



Quarterly Investment Report

As of 6/30/2026

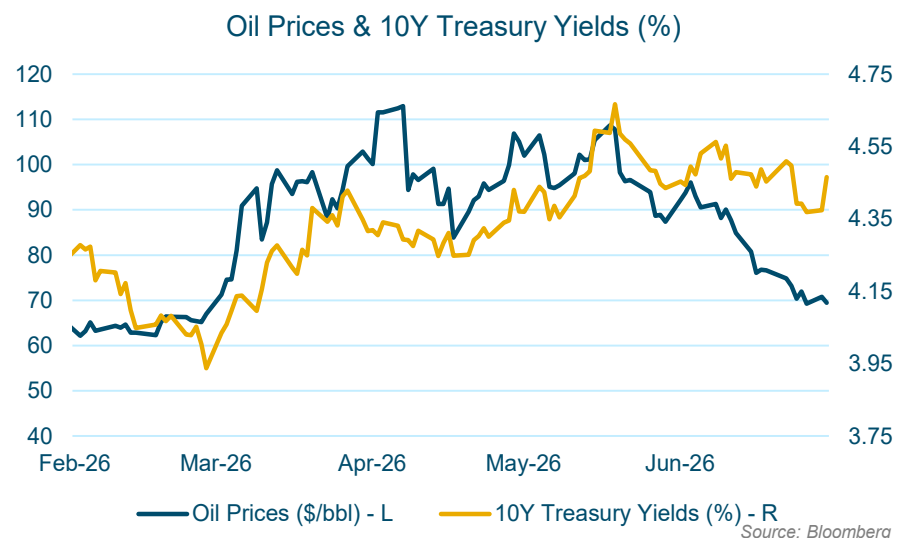
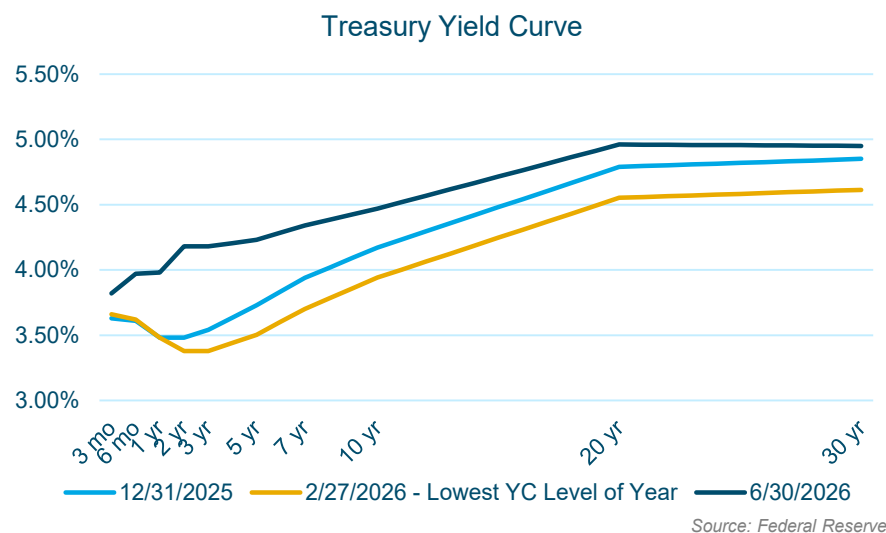


Executive Summary

PORTFOLIO STATISTICS:			PORTFOLIO ALLOCATION:			PERFORMANCE:			
Quarter Ending:	03/31/2026	06/30/2026	Sector	03/31/2026	06/30/2026	Tax-equivalent Performance	Portfolio	Target/Benchmark	Difference
Tax-Equivalent Book Yield	4.30%	4.25%	Treasury	98%	98%	YTD Booked Income	\$24,509	\$24,373	\$136
Book Value	\$1,138,906	\$1,151,527	Agency	0%	0%	QTD Total Return	0.26%	0.14%	0.12%
Projected Tax-Equivalent Annual Income	\$48,990	\$48,931	Credit	0%	0%	YTD Total Return	0.51%	0.30%	0.21%
Unrealized Gain	\$9,602	\$284	Exempt Muni	0%	0%				
YTD Realized Gain	\$0	\$0	Taxable Muni	0%	0%				
Portfolio Duration	2.34	2.31	MPT	0%	0%				
Average Credit Quality	AA+	AA+	CMO	0%	0%				
			ABS	0%	0%				
			CMBS	0%	0%				
			Short-Term	2%	2%				

Economic Outlook

Treasury Yields and the Economy



Treasury Yields

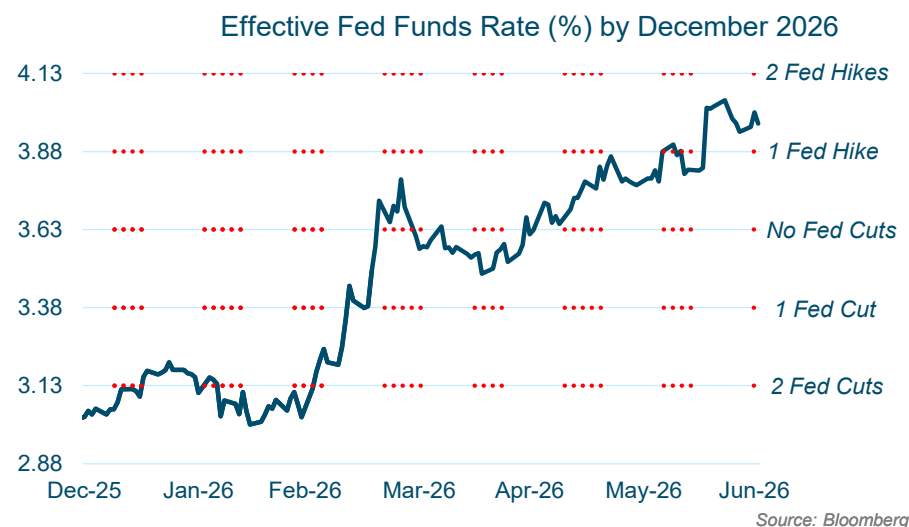
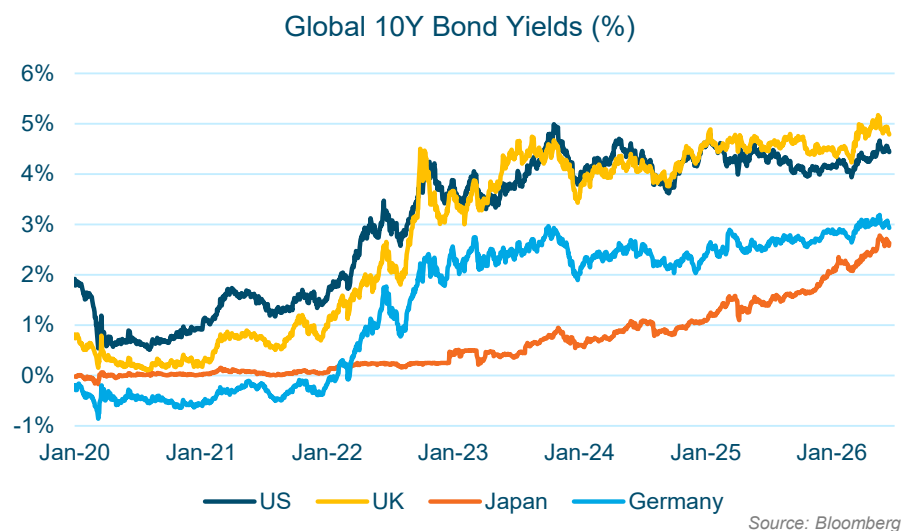
- The first half of 2026 can be viewed as two distinct market periods: before and after the US and Israel entered into conflict with Iran
 - Rates moved lower in late February as U.S. inflation data improved, with 2-year and 10-year Treasury yields declining to 3.37% and 3.93%, respectively, marking their year-to-date lows. This move proved short-lived, as yields reversed higher following attacks on Iran that rekindled global inflation concerns. By the end of Q2, 2-year and 10-year yields had risen by +81 and +54 basis points, finishing at 4.18% and 4.47%.
 - Fixed income investors remain focused on inflation risks and record levels of government debt, factors that are likely to keep interest rates elevated. A sustained decline in U.S. rates would likely require a combination of meaningful fiscal and monetary discipline, along with clearer evidence of easing inflation pressures in the period ahead.

Oil & 10-year Treasury Yields

- In Q2, Iran effectively disrupted access through the Strait of Hormuz, putting nearly 20% of global oil and liquefied natural gas supply at risk. While progress toward a peace/ceasefire agreement has emerged and oil prices have recently recovered, the prospects for a lasting settlement in the region remain uncertain.
- Since the onset of the conflict, oil prices and 10-year Treasury yields have tended to move in tandem, with daily market volatility rising or easing alongside shifting expectations for peace/ceasefire agreements. Even as oil prices recovered following the Memorandum of Understanding, yields may stay elevated as investors continue to price in the risk of renewed conflict and the lagged inflationary effects of supply chain disruptions.

