Quarterly Investment Report

As of 9/30/2026

Executive Summary

PORTFOLIO STATISTICS:

Quarter Ending:	06/30/2026	09/30/2026
Tax-Equivalent Book Yield	4.25%	4.22%
Book Value	$1,151,527	$1,162,671
Projected Tax-Equivalent Annual Income	$48,931	$49,117
Unrealized Gain	$284	-$18,855
YTD Realized Gain	$0	$0
Portfolio Duration	2.31	2.05
Average Credit Quality	AA+	AA+

PORTFOLIO ALLOCATION:

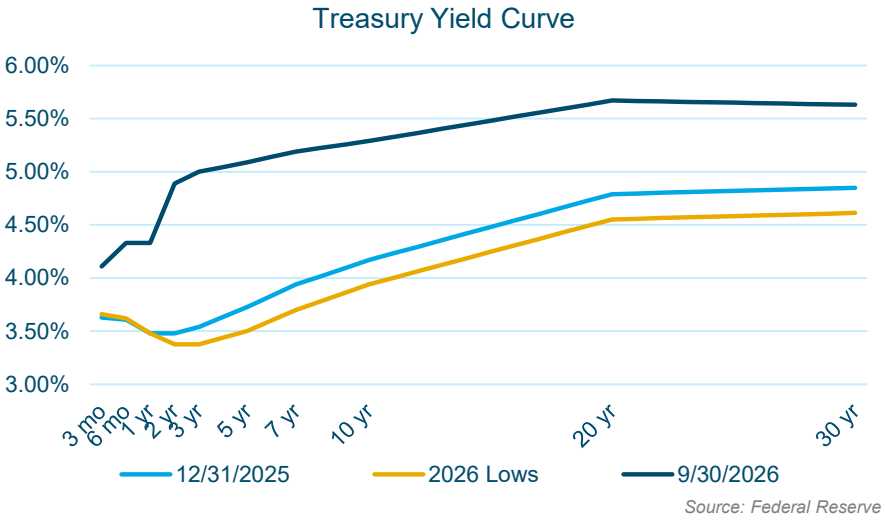
Sector	06/30/2026	09/30/2026
Treasury	98%	97%
Agency	0%	0%
Credit	0%	0%
Exempt Muni	0%	0%
Taxable Muni	0%	0%
MPT	0%	0%
CMO	0%	0%
ABS	0%	0%
CMBS	0%	0%
Short-Term	2%	3%

PERFORMANCE:

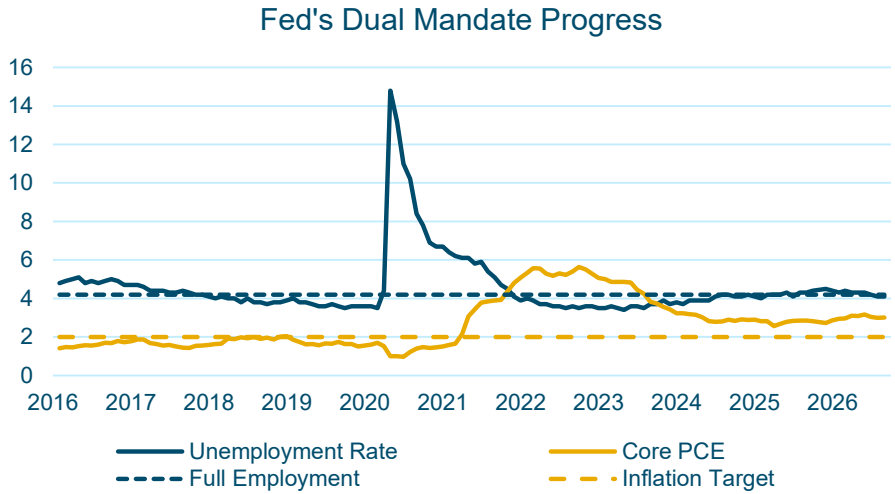
Tax-equivalent Performance	Portfolio	Target/Benchmark	Difference
YTD Booked Income	$36,993	$36,557	$436
QTD Total Return	-0.57%	-0.48%	-0.09%
YTD Total Return	-0.07%	-0.19%	0.12%

Economic Outlook

Treasury Yields and the Economy



Source: Federal Reserve



Source: Bloomberg

Treasury Yields

- Treasury yields moved sharply higher during Q3 as markets embraced a "higher-for-longer" rate outlook. Front-end yields reflected concerns over persistent inflation and elevated oil prices, while long-end yields were pressured by competition for capital from expanding fiscal deficits and hyperscaler investments in AI and data center infrastructure.
- The 2-year Treasury yield ended the quarter at 4.88% (+141 bps YTD), while the 10-year Treasury closed at 5.29% (+111 bps YTD)

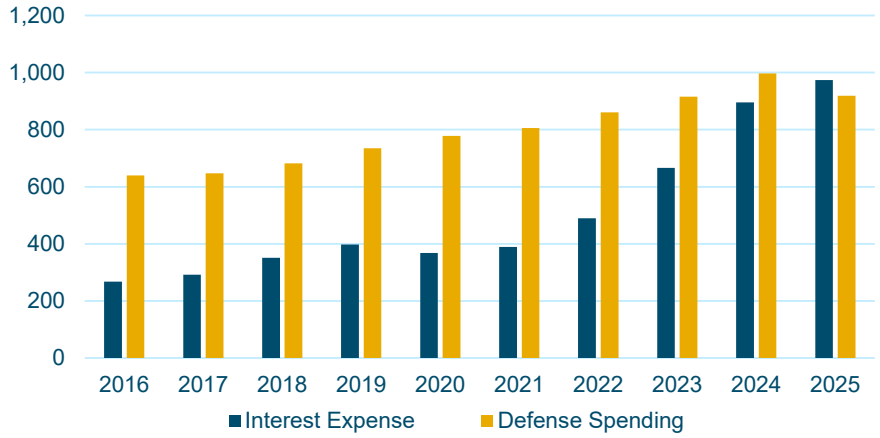
The Federal Reserve

- The ongoing conflict in Iran shifted market expectations from Fed easing to renewed policy tightening, as higher energy prices and supply chain disruptions increased inflationary pressures.
- Chair Warsh and the FOMC emphasized that inflation has remained above target for too long, while citing strong economic activity, resilient labor markets, and robust capital investment as justification for a restrictive policy stance. In September, policymakers raised the Fed Funds rate by 25 bps to a target range of 3.75%-4.00%, marking the first rate hike since 2023.
- Warsh has stressed restoring price stability as the Fed's primary objective. He has highlighted three key drivers of the move higher in long-term rates: resilient economic growth, growing demand for capital from AI and infrastructure investment, and geopolitical uncertainty, suggesting elevated long-end yields may persist even if inflation moderates.
- Quarter-end FOMC projections imply one additional hike in 2026, while market pricing reflects expectations for three hikes over the next year.

