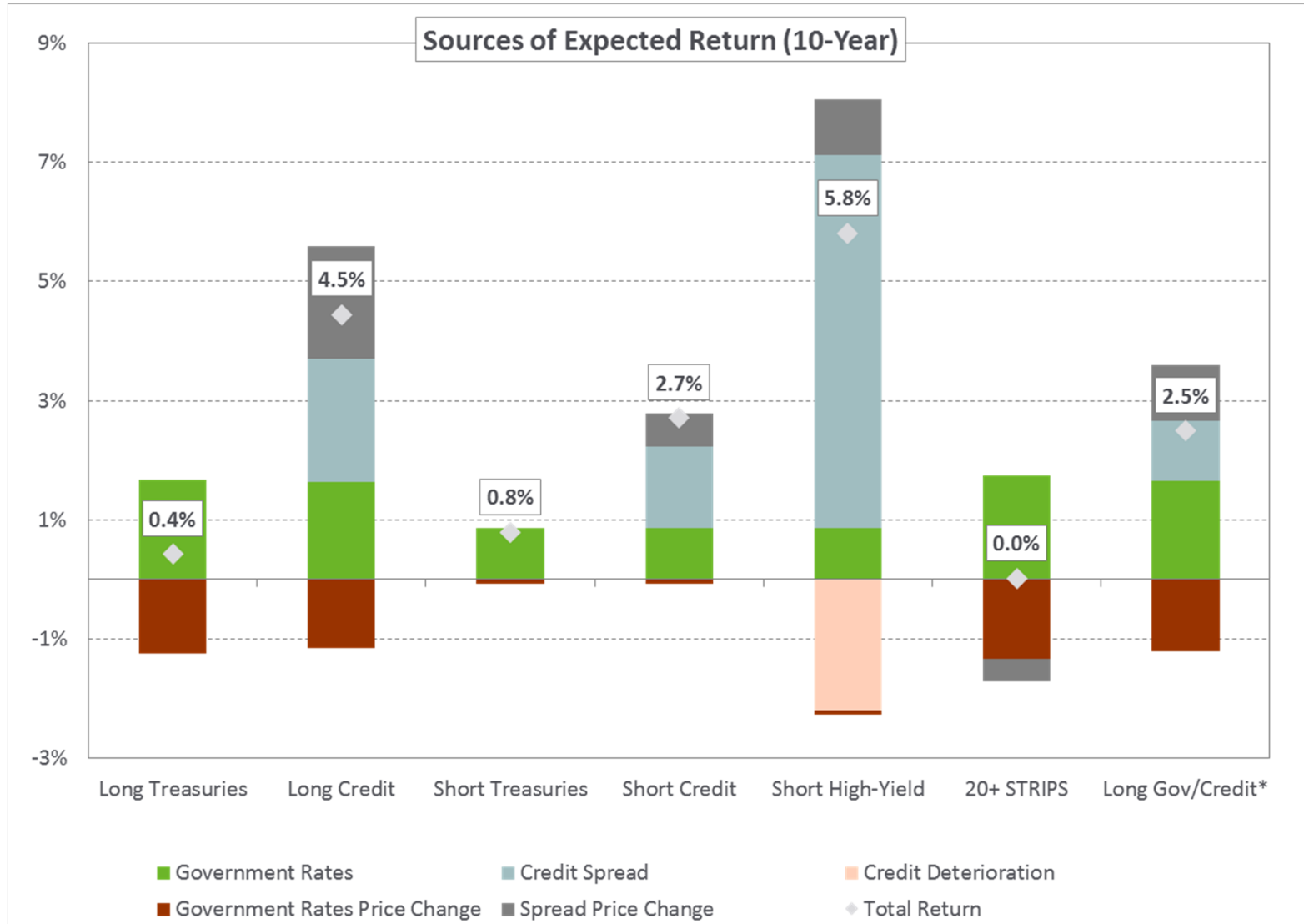
This may be an especially difficult prospect in the European Union given constitutional constraints and differences in opinion among member countries

Emerging market inflation remains well above the developed world, but is significantly lower than long-term averages



Source: IMF, FactSet, NEPC

FIXED INCOME: BUILDING BLOCKS



Source: NEPC

*Calculated as a blend of other classes



ALTERNATIVE ASSET ASSUMPTIONS

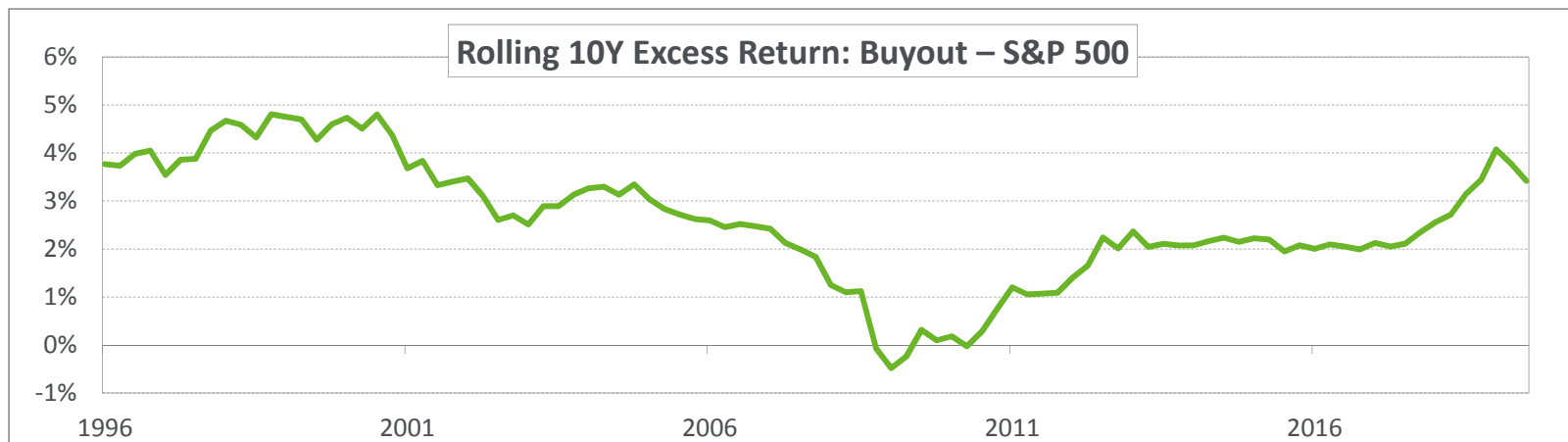
ALTERNATIVES METHODOLOGY

Private market assumptions are constructed using betas to public market assumptions with an added illiquidity premia based on historical return analysis relative to appropriate public market equivalents

Historically, the observed illiquidity premium has been a significant component to private market returns. The assumed premium can be adjusted to reflect the current market environment and forward-looking views by strategy

Hedge fund assumptions are constructed using betas to public market assumptions with an added alpha assumption based on historical manager universe performance relative to a relevant market benchmark

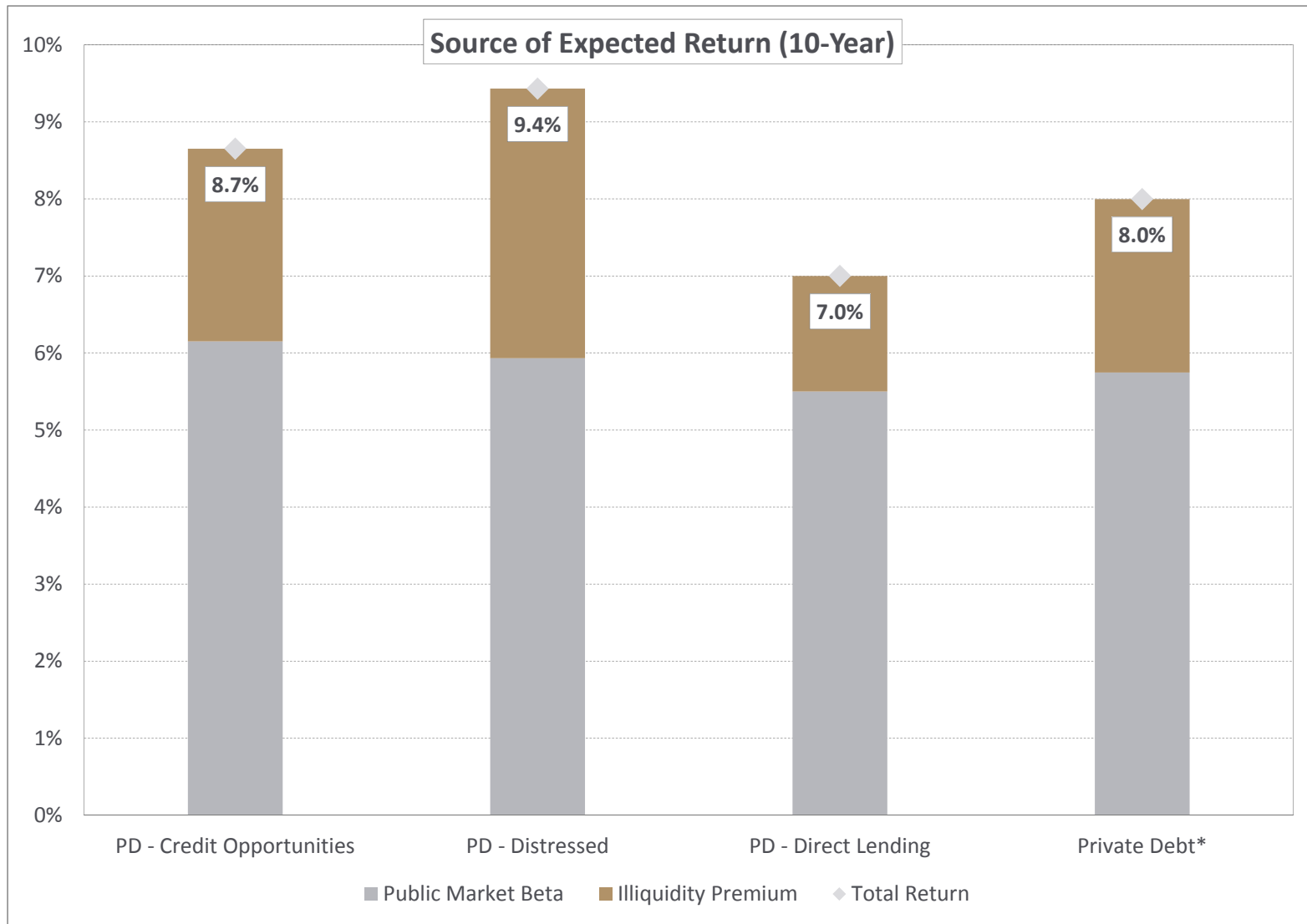
Changes to the alternative asset return assumptions reflect changes to the underlying public market assumptions and qualitative adjustments to the illiquidity premia and alpha assumptions