Economic Outlook

Treasury Yields and the Economy



Global 10-year Bond Yields

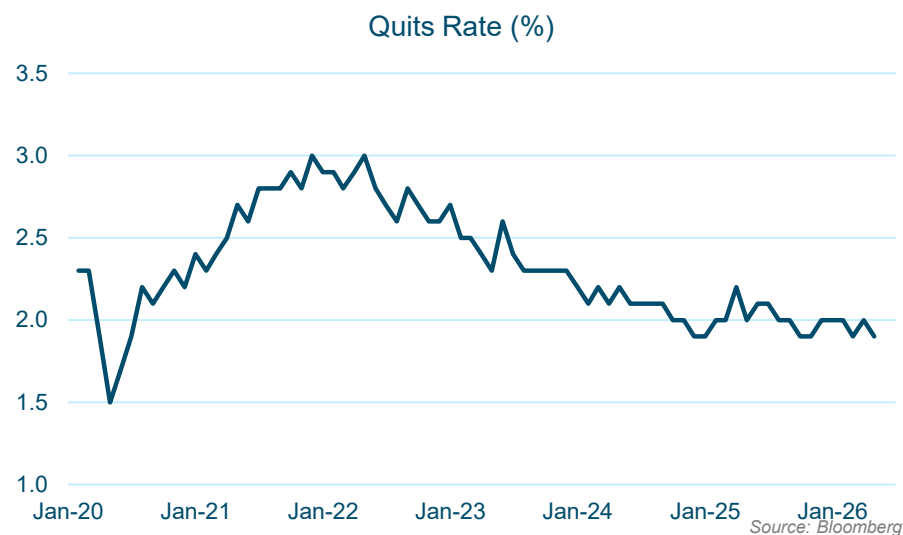
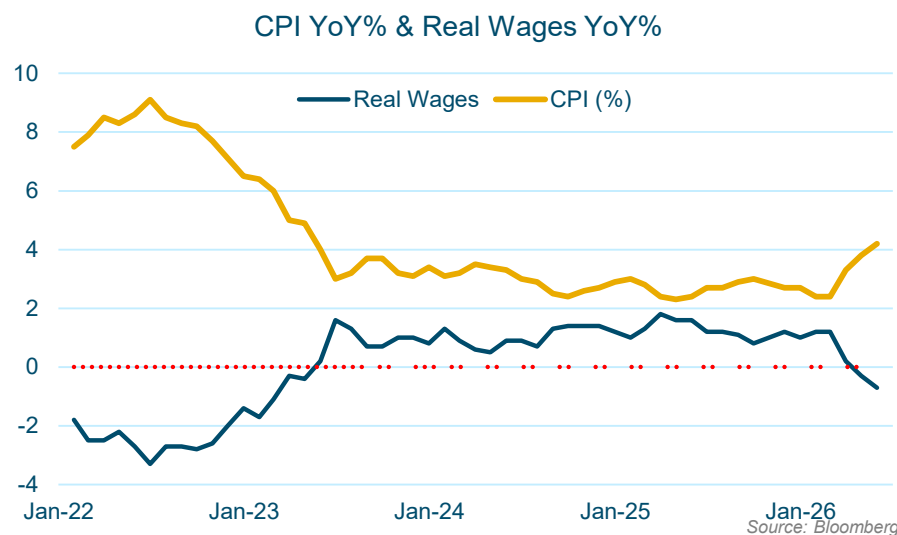
- Since the beginning of the Covid-19 pandemic, governments around the world have engaged in tremendous levels of fiscal spending. This spending, coupled with the worst inflation witnessed in the developed world in decades, has driven long-term yields on government debt higher.
- Countries that have historically traded at levels below the yield of U.S. Treasury debt have seen their yield levels rise as fixed income investors around the world have grown concerned with the burgeoning debt levels, aging populations, and seemingly endless government spending.
- Global alternatives to US Treasuries increase the possibility that savers will allocate excess cash elsewhere. Combined with reduced trade flows and less foreign dollars being recycled into Treasury bonds, this dynamic could act as an additional catalyst pushing yields higher in the U.S.

Implied Fed Funds

- Through the first half of the year, market expectations for Fed Funds have been volatile. The expected path for monetary policy fluctuated dramatically over the first half of the year, pivoting from 2 rate cuts priced in early in the year to current expectations of 2 hikes over the remainder of 2026.
- With new leadership at the helm of the Fed, the markets remain apprehensive of potential changes in policy and communication. However, initial fears that Chairman Warsh would look to immediately cut rates appear to have been overblown. In his first press conference, Warsh made it clear that the FOMC's focus was squarely on inflation, while also emphasizing the desire to re-evaluate their traditional approach to market communication, the use of the Fed's balance sheet and reliance on existing data sources.

Economic Outlook

Treasury Yields and the Economy



CPI & Real Wages

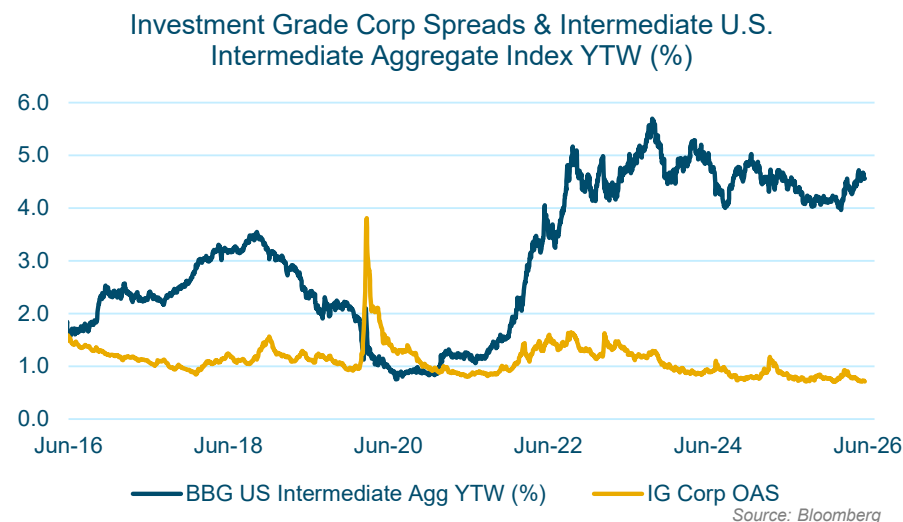
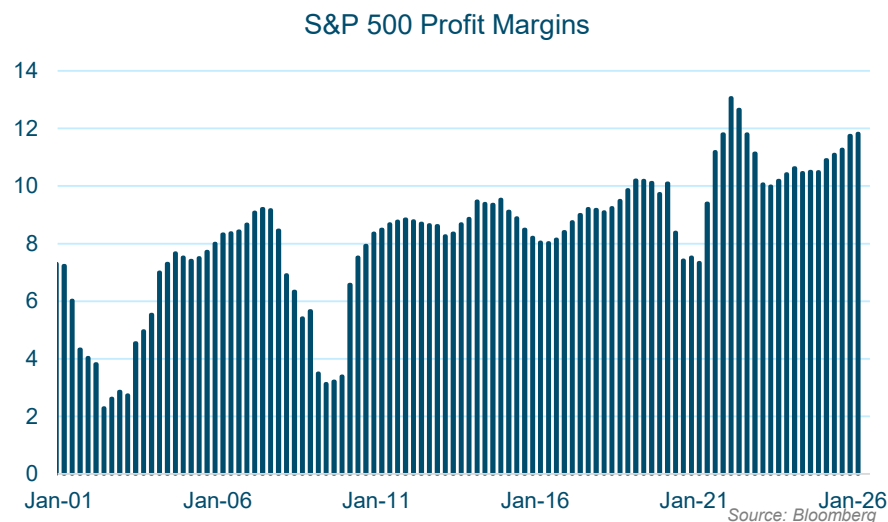
- During the past few years, workers benefited from wage increases tied to tight labor markets, with real wages turning positive as inflation moved lower. More recently, however, inflation has picked up again amid higher energy and oil prices, while pay growth has not matched the renewed increase in costs. As a result, real wages have slipped back into negative territory.
- Against a backdrop of firmer inflation and a softening labor market, consumers are likely to face renewed pressure. This could dampen sentiment further and curb discretionary spending as households absorb the impact of inflation without comparable help from stronger wage growth. In a more severe scenario, a pullback in consumer spending could translate into weaker GDP, lower corporate profitability, and wider spreads.

Quits Rate

- The quits rate offers a useful view into how labor supply has shifted since the pandemic began. When the US labor market became tight post-pandemic, real wages increased as companies competed for talent and workers recognized that changing jobs could raise their pay. That dynamic became an important contributor to the sustained rise in real wages during the 2022-2025 period, as firms needed to offer higher compensation to retain employees and, in turn, added to ongoing inflationary pressure over that span.
- More recently, however, the quits rate has returned to more balanced levels as available jobs have started to stabilize and wage growth has moderated alongside them. In the current environment, workers appear less inclined to switch employers for higher pay, whether because of concerns about the economic outlook or questions around job security as AI becomes more common in the workplace. A lower quits rate should help limit sizable pay increases, since firms may feel more at ease with labor-market conditions than they did a few years ago.