Economic Outlook

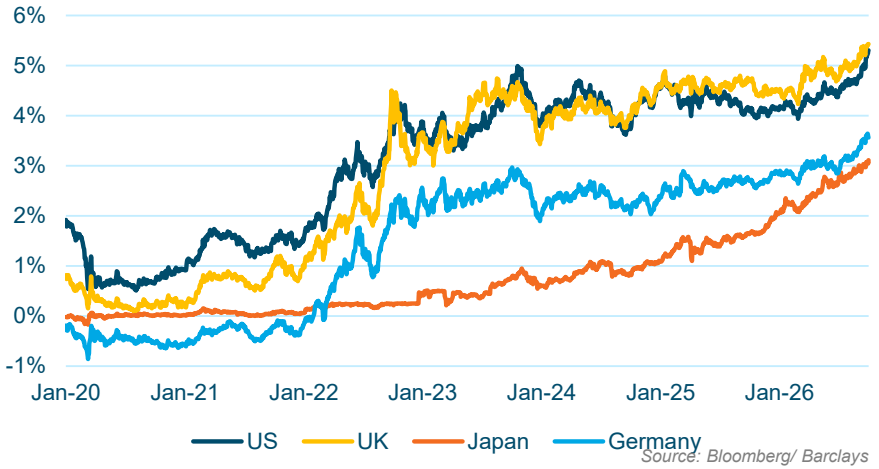
Treasury Yields and the Economy

US Federal Government Spending ($Billions)



Source: US Treasury Department, World Bank, 2025 Defense Spending estimate from USAFacts

Global 10Y Bond Yields (%)



Source: Bloomberg/ Barclays

US Federal Government Spending

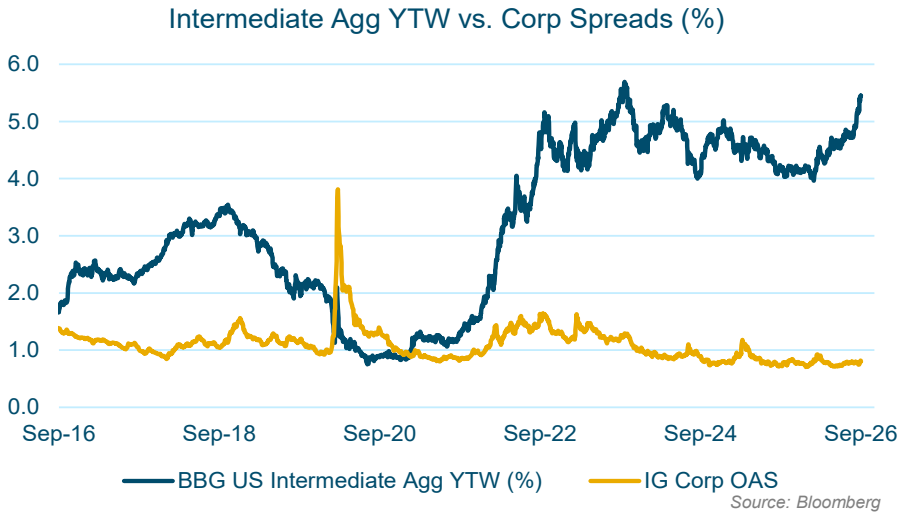
- Widening fiscal deficits, heavy Treasury bill issuance, and elevated interest rates continue to drive U.S. debt-service costs higher. Each 100bps increase in the Fed Funds rate adds roughly $130 billion of annual interest expense on Treasuries maturing within a year.
- U.S. net interest expense reached approximately $970 billion in FY'25, up from $267 billion a decade ago, exceeding annual defense outlays of approximately $920 billion for the first time in modern history. Interest expense is now the second-largest federal budget item behind Social Security.
- Moving forward, fiscal deficits are becoming increasingly driven by debt-service costs rather than cyclical spending needs, reinforcing the structural case for a higher term premium and higher-for-longer Treasury yields.

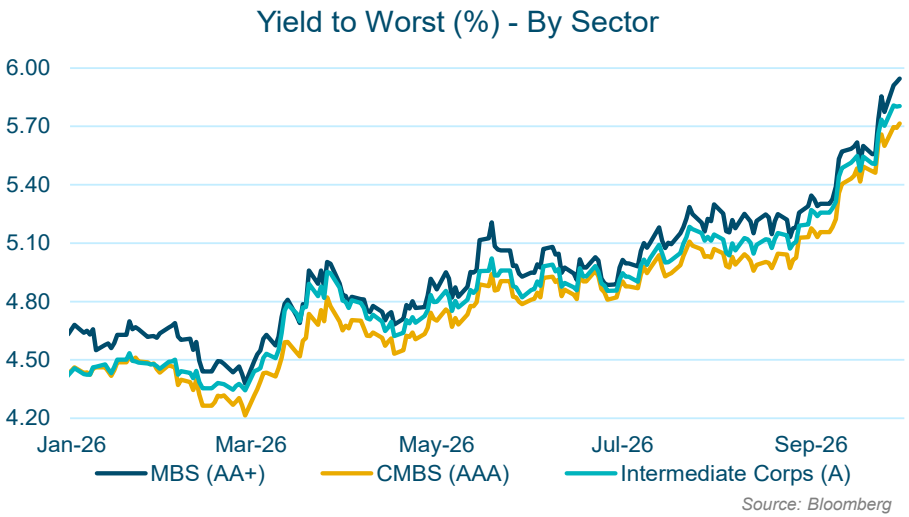
Global 10-year Bond Yields

- The U.S. is not alone: post-pandemic fiscal spending worldwide, combined with the developed world's worst inflation in decades, has pushed long-term government bond yields higher across the globe.
- Sovereign markets that once yielded well below U.S. Treasuries have repriced sharply higher, as investors confront rising debt burdens, aging populations, and entrenched deficits that point to continued issuance ahead.
- Credible alternatives to Treasuries give global savers somewhere else to put their cash, and softer trade flows mean fewer foreign dollars are recycled back into U.S. debt. Together, these factors reinforce the current environment of higher long-term yields.

Economic Outlook

Treasury Yields and the Economy





Reinvestment Yields and Corporate Spreads

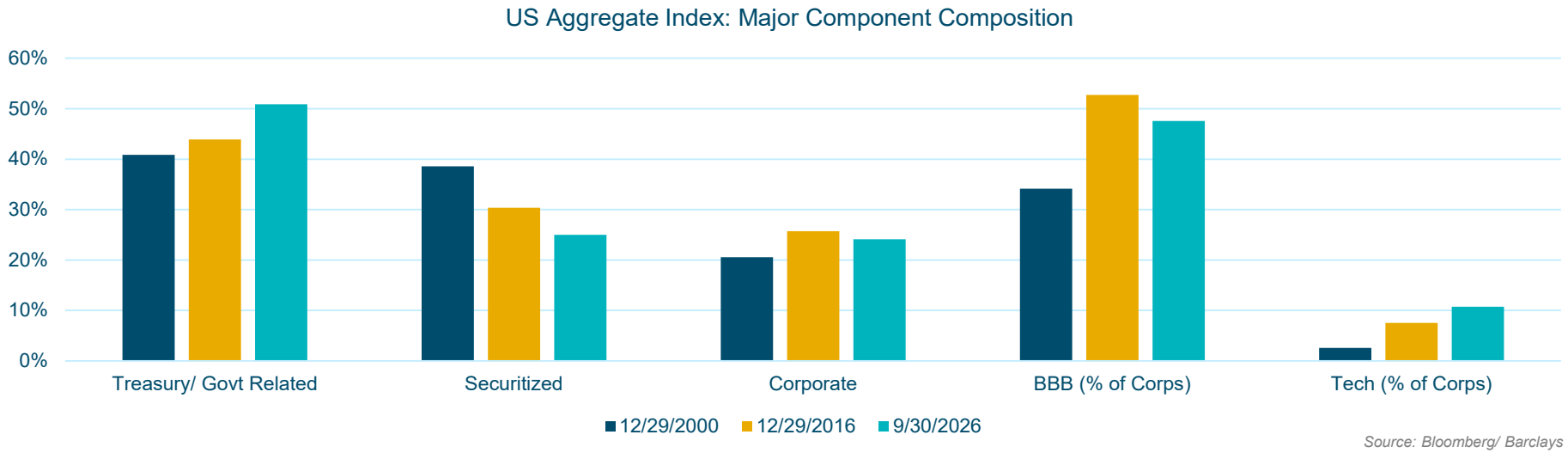
- Rising Treasury yields have produced one of the most attractive reinvestment environments for fixed-income investors in years, with yields approaching pre-GFC levels . Elevated front-end rates and expectations for additional Fed tightening continue to support portfolio income and carry without requiring investors to extend significantly out the yield curve.
- The Intermediate Aggregate Index ended the quarter with a yield-to-worst of 5.45%, roughly ~225 bps above its 10-year average of 3.20%.
- While the index spans multiple fixed-income sectors, its overall yield offers a useful benchmark against the extra yield corporate bonds can provide.
    - Corporate spreads accounted for roughly 70% of the index's yield in 2015, but declined to around 30% as the Fed raised rates ahead of Covid. Today, with Treasury yields elevated and spreads near cycle tights, credit spreads contribute only about 14% of total index yield. As a result, a greater share of fixed-income returns is being driven by risk-free rates, while compensation for incremental credit risk has become less compelling.