Source: Thomson One, S&P, FactSet



PRIVATE DEBT BUILDING BLOCKS

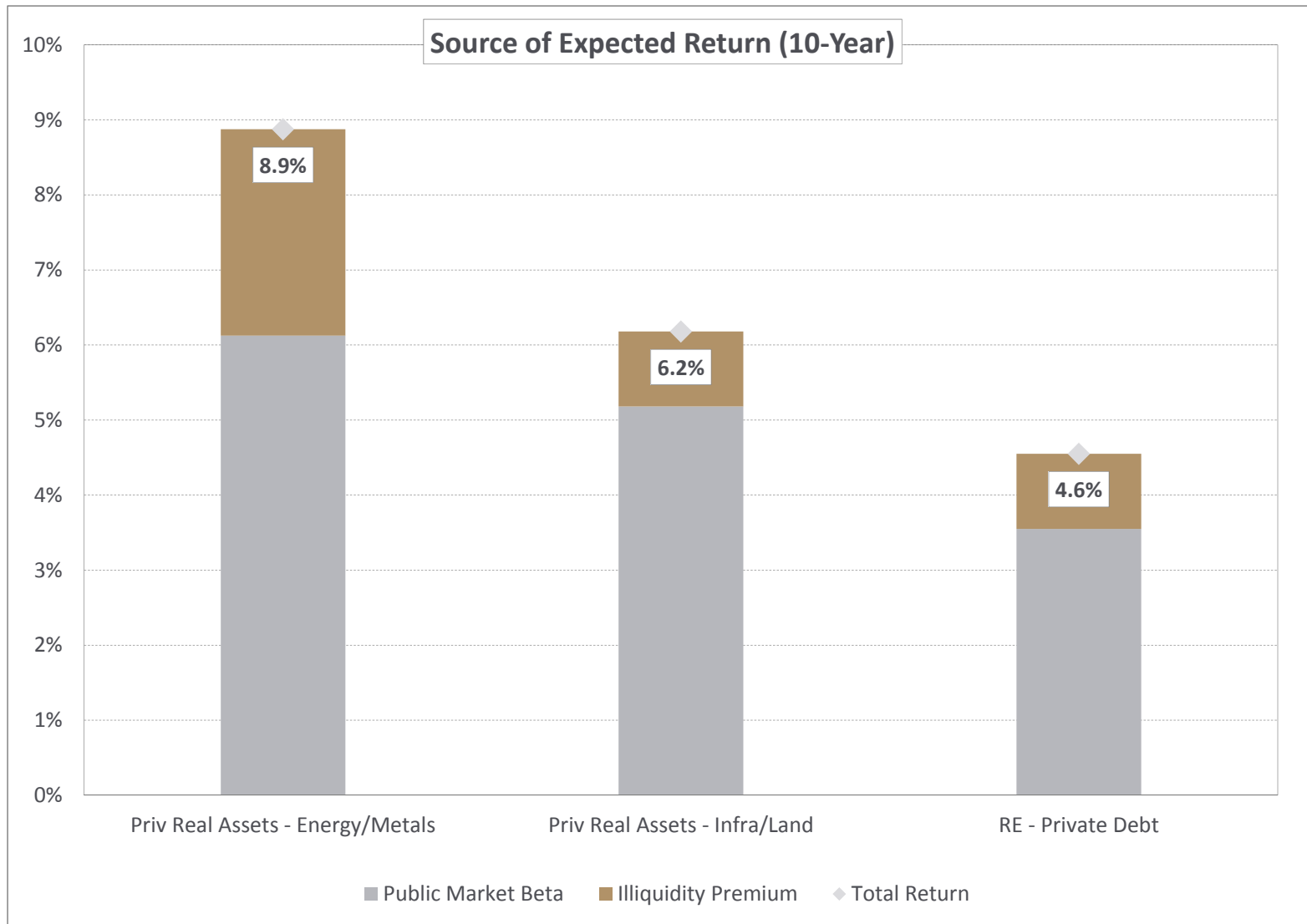


Source: NEPC

*Private Debt is a derived composite of 25% Mezzanine, 25% Distressed, 50% Direct Lending



PRIVATE REAL ASSETS BUILDING BLOCKS



Source: NEPC



10-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
Inflation	1.7%	2.3%	-0.6%
Cash	0.7%	1.8%	-1.1%
US Leverage Cost	1.0%	2.1%	-1.1%
Non-US Cash	0.5%	0.4%	+0.1%
Large Cap Equities	6.6%	5.0%	+1.6%
Small/Mid Cap Equities	7.3%	5.5%	+1.8%
Int'l Equities (Unhedged)	7.5%	6.0%	+1.5%
Int'l Equities (Hedged)	7.8%	6.4%	+1.4%
Int'l Sm Cap Equities (Unhedged)	7.8%	6.4%	+1.4%
Emerging Int'l Equities	10.2%	9.0%	+1.2%
Emerging Int'l Sm Cap Equities	10.2%	9.2%	+1.0%
Hedge Funds - Long/Short	4.8%	4.8%	-
PE Buyout	9.1%	7.4%	+1.7%
PE Growth	10.6%	9.0%	+1.6%
PE Venture	12.1%	10.6%	+1.5%
PE Secondary	8.6%	6.9%	+1.7%
PE Non-US	12.0%	10.7%	+1.3%
China Equity	8.9%	8.8%	+0.1%
US Microcap Equity	8.4%	7.0%	+1.4%

10-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
TIPS	1.2%	2.2%	-1.0%
Treasuries	0.6%	1.9%	-1.3%
IG Corp Credit	3.9%	3.4%	+0.5%
MBS	0.9%	2.5%	-1.6%
High-Yield Bonds	5.6%	4.1%	+1.5%
Bank Loans	5.5%	4.8%	+0.7%
EMD (External)	5.7%	4.1%	+1.6%
EMD (Local Currency)	5.9%	5.4%	+0.5%
Non-US Bonds (Unhedged)	0.7%	0.2%	+0.5%
Non-US Bonds (Hedged)	1.0%	0.5%	+0.5%
Short TIPS (1-5 yr)	1.2%	2.2%	-1.0%
Short Treasuries (1-3 yr)	0.8%	2.1%	-1.3%
Short Credit (1-3 yr)	2.7%	2.9%	-0.2%
Short HY (1-3 yr)	5.8%	3.4%	+2.4%
Municipal Bonds	2.6%	1.9%	+0.7%
Municipal Bonds (1-10 Year)	1.5%	1.9%	-0.4%
High-Yield Municipal Bonds	4.4%	3.2%	+1.2%
Hedge Funds - Credit	5.0%	4.8%	+0.2%
PD Credit Opportunities	8.2%	6.3%	+1.9%

10-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
PD Distressed	9.4%	7.6%	+1.8%
PD Direct Lending	7.0%	6.3%	+0.7%
Long Treasuries	0.4%	1.7%	-1.3%
Long TIPS	1.2%	2.2%	-1.0%
Long Credit	4.5%	3.4%	+1.1%
20+ YR STRIPS	0.0%	1.4%	-1.4%
Corp - AAA	2.3%	2.7%	-0.4%
Corp - AA	2.5%	2.7%	-0.2%
Corp - A	3.1%	3.0%	+0.1%
Corp - BBB	4.6%	3.7%	+0.9%
Corp - BB	6.1%	4.6%	+1.5%
Corp - B	5.9%	4.4%	+1.5%
Corp - CCC/Below	1.5%	0.7%	+0.8%
IG ABS/CMBS	2.4%	2.8%	-0.4%
IG CLO	2.2%	2.9%	-0.7%
HY Securitized	2.3%	4.2%	-1.9%
HY CLO	5.3%	5.3%	-
Taxable Muni Debt	3.2%	2.8%	+0.4%
US 10 yr Treasuries	0.6%	1.9%	-1.3%