Economic Outlook

Market Yields & Spreads



Profit Margins

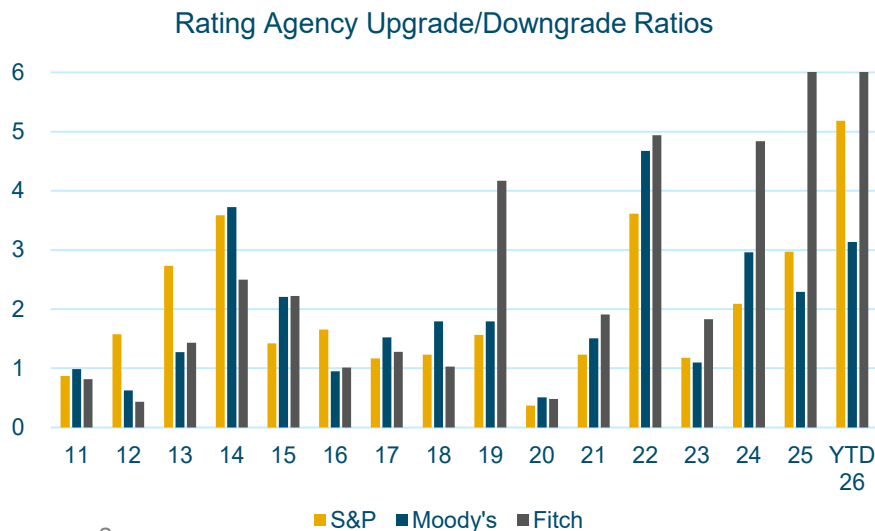
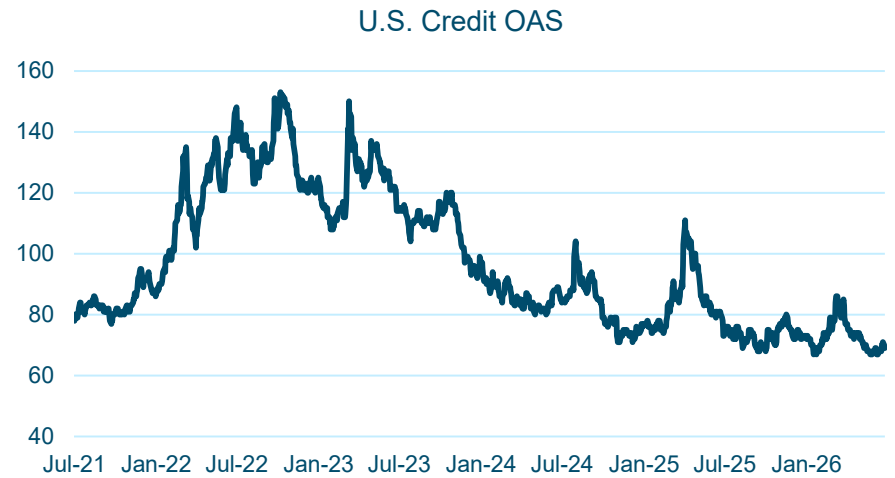
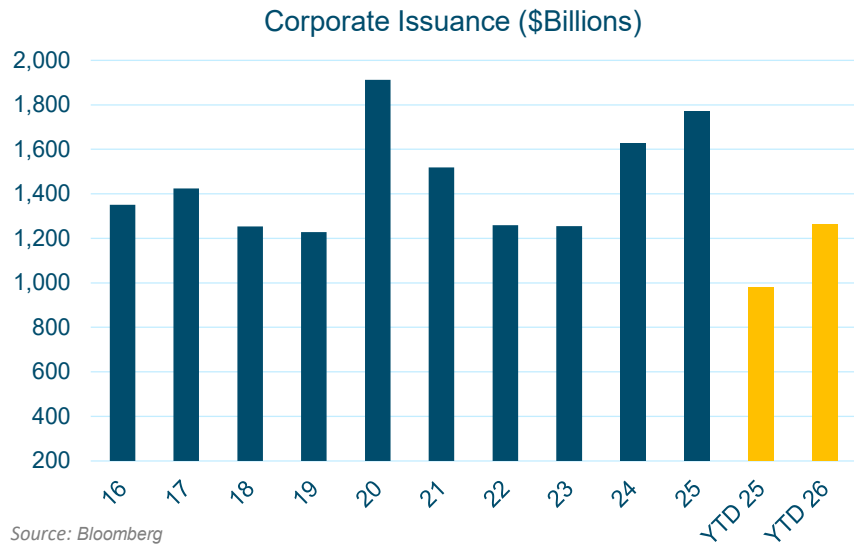
- Corporate profit margins have continued moving higher and now sit near historical peaks at roughly 12%. Several factors have helped support this trend, including lower corporate tax rates, greater market concentration among large companies, and a prolonged period without recession that has limited the need for firms to reduce prices to preserve sales.
- The S&P 500's larger exposure to software and technology firms has also lifted index-level margins, as software companies often operate with wider margins than manufacturers.
- As firms continue evaluating automation and artificial intelligence, larger companies may have additional room for margin improvement, which could remain supportive for corporate spreads.

Corporate Spreads and the Intermediate Aggregate YTW

- One meaningful development in fixed income markets over the last decade has been the share of returns linked to spread relative to the risk-free rate from which those spreads are measured.
- Even though the intermediate aggregate index contains multiple sectors, it is useful to compare the index's total yield with the additional yield investors can receive from corporate bonds.
 - In 2015, corporate bond spreads represented about 70% of the total yield available in the intermediate aggregate index. As the Fed lifted rates ahead of Covid, that figure declined toward 30%. With government yields still high and corporate spreads still tightening, the current share is closer to 15%. Taken together, this suggests that corporate spreads now contribute a smaller portion of the index's yield, while higher government yields account for more of the total.
 - Regardless of spreads, demand for long-term investments remains strong as money is being put to work at attractive yields to recent history.

Economic Outlook

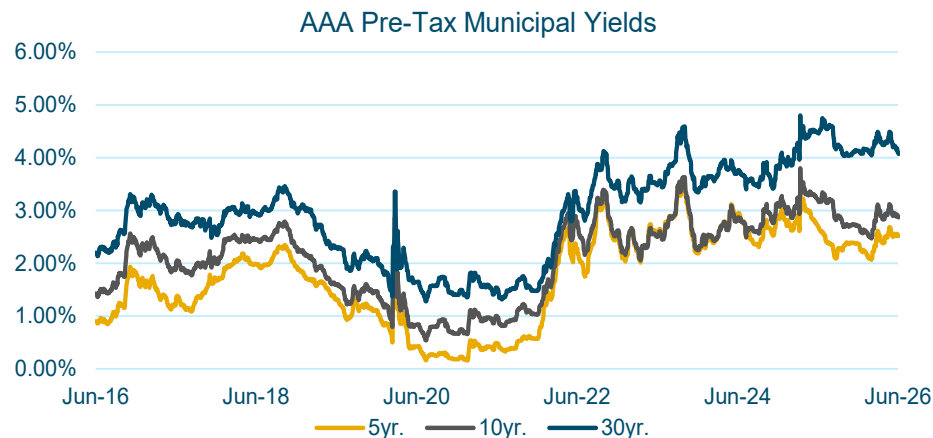
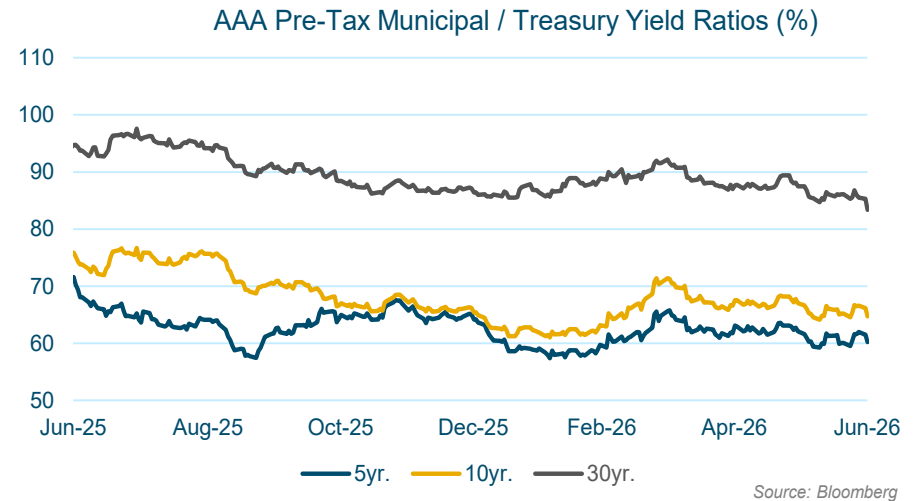
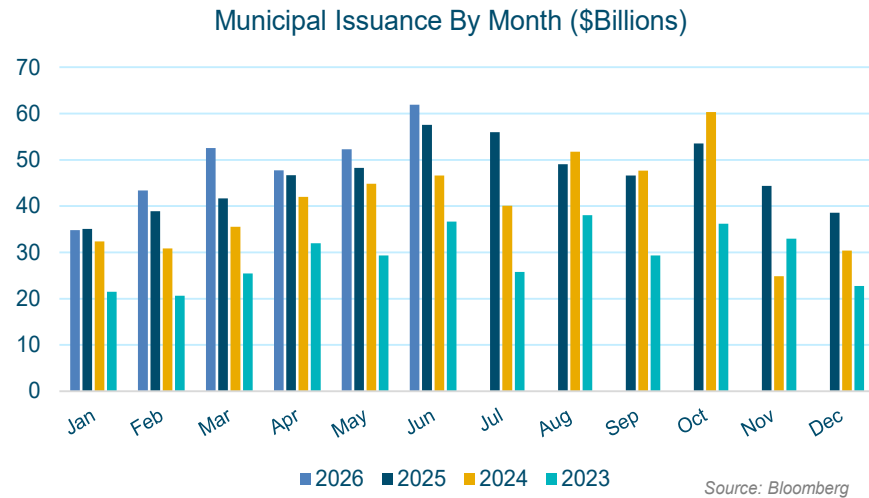
Corporates



- IG credit tightened 14 bps to +69 in Q2'26, trading in a 16-bps range. Spreads closed the quarter 2 bps off the YTD tightens of +67 with the de-escalation in geopolitical tensions alongside continued strong inflows.
- Issuance ended Q2'26 at over \$1.26tn, up 29% y/y and the second largest supply influx after 2020. Deal flow is expected to slow down due to summer seasonality, but the market is still projected to see 100bn in the primary for July.
- Corporate fundamentals continue to be resilient as companies reported robust earnings throughout the quarter. Balance sheets remain in decent position to weather volatility or any uptick in M&A.
- Credit spreads remain close to multi-decade tightens as we enter the second half of 2026, leaving little cushion to absorb any negative surprises; with a new hawkish Fed chair and elevated rate volatility, we retain a lower overweight to credit and continue to have an up-in-quality bias for the sector.