Yield to Worst (%) By Sector

- Through the third quarter, spreads stayed within historically narrow bands, which has trimmed the incremental yield investors typically receive by accepting more credit risk or stepping down in quality.
- With corporate spreads compressed, higher-rated structured product has drawn greater investment interest, serving as an alternative to lower-rated corporate debt at comparable all-in yields.

Economic Outlook

Market Yields & Spreads



Source: Bloomberg/ Barclays

US Aggregate Index: Major Component Composition

The US investment-grade fixed income universe has been reshaped considerably over the years. Key themes include the following:

Asset Class Allocations

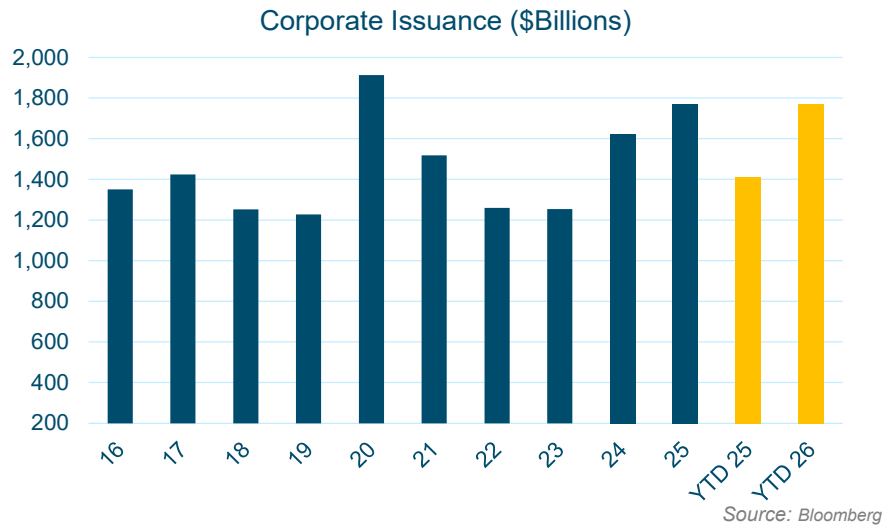
- The single biggest change has been the expansion of US Treasury and government-related debt, a byproduct of recurring annual deficits and an ever-larger federal debt balance. That balance measured $5.67 trillion in 2000, climbed to $19.57 trillion by 2016, and stands at $40 trillion today.
- Greater reliance on government borrowing risks keeping interest rates elevated while weighing on the US dollar. Even so, with debt loads having grown across most large economies over the past decade, the dollar appears unlikely to lose its reserve-currency standing anytime soon.
- Securitized debt has consequently slipped to a smaller portion of the US Aggregate. Shifting mortgage dynamics are largely behind it: about a third of American homeowners held their homes outright in 2000, a figure that is closer to 40% today.

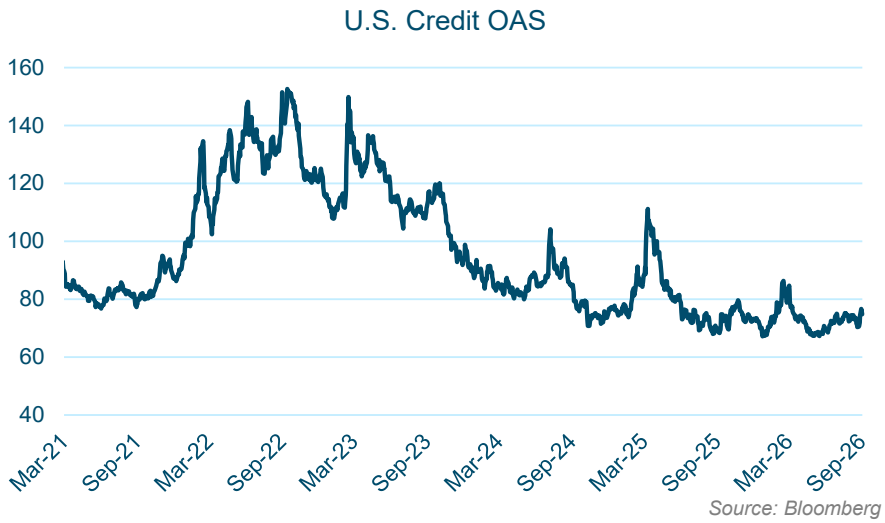
Sector & Credit Quality

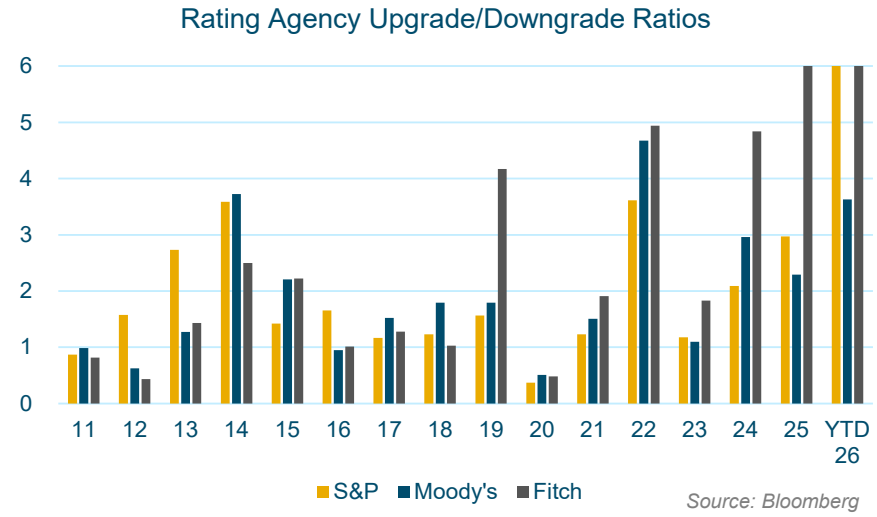
- Technology borrowing represents another striking shift over the past 25 years, with the market scaling up sharply as issuers have raised substantial debt recently to fund the AI buildout.
- Credit quality within US corporate debt has edged lower too, although the decline has largely plateaued over the last decade. A key driver is the much smaller step-up in financing costs between an A rating and BBB relative to 2000.