10-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
Non-US 10-Year Sov (Hedged)	0.9%	0.5%	+0.4%
Commodities	1.4%	4.0%	-2.6%
Midstream Energy	8.1%	7.4%	+0.7%
REITs	7.0%	5.4%	+1.6%
Public Infrastructure	6.8%	5.3%	+1.5%
Public Resource Equity	8.2%	7.3%	+0.9%
Core Real Estate	4.5%	5.2%	-0.7%
Non-Core Real Estate	5.4%	6.4%	-1.0%
Private RE Debt	4.6%	5.0%	-0.4%
Private Real Assets - Energy/Metals	8.9%	9.1%	-0.2%
Private Real Assets - Infra/Land	6.2%	5.9%	+0.3%
Hedge Funds - Macro	4.8%	5.0%	-0.2%
Global Equity*	7.7%	6.2%	+1.5%
Private Equity*	10.9%	9.4%	+1.5%
Core Bonds*	1.6%	2.5%	-0.9%
Private Debt*	8.0%	6.7%	+1.3%
Long Govt/Credit*	2.5%	2.7%	-0.2%
Hedge Funds*	5.0%	4.8%	+0.2%

*Calculated as a blend of other asset classes



30-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
Inflation	2.4%	2.5%	-0.1%
Cash	1.8%	2.4%	-0.6%
US Leverage Cost	2.1%	2.7%	-0.6%
Non-US Cash	0.5%	2.1%	-1.6%
Large Cap Equities	7.4%	6.7%	+0.7%
Small/Mid Cap Equities	7.6%	7.2%	+0.4%
Int'l Equities (Unhedged)	7.6%	7.0%	+0.6%
Int'l Equities (Hedged)	8.0%	7.3%	+0.7%
Int'l Sm Cap Equities (Unhedged)	8.0%	7.5%	+0.5%
Emerging Int'l Equities	9.5%	9.2%	+0.3%
Emerging Int'l Sm Cap Equities	10.0%	9.2%	+0.8%
Hedge Funds - Long/Short	5.6%	5.7%	-0.1%
PE Buyout	9.6%	9.0%	+0.6%
PE Growth	10.9%	10.4%	+0.5%
PE Venture	11.9%	11.5%	+0.4%
PE Secondary	9.1%	8.5%	+0.6%
PE Non-US	11.7%	11.1%	+0.6%
China Equity	8.8%	9.1%	-0.3%
US Microcap Equity	8.6%	8.2%	+0.4%

30-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
TIPS	2.0%	2.7%	-0.7%
Treasuries	1.9%	2.7%	-0.8%
IG Corp Credit	4.2%	4.4%	-0.2%
MBS	2.2%	3.4%	-1.2%
High-Yield Bonds	5.8%	5.6%	+0.2%
Bank Loans	5.1%	5.2%	-0.1%
EMD (External)	5.3%	5.0%	+0.3%
EMD (Local Currency)	5.6%	5.3%	+0.3%
Non-US Bonds (Unhedged)	1.2%	2.1%	-0.9%
Non-US Bonds (Hedged)	1.4%	2.4%	-1.0%
Short TIPS (1-5 yr)	2.0%	2.8%	-0.8%
Short Treasuries (1-3 yr)	1.9%	2.7%	-0.8%
Short Credit (1-3 yr)	3.1%	3.6%	-0.5%
Short HY (1-3 yr)	4.5%	4.1%	+0.4%
Municipal Bonds	2.6%	2.6%	-
Municipal Bonds (1-10 Year)	2.0%	2.6%	-0.6%
High-Yield Municipal Bonds	4.4%	5.0%	-0.6%
Hedge Funds - Credit	5.7%	5.9%	-0.2%
PD Credit Opportunities	7.7%	7.5%	+0.2%

30-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
PD Distressed	8.5%	8.3%	+0.2%
PD Direct Lending	7.4%	7.5%	-0.1%
Long Treasuries	1.8%	2.7%	-0.9%
Long TIPS	1.9%	2.7%	-0.8%
Long Credit	4.5%	4.6%	-0.1%
20+ YR STRIPS	1.5%	2.5%	-1.0%
Corp - AAA	3.1%	3.6%	-0.5%
Corp - AA	3.2%	3.6%	-0.4%
Corp - A	3.6%	4.0%	-0.4%
Corp - BBB	4.6%	4.6%	-
Corp - BB	6.3%	6.2%	+0.1%
Corp - B	5.8%	5.7%	+0.1%
Corp - CCC/Below	0.6%	0.8%	-0.2%
IG ABS/CMBS	3.2%	3.7%	-0.5%
IG CLO	3.0%	3.5%	-0.5%
HY Securitized	4.4%	5.6%	-1.2%
HY CLO	5.7%	5.8%	-0.1%
Taxable Muni Debt	4.1%	4.3%	-0.2%
US 10 yr Treasuries	2.1%	2.9%	-0.8%



30-YEAR RETURN FORECASTS

Geometric Expected Return			
Asset Class	3/31/2020	11/30/2019	Delta
Non-US 10-Year Sov (Hedged)	1.8%	2.8%	-1.0%
Commodities	4.0%	4.8%	-0.8%
Midstream Energy	8.3%	7.1%	+1.2%
REITs	7.6%	6.5%	+1.1%
Public Infrastructure	7.1%	6.1%	+1.0%
Public Resource Equity	8.1%	7.4%	+0.7%
Core Real Estate	5.7%	6.0%	-0.3%
Non-Core Real Estate	7.1%	7.4%	-0.3%
Private RE Debt	5.3%	5.7%	-0.4%
Private Real Assets - Energy/Metals	9.4%	9.0%	+0.4%
Private Real Assets - Infra/Land	7.2%	6.7%	+0.5%
Hedge Funds - Macro	5.3%	5.4%	-0.1%
Global Equity*	8.1%	7.5%	+0.6%
Private Equity*	11.2%	10.7%	+0.5%
Core Bonds*	2.6%	3.4%	-0.8%
Private Debt*	7.8%	7.8%	-
Long Govt/Credit*	3.2%	3.8%	-0.6%
Hedge Funds*	5.8%	5.7%	+0.1%

*Calculated as a blend of other asset classes



PRIVATE MARKETS COMPOSITES

Assumed public market beta composites for private market return assumptions are detailed below:

Private Equity:

Private Equity – Buyout: 25% US Large Cap, 75% US Small/Mid Cap

Private Equity – Secondary: 25% US Large Cap, 75% US Small/Mid Cap

Private Equity – Growth: 50% US Small/Mid Cap, 50% US Microcap

Private Equity – Venture: 25% US Small/Mid Cap, 75% US Microcap

Private Equity – Non-US: 70% International Small Cap, 30% Emerging Small Cap

PE Composite: 34% Buyout, 34% Growth, 15 % Non-US, 8.5% Secondary, 8.5% Venture

Private Debt:

Private Debt – Direct Lending: 100% Bank Loans

Private Debt – Distressed: 20% US Small/Mid Cap, 60% US High Yield, 20% Bank Loans

Private Debt – Credit Opportunities: 24% US SMID Cap, 33% US High Yield, 33% Bank Loans

Private Debt Composite: 50% Direct Lending, 25% Credit Opportunities, 25% Distressed

Private Real Assets:

Private Real Assets – Energy: 30% Comm., 35% Midstream, 35% Public Resource Equity

Private Real Assets - Infra/Land: 30% Commodities, 70% Public Infrastructure

Private Real Estate Debt: 50% CMBS, 50% Core Real Estate



INFORMATION DISCLAIMER

Past performance is no guarantee of future results.

The goal of this report is to provide a basis for substantiating asset allocation recommendations. The opinions presented herein represent the good faith views of NEPC as of the date of this report and are subject to change at any time.

Information on market indices was provided by sources external to NEPC. While NEPC has exercised reasonable professional care in preparing this report, we cannot guarantee the accuracy of all source information contained within.

All investments carry some level of risk. Diversification and other asset allocation techniques do not ensure profit or protect against losses.