Economic Outlook

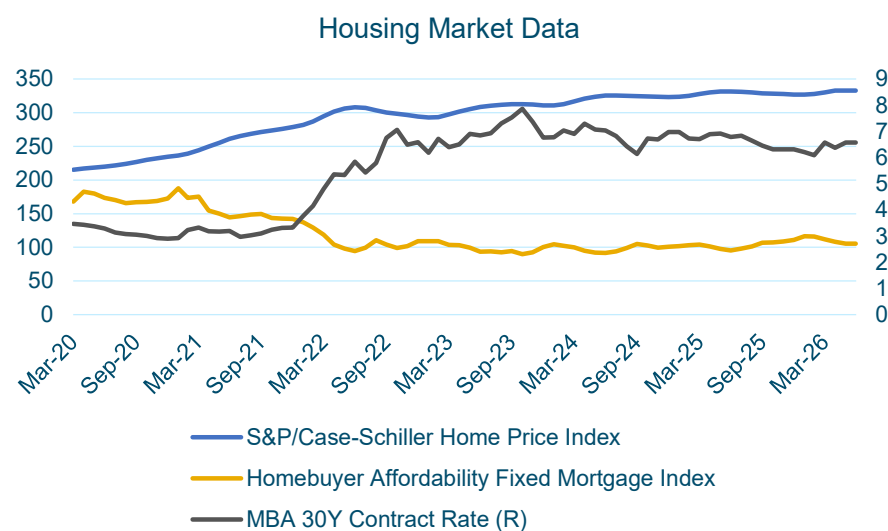
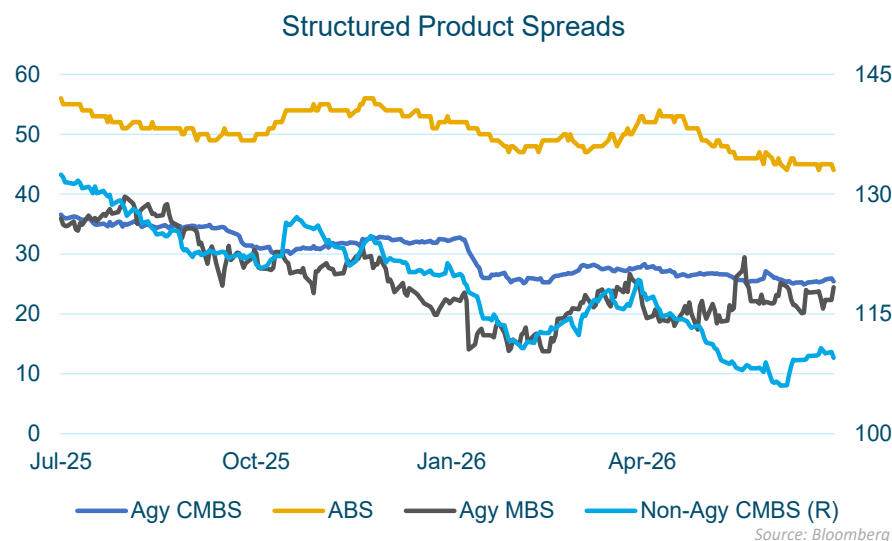
Municipals



- Municipals outperformed Treasuries through 2Q26, rallying significantly across the curve. The 10Y MMD ratio (10Y AAA municipal yields as a percentage of 10Y treasury yields) declined from 72% to 67%. The 30Y MMD ratio declined from 91% to 86%.
- During 2Q26, the 10yr AAA MMD yield fell significantly from 3.12% to 2.95%, and the 30yr AAA fell from 4.47% to 4.21%.
- On the supply side, issuance during 2Q26 totaled \$166.7bn, up 2% compared to 2Q25 and 26% vs 1Q26.
- As we move forward into the third quarter, we expect the record pace of tax-exempt supply to continue. This paired with seasonal technicals of tax loss harvesting as we move towards the end of the year should provide attractive entry points for crossover buyers.

Economic Outlook

Structured Product



MBS

- Agency mortgages were choppy during the second quarter, ending flat to where they started. Excess returns were supported by declining rate volatility and supply/demand technicals, with new supply remaining restrained and GSE buying providing a source of demand.
- Given current levels, we maintain a neutral stance on Agency MBS and continue to favor non-agency RMBS as an alternative.
- Housing affordability remains constrained due to elevated mortgage rates and limited movement in home prices. Mortgage rates finished the quarter in-line with where they ended the first quarter, providing little relief.

CMBS

- Non-agency CMBS tightened 9 bps during the second quarter, driven largely by continued risk-on sentiment across credit markets.
 - We remain neutral on the sector, as we do not see a clear catalyst for meaningful additional spread compression from current levels.
 - We continue to favor senior fixed rate non-agency CMBS deals that offer diversified exposure by loan, sector and geography.
- Agency CMBS spreads tightened 3 bps during the quarter, supported by strong demand as spreads in other sectors have become increasingly compressed.

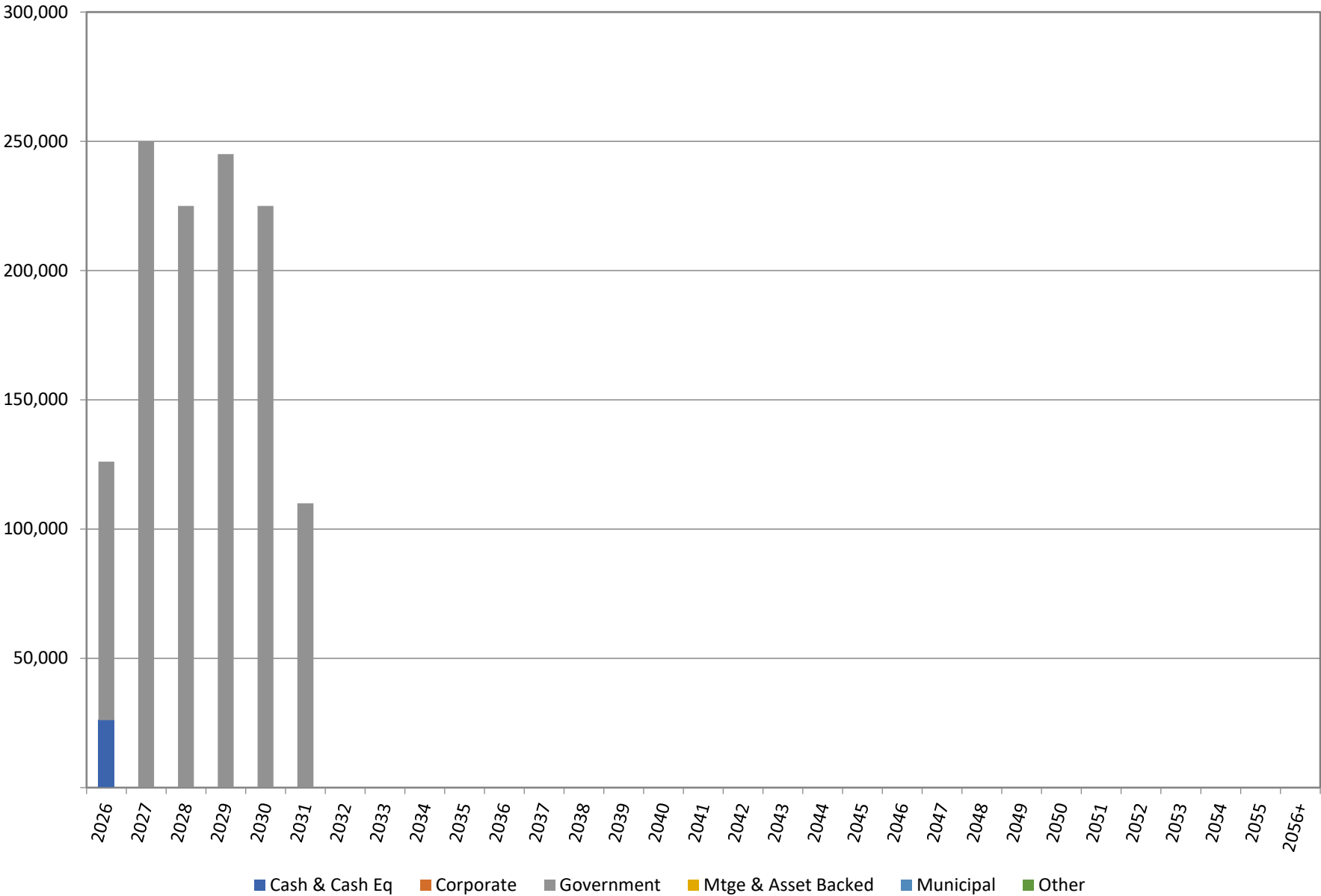
ABS

- ABS spreads tightened meaningfully in Q2, reaching YTD tight levels by late May; most sectors now trade at or near 24-month tight levels, limiting further tightening potential.
- Technicals remain supportive, with May issuance reaching ~\$40bn, the strongest month of the year, while full-year issuance forecasts continue to move higher.
- Credit fundamentals remain stable, with only modest expected increases in delinquencies and strong credit enhancement continuing to support senior tranches.
- Outlook: Valuations appear rich across most sectors; we continue to favor high-quality collateral, strong structural protections.