Economic Outlook

Corporates



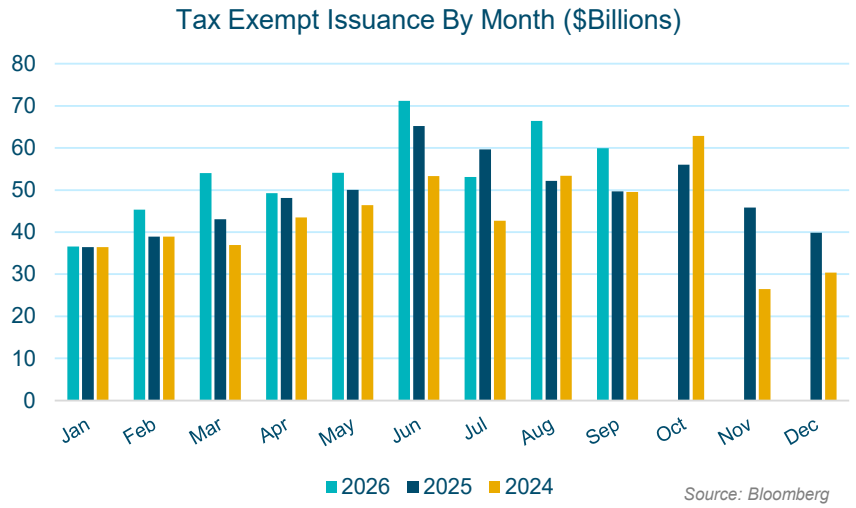


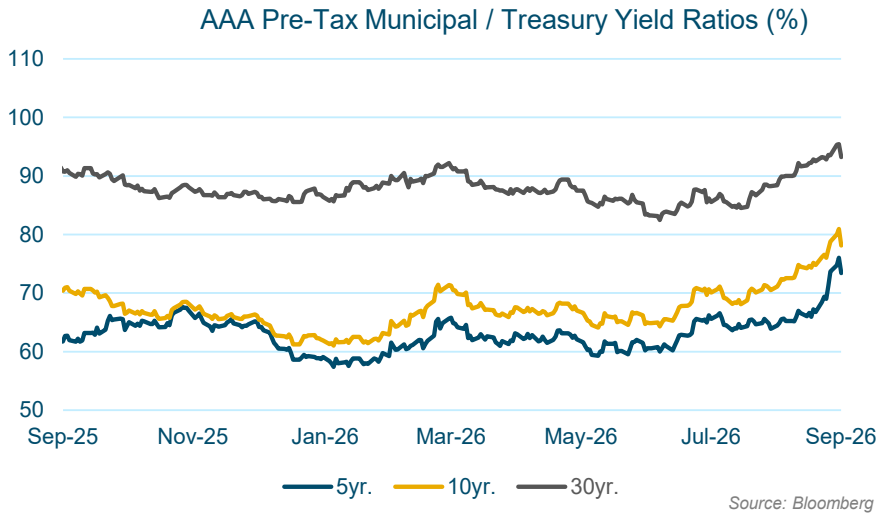


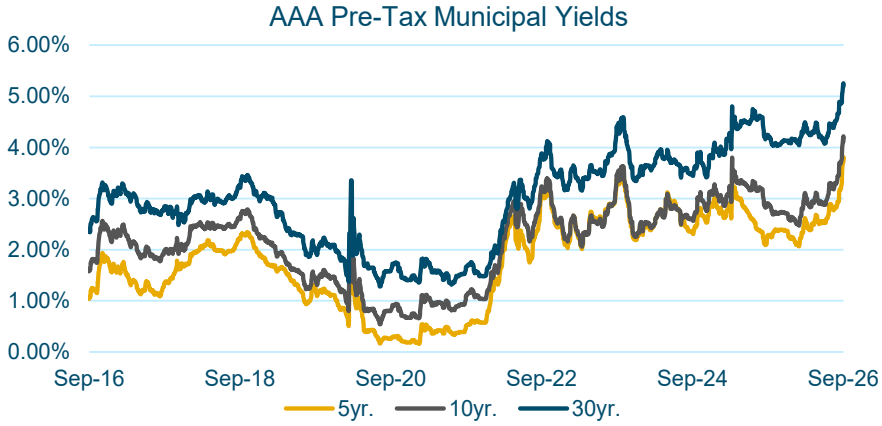
- IG credit widened 6 bps to +75 in Q3'26, trading in a 7-bps range. Spreads closed near the middle of the YTD range (+67-86) with the re-escalation in geopolitical tensions somewhat offset by continued strong technical inflows from high all-in yields.
- Issuance ended Q3'26 at over $1.77tn, up 25% y/y and the second largest supply influx after 2020. Deal flow will slowdown into year-end, but issuance is still expected to near the record of $1.9tn set in 2020.
- 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 tights as we enter the last quarter 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



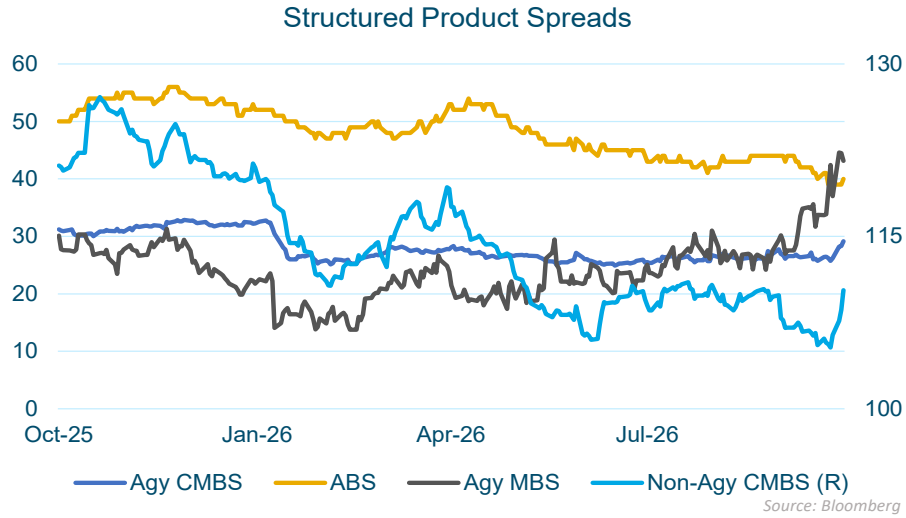


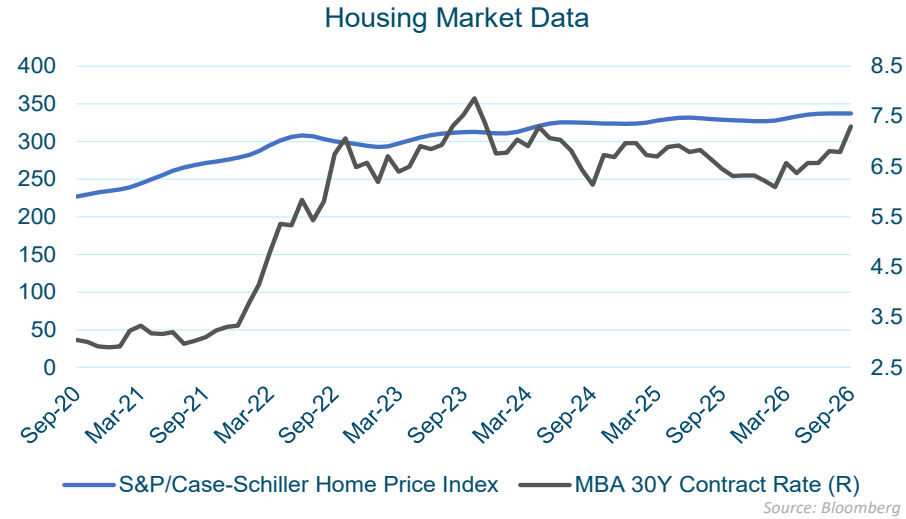


- Bloomberg's IG Tax-Exempt Index returned -4.36% last month, its worst showing since September 2008 (-4.69%).
- The August-September municipal selloff ranked among the sharpest since 1990, pushing taxable-equivalent yields and the value of the tax exemption to multi-decade highs.
- Treasury volatility remains the key risk to sustained municipal strength. This cheapening of municipal bonds offers relatively attractive entry points for crossover buyers and history suggests such extreme cheapening can reverse quickly.
- YTD long-term tax-exempt supply remains on a record trajectory at $418bn. This is 8% ahead of the prior high-water mark set in 2025 ($387bn) and 44% above the five-year average ($291bn).

Economic Outlook

Structured Product





MBS

- Agency mortgages underperformed in the third quarter, ending nearly 20 bps wider at +43. Excess returns were negative as rising rate volatility and a Fed rate hike in September weighed on performance, with new supply remaining restrained and GSE buying providing a variable source of demand. The sector now sits in a better place for new money to be put to work.
- Housing affordability remains severely constrained due to elevated mortgage rates and limited movement in home prices. Mortgage rates finished the quarter at 7.03%, approximately 65 bps higher than where they ended the first quarter, adding further pressure on affordability.

CMBS

- Non-agency CMBS ended the third quarter flat, but that result hid the spread volatility that occurred primarily in the last 2 weeks of the September. CMBS widened 4 bps during that period, in sympathy with credit markets and reflecting concerns about the effect of higher rates on the CRE markets.
    - We remain neutral on the sector given that spreads remain relatively tight vs historical levels. However, we see opportunities to selectively add to high-quality collateral on temporary dislocations.
    - We continue to favor senior fixed rate non-agency CMBS deals that offer diversified exposure by loan, sector and geography.
- Agency CMBS spreads widened 4 bps, reflecting the same move in NA CMBS, but without meaningful spread tightening over the first part of the quarter to offset the widening.