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TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #8

Discussion of estimated FY-20 earnings as of March 31, 2020

OKLAHOMA TOBACCO SETTLEMENT ENDOWMENT TRUST

6/16/2020

Calculation of FY20 Estimated Earnings (3-31-2020)

	FY 2020	FY 2019	FY 2019
	For the 9 Months Ending March 31, 2020	For the 9 Months Ending March 31, 2019	For the 12 Months Ending June 30, 2019
Income			
Dividend Income	22,474,298.15	19,348,087.70	26,037,232.21
Interest Income	10,363,587.32	11,473,480.59	16,902,569.31
Securities Lending Income	105,866.59	185,663.96	233,492.81
Total Income	32,943,752.06	31,007,232.25	43,173,294.33
Realized Gains	15,961,540.08	23,535,707.77	35,190,955.08
Realized Losses	(15,185,588.66)	(11,057,484.73)	(11,819,558.45)
Net Gains	775,951.42	12,478,223.04	23,371,396.63
Total Income with Net Gains	33,719,703.48	43,485,455.29	66,544,690.96
Total Investment Expenses			
Investment Expenses (included in investment activity at managers)	2,468,063.32	2,065,162.78	2,739,761.08
Investment Manager Fees	2,459,061.72	2,379,396.25	3,223,455.26
Investment Manager Consulting Fees	103,047.83	97,840.93	130,481.06
Custodial Fees	149,573.92	150,332.72	198,610.98
Audit Fees	31,500.00	30,000.00	30,000.00
Legal Fees	9,453.75	9,453.75	12,605.00
Advertising/Publication Fees	2,158.00	0.00	-
Total Investment Expenses	5,222,858.54	4,732,186.43	6,334,913.38
Available for Certification (Okla . Const. Art. X, § 40)	28,496,844.94	38,753,268.86	60,209,777.58
Use of Reserve from Settlement Agreement	0.00	0.00	0.00
LESS: Reserve			
Reserve - Audited Financials	(500,000.00)	(500,000.00)	
Estimated Earnings Available to BOD for FY20 (3-31-2020)	27,996,844.94	38,253,268.86	60,209,777.58
Ending Market Value per BOK Consolidated Stmt (March 31 2020)	1,147,376,819.36		
Previous certified earnings within the fund as of March 31, 2020	89,953,794.56		
Current Year's estimated earnings within the fund as of March 31, 2020	27,996,844.94		
Fund balance net of previous certified earnings	1,029,426,179.86		
5% of the Net Fund balance - Adjusted to 3.75% for 9 Months	38,603,481.74		
Reserve Fund:			
Beginning Reserve Fund Balance	42,898,847.22		
FY 12 Certification	(7,620,258.54)		
FY 13 Certification	(1,041,808.05)		
FY 14 Certification	0.00		
FY 15 Certification	(84,186.47)		
FY 16 Certification	(18,789,437.64)		
FY 17 Certification	(13,104,185.81)		
FY 18 Certification	0.00		
FY 19 Certification	0.00		
Ending Reserve Fund Balance (net of previous certifications including current year)	2,258,970.71		

** Some or all of the reserve funds are to be available for spending when the current year earnings calculation is below 5% of the corpus of the Fund.

Notes: Medley and S. Guff March Financials were estimated, final version would not be available until later.

OKLAHOMA TOBACCO SETTLEMENT ENDOWMENT TRUST

BOARD OF DIRECTORS Certifications and Withdrawals To Date

	Debit (Certified)	Total Withdrawal	BOI Exps	BOD Exps	Balance
FY 17 Certification	39,736,415.12				77,436,049.32
Certification from Reserve Fund	13,104,185.81				90,540,235.13
					90,540,235.13
Cash Withdrawal 08/09/17		4,504,337.09		4,504,337.09	86,035,898.04
Cash Withdrawal 09/18/17		4,488,108.64	792,821.55	3,695,287.09	82,340,610.95
Cash Withdrawal 10/19/17		4,614,130.17		4,614,130.17	77,726,480.78
Cash Withdrawal 11/13/17		5,174,722.12	547,762.92	4,626,959.20	73,099,521.58
Cash Withdrawal 12/21/17		4,855,048.92	114,463.62	4,740,585.30	68,358,936.28
Cash Withdrawal 2/1/18		5,211,304.81	286,471.14	4,924,833.67	63,434,102.61
Cash Withdrawal 3/1/18		4,574,319.01	634,515.04	3,939,803.97	59,494,298.64
Cash Withdrawal 4/9/18		4,982,970.80	129,536.01	4,853,434.79	54,640,863.85
Cash Withdrawal 5/1/18		5,121,317.81	400,437.99	4,720,879.82	49,919,984.03
Cash Withdrawal 6/11/18		5,166,901.30	312,549.45	4,854,351.85	45,065,632.18
					45,065,632.18
FY 18 Certification	65,262,313.04				110,327,945.22
Certification from Reserve Fund	0.00				110,327,945.22
Cash Withdrawal 07/25/18		5,876,812.28	127,118.81	5,749,693.47	104,578,251.75
Cash Withdrawal 08/07/18		1,402,479.54	393,479.35	1,009,000.19	103,569,251.56
Cash Withdrawal 09/21/18		4,456,377.70	319,940.09	4,136,437.61	99,432,813.95
Cash Withdrawal 10/19/18		4,624,236.47	163,787.55	4,460,448.92	94,972,365.03
Cash Withdrawal 11/19/18		5,075,037.45	199,887.10	4,875,150.35	90,097,214.68
Cash Withdrawal 12/27/18		5,325,303.84	637,580.17	4,687,723.67	85,409,491.01
Cash Withdrawal 02/06/19		5,065,150.00	312,953.53	4,752,196.47	80,657,294.54
Cash Withdrawal 03/06/19		5,294,434.98	452,520.74	4,841,914.24	75,815,380.30
Cash Withdrawal 04/15/19		4,697,264.47		4,697,264.47	71,118,115.83
Cash Withdrawal 05/15/19		4,900,471.24	419,483.92	4,480,987.32	66,637,128.51
Cash Withdrawal 06/26/19		5,881,162.02	448,938.63	5,432,223.39	61,204,905.12
					61,204,905.12
FY 19 Certification	60,209,777.58				121,414,682.70
Certification from Reserve Fund	0.00				121,414,682.70
Cash Withdrawal 08/14/19		4,938,429.15	741,461.90	4,196,967.25	117,217,715.45
Cash Withdrawal 10/24/19		4,367,569.15	355,039.80	4,012,529.35	113,205,186.10
Cash Withdrawal 11/21/19		5,582,944.03	521,776.04	5,061,167.99	108,144,018.11
Cash Withdrawal 12/18/19		4,845,562.55	398,180.68	4,447,381.87	103,696,636.24
Cash Withdrawal 1/23/2020		4,565,876.10	34,200.09	4,531,676.01	99,164,960.23
Cash Withdrawal 2/24/2020		5,172,965.53	628,311.47	4,544,654.06	94,620,306.17
Cash Withdrawal 4/1/2020		4,973,396.04	306,884.43	4,666,511.61	89,953,794.56 *
					*Bal after the 4.6 Mil withdrawal on 4/1/2020
Some rows are hidden					
	514,266,623.48	460,024,936.42	35,712,107.50	424,312,828.92	