Portfolio Statistics

Security Type	Book Value	Market Value	Gain / (Loss)	Tax-Equivalent Book Yield	Tax-Equivalent Market Yield	Effective Duration	Convexity	Securities at Gain		Securities at Loss	
								#	Amount	#	Amount
Fixed Income											
Treasury	1,125,419	1,125,704	284	4.35	4.14	2.37	0.09	16	4,570	5	(4,286)
Agency	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Corporate	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Taxable Municipal	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Tax-exempt Municipal	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Mortgage Pass-Through	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
CMOs	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
ARMs	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Asset Backed	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
CMBS	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Other	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Total	1,125,419	1,125,704	284	4.35	4.14	2.37	0.09	16	4,570	5	(4,286)
Short Term											
Sweep Money Market	26,108	26,108	0	0.00	0.00	0.00	0.00	0	0	0	0
Commercial Paper	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
(Payable)/Receivable	0	0	0	0.00	0.00	0.00	0.00	0	0	0	0
Total	26,108	26,108	0	0.00	0.00	0.00	0.00	0	0	0	0
Total Fixed Income & Short Term											
Total	1,151,527	1,151,812	284	4.25	4.04	2.31	0.08	16	4,570	5	(4,286)
Equity											
Common Stock	0	0	0					0	0	0	0
Total	0	0	0					0	0	0	0
Grand Total											
Total	1,151,527	1,151,812	284					16	4,570	5	(4,286)

Maturity Schedule By Weighted Average Life



Effective Maturity Schedule

Year	Book Value	Tax Equiv. Book Yield	% of Total Book Value
2026	98,855	4.74	9%
2027	244,952	4.65	22%
2028	215,146	4.48	19%
2029	236,456	4.37	21%
2030	224,972	3.94	20%
2031	105,038	3.83	9%
2032+	0	0.00	0%
Subtotal (inc. ABS, Agcy, CMBS, Corp, Muni, UST)	1,125,419	4.35	100%
MBS	0	0.00	0%
TOTAL	1,125,419	4.35	100%

Performance

Tax-Equivalent Total Return
as of 06/30/2026
Inception Date: 08/01/2014

	Portfolio	Benchmark	Difference
Quarter to Date	0.26%	0.14%	0.11%
Year to Date	0.51%	0.30%	0.21%
Since Inception	2.12%	2.06%	0.07%

Benchmark Composition:
100.0% PEJIF Duration Matched Treasury

Bond Purchases

Trade Date	Description	Security Type	S&P Rating	Moody's Rating	Coupon	Maturity Date	Call Date	Price	Cost	Pre-Tax Book Yield	Tax-Equivalent Book Yield
04/21/2026	US TREASURY N/B	Treasury	AA+	Aa1	1.625	05/15/2031	N/A	89.57	53,740	3.92	3.92
Total									53,740	3.92	3.92

Bond Sales, Calls & Maturities

Trade Date	Trade Type	Description	Security Type	S&P Rating	Moody's Rating	Coupon	Effective Maturity	Maturity Date	Price	Book Value	Realized Gain/(Loss)	Pre-Tax Book Yield	Tax-Equivalent Book Yield
04/15/2026	Maturity	US TREASURY N/B	Treasury	AA+	Aa1	3.750	04/15/2026	04/15/2026	100.00	50,000	0	4.69	4.69
Total										50,000	0	4.69	4.69

Appendix

Detailed Portfolio Report

Portfolio Holdings Report

CUSIP	Date Acquired	S&P Rating	Moody's Rating	Quantity	Description	Coupon	Effective Maturity	Maturity	Original Cost	Book Value	Market Value	Unrealized Gain/(Loss)	Book Yield	Market Yield	Effective Duration	Avg Life	Convexity
Money Market																	
711990333	04/15/2026			26,108	TD BK DEP	0.00			26,108	26,108	26,108	0	0.00	0.00	0.00	0.00	
Total Money Market				26,108					26,108	26,108	26,108	0	0.00	0.00	0.00	0.00	
Treasury																	
9128285M8	03/01/2024	AA+	Aa1	60,000	US TREASURY N/B	3.13	11/15/2028	11/15/2028	56,984	58,403	58,598	195	4.32	4.17	2.25	2.37	0.06
9128286B1	06/07/2024	AA+	Aa1	65,000	US TREASURY N/B	2.63	02/15/2029	02/15/2029	59,952	62,044	62,527	483	4.48	4.17	2.48	2.63	0.08
912828YQ7	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	1.63	10/31/2026	10/31/2026	45,727	49,525	49,627	102	4.55	3.88	0.33	0.33	0.00
912828YU8	10/03/2023	AA+	Aa1	50,000	US TREASURY N/B	1.63	11/30/2026	11/30/2026	45,217	49,329	49,537	208	4.94	3.87	0.41	0.42	0.00
912828Z78	10/13/2023	AA+	Aa1	50,000	US TREASURY N/B	1.50	01/31/2027	01/31/2027	45,049	49,067	49,279	212	4.79	4.01	0.57	0.59	0.01
91282CAY7	10/13/2023	AA+	Aa1	50,000	US TREASURY N/B	0.63	11/30/2027	11/30/2027	42,414	47,232	47,592	360	4.72	4.16	1.38	1.42	0.03
91282CCB5	04/21/2026	AA+	Aa1	60,000	US TREASURY N/B	1.63	05/15/2031	05/15/2031	53,740	53,956	53,231	(725)	3.92	4.21	4.59	4.87	0.24
91282CCE9	10/03/2023	AA+	Aa1	50,000	US TREASURY N/B	1.25	05/31/2028	05/31/2028	42,605	46,759	47,346	586	4.84	4.16	1.86	1.92	0.04
91282CCV1	08/31/2023	AA+	Aa1	65,000	US TREASURY N/B	1.13	08/31/2028	08/31/2028	55,512	60,593	60,943	349	4.44	4.16	2.09	2.17	0.05
91282CEN7	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	2.75	04/30/2027	04/30/2027	47,104	49,303	49,463	160	4.48	4.07	0.81	0.83	0.01
91282CES6	12/18/2024	AA+	Aa1	60,000	US TREASURY N/B	2.75	05/31/2029	05/31/2029	56,372	57,547	57,694	147	4.26	4.16	2.76	2.91	0.09
91282CFJ5	12/18/2024	AA+	Aa1	60,000	US TREASURY N/B	3.13	08/31/2029	08/31/2029	57,124	58,002	58,153	151	4.26	4.17	2.95	3.17	0.10
91282CFM8	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	4.13	09/30/2027	09/30/2027	49,445	49,820	49,980	160	4.42	4.15	1.20	1.25	0.02
91282CFU0	10/03/2023	AA+	Aa1	50,000	US TREASURY N/B	4.13	10/31/2027	10/31/2027	48,648	49,530	49,969	439	4.86	4.17	1.28	1.33	0.02
91282CFY2	01/07/2025	AA+	Aa1	60,000	US TREASURY N/B	3.88	11/30/2029	11/30/2029	58,420	58,863	59,423	560	4.48	4.18	3.16	3.42	0.12
91282CGQ8	02/04/2025	AA+	Aa1	50,000	US TREASURY N/B	4.00	02/28/2030	02/28/2030	49,184	49,393	49,699	307	4.36	4.18	3.33	3.66	0.13
91282CGT2	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	3.63	03/31/2028	03/31/2028	48,492	49,390	49,541	151	4.36	4.17	1.66	1.75	0.04
91282CHF1	06/05/2025	AA+	Aa1	65,000	US TREASURY N/B	3.75	05/31/2030	05/31/2030	64,241	64,392	63,974	(417)	4.01	4.19	3.59	3.92	0.15
91282CJM4	11/18/2025	AA+	Aa1	50,000	US TREASURY N/B	4.38	11/30/2030	11/30/2030	51,574	51,397	50,340	(1,057)	3.68	4.20	3.97	4.42	0.19
91282CKC4	12/22/2025	AA+	Aa1	50,000	US TREASURY N/B	4.25	02/28/2031	02/28/2031	51,189	51,082	50,090	(992)	3.74	4.21	4.14	4.66	0.20
91282CNX5	11/05/2025	AA+	Aa1	60,000	US TREASURY N/B	3.63	08/31/2030	08/31/2030	59,759	59,791	58,697	(1,094)	3.72	4.20	3.78	4.17	0.17
Total Treasury				1,155,000					1,088,752	1,125,419	1,125,704	284	4.35	4.14	2.37	2.55	0.09
Grand Total				1,181,108					1,114,860	1,151,527	1,151,812	284	4.25	4.04	2.31	2.50	0.08

Glossary of Terms

Security Types	
Adjustable Rate Mortgage (ARM)	A mortgage in which the interest rate is changed at regular intervals to reflect fluctuations in market interest rates. Because the borrower takes some of the risk of rising interest rates, the initial rate may be lower than that on a fixed-rate mortgage. There are often limitations on the interest rate change from one period to the next, with a rate cap for the life of the loan.
Agency	A fixed income security issued by a government-sponsored agency, such as Ginnie Mae, Freddie Mac, or the Tennessee Valley Authority. Depending on the issuer, these bonds may or may not be backed by the full faith and credit of the U.S. government.
Asset-Backed Security (ABS)	A fixed income security backed by the cash flows from loans or leases. Auto loans, home equity loans, and credit card receivables are the most common assets backing these securities. Principal and interest payments made by borrowers are redirected to owners of ABS to meet the scheduled coupon and principal payments.
Collateralized Mortgage Obligation (CMO)	A security similar to a mortgage-pass through. In a CMO, the principal and interest received from borrowers is split into different classes called tranches. The structure of CMO payment tranches makes the timing of cash flows more certain for owners of some tranches and less certain for owners of other tranches. More uncertain tranches typically provide higher yields.
Commercial Mortgage-Backed Security (CMBS)	A fixed income security backed by the cash flows from commercial real estate mortgages. All principal and interest from the mortgages flow to bond holders in a defined sequence. Common types of real estate involved are apartment buildings, office and retail space, hotels, and health care facilities.
Corporate (Corp)	A fixed income security issued by a private corporation.
Mortgage Pass-Through (MPT)	A fixed income security backed by the cash flows from residential mortgages. Monthly principal and interest payments made by borrowers are redirected to owners of MPTs as they are received. Because borrowers may prepay their mortgages (perhaps due to refinancing or selling the house), the timing of cash flows on these securities is uncertain.
Preferred Stock (Preferred)	Capital stock having priority over a corporation's common stock in the distribution of dividends. In the event of a liquidation, preferred stock's claim on assets ranks above that of common stock but below that of bank loans or corporate bonds.
Tax-exempt Municipal (ExMuni)	A fixed income security, issued by a state or municipality, paying interest that is exempt from federal income tax. Interest may or may not be exempt from state and local tax.
Taxable Municipal (TaxMuni)	A fixed income security, issued by a state or municipality, paying interest that is subject to federal income tax. Typically issued much less commonly than tax-exempt municipals.
Treasury	A marketable fixed income security issued by the U.S. Department of the Treasury and backed by the full faith and credit of the U.S. government.

