RESOLUTION OF THE BUDGET AND FINANCE COMMITTEE OF THE NAVAJO NATION COUNCIL

24TH NAVAJO NATION COUNCIL - First Year, 2019

AN ACTION

RELATING TO THE BUDGET AND FINANCE COMMITTEE; APPROVING AS RECOMMENDED BY THE NAVAJO NATION INVESTMENT COMMITTEE, THE TERMINATION OF MONTAGE & CALDWELL, INC. AND THE SELECTION OF JENNISON ASSOCIATES LLC AS THE DOMESTIC LARGE CAPITALIZATION GROWTH EQUITY INVESTMENT MANAGER FOR THE NAVAJO NATION'S MASTER TRUST, THE INVESTMENT MANAGEMENT AGREEMENT AND RELATED DOCUMENTS BETWEEN THE NAVAJO NATION AND JENNISON ASSOCIATES LLC FOR THE NAVAJO NATION'S MASTER TRUST AND THE AMENDED AND RESTATED ADDENDUM TO INVESTMENT MANAGEMENT AGREEMENT AND RELATED DOCUMENTS BETWEEN THE NAVAJO NATION AND JENNISON ASSOCIATES LLC FOR THE NAVAJO NATION'S RETIREMENT PLAN

BE IT ENACTED:

SECTION ONE. AUTHORITY

A. The Budget and Finance Committee of the Navajo Nation Council (the "Budget and Finance Committee") is empowered with the authority to exercise oversight in the areas including, but not limited to, budget, finance, investment, bonds, contracting, insurance, audits, accounting, taxes, loans, and Chapter budget and finance, for the purpose of coordinating, overseeing, and regulating the fiscal, financial, investment, contracting, and audit policies of the Navajo Nation pursuant to 2 N.N.C. § 300 (C)(1); and to promulgate rules and regulations related to contracting, investments, and financial matters pursuant to 2 N.N.C. § 301(B)(1).

B. The Navajo Nation created the Navajo Nation Investment Committee (the "Investment Committee") pursuant to Resolution No. CAU-39-73, and the Budget and Finance Committee of the Navajo Nation Council (the "Budget and Finance Committee") approved and adopted the investment policies for all Navajo Nation financial resources (the "Master Investment Policy") pursuant to Resolution No.

BFO-61-90, as amended by BFJY-114-03, BFJA-01-08, BFJN-17-15, BFD-38-17, BFD-41-17, and BFD-45-18.

C. The Investment Committee is an advisory group to the Budget and Finance Committee in the management of the Nation's investment program and is responsible for recommending to the Budget and Finance Committee the approval of the selection of investment managers and custodians recommended by the Investment Consultant, subject to the approval of each investment manager contract and each custodian contract by the Budget and Finance Committee, pursuant to the Master Investment Policy, § 4.3(d).

SECTION TWO. FINDINGS

A. The Budget and Finance Committee has previously approves the selection of Jennison Associates LLC ("Jennison") as the Domestic large Capitalization Growth Equity investment manager for the Nation's Retirement Plan (the "Retirement Plan") and further approved the related Investment Management Agreement and the Addendum to Investment Management Agreement for the Retirement Plan through Resolution No. BFM-04-15, attached hereto as **Exhibit A**. However, that Agreement and Addendum were not executed.

B. The Investment Committee and the Nation's Investment Consultant, RVK, Inc. ("RVK") have now recommended to the Budget and Finance Committee the approval of the termination of Montag & Caldwell, Inc. and the selection of Jennison as the Domestic Large Capitalization Growth Equity investment manager for the Nation's Master Trust (the "Master Trust") through Resolution No. NNICN-08-18, attached hereto as **Exhibit B**.

C. The Controller, RVK, the Navajo Nation Department of Justice, and the Investment Committee's outside counsel, Kutak Rock LLP, have negotiated with Jennison the terms of the Investment Management Agreement and related documents between the Navajo Nation and Jennison for the Master Trust (the "Master Trust Agreements"). Attached hereto as Exhibit C, and the Amended and Restated Addendum to Investment Management Agreement and related documents between the Navajo Nation and Jennison for the

Retirement Plan (the "Retirement Plan Agreements"), attached hereto as **Exhibit D.**

D. The Budget and Finance Committee considers the recommendation of the Investment Committee and RVK to approve the termination of Montag & Caldwell, Inc. and the selection of Jennison as the Domestic Large Capitalization Growth Equity investment manager for the Master Trust.

E. The Budget and Finance Committee now reviews the Master Trust Agreements and the Retirement Plan Agreements (collectively, the "Agreements").

SECTION THREE. APPROVAL

A. The Budget and Finance Committee approves the termination of Montag & Caldwell, Inc. and the selection of Jennison as the Domestic Large Capitalization Growth Equity investment manager for the Master Trust.

B. The Budget and Finance Committee further approves the Agreements and delegates authority to the Controller to make any reasonable and necessary changes to the Agreements consistent with the intent of this Legislation, to submit the Agreements to the Navajo Nation President for execution, and to effectuate the purposes of the Agreements and this Legislation.

CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 4 in favor and 0 opposed, this 25th day of November 2019.

Raymond Smith, Jr. Vice Chairperson
Budget and Finance Committee

Motion: Honorable Jimmy Yellowhair
Second: Honorable Elmer P. Begay

EXHIBIT A

Exhibit A to BFC Resolution
BFMA-04-15

RESOLUTION OF THE

BUDGET AND FINANCE COMMITTEE

OF THE NAVAJO NATION COUNCIL

23RD NAVAJO NATION COUNCIL - First Year, 2015

AN ACTION

RELATING TO BUDGET AND FINANCE COMMITTEE; APPROVING THE TERMINATION OF SERVICES BY RAINIER INVESTMENT MANAGEMENT AND RETAINING JENNISON ASSOCIATES

Section One. Findings

A. Pursuant to 2 N.N.C. § 300(C) the Budget and Finance Committee of the Navajo Nation Council shall exercise oversight authority, including but not limited to, budget, finance, investment, bonds, contracting, insurance, audits, accounting, taxes, loans, Chapter budget and finance for the following purposes: 1) To coordinate, oversee, regulate the fiscal, financial, investment, contracting and audit policies of the Navajo Nation.

B. Pursuant to Budget and Finance Committee Resolution, BFJA-01-08 (amending BFJY-144-03), the Navajo Nation Investment Committee is delegated with the authority for adoption of and modification to the investment policies and sub-policies for all Navajo Nation financial resources.

C. The Office of the Controller has coordinated with the Navajo Nation's designated investment consultant, RVK, Inc., in recommending to the Navajo Nation Investment Committee the termination of services by Rainer Investment Management, a Large Cap Growth Equity Investment Manager.

D. The Navajo Nation Investment Committee, in coordination with RVK, Inc., interviewed three (3) alternatives to Rainer Investment Management and recommended the transition of all current assets held with Rainer Investment Management to Jennison Associates.

E. The Navajo Nation Investment Committee by Resolution NNICS-01-14 recommends to the Budget and Finance Committee the termination of services by Rainer Investment Management and to transition all current assets held by Rainer Investment Management to Jennison Associates. See NNICS-01-14 attached as Exhibit A.

Section Two. Approval and Directive

A. The Budget and Finance Committee hereby approves the recommendation of the Navajo Nation Investment Committee to terminate the services of Rainer Investment Management.

B. The Budget and Finance Committee hereby approves the recommendation of the Navajo Nation Investment Committee for the Office of the Controller to transition all current assets held by Rainer Investment Management to Jennison Associates.

C. The Budget and Finance Committee hereby directs the Office of the Controller and the Navajo Nation President to carry out all necessary duties to effectuate the Investment Management Agreement and the Addendum to the Investment Management Agreement.

BFMA-04-15

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 4 in favor, 0 opposed, this 3rd day of March, 2015.

Jonathan Nez, Chairperson
Budget and Finance Committee

Motion: Lee Jack, Sr.
Second: Dwight Witherspoon

EXHIBIT A

NNICS-01-14

RESOLUTION OF
THE NAVAJO NATION INVESTMENT COMMITTEE

Approving and Recommending to the Budget and Finance Committee Approval to terminate Large Cap Growth Equity Investment Manager, Rainier Investment Management (Rainier), Held in the Retirement Plan Portfolio and retaining Jennison as the replacement manager.

WHEREAS:

1. Pursuant to Budget and Finance Committee Resolution BFJY-114-03 as amended by Budget and Finance Committee Resolution No. BFJA-01-08, adopted on January 24, 2008 (the "Resolution No. BFJA-01-08"), which involved adopting investment policies and sub-policies for all Navajo Nation financial resources, the Navajo Nation Investment Committee was continued with delegated authority for adoption of and modification to the policy requires recommendation to the Budget and Finance Committee; and

2. Pursuant to the delegated authority, the Office of the Controller has coordinated with the Navajo Nation's designated investment consultant, RVK, Inc. a recommendation to terminate the Large Cap Growth Equity Investment Manager. Rainier, and interview three (3) alternatives hereto attached as Exhibit A, and

3. The Office of the Controller in coordination with RVK, Inc. has interviewed three (3) alternatives to Rainier and recommends transitioning all current assets held with Rainer to Jennison's Mutual Fund vehicle option as soon as possible; and

4. The Navajo Nation Investment Committee has reviewed the recommendation attached hereto as Exhibit A and recommends the same for approval by the Budget and Finance Committee of the Navajo Nation Council with the understanding the Office of the Controller will delegate future efforts to eventually transition into a Separately Managed Account with Jennison.

NOW THEREFORE BE IT RESOLVED THAT:

The Navajo Nation Investment Committee hereby approves and recommends to the Budget and Finance Committee of the Navajo Nation Council approval of the recommendation to terminate the Large Cap Growth Equity Investment Manager. Rainer, and transitioning all current assets held with Rainer to Jennison's Mutual Fund vehicle option with the understanding the Office of the Controller will delegate future efforts to eventually transition into a Separately Managed Account with Jennison.

CERTIFICATION

I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Investment Committee, at a duly called meeting in Window Rock, Arizona, at which a quorum was present and that same was passed by a vote of 3 in favor and 2 opposed, this 25th day of September, 2014.

Mark Grant
Presiding Chairman
Navajo Nation Investment Committee

Motion: Lorenzo Bates
Second: Harrison Tsosie
Vote: 3-2

Exhibit A

RVK

Memorandum

To The Navajo Nation Investment Committee
From RVK, Inc. ("RVK")
Subject Large Cap Growth Manager Recommendation - Rainier
Date July 30, 2014

PORTLAND OFFICE
1211 SW 5th Avenue
Suite 900
Portland, Oregon 97204
MAIN 503.221.4200

Summary
In November 2013, RVK provided a memorandum regarding concerns with Rainier Investment Management ("Rainier") and recommended reviewing alternative managers for The Navajo Nation Retirement Plan's ("the Plan") current investment mandate with Rainier. As a follow-up to that memorandum and subsequent discussions surrounding the Plan's investment with Rainier, RVK has prepared a competitive large cap growth manager search (included in the appendix) which includes RVK's high conviction managers, and provides details for each manager's historical return, risk, and characteristics.

Upon an initial review of the manager search, RVK, in consultation with its Investment Manager Research Department, has identified the below managers as well-suited candidates for the mandate:

- Jennison
- Morgan Stanley
- T. Rowe Price

Background
As of June 30, 2014, Rainier currently manages a domestic large cap growth portfolio for the Plan valued at $48.3 million, representing 7.4% of the Plan's total assets. The recommendation to review Rainier versus other large cap growth managers in the context of a competitive manager search is due to risks RVK considers significant to Rainier from an organizational, competitive, and performance perspective, and are summarized below.

Strategy Changes
In response to significant underperformance in 2008 and 2009, Rainier began initiating a number of small changes in their strategy, team alignment, and investment process, including the use of strategy leads on each of Rainier's equity strategies, the ability to base portfolio positioning on macroeconomic themes, and an increase in portfolio concentration through the implementation of higher conviction portfolio positions.

RVK

Organizational and Team Changes

Over the last two years, Rainier has experienced several personnel changes and organizational changes. In March 2013, Portfolio Manager Daniel Brewer left the firm, and his responsibilities were assumed by other team members. In May 2013, Sam Console joined Rainer from UBS, and was added to the large cap team. In June 2013, Portfolio Manager Mark Dawson assumed the role of CIO from PM James Margard, who was a founding member of the firm. Mr. Margard relinquished his CIO duties, but remains on the investment team. Additionally, Portfolio Manager Peter Musser and President Kurt Polk left the firm at the end of 2013. Steve Jue was hired subsequent to Peter Musser's departure and is responsible for covering the technology sector but does not have portfolio management responsibilities. Lastly, Greg Graziano departed the firm mid-year 2014 to pursue other opportunities.

Continued Underperformance

Rainier has struggled versus its primary benchmark in recent years. Rainier utilizes a Growth-at-a-Reasonable Price ("GARP") investment style that will tend to lag in strong up markets. However, Rainier's relative performance has struggled in both up and down markets, significantly underperforming its benchmark in 2008, 2009, and 2011, while underperforming less significantly in 2012 and 2013, and year-to-date in 2014.

Reduced Assets under Management ("AUM")

In response to Rainier's organizational changes and underperformance, the firm's AUM has continued to decline in recent years, as investors have either reduced their investment allocations, or terminated their investments with Rainier entirely. Continued reductions in AUM put increased pressure on revenue, which can negatively impact resources, staffing, bonuses, and ultimately employee morale.

Collectively, these issues create significant concerns surrounding Rainier's ability to remain competitive in the institutional market place. Taking all items into consideration, RVK believes that there are better investment options available within the large cap growth space.

Individual Manager Comparison

Below is a performance comparison of Rainier and the three recommended managers versus the benchmark. Additional details can be found in the attached manager search.

	3 Years		5 Years		7 Years		10 Years	
	Return	Standard Deviation	Return	Standard Deviation	Return	Standard Deviation	Return	Standard Deviation
Jennison	16.3	14.9	19.1	15.3	9.3	17.3	9.4	15.6
Morgan Stanley	16.8	16.8	23.4	16.9	10.9	21.7	N/A	N/A
T. Rowe Price	18.8	16.1	21.2	16.7	9.7	19.8	9.9	17.4
Rainier	13.8	14.0	16.8	14.8	4.8	17.7	7.7	15.9
Russell 1000 Growth Index	*16.3*	*12.6*	*19.2*	*13.8*	*8.0*	*17.1*	*8.2*	*15.1*

Trailing performance shown as of June 30, 2014

RVK

	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
Jennison	**38.2**	**16.8**	**1.1**	**12.5**	**42.7**	**-36.7**	**12.6**	**3.0**	**14.8**	**10.1**
Russell 1000 Growth Index	33.5	15.3	2.6	16.7	37.2	-38.4	11.8	9.1	5.3	6.3
Difference	4.7	1.5	-1.5	-4.2	5.5	1.7	0.8	-6.1	9.5	3.8
Morgan Stanley	**49.8**	**16.2**	**-2.7**	**24.5**	**67.1**	**-49.2**	**23.0**	**4.7**	**16.6**	**N/A**
Russell 1000 Growth Index	33.5	15.3	2.6	16.7	37.2	-38.4	11.8	9.1	5.3	6.3
Difference	16.3	0.9	-5.3	7.8	29.9	-10.8	11.2	-4.4	11.3	N/A
T. Rowe Price	**45.3**	**18.5**	**-1.2**	**16.8**	**54.3**	**-40.4**	**9.4**	**6.9**	**8.4**	**11.3**
Russell 1000 Growth Index	33.5	15.3	2.6	16.7	37.2	-38.4	11.8	9.1	5.3	6.3
Difference	11.8	3.2	-3.8	0.1	17.1	-2.0	-2.4	-2.2	3.1	5.0
Rainier	**32.8**	**14.5**	**-3.2**	**17.0**	**24.9**	**-41.3**	**17.5**	**13.4**	**10.2**	**13.2**
Russell 1000 Growth Index	33.5	15.3	2.6	16.7	37.2	-38.4	11.8	9.1	5.3	6.3
Difference	-0.7	-0.8	-5.8	0.3	-12.3	-2.9	5.7	4.3	4.9	6.9

Returns shown for Rainier are specific to The Navajo Nation Retirement Plan.

The three recommended managers are benchmark-aware, diversified portfolios with a pure growth investment style. All three managers are high-quality options and interact favorably with the Plan's large cap value manager, Dodge & Cox. Below is a brief summary of each manager's strategy and investment process.

Jennison

Jennison uses a bottom-up stock selection strategy driven by fundamental research to identify companies with above-average growth in units, revenues, earnings, and cash flow, which creates a strong element of quality within the portfolio. Jennison seeks to capture the inflection point in a company's growth rate that is not yet fully reflected in the stock price. Stock selection is driven by interaction between Analysts and Portfolio Managers, with Portfolio Managers having final responsibility for buy and sell decisions.

Strategy Inception – 1969
Percent Employee Owned – 0%
Lowest Cost Vehicle – Separate Account
Expense Ratio – 49 bps

Morgan Stanley

Morgan Stanley focuses on making long-term investments using bottom-up analysis to identify companies that offer sustainable competitive advantages and the ability to effectively redeploy capital at high rates of return. The strategy seeks to add value by identifying market inefficiencies by focusing on areas with a relative lack of coverage, biases held regarding companies' earnings and valuations, and long-term value creation.

Strategy Inception – 2004
Percent Employee Owned – 0%
Lowest Cost Vehicle – Mutual Fund
Expense Ratio – 67 bps

T. Rowe Price
T. Rowe Price utilizes fundamental research and an active, bottom-up stock selection process to identify aggressive companies early in their growth cycle, as well as cyclical and emerging companies. The strategy will hold companies for long periods of time to capture their full appreciation. T. Rowe Price seeks to identify superior growth companies by focusing on long-term earnings growth potential, strong corporate management, and by capitalizing on the differences between cyclical and secular growth.

Strategy Inception – 2001
Percent Employee Owned – 16%
Lowest Cost Vehicle – Mutual Fund
Expense Ratio – 56 bps

Recommendation
RVK recommends the Investment Committee interview the three abovementioned large cap growth managers, to identify the best candidate for the mandate and terminate Rainier from the Retirement Plan based on concerns cited in this memo and previous discussions. Each of the recommended managers fit well with the Plan's existing large cap equity managers, offer organizational stability, and have exhibited strong strategy performance characteristics over time.

INVESTMENT MANAGEMENT AGREEMENT

1. Appointment of Investment Manager. This Agreement dated as of _____ is to confirm the basis upon which Navajo Nation (the "Client") wishes to employ Jennison Associates LLC (the "Investment Manager") as its investment advisor with respect to retirement assets of the Client consisting of all securities and cash from time to time held for the Client's account, entitled The Navajo Nation Retirement Plan (the "Portfolio"), in the custody of Northern Trust (the "Custodian").

2. Investment Discretion; Proxy Voting; Custody. The Investment Manager believes it important that it be given full discretion in the management of the Portfolio to ensure timely and prudent investment of the Portfolio. Consequently, the Investment Manager has requested, and the Client hereby grants to Investment Manager, complete authority to make such changes in the Portfolio as the Investment Manager in its full discretion may deem advisable, including (without limitation) the investment in securities of any cash, the sale or exchange of any securities, now or hereafter held in the Portfolio, and the exercise of any right, including the right to vote incident to any securities or any property held in the Portfolio, and to issue instructions to the Custodian for such purposes. Notwithstanding the foregoing, the Investment Manager shall not be obligated to take any action or render advice involving legal action on Client's behalf with respect to assets in the Portfolio that become subject to any legal notices or proceedings, including securities class actions and bankruptcies. Client retains the right to proceed directly as a security holder against the issuer of any security in the Portfolio. The Investment Manager will also not be authorized to take custody or possession of any of the Client's cash or securities in the Portfolio.

3. Brokerage Practices. The Investment Manager shall have the full power and authority to issue orders for or make purchases or sales of securities for the Portfolio directly to or with a broker, dealer or other person as the Investment Manager selects in its own discretion. The Investment Manager shall instruct all brokers or dealers transacting orders on behalf of the Client to forward promptly to the Custodian confirmation of all brokerage transactions. When selecting a broker for transaction execution, the Investment Manager may consider, amongst other items, the receipt of services that affect securities transactions and incidental functions, such as clearance and settlement functions, and advice as to the value of securities, the advisability of investing in securities, the availability of securities or purchasers or sellers of securities, and analyses and reports concerning issues, industries, securities, economic factors, trends, portfolio strategy, and the performance of accounts. The Client understands commissions charged by brokers who provide these services to the Investment Manager may be somewhat higher than the commissions charged by brokers who do not provide these services. With respect to the Portfolio, the Investment Manager may cause securities transactions to be executed concurrently with authorizations to purchase or sell the same securities for other accounts managed by the Investment Manager. The executions (of purchases or sales) shall be allocated equitably among the various accounts that the Investment Manager manages (including the Portfolio). Notwithstanding the foregoing provisions of this paragraph, the Investment Manager shall arrange for the execution of securities transactions for the Portfolio through those brokers or dealers that, in the Investment Manager's reasonable judgment, are capable of providing best execution. Pursuant to the rules promulgated under Section 326 of the USA PATRIOT ACT, broker-dealers are required to obtain, verify and record information that identifies each person who opens an account with them. In accordance therewith, Client acknowledges that broker-dealers whom the Investment Manager selects to execute transactions in the Portfolio's account on the Client's behalf may seek identifying information about the Client and/or the Portfolio and the Client will provide such information to such broker-dealers, if requested.

4. Investment Guidelines. The Investment Manager will undertake to manage the Portfolio in a professional and responsible manner and in accordance with the objectives as stated in the "Investment

Objectives and Guidelines," which is attached hereto as Exhibit A. The Investment Manager shall not be responsible for complying with any policy directives or other "Master Investment Policies" unless such directives or policies have been presented to the Investment Manager, in writing, and incorporated in the "Investment Objectives and Guidelines." For the avoidance of doubt, if there are any conflicting, inconsistent or additional provisions in any investment policy directives or the Client's "Master Investment Policies," now or in the future, that are not reflected in the "Investment Objectives and Guidelines," the "Investment Objectives and Guidelines" shall control.

5. Representations of Investment Manager. In accepting this Agreement the Investment Manager represents and confirms that it is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

6. Representations of Client. Client represents and warrants that this Agreement constitutes a valid and binding obligation of Client and the terms of this Agreement do not violate any obligations by which Client or the Portfolio are bound, whether arising by contract, operation of law or otherwise. Client further represents and warrants that the person executing this Agreement below on behalf of the Client is duly authorized to do so.

7. Liability; Duty of Care. Except as otherwise provided by law, the Investment Manager shall not be liable to the Client for any loss that the Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by the Investment Manager with that degree of care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a fiduciary capacity would use in the conduct of an enterprise of a like character and with like aims. In any event, neither the Investment Manager nor its affiliates shall be liable for any loss or damage arising or resulting from the acts or omissions of the Custodian, any broker, financial institution or any other third party with or through whom the Investment Manager arranges or enters into a transaction in respect of the Portfolio as long as the Investment Manager has not breached its duties under applicable law and this Agreement. Notwithstanding the foregoing, the Investment Manager shall use its reasonable best efforts to facilitate the resolution of claims (for which the Investment Manager is not liable to the Client under the terms of this Agreement) on behalf of the Client against the Custodian, broker, financial institution or any other third party with or through whom the Investment Manager arranges or enters into a transaction in respect of the Portfolio.

8. Compensation. For its services hereunder, the Investment Manager will charge a fee as set forth in the fee schedule, attached hereto as Exhibit B.

9. Confidentiality. Each party shall use its best efforts to treat all information and advice furnished by the other party to it pursuant to this Agreement as confidential and to avoid disclosing same to third parties; provided, however, the Investment Manager may disclose information (i) to affiliates of the Investment Manager; (ii) to the Custodian with respect to the Portfolio; (iii) to brokers and dealers that are counterparties for trades for the Portfolio; (iv) to third party service providers subject to confidentiality agreements; (v) as required by law, court order or other regulating authority; (vi) as requested by regulatory or governmental authorities or auditors; and (vii) as otherwise agreed to in writing by the Client. Information that (a) was or becomes generally available to the public, other than as a result of disclosure by the other party; (b) was or becomes available to the other party on a non-confidential basis from a source other than the party, which source is not known to be bound by any obligations of confidentiality; or (c) is independently developed by the other party without reference to or reliance on information or advice furnished pursuant to this Agreement, will not be considered confidential for purposes of this paragraph. Notwithstanding the foregoing, reports regarding the Portfolio, its performance and the Investment Manager's management of the Portfolio may be provided to those

charged with overseeing the Client's investments (*e.g.*, Board, investment staff, investment consultants and auditors) or to those as required by law.

10. Form ADV Part 2. The Client acknowledges that the Investment Manager has provided it with a copy of the Investment Manager's most recent Form ADV Parts 2A and 2B, in accordance with Rule 204-3 under the Advisers Act. The Client consents to the annual delivery of the Investment Manager's Form ADV Part 2A and any disclosure documents or notices required by law by electronic means in accordance with applicable laws and regulations. The Form ADV Part 2A, required disclosure document or notice will be delivered as a PDF file unless the Investment Manager's electronic communication contains instructions on how to access such documents. Such documents shall be delivered to the Client at: Mark Grant, mgrant@NNOOC.org.

This consent will remain effective until it is revoked by the Client in writing. Notwithstanding this consent, the Investment Manager will provide a paper copy of the Form ADV Part 2A, disclosure document or notice at no cost upon the Client's request.

11. Investment Manager's Other Accounts. This Agreement in no way restricts the Investment Manager's right to perform investment management or other services for any person or entity, and the performance of such services for others shall not be deemed to violate or give rise to any duty or obligation to the Portfolio or to the Client.

The Client understands that the Investment Manager shall not have any obligation to purchase or sell any security for the Portfolio which it (as investment manager for other clients, or as principal) or its affiliates or employees may purchase or sell for its or their own account or for the account of any other client, if it is the Investment Manager's opinion that such transaction or investment appears unsuitable or undesirable for the Portfolio.

12. Client Lists. The Client authorizes the Investment Manager to list the Client's name on its client lists.

13. Nonassignability; Amendments. Both parties agree that no assignment (within the meaning of the Advisers Act) of this Agreement or any part hereof shall be made without the Client's written consent. This Agreement may be amended only by means of a written document signed by a duly authorized representative of each party.

14. Termination. It is agreed that either the Investment Manager or the Client may, by 30 days' prior written notice to the other, or such shorter notice as to which the parties shall agree, terminate this Agreement.

15. Effectiveness. This Agreement shall become effective on the date on which the Investment Manager commences providing services under this Agreement.

16. Notices. Any notice or report to be given pursuant to the Agreement shall be deemed to have been duly given or made (a) as of the date delivered, and shall be effective upon receipt, if delivered personally, mailed by registered or certified mail (postage prepaid, return receipt requested) or overnight delivery or (b) as of the date sent if provided by facsimile transmission confirmed afterwards as soon as reasonably possible by telephone call, first class mail, or by any method specified in (a) above, to the following addresses specified below:

To the Investment Manager at:

Jennison Associates LLC
466 Lexington Avenue
New York, New York 10017
Attention: Kenneth Moore, Executive Vice President and Chief Operating Officer
Facsimile: 646.863.9376

With a copy to (at the address set forth above):

Attention: Legal Department
Facsimile: 212.682.9831
E-mail: legaldepartment@jennison.com

To the Client at:

Navajo Nation
PO Box 3150; Window Rock, AZ 86515
Attention: Mark Grant
Facsimile: N/A
E-mail: mgrant@NNOOC.org

17. Governing Law; No Waiver. This Agreement shall be construed and the rights and obligations of the parties under the Agreement enforced in accordance with the laws of the State of New York, without regard to conflict of laws principles. Nothing in this Agreement shall constitute a waiver or limitation of any rights that the Client may have under the Advisers Act or otherwise.

18. Headings and Captions. Headings and captions in this Agreement are for reference and convenience only and do not constitute a part of this Agreement and shall not be applied to the construction of this Agreement.

19. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be an original, but all the counterparts shall together constitute one and the same instrument.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties below have executed this Agreement.