Distribution of Master Settlement Payments to State Funds

Date of Deposit	Total MSA Payment	General Revenue Fund	200 AG's Revolving Fund	700 AG's Evidence Fund	Tobacco Settlement Fund (000/300)	Tobacco Settlement Endowment Trust Fund (092/305)	Total Payment Allocation
FY-2000							
10/8/1999	1,723,439.02	1,292,579.27	107,714.94	323,144.81			1,723,439.02
12/14/1999	25,582,536.79	23,135,095.09	1,598,908.55	848,533.15			25,582,536.79
1/3/2000	22,283,576.78	20,885,369.90	1,392,723.55	5,483.33			22,283,576.78
4/17/2000	36,448,915.10				36,448,915.10		36,448,915.10
5/5/2000	482,550.82				482,550.82		482,550.82
5/5/2000	Adjustment		(2,991,632.00)		2,991,632.00		0.00
Total FY-2000	86,521,018.51	45,313,044.26	107,715.04	1,177,161.29	39,923,097.92	0.00	86,521,018.51
8/2/2000	430,859.76				430,859.76		430,859.76
11/9/2000	1,028.71				1,028.71		1,028.71
1/2/2001	22,678,959.42				11,090,928.61	11,588,030.81	22,678,959.42
1/10/2001	4,263.50					4,263.50	4,263.50
4/16/2001	41,586,359.15				3,178,653.46	38,407,705.69	41,586,359.15
4/30/2001	626,770.10				626,770.10		626,770.10
Total FY-2001	65,328,240.64	0.00	0.00	0.00	15,328,240.64	50,000,000.00	65,328,240.64
8/9/2001	60,233.48				60,233.48		60,233.48
9/27/2001	513,978.33			96,371.07	160,618.09	256,989.17	513,978.33
12/31/2001	20,141,734.91			310,643.24	9,760,224.21	10,070,867.46	20,141,734.91
1/11/2002	5,860.80			1,098.90	1,831.50	2,930.40	5,860.80
4/16/2002	53,426,061.83			465,791.71	26,247,239.20	26,713,030.92	53,426,061.83
4/24/2002	1,725,051.17			7,413.00	855,112.58	862,525.59	1,725,051.17
Total FY-2002	75,872,920.52	0.00	0.00	881,317.92	37,085,259.06	37,906,343.54	75,872,920.52
12/31/2002	16,616,305.45			849,247.00	6,628,090.45	9,138,968.00	16,616,305.45
1/10/2003	5,549,056.62			40,405.81	2,456,669.67	3,051,981.14	5,549,056.62
4/15/2003	51,101,139.35			545,704.00	22,449,808.71	28,105,626.64	51,101,139.35
4/17/2003	1,892,666.03			38,060.00	813,639.72	1,040,966.31	1,892,666.03
6/30/2003	865,730.33			216,432.58	173,146.07	476,151.68	865,730.33
Total FY-2003	76,024,897.78	0.00	0.00	1,689,849.39	32,521,354.62	41,813,693.77	76,024,897.78
10/2/2003	654,198.97			163,549.74	98,129.85	393,226.30	654,198.97
4/16/2004	61,995,352.66			1,222,306.00	23,575,835.06	37,197,211.60	61,995,352.66
4/20/2004	2,413,026.86			26,062.00	939,148.74	1,447,816.12	2,413,026.86
Total FY-2004	65,063,285.41	0.00	0.00	1,411,917.74	24,613,113.65	39,038,254.02	65,063,285.41
8/27/2004	722,922.94			135,548.00	117,475.03	469,899.91	722,922.94
4/15/2005	63,019,246.60			1,420,118.67	20,636,617.64	40,962,510.29	63,019,246.60
4/19/2005	2,292,807.65			250,834.87	551,629.81	1,490,342.97	2,292,807.65
Total FY-2005	66,034,977.19	0.00	0.00	1,806,501.54	21,305,722.48	42,922,753.17	66,034,977.19
10/5/2005	741,832.28			139,093.55	83,456.13	519,282.60	741,832.28
4/17/2006	56,330,653.16			1,849,860.08	15,049,335.87	39,431,457.21	56,330,653.16
4/19/2006	3,547,932.89			484,055.52	580,324.35	2,483,553.02	3,547,932.89
Total FY-2006	60,620,418.33	0.00	0.00	2,473,009.15	15,713,116.35	42,434,292.83	60,620,418.33
12/21/2006	556,034.56			104,256.48	34,752.16	417,025.92	556,034.56
4/16/2007	58,499,104.48			1,850,000.00	12,774,776.12	43,874,328.36	58,499,104.48
4/18/2007	3,905,875.34			732,351.62	244,117.21	2,929,406.51	3,905,875.34
6/4/2007	490,213.75			91,915.08	30,638.36	367,660.31	490,213.75
Total FY-2007	63,451,228.13	0.00	0.00	2,778,523.18	13,084,283.85	47,588,421.10	63,451,228.13
4/15/2008	85,127,711.30			1,850,000.00	19,431,927.82	63,845,783.48	85,127,711.30
4/17/2008	3,840,901.57			720,169.04	240,056.35	2,880,676.18	3,840,901.57
Total FY-2008	88,968,612.87	0.00	0.00	2,570,169.04	19,671,984.17	66,726,459.66	88,968,612.87
2/26/2009	5,601,850.89			1,050,347.04	350,115.68	4,201,388.17	5,601,850.89
4/15/2009	89,825,336.54			1,699,868.65	20,756,465.48	67,369,002.41	89,825,336.54
4/17/2009	750,356.78			140,691.90	46,897.29	562,767.59	750,356.78
Total FY-2009	96,177,544.21	0.00	0.00	2,890,907.59	21,153,478.45	72,133,158.17	96,177,544.21
4/15/2010	77,138,626.91			1,849,712.00	17,434,944.73	57,853,970.18	77,138,626.91
4/19/2010	3,813,142.50			714,964.22	238,321.40	2,859,856.88	3,813,142.50
Total FY-2010	80,951,769.41	0.00	0.00	2,564,676.22	17,673,266.13	60,713,827.06	80,951,769.41
4/15/2011	71,968,371.62			1,765,312.45	16,226,780.46	53,976,278.71	71,968,371.62
4/19/2011	3,971,588.88			744,672.92	248,224.30	2,978,691.66	3,971,588.88
Total FY-2011	75,939,960.50	0.00	0.00	2,509,985.37	16,475,004.76	56,954,970.37	75,939,960.50

Distribution of Master Settlement Payments to State Funds

Date of Deposit	Total MSA Payment	General Revenue Fund	200 AG's Revolving Fund	700 AG's Evidence Fund	Tobacco Settlement Fund (000/300)	Tobacco Settlement Endowment Trust Fund (092/305)	Total Payment Allocation
4/16/2012	74,560,520.18			13,980,097.54	4,660,032.50	55,920,390.14	74,560,520.18
4/18/2012	2,856,743.92			535,639.49	178,546.49	2,142,557.94	2,856,743.92
Total FY-2012	77,417,264.10	0.00	0.00	14,515,737.03	4,838,578.99	58,062,948.08	77,417,264.10
4/15/2013	64,759,202.87			4,047,450.17	12,142,350.54	48,569,402.16	64,759,202.87
4/17/2013	38,591,661.89			2,411,978.87	7,235,936.60	28,943,746.42	38,591,661.89
4/24/2013	10,058,875.68			628,679.73	1,886,039.19	7,544,156.76	10,058,875.68
Total FY-2013	113,409,740.44	0.00	0.00	7,088,108.77	21,264,326.33	85,057,305.34	113,409,740.44
4/17/2014	74,129,862.95			4,633,116.43	13,899,349.31	55,597,397.21	74,129,862.95
4/17/2014	3,052,810.51			190,800.66	572,401.97	2,289,607.88	3,052,810.51
Total FY-2014	77,182,673.46	0.00	0.00	4,823,917.09	14,471,751.28	57,887,005.09	77,182,673.46
4/16/2015	60,875,773.03			3,804,735.82	11,414,207.44	45,656,829.77	60,875,773.03
4/17/2015	15,984,627.43			999,039.21	2,997,117.64	11,988,470.58	15,984,627.43
Total FY-2015	76,860,400.46	0.00	0.00	4,803,775.03	14,411,325.08	57,645,300.35	76,860,400.46
4/19/2016	76,009,297.64			4,750,581.10	14,251,743.31	57,006,973.23	76,009,297.64
No 2nd Pmt in 2016	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total FY-2016	76,009,297.64	0.00	0.00	4,750,581.10	14,251,743.31	57,006,973.23	76,009,297.64
4/19/2017	77,953,044.84			4,872,065.30	14,616,195.91	58,464,783.63	77,953,044.84
No 2nd Pmt in 2017							0.00
Total FY-2017	77,953,044.84	0.00	0.00	4,872,065.30	14,616,195.91	58,464,783.63	77,953,044.84
4/19/2018	71,663,336.98			4,478,958.56	13,436,875.68	53,747,502.74	71,663,336.98
No 2nd Pmt in 2018							0.00
Total FY-2018	71,663,336.98	0.00	0.00	4,478,958.56	13,436,875.68	53,747,502.74	71,663,336.98
4/18/2019	69,766,822.69			4,360,426.42	13,081,279.25	52,325,117.02	69,766,822.69
not expecting 2nd Pmt							0.00
Total FY-2019	69,766,822.69	0.00	0.00	4,360,426.42	13,081,279.25	52,325,117.02	69,766,822.69
4/17/2020	46,626,165.00			2,914,135.31	8,742,405.94	34,969,623.75	46,626,165.00
4/22/2020	19,654,581.05			1,228,411.31	3,685,233.95	14,740,935.79	19,654,581.05
Total FY-2020	66,280,746.05	0.00	0.00	4,142,546.62	12,427,639.89	49,710,559.54	66,280,746.05
Total	1,607,498,200.16	45,313,044.26	107,715.04	76,590,134.35	397,347,637.80	1,088,139,668.71	1,607,498,200.16

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #9a

Discussion and possible action on Fund budgetary matters.

a. FY-2020 Revised Budget Approval

TOBACCO SETTLEMENT ENDOWMENT TRUST FUND
BOARD OF INVESTORS
Revised Budget FY2020

	Approved Budget FY2020	Revised Budget FY2020	Incr (Decr) Variance to Budget	% Difference
<u>PROFESSIONAL SERVICES</u>				
Investment Consultant (NEPC)	137,246	137,246	(0)	0.00%
BOK (Fixed Income)	262,961	262,961	(0)	0.00%
Barrow, Hanley, Mewhinney & Strauss	424,937	424,937	0	0.00%
<i>Earnest Partners</i>	458,758	504,271	45,513	9.92%
<i>State Street Global Advisors</i>	111,372	119,702	8,330	7.48%
<i>Schroders</i>	1,105,365	1,201,245	95,880	8.67%
Western Asset	134,155	134,155	0	0.00%
BOK Custody	215,801	215,801	(0)	0.00%
Invesco	311,526	311,526	(0)	0.00%
Tortoise Advisors	480,498	480,498	(0)	0.00%
Outside Auditing	31,500	31,500	0	0.00%
Advertising/Publication	12,000	12,000	0	0.00%
Legal Fees	12,605	12,605	(0)	0.00%
Total Investment Expenses	3,698,725	3,848,448	149,723	4.05%
<i>% of Projected Ending Portfolio Balance</i>	<i>0.2692%</i>	<i>0.2801%</i>	<i>0.0109%</i>	<i>0</i>
<u>ADMINISTRATIVE EXPENSES</u>				
Treasurer's Contract	153,464	153,464	0	0.00%
Board Travel Expense	3,000	3,000	0	0.00%
Total Administrative Expenses	156,464	156,464	0	0.00%
TOTAL BOARD OF INVESTORS BUDGET	3,855,189	4,004,912	149,723	3.88%

NOTE:

The revised amount is recommended to make sure TSET has enough in the budget to pay 4Q (April to June) management fees.