Glossary of Terms

Definitions	
Average Life	The dollar-weighted average time to maturity of a stream of principal cash flows. Also referred to as “weighted average life” or “WAL”.
Basis Point (bp)	1/100 of 1% (or equivalently .0001).
Benchmark	An index against which performance can be measured. Attributes of a good benchmark include: <i>Objective:</i> The index should be identified ahead of the time, it should be easily understood, and the construction rules should be clearly defined. <i>Replicable:</i> The manager should be able to replicate the returns passively. <i>Relevant:</i> The index should represent the manager’s neutral position. In other words, without the manager’s input, the index should represent a reasonable portfolio the company would purchase. <i>Tax Adjusted:</i> The benchmark should adjust for the different tax rates on various security types
Book Income	Dollars of investment income that flow through an insurance company’s income statement. This is equal to coupon received plus any accretion/ (amortization) of book value. It can also include any <u>realized</u> gains or losses in the portfolio.
Book Value	The value of a security that is reflected on an insurance company’s balance sheet. For fixed income securities on a statutory and tax basis this is the amortized value. The amortized value periodically writes up any accrual of purchase discount (or writes down amortization of premium) over the life of the security. The amortized value holds the underlying “book yield” constant and therefore does not swing with movements in the market.
Book Yield	The average annual yield which a bond purchased and held to maturity will earn over the period it is owned. This is generally fixed at the time of purchase of the security. The book yield can be used to calculate the book value of the security at any time between purchase and maturity.
Cash Flow	Interest and principal payments from the securities in a fixed income portfolio. A bullet (non-callable) bond will typically pay a coupon payment every 6 months, with a return of principal at maturity. For mortgage-backed securities and asset-backed securities, cash flows generally arrive monthly from both interest and principal. This principal portion contains both the planned return of principal and prepayment of principal due to reasons such as mortgage refinancing.
Convexity	Describes the sensitivity of a bond’s duration to a change in yield. As yields decrease, duration increases on bonds with positive convexity and decreases on bonds with negative convexity. This causes bonds with negative convexity to underperform when yields increase or decrease by large amounts.
Credit Risk	The risk that the issuer of a fixed income security may default and be unable to make timely interest and principal payments on the security.
Duration	The sensitivity of a bond’s price to a change in yield. Duration generally increases for bonds with longer maturities, meaning these bonds are more sensitive to yield changes. Bond price and yield move in opposite directions. Example: A bond with a duration of 5.0 would experience a price decrease of 5% for every 1% (100 bps) increase in interest rates.

Glossary of Terms

Definitions (cont.)	
DYCARRSM	A proprietary model designed specifically for P/C insurance companies to maximize investment income while managing interest rate risk (see definition.) The model applies stress tests to projected operational cash flow and finds the likelihood that bonds in the portfolio will need to be liquidated in order to meet cash flow needs (such as the payment of losses). This may allow a company to invest in longer duration securities with higher yields.
FICO Score	A generic credit score developed by Fair, Isaac and Company, Inc., designed to predict the likelihood of borrowers becoming delinquent in their credit obligations.
Gross Domestic Product (GDP)	The total market value of all final goods and services produced in a country in a given year; it is equal to total consumer, investment, and government spending, plus exports, minus imports.
Interest Rate Risk	The risk to a bondholder that an increase in interest rates will cause bond prices to fall. Interest rates and market prices for fixed income securities generally move in opposite directions. Interest rate changes are the largest cause of changes in the market value of a bond portfolio.
Loan to Value (LTV)	A lending risk assessment ratio used in mortgage lending. LTV is calculated by dividing the mortgage amount by the lesser of appraised value or selling price. Residential mortgage loans conforming to agency guidelines have LTV ratios of 80% or lower at origination. Lenders will frequently require lower LTV ratios for commercial or investment properties.
Market Value	Estimated value of the bond based on current market price. This value fluctuates continually with interest rates and perceived risk of the issuer. Reflects the amount that could be received by selling the bond.
Option Adjusted Spread (OAS)	The portion of a bond's yield which is attributable to the credit risk of a bond as perceived by the market. This allows for comparison between bonds with or without embedded options such as calls, puts, and prepayment features.
Realized Gain/(Loss)	Difference between market and book value when a bond is sold. If market is greater than book value the bond was sold at a realized capital gain. Realized capital gains/(losses) flow through an insurer's income statement.
Tax Equivalent Yield	Yield adjusted for taxes, which allows for comparison of taxable bonds to tax-exempt bonds. Calculated by dividing after-tax yield by 0.65 (1 minus 35%).
Total Return	The return on a security or portfolio that reflects both income and price change. Assumes that the security or portfolio is priced using fair value at the end of the evaluation period.
Unrealized Gain/(Loss)	The difference between market value and book value on a bond. If market value is greater than book value the bond is at an unrealized gain. Under statutory accounting rules, changes in unrealized gain/(loss) do not affect income.
Volatility Adjusted Duration	A portfolio duration which has been adjusted for the lower observed price volatility seen in tax-exempt municipal bonds. Historically municipals appear to have about 15% lower price volatility than their stated durations suggest; this measure takes that observance into account.
Whole Loan	An original residential mortgage loan; distinct from a pooled pass-through which contains multiple loans. Non-agency CMOs use whole loans as collateral. They usually include jumbo mortgages and other mortgages which do not conform to the standards required for securitization by the agencies (GNMA, FNMA, FHLMC).
Yield	The implied return achievable for purchasing a bond at a given price.

Appendix

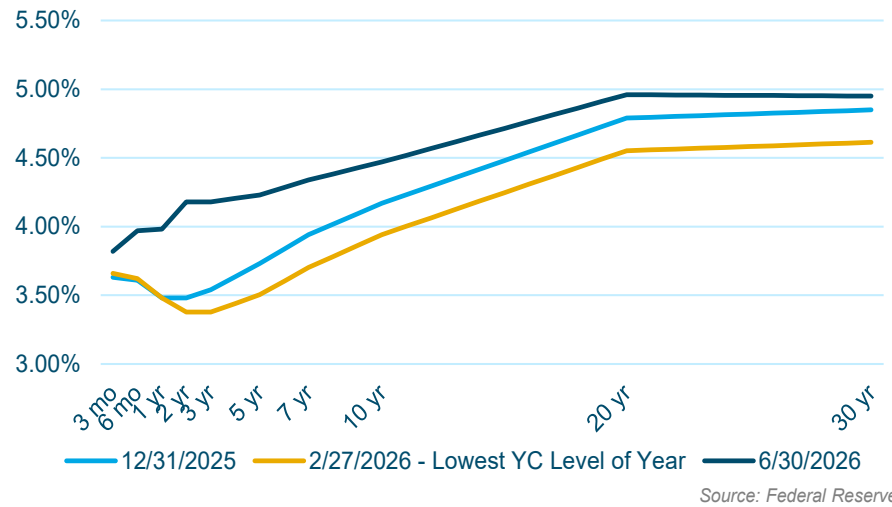
Presentation Overview

Overview

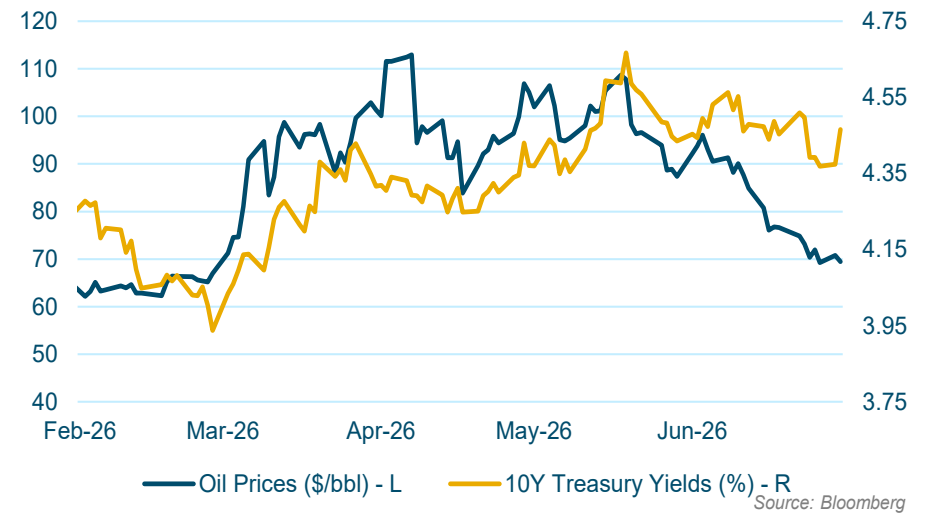
- Economic overview and market update
- Portfolio review
- Performance