JENNISON ASSOCIATES LLC

By:_____
Name: Kenneth Moore
Title: Executive Vice President and
Chief Operating Officer

NAVAJO NATION

By:_____
Name:
Title:

EXHIBIT A

to
Investment Management Agreement
between
Jennison Associates LLC (the "Investment Manager")
and
Navajo Nation (the "Client")

INVESTMENT OBJECTIVES AND GUIDELINES

INVESTMENT OBJECTIVES:

1.1 Strategy – The Portfolio will be managed according to the Investment Manager's Large Capitalization Growth Equity Strategy.

1.2 Benchmark – Russell 1000 Growth Index ("Benchmark").

1.3 Portfolio Objective – The Investment Manager shall seek to outperform the Benchmark.

1.4 For avoidance of doubt, there can be no assurance that the Investment Objectives will be achieved.

GUIDELINES:

2. ELIGIBLE INSTRUMENTS

2.1 All securities included in the Benchmark are eligible for investment in the Portfolio,

2.2 Equity and equity-related securities of U.S. and non-U.S. issuers including but not limited to: Common Stocks (including those of companies that elect to be taxed as limited partnerships), Preferred Stocks, Convertible Securities, Warrants, Rights, non-U.S. dollar denominated securities of non-U.S. issuers ("Foreign Ordinaries"), Real Estate Investment Trusts ("REITs"), Exchange Traded Funds ("ETFs"), Registered Investment Companies ("RICs"), securities issued pursuant to rule 144A as defined by the Securities Act of 1933 ("144As"), American Depositary Receipts ("ADRs") and other Depositary Receipts or Shares in both listed and unlisted form.

2.3 Cash and cash equivalents such as the custodian Short Term Investment Fund ("STIF") and securities issued by the U.S. government and its agencies.

3. PROHIBITED INSTRUMENTS

Investments in the following securities are prohibited:

3.1 Fixed income securities, with the exception of Convertible Securities,

3.2 Securities of private companies acquired through privately negotiated transactions ("Private Equity") and Private Placements, with the exception 144As,

3.3 Direct real estate investments, with the exception of REITs,

3.4 Direct investments in Natural resource properties such as oil, gas or timber

3.5 Commodities,

3.6 Derivatives,

3.7 Securities issued by the Client or the Client's affiliates as detailed in a list provided by the Client.

4. INVESTMENT RESTRICTIONS

The Investment Manager shall not;

4.1 Sell securities short,

4.2 Buy securities on margin,

4.3 Enter into securities lending agreements or participate in securities lending except as directed by the Client.

5. INVESTMENT PARAMETERS

5.1 Typically no more than 5% of the market value of the Portfolio may be invested in cash and cash equivalents under normal market conditions.

5.2 A maximum of 5% of the market value of the Portfolio, at the time of purchase and a maximum of 7% of the market value of the Portfolio may be invested in a single issuer.

5.3 A maximum of 15% of the market value of the Portfolio, at the time of purchase, may be invested in Foreign Ordinaries.

5.4 A maximum of 5% of the market value of the Portfolio may be invested in an issuer's outstanding shares.

5.5 A maximum of 25% of the market value of the Portfolio, at the time of purchase, may be may be invested in a single industry.

5.6 A maximum of 40% of the market value of the Portfolio, at the time of purchase may be invested in a single sector.

5.7 Deviations to the Investment Guidelines caused by market movements, corporate actions or other passive events outside the Investment Manager's control shall not be deemed a violation. The Investment Manager will have 10 business days to remedy any deviations to the Guidelines for the events listed above. If the Investment Manager believes that it is not in the client's best interest to correct the violation within 10 business days, the Investment Manager should obtain from the client a written agreement to correct the passive violation in an alternative manner as suggested by the Investment Manager.

EXHIBIT B

to
Investment Management Agreement
between
Jennison Associates LLC (the "Investment Manager")
and
Navajo Nation (the "Client")

FEES

For the services rendered by the Investment Manager under this Agreement, the Investment Manager shall be paid in accordance with the following schedule:

- 0.75 % per annum on the first $10 million of the market value of the Portfolio;
- 0.50 % on the next $30 million;
- 0.35 % on the next $25 million;
- 0.25 % on the next $335 million; and
- 0.22 % on the balance.

Minimum Account Size: $50,000,000

Such fee shall be paid quarterly in arrears (using the quarterly equivalent of such annual fee rate), net 30 days following receipt of each quarterly invoice. Fees are billed at the end of each calendar quarter, based on the average of the month end market values for the preceding quarter of the Portfolio as calculated by the Custodian. The Investment Manager shall prorate contributions and withdrawals in calculating the advisory fee for the period. Withdrawals for advisory and other miscellaneous fees, such as custodial fees, and dividends or interest activity will not be prorated. If the Investment Manager commences rendering services other than at the beginning of a calendar quarter, the first quarterly fee shall be prorated for the portion of such calendar quarter during which this Agreement was in force. If the Investment Manager terminates rendering services other than at the end of a quarter, the Investment Manager's fee for such quarter shall be prorated based on the portion of the quarter in which the Investment Manager rendered services.

ADDENDUM TO
INVESTMENT MANAGEMENT AGREEMENT

THIS ADDENDUM TO INVESTMENT MANAGEMENT AGREEMENT (this "***Addendum***"), dated as of _____ __, 2015, is by and between The Navajo Nation, a sovereign federally recognized Indian tribe (the "***Nation***") and Jennison Associates LLC (the "Investment Manager"), and supplements the terms of the Investment Management Agreement dated as of the date hereof (the "***Investment Management Agreement***"), by and between the Nation and the Investment Manager. The Nation and the Investment Manager are sometimes referred to herein collectively as the "Parties" or individually as a "Party."

RECITALS

A. The Nation is a federally recognized Indian tribe, with sovereign immunity from unconsented suit.

B. The Nation and the Investment Manager entered into the Investment Management Agreement whereby the Nation appointed the Investment Manager as an investment manager with respect to the assets described therein and the Investment Manager accepted such appointment as investment manager in accordance with the terms of the Investment Management Agreement.

C. The Parties are entering into this Addendum to supplement the terms and conditions of the Investment Management Agreement.

AGREEMENT

In consideration of the premises and the covenants contained in the Investment Management Agreement and herein, the Parties do hereby covenant and agree as follows:

SECTION 1. *Conflicting Terms.* The provisions of this Addendum shall supersede any contrary or inconsistent provisions of the Investment Management Agreement.

SECTION 2. *Appropriation of Funds.* Pursuant to 2 N.N.C. § 223 (A) all payments under the Investment Management Agreement are contingent on appropriation of funds. The Nation confirms that funds have been appropriated to allow all payments under the Investment Management Agreement for the period from the date hereof through _____, 201__. In the event funds are not appropriated for any subsequent fiscal year (October 1-September 30), the Nation shall, not less than 30 days prior to the beginning of such fiscal year, so inform the Investment Manager, of the non-appropriation of funds and its decision to terminate the Investment Management Agreement, at which time the Investment Management Agreement shall be terminated in accordance with Section 12 thereof.

SECTION 3. *Activities Within the Boundaries of Navajo Nation.* To the extent that the Investment Manager physically performs any activities within the external boundaries of the Nation, the Investment Manager agrees to comply with the Navajo Preference in Employment Act, 15 N.N.C. § 601 et seq. and the Navajo Business Opportunity Act, 5 N.N.C.§ 201 et seq. for these activities so physically performed within the external boundaries of the Nation. The

Nation acknowledges and agrees that the provision of services as described and contemplated by the Investment Management Agreement do not constitute services performed within the external boundaries of the Nation and would therefore not be subject to the provisions of the Navajo Preference in Employment Act or the Navajo Business Opportunity Act.

SECTION 4. *Dispute Resolution.*

(a) Negotiation. The Nation and the Manager agree that the parties shall use their best efforts to negotiate a just and equitable resolution and settlement of any dispute, claim or disagreement related to this Agreement or the breach thereof (collectively, "Claims").

(b) Mediation. If the parties cannot reach a negotiated settlement within a period of sixty (60) days, then, upon written notice by any party to the others, the parties agree to settle the dispute by mediation before a mediator to be agreed upon by the parties. The mediation shall take place in Window Rock, Arizona (unless the parties agree otherwise), within a reasonable period of time, but not to exceed thirty (30) days following the notice.

(c) Arbitration. If the Parties do not resolve their Claims by mediation, the sole dispute mechanism to resolve any Claim is by arbitration as contemplated by the Navajo Nation Sovereign Immunity Act, 1 N.N.C. § 554(J) and (K), and the Navajo Nation Arbitration Act, 7 N.N.C. § 1101 et seq. The arbitration shall be conducted in accordance with the American Arbitration Association Commercial Arbitration Rules except to the extent that such rules are modified by the following:

1. Unless otherwise agreed, the arbitration shall be held in Window Rock, Arizona;

2. The arbitration panel shall consist of a single arbitrator unless one of the parties' claims exceeds $1,000,000.00, exclusive of interest, costs and fees, then the arbitration panel shall consist of three (3) arbitrators;

3. No person shall be eligible to serve as an arbitrator if the person is related to, affiliated with or has represented in a legal capacity any Party. The arbitrators shall be attorneys at law admitted to practice and in good standing before the highest court of a state or a member of the Navajo Nation Bar Association, who have a minimum of five years of professional experience within the securities industry.

4. Notice of intent to invoke arbitration against the Nation shall be filed in compliance with the notice requirements of the Navajo Nation Sovereign Immunity Act, 1 N.N.C. § 555;

5. An award against the Nation shall be in conformance with the provisions of 1 N.N.C. § 554(K);

6. An arbitration award shall not be subject to review or modification, or vacated, by a court for any reason other than in the circumstances described in the Navajo Nation Arbitration Act. The judgment confirming an award shall have the same force and effect in all respects as, and be subject to all the provisions of law relating to, a

judgment in a civil action, and it may be enforced as if it has been rendered in a civil action in a court of competent jurisdiction. When the award requires the performance of any other act than the payment of money, the court shall direct the enforcement thereof in the manner provided by law; and

7. The Navajo Nation courts shall have exclusive jurisdiction to compel arbitration and to enforce, modify and vacate an arbitration award.

SECTION 5. *No Waiver of Sovereign Immunity.* Nothing herein or in the Investment Management Agreement shall be considered as a waiver, express or implied, of the sovereign immunity of the Nation except to the extent provided for in the Navajo Nation Sovereign Immunity Act, 1 N.N.C. § 551 et seq.

SECTION 6. *Governing Law; Venue; Jurisdiction.*

(a) The Investment Management Agreement shall be governed by, and construed in accordance with, the written laws of the Nation, and where no written laws of the Nation exist, Navajo custom, the law of the State of New York or applicable federal law, without giving effect to conflicts of laws provisions. The Nation represents and warrants that there is no written law of the Nation and no Navajo custom that is inconsistent with the fulfillment of the Nation of its obligations under this contract and hereby covenants not to assert the existence of inconsistent Navajo written law or custom in connection with any litigation or arbitration that may arise under this contract.

(b) The Nation and the Investment Manager consent to and agree to the initiation of any proceeding relating to this contract in the District Court of the Nation located in Window Rock, Arizona, which shall have exclusive jurisdiction.

SECTION 7. *Severability.* If any provision or application of this Addendum is held unlawful or unenforceable in any respect, such illegality or unenforceability shall not affect other provisions or applications which can be given effect and this Addendum shall be construed as if the unlawful or unenforceable provision or application had never been contained herein or prescribed hereby.

SECTION 8. *Counterparts.* This Addendum may be executed in several counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

NAVAJO NATION (listed in the *Federal Register* as Navajo Nation, Arizona, New Mexico & Utah)

By:_____

<Name>, President

Jennison Associates LLC

By: _____

Name: _____

Title: _____

Document No. 002797 Date Issued: 09/26/2014

EXECUTIVE OFFICIAL REVIEW

Title of Document: NNICS-01-14 Contact Name: CURLEY, JUSTIN E

Program/Division: OFFICE OF THE CONTROLLER

Email: jucurley@nnooc.org Phone Number: x6023

☐ **Business Site Lease** — Sufficient / Insufficient

1. Division: _____ Date: _____ ☐ ☐
2. Office of the Controller: _____ Date: _____ ☐ ☐
(only if Procurement Clearance is not issued within 30 days of the initiation of the E.O. review)
3. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Business and Industrial Development Financing, Veteran Loans, (i.e. Loan, Loan Guarantee and Investment) or Delegation of Approving and/or Management Authority of Leasing transactions**

1. Division: _____ Date: _____ ☐ ☐
2. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Fund Management Plan, Expenditure Plans, Carry Over Requests, Budget Modifications**

1. Office of Management and Budget: _____ Date: _____ ☐ ☐
2. Office of the Controller: _____ Date: _____ ☐ ☐
3. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Navajo Housing Authority Request for Release of Funds**

1. NNEPA: _____ Date: _____ ☐ ☐
2. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Lease Purchase Agreements**

1. Office of the Controller: _____ Date: _____ ☐ ☐
(recommendation only)
2. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Grant Applications**

1. Office of Management and Budget: _____ Date: _____ ☐ ☐
2. Office of the Controller: _____ Date: _____ ☐ ☐
3. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Five Management Plan of the Local Governance Act, Delegation of an Approving Authority from a Standing Committee, Local Ordinances (Local Government Units), or Plans of Operation/Division Policies Requiring Committee Approval**

1. Division: _____ Date: _____ ☐ ☐
2. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Relinquishment of Navajo Membership**

1. Land Department: _____ Date: _____ ☐ ☐
2. Elections: _____ Date: _____ ☐ ☐
3. Office of the Attorney General: _____ Date: _____ ☐ ☐

☐ **Land Withdrawal or Relinquishment for Commercial Purposes**

			Sufficient	Insufficient
1. Division:		Date:	☐	☐
2. Office of the Attorney General:		Date:	☐	☐

☐ **Land Withdrawals for Non-Commercial Purposes, General Land Leases and Resource Leases**

1. NLD		Date:	☐	☐
2. F&W		Date:	☐	☐
3. HPD		Date:	☐	☐
4. Minerals		Date:	☐	☐
5. NNEPA		Date:	☐	☐
6. DNR		Date:	☐	☐
7. DOJ		Date:	☐	☐

☐ **Rights of Way**

1. NLD		Date:	☐	☐
2. F&W		Date:	☐	☐
3. HPD		Date:	☐	☐
4. Minerals		Date:	☐	☐
5. NNEPA		Date:	☐	☐
6. Office of the Attorney General:		Date:	☐	☐
7. OPVP		Date:	☐	☐

☐ **Oil and Gas Prospecting Permits, Drilling and Exploration Permits, Mining Permit, Mining Lease**

1. Minerals		Date:	☐	☐
2. OPVP		Date:	☐	☐
3. NLD		Date:	☐	☐

☐ **Assignment of Mineral Lease**

1. Minerals		Date:	☐	☐
2. DNR		Date:	☐	☐
3. DOJ		Date:	☐	☐

☐ **ROW (where there has been no delegation of authority to the Navajo Land Department to grant the Nation's consent to a ROW)**

1. NLD		Date:	☐	☐
2. F&W		Date:	☐	☐
3. HPD		Date:	☐	☐
4. Minerals		Date:	☐	☐
5. NNEPA		Date:	☐	☐
6. DNR		Date:	☐	☐
7. DOJ		Date:	☐	☐
8. OPVP		Date:	☐	☐

☐ **OTHER:** NNICS-01-14

1. Sponsor		Date: 9-26-14	☑	☐
2. OOC		Date: 9-26-2014	☑	☐
3. DOJ		Date: 9-29-2014	☑	☐
4. OPVP		Date: 9/30/14	☑	☐
5.		Date:	☐	☐

NAVAJO NATION DEPARTMENT OF JUSTICE

DOCUMENT REVIEW REQUEST FORM

☐ RESUBMITTAL

RECEIVED SEP 29 2014 DEPARTMENT OF JUSTICE RECEPTIONIST DESK

DOJ 9/29/14 9:00am DATE / TIME ☐ 7 Day Deadline
DOC #: 002797
SAS #:
UNIT: OAG

*** FOR NNDOJ USE ONLY - DO NOT CHANGE OR REVISE FORM. VARIATIONS OF THIS FORM WILL NOT BE ACCEPTED. ***

CLIENT TO COMPLETE

DATE OF REQUEST: 9/26/14
ENTITY/DIVISION: Executive
CONTACT NAME: Justin Curley
DEPARTMENT: Office of the Controller
PHONE NUMBER: x6023
E-MAIL: jacurley@nnooc.org

TITLE OF DOCUMENT: SAS 2797 regarding NNICS-01-14

DOJ SECRETARY TO COMPLETE

DATE/TIME IN UNIT: 9/29/14 9:30 am
REVIEWING ATTORNEY/ADVOCATE:

DATE/TIME OUT OF UNIT:

DOJ ATTORNEY / ADVOCATE COMMENTS

Legally Sufficient.

REVIEWED BY: (PRINT)	DATE / TIME	SURNAMED BY: (PRINT)	DATE / TIME
[signature]	9/29/14	[signature]	9/29/14

DOJ Secretary Called: for Document Pick Up on at By:

PICKED UP BY: (PRINT) Justin Curley DATE / TIME: 9/29/14 3:21 pm

NNDOJ/DRRF-July 2013

THE NAVAJO NATION

BEN SHELLY PRESIDENT
REX LEE JIM VICE PRESIDENT

MEMORANDUM

TO: Department of Justice

FROM: Michael Venezia, Investments Manager
Navajo Nation Office of the Controller

DATE: January 29, 2015

SUBJECT: Jennison Associates LLC Agreement

Attached for your review is the Investment Manager Agreement (IMA) between Jenison Associates LLC and the Navajo Nation. This IMA is supplemental to SAS # 002797 in regards to Investment Committee Resolution NNICS-01-14. The IMA was not initially submitted with the SAS as a result of ongoing negotiations. SAS # 002797 has already made it through the entire review process and is ready to be before the Budget and Finance Committee (BFC) for final approval in the near future. The intent is to add the IMA to the associated BFC Legislation via an amendment once the Legislation goes before the BFC. A copy of the SAS and all other relevant documentation is also attached for your reference. If there are any questions please contact Justin Curley at jucurley@nnooc.org or at extension 6149.

(1) Blue form
(2)

NAVAJO NATION DEPARTMENT OF JUSTICE

DOCUMENT REVIEW REQUEST FORM

☑ RESUBMITTAL (Sept 2014

X Fore to Hayte

RECEIVED JAN 29 2015 DEPARTMENT OF JUSTICE RECEPTIONIST DESK

DOJ
01-29-15 10:31am
DATE / TIME
☐ 7 Day Deadline
DOC #: 002797
SAS #:
UNIT: ~~DOC~~ T&F

*** FOR NNDOJ USE ONLY - DO NOT CHANGE OR REVISE FORM. VARIATIONS OF THIS FORM WILL NOT BE ACCEPTED. ***

CLIENT TO COMPLETE

DATE OF REQUEST: 1/29/15
ENTITY/DIVISION: ~~Investment~~ Executive
CONTACT NAME: Chense Natani
DEPARTMENT: OOC
PHONE NUMBER: x6149
E-MAIL: cnatani@nnooc.org

TITLE OF DOCUMENT: Jennison - Investment Management Agreement/SAS# 002797

DOJ SECRETARY TO COMPLETE

RECEIVED JAN 29 2015 DEPARTMENT OF JUSTICE TAX UNIT

DATE/TIME IN UNIT: 2.2.15 10:38 Hayden
REVIEWING ATTORNEY/ADVOCATE: Kristen or Dana

DATE/TIME OUT OF UNIT: 10 Sub.

DOJ ATTORNEY / ADVOCATE COMMENTS

Note: No waiver of sovereign immunity or dispute resolution provision. If Investment Committee is fine with DY law, then sufficient

REVIEWED BY: (*PRINT*)	DATE / TIME	SURNAMED BY: (*PRINT*)	DATE / TIME
Harrison Grace			2/11/15

DOJ Secretary Called: for Document Pick Up on: at By:

PICKED UP BY: (*PRINT*) DATE / TIME:

NNDOJ/DRRF-July 2013

Hayden - you scrivened the original DB

EXHIBIT B

Exhibit B to BFC Resolution

NNICN-08-18

RESOLUTION OF
THE NAVAJO NATION INVESTMENT COMMITTEE

Approving and Recommending to the Budget and Finance Committee Approval of a Change to a Current Domestic Large Cap Growth Equity Investment Manager Held in the Master Trust

WHEREAS:

1. Pursuant to Budget and Finance Committee Resolution BFJY-114-03, as amended by BFJA-01-08 which involved adopting investment policies and sub-policies for all Navajo Nation financial resources, the Navajo Nation Investment Committee was continued with delegated authority to approve and recommend investments for adoption to the Budget and Finance Committee; and

2. Pursuant to the delegated authority, the Office of the Controller has coordinated with the Navajo Nation's designated investment consultant, RVK, Inc. a recommendation to terminate Montag & Caldwell for the Master Trust funds of the Navajo Nation; and

3. The Office of the Controller in coordination with RVK, Inc. has reviewed and recommends hiring Jennison Large Cap Growth as a replacement domestic large cap growth manager, which is currently a domestic large cap growth manager in the Retirement Plan, which has the same objectives and strategies as the Master Trust Funds, and has been fully vetted by RVK and the Investment Committee; and

4. The Navajo Nation Investment Committee has reviewed the recommendation attached hereto as Exhibit A and recommends the same for approval by the Budget and Finance Committee of the Navajo Nation Council.

NOW THEREFORE BE IT RESOLVED THAT:

The Navajo Nation Investment Committee hereby approves and recommends to the Budget and Finance Committee of the Navajo Nation Council approval of the recommendation to terminate Montag & Caldwell and allocate all current assets with the manager to Jennison, which would be a new domestic large cap growth manager to the Navajo Nation Master Trust, hereto attached as Exhibit A.

The Investment Committee directs the Navajo Nation Department of Justice to work with RVK to finalize the Advisory Agreement between the Nation and Jennison Large Cap Growth.

CERTIFICATION

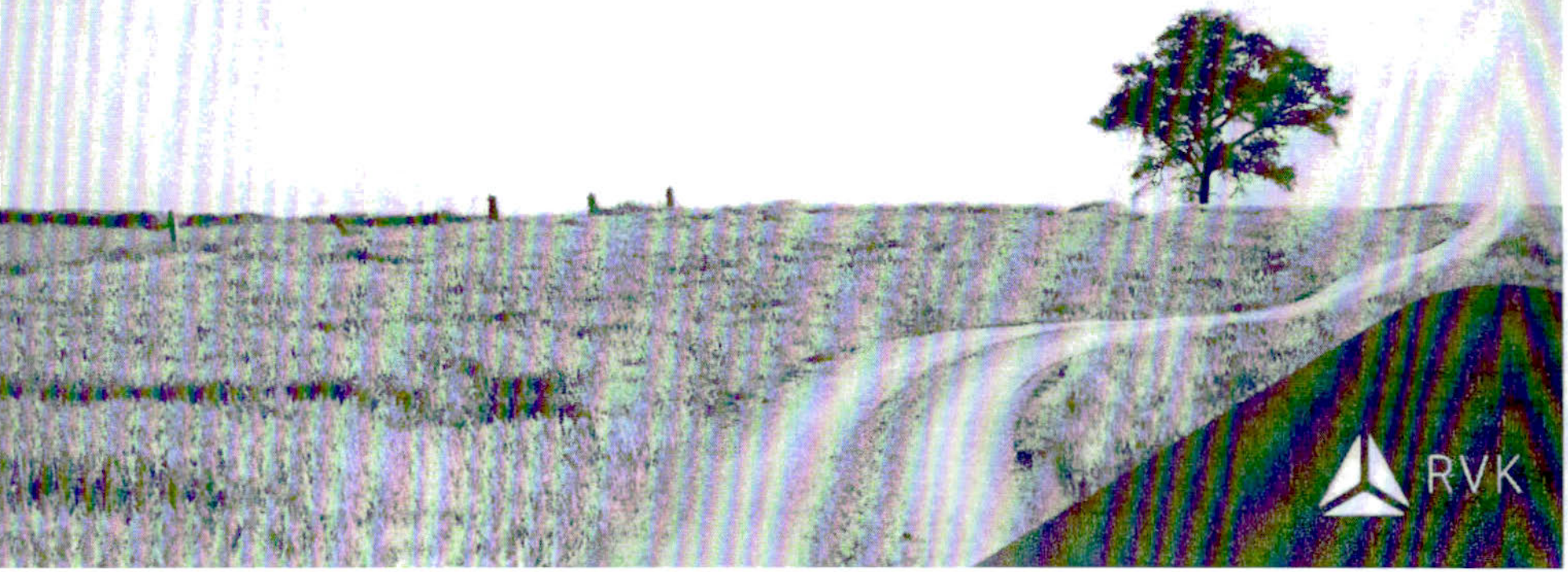
I hereby certify that the foregoing resolution was duly considered by the Navajo Nation Investment Committee, at a duly called meeting at Quality Inn, Window Rock, Arizona, at which a quorum was present and that same was passed by a vote of 5 in favor, 0 opposed, and 0 abstained, this 30th day of November, 2017.

Pearline Kirk
Presiding Chairman
Navajo Nation Investment Committee

Motion: Seth Damon
Second: Elizabeth Begay
Vote: 5-0-0

Exhibit A

Montag & Caldwell Termination Recommendation



RVK

Montag & Caldwell Termination Recommendation

Background and Key Points:

- **Navajo Nation's Montag & Caldwell Investment and Large Cap Domestic Equity Structure** – The Navajo Nation Master Trust has approximately $201 million (~6% of total Master Trust assets) invested in the Montag & Caldwell Large Cap Growth Fund, which has been an investment in the Master Trust since October, 1998. The Master Trust's Large Cap Domestic Equity structure currently consists of the following managers:
  - 40% Dodge & Cox Large Cap Value (Actively Managed)
  - 20% Vanguard Institutional Index (Passively Managed)
  - 20% INTECH Broad Large Cap Growth (Actively Managed)
  - 20% Montag & Caldwell Large Cap Growth (Actively Managed

- **Continued Underperformance Relative to Benchmark and Peers** – Montag & Caldwell has underperformed fairly consistently since the 2008 Global Financial Crisis and is underperforming significantly over all trailing periods. The manager was officially placed on watch in 2015, and RVK has been monitoring performance, and organizational changes/updates, closely for several years. Montag & Caldwell's investment strategy is concentrated, and has a bias towards high quality companies with strong balance sheets and cash flows. While this aspect of the strategy did serve to protect capital in the 2008 market downturn, it has been a headwind for performance in recent years to due a strong, broad-based equity market that has been primarily fueled by monetary policy efforts and quantitative easing. Additionally, the strategy has also markedly underperformed in volatile growth markets where the strategy should have performed relatively well versus its benchmark and peers

Relative performance and plan assets shown as of September 30, 2017

Montag & Caldwell Termination Recommendation

Background and Key Points (Continued):

- **Reduction in Assets Under Management** – In recent years, the firms assets under management (AUM) have declined by approximately 20%, as the firm has lost clients due to underperformance, as well as clients moving towards passive investment strategies The strategy's prolonged underperformance is likely to lead to further reductions in AUM, which can put increased pressure on revenue, and can ultimately reduce the firm's resources, making it challenging to complete quality research and adequately compensate their team members.

- **Recommendation** – RVK recommends The Navajo Nation Master Trust terminate their investment with Montag & Caldwell, and hire Jennison Large Cap Growth. Jennison is a high quality and suitable replacement option for Montag & Caldwell, and is a current large cap growth manager in The Navajo Nation Retirement Plan. Utilizing Jennison for both the Master Trust and Retirement Plan portfolios allows for more competitive manager fees, as fees are assessed on aggregate assets, and a more expeditious process for investment contracting and document completion. To ensure competitiveness, RVK has completed a large cap growth manager search comparing Jennison to RVK's best idea managers, which is included in the appendix.

Relative performance and plan assets shown as of September 30, 2017

Large Cap Growth – Manager Comparison

Performance Comparison

- On a historical basis, Montag & Caldwell has significantly underperformed its benchmark over all trailing periods.
- Jennison has posted strong long-term performance in absolute and relative terms, and would have historically added value to the Large Cap Domestic Equity Composite.