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #9b

Discussion and possible action on Fund budgetary matters.

b. FY-2021 Budget Approval

TOBACCO SETTLEMENT ENDOWMENT TRUST FUND

BOARD OF INVESTORS

Proposed Budget FY2021

	Original Budget FY20	Proposed Budget FY2021	Incr (Decr) From FY 20 Original Budget	Fee Structure	Incr (Decr) %
<u>PROFESSIONAL SERVICES</u>					
Investment Consultant (NEPC)	137,246	140,577	3,331	Flat fee (PY fee plus inflation not exceed 2.5%) plus not exceed 4000 travel and other expenses	2.43%
BOK (Fixed Income)	262,961	285,550	22,589	Assets over \$100 MM: 18BP on 1st \$35MM 15BP thereafter	8.59%
Barrow, Hanley, Mewhinney & Strauss	424,937	462,707	37,770	75 BP on 1st \$10MM 50 BP on next \$15MM 25 BP on next 175MM	8.89%
Earnest Partners	458,758	504,827	46,069	100 BP on 1st \$10MM 75 BP on next \$10MM 60 BP on next \$30MM 50 BP thereafter OR 75 BP <i>whichever is less</i>	10.04%
State Street Global Advisors	111,372	122,308	10,935	10 BP on first \$50MM 8 BP on next \$50MM 6 BP thereafter Minimum annual fee - \$50,000	9.82%
Schroders	1,105,365	1,232,911	127,545	60 BP on first 100MM 50 BP on next \$100MM 45 BP thereafter	11.54%
Western Asset	134,155	151,040	16,885	40 BP on first \$100MM 20 BP thereafter	12.59%
BOK Custody	215,801	228,870	13,068	0.40 BP on 1st \$500MM 0.30 BP on next \$500 MM 0.25 BP thereafter	6.06%
Invesco	311,526	334,947	23,421	Flat rate-40 BP	7.52%
Tortoise Advisors	480,498.21	520,904	40,405	Flat rate-75 BP	8.41%
Outside Auditing	31,500	33,000	1,500	Flat fee-per contract	4.76%
Advertising/Publication	12,000	12,000	0	Estimate	0.00%
Legal Fees	12,605	23,488	10,883	Flat fee-per contract	86.34%
Total Investment Expenses	3,698,725	4,053,128	354,403		9.58%
<i>% of Projected Ending Portfolio Balance</i>	<i>0.2692%</i>	<i>0.2908%</i>	<i>0.0215%</i>		<i>0</i>
<u>ADMINISTRATIVE EXPENSES</u>					
Treasurer's Contract	153,464	154,490	1,026	Flat fee-per contract	0.67%
Board Travel Expense	3,000	3,000	0	Estimate	0.00%
Total Administrative Expenses	156,464	157,490	1,026		0.66%
TOTAL BOARD OF INVESTORS BUDGET	3,855,189	4,210,618	355,429		9.22%

Notes:

Projected Rates Provided by NEPC

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #10

Approval of intra-agency administrative and legal contracts with
the Treasurer's Office

**Oklahoma Tobacco Settlement Endowment Trust
Board of Directors
and
Oklahoma State Treasurer's Office**

Interagency Agreement

This agreement is between the Oklahoma Tobacco Settlement Endowment Trust, hereinafter referred to as the "TSET", as authorized by Title 74 O.S. 2002 §581 and the Oklahoma State Treasurer's Office, hereinafter referred to as "OST".

GENERAL OBJECTIVES OF THE AGREEMENT: This Agreement is entered into in order to provide the TSET with accounting and financial services to include: financial reporting, investment and fee analysis, recordkeeping, earnings calculations, budget preparation, and transfer and expenditure of funds. The State Treasurer's Office will retain necessary personnel to provide these services.

CONTRACT PERIOD: July 1, 2020 through June 30, 2021

CONTRACT EXPENSE: This is a flat fee contract of **\$154,490** annually. The agreement may be renewed annually.

SCOPE OF WORK: The OST will provide staff support services to the Board of Investors of the Tobacco Settlement Endowment Trust Fund (created in Section 40 of Article X of the Oklahoma Constitution) in accordance with the Oklahoma Statutes Title 62 Section 2306 Paragraph G. These services will include but are not limited to:

- Records management,
- Development and review of requests for proposals,
- Maintenance of investment and fund management guidelines,
- Preparation of preliminary estimates and final calculations of investment earnings,
- Establish investment accounts with master custodian,
- Summarize and record monthly investment activity by manager and account,
- Annually prepare a budget of operating expenses,
- Prepare the annual financial statements of the Fund,
- And other duties as required.

TSET will provide the following:

1. Compensation to OST in the amount of \$12,874.17 monthly or \$38,622.50 quarterly at the option of OST payable in arrears at the end of each period for the services listed above. Payment of the properly completed invoice will be due 10 days after receipt of the invoice.
2. Input as necessary on a timely basis to complete the support services provided by the State Treasurer's Office support activities.

AMENDMENTS: Any amendment to this agreement must be in writing and agreed to by both OST and TSET.

Approved by:

Kiran Nallayahgari, Assistant Treasurer for Operation
Office of the State Treasurer

Date:

Julie Bisbee, Executive Director
Oklahoma Tobacco Settlement Endowment Trust Fund
Board of Directors

Date:

**Oklahoma Tobacco Settlement Endowment Trust
Board of Investors
And
Oklahoma State Treasurer's Office**

Interagency Agreement

This agreement is between the Oklahoma Tobacco Settlement Endowment Trust, hereinafter referred to as the "TSET", as authorized by Title 74 O.S. 2002 §581 and the Oklahoma State Treasurer's Office, hereinafter referred to as "OST."

GENERAL OBJECTIVES OF THE AGREEMENT: This Agreement is entered into in order to provide the TSET with necessary legal services. Legal services will be provided by the Assistant Attorney General assigned to OST.

CONTRACT PERIOD: July 1, 2020 through June 30, 2021.

LEGAL SERVICES FEES: The OST will invoice TSET for a fixed amount to reimburse legal services provided by the Assistant Attorney General assigned to OST.

TSET will provide the following:

1. Compensation to OST in the amount of \$1,975.35 monthly or \$5,872.06 quarterly at the option of OST payable in arrears at the end of each period for legal services. Payment of the properly completed invoice will be due 10 days after receipt of the invoice.

2. Input as necessary on a timely basis to complete the support services provided by the State Treasurer's Office support activities.

AMENDMENTS: Any amendment to this agreement must be in writing and agreed to by both OST and TSET.

Approved by:

Kiran Nallayahgari, Assistant Treasurer for Operations
Office of the State Treasurer

Date:

Lisa Murray, Administrative Liaison
Oklahoma Tobacco Settlement Endowment Trust Fund
Board of Investors

Date:

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #11

Update on TSET Board of Director's FY-2021 budget and recently enacted legislation



Update on the TSET Board of Director's FY21 Budget

The TSET Board of Directors at their quarterly meeting on May 19 approved an FY21 budget of \$47,291,782, which represents a 3.5 percent decrease from the FY20 fiscal year budget of \$49,037,087.

This next fiscal year's programs include funding for youth education efforts to reduce e-cigarette and tobacco use and improve health behaviors. The FY21 budget also includes funding for a second-wave of the community-based grants that will serve 37 counties statewide and grant program to enhance access to healthy food. Chronic conditions brought on by tobacco use, poor nutrition and sedentary lifestyles are top risk factors for the most common causes of death in Oklahoma.

TSET programs such as the Oklahoma Tobacco Helpline, funding for research at the Stephenson Cancer Center, loan repayment programs for rural physicians among others represent roughly 96 percent of the total budget.

Typically the TSET Board of Directors uses a 3-year rolling average of certified earnings to determine its budget target. However, this fiscal year with strong market contractions and earnings estimates that were lower than previous year-to-date estimates, the Board of Directors opted for a conservative budget that includes a decrease to programs with an understanding that financial recovery may last several years.

The Board of Directors maintains a reserve of certified, unspent earnings to assist in smoothing out its budget, maintaining infrastructure and ongoing services to the people of Oklahoma. Unspent certified earnings will be used to fund the FY21 budget.

The balance of unspent certified earnings after accounting for remaining FY20 expenses and FY21 budget amount will be approximately \$23 million. That amount does not include yet to be certified earnings from fund performance in FY20. The TSET Board of Directors has policy to retain up to two years of program expenses to insulate programs and services from market and earnings fluctuations.

The TSET Board of Directors will hold its annual retreat on Aug. 27-28. Long-term and short-term budget needs and earnings forecasts are expected to be part of the discussions. The meeting is open to the public.



Update on recently enacted TSET legislation

State Question 814, which seeks to reduce the annual contribution to the TSET endowment, is expected to be on the statewide ballot in November. SQ 814 seeks to amend the constitutional language enacted by voters in 2000 that created the Tobacco Settlement Endowment Trust, and reduce the allocation of the state's annual Master Settlement Agreement payment to the endowment from 75 percent to 25 percent. The corpus of the fund would remain intact.