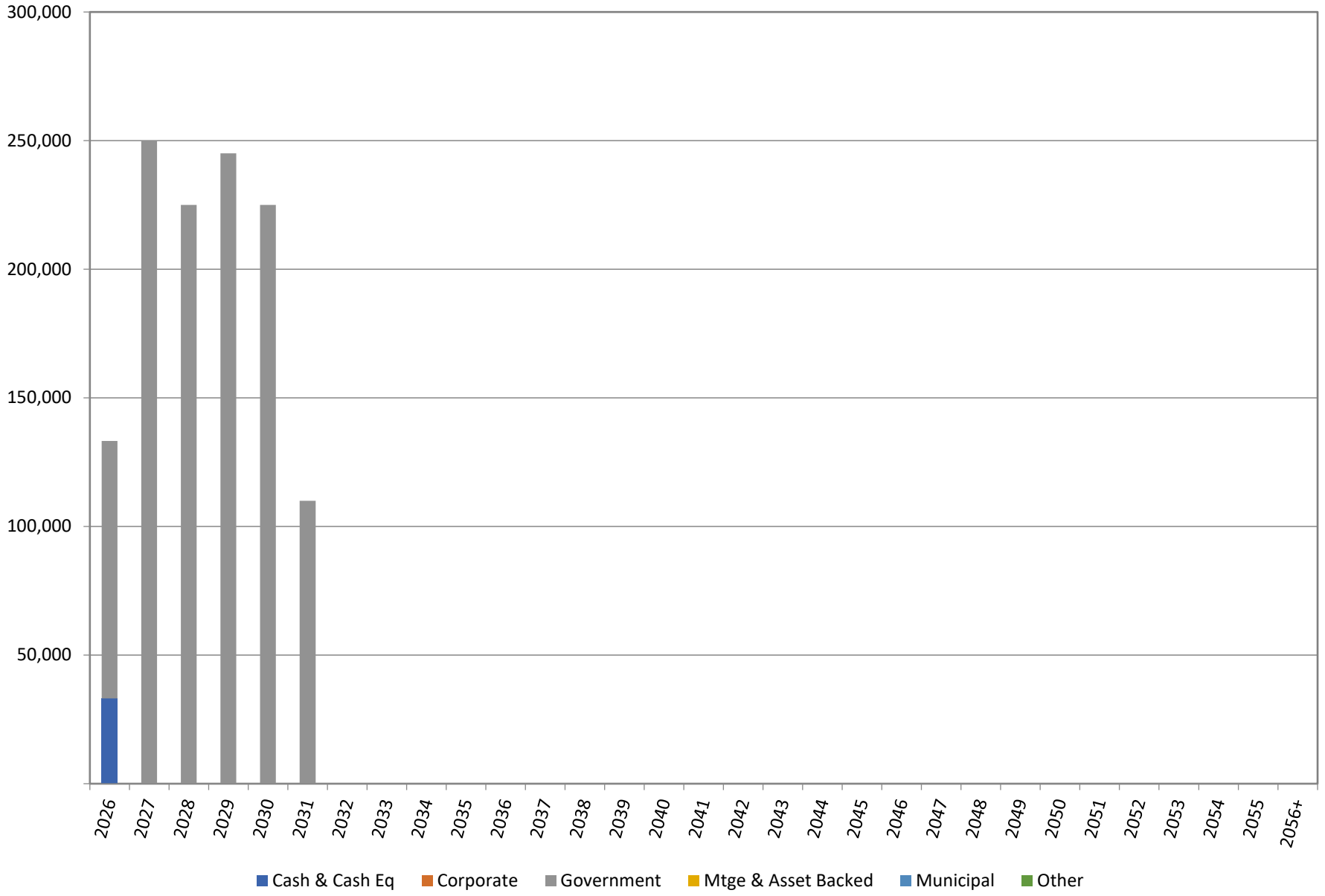
ABS

- ABS spreads tightened by 2 bps to +41 in Q3'26 and closed the quarter 2 bps off the YTD date tights of +39. Both excess and total returns for the year remain slightly positive despite the selloff in rates.
- Issuance ended the quarter at close to $314bn, up +13% y/y and currently on pace for a record year. October is historically the busiest month in the ABS primary and has averaged over $30bn of issuance over the past decade.
- Credit fundamentals remain stable for the prime consumer. Subprime delinquencies declined during Q3'26 and are now trending in-line with 2025 levels. Strong credit enhancement continues to support the senior tranches.
- With valuations continuing to appear rich across most sectors given the ongoing compression in risk, we continue to maintain an emphasis on deals with high-quality collateral and resilient structures.

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	1,129,475	1,110,620	(18,855)	4.35	4.79	2.12	0.07	7	295	14	(19,150)
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	**1,129,475**	**1,110,620**	**(18,855)**	**4.35**	**4.79**	**2.12**	**0.07**	**7**	**295**	**14**	**(19,150)**
Short Term											
Sweep Money Market	33,197	33,197	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	**33,197**	**33,197**	**0**	**0.00**	**0.00**	**0.00**	**0.00**	**0**	**0**	**0**	**0**
Total Fixed Income & Short Term											
Total	**1,162,671**	**1,143,817**	**(18,855)**	**4.22**	**4.65**	**2.05**	**0.07**	**7**	**295**	**14**	**(19,150)**
Equity											
Common Stock	0	0	0					0	0	0	0
Total	**0**	**0**	**0**					**0**	**0**	**0**	**0**
Grand Total											
Total	**1,162,671**	**1,143,817**	**(18,855)**					**7**	**295**	**14**	**(19,150)**

Maturity Schedule By Weighted Average Life



Effective Maturity Schedule

Year	Book Value	Tax Equiv. Book Yield	% of Total Book Value
2026	99,618	4.74	9%
2027	246,160	4.65	22%
2028	216,290	4.48	19%
2029	237,153	4.37	21%
2030	224,985	3.94	20%
2031	105,268	3.83	9%
2032+	0	0.00	0%
Subtotal (inc. ABS, Agcy, CMBS, Corp, Muni, UST)	**1,129,475**	**4.35**	**100%**
MBS	0	0.00	0%
TOTAL	**1,129,475**	**4.35**	**100%**

Performance

Tax-Equivalent Total Return
as of 09/30/2026
Inception Date: 08/01/2014

	Portfolio	Benchmark	Difference
Quarter to Date	-0.57%	-0.48%	-0.09%
Year to Date	-0.07%	-0.19%	0.12%
Since Inception	2.03%	1.97%	0.06%

Benchmark Composition:

100.0% PEJIF Duration Matched Treasury

Bond Purchases

There were no purchases during this period.

Bond Sales, Calls & Maturities

There were no sales, calls or maturities during this period.