	1 Year	3 Years	5 Years	10 Years	2016	2015	2014	2013	2012	2011	2010	2009	2008
MANAGER PERFORMANCE													
Montag & Caldwell L/C Growth (SA)	**14.90**	**8.53**	**10.73**	**7.07**	**-1.30**	**5.76**	**7.96**	**28.14**	**13.60**	**3.63**	**9.02**	**30.68**	**-32.46**
Russell 1000 Grth Index	21.94	12.69	15.26	9.08	7.08	5.67	13.05	33.48	15.26	2.64	16.71	37.21	-38.44
Difference	-7.04	-4.16	-4.53	-2.01	-8.38	0.09	-5.09	-5.34	-1.66	0.99	-7.69	-6.53	5.98
MUS Large Cap Growth Equity (MF) Median	20.04	11.11	13.93	7.92	1.91	5.62	10.48	33.97	14.82	-1.79	15.13	35.10	-39.81
Rank	95	91	98	73	79	49	84	96	66	5	95	77	3
Jennison L/C Growth (SA)	**25.65**	**13.54**	**16.33**	**9.87**	**-0.42**	**11.34**	**10.27**	**37.85**	**16.44**	**0.83**	**12.17**	**42.28**	**-36.85**
Russell 1000 Grth Index	21.94	12.69	15.26	9.08	7.08	5.67	13.05	33.48	15.26	2.64	16.71	37.21	-38.44
Difference	3.71	0.85	1.07	0.79	-7.50	5.67	-2.78	4.37	1.18	-1.81	-4.54	5.07	1.59
MUS Large Cap Growth Equity (MF) Median	20.04	11.11	13.93	7.92	1.91	5.62	10.48	33.97	14.82	-1.79	15.13	35.10	-39.81
Rank	5	9	8	5	74	5	54	15	35	24	74	24	18
COMPOSITE PERFORMANCE													
Large Cap DE - Current Structure	**21.03**	**10.76**	**14.27**	**7.34**	**11.61**	**0.75**	**11.08**	**34.37**	**17.77**	**-0.09**	**14.42**	**29.81**	**-39.13**
S&P 500 Index (Cap Wtd)	18.61	10.81	14.22	7.44	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00
Difference	2.42	-0.05	0.05	-0.10	-0.35	-0.63	-2.61	1.98	1.77	-2.20	-0.64	3.35	-2.13
Large Cap DE - Proposed Structure	**23.23**	**11.77**	**15.42**	**7.90**	**11.81**	**1.79**	**11.59**	**36.35**	**18.36**	**-0.64**	**15.08**	**32.11**	**-39.97**
S&P 500 Index (Cap Wtd)	18.61	10.81	14.22	7.44	11.96	1.38	13.69	32.39	16.00	2.11	15.06	26.46	-37.00
Difference	4.62	0.96	1.20	0.46	-0.15	0.41	-2.10	3.96	2.36	-2.75	0.02	5.65	-2.97

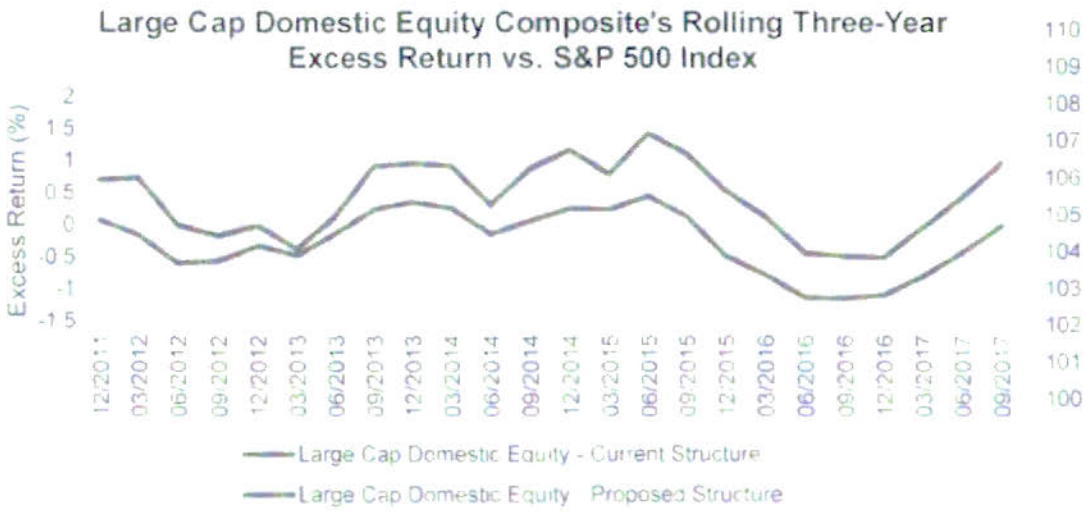
Performance shown is net of fees and as of September 30, 2017. Performance shown for time periods greater than one year is annualized

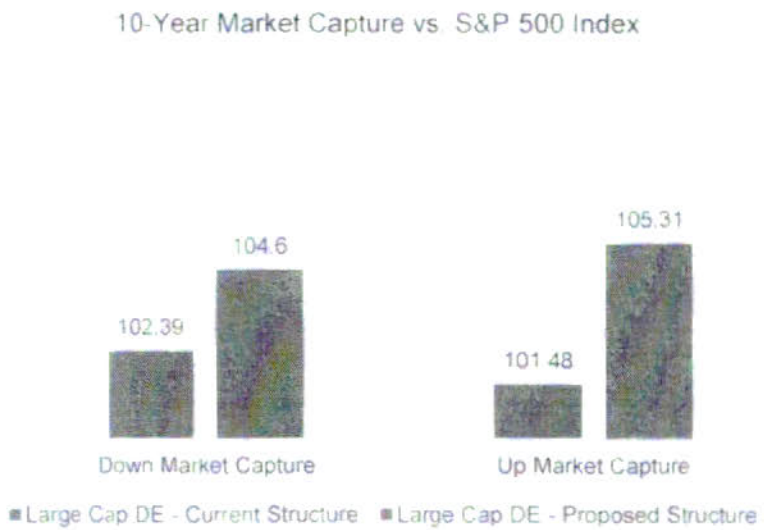
RVK

Large Cap Growth – Manager Comparison

Risk & Return Comparison – Large Cap Domestic Equity Composite

	5 Years				10 Years			
	Return	Standard Deviation	Sharpe Ratio	Info. Ratio	Return	Standard Deviation	Sharpe Ratio	Info. Ratio
Large Cap DE - Current Structure	14.3	9.5	1.4	0.03	7.3	15.5	0.5	-0.1
Large Cap DE - Proposed Structure	15.4	10.0	1.5	0.53	7.9	15.8	0.5	0.2
S&P 500 Index	**14.2**	**9.5**	**1.4**	--	**7.4**	**15**	**0.5**	--





Performance and data shown is net of fees and as of September 30, 2017. Performance shown for time periods greater than one year is annualized.

RVK

Large Cap Growth – Manager Comparison

Domestic Large Cap Equity Fee Impact – Master Trust

- Replacing Montag & Caldwell with Jennison will not have a noticeable impact on fees.

	Current Structure			Proposed Structure		
Investment Managers	Allocation (%)	Annual Fee ($)	Effective Fee (%)	Allocation (%)	Annual Fee ($)	Effective Fee (%)
Dodge & Cox L/C Value (SA)	40.0%	$1,222,727	0.24%	40.0%	$1,222,727	0.24%
Vanguard Instl Index (VIIIX)	20.0%	$50,947	0.02%	20.0%	$50,947	0.02%
INTECH Broad L/C Growth (SA)	20.0%	$1,146,307	0.45%	20.0%	$1,146,307	0.45%
Montag & Caldwell L/C Growth (SA)	20.0%	$815,152	0.32%	--	--	0.32%
Jennison L/C Growth (SA)	-	-	0.31%	20.0%	$789,678	0.31%
TOTAL	100.0%	$3,235,133	0.254%	100.0%	$3,209,659	0.252%

Estimated effective fees are based off of the Master Trust's October 31, 2017 large cap domestic equity composite market value

RVK

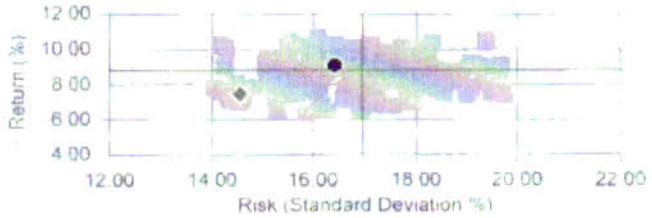
Manager: Montag & Caldwell L/C Growth (SA)
Benchmark: Russell 1000 Grth Index
Peer Group: IM U.S. Large Cap Growth Equity (SA+CF)

As of September 30, 2017

Performance

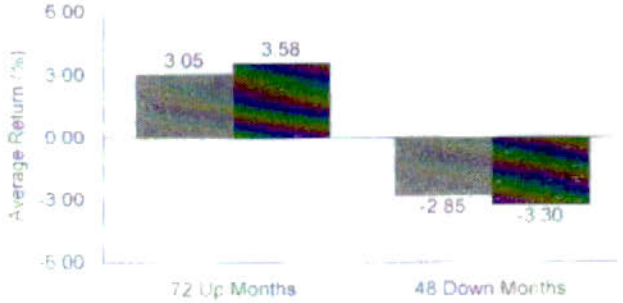
	QTD	1 Year	3 Years	5 Years	7 Years	10 Years	2016	2015	2014	2013	2012
Manager	**4.60**	**15.31**	**8.93**	**11.14**	**12.14**	**7.47**	**-0.94**	**6.15**	**8.38**	**28.58**	**13.99**
Benchmark	5.90	21.94	12.69	15.26	15.41	9.08	7.08	5.67	13.05	33.48	15.26
Difference	-1.30	-6.63	-3.76	-4.12	-3.27	-1.61	-8.02	0.48	-4.67	-4.90	-1.27
Peer Group Median	5.41	20.80	11.75	14.81	14.64	8.85	4.62	4.97	11.91	34.52	15.19
Rank	69	91	91	96	94	83	90	40	85	92	65
Population	261	258	255	244	235	213	301	329	343	350	364

Peer Group Scattergram - 10 Years

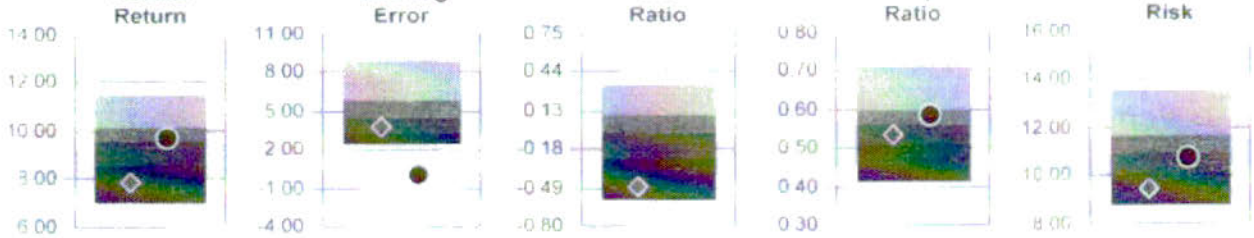


	Return	Standard Deviation
Manager	7.47	14.57
Benchmark	9.08	16.43
Median	8.85	16.95

Up/Down Markets - 10 Years



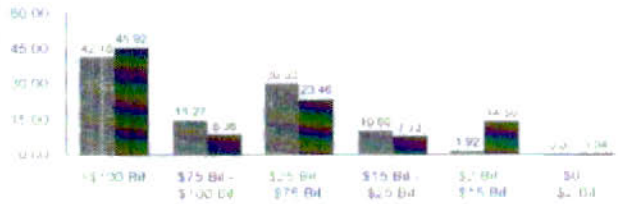
Peer Group Analysis - Multi Statistics - 10 Years (Excess Return vs. Risk Free)



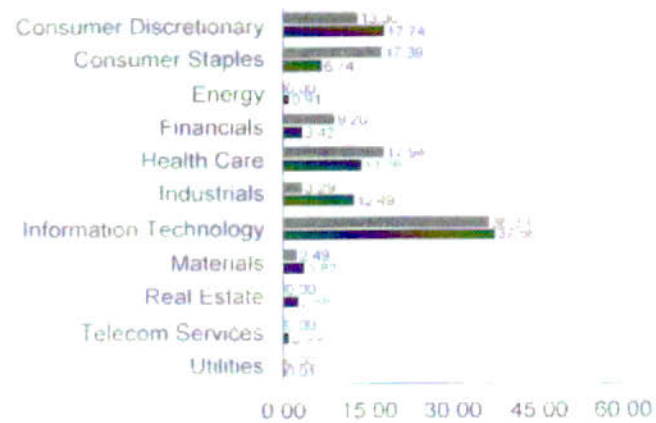
	Excess Return	Tracking Error	Info Ratio	Sharpe Ratio	Downside Risk
Manager	7.89 (87)	3.82 (64)	-0.48 (91)	0.54 (59)	9.51 (89)
Benchmark	9.71 (45)	0.00 (100)	N/A	0.59 (31)	10.72 (60)
Median	9.57	4.52	-0.05	0.56	10.99

Portfolio Characteristics and Dist. of Market Cap (%)

	Portfolio	Benchmark
Total Avg. Mkt. Cap ($M)	[illegible]	[illegible]
Median Mkt. Cap. ($M)	[illegible]	10,800
Price/Earnings Ratio	[illegible]	25.33
Price/Book Ratio	4.82	6.29
5 Yr. EPS Growth Rate (%)	15.53	15.30
Current Yield (%)	[illegible]	1.29
Beta (5 Years, Monthly)	[illegible]	1.00
Number of Securities	[illegible]	660
Active Share	[illegible]	N/A



Sector Weights (%)



Performance shown is gross of fees and based on the Master Trust. Calculation is based on quarterly periodicity. Parentheses contain percentile ranks.

RVK

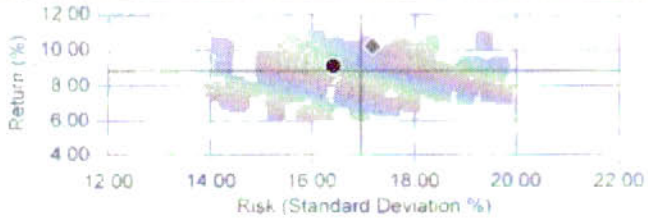
Manager: Jennison L/C Growth (SA)
Benchmark: Russell 1000 Grth Index
Peer Group: IM U.S. Large Cap Growth Equity (SA+CF)

As of September 30, 2017

Performance

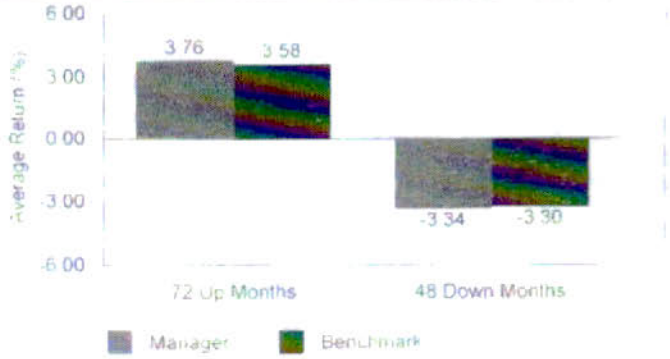
	QTD	1 Year	3 Years	5 Years	7 Years	10 Years	2016	2015	2014	2013	2012
Manager	**8.16**	**25.83**	**13.86**	**16.67**	**16.31**	**10.19**	**1.03**	**11.12**	**10.60**	**38.26**	**16.79**
Benchmark	5.90	21.94	12.69	15.26	15.41	9.08	7.08	5.67	13.05	33.48	15.26
Difference	2.26	3.89	1.17	1.41	0.90	1.11	-6.05	5.45	-2.45	4.78	1.53
Peer Group Median	5.41	20.80	11.75	14.81	14.64	8.85	4.62	4.97	11.91	34.52	15.19
Rank	4	6	17	14	15	11	82	11	65	20	33
Population	261	258	255	244	235	213	301	329	343	350	364

Peer Group Scattergram - 10 Years

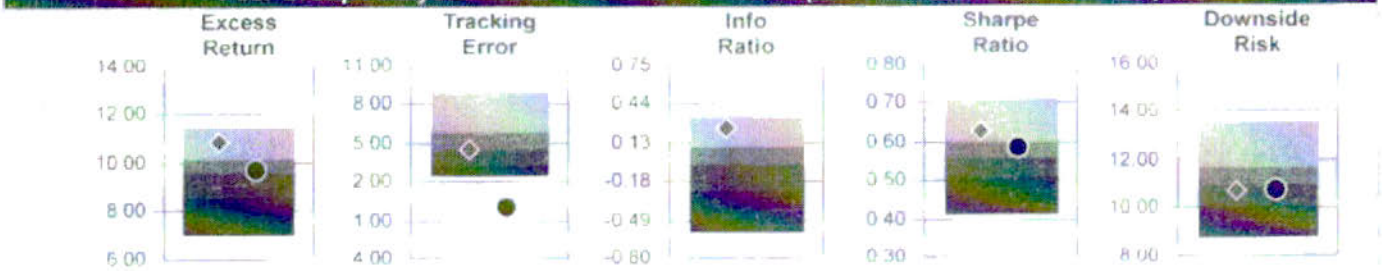


	Return	Standard Deviation
Manager	10.19	17.19
Benchmark	9.08	16.43
Median	8.85	16.95

Up/Down Markets - 10 Years



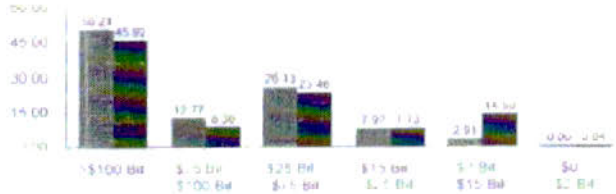
Peer Group Analysis - Multi Statistics - 10 Years (Excess Return vs. Risk Free)



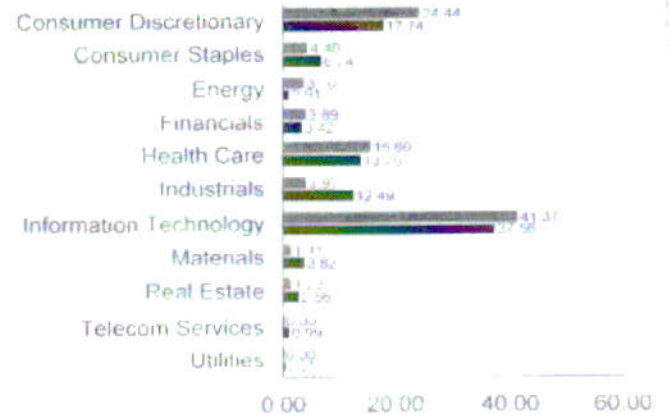
	Excess Return	Tracking Error	Info Ratio	Sharpe Ratio	Downside Risk
Manager	10.86 (9)	4.53 (50)	0.25 (12)	0.63 (17)	10.77 (59)
Benchmark	9.71 (45)	0.00 (100)	N/A	0.59 (31)	10.72 (60)
Median	9.57	4.52	0.05	0.56	10.99

Portfolio Characteristics and Dist. of Market Cap (%)

	Portfolio	Benchmark
Wtd. Avg. Mkt. Cap ($M)	208,177	197,751
Median Mkt. Cap ($M)	[illegible]	[illegible]
Price/Earnings Ratio	34.36	26.33
Price/Book Ratio	[illegible]	[illegible]
5 Yr. EPS Growth Rate	[illegible]	[illegible]
Current Yield (%)	[illegible]	[illegible]
Beta (5 Years, Monthly)	[illegible]	1.00
Number of Securities	58	550
Active Share	[illegible]	N/A



Sector Weights (%)



Performance shown is gross of fees and is product specific prior to 05/01/2015. Performance is based on the Retirement Plan. Calculation is based on quarterly periodicity. Parentheses contain percentile ranks.

RVK

EXHIBIT C

THE MASTER TRUST AGREEMENTS

EXHIBIT C(1)

MASTER TRUST

INVESTMENT MANAGEMENT AGREEMENT

INVESTMENT MANAGEMENT AGREEMENT

1. Appointment of Investment Manager. This Agreement, dated as of _____, 2019, is to confirm the basis upon which the Navajo Nation (the "Client") wishes to employ Jennison Associates LLC (the "Investment Manager") as its investment advisor with respect to assets of the Client consisting of all securities and cash from time to time held for the Client's account, entitled "Navajo Nation – Jennison Large" (the "Portfolio"), in the custody of Northern Trust (the "Custodian").

2. Investment Discretion; Proxy Voting; Custody. The Investment Manager believes it important that it be given full discretion in the management of the Portfolio to ensure timely and prudent investment of the Portfolio. Consequently, the Investment Manager has requested, and the Client hereby grants to Investment Manager, complete authority to make such changes in the Portfolio as the Investment Manager in its full discretion may deem advisable, including (without limitation) the investment in securities of any cash, the sale or exchange of any securities, now or hereafter held in the Portfolio, and the exercise of any right, including the right to vote incident to any securities or any property held in the Portfolio, and to issue instructions to the Custodian for such purposes. Notwithstanding the foregoing, the Investment Manager shall not be obligated to take any action or render advice involving legal action on Client's behalf with respect to assets in the Portfolio that become subject to any legal notices or proceedings, including securities class actions and bankruptcies. Client retains the right to proceed directly as a security holder against the issuer of any security in the Portfolio. The Investment Manager will also not be authorized to take custody or possession of any of the Client's cash or securities in the Portfolio.

3. Brokerage Practices. The Investment Manager shall have the full power and authority to issue orders for or make purchases or sales of securities for the Portfolio directly to or with a broker, dealer or other person as the Investment Manager selects in its own discretion. The Investment Manager shall instruct all brokers or dealers transacting orders on behalf of the Client to forward promptly to the Custodian confirmation of all brokerage transactions. When selecting a broker for transaction execution, the Investment Manager may consider, amongst other items, the receipt of services that affect securities transactions and incidental functions, such as clearance and settlement functions, and advice as to the value of securities, the advisability of investing in securities, the availability of securities or purchasers or sellers of securities, and analyses and reports concerning issues, industries, securities, economic factors, trends, portfolio strategy, and the performance of accounts. The Client understands commissions charged by brokers who provide these services to the Investment Manager may be somewhat higher than the commissions charged by brokers who do not provide these services. With respect to the Portfolio, the Investment Manager may cause securities transactions to be executed concurrently with authorizations to purchase or sell the same securities for other accounts managed by the Investment Manager. The executions (of purchases or sales) shall be allocated equitably among the various accounts that the Investment Manager manages (including the Portfolio). Notwithstanding the foregoing provisions of this paragraph, the Investment Manager shall arrange for the execution of securities transactions for the Portfolio through those brokers or dealers that, in the Investment Manager's reasonable judgment, are capable of providing best execution. Pursuant to the rules promulgated under Section 326 of the USA PATRIOT ACT, broker-dealers are required to obtain, verify and record information that identifies each person who opens an account with them. In accordance therewith, Client acknowledges that broker-dealers whom the Investment Manager selects to execute transactions in the Portfolio's account on the Client's behalf may seek identifying information about the Client and/or the Portfolio and the Client will provide such information to such broker-dealers, if requested.

4. Investment Guidelines. The Investment Manager will undertake to manage the Portfolio in a professional and responsible manner and in accordance with the objectives as stated in the "Investment Objectives and Guidelines," which is attached hereto as Exhibit A. The Investment Manager shall not be

responsible for complying with any policy directives or other "Master Investment Policies" unless such directives or policies have been presented to the Investment Manager, in writing, and incorporated in the "Investment Objectives and Guidelines." For the avoidance of doubt, if there are any conflicting, inconsistent or additional provisions in any investment policy directives or the Client's "Master Investment Policies," now or in the future, that are not reflected in the "Investment Objectives and Guidelines," the "Investment Objectives and Guidelines" shall control.

5. Representations of Investment Manager. In accepting this Agreement the Investment Manager represents and confirms that it is registered as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act").

6. Representations of Client. Client represents and warrants that this Agreement constitutes a valid and binding obligation of Client and the terms of this Agreement do not violate any obligations by which Client or the Portfolio are bound, whether arising by contract, operation of law or otherwise. Client further represents and warrants that the person executing this Agreement below on behalf of the Client is duly authorized to do so.

7. Liability; Duty of Care. Except as otherwise provided by law, the Investment Manager shall not be liable to the Client for any loss that the Client may suffer by reason of any investment decision made or other action taken or omitted in good faith by the Investment Manager with that degree of care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a fiduciary capacity would use in the conduct of an enterprise of a like character and with like aims. In any event, neither the Investment Manager nor its affiliates shall be liable for any loss or damage arising or resulting from the acts or omissions of the Custodian, any broker, financial institution or any other third party with or through whom the Investment Manager arranges or enters into a transaction in respect of the Portfolio as long as the Investment Manager has not breached its duties under applicable law and this Agreement. Notwithstanding the foregoing, the Investment Manager shall use its reasonable best efforts to facilitate the resolution of claims (for which the Investment Manager is not liable to the Client under the terms of this Agreement) on behalf of the Client against the Custodian, broker, financial institution or any other third party with or through whom the Investment Manager arranges or enters into a transaction in respect of the Portfolio.

8. Compensation. For its services hereunder, the Investment Manager will charge a fee as set forth in the fee schedule, attached hereto as Exhibit B.

9. Confidentiality. Each party shall use its best efforts to treat all information and advice furnished by the other party to it pursuant to this Agreement as confidential and to avoid disclosing same to third parties; provided, however, the Investment Manager may disclose information (i) to affiliates of the Investment Manager; (ii) to the Custodian with respect to the Portfolio; (iii) to brokers and dealers that are counterparties for trades for the Portfolio; (iv) to third party service providers subject to confidentiality agreements; (v) as required by law, court order or other regulating authority; (vi) as requested by regulatory or governmental authorities or auditors; and (vii) as otherwise agreed to in writing by the Client. Information that (a) was or becomes generally available to the public, other than as a result of disclosure by the other party; (b) was or becomes available to the other party on a non-confidential basis from a source other than the party, which source is not known to be bound by any obligations of confidentiality; or (c) is independently developed by the other party without reference to or reliance on information or advice furnished pursuant to this Agreement, will not be considered confidential for purposes of this paragraph. Notwithstanding the foregoing, reports regarding the Portfolio, its performance and the Investment Manager's management of the Portfolio may be provided to those charged with overseeing the Client's investments (*e.g.*, Board, investment staff, investment consultants and auditors) or to those as required by law.

10. Form ADV Part 2. The Client acknowledges that the Investment Manager has provided it with a copy of the Investment Manager's most recent Form ADV Parts 2A and 2B, in accordance with Rule 204-3 under the Advisers Act. The Client consents to the annual delivery of the Investment Manager's Form ADV Part 2A and any disclosure documents or notices required by law by electronic means in accordance with applicable laws and regulations. The Form ADV Part 2A, required disclosure document or notice will be delivered as a PDF file unless the Investment Manager's electronic communication contains instructions on how to access such documents. Such documents shall be delivered to the Client pursuant to Section 16 below.

This consent will remain effective until it is revoked by the Client in writing. Notwithstanding this consent, the Investment Manager will provide a paper copy of the Form ADV Part 2A, disclosure document or notice at no cost upon the Client's request.

11. Investment Manager's Other Accounts. This Agreement in no way restricts the Investment Manager's right to perform investment management or other services for any person or entity, and the performance of such services for others shall not be deemed to violate or give rise to any duty or obligation to the Portfolio or to the Client.

The Client understands that the Investment Manager shall not have any obligation to purchase or sell any security for the Portfolio which it (as investment manager for other clients, or as principal) or its affiliates or employees may purchase or sell for its or their own account or for the account of any other client, if it is the Investment Manager's opinion that such transaction or investment appears unsuitable or undesirable for the Portfolio.

12. Client Lists. The Client does not authorize the Investment Manager to list the Client's name on its client lists.

13. Nonassignability; Amendments. Both parties agree that no assignment (within the meaning of the Advisers Act) of this Agreement or any part hereof shall be made without the Client's written consent. This Agreement may be amended only by means of a written document signed by a duly authorized representative of each party.

14. Termination. It is agreed that either the Investment Manager or the Client may, by 30 days' prior written notice to the other, or such shorter notice as to which the parties shall agree, terminate this Agreement.