If approved by voters, the reduction of contributions to the endowment would begin in 2021. The Legislature seeks to use the state's lawsuit settlement payment with Big Tobacco to draw down federal matching funds for the Medicaid program. Lawsuit settlement payments continue as long as cigarettes are sold nationally.

SQ 814 is a result of Senate Joint Resolution 27 passing both chambers of the Legislature this year.

<https://www.sos.ok.gov/documents/questions/814.pdf>

TSET Board of Investors
Regular Meeting, June 16, 2020

Agenda item #13

Ratification of consent to the assignment of the Western Assets Management Company, LLC Investment Management/Advisory Agreement



March 20, 2020

Dear Valued Partner:

I am writing to follow up on the letter you received dated February 18, 2020 about Franklin Templeton purchasing Legg Mason and its affiliates, including Western Asset.

As noted previously, we were an integral part of the discussions leading up to this deal, and we support the transaction wholeheartedly. Franklin Templeton is committed to Western Assets investment independence and operating autonomy, and you can continue to expect the same level of service from your relationship and investment team. The transaction does, however, represent a regulatory change of control which necessitates that we reach out for your consent.

More specifically, under the U.S. Investment Advisers Act of 1940, the indirect change in Western Assets ownership at the level of its ultimate parent will be deemed an "assignment" of the Firms investment management or advisory agreement(s) with you. In addition, many client contracts also require consent in this context. Accordingly, although the terms of our agreements will remain unchanged, we are required to obtain your consent for the deemed assignment resulting from the change of control.

Our goal is to make this process as straightforward and efficient as possible. To minimize administrative burden, we are simply asking that you please complete, sign and return the enclosed consent at your earliest convenience.

We believe our new relationship with Franklin Templeton will create exciting opportunities ahead which will help drive the continued success of our clients and our Firm for many years to come. We appreciate your continued trust and confidence.

Sincerely,

Marzo Bernardi, Director of Global Client Service & Marketing

Consent to Assignment of the Investment Management/Advisory Agreement

Please return the signed consent to your Western Asset representative.

The undersigned hereby consents to the assignment of the investment management/advisory agreement with Western Asset and its respective affiliates, if applicable, on behalf of the portfolio(s) listed below:

Portfolio Number	Portfolio Name
5539	Oklahoma Tobacco Settlement Endowment Trust Fund

Board of Investors of the Oklahoma Tobacco Settlement Endowment Trust Fund:


By: _____

Name: _____

Title: _____

Date: _____

Western Asset Management Company, LLC:

By: 

Name: Marzo Bernardi

Title: Director of Global Client Service and Marketing

Date: March 20, 2020

Consent to Assignment of the Investment Management/Advisory Agreement

Please return the signed consent to your Western Asset representative.

The undersigned hereby consents to the assignment of the investment management/advisory agreement with Western Asset and its respective affiliates, if applicable, on behalf of the portfolio(s) listed below:

Portfolio Number	Portfolio Name
5539	Oklahoma Tobacco Settlement Endowment Trust Fund

Board of Investors of the Oklahoma Tobacco Settlement Endowment Trust Fund:

By: Randy McDaniel
Name: Randy McDaniel
Title: State Treasurer
Date: 4/14/2020

Western Asset Management Company, LLC:

By: Marzo Bernardi

Name: Marzo Bernardi

Title: Director of Global Client Service and Marketing

Date: March 20, 2020



PRESS RELEASE DETAILS

VIEW ALL NEWS

NYSE:BEN \$16.81 -0.38 Last updated 4/9/20 4:02 PM ET Pricing delayed by 20 minutes

Franklin Templeton to Acquire Legg Mason, Creating \$1.5 Trillion AUM Global Investment Manager

02/18/20

Combined Company to Offer Complementary Investment Strategies through Expanded Global Distribution Platform

Significant Diversification, Including Increased Alternative and Institutional Assets

Transaction Structured to Ensure Continued Autonomy of Legg Mason Affiliates While Enhancing Scale of Combined Organization

Franklin Templeton Will Continue to Have Substantial Financial Resources and Flexibility to Invest in Growth and Innovation

Franklin Templeton and Legg Mason to Hold Joint Investor Conference Call at 8:30 a.m. ET Today

SAN MATEO, Calif.--(BUSINESS WIRE)-- Franklin Resources, Inc. (the "Company") [NYSE:BEN], a global investment management organization operating as Franklin Templeton, today announced that it has entered into a definitive agreement to acquire Legg Mason, Inc. [NYSE:LM] for \$50.00 per share of common stock in an all-cash transaction.

"This is a landmark acquisition for our organization that unlocks substantial value and growth opportunities driven by greater scale, diversity and balance across investment strategies, distribution channels and geographies," said Greg Johnson, executive chairman of the Board of Franklin Resources, Inc.

Jenny Johnson, president and CEO of Franklin Templeton, said, "This acquisition will add differentiated capabilities to our existing investment strategies with modest overlap across multiple world-class affiliates, investment teams and distribution channels, bringing notable added leadership and strength in core fixed income, active equities and alternatives.

Joseph A. Sullivan, chairman and CEO of Legg Mason, said, "The incredibly strong fit between our two organizations gives me the utmost confidence that this transaction will create meaningful long-term benefits for our clients and provide our shareholders with a compelling valuation for their investment.

Carol Anthony "John" Davidson, lead independent director of Legg Mason, said, "Today's announcement marks the beginning of an exciting next chapter for Legg Mason, our investment affiliates and valued clients, who will benefit from a leading global asset manager with the scale to compete and win in today's markets.

Nelson Peltz, CEO and Founding Partner of Trian Fund Management, L.P. and a Legg Mason director said, "Given the dynamics of today's rapidly evolving and increasingly competitive asset management sector, I believe this transaction is compelling. In our view, it offers an attractive valuation for Legg Mason's shareholders.

Trian Fund Management, L.P. and funds managed by it, which collectively own approximately 4 million shares or 4.5% of the outstanding stock of Legg Mason, have entered into a voting agreement in support of the transaction.

Jenny Johnson added, "This transaction gives us significant scale, addresses strategic gaps and brings greater balance to our business, while positioning us for accelerated growth in the future. We have incredible respect and admiration for the success Legg Mason and its investment affiliates have achieved

and we have structured the transaction to ensure that its affiliates have the right mix of independence and support to continue building on their strong track records. Legg Mason's investment affiliates will be able to leverage Franklin Templeton's global infrastructure and ongoing investment in technology and innovation, while clients can take comfort in the combined firm's financial strength and aligned interests."

Continued Autonomy for Investment Affiliates

Franklin Templeton has spent significant time with the affiliates and there is strong alignment among all parties in this transaction and shared excitement about the future of the company.

James W. Hirschmann, CEO of Western Asset, a Legg Mason affiliate, said, "Western Asset is excited to be joining the Franklin Templeton family, a firm with a long and storied history of proven financial performance and a leadership team and board with decades of asset management experience who value our investment independence and organizational autonomy. Like us, Franklin Templeton understands the importance of culture, teams and core values to achieving outstanding investment results for clients."

Terrence J. Murphy, CEO of ClearBridge Investments, a Legg Mason affiliate, said, "As part of Franklin Templeton, we are confident that we will retain the strong culture that has defined our success as a recognized market leader in active equities. Their commitment to investment autonomy, augmented by the scale and reach that the combined organization will provide, will allow us to deliver for our existing clients and expand our ability to deliver our investment capabilities in new channels and regions. We are very pleased to join the team at Franklin Templeton and excited about what we can do together."

Organizational Structure and Parent Company Integration

With this acquisition, Franklin Templeton will preserve the autonomy of Legg Mason's affiliates, ensuring that their investment philosophies, processes and brands remain unchanged. As with any acquisition, the pending integration of Legg Mason's parent company into Franklin Templeton's, including the global distribution operations at the parent company level, will take time and only commence after careful and deliberate consideration.

Following the closing of the transaction, Jenny Johnson will continue to serve as president and CEO, and Greg Johnson will continue to serve as executive chairman of the Board of Franklin Resources, Inc. There will be no changes to the senior management teams of Legg Mason's investment affiliates. Global headquarters will remain in San Mateo, CA and the combined firm will operate as Franklin Templeton.

After careful consideration, EnTrust Global, a Legg Mason affiliate that provides alternative investment solutions, and Franklin Templeton, jointly agreed that it was in their best interest that EnTrust repurchase its business, which will be acquired by its management at closing. EnTrust will maintain an ongoing relationship with Franklin Templeton. Jenny Johnson added, "EnTrust is an excellent business and we recognize and appreciate their desire to once again become a private company. We have appreciated their collaboration in our discussions and look forward to our ongoing relationship."

Transaction Details

The all-cash consideration of \$4.5 billion will be funded from the Company's existing balance sheet cash. Franklin Templeton will also assume approximately \$2 billion in Legg Mason's outstanding debt. Upon closing of the transaction, Franklin Templeton expects to maintain a robust balance sheet and considerable financial flexibility with pro forma gross debt of approximately \$2.7 billion with remaining cash and investments of approximately \$5.3 billion. This transaction is designed to preserve the Company's financial strength and stability with modest leverage, significant liquidity and strong cash flow to provide ongoing flexibility to invest in further growth and innovation.