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			33,197	TD BK DEP	0.00			33,197	33,197	33,197	0	0.00	0.00	0.00	0.00	
Total Money Market				**33,197**					**33,197**	**33,197**	**33,197**	**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	58,564	57,881	(683)	4.32	4.89	2.00	2.12	0.05
9128286B1	06/07/2024	AA+	Aa1	65,000	US TREASURY N/B	2.63	02/15/2029	02/15/2029	59,952	62,314	61,669	(645)	4.48	4.94	2.26	2.37	0.06
912828YQ7	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	1.63	10/31/2026	10/31/2026	45,727	49,883	49,891	7	4.55	4.20	0.08	0.08	0.00
912828YU8	10/03/2023	AA+	Aa1	50,000	US TREASURY N/B	1.63	11/30/2026	11/30/2026	45,217	49,735	49,797	62	4.94	4.06	0.16	0.16	0.00
912828Z78	10/13/2023	AA+	Aa1	50,000	US TREASURY N/B	1.50	01/31/2027	01/31/2027	45,049	49,468	49,545	77	4.79	4.25	0.33	0.33	0.00
91282CAY7	10/13/2023	AA+	Aa1	50,000	US TREASURY N/B	0.63	11/30/2027	11/30/2027	42,414	47,711	47,719	7	4.72	4.69	1.14	1.16	0.02
91282CCB5	04/21/2026	AA+	Aa1	60,000	US TREASURY N/B	1.63	05/15/2031	05/15/2031	53,740	54,239	51,572	(2,667)	3.92	5.07	4.33	4.62	0.21
91282CCE9	10/03/2023	AA+	Aa1	50,000	US TREASURY N/B	1.25	05/31/2028	05/31/2028	42,605	47,169	47,170	1	4.84	4.82	1.61	1.66	0.03
91282CCV1	08/31/2023	AA+	Aa1	65,000	US TREASURY N/B	1.13	08/31/2028	08/31/2028	55,512	61,083	60,605	(478)	4.44	4.86	1.86	1.92	0.04
91282CEN7	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	2.75	04/30/2027	04/30/2027	47,104	49,509	49,539	30	4.48	4.36	0.56	0.58	0.01
91282CES6	12/18/2024	AA+	Aa1	60,000	US TREASURY N/B	2.75	05/31/2029	05/31/2029	56,372	57,747	56,723	(1,024)	4.26	4.96	2.50	2.66	0.08
91282CFJ5	12/18/2024	AA+	Aa1	60,000	US TREASURY N/B	3.13	08/31/2029	08/31/2029	57,124	58,151	57,005	(1,146)	4.26	4.98	2.74	2.91	0.09
91282CFM8	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	4.13	09/30/2027	09/30/2027	49,445	49,856	49,770	(86)	4.42	4.60	0.97	1.00	0.01
91282CFU0	10/03/2023	AA+	Aa1	50,000	US TREASURY N/B	4.13	10/31/2027	10/31/2027	48,648	49,616	49,727	111	4.86	4.64	1.03	1.08	0.02
91282CFY2	01/07/2025	AA+	Aa1	60,000	US TREASURY N/B	3.88	11/30/2029	11/30/2029	58,420	58,941	58,036	(905)	4.48	5.00	2.90	3.16	0.10
91282CGQ8	02/04/2025	AA+	Aa1	50,000	US TREASURY N/B	4.00	02/28/2030	02/28/2030	49,184	49,431	48,430	(1,001)	4.36	5.01	3.14	3.41	0.12
91282CGT2	08/30/2023	AA+	Aa1	50,000	US TREASURY N/B	3.63	03/31/2028	03/31/2028	48,492	49,475	49,160	(315)	4.36	4.80	1.44	1.50	0.03
91282CHF1	06/05/2025	AA+	Aa1	65,000	US TREASURY N/B	3.75	05/31/2030	05/31/2030	64,241	64,428	62,243	(2,185)	4.01	5.03	3.33	3.66	0.13
91282CJM4	11/18/2025	AA+	Aa1	50,000	US TREASURY N/B	4.38	11/30/2030	11/30/2030	51,574	51,324	48,734	(2,589)	3.68	5.05	3.71	4.16	0.16
91282CKC4	12/22/2025	AA+	Aa1	50,000	US TREASURY N/B	4.25	02/28/2031	02/28/2031	51,189	51,029	48,406	(2,622)	3.74	5.06	3.96	4.41	0.18
91282CNX5	11/05/2025	AA+	Aa1	60,000	US TREASURY N/B	3.63	08/31/2030	08/31/2030	59,759	59,803	57,000	(2,803)	3.72	5.05	3.58	3.92	0.15
Total Treasury				**1,155,000**					**1,088,752**	**1,129,475**	**1,110,620**	**(18,855)**	**4.35**	**4.79**	**2.12**	**2.30**	**0.07**
Grand Total				**1,188,197**					**1,121,949**	**1,162,671**	**1,143,817**	**(18,855)**	**4.22**	**4.65**	**2.05**	**2.24**	**0.07**

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: *Objective*: The index should be identified ahead of the time, it should be easily understood, and the construction rules should be clearly defined. *Replicable*: The manager should be able to replicate the returns passively. *Relevant*: 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. *Tax Adjusted*: 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 realized 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.)

DYCARR[SM]	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.

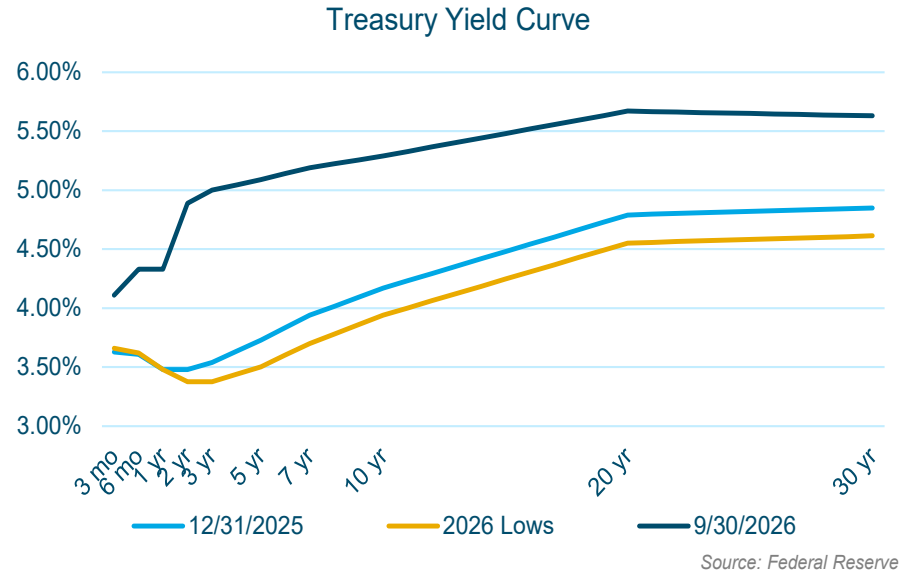
Appendix

Presentation Overview

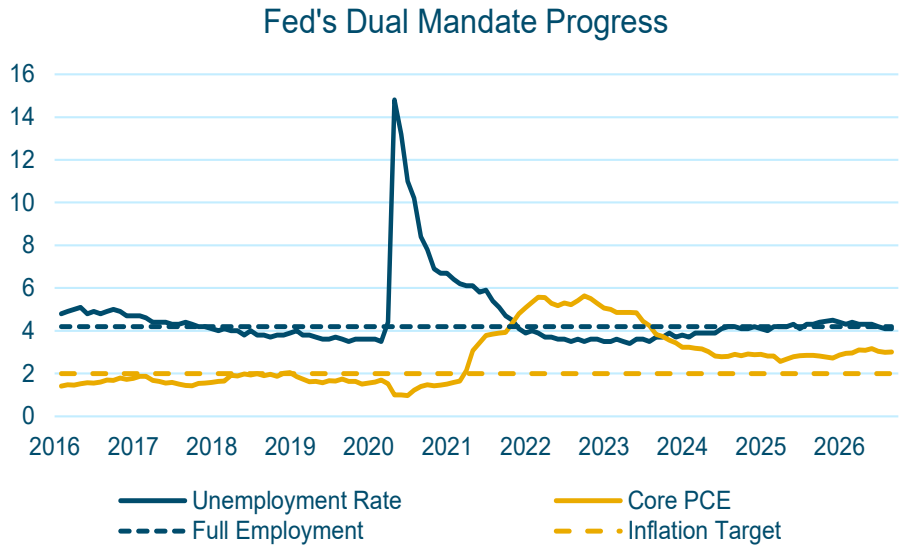
Overview

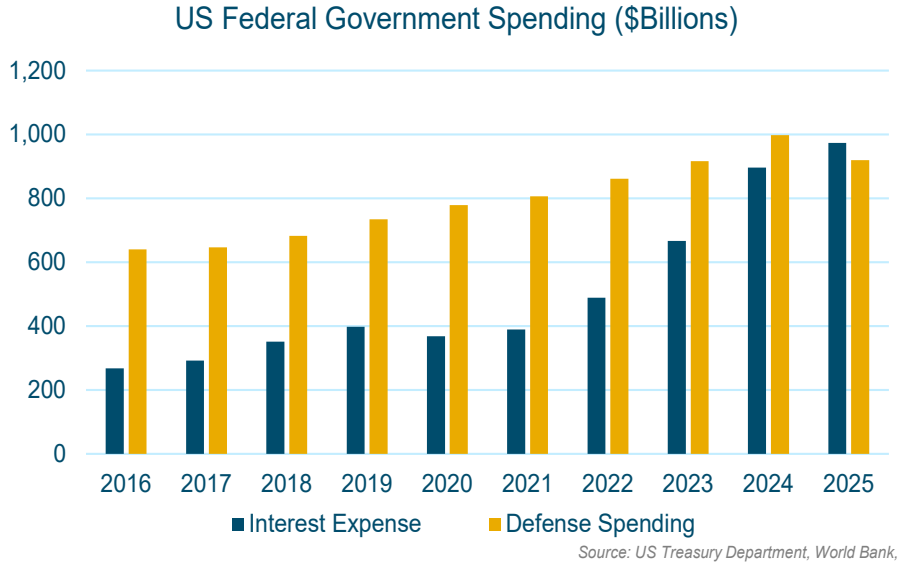
- Economic overview and market update
- Portfolio review
- Performance