15. Effectiveness. This Agreement shall become effective on the date on which the Investment Manager commences providing services under this Agreement.

16. Notices. Any notice or report to be given pursuant to this Agreement shall be in writing and shall be deemed to have been duly given or made (a) as of the date delivered, and shall be effective upon receipt, if delivered personally, mailed by registered or certified mail (postage prepaid, return receipt requested) or overnight delivery or (b) as of the date sent if provided by facsimile transmission confirmed afterwards as soon as reasonably possible by telephone call, first class mail, or by any method specified in (a) above, to the following addresses specified below:

To the Investment Manager at:

Jennison Associates LLC
466 Lexington Avenue

New York, New York 10017
Attention: Kenneth Moore, Executive Vice President and Chief Operating Officer
Facsimile: 646.863.9376

With a copy to (at the address set forth above):

Attention: Legal Department
Facsimile: 212.682.9831
E-mail: legaldepartment@jennison.com

To the Client:

Pursuant to the contact list provided by the Client to the Investment Manager which may be updated by the Client from time to time by written notice from the Client to the Investment Manager.

17. Governing Law; No Waiver. This Agreement shall be construed and the rights and obligations of the parties under the Agreement enforced in accordance with the laws of the State of New York, without regard to conflict of laws principles. Nothing in this Agreement shall constitute a waiver or limitation of any rights that the Client may have under the Advisers Act or otherwise.

18. Headings and Captions. Headings and captions in this Agreement are for reference and convenience only and do not constitute a part of this Agreement and shall not be applied to the construction of this Agreement.

19. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be an original, but all the counterparts shall together constitute one and the same instrument.

20. Side Letter. Notwithstanding anything to the contrary, the terms and provisions of this Agreement are supplemented and modified by the Side Letter, dated as of the date hereof (the "Side Letter"), between the Client and the Investment Manager relating to the Portfolio. To the extent there are any conflicting or inconsistent provisions in this Agreement that are not reflected in the Side, the terms and provisions of the Side Letter shall prevail.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties below have executed this Agreement.

JENNISON ASSOCIATES LLC

By:_____
Name: Kenneth Moore
Title: Executive Vice President and
Chief Operating Officer

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By:_____
Jonathan Nez, President

EXHIBIT C

EXHIBIT A

to
Investment Management Agreement
between
Jennison Associates LLC (the "Investment Manager")
and
Navajo Nation (the "Client")

INVESTMENT OBJECTIVES AND GUIDELINES

1.1 Strategy – The Portfolio will be managed according to the Investment Manager's Domestic Large Capitalization Growth Equity Strategy.

1.2 Benchmark – Russell 1000 Growth Index ("Benchmark").

GUIDELINES:

2. ELIGIBLE INSTRUMENTS

2.1 All securities included in the Benchmark are eligible for investment in the Portfolio,

2.2 Equity and equity-related securities of U.S. and non-U.S. issuers including but not limited to: Common Stocks (including those of companies that elect to be taxed as limited partnerships), Preferred Stocks, Convertible Securities, Warrants, Rights, non-U.S. dollar denominated securities of non-U.S. issuers ("Foreign Ordinaries"), Real Estate Investment Trusts ("REITs"), Exchange Traded Funds ("ETFs"), Registered Investment Companies ("RICs"), American Depositary Receipts ("ADRs") (other than over-the-counter ADRs) and other Depositary Receipts or Shares in listed form.

2.3 Cash and cash equivalents such as the custodian Short Term Investment Fund ("STIF") and securities issued by the U.S. government and its agencies.

2.4 Commercial Paper of the highest three grades as rated by a nationally recognized rating agency.

3. PROHIBITED INSTRUMENTS

Investments in the following securities are prohibited:

3.1 Fixed income securities, with the exception of Convertible Securities,

3.2 Securities of private companies acquired through privately negotiated transactions ("Private Equity") and Private Placements,

3.3 Direct real estate investments, with the exception of REITs,

3.4 Direct investments in Natural resource properties such as oil, gas or timber

3.5 Commodities,

3.6 Derivatives,

3.7 Securities issued by the Client or the Client's affiliates as detailed in a list provided by the Client.

4. INVESTMENT RESTRICTIONS

The Investment Manager shall not;

4.1 Sell securities short, (the sale of a when-issued security is not considered a short sale)

4.2 Buy securities on margin,

4.3 Enter into securities lending agreements or participate in securities lending except as directed by the Client.

4.4 Securities of Issuers in Dispute with Nation. The Investment Manager shall not purchase, for the direct benefit of the Nation, the securities of any issuer which is in litigation with the Nation or with which the Nation has a significant contractual dispute, all as disclosed by written notice from the Nation to the Investment Manager. The Investment Manager may update such written notice as appropriate and the Investment Manager shall not be precluded from purchasing the securities of any issuer for the direct benefit of the Nation if that issuer is not listed in a written notice from the Nation to the Investment Manager. If the securities of an issuer are purchased because that issuer is not listed in a written notice from the Nation to the Investment Manager at the time of purchase but that issuer is later listed in a written notice from the Nation to the Investment Manager, then the Investment Manager shall not be obligated to sell the securities of such issuer unless directed to do so by the Nation, in writing or the Investment Manager determines it is in the best interests of the Nation.

4.5 No direct investment shall be made in any Enterprise of the Nation for purposes of allowing that Enterprise to make a direct or indirect investment in any entity or project unless that entity or project is wholly-owned and managed by the Nation or its Enterprise. For purposes of clarity, an "Enterprise of the Nation" is any business, entity or project wholly-owned by the Nation. The Nation shall notify the Investment Manager if any Enterprise of the Nation becomes a publicly traded corporation.

4.6 If applicable, transact with brokers affiliated with the Client ("Client Restricted Brokers"): If applicable, the Client is requested to provide a list of brokers affiliated with the Client. The Client is responsible for notifying the Investment Manager of any changes to Client Restricted Brokers.

5. INVESTMENT PARAMETERS

5.1 Typically no more than 5% of the market value of the Portfolio may be invested in cash and cash equivalents under normal market conditions.

5.2 A maximum of 5% of the market value of the Portfolio, at the time of purchase and a maximum of 7% of the market value of the Portfolio may be invested in a single issuer.

5.3 A maximum of 15% of the market value of the Portfolio, at the time of purchase, may be invested in Foreign Ordinaries.

5.4 The Portfolio may invest in a maximum of 5% of an issuer's outstanding shares.

5.5 A maximum of 25% of the market value of the Portfolio, at the time of purchase, may be invested in a single industry.

5.6 A maximum of 40% of the market value of the Portfolio, at the time of purchase may be invested in a single sector.

5.7 Individual certificates of deposit and time deposits shall not exceed FDIC deposit insurance limits unless they are collateralized by government or government agency securities equal to 102% of the face value of the certificate or are fully covered by surety bond.

5.8 Deviations to the Investment Guidelines caused by market movements, corporate actions or other passive events outside the Investment Manager's control shall not be deemed a violation. Subject to the following sentence, the Investment Manager will remedy any deviations to the Guidelines for the events listed above as soon as reasonably practicable, but in any event within 10 business days. If the Investment Manager believes that it is not in the client's best interest to correct the violation within 10 business days, the Investment Manager should obtain from the client a written agreement to correct the passive violation in an alternative manner as suggested by the Investment Manager. For the avoidance of doubt, any deviations to the Investment Guidelines caused by any active breach shall be remedied by the Investment Manager immediately upon discovery and reported to the Nation pursuant to Section 21 of the Nation's Master Investment Policy. In addition, the Investment Manager shall disclose in its quarterly reports delivered to the Nation and during the Investment Manager's annual performance review with the Nation the passive breaches and the active breaches, if any, which occurred during the related quarterly or annual period, as applicable.

EXHIBIT B

to
Investment Management Agreement
between
Jennison Associates LLC (the "Investment Manager")
and
Navajo Nation (the "Client")

FEES

For the services rendered by the Investment Manager under this Contract, the Investment Manager shall be paid in accordance with the following schedule:

- 0.75% per annum on the first $10 million of the market value of the Portfolio;
- 0.50% on the next $30 million;
- 0.35% on the next $25 million;
- 0.25% on the next $335 million; and
- 0.22% on the balance.

Minimum Account Size: $50,000,000

For purposes of calculating the fee payable hereunder, the assets from all separately managed accounts managed by the Investment Manager on behalf of the Nation in the same investment strategy shall be aggregated. The total fee on such aggregated assets determined in accordance with the above schedule will be allocated to each account managed in proportion to the total assets managed in the same investment strategy for the quarter.

Such fee shall be paid quarterly in arrears (in USD using the quarterly equivalent of such annual fee rate), net 30 days following receipt of each quarterly invoice. Fees are billed at the end of each calendar quarter, based on the average of the month end market values for the preceding quarter of the Portfolio as determined by the Custodian. The Investment Manager shall prorate contributions and withdrawals in calculating the advisory fee for the period. Withdrawals for advisory and other miscellaneous fees, such as custodial fees, and dividends or interest activity will not be prorated. If the Investment Manager commences rendering services other than at the beginning of a calendar quarter, the first quarterly fee shall be prorated for the portion of such calendar quarter during which this Contract was in force. If the Investment Manager terminates rendering services other than at the end of a quarter, the Investment Manager's fee for such quarter shall be prorated based on the portion of the quarter in which the Investment Manager rendered services.

EXHIBIT C(2)

MASTER TRUST

SIDE LETTER

Exhibit C(2)
to BFC Resolution

SIDE LETTER

KUTAK ROCK LLP
DRAFT 04/20/19

Effective this _____ day of _____, 2019 ("**Effective Date**"), to facilitate the Investment Management Agreement executed on _____, 2019 (the "**Agreement**"), between (i) the Navajo Nation (the "**Nation**") and (ii) Jennison Associates LLC (the "**Investment Manager**"), the Investment Manager and the Nation (collectively, the "**Parties**" and individually, each a "**Party**") have entered into this letter agreement (this "**Side Letter**") which supplements and modifies the terms and provisions of the Agreement and the other Contracts (as defined below) with respect to the account of the Navajo Nation entitled "Navajo Nation – Jennison Large" (the "**Account**") in the custody of Northern Trust (the "**Custodian**") consisting of all securities and cash from time to time held in the Account, such Account to be invested by the Investment Manager based on the Jennison Domestic Large Capitalization Growth Equity Strategy and the Russell 1000 Growth Index as described on Exhibit A to the Agreement (the "**Investment Objectives and Guidelines**") subject to the terms and conditions of this Side Letter. The Agreement, together with the Form ADV Receipt Acknowledgement, the Initial Public Offering of Equity Securities Purchase and Allocations (FINRA Rule 5130 and 5131 Certification, the Client List Authorization, the Website User ID Request, the Form W-9 and the notices delivered pursuant to Sections 1(i) and 1(p)(4) below are referred to herein collectively as the "**Contracts**", as those Contracts may be amended, modified, supplemented, or restated from time to time. To the extent the terms and provisions of this Side Letter and any of the Contracts are inconsistent, the terms and provisions of this Side Letter shall prevail. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Contracts. For the avoidance of doubt, this Side Letter does not apply to the investment management agreement, dated as of April 1, 2015, between the Nation and the Investment Manager relating to The Navajo Nation Retirement Plan.

1. **Investment Restrictions**. To ensure compliance with the Nation's Master Investment Policy, a copy of which is attached hereto as Appendix A, the Investment Manager acknowledges and confirms:

(a) *No Secret Compensation*. Except as disclosed to the Nation in one or more of the Contracts, neither the Investment Manager nor any natural person, trust, partnership, limited partnership, limited liability company, corporation, unincorporated association or other entity of any kind (each a "**Person**") affiliated with the Investment Manager has paid or agreed to pay any fee or other compensation to any Person to obtain the Nation's entry into any Contract or its continued investment.

(b) *Compliance with Policy*. In accordance with § 4.6(a) of the Nation's Master Investment Policy, the Investment Manager shall facilitate investments in accordance with the guidelines and asset allocation limits set forth in the Nation's Master Investment Policy. The Nation's Master Investment Policy attached hereto in Appendix A is hereby incorporated by reference into the Investment Objectives and Guidelines. The Investment Manager shall not be responsible for complying with any other policy directives or other "Investment Policies" of the Nation unless such directives or policies have been presented by the Nation to the Investment Manager, in writing, and agreed by the Nation and the Investment Manager to be incorporated into the Investment Objectives and Guidelines. For the avoidance of doubt, if there are any conflicting, inconsistent or additional provisions in the Nation's Master Investment Policy, in the future, that are not reflected in, and have not been incorporated into, the Investment Objectives and Guidelines, the Investment Objectives and Guidelines shall control as modified by this Side Letter.

(c) *Compliance with Ethics Code*. In accordance with § 4.6(a) of the Nation's Master Investment Policy, to the extent of its dealings with the Nation, the Investment Manager shall not provide any compensation, gift, preferential treatment, benefit, favor or employment opportunity

in violation of the Nation's Code of Ethics set forth in 2 N.N.C. §§ 3741 *et seq.*, which governs the conduct of Investor's public officials and employees.

(d) *Indemnity Coverage.* In accordance with § 4.6(b) of the Nation's Master Investment Policy, the Investment Manager shall maintain in full force and effect, during the period it performs services for the Nation under any Contract, adequate fidelity, errors and omissions, and general liability insurance coverage in aggregate amounts of no less than $10,000,000. The Investment Manager shall provide the Nation with a certificate of insurance issued to the Nation confirming such liability insurance prior to its performance of services to the Nation.

(e) *Advisor's Act Compliance.* Pursuant to § 4.6(c) of the Nation's Master Investment Policy, the Investment Manager shall be registered under the Investment Advisers Act of 1940, as amended (the "**Act**") in connection with its performance of services under the Contracts with the Nation, and the Investment Manager certifies its compliance with Securities and Exchange Commission ("SEC") Rule 206(4)-5 and the amendments to SEC Rules 204-2 and 206(4)-3 of the Act.

(f) *Investment Principles.* Pursuant to § 4.6(d) of the Nation's Master Investment Policy, the Investment Manager shall adhere to investment principles, terms and conditions for its management of the Nation's portfolios set forth in all applicable Contracts and the Nation's Master Investment Policy.

(g) *Securities Execution.* To the extent applicable, in accordance with § 4.6(e) of the Nation's Master Investment Policy, the Investment Manager shall execute brokerage transactions with brokers and dealers qualified to execute institutional orders using best execution, cost and commission recapture methodologies for the benefit of the Nation. In accordance with § 21 of the Nation's Master Investment Policy, the Investment Manager shall not act as both principal and agent broker in connection with any transaction for the Nation. To the extent consistent with this Side Letter and the Nation's Master Investment Policy, in accordance with Section 28(e) of the Securities and Exchange Act of 1934, as amended, the Investment Manager may cause the Account to pay a broker or dealer that provides brokerage and research services to the Investment Manager an amount of commissions for effecting a transaction in excess of the amount of commission that another broker or dealer would have charged for effecting that transaction, if the Investment Manager determines in good faith such amount of commission is reasonable in relation to the value of the brokerage and research services provided by the broker or dealer, viewed in terms of either that particular transaction or the Investment Manager's overall responsibilities. The executions (of purchases and sales) shall be allocated equitably among various accounts that the Investment Manager manages (including the Account).

(h) *Reconciliation.* In accordance with § 4.6(f) of the Nation's Master Investment Policy, the Investment Manager shall reconcile all monthly accounting, transaction, and asset summary data relating to the Account with the Custodian's valuations of the Nation's cash and securities and communicate and resolve any significant discrepancies with the Custodian and the Nation's investment consultant.

(i) *Significant Matters.* In accordance with § 4.6(g) of the Nation's Master Investment Policy, and with respect to securities in the Account, the Investment Manager shall timely issue written notice to the Nation's Controller and investment consultant about any significant matters concerning the Investment Manager's ownership, investment style or philosophy, changes in key personnel who are managing investments on behalf of the Nation (including, without limitation, the applicable portfolio manager and members of her or his team), significant client departures

resulting in a 25% or more decrease in aggregate assets under management with the Investment Manager compared to aggregate assets under management with the Investment Manager as of the date hereof, and periods of underperformance which shall be discussed during regular portfolio reviews provided by the Investment Manager to the Nation. The Investment Manager shall (i) provide to the Nation on a quarterly basis a written report addressing the foregoing matters, together with the Investment Manager's customary reports regarding the performance of the investments made on behalf of the Nation pursuant to the terms of this Side Letter and the Contracts and (ii) shall meet with the Nation on at least an annual basis, and at such additional times upon request by the Nation, to discuss the performance of the investments made on behalf of the Nation pursuant to the terms of this Side Letter and the Contracts. All reports, notices and other communications provided to the Nation under this Side Letter and the Contracts shall be delivered in hard copy and electronically via e-mail to the persons identified on the contact list provided by the Nation to the Investment Manager, which may be updated from time to time by written notice from the Nation to the Investment Manager.

(j) *Proxies*. In accordance with § 14 of the Nation's Master Investment Policy, the Investment Manager or its designated proxy, Glass Lewis ("**GC**"), shall vote the proxies of any securities directly managed by the Investment Manager for the Nation's benefit, except that the Nation's Investment Committee shall be authorized to exercise proxy rights upon written election to the Investment Manager of its intention to take such action. The Investment Manager or GC shall keep accurate records of their exercise of voting rights and shall report such exercise in writing to the Nation upon its written request.

(k) *Prudence in Investment Selection*. In accordance with § 8.1 of the Nation's Master Investment Policy, the Investment Manager shall exercise prudence in all matters and invest solely for the benefit of the Nation and in compliance with the Investment Objectives and Guidelines.

(l) *FCPA Compliance*. The Investment Manager shall not make any payment to any Person in violation of the U.S. Foreign Corrupt Practices Act, as amended.

(m) *Cash Concentration*. In accordance with § 6 of the Nation's Master Investment Policy, the Investment Manager shall maintain less than five percent (5%) of the Account in cash equivalents, except in anticipation of large withdrawals or unless the investment strategy relating to the Account is a fixed income or cash strategy, in which case no maximum cash equivalent percentage shall apply. If cash equivalents exceed 5%, the Investment Manager shall have 5 days to remedy the holdings in the Nation's Account without notification to the Nation.

(n) *Restricted Investments*. In accordance with § 7.2(a) of the Nation's Master Investment Policy, the Investment Manager shall not make any single investment of the Nation's funds in any mutual fund or other commingled investment which exceeds 10% of the Nation's total portfolio being managed by the Investment Manager valued at market at the time of the investment.

(o) *Securities Compliance*. In accordance with § 7.2(b) of the Nation's Master Investment Policy, all securities purchased by the Investment Manager for the Nation shall either be registered under the Securities Act of 1933 and/or the Investment Company Act of 1940, as amended (and shall have qualified under applicable state registration requirements) or shall be expressly exempt from such federal or state registration requirements.

(p) *Investment Prohibitions*. In accordance with § 9 of the Nation's Master Investment Policy, in connection with all investments made by the Investment Manager for the benefit of the Account, the following transactions shall be prohibited:

1. *Self-dealing transactions*: The Investment Manager shall not purchase or hold any security for the benefit of the Nation issued by a corporation in which the Investment Manager owns an interest;

2. *Time Deposits*: Individual certificates of deposit and time deposits shall not exceed FDIC deposit insurance limits unless they are collateralized by government or government agency securities equal to 102% of the face value of the certificate or are fully covered by a surety bond;

3. *Letter Stock*: Letter stock or other unregistered equity securities shall not be purchased for direct investment by the Nation *except* this prohibition shall not preclude the Investment Manager from facilitating the purchase for the Nation of (i) unregistered debt securities or (ii) interests in limited liability companies, partnerships, limited partnerships or corporations serving as commingled investment vehicles and through which the Nation will own indirect interests in unregistered securities. For the avoidance of doubt, this restriction shall not preclude the Investment Manager from facilitating the Nation's purchase of interests in unregistered private equity funds, hedge funds, venture capital funds, or real estate funds or joint ventures of any kind or description wherein the Nation may in turn, own indirect interests in unregistered securities.

4. *Securities of Issuers in Dispute with Nation*. The Investment Manager shall not purchase, for the direct benefit of the Nation, the securities of any issuer which is in litigation with the Nation or with which the Nation has a significant contractual dispute, all as disclosed by written notice from the Nation to the Investment Manager. The Nation may update such written notice as appropriate and the Investment Manager shall not be precluded from purchasing the securities of any issuer for the direct benefit of the Nation if that issuer is not listed in a written notice from the Nation to the Investment Manager. If the securities of an issuer are purchased because that issuer is not listed in a written notice from the Nation to the Investment Manager at the time of purchase but that issuer is later listed in a written notice from the Nation, then the Investment Manager shall not be obligated to sell the securities of such issuer unless directed to do so by the Nation, in writing or the Investment Manager determines it is in the best interests of the Nation.

5. *Enterprise Investments*. No direct investment shall be made in any Enterprise of the Nation for purposes of allowing that Enterprise to make a direct or indirect investment in any entity or project unless that entity or project is wholly-owned and managed by the Nation or its Enterprise. For purposes of clarity, an "Enterprise of the Nation" is any business, entity or project wholly-owned by the Nation. The Nation shall notify the Investment Manager if any Enterprise of the Nation becomes a publicly traded corporation.

None of the restrictions set forth in this Section 2(p) shall apply to the Nation's interest in commingled investments of any kind or description, including without limitation, exchange traded funds, mutual funds, limited partnerships, limited liability companies, partnerships, unit trusts, commingled investment funds, real estate funds or real estate joint ventures, whether such commingled investments are categorized as private equity funds, hedge funds, real estate investment trusts or otherwise, and the holdings of such commingled funds also shall not be subject to any of the foregoing restrictions.

(q) *Direct Derivative Restrictions*. In accordance with § 10 of the Nation's Master Investment Policy, the Investment Manager shall not purchase securities on margin, sell short, use

individual stock options, puts, calls or trade in futures contracts, unless specified in the Investment Objectives and Guidelines. The restrictions set forth in this Section 2(q) shall not apply to derivatives owned by the Nation indirectly through commingled funds (e.g., partnerships, limited liability companies, exchange traded funds or mutual funds) purchased by the Investment Manager for the Nation.

(r) *Publicly-Traded Common Stock Concentration*. In accordance with § 11(a) of the Nation's Master Investment Policy, the Nation is prohibited from owning more than five percent (5%) of the outstanding shares of any one publicly-traded corporation. In the event that the Investment Manager has knowledge or has received notice from the Nation that any distribution or other allocation of shares causes the Nation to own more than five percent (5%) of the outstanding shares of any one publicly-traded corporation, the Investment Manager shall use reasonable efforts to sell the securities on the Nation's behalf, and at the Nation's cost, and to remit the net proceeds to the Account.

(s) *Private Issues Concentration Limit*. In accordance with § 11(b) of the Nation's Master Investment Policy, the collective value of all privately-traded securities owned by the Nation may not exceed ten percent (10%) of the value of the Account at the time of the investment.

(t) *IPOs and Newly Established Securities*. As a large cap growth portfolio, the Account will, from time to time, invest in IPOs and newly established securities that may experience high growth. Based on its reasonable judgment, the Investment Manager does not consider these investments to be "high yield investments" as described in section 8.1(l) of the Nation's Master Investment Policy.

(u) *Publicly-Traded Securities Limitations*. To the extent the Investment Manager purchases publicly-traded securities for the Nation covered by Appendix A of the Nation's Master Investment Policy, it shall comply with the restrictions set forth in those Appendices.

(v) *Eligibility Criteria*. In accordance with § 18.4 of the Nation's Master Investment Policy, the Investment Manager represents and warrants to the Nation the Investment Manager satisfies the criteria set forth in § 18.4 of the Nation's Master Investment Policy.

2. **Confidentiality**.

(a) *Authorized Disclosure*. The Investment Manager acknowledges that the Nation shall be entitled to disclose the following information without the consent of the Investment Manager: (i) the name of any security or investment that the Nation has made an investment in and the manager managing that security or investment, (ii) the date of the Nation's investment in the security, (iii) the amount of the Nation's investment in the security, (iv) any distributions made to the Nation in connection with such investment, (v) all management fees or other fees and expenses charged in connection with such investment and allocated to or paid directly or indirectly by the Nation and (vi) the fair market value of the Nation's investment, each investment in which the Nation is invested and any other security or investment relating to the Account. The Investment Manager acknowledges and agrees that the Nation's disclosure of the information described in this paragraph shall not constitute a breach of any Contract or any confidentiality or non-disclosure agreement to which the Nation and the Investment Manager are parties.

(b) *Navajo Nation Privacy Act*. The Investment Manager acknowledges that the Nation is subject to the Navajo Nation Privacy Act, 2 N.N.C. §§ 81 *et seq.*, and accordingly, may be required to disclose information deemed confidential ("**Confidential Information**") pursuant to the laws and regulations of that law. The Nation is subject to investigation and audit by various regulatory agencies that

may, under the laws of the Navajo Nation or its rules or regulations, require access to information provided to the Nation by the Investment Manager. Notwithstanding any requirement in any Contract or any confidentiality or non-disclosure agreement to which any of the Parties are bound, the Nation shall be entitled to provide information about the investments in which the Nation is invested, any of the Contracts and their management to such regulatory authorities, including the Navajo Attorney General and the Navajo Auditor General, without first notifying or consulting with the Investment Manager but thereafter, as soon as reasonably practicable, shall so advise the Investment Manager of such disclosure.

(c) *No Withholding of Data*. The Investment Manager acknowledges that, pursuant to 2 N.N.C. § 85, the Nation is authorized to retain as confidential, and not disclose to the public pursuant to a public records request, (i) information revealing the negotiating position of the Nation before its subscription to any security; (ii) information received in response to an invitation for bids or request for proposals (provided the information is proprietary or of a kind that the Investment Manager considers confidential) before a contract is awarded; and (iii) information related to the Contracts which is proprietary in nature (or is information that the Investment Manager considers confidential). To protect confidential information provided by the Investment Manager to the Nation, any material considered confidential by the Investment Manager and provided by the Investment Manager to the Nation shall be marked "confidential." Based upon the aforesaid statutes protecting confidential information provided by the Investment Manager to the Nation from being disclosed to the general public, the Investment Manager shall not withhold from the Nation any material or information the Investment Manager otherwise distributes to its clients in connection with securities in the Account.

3. **Notice to the Nation**. In accordance with § 4.6(g) of Nation's Master Investment Policy, the Investment Manager shall promptly notify the Navajo Nation Controller and the Nation's investment consultant of:

(a) *Material Litigation/Investigations*. The institution of any litigation or government investigation, proceeding or prosecution against the Investment Manager that may reasonably be expected to have a material adverse effect on the Investment Manager or on the Investment Manager's performance of services for the Nation, and the basis of the claims made in such litigation, investigation, or proceeding unless the Investment Manager is prohibited from disclosing pursuant to applicable law;

(b) *Material Developments*. Any settlement, decree, judgment, award, or other material development relating to litigation or regulatory action against the Investment Manager which might have a material, adverse effect on the Account;

(c) *Adverse Change*. The (i) insolvency or receivership of the Investment Manager, and (ii) the incapacity of any key investment professionals employed by the Investment Manager who are materially responsible for the performance of services for the Nation, or any development concerning the Investment Manager that is likely to result in a material, adverse change in its performance of services for the Nation;

(d) *Breach of Obligations*. Any breach or failure by the Investment Manager to perform its material obligations under any of the Contracts that would reasonably be expected to have a material adverse effect on the Account;

(e) *Breach of Warranty*. Any material breach of any representation or warranty made in this Side Letter or any Contract;

(f) *Indemnification Claims*. Any claim for indemnification brought against the Investment Manager or any investment in which the Nation is invested relating to or arising from any Contract;

(g) *Change in Auditors or Investment Personnel*. The termination of (i) any of key investment professionals employed by the Investment Manager who is materially responsible for performance of services for the Nation or (ii) the independent auditor of the Investment Manager or, the appointment of a new independent auditor for the Investment Manager.

4. **Tax Matters**. The Nation is a tax exempt entity and has provided the Investment Manager a properly executed Internal Revenue Service Form W-9 claiming a complete exemption from U.S. withholding tax on dividends and interest. The Investment Manager shall not withhold any amount of U.S. withholding tax on dividends or interest with respect to the Nation.