This transaction is expected to generate upper twenties percentage GAAP EPS accretion in Fiscal 2021 (based on street consensus earnings estimates for each company), excluding one-time charges, non-recurring and acquisition related expenses.

While cost synergies have not been a strategic driver of the transaction, there are opportunities to realize efficiencies through parent company rationalization and global distribution optimization. These are expected to result in approximately \$200 million in annual cost savings, net of significant growth investments Franklin Templeton expects to make in the combined business and in addition to Legg Mason's previously announced cost savings. The majority of these savings are expected to be realized within a year, following the close of the transaction, with the remaining synergies being realized over the next one to two years.

The transaction has been unanimously approved by the boards of Franklin Resources, Inc. and Legg Mason, Inc. This transaction is subject to customary closing conditions, including receipt of applicable regulatory approvals and approval by Legg Mason's shareholders, and is expected to close no later than the third calendar quarter of 2020.

Broadhaven Capital Partners, LLC and Morgan Stanley & Co LLC served as financial advisors to Franklin Resources, Inc. Ardea Partners LP also provided advice. Willkie Farr & Gallagher LLP acted as external legal counsel. PJT Partners served as the lead financial advisor to Legg Mason. J.P. Morgan Securities LLC also served as financial advisor to Legg Mason. Weil, Gotshal & Manges LLP served as lead counsel to Legg Mason and Skadden, Arps, Slate, Meagher & Flom LLP served as special counsel to Legg Mason. Dechert LLP served as legal counsel to EnTrust Global.

Conference Call Information

Executives from Franklin Templeton and Legg Mason will lead a live teleconference today at 8:30 a.m. Eastern Time. Access to the teleconference will be available by dialing (877) 407-8293 in the U.S. and Canada or (201) 689-8349 internationally, and a supplementary presentation will be available to investors via franklinresources.com. A replay of the teleconference can also be accessed by calling (877) 660-6853 in the U.S. and Canada or (201) 612-7415 internationally, using access code 13699226, after 11:30am ET on February 18, 2020 through March 18, 2020.

About Legg Mason

Guided by a mission of Investing to Improve Lives™, Legg Mason helps investors globally achieve better financial outcomes by expanding choice across investment strategies, vehicles and investor access through independent investment managers with diverse expertise in equity, fixed income, alternative and liquidity investments. Legg Mason's investment affiliates operate with investment independence and have specialized expertise across asset classes

and markets around the globe. The firm's affiliates include: Brandywine Global, Clarian Partners, ClearBridge Investments, Martin Currie, QS Investors, Royce Investment Partners, and Western Asset. Legg Mason's assets under management are \$806 billion as of January 31, 2020.

About Franklin Templeton

Franklin Resources, Inc. [NYSE:BEN] is a global investment management organization operating, together with its subsidiaries, as Franklin Templeton. Franklin Templeton's goal is to deliver better outcomes by providing global and domestic investment management to retail, institutional and sovereign wealth clients in over 170 countries. Through specialized teams, the Company has expertise across all asset classes, including equity, fixed income, alternatives and custom multi-asset solutions. The Company's more than 600 investment professionals are supported by its integrated, worldwide team of risk management professionals and global trading desk network. With employees in over 30 countries, the California-based company has more than 70 years of investment experience and approximately \$688 billion in assets under management as of January 31, 2020. For more information, please visit investors.franklinresources.com.

Forward-Looking Statements

Statements in this press release that are not historical facts are "forward-looking statements" within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. When used in this press release, words or phrases generally written in the future tense and/or preceded by words such as "will," "may," "could," "expect," "believe," "anticipate," "intend," "plan," "seek," "estimate," "preliminary" or other similar words are forward-looking statements.

Various forward-looking statements in this press release relate to the acquisition by Franklin Resources, Inc. ("Franklin") of Legg Mason, Inc. ("Legg Mason"), including regarding expected scale opportunities, operating efficiencies and results, growth, client and stockholder benefits, key assumptions, timing of closing of the transaction, revenue realization, cost and expense synergies, financial benefits or returns, accretion and integration costs.

Forward-looking statements involve a number of known and unknown risks, uncertainties and other important factors, some of which are listed below, that could cause actual results and outcomes to differ materially from any future results or outcomes expressed or implied by such forward-looking statements. Important transaction-related and other risk factors that may cause such differences include: (i) the occurrence of any event, change or other circumstances that could give rise to the termination of the merger agreement; (ii) the transaction closing conditions may not be satisfied in a timely manner or at all, including due to the failure to obtain Legg Mason stockholder approval and regulatory and client approvals; (iii) the announcement and pendency of the merger may disrupt Franklin's and Legg Mason's business operations (including the threatened or actual loss of employees, clients or suppliers); (iv) Franklin or Legg Mason could experience financial or other setbacks if the transaction encounters unanticipated problems; (v) anticipated benefits of the transaction, including the realization of revenue, accretion, financial benefits or returns and expense and other synergies, may not be fully realized or may take longer to realize than expected; and (vi) Franklin may be unable to successfully integrate Legg Mason's businesses with those of Franklin or to integrate the businesses within the anticipated timeframe.

Other important factors that may affect our business or the combined business' future operating results, include, but are not limited to: (i) volatility and disruption of the capital and credit markets, and adverse changes in the global economy, may significantly affect our results of operations and may put pressure on our financial results; (ii) the amount and mix of assets under management ("AUM") are subject to significant fluctuations; (iii) the significant risk of asset volatility from changes in the global financial, equity, debt and commodity markets; (iv) harm to our, or Legg Mason's, reputation may negatively impact revenues and income; (v) Franklin may review and pursue other strategic transactions that could pose risks to our business operations; (vi) strong competition from numerous and sometimes larger companies with competing offerings and products could limit or reduce sales of our products, potentially resulting in a decline in their market share, revenues and income; (vii) the ability to manage and grow our business and the combined business successfully can be impeded by systems and other technological limitations; (viii) dependence on key personnel could negatively affect financial performance; (ix) the businesses are subject to extensive, complex, and frequently changing rules, regulations, policies, and legal interpretations; (x) our contractual obligations may subject us to indemnification costs and liability to third parties; (xi) any significant limitation, failure or security breach of information and cyber security infrastructure, software applications, technology or other systems that are critical to operations could disrupt the businesses and harm operations and reputation; and (xii) regulatory and governmental examinations and/or investigations, litigation and the legal risks associated with the businesses, could adversely impact AUM, increase costs and negatively impact profitability and/or our future financial results. For a detailed discussion of other risk factors, please refer to the risks, uncertainties and factors described in Franklin's and Legg Mason's recent filings with the U.S. Securities and Exchange Commission ("SEC"), including, without limitation, each company's most recent Annual Report on Form 10-K and subsequent periodic and current reports.

Any forward-looking statement made in this press release speaks only as of the date on which it is made. Factors or events that could cause actual results to differ may emerge from time to time, and it is not possible for us to predict all of them. Franklin and Legg Mason undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by law.

Additional Information and Where to Find It

This filing may be deemed solicitation material in respect of the proposed acquisition of Legg Mason by Franklin. In connection with the proposed merger, Legg Mason will file with the SEC and furnish to Legg Mason's stockholders a proxy statement and other relevant documents. This filing does not constitute a solicitation of any vote or approval. Stockholders are urged to read the proxy statement when it becomes available and any other documents to be filed with the SEC in connection with the proposed merger or incorporated by reference in the proxy statement because they will contain important information about the proposed merger.

Investors will be able to obtain free of charge the proxy statement and other documents filed with the SEC at the SEC's website at <http://www.sec.gov>. In addition, the proxy statement and our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to section 13(a) or 15(d) of the Securities Exchange Act of 1934 are or will be available free of charge through our website at www.leggmason.com as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC.

The directors, executive officers and certain other members of management and employees of Legg Mason may be deemed "participants" in the solicitation of proxies from stockholders of Legg Mason in favor of the proposed merger. Information regarding the persons who may, under the rules of the SEC, be considered participants in the solicitation of the stockholders of Legg Mason in connection with the proposed merger will be set forth in the proxy statement and the other relevant documents to be filed with the SEC. You can find information about Legg Mason's executive officers and directors in the definitive proxy statement on Schedule 14A in connection with Legg Mason's 2019 Annual Meeting of Shareholders, filed with the SEC on June 6, 2019.

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Franklin Resources, Inc.

Investor Relations:

Brian Sevilla, (650) 312-4091, brian.sevilla@franklintempleton.com

Corporate Communications:

Matt Walsh, (650) 312-2245, matthew.walsh@franklintempleton.com

Lisa Gallegos, (650) 312-3395, lisa.gallegos@franklintempleton.com
franklinresources.com

Legg Mason, Inc.

Investor Relations:

Alan Magleby, 410-454-5246, afmagleby@leggmason.com

Corporate Communications:

Mary Athridge, 212-805-6035, mkathridge@leggmason.com

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