Treasury Yields and the Economy

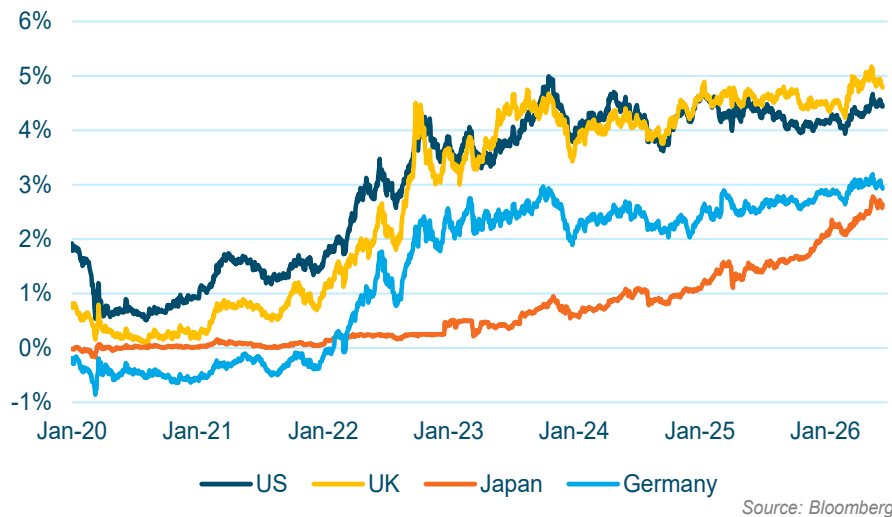
Treasury Yield Curve



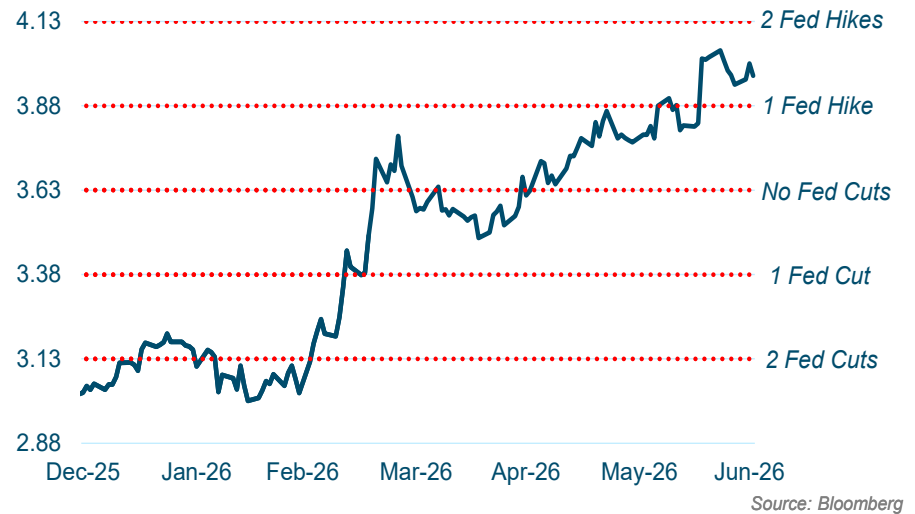
Oil Prices & 10Y Treasury Yields



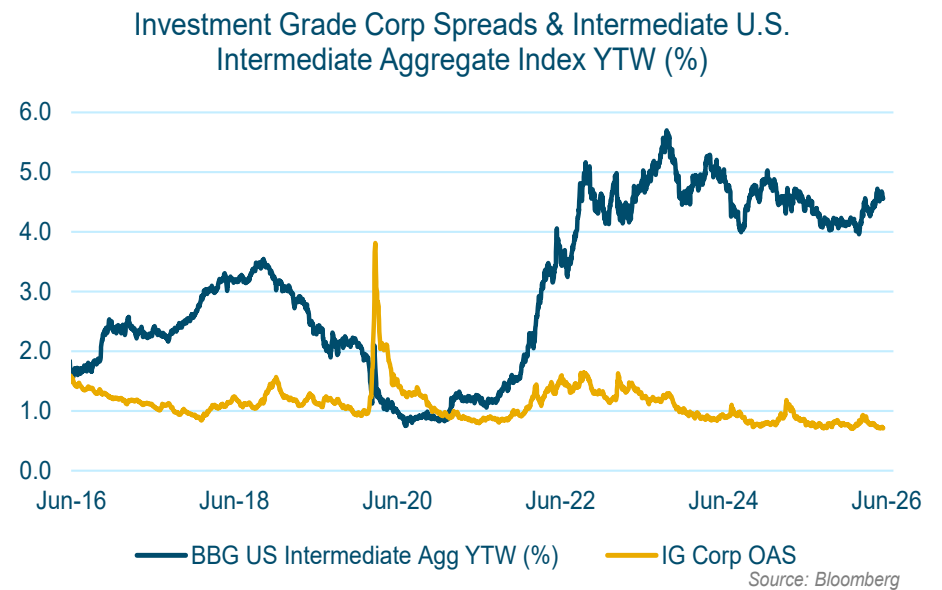
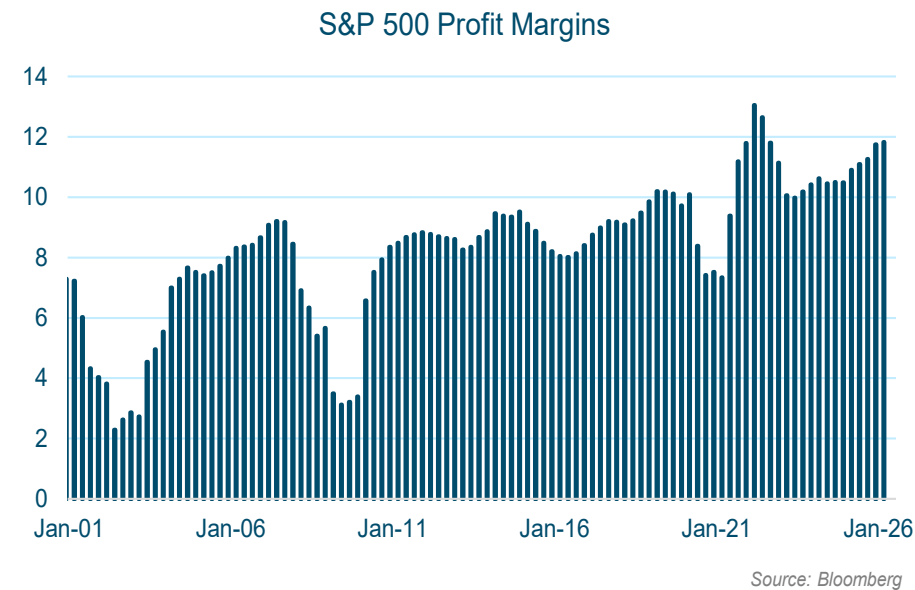
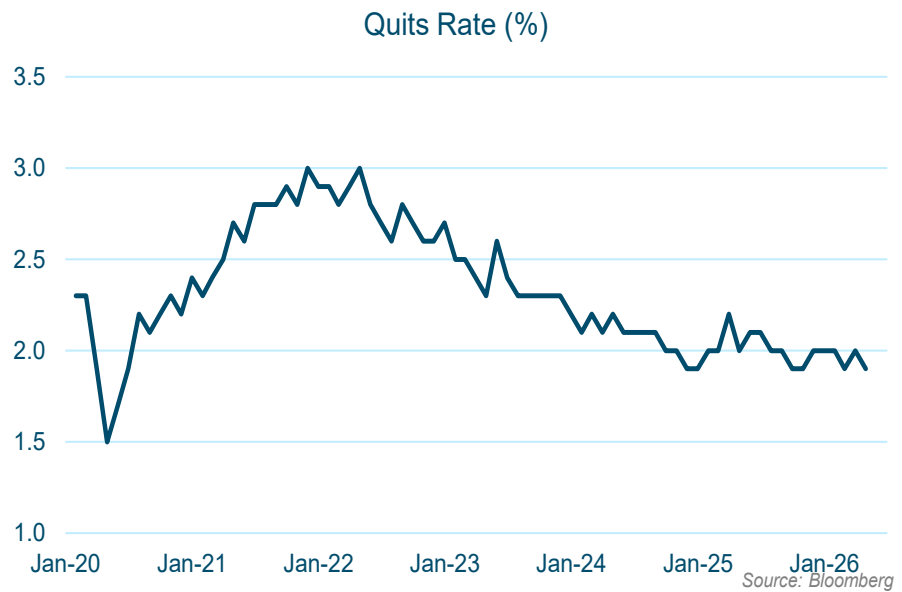
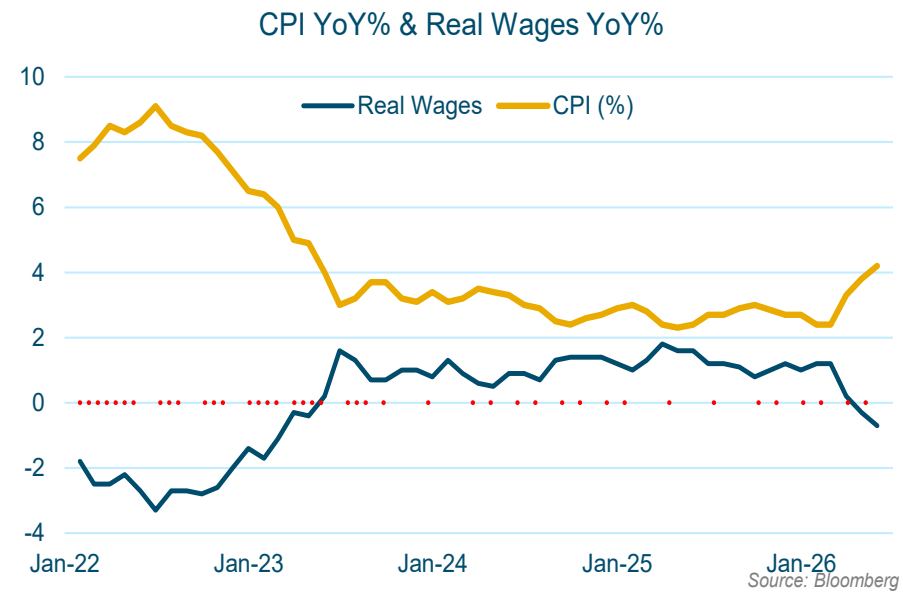
Global 10Y Bond Yields (%)