5. **Business Opportunity and Employment Preference Acts**. To the extent the Investment Manager physically performs any activities within the exterior boundaries of the Navajo Nation, the Investment Manager agrees to comply with the Navajo Business Opportunity Act, 5 N.N.C. §§ 201 *et seq.* for all activities performed by the Investment Manager within the exterior boundaries of the Navajo Nation. The Nation acknowledges and agrees that the performance by the Investment Manager of its obligations and duties as described and contemplated by the Contracts and this Side Letter do not constitute services performed within the exterior boundaries of the Navajo Nation and would therefore not be subject to the provisions of the Navajo Business Opportunity Act. The Investment Manager further agrees to comply with all applicable portions of the Navajo Preference in Employment Act, 15 N.N.C. §§ 601 *et seq.*, which only applies when the Investment Manager is hiring personnel within the territorial jurisdiction of the Navajo Nation solely for the purpose of servicing the Account.

6. **Accredited Status**. The Investment Manager acknowledges and agrees that as a sovereign, federally recognized Indian Tribe, the Nation is not recognized as an "accredited investor" within the meaning of that term as defined in Regulation D of the Securities Act of 1933, nor is the Nation a "qualified client" as defined by Rule 205-3(d)(1) of the Investment Advisers Act of 1940, as amended, or a "qualified purchaser" under § 2(a)(51) of the Investment Company Act of 1940, as amended. However, the Nation is a sophisticated institutional investor with assets under management in excess of $2.5 billion.

7. **Good Faith**. In accordance with the Navajo Nation Procurement Act at 12 N.N.C. § 302 and without limitation of the fiduciary obligations of the Investment Manager, the Parties shall act in good faith in connection with their negotiation, performance and administration of this Side Letter and the Contracts.

8. **Dispute Resolution.** The Investment Manager acknowledges that as a sovereign federally-recognized Indian Tribe, the Nation is immune from suit and other legal proceedings ("**Legal Proceedings**") without the Nation's express written consent given in accordance with the laws of the Navajo Nation. The provisions of this Section 8 are intended to set forth the limited conditions pursuant to which the Contracts and this Side Letter can be enforced by the Parties through Legal Proceedings.

(a) *Negotiation*. The Parties agree that the Parties shall use their commercially reasonable efforts to negotiate a just and equitable resolution and settlement of any dispute, claim or disagreement between them which disputes, claims or disagreements relate to or arise under any Contract or any related agreement, including this Side Letter (or otherwise pertain to the Nation's investment in any investment) (individually, each such dispute, claim or disagreement, a "**Claim**" and collectively, "**Claims**").

(b) *Mediation*. Notwithstanding anything to the contrary in any Contract, if the Parties cannot reach a negotiated settlement of a Claim within a period of sixty (60) days of the date when the Claim is first raised, then, upon written notice by one Party to the other Party ("**Notice**"), the Parties shall attempt in good faith to settle their dispute by mediation before a mediator experienced in federal Indian law. The mediation shall take place in Window Rock, Arizona (unless the Parties agree otherwise in writing), within a reasonable period of time, but not to exceed thirty (30) days following the stated date of the Notice.

(c) *Arbitration*. Notwithstanding anything to the contrary in any Contract, if the Parties do not resolve a Claim by mediation, the sole dispute mechanism to finally resolve such Claim is by arbitration as contemplated by the Navajo Sovereign Immunity Act, 1 N.N.C. §§ 554(J) and (K), and the Navajo Nation Arbitration Act, 7 N.N.C. §§ 1101 *et seq.* Notwithstanding anything to the contrary in any Contract, the arbitration shall be conducted in accordance with the American Arbitration Association Commercial Arbitration Rules except to the extent such rules are modified by the following:

1. *Venue*. Unless otherwise agreed by the Parties in writing, the arbitration shall be held in Window Rock, Arizona;

2. *Arbitrator(s)*. The arbitration panel shall consist of a single arbitrator unless one of the Party's claims exceeds $1,000,000.00, exclusive of interest, costs and attorneys' fees, then the arbitration panel shall consist of three (3) arbitrators (each Party shall choose one arbitrator and the Parties' chosen arbitrators shall agree upon the third arbitrator);

3. *Eligibility*. No person shall be eligible to serve as an arbitrator if the person is related to, affiliated with or has represented in a legal capacity any Party. Each arbitrator shall be an attorney-at-law admitted to practice and in good standing before the highest court of the Navajo Nation or one or more of the Arizona, Utah, Colorado or New Mexico Bar Associations and who has a minimum of five years of professional experience within the securities industry or practiced corporate, securities or federal Indian law for at least such a period.

4. *Notice*. Notice of intent to invoke arbitration against the Nation shall be filed in compliance with the notice requirements of the Navajo Sovereign Immunity Act, 1 N.N.C. § 555;

5. *Award*. An award against the Nation shall be in conformance with the provisions of the Navajo Sovereign Immunity Act, 1 N.N.C. § 554(K);

6. *Review*. An arbitration award shall not be subject to review or modification, or vacated, by a court for any reason other than in the circumstances described in the Navajo Nation Arbitration Act. The judgment confirming an award shall have the same force and effect in all respects as, and be subject to all the provisions of law relating to, a judgment in a civil action, and it may be enforced as if it has been rendered in a civil action in a court of competent jurisdiction. When the award requires the performance of any other act than the payment of money, the court shall direct the enforcement thereof in the manner provided by the Navajo Nation Arbitration Act; and

7. *Jurisdiction for Enforcement*. The Navajo Nation courts shall have exclusive jurisdiction to compel arbitration and to confirm, modify and vacate an arbitration award.

Notwithstanding this Section 8, any dispute, Claim or disagreement under this Side Letter or any related agreement or with respect to any Contract involving Persons other than the Nation shall be resolved under and in accordance with provisions of the applicable Contract and the rights granted thereunder, but in no circumstance shall any Claim directed against or involving the Nation be addressed in any manner other than as set forth in this Section 8.

9. **Immunities and Defenses**. The Investment Manager acknowledges that the Nation reserves all immunities, defenses, rights, or actions arising out of its status as a sovereign nation and its status as a federally-recognized Indian Tribe, including, but not limited to, all immunities, defenses, rights or actions arising under the laws of the Navajo Nation and the laws of the United States. No provision of any Contract or this Side Letter shall be construed as a waiver or limitation of the immunities, defenses, rights or actions referenced in the previous sentence. Among the Nation's sovereign rights are its right to limit its liability for damages other than compensatory damages, damages in excess of contract amounts, and damages to third party beneficiaries, as well as to limit the periods in which to bring legal action, and to limit or preclude the ability to recover attorneys' fees from the Nation, to subject the Nation to indemnity obligations, to require the Nation to waive its venue or arbitration procedures, and to require the Nation to become subject to dispute resolution and confidentiality requirements not otherwise authorized by the laws of the Navajo Nation (collectively, together with all such other rights, the "**Limitations**"). Terms and provisions in any of the Contracts relating to any of the Limitations will not be binding upon the Nation, except to the extent authorized by the laws of the Navajo Nation. The Investment Manager acknowledges and agrees that any provisions in the Contracts purporting to (i) subject the Nation to Legal Proceedings in New York (or some other jurisdiction other than the Navajo Nation), (ii) cause the Nation to waive its right to certain statutes of limitations or venue, (iii) subject the Nation to indemnity obligations that would require a resolution of the Navajo Nation Council in accordance with 2 N.N.C. § 223(C), or (iv) require the Nation to pay any amount in violation of 1 N.N.C. §§ 554(K), are not applicable to or enforceable against the Nation.

10. **Governing Law, Venue and Jurisdiction**. Notwithstanding anything to the contrary in any Contract, the rights and obligations of the Nation shall be governed by and construed in accordance with the laws of the Navajo Nation and applicable federal law, without giving effect to conflict of laws provisions. The Nation represents and warrants that there is no substantive law of the Navajo Nation that is inconsistent with the Nation's fulfillment of its obligations under the Contracts as modified by this Side Letter and hereby covenants not to assert the existence of inconsistent substantive Navajo law in connection with any Claim that may arise in connection with the Contracts as modified by this Side Letter. The Investment Manager acknowledges and agrees that any legal proceeding involving any Claim asserted against the Nation arising out of any Contract or this Side Letter may be brought as specified in Section 8 above.

11. **Liability of Nation**. In accordance with 2 N.N.C. § 223(A) and § 354, the Nation's obligations under the Contracts are contingent upon the availability of appropriations by the Navajo Nation Council to carry out the same. In accordance with 2 N.N.C. § 223(B), the Nation represents, warrants and agrees that the Nation's obligations under the Contracts have been approved and appropriations by the Navajo Nation Council have been made available to satisfy the Nation's initial and continuous obligations under the Contracts.

12. **Indemnification by the Nation**. The Investment Manager hereby waives any right of indemnification against the Nation set forth in the Contracts to the extent that indemnification (i) would

require a resolution of the Navajo Nation Council under 2 N.N.C. § 223(C), (ii) would subject the Nation to Legal Proceedings not contemplated under Section 8 hereof, (iii) would require the Nation to pay any amount in violation of 1 N.N.C. §§ 554(K), or (iv) would violate 2 N.N.C. § 223(A) or any other provision of Navajo law. Further, under no circumstances shall the Nation be obligated to indemnify the Investment Manager, or any of its Affiliates for losses incurred by any such Persons if any such losses were caused by the breach by any such Persons of any of their respective obligations under any of the Contracts or this Side Letter.

13. **Indemnification of the Investment Manager**. The Investment Manager shall not be indemnified for any losses to the Investment Manager arising from the Investment Manager's fraud, gross negligence, willful misconduct, bad faith, breach of fiduciary duty, or reckless disregard for or material breach of any Contract or this Side Letter. The Investment Manager shall not be indemnified for claims made by one affiliate of the Investment Manager against another.

14. **Power of Attorney**. Any power of attorney granted to the Investment Manager by the Nation pursuant to the Contracts shall be limited to ministerial matters which do not affect the material rights or obligations of the Nation, and such power of attorney shall automatically be revoked if the Investment Manager files a petition in bankruptcy or is dissolved, in each case upon the occurrence of any such event. In addition, the Investment Manager shall not exercise any power of attorney granted to it by the Nation in any manner that could materially and adversely affect the interests of the Nation with respect to any Contract or otherwise. The Investment Manager agrees to provide the Nation with a copy of any agreement, instrument, or other document that is signed by the Investment Manager as attorney-in-fact for the Nation pursuant to any power of attorney set forth in the Contracts. Notwithstanding anything to the contrary in the Contracts concerning the "power of attorney" provided therein, the Parties agree that no exercise of such power by the Investment Manager which contravenes any law of the Navajo Nation is authorized by the Nation and no such exercise shall be deemed valid.

15. **Books and Records and Audit**. The Investment Manager shall maintain accurate books and records relating to the Nation's interest under the Contracts, including accounting records. In accordance with 12 N.N.C. § 352(B), during the term of the Contracts and for at least five (5) years after expiration or termination of the Contracts, on reasonable notice, the Investment Manager shall make its books and records relating to the Investment Manager's performance of services under the Contracts available to the Nation for review and audit electronically or, if not available electronically, at the Nation's offices in Window Rock, Arizona. The Investment Manager acknowledges and agrees that it may be subject to examination and audit by the Nation's external auditors, as well as the Auditor General of the Navajo Nation, during the term of the Contracts and for five years (5) years thereafter. Any examination or audit of the Investment Manager performed by the Nation, its external auditors, or the Nation's Auditor General shall be confined to those matters relating to services provided by the Investment Manager to the Nation. The Investment Manager shall reasonably cooperate with the Nation's examiners, auditors, and their respective representatives in connection with any examination or audit of the Investment Manager's duties with respect to the Contracts.

16. **The Investment Manager as Fiduciary**. To the extent the Investment Manager acts for the Nation in an advisory capacity or exercises discretion in the management of the Nation's funds or investments, it is a fiduciary of the Nation. While serving as a fiduciary of the Nation, the Investment Manager owes the Nation a duty of loyalty, due care, and skill and shall refrain from self-dealing or other acts prejudicial to or harmful to the Nation's interests. In accordance with § 3.1 of the Nation's Master Investment Policy, the Investment Manager shall make investments for the Nation with the judgment and care, under circumstances then prevailing, which Persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived, and solely for purposes of benefiting

the Nation (the "**Investment Standard**"). In furtherance of the Investment Standard, the Investment Manager acknowledges that it is primarily involved in making large investments and that in making such investments on behalf of the Nation, the Investment Manager will endeavor to produce maximum growth in income and/or appreciation of capital with a high degree of safety in protecting the Nation's funds and the probable income anticipated therefrom, consistent with the nature of the investments being made and considering such investments as a whole, in accordance with 12 N.N.C. § 902(A). For the avoidance of doubt, when a Contract grants the Investment Manager authority to make a determination or to act in its "discretion," "sole discretion," or "sole and absolute discretion," or words to that effect, such discretion shall be exercised in accordance with, rather than in place of, the Investment Manager's fiduciary duty to the Nation.

17. **AML Documentation Compliance**. Notwithstanding anything to the contrary in any Contract, except for their names, the Nation shall not be obligated to provide the Investment Manager or any subcontractor or investment manager with personal identification information about the Navajo Nation Council or the Nation's executive officers or counsel. Among other things, the Nation shall not be obligated to provide the Investment Manager or any subcontractor or investment manager with the social security numbers, driver license numbers, and residence address information of the members of the Navajo Nation Council, the Nation's executive officers or counsel.

18. **Waiver**. Notwithstanding anything in any Contract to the contrary, the terms of this Side Letter shall control over any amendments proposed or effected by the Investment Manager to any Contract unless the Nation agrees to such amendments by separate writing executed by the Nation's authorized representatives. For purposes of clarity, no unilateral modification by the Investment Manager to any Contract which purports to modify (or has the effect of modifying) the terms of this Side Letter shall be construed as having been approved by the Nation, or to qualify as a waiver by the Nation of the relevant Side Letter terms, unless the Nation first consents to such modification by separate writing, regardless of whether the Nation withdraws all or any portion of its funds from the Investment Manager after its receipt of notice of such modification.

19. **Fees**. Each and every fee to be charged by the Investment Manager to the Nation for services performed by the Investment Manager to the Nation shall be set forth on Exhibit B to the Agreement. In the event the Investment Manager desires to assess a fee not specified on such Exhibit B, the Investment Manager shall first obtain authorization from the Nation to charge, allocate, or deduct such a fee before performing the services giving rise to such fee.

20. **Representations**. The Investment Manager represents and warrants to the Nation as follows:

(a) *Authority and Enforceability*. The Investment Manager has the requisite corporate, partnership or other power and authority to enter into this Side Letter and to consummate the transactions contemplated hereby; and the execution and delivery of this Side Letter and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Investment Manager, and no other corporate, partnership or other proceedings on the part of the Investment Manager are necessary to authorize the consummation of the transactions contemplated hereby. This Side Letter has been duly executed by the Investment Manager and constitutes a valid and binding obligation of the Investment Manager, enforceable against the Investment Manager in accordance with its terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws relating to or affecting creditors' rights generally and by general equitable principles.

(b) *No Default*. The execution and delivery of this Side Letter and the Contracts to which the Investment Manager is a party do not, and the consummation of the transactions contemplated hereby and thereby will not, (i) violate in any material respect, or result in a material default (with or without notice or lapse of time, or both) under any material agreement, instrument, permit, right, or license to which the Investment Manager is a party or by which the Investment Manager is bound; (ii) conflict with or result in any violation of any provision of any organizational documents of the Investment Manager; or (iii) conflict with or violate any law, statute, regulation, order, writ, injunction, judgment, or decree to which the Investment Manager is subject.

(c) *Compliance with Laws*. The Investment Manager has not violated, and is not in violation of, any statute, regulation, law, order, writ, injunction, judgment, or decree to which it is subject that would materially adversely affect its business or financial condition or materially impair its ability to carry out its respective obligations under this Side Letter or any of the Contracts.

(d) *No Pending Legal Actions*. There are no actions, suits, arbitrations, or other legal, administrative, or governmental investigations, proceedings, or inquiries pending or, to the knowledge of the Investment Manager, threatened against the Investment Manager, or affecting any of its properties or assets, in each case, at law or in equity, that would reasonably be expected to have a material adverse effect on the Investment Manager. The Investment Manager shall notify the Nation as soon as reasonably practicable in the event any such action, suit, investigation, or proceeding is initiated during the term of this Side Letter.

(e) *No Past Legal Actions*. During the five (5) years preceding the date of this Side Letter, there have been no actions, suits, arbitrations, or other legal, administrative, or governmental investigations, proceedings, or inquiries (or settlements in lieu thereof) against the Investment Manager relating to any material violation of any federal, state, or local securities, tax, or criminal law, rule, or regulation or a violation of duties (fiduciary or otherwise) owed to investors.

(f) *No Regulatory Approvals*. No governmental approvals are required to enable the Investment Manager to operate in accordance with the terms of the Contracts or this Side Letter.

21. **Identity**. To the fullest extent permitted by law, (a) the Investment Manager shall keep confidential Investor's identity, and shall not disclose same to others without Investor's prior written authorization; and (b) the Investment Manager shall keep this Side Letter and its terms strictly confidential and shall not disclose the terms and provisions of this Side Letter to any other person or entity, including without limitation, any other manager of an investment fund, and shall not authorize its attorneys to use or refer to this Side Letter for any purpose other than its direct representation of the Investment Manager.

22. **Additions and Withdrawals**. The Investment Manager acknowledges that the Nation may make deposits to, and withdrawals from, the Account in the sole discretion of the Nation.

23. **Captions.** Captions used in this Side Letter are for convenience only and shall not be construed as having any legal meaning and shall not be taken into account for purposes of construing any provision of this Side Letter.

24. **Entire Agreement; Applicability**. This Side Letter and the Contracts represent the entire understanding of the Parties in respect of the subject matter contained herein. This Side Letter, together with the Contracts, supersede all prior agreements and understandings between the Parties with respect to the subject matter of such instruments. In the event of a conflict between the provisions of this Side Letter and any Contract, the provisions of this Side Letter shall control. This Side Letter may be executed in one or more counterparts, and all such counterparts shall constitute an original agreement binding on all of the

Parties hereto, but together they shall constitute one instrument. This Side Letter shall be governed by, and construed in accordance with, the laws of the Navajo Nation, without regard to the conflict of law principles thereof. This Side Letter may be amended only by a written agreement among all of the Parties hereto.

IN WITNESS WHEREOF, the Parties have executed this Side Letter as of the Effective Date first written above.

NAVAJO NATION (listed in the Federal Register as Navajo Nation, Arizona, New Mexico & Utah)

By:_____
Jonathan Nez, President

JENNISON ASSOCIATES LLC

By:_____

EXHIBIT C(3)

MASTER TRUST

APPENDIX A TO SIDE LETTER

Exhibit C(3)
to BFC Resolution
APPENDIX A

BFD-45-18

RESOLUTION OF THE
BUDGET AND FINANCE COMMITTEE
OF THE NAVAJO NATION COUNCIL

23RD NAVAJO NATION COUNCIL - Fourth Year, 2018

AN ACTION

RELATING TO BUDGET AND FINANCE COMMITTEE; APPROVING AND ADOPTING THE AMENDED AND RESTATED NAVAJO NATION MASTER INVESTMENT POLICY

BE IT ENACTED:

SECTION ONE. AUTHORITIES

A. The Budget and Finance Committee is empowered with the authority to exercise oversight in the areas including, but not limited to, budget, finance, investment, bonds, contracting, insurance, audits, accounting, taxes, loans, and Chapter budget and finance, for the purpose of coordinating, overseeing, and regulating the fiscal, financial, investment, contracting, and audit policies of the Navajo Nation and to promulgate rules and regulations relative to contracting, investments, and financial matters pursuant to 2 N.N.C. §§ 300(C)(1) and 301(B)(1).

B. The Navajo Nation Investment Committee is an advisory group to the Budget and Finance Committee in the management of the Nation's investment program and is responsible for recommending to the Budget and Finance Committee the adoption of modifications to the Master Investment Policy, Sub-Policies, and Asset Class Guidelines, pursuant to the Master Investment Policy, §§ 4.3 and 4.3(a).

SECTION TWO. FINDINGS

A. The Budget and Finance Committee approved and adopted the investment policies for all Navajo Nation financial resources pursuant to Budget and Finance Committee Resolution No. BFO-61-90, as amended by BFJY-114-03, BFJA-01-08, BFJN-17-15 (adopting the Amended and Restated Master Investment Policy and the Asset Class Guidelines

attached thereto as Appendices A through G), BFD-38-17, and BFD-41-17 (collectively, the "Master Investment Policy").

B. The Investment Committee, upon the advice of its Investment Consultant, RVK Inc., may recommend modifications to the Master Investment Policy for the approval of the Budget and Finance Committee. Master Investment Policy §§ 1.1, 4.3(a), 4.8(a), and 22.

C. The Investment Committee, the Investment Consultant, and other appropriate advisors as needed, are directed to develop investment guidelines for each asset class of permitted investments (the "Asset Class Guidelines") to provide guidance concerning the management of the Nation's funds. Master Investment Policy, § 21.

D. The Investment Committee has recommended through Resolution No. NNICN-14-18, attached as **Exhibit 1**, that the Budget and Finance Committee approve and adopt the Amended and Restated Master Investment Policy.

SECTION THREE. APPROVAL

The Budget and Finance Committee hereby approves and adopts the Amended and Restated Master Investment Policy. An underscored and overstricken version of which is attached as **Exhibit 2**, and the clean version including Appendices A through G is attached as **Exhibit 3**.

CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 4 in favor, 0 opposed and Pro Tem Chairman not voting this 18th day of December 2018.

Tuchoney Slim, Jr., Pro Tem Chairperson
Budget and Finance Committee

Motion: Honorable Jimmy Yellowhair
Second: Honorable Lee Jack, Sr.

THE NAVAJO NATION

MASTER INVESTMENT POLICY

Section 1. Introduction and Scope

1.1 Introduction. This Master Investment Policy (this "Policy") and the corresponding Sub-Policies (defined below in Section 20) covering specific funds of the Navajo Nation (the "Nation") provide the Parties (defined below in Section 3.1) with policy guidance for investing the Nation's financial resources. This Policy provides the framework for the Nation's execution of its fiduciary responsibilities to Nation members, employees, and other beneficiaries of the Nation's funds.

This Policy will be reviewed as needed by the Nation acting through the Nation's Investment Committee (the "Investment Committee") and the Budget and Finance Committee of the Navajo Nation Council (the "B&F Committee"). Adoption of this Policy and any subsequent modifications require recommendation by the Investment Committee to the B&F Committee for the B&F Committee's approval.

1.2 Scope - Funds and Accounts.

a) **Scope**. The scope of this Policy and its Sub-Policies applies to all investable funds of the Nation, being short, intermediate, or long-term, or managed internally or externally. Such investable funds include, without limitation, those funds specified below as well as any additional funds of the Nation created from time to time.

b) **Master Trust**. For purposes of this Policy, the term "Master Trust" refers to the accounts of the Nation in the custody of Northern Trust as Custodian (defined below in Section 4.7) relating to the following funds: Navajo Nation Permanent Fund, Navajo Nation Síhasin Fund, Navajo Nation Land Acquisition Trust Fund, Navajo Nation Veterans Trust Fund, General Fund, 1982 Scholarship Claims Fund, Scholarship Trust Fund (Graduate and TG&E), 1982/1986 Chapter Claims Fund, Navajo Nation Trust Fund for Handicapped Services, Navajo Nation Trust Fund for Vocational Education, Workers Compensation Self-Insurance Fund, Navajo Nation Trust Fund for Senior Citizens Services, and Business and Industrial Development Fund.

c) **Fund Classification**. Accounts are classified into funds pursuant to generally accepted accounting principles ("GAAP") in accordance with specified activities and objectives. The Nation's existing funds include the following funds organized in the following five (5) fund classifications (the "Fund Classifications"):

i) GOVERNMENTAL FUNDS

General Fund
Navajo Dam Escrow Fund
Oil and Gas Special Revenue Development Fund
Navajo Nation Reforestation Fund
Capital Outlay Match Funding Special Revenue Fund
Navajo Nation Síhasin Fund

ii) SPECIAL REVENUE FUNDS

Grant Fund
Scholarship Fund (Navajo Engineering and Construction Authority Trust Fund for Scholarships and Financial Assistance and the Diné Higher Education Grant Fund)
Navajo Tourism Fund
Navajo Nation Environmental Protection Agency Fund
Tax Administration Suspense Fund
Navajo Nation Water Rights Claims Fund
Navajo Nation Road Fund
Navajo Nation Land Acquisition Trust Fund
Navajo Rehabilitation Trust Fund
Judicial/Public Safety Facilities Fund
1982/1986 Chapter Claims Fund
1982 Scholarship Claims Fund
Scholarship Trust Fund (Graduate and TG&E)

iii) FIDUCIARY FUNDS

A) Pension Trust Funds:

Retirement Plan ("Defined Benefits Plan")
Deferred Compensation Plan
Nihibeeso Retirement Fund ("401(k) Savings Plan" or "Defined Contribution Plan")

B) Private Purpose Trust Funds:

Navajo Nation Trust Fund for Handicapped Services
Navajo Nation Trust Fund for Vocational Education
Navajo Nation Trust Fund for Senior Citizens Services
Navajo Nation Trust Fund for Navajo Preparatory School, Inc.
Phoenix Urban Navajo Trust Fund
Navajo Nation Veterans Trust Fund
Navajo Nation Local Governance Trust Fund
Sales Tax Trust Fund

iv) PERMANENT FUND TYPES

Navajo Nation Permanent Fund

v) PROPRIETARY FUNDS

Business and Industrial Development Fund
Loan Fund
Employee Housing
Parks and Recreation Fund
Archaeology Services
Tribal Ranch Fund
Navajo Times
Fleet Management
Duplicating Services

Office Supply Center
Air Transportation
Group Health Self-Insurance
Property and Casualty Self-Insurance
Workers Compensation Self-Insurance Fund
Contingency Management Fund

d) The administrative responsibility for the Pension Trust Funds (i.e., the Retirement Plan or Defined Benefits Plan, Deferred Compensation Plan, and the 401(k) Savings Plan or Defined Contribution Plan) rests with the committees or boards established in the respective plan documents. The responsibilities of the Investment Committee are to oversee investment policies and Investment Managers (defined below in Section 4.6) for all of the above-named funds.

1.3 **Additional Funds.** From time to time the Nation designates financial resources into new funds. All such funds will be classified into the Fund Classifications identified in Section 1.2 above, or into a new Fund Classification, and added to the Master Trust, if appropriate. The Controller shall assign the appropriate Fund Classification for new funds in accordance with GAAP.

1.4 **Pooling of Funds.** Each Fund Classification will be managed as a single pool to take advantage of economies of scale when making investment purchases and to simplify the investment process, unless internal commingling of the funds is prohibited. Except for cash in certain restricted funds, the Nation will consolidate cash balances from all funds, regardless of Fund Classification, to maximize investment earnings. Investment income will be allocated to the funds based on their respective participation in the aggregate investment and in accordance with GAAP. Funds prohibited from internal commingling will be managed separately (e.g., Pension Trust Funds).

The Controller may, using his or her professional judgement, establish more than one cash management fund. On a quarterly basis, the Controller shall report the status and performance of the internal cash management fund(s) to the Investment Committee. The Controller shall report to the B&F Committee the establishment of any new cash management fund.

Section 2. General Objectives

2.1 **Investment Objectives and Priorities**. The Nation shall invest all available funds subject to the following objectives and priorities:

a) Safety of principal. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

b) Liquidity requirements of anticipated and unanticipated expenditures.

c) Yield.

d) Recognition of differing objectives and needs of various fund portfolios.

e) Conformance with Nation law and other applicable legal restrictions.

f) Maximization of the total rate of return on investment consistent with the foregoing objectives.

g) Diversification by asset type, security, and Investment Manager in order to smooth the volatility of quarterly and annual returns.