Treasury Yields and the Economy

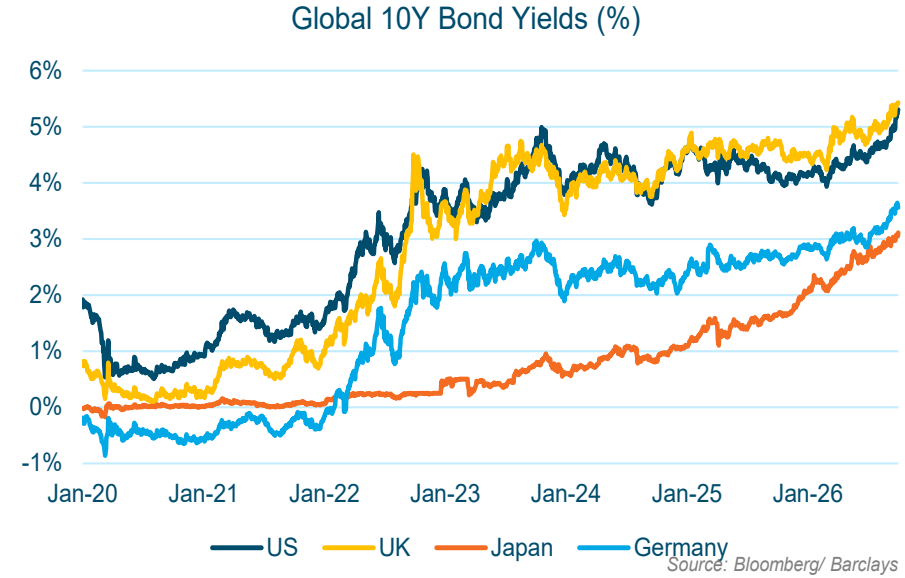


Source: Federal Reserve



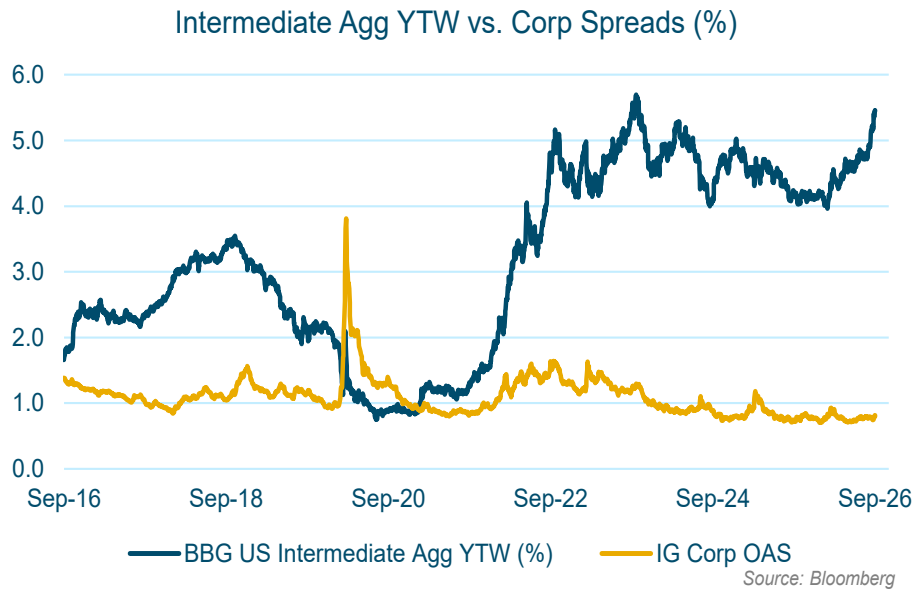


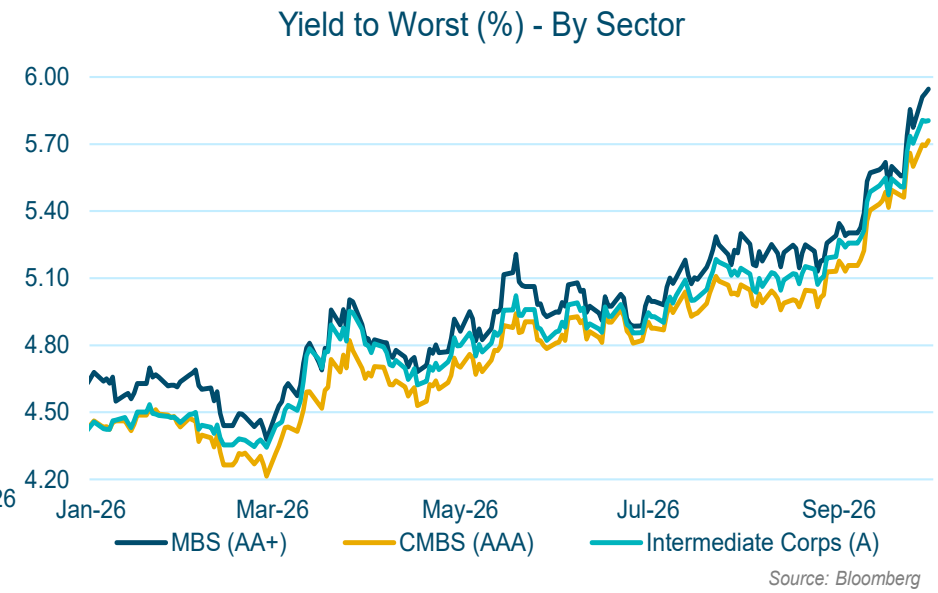
Source: US Treasury Department, World Bank,
2025 Defense Spending estimate from USAFacts