Effective Fed Funds Rate (%) by December 2026



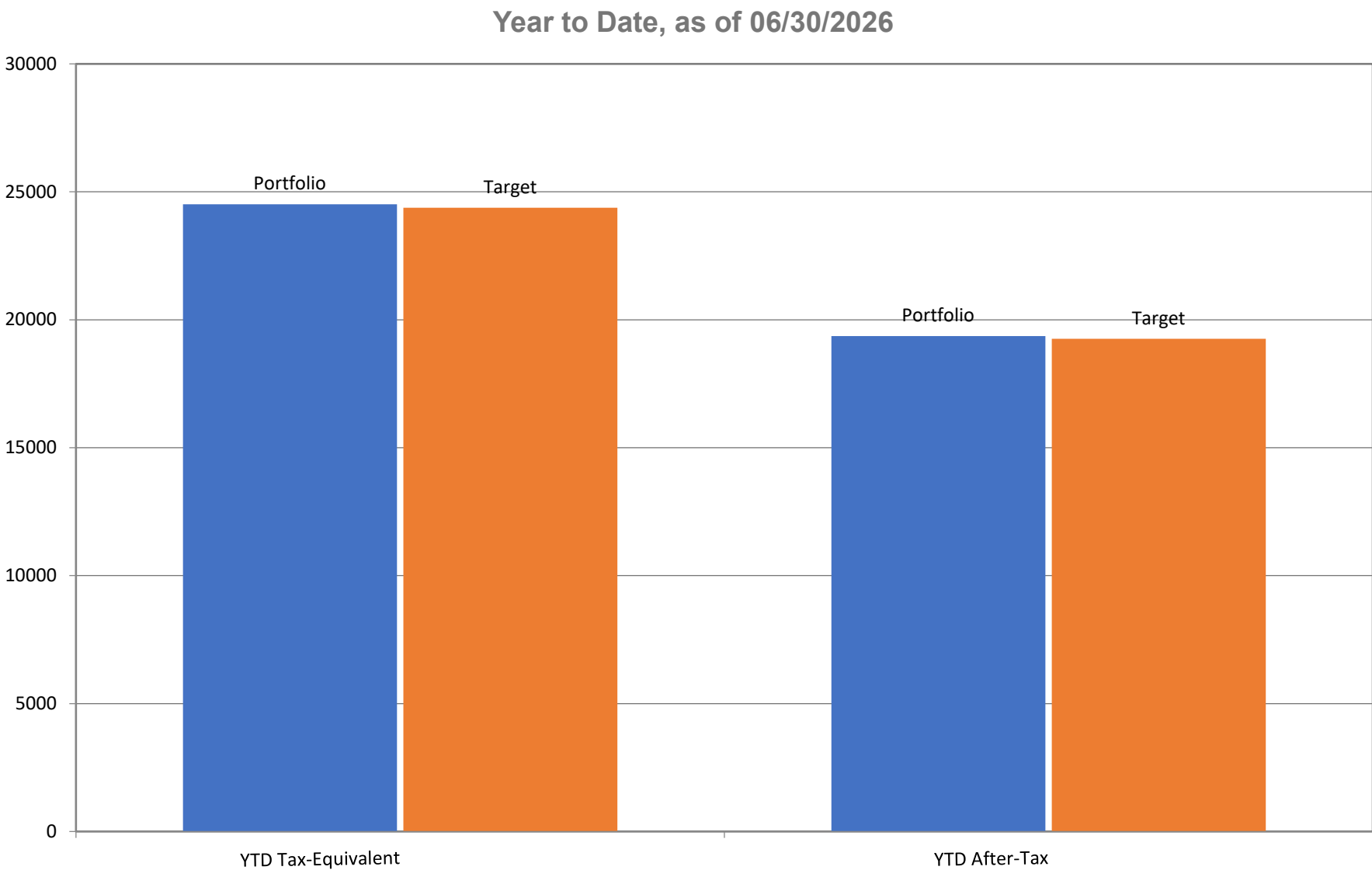
Market Indicators



Portfolio Changes

Public Entity Joint Insurance Fund	06/30/2025	09/30/2025	12/31/2025	03/31/2026	06/30/2026
Treasury Yields					
2 yr Treasury Yield	3.72%	3.61%	3.47%	3.79%	4.15%
5 yr Treasury Yield	3.79%	3.74%	3.71%	3.95%	4.20%
10 yr Treasury Yield	4.23%	4.15%	4.15%	4.32%	4.44%
Book Statistics					
Tax-Equivalent Book Yield	4.51%	4.50%	4.33%	4.30%	4.25%
Book Value (\$)	1,105,364	1,114,334	1,128,122	1,138,906	1,151,527
Projected Tax-Equivalent Income, next 12 months (\$)	49,903	50,093	48,816	48,990	48,931
Unrealized Gains/(Losses) (\$)	18,338	18,509	18,960	9,602	284
YTD Realized Gains/(Losses) (\$)	0	0	0	0	0
Portfolio Risk Statistics					
Effective Duration	2.42	2.19	2.59	2.34	2.31
Convexity	0.09	0.08	0.10	0.09	0.08
Weighted Average Life	2.60	2.34	2.77	2.51	2.50
Average Rating	AA+	AA+	AA+	AA+	AA+
Portfolio Sector Allocation					
Treasury	99%	99%	99%	98%	98%
Agency	0%	0%	0%	0%	0%
Corporate	0%	0%	0%	0%	0%
Taxable Municipal	0%	0%	0%	0%	0%
Tax-exempt Municipal	0%	0%	0%	0%	0%
Mortgage Pass-Through	0%	0%	0%	0%	0%
CMOs	0%	0%	0%	0%	0%
ARMs	0%	0%	0%	0%	0%
Asset Backed	0%	0%	0%	0%	0%
CMBS	0%	0%	0%	0%	0%
Cash & Cash Equivalents	1%	1%	1%	2%	2%

Income Year to Date



Performance

Tax-Equivalent Total Return
as of 06/30/2026
Inception Date: 08/01/2014

	Portfolio	Benchmark	Difference
Quarter to Date	0.26%	0.14%	0.11%
Year to Date	0.51%	0.30%	0.21%
Since Inception	2.12%	2.06%	0.07%

Benchmark Composition:
100.0% PEJIF Duration Matched Treasury

Disclosures

Past performance of the account is not indicative of future results. The performance above is gross of all fees and expenses for the stated period and assumes reinvestment of dividends and other earnings. Risk Return characteristics are based on returns from inception of the account through the stated date and do not reflect the deduction of advisory fees. An advisory fee reduces the investor's return and any other expenses Sun Life Capital Management (U.S.) LLC may incur managing the investment advisory account. The investment advisory fees are described in Part 2 of the Sun Life Capital Management (U.S.) LLC Form ADV. The investment advisory fee charged to each investor causes their return to be lower than the gross returns presented above. For example, on a \$100,000,000 investment, an investment advisory fee of \$170,000 per year is deducted from the account. For example, an account with a compounded annual total return of 10% would have increased by 159% over ten years. Assuming an annual advisory fee of 0.17%, this increase would be 155%. All returns are calculated net of transaction costs, and gross of taxes on dividends and interest. Performance results are based on US dollar returns. Investment results may vary. No assurance can be given that the investment objective will be achieved, and an investor may lose money. Due to current market volatility, current performance may be lower than that of the figures shown. This material is intended for informational purposes only and does not constitute investment advice, a recommendation, or an offer or solicitation to purchase or sell any security or other instrument. The Account's total return will fluctuate over a wider range than money market investments due to greater sensitivity to (i) interest rates, (ii) market conditions, (iii) and maturities. The Barclays Aggregate Index is comprised of domestic investment grade fixed income securities with maturities of 1 to 30 years. Pursuant to the rules of the Index, the Index's portfolio must (i) have at least one year to final maturity, (ii) have at least \$100 million par amount outstanding, (iii) be fixed rate, (iv) be U.S. Dollar denominated and non-convertible, (v) and be publicly issued. Indexes are unmanaged and are not subject to transaction charges or expenses. An investor may not invest directly in an index. The term "modified duration" is derived from the duration of any security or series of securities and provides a measure of the risk with which the sensitivity of bonds or bond portfolios to interest rate changes can be estimated. A 1% increase (or decrease) in the interest rate accordingly produces a percentage fall (or rise) in the price in proportion to the modified duration. For example, assume that the modified duration of a bond portfolio is 4.5 years and the theoretical YTW is 5.3%. If the interest rate drops by 1% to 4.3%, the portfolio price increases by approximately 4.5%.

****Please note: This presentation does not claim Compliance with GIPS****

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