2.2 **Short-Term Funds**. The Nation shall invest its short-term funds in a manner that integrates safety, liquidity, and yield as defined by (a)–(c) below. The Nation's short-term funds include:

The General Fund;
The Grant Fund;
Proprietary Funds;
The cash portion of long-term funds; and
Any other short-term funds that may be added.

a) Safety. The Nation shall treat safety of principal as the foremost objective of the short-term investment portfolio. The Nation shall undertake investments in a manner that seeks to ensure the preservation of capital in the overall short-term investment portfolio. The Nation's objective will be to mitigate Credit Risk (defined below) and Interest Rate Risk (defined below).

i) Credit Risk - The risk of loss due to failure of the security issuer or backer ("Credit Risk") will be minimized by the Nation as follows:

A) Investments will be limited to the safest types of securities;

B) Investment Managers will conduct proper due diligence on investments; and

C) The short-term investment portfolio will be diversified to minimize potential losses on individual securities.

ii) Interest Rate Risk - The Nation will minimize the risk that the market value of securities in the short-term investment portfolio will fall due to changes in general interest rates ("Interest Rate Risk") by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Operating funds will be invested primarily in shorter-term securities, money market mutual funds, or similar investment pools.

b) Liquidity. The short-term investment portfolio shall remain sufficiently liquid to meet all operating requirements of the Nation. This will be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Since all possible cash demands cannot be anticipated, the portfolio should consist largely of investments with active secondary markets (dynamic liquidity).

c) Yield. The short-term investment portfolio shall be designed to attain a market rate of return, taking into account the Nation's investment risk constraints and liquidity needs. Yield includes interest from bonds and dividends from common and preferred stocks.

2.3 **Long-Term Funds**. The Nation shall focus its long-term funds on capital growth. The Nation's long-term funds include:

Special Revenue Funds (excluding the Grant Fund);
Fiduciary Funds; and

Any other long-term funds that may be added.

Capital Growth. The Nation's long-term investment portfolio shall be designed to protect principal while earning a rate of return that will meet or exceed the rate of inflation to preserve the fund assets and to ensure that sufficient reserves will be available to cover future cash requirements. Capital growth is generally achieved by investing prudently in a wide range of asset classes in order to achieve proper diversification. Since these funds will focus on long-term capital appreciation some short-term volatility including loss of principal may be experienced.

Section 3. Standards of Care

3.1 **Prudence.** All participants in the Nation's investment process shall act responsibly as custodians of the public trust. The Controller and the Investment Staff (defined below in Section 4.4), the Investment Committee and its members, the B&F Committee and its members, the Investment Consultant (defined below in Section 4.8), the Investment Managers, the Financial Advisor (defined below in Section 4.9), Special Counsel (defined below in Section 4.10), and any other consultants engaged by the Nation to assist in the Nation's investment program (collectively, the "Parties"), shall follow the "prudent investor" rule in investing or advising the Nation concerning the investment of the Nation's funds. The "prudent investor" rule provides that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In connection with performing its responsibilities under this Policy, the Investment Committee shall take into consideration the accepted institutional investment practices of the Government Finance Officers Association ("GFOA") with regard to investment program management, investment policy, portfolio diversification and all other applicable responsibilities, unless such practices are inconsistent with the laws of the Navajo Nation.

3.2 **Code of Ethics.** The Controller and the Investment Staff, the Investment Committee and its members, and the B&F Committee and its members shall comply with the Navajo Nation Ethics in Government Law set forth in 2 N.N.C. § 3741 *et seq.* (the "Ethics Code").

Section 4. Authorities, Responsibilities and Duties

The Nation shall adhere to, and maintain, a highly structured and organized process for implementing its investment programs.

4.1 **Budget and Finance Committee.** The B&F Committee is a standing committee of the Navajo Nation Council and is vested with oversight authority with respect to the Nation's investments for the purposes of coordinating, overseeing, and regulating the investment policies of the Nation, and with the power to promulgate rules and regulations relative to investment matters, pursuant to 2 N.N.C. §§ 300 (A), 300 (C)(1), and 301(B)(1). The B&F Committee has a duty to protect the interests of the Navajo people through the prudent management of the financial reserves of the Nation. Id. at § 300(C)(4). Pursuant to the aforementioned statutory authority and obligation, the B&F Committee has final authority to approve this Policy and all Nation investment policies, and to reaffirm, modify, or restate this Policy and all Nation investment policies.

4.2 **Investment Committee.** The Investment Committee will consist of:

a) The Controller, who shall serve as Chairman of the Investment Committee pursuant to 12 N.N.C. § 203.I;

b) The Executive Director of the Office of the Navajo Tax Commission;

c) The Auditor General;

d) The President or a Presidential Appointee;

e) The Chairman of the B&F Committee;

f) An additional B&F Committee Member; and

g) The Attorney General as a nonvoting, ex officio member.

4.3 **Investment Committee Responsibilities**. The Investment Committee is an advisory group to the B&F Committee in the management of the Nation's investment programs. At a minimum, the Investment Committee will meet once a quarter within sixty (60) days after the quarter ends. The Chairperson of the Investment Committee shall schedule meetings of the Investment Committee as necessary to insure compliance with this Policy, and to protect the investments of the Nation. The Investment Committee's responsibilities include, but are not limited to, the following:

a) Recommend to the B&F Committee all modifications to this Policy, the Sub-Policies, and the Asset Class Guidelines (defined below in Section 21).

b) Determine strategies and monitor results for all funds listed above in Section 1.2 (Scope - Funds and Accounts). The Investment Committee shall include in its deliberations such topics as: economic outlook, portfolio diversification and maturity structure, potential risks to the Nation's funds, authorized depositories, brokers and dealers, and the target rate of return on the investment portfolio.

c) Select the Investment Consultant, subject to approval of the Investment Consultant's contract by the B&F Committee.

d) Accept or reject the Investment Consultant's recommendations for Investment Managers and Custodians, subject to the approval of each Investment Manager contract and each Custodian contract by the B&F Committee.

e) Select specialty service providers to assist with the selection, feasibility, management, and oversight of direct investments in real estate and other direct investments requiring additional expertise, including, without limitation, private equity and venture capital.

f) Receive quarterly and annual reports from the Investment Consultant regarding the performance of Investment Managers and receive periodic reports from individual Investment Managers.

g) Receive quarterly and annual reports from the Controller regarding the status of each fund's investment, which reconcile to the Investment Consultant's report.

4.4 **Controller's Responsibility**. The Controller is vested with the authority to pursue the administration and management of the Nation's investment programs, and the Controller has a

responsibility to the Navajo Nation Council and the B&F Committee to properly execute and operate the Nation's investment program. 12 N.N.C. § 203.I. The Controller may delegate the execution authority to his or her staff (the "Investment Staff") to assist in the operation of the Nation's investment program. The Controller and the Investment Staff shall act in accordance with established written procedures and internal controls for the management and operation of the investment program consistent with this Policy. No person may engage in an investment transaction with respect to any of the funds listed above in Section 1.2 (Scope - Funds and Accounts) except as provided under the terms of this Policy. The Controller shall be responsible for all transactions undertaken with respect to those funds and shall establish a system of controls to regulate the activities of the Investment Staff. The Controller's responsibilities include, but are not limited to, the following:

a) Safekeeping;

b) Delivery versus payment;

c) Investment accounting;

d) Repurchase agreements;

e) Wire transfer agreements; and

f) Collateral/depository agreements.

4.5 **Responsibilities of the Controller's Staff.** Investment Staff of the Office of the Controller may be retained, directed, and authorized by the Controller to support and maintain the integrity of the Nation's investment program. In striving to attain quality investment management, it is the policy of the Office of the Controller to attract and retain qualified Investment Staff and to promote, encourage, and provide continuing education and professional development for the Investment Staff.

4.6 **Duties of the Investment Managers.** The duties of the Nation's external investment managers (each an "Investment Manager" and collectively, the "Investment Managers") include, but are not limited to, the following:

a) Provide the Nation with a written agreement to invest within the guidelines established by this Policy and the corresponding Asset Class Guidelines and commit to comply with the Nation's Ethics Code as affirmed in writing.

b) Provide the Nation with proof of liability and fiduciary insurance coverage.

c) Be (i) a Securities and Exchange Commission ("SEC") Registered Investment Advisor under the Investment Advisers Act of 1940, as amended, a "commodity pool operator" under the Commodity Exchange Act, as amended ("CEA"), a commodity trading advisor under the CEA and/or a member of the National Futures Association ("NFA"), as applicable, unless exempted by applicable laws, rules and regulations from being required to register thereunder or be a member thereof due to its status as a regulated entity (i.e., certain banks), and (ii) recognized as providing demonstrated expertise over a number of years in the management of institutional assets.

d) Adhere to the investment management style concepts and principles for which they are engaged by the Nation.

e) Execute all transactions for the benefit of the Nation with brokers and dealers qualified to execute institutional orders on an ongoing basis at the best net cost to the Nation and, where appropriate, facilitate the recapture of commissions on behalf of the Nation.

f) Reconcile monthly accounting, transaction, and asset summary data with Custodian valuations and communicate and resolve any significant discrepancies with the Nation's Investment Consultant and Custodian.

g) Report in writing to the Controller and Investment Consultant on all significant matters pertaining to their firm's ownership, investment style and philosophy, changes in personnel, significant client departures, and periods of underperformance.

4.7 **Duties of Custodians.** The duties of the Nation's custodian bank (the "Custodian") include, but are not limited to, the following:

a) Provide complete global custody and depository services for the designated Nation accounts.

b) Provide an audited monthly report of the investment activities conducted by the Investment Managers.

c) Provide monthly and year-end accounting statements for all funds, including all transactions.

d) Collect all interest income and dividends and principal realization and properly report it in monthly statements.

e) Reconcile monthly accounting, transaction, and asset summary data and communicate and resolve any significant discrepancies with the Nation's Investment Consultant and Investment Managers.

4.8 **Duties of the Investment Consultant.** The Nation's investment consultant (the "Investment Consultant") must be independent of all Investment Managers and Custodians, with no conflicts of interests with any current or prospective service providers to the Nation. The Investment Consultant's duties include, but are not limited to, the following:

a) Make recommendations to the Controller, Investment Committee, and B&F Committee regarding investment policy and strategic asset allocation. The Investment Consultant shall make recommendations regarding the reaffirmation, modification or restatement of this Policy on an annual basis.

b) Assist the Nation in the selection of qualified Investment Managers, and assist in the oversight of existing Investment Managers, including monitoring changes in personnel, ownership, and the investment process.

c) Assist with Request for Information ("RFI") research and summary due diligence of qualified custodian(s) and securities lending agents.

d) Negotiate fee arrangements and other contract terms with the Investment Managers on behalf of the Nation.

e) Negotiate and arrange for brokerage and custodial services.

f) Prepare a quarterly performance report including performance attribution on all the Nation's Investment Managers, funds, and total assets, including a check on the Investment Managers' guideline compliance and adherence to investment style and discipline.

g) Handle special projects at the request of the Investment Committee.

h) Handle certain other matters, primarily reporting, as described elsewhere in this Policy, the Sub-Policies and the Asset Class Guidelines.

i) Report proxy votes as needed to the Investment Committee.

4.9 Duties of the Financial Advisor. The Nation's financial advisor (the "Financial Advisor") must be independent of the Investment Consultant, all Investment Managers and Custodians, with no conflicts of interest with any current or prospective service providers to the Nation. The Financial Advisor's duties shall include, but not be limited to, the following:

a) Make recommendations to the Controller, the Investment Committee, and the B&F Committee regarding direct and specialized investments.

b) Handle special projects at the request of the Office of the Controller, the Investment Committee, and the B&F Committee.

4.10 Appointment and Duties of Special Counsel. The Controller may recommend to the Attorney General of the Navajo Nation Department of Justice (the "Attorney General") engagement of special counsel ("Special Counsel") with specialized expertise with respect to investment matters, including private equity, alternative investments, restructuring, hedging and mergers and acquisitions, to advise the Nation on investment matters. Duties of Special Counsel shall be established in an attorney contract negotiated and executed by the Attorney General pursuant to the Attorney General's authority and duties set forth in 2 N.N.C. § 1963.B. Duties of Special Counsel may include, but shall not be limited to, the following:

a) Advise the Office of the Controller, the Investment Committee, and the B&F Committee on legal matters concerning investment policy and investment opportunities, including both direct and passive investments.

b) Assist the Nation in the selection of advisors, consultants, managers and other service providers, including the preparation of requests for proposals and the evaluation of proposals.

c) Assist the Nation in the negotiation of fee arrangements and contract terms, including dispute resolution, jurisdiction, governing law, protection of confidential information and intellectual property and other agreement provisions, consistent with the laws and policies of the Nation.

d) Handle special projects at the request of the Office of the Controller, the Investment Committee, the B&F Committee, and the Department of Justice.

Section 5. Asset Allocation Guidelines and Rebalancing Policy

The target asset allocation guidelines and time parameters for achieving target allocations are outlined in the Sub-Policy established for each separate fund. Such Sub-Policies shall be approved by the B&F Committee upon recommendation by the Investment Committee.

Section 6. Cash Holdings

It is the policy of the Nation for equity Investment Managers to be fully invested at all times, except in anticipation of large withdrawals. Equity Investment Managers should maintain less than five percent (5%) of their portfolios in cash equivalents. Fixed income Investment Managers can maintain higher cash balances (e.g., as bar-bell strategies necessitate this exposure to cash). This Section does not apply to cash Investment Managers.

Section 7. Commingled Investments

7.1 **Definition of Commingled Investments**. "Commingled Investments" refer to investment vehicles in which there is a pooling of funds from multiple clients managed by an Investment Manager as one account for diversification and cost benefits and, therefore, Investment Managers cannot tailor the portfolio to suit client-specific guidelines. Commingled Investments may be used for investment in approved asset classes with the Investment Committee taking into consideration fees, investment minimums, liquidity and other investment-related factors when reviewing investment vehicle options. Commingled Investments may be structured as limited partnerships, limited liability companies, private Real Estate Investment Trusts ("REITs"), trusts, partnerships, joint ventures, corporations or other investment vehicles. Commingled Investments include mutual funds, hedge funds, commingled investment funds, private equity funds, unit trusts, exchange traded funds, portable alpha funds, venture capital funds and other types of commingled investment vehicles.

7.2 **Commingled Investments Criteria**.

a) No single investment of the Nation's funds shall be made in any Commingled Investment that would contain more than ten percent (10%) of the Nation's total portfolio valued at market at the time of such investment, unless otherwise recommended by the Investment Committee and approved by the B&F Committee.

b) With the approval of the Investment Committee, the Nation may invest in any Commingled Investment as long as it is either (i) registered under the Securities Act of 1933 and/or the Investment Company Act of 1940, as amended, and has qualified under applicable state registration requirements or (ii) is exempt from such federal and state registration.

c) Any mutual fund must be purchased at the current net asset value of such mutual fund.

d) The Investment Manager for a Commingled Investment shall have demonstrated a favorable record of at least three years in managing institutional assets in the particular investment strategy relating to such Commingled Investment; provided, that shorter-term histories will be considered for entire portfolio management teams that have portable favorable records from predecessor firms of at least three years in managing institutional assets in the particular investment strategy relating to such Commingled Investment.

7.3 **Commingled Investments Exception.** Commingled Investments may provide lower costs and better diversification than can be obtained with a separately managed account pursuing the same investment objectives. However, Commingled Investments cannot customize investment policies and guidelines to the specific needs of individual clients. The Investment Committee may determine to accept the policies of Commingled Investments in order to achieve such lower costs and diversification benefits. Therefore, Commingled Investments and the related Investment Managers and their respective affiliates recommended by the Investment Committee and approved by the B&F Committee shall be exempt from the policies and restrictions specified in this Policy (other than those set forth in this Section 7), and the related Investment Managers and their respective affiliates will have full discretion over the portfolio management decisions subject to the guidelines established by the respective organizational and related documents and offering documents of the Commingled Investments and the contracts with the related Investment Managers and their respective affiliates. Proxy votes for securities held by Commingled Investments shall be exercised by the related Investment Managers.

Section 8. Permissible Investments

8.1 **Asset Category Definitions.** Investments must be of institutional quality and well diversified. Investment Managers must exercise prudence in all matters and invest solely for the benefit of the Nation.

a) Domestic Equity - Common and Preferred Stocks. The emphasis of the common stock portfolio will be on high quality companies, which offer above-average returns as a protection against inflation. Securities should be publicly traded at a level sufficient to insure liquidity of the holdings without significant adverse effects on price due to rapid sale. In certain circumstances, securities may be purchased in an initial public offering ("IPO") for companies and in sectors where it is reasonably anticipated that there is a high likelihood that there will be an active secondary market for the securities to insure liquidity of the holdings without significant adverse effects on the price due to rapid sale.

b) International Equity - International equity managers concentrate on identifying companies or countries or both that offer competitive valuation levels and potential for capital appreciation. The countries will be developed and emerging markets and generally represented by the MSCI All Country World (Ex. US) Index.

c) Fixed-Income - The primary role of the fixed-income portfolio is to provide a stable investment return and to generate income while diversifying the investment assets. In addition, the role of fixed-income is to provide a deflationary hedge. The fixed-income asset class will typically include the following security types and the permissible investments for this asset class are further detailed in the Appendix:

i) Bonds, notes or other obligations of the United States government, its agencies, government-sponsored enterprises, corporations, or instrumentalities for which the credit of the United States government is pledged for the payment of the principal and interest.

ii) Bonds, notes, or other obligations issued by a Native Nation or a state, or by their respective political subdivisions, that have received an investment grade bond rating.

iii) Bonds, notes, commercial paper or other obligations of any corporation organized and operating within the United States.

iv) Debt obligations of non-United States governmental or quasi-governmental entities, that may be denominated in foreign currencies; obligations, including but not limited to bonds, notes or commercial paper with an investment grade rating of any corporation organized outside of the United States. Currency transactions, including spot or cash basis currency transactions, forward contracts and buying or selling options or futures on foreign currencies, shall be permitted for the purposes of hedging foreign currency risk.

v) Collateralized obligations, including but not limited to mortgages, held in trust that: (1) are publicly traded and are registered by the SEC or other Self Regulatory Organization ("SRO") and (2) have underlying collateral that is either an obligation of the United States government or has received an investment grade rating from a nationally recognized rating agency.

d) Diversified Inflation Strategies ("DIS"). The investment objective of DIS is to provide total returns and capital appreciation exceeding inflation by a premium (e.g. CPI + 5%) as measured by the appropriate custom inflation index. The primary role of the DIS allocation is to hedge against the erosion of asset values due to inflation and to diversify portfolio risks. The DIS asset class may include but is not limited to master limited partnerships ("MLPs"), royalty trusts, infrastructure, treasury inflation protected securities ("TIPS"), real estate/REITs, natural resources, commodities, and currencies and can be implemented either through diversified multi-asset strategies or as separate standalone allocations using individual asset class types.

e) Absolute Return/Global Tactical Asset Allocation ("GTAA") – Absolute Return and GTAA strategies are designed to provide returns similar to publicly traded equities but with significantly lower volatility. Additionally, these strategies should exhibit low correlations to the traditional asset classes in the portfolio. Investments in Absolute Return and GTAA strategies can be made via fund of fund, direct investments, and mutual fund vehicles. The Absolute Return/GTAA asset class may include but is not limited to strategy types including event driven, long/short equity, long/short credit, distressed, risk-parity, directional/tactical (including global macro and managed futures inclusive of commodities and currency) and relative value.

f) Cash Equivalents. Cash equivalents are interest bearing securities that maximize liquidity and safety of principal. The following types of cash equivalents are eligible for investment:

i) Certificates of Deposit ("CDs") that are one hundred percent (100%) federally insured or collateralized with government or government agency securities with a market value of at least one hundred and two percent (102%) of the face value of the certificate. Preference placement in CDs may be granted to those financial institutions that are supportive of the Nation's fiscal objectives (e.g., loans, lease/purchase agreements, check cashing fee waivers, etc.);

ii) United States Treasury Bills;

iii) Repurchase Agreements acquired under an Investment Committee-approved master agreement;

iv) Commercial Paper of the highest three grades as rated by a nationally recognized rating agency; and

v) Commercial Bank Trust Department commingled liquidity funds specifically approved by the Investment Committee.

Maturities should be short enough that funds can be quickly liquidated with no loss of principal.

g) Real Estate. The real estate investment objectives are to provide the client with total return, capital appreciation, protection against inflation risk, and consistent returns as measured by the appropriate real estate index. External investment management firms that have demonstrated a favorable record in managing real estate portfolios will actively manage Nation funds invested in real estate. The primary role of the real estate portfolio is to generate income while diversifying the investment assets. The real estate asset class may include but is not limited to the following:

i) Core Real Estate – Commingled pools and Real Estate Investment Trusts (REITs) appropriate for institutional investors including diversification by property type and geographic location.

ii) Non-Core Real Estate – Investments in value-added and mezzanine debt.

iii) First-lien mortgages and other debt instruments, and direct real estate equity/outright ownership.

This Section 8.1(g) shall not apply to the Navajo Nation Land Acquisition Trust Fund.

h) Private Equity. The investment objectives of Private Equity are to provide the Nation with total return, capital appreciation, and protection against inflation risk with an expected return premium above public equity markets as measured by an internal rate of return ("IRR") based on the S&P 500 (e.g., S&P 500 + 5%). A diverse array of strategies that provide either return enhancement or diversification benefits shall be sought across multiple vintage years. Such strategies, accessed through fund of fund, co-investment, or direct partnership vehicles, may include but are not limited to leveraged buyouts, secondaries, distressed debt, venture capital, special situations, and other opportunistic strategies.

i) Direct Investments.

i) Direct investment of Nation funds in emerging growth, pre IPO and other non-public companies through various investment structures (e.g., a partnership or joint venture), either equity or debt based, is permitted subject to investment and operational due diligence by the Investment Committee or its designee. The Nation shall not invest in a direct investment that has a projected annual rate of return of less than the five (5) year average rate of return of the Master Trust portfolio, gross of fees, except as to the direct investments addressed in Section 8.1(i)(ii) below, rates shall be as negotiated, but at no less than the ten (10) year average rate of return of the Master Trust portfolio. The average rate of return of the Master Trust portfolio shall be set at the rate set forth in the most recent quarterly report provided by the Investment Consultant.

ii) Direct investment of Nation funds in any entity or enterprise owned in whole or part by the Nation is permitted subject to investment and operational due diligence by the Investment Committee or its designee. Direct investment in any entity or enterprise owned in whole or part by the Nation shall be evaluated consistent with the above Section 2.1 (Investment Objectives and Priorities), including but not limited to, the overall benefit to the Nation of such investment, the promotion of tribal economic development, the promotion of tribal self-sufficiency and self-governance, the creation of jobs for enrolled members of the Nation, and the promotion of health, education, safety, and welfare of enrolled members of the Nation.

j) Accretive Investments. Accretive investment of Navajo Nation funds may include, without limitation, equity and debt investments in real estate, business expansions, financing, and land. The Investment Committee may invest with co-investors and operating partners specific to any Accretive Investment. Annual rate of return targets for Accretive Investments shall be priced using an industry-standard index used to price similar commercial transactions. The Investment Committee may consider an Accretive Investment that falls below the annual return target if such Accretive Investment is likely to achieve significant benefits to the Navajo Nation's economic, social, political, environmental, and community goals to maximize positive impact to the Navajo Nation while providing capital appreciation, protection against inflation risk, risk diversification and consistent returns, according to the Accretive Sub-Policy.

k) Other Investments. Other investments, including entertainment investments and professional sports franchises, subject to the limitations of Section 11 below.

l) High Yield Investments. Notwithstanding anything to the contrary in this Section 8, investments which offer potential for higher returns and price appreciation, including but not limited to investments in early stage companies, real estate development projects and other ventures where there are substantial upside returns but also greater risks; provided that such investments shall not be made in the Nation, an enterprise of the Nation or any affiliates thereof, and the aggregate purchase amount of such investments shall not exceed in the aggregate 1% of the assets in the Master Trust at the time of investment.

Section 9. Prohibited Investments

The following investments are prohibited in separately managed account situations (i.e., not Commingled Investments). Should a prohibited transaction occur it should be reported immediately to the Controller, who will report it at the next Investment Committee meeting where the Investment Committee will decide how to proceed.

9.1 **Self-Dealing Transactions**. Investment Managers shall not purchase or hold any security or other investment that is issued by a corporation with which the Investment Manager's firm has any type of ownership relationship.

9.2 **Individual CD's and Time Deposits.** Individual CDs and Time Deposits shall not exceed applicable Federal Depository Insurance Corporation ("FDIC") deposit insurance limits unless they are one hundred percent (100%) collateralized by eligible securities or fully covered by a surety bond.

9.3 **Letter Stock.** Letter stock and other unregistered equity securities are prohibited. For the avoidance of doubt, memberships in limited liability companies, partnership interests, corporations or other ownership in connection with hedge funds, venture capital, private equity, other Commingled Investments and real estate investments are not prohibited.

9.4 **Litigation with the Nation.** The Nation prefers not to invest in a company with which it is involved in litigation or a major contractual dispute.

9.5 **General Prohibitions.** No investment may be made in any enterprise of the Nation for the purpose of allowing that enterprise to make a direct or indirect investment in any entity or project that is not wholly owned and managed by the Nation or an enterprise of the Nation.

Section 10. Derivatives Policy

Investment Managers shall not purchase securities on margin, sell short, use individual stock options, puts, calls or trade in futures contracts, unless specified in the investment management agreement entered into by the Nation and the Investment Manager.

Section 11. Concentration and Diversification Guidelines Pertaining to the Overall Investment Program

a) Not more than five percent (5%) of the outstanding shares of any public corporation shall be owned by the Nation.

b) An investment in privately held companies or joint ventures, including entertainment investments and professional sports franchises, may not exceed ten percent (10%) of the Master Trust portfolio valued at market at the time of the investment.

Section 12. Collateralization

This Section 12 applies solely to the Controller's cash management activities on behalf of the Nation.

In accordance with the GFOA-recommended Practice on the Collateralization of Public Deposits, full collateralization will be required on non-negotiable CDs. Repurchase agreements shall be consistent with the GFOA-Recommended Practice on Repurchase Agreements.

For deposit type instruments investments managed internally, adequate collateral over the FDIC Insurance limit must be obtained to protect the assets of the Nation. Acceptable collateral is limited to U.S. Treasury and agency securities. The minimum acceptable limit is one hundred and two percent (102%) of assets.

Section 13. Safekeeping/Custody

The Controller, with notification to the B&F Committee, shall contract with an authorized safekeeping agent(s) for safekeeping securities owned by the Nation as part of its investment portfolio or held as collateral to secure CDs or repurchase agreements. All securities transactions shall be conducted on a delivery versus payment basis to the Controller's safekeeping bank or to the Office of the Controller. The Office of the Controller, custodian, or safekeeping agent(s) shall have custody of all securities purchased or held and all evidence of deposits and investments.

To protect against potential fraud and embezzlement, the assets of the Nation shall be secured through third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party

institutions. Collateralized securities such as repurchase agreements shall be purchased using the delivery versus payment procedure. Unless prevailing practices or economic circumstances dictate otherwise, ownership shall be protected through third-party custodial safekeeping. The independent auditor shall review safekeeping procedures annually. The independent auditor shall conduct periodic audits of safekeeping and custodial systems.

Section 14. Voting of Proxies

To the extent that investments include ownership rights, such as the voting of proxies, such ownership rights shall be exercised according to the vehicle type:

14.1 **Separately Managed Accounts.** Proxy votes for securities held in separately managed accounts shall be exercised by the Investment Manager as it deems appropriate taking into account the interests of the Nation. The Investment Committee reserves its right to exercise its proxy rights when it so chooses. Each Investment Manager shall keep accurate written records as to the exercise of such ownership rights, whether exercised by the Investment Manager or by the Investment Committee, and shall report in writing to the Investment Committee or Office of the Controller upon request.

14.2 **Commingled Investments**. For proxy votes issued by Commingled Investments to the Nation, the Investment Consultant will provide voting guidance and recommendations to the Nation upon request. For the avoidance of doubt, proxy votes for securities held by Commingled Investments shall be exercised by the related Investment Managers as set forth in Section 7 above.

Section 15. Securities Lending

A securities lending program may be implemented by the master Custodian or an outside independent securities lending agent. The belief is that this program will provide additional income without incurring additional risk. For all securities lent, liquid financial assets of the highest quality will be held as collateral in amounts equal to or greater than the value of securities lent. Cash, U.S. Treasury Bills and Notes, and A-1 or P-1 rated Commercial Paper are acceptable collateral.