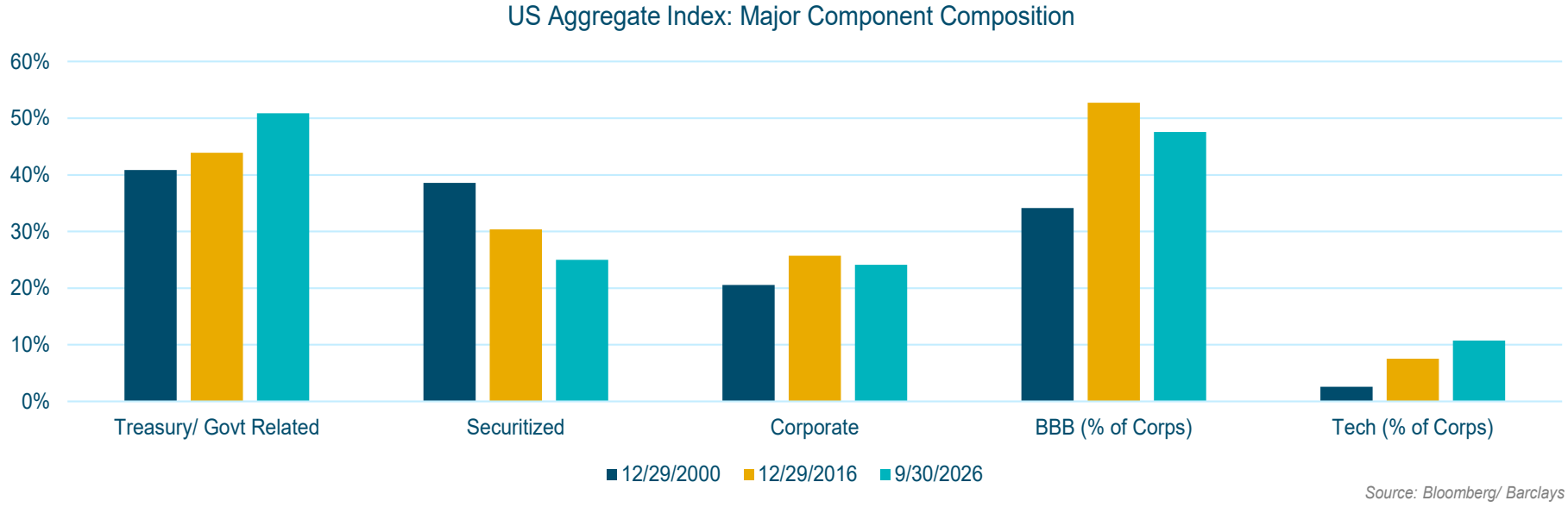


Source: Bloomberg/ Barclays

Market Indicators



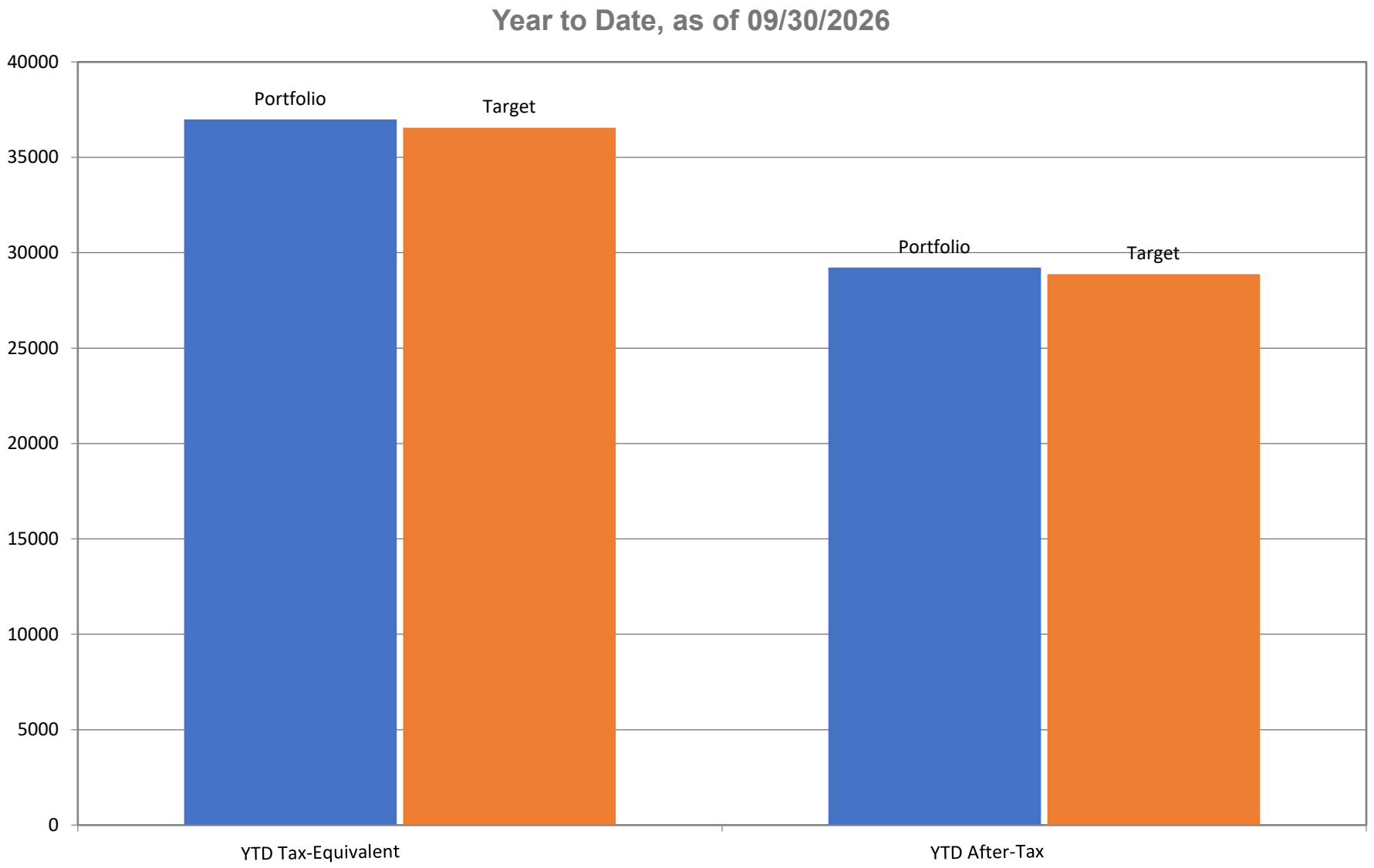




Portfolio Changes

Public Entity Joint Insurance Fund	09/30/2025	12/31/2025	03/31/2026	06/30/2026	09/30/2026
Treasury Yields					
2 yr Treasury Yield	3.61%	3.47%	3.79%	4.15%	4.87%
5 yr Treasury Yield	3.74%	3.71%	3.95%	4.20%	5.07%
10 yr Treasury Yield	4.15%	4.15%	4.32%	4.44%	5.28%
Book Statistics					
Tax-Equivalent Book Yield	4.50%	4.33%	4.30%	4.25%	4.22%
Book Value ($)	1,114,334	1,128,122	1,138,906	1,151,527	1,162,671
Projected Tax-Equivalent Income, next 12 months ($)	50,093	48,816	48,990	48,931	49,117
Unrealized Gains/(Losses) ($)	18,509	18,960	9,602	284	(18,855)
YTD Realized Gains/(Losses) ($)	0	0	0	0	0
Portfolio Risk Statistics					
Effective Duration	2.19	2.59	2.34	2.31	2.05
Convexity	0.08	0.10	0.09	0.08	0.07
Weighted Average Life	2.34	2.77	2.51	2.50	2.24
Average Rating	AA+	AA+	AA+	AA+	AA+
Portfolio Sector Allocation					
Treasury	99%	99%	98%	98%	97%
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%	2%	2%	3%

Income Year to Date



Performance

Tax-Equivalent Total Return
as of 09/30/2026
Inception Date: 08/01/2014

	Portfolio	Benchmark	Difference
Quarter to Date	-0.57%	-0.48%	-0.09%
Year to Date	-0.07%	-0.19%	0.12%
Since Inception	2.03%	1.97%	0.06%

Benchmark Composition:

100.0% PEJIF Duration Matched Treasury

Disclosures

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Past performance is not indicative of future results and investment results may vary. Current performance may differ from the figures shown due to changes in market conditions after the applicable reporting date. No assurance can be given that the investment objective will be achieved, and an investor may lose money. The account's total return may fluctuate materially because of its sensitivity to interest rates, market conditions, and the maturities of its investments. All returns are calculated net of transaction costs and gross of taxes on dividends and interest unless otherwise stated. Performance results are based on US dollar returns.

Investors cannot invest directly in an index. Indexes are unmanaged and are not subject to transaction charges or expenses. Investing involves risk, including the potential loss of principal. No investment strategy can eliminate risk or guarantee returns, and diversification and asset allocation do not protect against loss or guarantee a profit.

This material may contain forward-looking statements that reflect expectations or forecasts of future events. These statements are speculative and subject to risks, uncertainties and assumptions; actual results may differ materially. Accordingly, undue reliance should not be placed on them. All opinions and commentary are provided in good faith, are subject to change without notice, and may not reflect subsequent developments. Unless otherwise stated, all figures and estimates are derived from internal and third-party sources believed to be reliable, are current as of the date indicated in this document and are subject to change. All references to "$" are in US dollars unless otherwise noted.

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