Supervision of the lending program by the Investment Committee shall include:

a) Procedures to review the creditworthiness of all borrowers;

b) Requirements for full collateralization of all loans;

c) Other methods and procedures required by the Investment Committee for securing the lending program.

Section 16. Commission Recapture Program

The Office of the Controller assisted by the Investment Consultant shall monitor the commission recapture and discount brokerage programs to insure that Investment Managers provide the best effort to meet their commission recapture guidelines. The quality of execution should never be jeopardized.

Investment Managers may utilize brokers who provide the best net trade (discount brokerage) for their transactions.

The Office of the Controller assisted by the Investment Consultant shall report, at least annually, to the Investment Committee and the B&F Committee the Investment Managers' adherence to the commission recapture guidelines.

Section 17. Trades and Exchanges

Investment Managers and the Office of the Controller may sell or exchange securities in the course of daily management of specific funds. Such trades may be executed to raise cash, to shift maturity, to change asset mix, to enhance yield, and to improve quality. The goal of all such trades is to maximize portfolio performance while minimizing risk.

a) The Office of the Controller and all Investment Managers will take advantage of security swap opportunities to improve portfolio yield.

b) To account for market fluctuations and volatility, the Office of the Controller or its agent (independent pricing agent) will mark to market all securities at least monthly. If a significant market event takes place during the month that impacts the value of the portfolio, the Office of the Controller or its agent will mark the portfolio to market to determine the impact on the portfolio.

The Controller shall determine the market value of all securities in the portfolio on at least a quarterly basis. These values shall be obtained from a reputable and independent source and the Investment Consultant shall make a report to the Investment Committee at least quarterly. The report shall include the market value and unrealized gain or loss of the securities in the portfolio.

Section 18. Procedures for Selecting and Reviewing Investment Managers

18.1 **Review Process**. The Nation's investments shall be managed by professional Investment Managers except to the extent the Investment Committee specifically delegates investment authority for cash management portfolios to the Office of the Controller. When it is decided that an Investment Manager(s) is to be hired, the Investment Consultant shall solicit qualified proposals in compliance with the Navajo Nation Business Opportunity Act, 5 N.N.C. §201 *et seq.* (the "Business Opportunity Act"). The Controller and Investment Consultant will select at least two finalists to make an oral presentation to the Investment Committee. The Investment Committee will evaluate the finalists and select the Investment Manager(s) best suited to meet the Nation's investment needs. Evaluation factors will include the finalists' one-year, five-year and ten-year performance record and the associated risks taken to achieve the returns, the quality and stability of the investment personnel of each company, adherence to philosophy/style, and the fees charged by each company.

18.2 The B&F Committee shall approve the Investment Manager(s) selected by the Investment Committee. When presenting the selected Investment Manager(s) to the B&F Committee for approval, the Investment Committee shall include a summary of the finalists not selected and the evaluation factors and ranking utilized in the selection process. A contract with the Investment Manager(s) selected by the Investment Committee and approved by the B&F Committee will be executed pursuant to applicable Nation contract approval procedures.

18.3 If the Investment Committee recommends, subject to the approval of the B&F Committee, terminating an existing Investment Manager(s) prior to completion of the contract approval and execution process for the replacement Investment Manager(s), the Investment Committee, with guidance from the Investment Consultant, shall determine how assets

currently under management by the Investment Manager(s) to be terminated will be liquidated, if necessary, and invested on a temporary basis. If available, a passive, benchmark tracking investment strategy with similar investment exposure to that of the terminated Investment Manager(s) shall be used for short-term investment purposes. If a passive, benchmark tracking investment strategy with similar investment exposure to that of the terminated Investment Manager(s) is unavailable, the Investment Committee, with guidance from the Investment Consultant, shall recommend, subject to the approval of the B&F Committee, using either (i) another existing Investment Manager(s) within the same asset class (or sub-asset class) or (ii) an alternative solution for short-term investment purposes, in each case so long as the recommended approach remains consistent with total fund and asset class risk expectations for the applicable assets. If the Investment Committee determines, with guidance from the Investment Consultant, that no reasonably acceptable alternatives exist for short-term investment, the Investment Committee may recommend, subject to the approval of the B&F Committee, liquidating the applicable assets, if necessary, and holding such assets in cash prior to the completion of the contract approval and execution process for the replacement Investment Manager(s).

18.4 **Selection Criteria for Investment Managers**. Criteria will be established for each Investment Manager search undertaken by the Nation and will be tailored to the Nation's needs and priorities. In general, eligible Investment Managers will possess attributes including, but not limited to, the following:

a) The firm, or the principal of the firm, must be experienced in managing money for institutional clients, family offices or other sophisticated investors in the asset class/product category/investment style specified by the Nation and its Investment Consultant.

b) The firm must be (i) an SEC Registered Investment Advisor under the Investment Advisers Act of 1940, as amended, a "commodity pool operator" under the CEA, a commodity trading advisor under the CEA and/or a member of the NFA, as applicable, unless exempted by applicable laws, rules and regulations from being required to register thereunder or be a member thereof due to its status as a regulated entity (i.e., certain banks), (ii) in current good standing with respective regulators with no recent material compliance or disciplinary violations, and (iii) not involved in any material ongoing or pending litigation with current or former clients of the firm.

c) The firm must have a minimum five-year history (three-year for small cap stocks) with the desired investment style and demonstrated continuity of key personnel, and must offer a reasonable fee schedule; shorter-term histories will be considered for entire portfolio management teams that have portable track records from predecessor firms.

d) The firm must display a record of stability in retaining and attracting qualified investment professionals, as well as a record of managing asset growth effectively, both in gaining and retaining clients.

e) The firm must have an asset base sufficient to accommodate the Nation's portfolio. In general, managers should have at least $500 million of discretionary institutional assets under management, and the aggregate amount of the Nation's portfolio under management by the firm should make up no more than ten percent (10%) of the firm's total assets under management.

f) The firm must demonstrate adherence to the investment style sought by the Nation, and adherence to the firm's stated investment discipline.

g) The firm's fees should be competitive with industry standards for the product category.

h) The firm must comply with the "Duties of the Investment Managers" outlined in Section 4.6 above and conform to CFA Institute standards for performance reporting.

18.5 Criteria for Investment Manager Termination. The Nation reserves the right to terminate an Investment Manager. Grounds for termination may include, but are not limited to, the following:

a) Failure to comply with the guidelines agreed upon for the management of the Nation's funds, including holding restricted securities and conducting prohibited transactions.

b) Failure to achieve performance objectives specified in the Investment Manager's guidelines. Managers who fall into the bottom quartile on the Nation's consultant peer universe for three consecutive quarters will be placed on a "watch list." The watch list is not an automatic termination, but a red flag for the Nation's Investment Consultant, the Controller, and the Investment Committee alerting them to conduct further due diligence to understand the underperformance. The Investment Committee will have the discretion at any time to take an Investment Manager off the watch list once they are comfortable that the Investment Manager's problems have been resolved.

c) Significant deviation from the Investment Manager's stated investment philosophy, style, or process.

d) Loss of key personnel or significant ownership changes that create instability in an organization.

e) Evidence of illegal or unethical behavior by the Investment Manager's firm.

f) Lack of willingness to cooperate with reasonable requests by the Nation or the Nation's Investment Consultant for information, meetings, or materials.

g) Loss of confidence by the Investment Committee, the Controller, or the Nation's Investment Consultant.

h) A change in the Nation's asset allocation program which necessitates a shift of assets to another asset class or style.

The presence of any one or a combination of these factors will be carefully reviewed by the Controller, the Investment Committee, and the Nation's Investment Consultant, but will not necessarily result in an automatic termination.

18.6 Performance Monitoring. The Controller shall monitor monthly statements and receive quarterly, audited performance reports from the Investment Consultant. The Investment Consultant shall monitor at least quarterly the track record of each Investment Manager under contract to determine whether or not that Investment Manager is performing up to the standard required by the benchmark of performance specified in the Investment Manager's contract and shall report those finding to the Investment Committee. If at any time the standard required is not being met, the Controller with the assistance of the Investment Consultant shall make a report of that fact to the Investment

Committee and give a recommendation to the Investment Committee. The Investment Committee will then determine what action will be taken by the Controller.

18.7 **Manager Alerts.** Investment Managers are to provide the Investment Committee and the Investment Consultant with written notice of any material changes in their respective firms (i.e., change in personnel, ownership and policy, etc.).

18.8 **Termination.** The recommendation to terminate an Investment Manager shall be by majority vote of the Investment Committee present at the meeting, subject to the approval of the B&F Committee.

Section 19. Navajo Preference

19.1 **Adherence to Navajo Nation Laws, Rules and Regulations.** All Parties shall comply with all applicable laws, rules and regulations of the Nation, including, without limitation, the Navajo Preference in Employment Act (the "Preference in Employment Act"), 15 N.N.C. § 601 *et seq.*, and the Business Opportunity Act. The terms and provisions of the Preference in Employment Act and the Business Opportunity Act are specifically incorporated herein, and become a part of this Policy; and breach by any Party of any terms and provisions of such laws shall constitute a breach of this Policy and provide grounds for the suspension or termination or other remedy as specified in the Preference in Employment Act, the Business Opportunity Act, or this Policy.

19.2 **Navajo/Native American Promotion Policy.** It is the policy of the Nation to support and promote the growth and development of Navajo or other Native American owned and controlled firms in accordance with the Preference in Employment Act and to the degree permitted by applicable federal laws.

19.3 **Identification of Qualified Navajo/Native American Firms.** The Investment Consultant shall make reasonable efforts to identify and bring to the attention of the Investment Committee and the B&F Committee qualified Navajo and other qualified Native American owned and controlled investment management and brokerage firms. The phrase "owned and controlled" shall be defined by 5 N.N.C. § 202.J of the Business Opportunity Act and shall not include "fronts" as defined in 5 N.N.C. § 202.F of the Business Opportunity Act. The phrase "qualified" as it applies to Investment Managers shall be defined by this Policy, including, but not limited to, Sections 18.1 and 18.2 of this Policy and shall include desired rates of return. The phrase "qualified" as it applies to brokerage firms shall incorporate the standards set forth by the GFOA and shall include participation in commission recapture programs, if appropriate.

19.4 **Qualified Navajo/Native American Investment Managers Preference.** The Investment Committee and the B&F Committee shall give preference to qualified Navajo and other qualified Native American owned and controlled investment management firms, whenever such qualified firms are available, when selecting new or successor investment managers. Such preference is not intended to and shall not dilute or negate adherence to this Policy, including but not limited to the Investment Objectives and Priorities identified in Section 2.1 of this Policy. Consistent with 5 N.N.C. § 201.D of the Business Opportunity Act, such preference is not intended to require the selection of unqualified Navajo or other unqualified Native American investment managers.

19.5 **Qualified Navajo/Native American Brokerage Firm Preference.** The Investment Managers, current and future, shall make reasonable efforts to direct, under the restrictions identified below, a minimum of twenty percent (20%) of the transactional execution of the Nation's investment funds to qualified Navajo and other qualified Native American owned and controlled brokerage firms identified by the Investment Consultant under Section 19.3 above, whenever such qualified firms

are available. Such direction or preference should never jeopardize the quality of execution. Such direction or preference is also not intended to and shall not dilute or negate adherence to this Policy, including, but not limited to, the Investment Objectives and Priorities identified in Section 2.1 of this Policy and the Duties of the Investment Manager identified in Section 4.6 of this Policy. Consistent with 5 N.N.C. § 201.D of the Business Opportunity Act, such preference is not intended to require the selection of unqualified Navajo or other unqualified Native American brokerage firms.

19.6 **Compliance**. The lack of substantial compliance with Sections 19.1 through 19.5 above shall be grounds for termination. The Investment Committee, with the assistance of the Investment Consultant, shall report annually to the B&F Committee on compliance by the Parties with the provisions of Sections 19.1 through 19.5 above.

Section 20. Sub-Policies

The Investment Committee, along with the Investment Consultant, will develop specific investment policies ("Sub-Policies") for each fund, which will include any unique or specific investment objectives for a particular fund; its asset allocation to cash, bonds and stocks; any specific investment restrictions; the fund spending policy; and the investment expectations for the fund.

The investment objectives, asset allocation guidelines, and other specific investment information will be covered for each fund within the Nation's investment program under the Sub-Policies, and modifications to the Sub-Policies and asset class guidelines must be recommended by the Investment Committee and approved by the B&F Committee.

Section 21. Asset Class Guidelines

The Investment Committee, along with the Investment Consultant and other appropriate advisors as needed, will develop specific investment guidelines for each asset class or investment ("Asset Class Guidelines"), which will include objectives, general guidelines, diversification, return expectations, and prohibited practices. Specific investment guidelines for asset classes are included in the Appendix and shall be approved by the B&F Committee upon recommendation by the Investment Committee.

Sector and security selection, portfolio structure and timing of purchases and sales are delegated to the Investment Manager subject to the Investment Manager's contract. Transactions that involve a broker acting as a "principal" and "agent" where such broker or dealer is also the Investment Manager who is making the transaction are prohibited. For separately managed accounts, transactions shall be executed on the basis of "best price and execution" for the sole benefit of the Nation. As described in and as limited by Section 7 above, for Commingled Investments, the related Investment Managers and their respective affiliates will have full discretion over the portfolio management decisions taking into consideration the guidelines established by the respective organizational and related documents and fund offering documents and the contracts with the related Investment Managers and their respective affiliates. Any material violation of these Asset Class Guidelines is to be corrected immediately upon discovery and reported to the Investment Consultant and the Investment Committee in a timely manner.

Section 22. Amendments

This Policy may be amended as necessary from time to time upon recommendation by the Investment Committee and approval by the B&F Committee.

Appendix A

Large Capitalization Domestic Equity

STATEMENT OF INVESTMENT OBJECTIVES, GUIDELINES AND PROCEDURES

A. Investment Objectives. The investment objectives of the large cap domestic equity portfolio are to provide TNN with total return, capital appreciation, protection against inflation risk and consistent returns as measured by the appropriate benchmark. The funds will be actively managed by active external investment management firms that have a demonstrated favorable record in managing institutional equity portfolios. TNN shall employ diversification by investment style; value, core, and growth. The large cap domestic equity allocation is managed by several investment managers, and investment benchmark and peer universes are detailed in Section F of the guidelines.

B. Portfolio Characteristics and Guidelines

- Investment in any one corporation shall not exceed 5% of the equity portfolio at the time of purchase, and will be sold to prevent the percentage from exceeding 7% at market valuation.
- Investment in any one corporation will not exceed 5% of the outstanding shares of that corporation.
- A single manager may not have more than 2.5 times the respective index weighting of their individual portfolio in any one industry category, i.e. if technology represents 15% of the S&P 500 Index, an investment manager cannot hold more than 37.5% of their portfolio in technology.
- No manager can invest more than 40% of their portfolio in any one industry sector as defined by the Global Industry Classification Standard (GICS).
- Investment in foreign domiciled companies will not exceed 15% of the portfolio at market value.

C. Performance Objectives. Performance will be monitored on a monthly basis, and long-term performance will be reviewed on a quarterly basis. The measurement period for complete evaluation will typically be trailing three-year periods and a complete market cycle, to be represented by a five-year trailing period. Market cycles are defined to include both a rising and a declining market environment. Therefore, investment managers' minimum period of evaluation shall be three to five years.

The performance objectives of the large capitalization domestic equity allocation are:

- Outperform the respective style benchmark (i.e. Russell 1000 Value Index), net of fees, over a market cycle, typically represented by three- and five-year time periods;

- Rank above the 50th percentile of a nationally recognized peer universe consisting of large capitalization managers possessing a similar style over a market cycle, typically represented by three- and five-year time periods;
- Outperform inflation plus a premium (net of fees), represented by CPI plus 600 basis points per annum over a market cycle;
- Passively managed investments will perform in-line with the appropriate benchmark (gross of fees)..

D. Investment Guidelines. Common stocks, preferred stocks and convertible stocks as defined in the Master Investment Policy. Also allowed are investments in securities issued by non-U.S. companies traded on U.S. exchanges (American Depository Receipts), as well as REITs (real estate investment trusts).

E. Investment Restrictions.

- Prohibited Investments - TNN funds will not invest in options, futures, commodities, venture capital funds, private placement debt securities, floating rate securities, letter stock, natural resource properties or equity securities not traded on a national exchange, except as specifically approved by the Investment Committee.
- Prohibited Investments - TNN prefers not to invest in a company with which it is involved in litigation or a major contractual dispute.
- Prohibited Transactions - Investment managers cannot buy or hold securities within which they have an ownership relationship with.
- Derivatives Restrictions - Investments in derivatives shall be unleveraged investments. No derivatives are permitted whose values are tied to another security or whose value fluctuates as a multiple of any underlying security. Futures, forwards and options are permitted only if they are used in a defensive hedging manner, i.e. to control the volatility of a currency.

F. Current Investment Benchmarks

Mandate	Benchmark	Peer Universe
Value	Russell 1000 Value Index	U.S. Large Cap Value Equity
Core	Russell 1000 Index / S&P 500 Index	U.S. Large Cap Core Equity
Growth	Russell 1000 Growth Index	U.S. Large Cap Growth Equity

BUDGET AND FINANCE COMMITTEE

18 December 2018
Regular Meeting

VOTE TALLY SHEET:

Legislation No. 0387-18:
An Action Relating to Budget and Finance Committee; Approving and Adopting the Amended and Restated Navajo Nation Master Investment Policy Sponsored by Tom T. Chee, Council Delegate

Motion: Jimmy Yellowhair
Second: Lee Jack, Sr.
Vote: 4-0, Pro Tem Chairman not voting

Vote Tally:

Seth A. Damon	**yay**	
Jimmy Yellowhair	**yay**	
Tom T. Chee	**yay**	
Lee Jack, Sr.	**yay**	
Leonard Tsosie		
Tuchoney Slim, Jr.		

Absent: *Leonard Tsosie*

Tuchoney Slim, Jr., Pro Tem Chairman
Budget & Finance Committee

Peggy Nakai, Legislative Advisor
Budget & Finance Committee

EXHIBIT C(4)

MASTER TRUST

ATTORNEY GENERAL APPROVAL OF ARBITRATION

Exhibit C(4)
to BFC Resolution

NAVAJO NATION DEPARTMENT OF JUSTICE CERTIFICATION

The Navajo Nation Department of Justice has reviewed and hereby approves the foregoing Side Letter between Jennison Associates LLC and the Navajo Nation, for purposes of the Navajo Sovereign Immunity Act, 1 N.N.C. §§554 (J)(2) and (K)(2), which requires all agreements entered into under the Navajo Nation Arbitration Act, 7 N.N.C. §§1101 et seq., to be approved by the Navajo Nation Department of Justice. The Side Letter has been authorized, approved, and executed on behalf of the Navajo Nation in accordance with all applicable laws of the Navajo Nation.

NAVAJO NATION
DEPARTMENT OF JUSTICE

By: _____
Doreen N. McPaul, Attorney General

EXHIBIT C(5)

MASTER TRUST

NAVAJO NATION

INCUMBENCY CERTIFICATE

Exhibit C(5)
to BFC Resolution

INCUMBENCY CERTIFICATE

THE NAVAJO NATION
(listed in the Federal Register as Navajo Nation, Arizona, New Mexico & Utah)

I, Doreen N. McPaul, Attorney General of the Navajo Nation (the "Nation"), hereby certify that:

1. Pursuant to 2 N.N.C. § 222, the President of the Nation is authorized to execute and deliver contracts and agreements pertaining to the Executive Branch of the Nation. Such contracts and agreements include those relating to the Nation's investment programs.

2. The Controller of the Nation, Pearline Kirk, was duly appointed by the President of the Navajo Nation on February 8, 2017 and was confirmed by the Navajo Nation Council on February 16, 2017 and accordingly shall serve with the full authority of the Controller pursuant to Navajo law.

3. Pursuant to 12 N.N.C. § 201(B), the Controller is responsible for formulating, implementing, and executing the financial plans and policies of the Nation. She is authorized pursuant to 12 N.N.C. §§ 203(C) - (G) to manage the financial program of the Nation and shall be responsible for all transactions undertaken on behalf of the Nation, including but not limited to (a) safekeeping, (b) delivery versus payment, (c) wire transfer agreements, and (d) collateral/depository agreements.

4. Pursuant to 12 N.N.C. § 203(I), the Controller as Chairperson of the Navajo Nation Investment Committee, is responsible for the administration of the Nation's investment programs. Pursuant to Section 4.4 of the Nation's Master Investment Policy, adopted by the Budget and Finance Committee of the Navajo Nation Council pursuant to Budget and Finance Committee Resolution No. BFO-61-90, as amended by BFJY-114-03, BFJA-01-08, BFJN-17-15 (adopting the Amended and Restated Master Investment Policy and the Asset Class Guidelines attached thereto as Appendices A through G), BFD-38-17, BFD-41-17, and BFD-45-18 (adopting the Amended and Restated Master Investment Policy and the Asset Class Guidelines attached thereto as Appendices A through G) (collectively, the "Master Investment Policy"), the Controller is authorized to manage the Nation's investment programs and shall be responsible for all transactions undertaken, including but not limited to (a) safekeeping, (b) delivery versus payment, (c) investment accounting, (d) repurchase agreements, (e) wire transfer agreements, and (f) collateral/depository agreements.

5. Pursuant to and consistent with the authority granted to the President and the Controller described above, the President and the Controller are authorized to take all action and deliver all documents related to the Nation's investment programs.

INCUMBENCY CERTIFICATE
THE NAVAJO NATION
(listed in the Federal Register as Navajo Nation,
Arizona, New Mexico & Utah)
Signature Page

6. The genuine manual or facsimile signatures of the President and the Controller of the Nation are as follows:

Name	Title	Signature
Jonathan Nez	President	_____
Pearline Kirk	Controller and Chair of the Navajo Nation Investment Committee	_____

DATED this _____ day of _____.

THE NAVAJO NATION (listed in the Federal Register as Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Doreen N. McPaul, Attorney General

EXHIBIT C(6)

MASTER TRUST

NAVAJO NATION IPO CERTIFICATION

Exhibit C(6)
to BFC Resolution

Initial Public Offering of Equity Securities Purchase and Allocations (FINRA Rule 5130 and 5131) Certification

Pursuant to FINRA Rule 5130 (the "Rule"), a broker may not sell or cause to be sold an initial public offering of equity securities to any account in which a "**restricted person**" (all bolded terms are defined in the reference materials) holds a "**beneficial interest**" unless the account qualifies for a general exemption under the Rules (as defined herein). Pursuant to FINRA Rule 5131 (together with FINRA 5130, the "Rules") a broker may not sell or cause to be sold an initial public offering of equity securities to any account in which a "**covered person**" holds a "**beneficial interest**" unless the account qualifies for a general exemption under the Rules. Please sign and return this Certification indicating whether or not your account is eligible to purchase IPO shares in accordance with the Rule. In addition, in connection with any new issue, you hereby represent that you will not act as a "**finder**" or in a fiduciary capacity to any managing underwriter of any new issue and that you shall notify Jennison Associates LLC immediately in the event that such representation ceases to be true and correct.

The undersigned hereby certifies that with respect to the Account listed below in which it has the opportunity to purchase new issues (please select):

5130 Certification

X The Account is eligible to purchase new issues either because no restricted person (which includes those accounts that meet a general exemption and, by definition, are not restricted persons) holds a beneficial interest in the Account, or because the Account has implemented procedures to reduce the beneficial interests of all restricted persons with respect to new issues below 10% in the aggregate, and the undersigned hereby represents that it will follow such procedures in connection with the purchase by the Account of all new issues; or

☐ The Account is a restricted person and is not eligible to purchase new issues.

5131 Certification

X The Account is eligible to purchase new issues either because no covered person (which includes those accounts that meet a general exemption and, by definition, are not covered persons) holds a beneficial interest in the Account or the Account has implemented procedures to reduce the beneficial interests of all covered person with respect to new issues to in the aggregate below 25%, and the undersigned hereby represents that it will follow such procedures in connection with the purchase by the Account of all new issues. or

☐ The Account is held by one or more covered person(s) of a particular company, whose beneficial interest, in the aggregate, exceeds 25% of the Account:

Name(s) of company (companies) for which each covered person is an executive officer or director:

_____

(Please provide a separate attachment listing of relevant companies if additional space is required)

The undersigned hereby certifies that the undersigned is authorized to provide this Certification and that the undersigned or an authorized representative of the Account will promptly notify Jennison Associates in the event this Certification ceases to be true and correct.

Account: Navajo Nation – Jennison Large

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT C(7)

MASTER TRUST

NAVAJO NATION NOTICE TO JENNISON REGARDING ISSUERS IN DISPUTE

Exhibit C(7)
to BFC Resolution

Jennison Associates LLC
466 Lexington Avenue
New York, New York 10017
Attention: Kenneth Moore, Executive Vice President
and Chief Operating Officer

Reference is hereby made to the Side Letter, dated as of _____, 2019 (as amended from time to time, the "Side Letter"), between the Navajo Nation (the "Nation") and Jennison Associates LLC (the "Investment Manager") relating to the account of the Nation entitled "Navajo Nation – Jennison Large." Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Side Letter.

Pursuant to Section 1(p)(4) of the Side Letter, the Nation hereby notifies the Investment Manager that the following issuers are in litigation with the Nation or are issuers with which the Nation has a significant contractual dispute:

1. None

The Nation reserves the right to update the above list from time to time by written notice from the Nation to the Investment Manager.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT C(8)

MASTER TRUST

NAVAJO NATION NOTICE TO JENNISON REGARDING NAVAJO NATION CONTACTS

Exhibit C(8)
to BFC Resolution

Jennison Associates LLC
466 Lexington Avenue
New York, New York 10017
Attention: Kenneth Moore, Executive Vice President
and Chief Operating Officer

Reference is hereby made to (a) the Side Letter, dated as of _____, 2019 (as amended from time to time, the "Side Letter"), between the Navajo Nation (the "Nation") and Jennison Associates LLC (the "Investment Manager") and (b) the Investment Management Agreement, dated as of _____, 2019 (as amended from time to time, the "IMA"), between the Nation and the Investment Manager, in each case relating to the account of the Nation entitled "Navajo Nation – Jennison Large." Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Side Letter.

Pursuant to Section 1(i) of the Side Letter, Section 16 of the IMA and the Nation's Form ADV Receipt Acknowledgement, the Nation hereby notifies the Investment Manager that all reports, notices and other communications provided to the Nation under the Side Letter and the Contracts shall be delivered in hard copy and electronically via e-mail to the following persons:

E-mail addresses:

Controller:

Pearline Kirk: pkirk@nnooc.org

Investment Section:

Brent Wauneka: btwauneka@nnooc.org
Shervonna Begay: Sherbegay@nnooc.org

Mailing address:

Office of the Controller
Investments – Section
PO Box 3150
Window Rock, AZ 86515

Physical address:

Office of the Controller
Admin. Bldg. 1
2559 Tribal Hill Dr.
Window Rock, AZ 86515-3150

The Nation reserves the right to update the above list from time to time by written notice from the Nation to the Investment Manager.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT C(9)

MASTER TRUST

FORM ADV RECEIPT ACKNOWLEDGEMENT

Exhibit C(9)
to BFC Resolution

Form ADV Receipt Acknowledgement

Navajo Nation acknowledges that Jennison Associates LLC ("Jennison Associates") has provided it with a copy of its most recent Form ADV Parts 2A and 2B, in accordance with Rule 204-3 under the Investment Advisors Act of 1940, as amended. Navajo Nation consents to the annual delivery of Jennison Associates' Form ADV Part 2A and any disclosure documents or notices required by law by electronic means in accordance with applicable laws and regulations. The Form ADV Part 2A, required disclosure document or notice will be delivered as a PDF file unless Jennison Associates' electronic communication contains instructions on how to access such documents. Such documents shall be delivered to Navajo Nation pursuant to the contact list provided by the Navajo Nation to Jennison Associates which may be updated by the Navajo Nation from time to time by written notice from the Navajo Nation to Jennison Associates.

This consent will remain effective until it is revoked by Navajo Nation in writing. Notwithstanding this consent, Jennison Associates will provide a paper copy of the Form ADV Part 2A, disclosure document or notice at no cost upon Navajo Nation's request.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT C(10)

MASTER TRUST

CLIENT LIST AUTHORIZATION

Exhibit C(10)
to BFC Resolution

Client List Authorization

The undersigned ("Client") hereby confirms that Jennison Associates LLC is (please select):

☐ authorized to list the Client's name on its client lists. Please indicate on the line below how the Client's name that should appear on Jennison's client list. If the line below is left blank, Jennison will use the Client's name as it appears on the Client's Agreement.

_X not authorized to list the client on its client lists.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

Client Name as it should appear on the Client List:

_____

EXHIBIT C(11)

MASTER TRUST

JENNISON WEBSITE USER ID REQUEST FORM

Exhibit C(11)
to BFC Resolution

Website User ID Request

Jennison Associates LLC is pleased to inform you that you may now have daily access to your month-end portfolio information via Jennison Associates' dedicated client website. The website will provide access to both current and historical month end portfolio information.

To protect the privacy of your portfolio information, Jennison Associates is committed to using advanced technology on our corporate computer by using firewalls and by encrypting all data. The website server will be secured with a digital ID (VeriSign brand name) to ensure clients of the site's authenticity and allow the session to be encrypted. The exchange between the Jennison Associates website and your machine will be performed using Secure Sockets Layer (SSL), a technology adopted by vendors producing web-related software. SSL employs the essential functions of mutual authentication, data encryption and data integrity for secure communications.

To ensure that we provide easy and direct website access to the appropriate individual(s), please remit the information below for up to five individuals within your organization and/or consultants for whom you would like us to provide user logon identification. Once we receive and process your user(s) request, information will be provided to each user that will include the login id and password, as well as user documentation.

If you prefer to send the form via e-mail, kindly send it to support@jennison.com.

If you have any questions on the introduction of your portfolio information on Jennison Associates' dedicated client website, please feel free to call Christine Leong, Vice President of our Marketing & Communications Department, at 212.421.1000. We appreciate the opportunity to work with you and look forward to an ongoing dialogue on how we can best meet your communication and reporting needs.

Jennison Associates is committed to using advanced technology, both by using firewalls on our corporate computer and by encrypting all data, to protect the privacy of your portfolio information. We also ask you to help in this process by keeping your password private and by maintaining the security of your personal computer so that others cannot access your financial information. If you are not comfortable with this level of security, you may decide not to enroll in this service. Please note, however, that internet security technology is continually refined and enhanced. Please indicate *Primary* contact.

Navajo Nation – Jennison Large

Name	Title	Company	Address *(Street, City, State, Postal)*	Telephone Facsimile	E-mail Address
				( ) ( )	
				( ) ( )	
				( )	

				( )	
				( ) ( )	

EXHIBIT D

THE RETIREMENT PLAN AGREEMENTS

EXHIBIT D(1)

RETIREMENT PLAN

AMENDED & RESTATED ADDENDUM TO INVESTMENT MANAGEMENT AGREEMENT

Exhibit D(1)
to BFC Resolution **EXHIBIT D**

AMENDED AND RESTATED ADDENDUM TO INVESTMENT MANAGEMENT AGREEMENT

Effective this _____ day of _____, 2019 ("**Effective Date**"), to facilitate the Investment Management Agreement executed on April 1, 2015 (the "**Agreement**"), between (i) the Navajo Nation (the "**Nation**") and (ii) Jennison Associates LLC (the "**Investment Manager**"), the Investment Manager and the Nation (collectively, the "**Parties**" and individually, each a "**Party**") have entered into this Amended and Restated Addendum to Investment Management Agreement (this "**Addendum**") which (x) amends and restates in its entirety the Addendum to Investment Management Agreement, dated as of April 1, 2015, between the Nation and the Investment Manager and (y) supplements and modifies the terms and provisions of the Agreement and the other Contracts (as defined below) with respect to the account of the Navajo Nation entitled "The Navajo Nation Retirement Plan" (the "**Account**") in the custody of Northern Trust (the "**Custodian**") consisting of all securities and cash from time to time held in the Account, such Account to be invested by the Investment Manager based on the Jennison Domestic Large Capitalization Growth Equity Strategy and the Russell 1000 Growth Index as described on Exhibit A hereto (the "**Investment Objectives and Guidelines**") subject to the terms and conditions of this Addendum. The Agreement, together with the notices delivered pursuant to Sections 1(i) and 1(p)(4) below are referred to herein collectively as the "**Contracts**", as those Contracts may be amended, modified, supplemented, or restated from time to time. To the extent the terms and provisions of this Addendum and any of the Contracts are inconsistent, the terms and provisions of this Addendum shall prevail. Capitalized terms used but not defined herein have the meanings ascribed to such terms in the Contracts.

1. **Investment Restrictions**. To ensure compliance with the Nation's Master Investment Policy, a copy of which is attached hereto as Appendix A, the Investment Manager acknowledges and confirms:

(a) *No Secret Compensation*. Except as disclosed to the Nation in one or more of the Contracts, neither the Investment Manager nor any natural person, trust, partnership, limited partnership, limited liability company, corporation, unincorporated association or other entity of any kind (each a "**Person**") affiliated with the Investment Manager has paid or agreed to pay any fee or other compensation to any Person to obtain the Nation's entry into any Contract or its continued investment.

(b) *Compliance with Policy*. In accordance with § 4.6(a) of the Nation's Master Investment Policy, the Investment Manager shall facilitate investments in accordance with the guidelines and asset allocation limits set forth in the Nation's Master Investment Policy. The Nation's Master Investment Policy attached hereto in Appendix A is hereby incorporated by reference into the Investment Objectives and Guidelines. The Investment Manager shall not be responsible for complying with any other policy directives or other "Investment Policies" of the Nation unless such directives or policies have been presented by the Nation to the Investment Manager, in writing, and agreed by the Nation and the Investment Manager to be incorporated into the Investment Objectives and Guidelines. For the avoidance of doubt, if there are any conflicting, inconsistent or additional provisions in the Nation's Master Investment Policy, in the future, that are not reflected in, and have not been incorporated into, the Investment Objectives and Guidelines, the Investment Objectives and Guidelines shall control as modified by this Addendum.

(c) *Compliance with Ethics Code*. In accordance with § 4.6(a) of the Nation's Master Investment Policy, to the extent of its dealings with the Nation, the Investment Manager shall not provide any compensation, gift, preferential treatment, benefit, favor or employment opportunity

in violation of the Nation's Code of Ethics set forth in 2 N.N.C. §§ 3741 *et seq.*, which governs the conduct of Investor's public officials and employees.

(d) *Indemnity Coverage.* In accordance with § 4.6(b) of the Nation's Master Investment Policy, the Investment Manager shall maintain in full force and effect, during the period it performs services for the Nation under any Contract, adequate fidelity, errors and omissions, and general liability insurance coverage in aggregate amounts of no less than $10,000,000. The Investment Manager shall provide the Nation with a certificate of insurance issued to the Nation confirming such liability insurance prior to its performance of services to the Nation.

(e) *Advisor's Act Compliance.* Pursuant to § 4.6(c) of the Nation's Master Investment Policy, the Investment Manager shall be registered under the Investment Advisers Act of 1940, as amended (the "**Act**") in connection with its performance of services under the Contracts with the Nation, and the Investment Manager certifies its compliance with Securities and Exchange Commission ("SEC") Rule 206(4)-5 and the amendments to SEC Rules 204-2 and 206(4)-3 of the Act.

(f) *Investment Principles.* Pursuant to § 4.6(d) of the Nation's Master Investment Policy, the Investment Manager shall adhere to investment principles, terms and conditions for its management of the Nation's portfolios set forth in all applicable Contracts and the Nation's Master Investment Policy.

(g) *Securities Execution.* To the extent applicable, in accordance with § 4.6(e) of the Nation's Master Investment Policy, the Investment Manager shall execute brokerage transactions with brokers and dealers qualified to execute institutional orders using best execution, cost and commission recapture methodologies for the benefit of the Nation. In accordance with § 21 of the Nation's Master Investment Policy, the Investment Manager shall not act as both principal and agent broker in connection with any transaction for the Nation. To the extent consistent with this Addendum and the Nation's Master Investment Policy, in accordance with Section 28(e) of the Securities and Exchange Act of 1934, as amended, the Investment Manager may cause the Account to pay a broker or dealer that provides brokerage and research services to the Investment Manager an amount of commissions for effecting a transaction in excess of the amount of commission that another broker or dealer would have charged for effecting that transaction, if the Investment Manager determines in good faith such amount of commission is reasonable in relation to the value of the brokerage and research services provided by the broker or dealer, viewed in terms of either that particular transaction or the Investment Manager's overall responsibilities. The executions (of purchases and sales) shall be allocated equitably among various accounts that the Investment Manager manages (including the Account).

(h) *Reconciliation.* In accordance with § 4.6(f) of the Nation's Master Investment Policy, the Investment Manager shall reconcile all monthly accounting, transaction, and asset summary data relating to the Account with the Custodian's valuations of the Nation's cash and securities and communicate and resolve any significant discrepancies with the Custodian and the Nation's investment consultant.

(i) *Significant Matters.* In accordance with § 4.6(g) of the Nation's Master Investment Policy, and with respect to securities in the Account, the Investment Manager shall timely issue written notice to the Nation's Controller and investment consultant about any significant matters concerning the Investment Manager's ownership, investment style or philosophy, changes in key personnel who are managing investments on behalf of the Nation (including, without limitation, the applicable portfolio manager and members of her or his team), significant client departures

resulting in a 25% or more decrease in aggregate assets under management with the Investment Manager compared to aggregate assets under management with the Investment Manager as of the date hereof, and periods of underperformance which shall be discussed during regular portfolio reviews provided by the Investment Manager to the Nation. The Investment Manager shall (i) provide to the Nation on a quarterly basis a written report addressing the foregoing matters, together with the Investment Manager's customary reports regarding the performance of the investments made on behalf of the Nation pursuant to the terms of this Addendum and the Contracts and (ii) shall meet with the Nation on at least an annual basis, and at such additional times upon request by the Nation, to discuss the performance of the investments made on behalf of the Nation pursuant to the terms of this Addendum and the Contracts. All reports, notices and other communications provided to the Nation under this Addendum and the Contracts (including, without limitation, pursuant to Sections 10 and 16 of the Agreement) shall be in writing and shall be delivered in hard copy and electronically via e-mail to the persons identified on the contact list provided by the Nation to the Investment Manager, which may be updated from time to time by written notice from the Nation to the Investment Manager.

(j) *Proxies*. In accordance with § 14 of the Nation's Master Investment Policy, the Investment Manager or its designated proxy, Glass Lewis ("**GC**"), shall vote the proxies of any securities directly managed by the Investment Manager for the Nation's benefit, except that the Nation's Investment Committee shall be authorized to exercise proxy rights upon written election to the Investment Manager of its intention to take such action. The Investment Manager or GC shall keep accurate records of their exercise of voting rights and shall report such exercise in writing to the Nation upon its written request.

(k) *Prudence in Investment Selection*. In accordance with § 8.1 of the Nation's Master Investment Policy, the Investment Manager shall exercise prudence in all matters and invest solely for the benefit of the Nation and in compliance with the Investment Objectives and Guidelines.

(l) *FCPA Compliance*. The Investment Manager shall not make any payment to any Person in violation of the U.S. Foreign Corrupt Practices Act, as amended.

(m) *Cash Concentration*. In accordance with § 6 of the Nation's Master Investment Policy, the Investment Manager shall maintain less than five percent (5%) of the Account in cash equivalents, except in anticipation of large withdrawals or unless the investment strategy relating to the Account is a fixed income or cash strategy, in which case no maximum cash equivalent percentage shall apply. If cash equivalents exceed 5%, the Investment Manager shall have 5 days to remedy the holdings in the Nation's Account without notification to the Nation.

(n) *Restricted Investments*. In accordance with § 7.2(a) of the Nation's Master Investment Policy, the Investment Manager shall not make any single investment of the Nation's funds in any mutual fund or other commingled investment which exceeds 10% of the Nation's total portfolio being managed by the Investment Manager valued at market at the time of the investment.

(o) *Securities Compliance*. In accordance with § 7.2(b) of the Nation's Master Investment Policy, all securities purchased by the Investment Manager for the Nation shall either be registered under the Securities Act of 1933 and/or the Investment Company Act of 1940, as amended (and shall have qualified under applicable state registration requirements) or shall be expressly exempt from such federal or state registration requirements.

(p) *Investment Prohibitions*. In accordance with § 9 of the Nation's Master Investment Policy, in connection with all investments made by the Investment Manager for the benefit of the Account, the following transactions shall be prohibited:

1. *Self-dealing transactions*: The Investment Manager shall not purchase or hold any security for the benefit of the Nation issued by a corporation in which the Investment Manager owns an interest;

2. *Time Deposits*: Individual certificates of deposit and time deposits shall not exceed FDIC deposit insurance limits unless they are collateralized by government or government agency securities equal to 102% of the face value of the certificate or are fully covered by a surety bond;

3. *Letter Stock*: Letter stock or other unregistered equity securities shall not be purchased for direct investment by the Nation *except* this prohibition shall not preclude the Investment Manager from facilitating the purchase for the Nation of (i) unregistered debt securities or (ii) interests in limited liability companies, partnerships, limited partnerships or corporations serving as commingled investment vehicles and through which the Nation will own indirect interests in unregistered securities. For the avoidance of doubt, this restriction shall not preclude the Investment Manager from facilitating the Nation's purchase of interests in unregistered private equity funds, hedge funds, venture capital funds, or real estate funds or joint ventures of any kind or description wherein the Nation may in turn, own indirect interests in unregistered securities.

4. *Securities of Issuers in Dispute with Nation*. The Investment Manager shall not purchase, for the direct benefit of the Nation, the securities of any issuer which is in litigation with the Nation or with which the Nation has a significant contractual dispute, all as disclosed by written notice from the Nation to the Investment Manager. The Nation may update such written notice as appropriate and the Investment Manager shall not be precluded from purchasing the securities of any issuer for the direct benefit of the Nation if that issuer is not listed in a written notice from the Nation to the Investment Manager. If the securities of an issuer are purchased because that issuer is not listed in a written notice from the Nation to the Investment Manager at the time of purchase but that issuer is later listed in a written notice from the Nation, then the Investment Manager shall not be obligated to sell the securities of such issuer unless directed to do so by the Nation, in writing or the Investment Manager determines it is in the best interests of the Nation.

5. *Enterprise Investments*. No direct investment shall be made in any Enterprise of the Nation for purposes of allowing that Enterprise to make a direct or indirect investment in any entity or project unless that entity or project is wholly-owned and managed by the Nation or its Enterprise. For purposes of clarity, an "Enterprise of the Nation" is any business, entity or project wholly-owned by the Nation. The Nation shall notify the Investment Manager if any Enterprise of the Nation becomes a publicly traded corporation.

None of the restrictions set forth in this Section 2(p) shall apply to the Nation's interest in commingled investments of any kind or description, including without limitation, exchange traded funds, mutual funds, limited partnerships, limited liability companies, partnerships, unit trusts, commingled investment funds, real estate funds or real estate joint ventures, whether such commingled investments are categorized as private equity funds, hedge funds, real estate

investment trusts or otherwise, and the holdings of such commingled funds also shall not be subject to any of the foregoing restrictions.

(q) *Direct Derivative Restrictions*. In accordance with § 10 of the Nation's Master Investment Policy, the Investment Manager shall not purchase securities on margin, sell short, use individual stock options, puts, calls or trade in futures contracts, unless specified in the Investment Objectives and Guidelines. The restrictions set forth in this Section 2(q) shall not apply to derivatives owned by the Nation indirectly through commingled funds (e.g., partnerships, limited liability companies, exchange traded funds or mutual funds) purchased by the Investment Manager for the Nation.

(r) *Publicly-Traded Common Stock Concentration*. In accordance with § 11(a) of the Nation's Master Investment Policy, the Nation is prohibited from owning more than five percent (5%) of the outstanding shares of any one publicly-traded corporation. In the event that the Investment Manager has knowledge or has received notice from the Nation that any distribution or other allocation of shares causes the Nation to own more than five percent (5%) of the outstanding shares of any one publicly-traded corporation, the Investment Manager shall use reasonable efforts to sell the securities on the Nation's behalf, and at the Nation's cost, and to remit the net proceeds to the Account.

(s) *Private Issues Concentration Limit*. In accordance with § 11(b) of the Nation's Master Investment Policy, the collective value of all privately-traded securities owned by the Nation may not exceed ten percent (10%) of the value of the Account at the time of the investment.

(t) *IPOs and Newly Established Securities*. As a large cap growth portfolio, the Account will, from time to time, invest in IPOs and newly established securities that may experience high growth. Based on its reasonable judgment, the Investment Manager does not consider these investments to be "high yield investments" as described in section 8.1(l) of the Nation's Master Investment Policy.

(u) *Publicly-Traded Securities Limitations*. To the extent the Investment Manager purchases publicly-traded securities for the Nation covered by Appendix A of the Nation's Master Investment Policy, it shall comply with the restrictions set forth in those Appendices.

(v) *Eligibility Criteria*. In accordance with § 18.4 of the Nation's Master Investment Policy, the Investment Manager represents and warrants to the Nation the Investment Manager satisfies the criteria set forth in § 18.4 of the Nation's Master Investment Policy.

2. **Confidentiality**.

(a) *Authorized Disclosure*. The Investment Manager acknowledges that the Nation shall be entitled to disclose the following information without the consent of the Investment Manager: (i) the name of any security or investment that the Nation has made an investment in and the manager managing that security or investment, (ii) the date of the Nation's investment in the security, (iii) the amount of the Nation's investment in the security, (iv) any distributions made to the Nation in connection with such investment, (v) all management fees or other fees and expenses charged in connection with such investment and allocated to or paid directly or indirectly by the Nation and (vi) the fair market value of the Nation's investment, each investment in which the Nation is invested and any other security or investment relating to the Account. The Investment Manager acknowledges and agrees that the Nation's disclosure of the information described in this paragraph shall not constitute a breach of any Contract or any confidentiality or non-disclosure agreement to which the Nation and the Investment Manager are parties.

(b) *Navajo Nation Privacy Act*. The Investment Manager acknowledges that the Nation is subject to the Navajo Nation Privacy Act, 2 N.N.C. §§ 81 *et seq.*, and accordingly, may be required to disclose information deemed confidential ("**Confidential Information**") pursuant to the laws and regulations of that law. The Nation is subject to investigation and audit by various regulatory agencies that may, under the laws of the Navajo Nation or its rules or regulations, require access to information provided to the Nation by the Investment Manager. Notwithstanding any requirement in any Contract or any confidentiality or non-disclosure agreement to which any of the Parties are bound, the Nation shall be entitled to provide information about the investments in which the Nation is invested, any of the Contracts and their management to such regulatory authorities, including the Navajo Attorney General and the Navajo Auditor General, without first notifying or consulting with the Investment Manager but thereafter, as soon as reasonably practicable, shall so advise the Investment Manager of such disclosure.

(c) *No Withholding of Data*. The Investment Manager acknowledges that, pursuant to 2 N.N.C. § 85, the Nation is authorized to retain as confidential, and not disclose to the public pursuant to a public records request, (i) information revealing the negotiating position of the Nation before its subscription to any security; (ii) information received in response to an invitation for bids or request for proposals (provided the information is proprietary or of a kind that the Investment Manager considers confidential) before a contract is awarded; and (iii) information related to the Contracts which is proprietary in nature (or is information that the Investment Manager considers confidential). To protect confidential information provided by the Investment Manager to the Nation, any material considered confidential by the Investment Manager and provided by the Investment Manager to the Nation shall be marked "confidential." Based upon the aforesaid statutes protecting confidential information provided by the Investment Manager to the Nation from being disclosed to the general public, the Investment Manager shall not withhold from the Nation any material or information the Investment Manager otherwise distributes to its clients in connection with securities in the Account.

3. **Notice to the Nation**. In accordance with § 4.6(g) of Nation's Master Investment Policy, the Investment Manager shall promptly notify the Navajo Nation Controller and the Nation's investment consultant of:

(a) *Material Litigation/Investigations*. The institution of any litigation or government investigation, proceeding or prosecution against the Investment Manager that may reasonably be expected to have a material adverse effect on the Investment Manager or on the Investment Manager's performance of services for the Nation, and the basis of the claims made in such litigation, investigation, or proceeding unless the Investment Manager is prohibited from disclosing pursuant to applicable law;

(b) *Material Developments*. Any settlement, decree, judgment, award, or other material development relating to litigation or regulatory action against the Investment Manager which might have a material, adverse effect on the Account;

(c) *Adverse Change*. The (i) insolvency or receivership of the Investment Manager, and (ii) the incapacity of any key investment professionals employed by the Investment Manager who are materially responsible for the performance of services for the Nation, or any development concerning the Investment Manager that is likely to result in a material, adverse change in its performance of services for the Nation;

(d) *Breach of Obligations*. Any breach or failure by the Investment Manager to perform its material obligations under any of the Contracts that would reasonably be expected to have a material adverse effect on the Account;

(e) *Breach of Warranty*. Any material breach of any representation or warranty made in this Addendum or any Contract;

(f) *Indemnification Claims*. Any claim for indemnification brought against the Investment Manager or any investment in which the Nation is invested relating to or arising from any Contract;

(g) *Change in Auditors or Investment Personnel*. The termination of (i) any of key investment professionals employed by the Investment Manager who is materially responsible for performance of services for the Nation or (ii) the independent auditor of the Investment Manager or, the appointment of a new independent auditor for the Investment Manager.

4. **Tax Matters**. The Nation is a tax exempt entity and has provided the Investment Manager a properly executed Internal Revenue Service Form W-9 claiming a complete exemption from U.S. withholding tax on dividends and interest. The Investment Manager shall not withhold any amount of U.S. withholding tax on dividends or interest with respect to the Nation.

5. **Business Opportunity and Employment Preference Acts**. To the extent the Investment Manager physically performs any activities within the exterior boundaries of the Navajo Nation, the Investment Manager agrees to comply with the Navajo Business Opportunity Act, 5 N.N.C. §§ 201 *et seq.* for all activities performed by the Investment Manager within the exterior boundaries of the Navajo Nation. The Nation acknowledges and agrees that the performance by the Investment Manager of its obligations and duties as described and contemplated by the Contracts and this Addendum do not constitute services performed within the exterior boundaries of the Navajo Nation and would therefore not be subject to the provisions of the Navajo Business Opportunity Act. The Investment Manager further agrees to comply with all applicable portions of the Navajo Preference in Employment Act, 15 N.N.C. §§ 601 *et seq.*, which only applies when the Investment Manager is hiring personnel within the territorial jurisdiction of the Navajo Nation solely for the purpose of servicing the Account.

6. **Accredited Status**. The Investment Manager acknowledges and agrees that as a sovereign, federally recognized Indian Tribe, the Nation is not recognized as an "accredited investor" within the meaning of that term as defined in Regulation D of the Securities Act of 1933, nor is the Nation a "qualified client" as defined by Rule 205-3(d)(1) of the Investment Advisers Act of 1940, as amended, or a "qualified purchaser" under § 2(a)(51) of the Investment Company Act of 1940, as amended. However, the Nation is a sophisticated institutional investor with assets under management in excess of $2.5 billion.

7. **Good Faith**. In accordance with the Navajo Nation Procurement Act at 12 N.N.C. § 302 and without limitation of the fiduciary obligations of the Investment Manager, the Parties shall act in good faith in connection with their negotiation, performance and administration of this Addendum and the Contracts.

8. **Dispute Resolution.** The Investment Manager acknowledges that as a sovereign federally-recognized Indian Tribe, the Nation is immune from suit and other legal proceedings ("**Legal Proceedings**") without the Nation's express written consent given in accordance with the laws of the Navajo Nation. The provisions of this Section 8 are intended to set forth the limited conditions pursuant to which the Contracts and this Addendum can be enforced by the Parties through Legal Proceedings.

(a) *Negotiation*. The Parties agree that the Parties shall use their commercially reasonable efforts to negotiate a just and equitable resolution and settlement of any dispute, claim or disagreement between them which disputes, claims or disagreements relate to or arise under any Contract or any related agreement, including this Addendum (or otherwise pertain to the Nation's

investment in any investment) (individually, each such dispute, claim or disagreement, a "**Claim**" and collectively, "**Claims**").

(b) *Mediation*. Notwithstanding anything to the contrary in any Contract, if the Parties cannot reach a negotiated settlement of a Claim within a period of sixty (60) days of the date when the Claim is first raised, then, upon written notice by one Party to the other Party ("**Notice**"), the Parties shall attempt in good faith to settle their dispute by mediation before a mediator experienced in federal Indian law. The mediation shall take place in Window Rock, Arizona (unless the Parties agree otherwise in writing), within a reasonable period of time, but not to exceed thirty (30) days following the stated date of the Notice.

(c) *Arbitration*. Notwithstanding anything to the contrary in any Contract, if the Parties do not resolve a Claim by mediation, the sole dispute mechanism to finally resolve such Claim is by arbitration as contemplated by the Navajo Sovereign Immunity Act, 1 N.N.C. §§ 554(J) and (K), and the Navajo Nation Arbitration Act, 7 N.N.C. §§ 1101 *et seq.* Notwithstanding anything to the contrary in any Contract, the arbitration shall be conducted in accordance with the American Arbitration Association Commercial Arbitration Rules except to the extent such rules are modified by the following:

1. *Venue*. Unless otherwise agreed by the Parties in writing, the arbitration shall be held in Window Rock, Arizona;

2. *Arbitrator(s)*. The arbitration panel shall consist of a single arbitrator unless one of the Party's claims exceeds $1,000,000.00, exclusive of interest, costs and attorneys' fees, then the arbitration panel shall consist of three (3) arbitrators (each Party shall choose one arbitrator and the Parties' chosen arbitrators shall agree upon the third arbitrator);

3. *Eligibility*. No person shall be eligible to serve as an arbitrator if the person is related to, affiliated with or has represented in a legal capacity any Party. Each arbitrator shall be an attorney-at-law admitted to practice and in good standing before the highest court of the Navajo Nation or one or more of the Arizona, Utah, Colorado or New Mexico Bar Associations and who has a minimum of five years of professional experience within the securities industry or practiced corporate, securities or federal Indian law for at least such a period.

4. *Notice*. Notice of intent to invoke arbitration against the Nation shall be filed in compliance with the notice requirements of the Navajo Sovereign Immunity Act, 1 N.N.C. § 555;

5. *Award*. An award against the Nation shall be in conformance with the provisions of the Navajo Sovereign Immunity Act, 1 N.N.C. § 554(K);

6. *Review*. An arbitration award shall not be subject to review or modification, or vacated, by a court for any reason other than in the circumstances described in the Navajo Nation Arbitration Act. The judgment confirming an award shall have the same force and effect in all respects as, and be subject to all the provisions of law relating to, a judgment in a civil action, and it may be enforced as if it has been rendered in a civil action in a court of competent jurisdiction. When the award requires the performance of any other act than the payment of money, the court shall direct the enforcement thereof in the manner provided by the Navajo Nation Arbitration Act; and

7. *Jurisdiction for Enforcement.* The Navajo Nation courts shall have exclusive jurisdiction to compel arbitration and to confirm, modify and vacate an arbitration award.

Notwithstanding this Section 8, any dispute, Claim or disagreement under this Addendum or any related agreement or with respect to any Contract involving Persons other than the Nation shall be resolved under and in accordance with provisions of the applicable Contract and the rights granted thereunder, but in no circumstance shall any Claim directed against or involving the Nation be addressed in any manner other than as set forth in this Section 8.

9. **Immunities and Defenses**. The Investment Manager acknowledges that the Nation reserves all immunities, defenses, rights, or actions arising out of its status as a sovereign nation and its status as a federally-recognized Indian Tribe, including, but not limited to, all immunities, defenses, rights or actions arising under the laws of the Navajo Nation and the laws of the United States. No provision of any Contract or this Addendum shall be construed as a waiver or limitation of the immunities, defenses, rights or actions referenced in the previous sentence. Among the Nation's sovereign rights are its right to limit its liability for damages other than compensatory damages, damages in excess of contract amounts, and damages to third party beneficiaries, as well as to limit the periods in which to bring legal action, and to limit or preclude the ability to recover attorneys' fees from the Nation, to subject the Nation to indemnity obligations, to require the Nation to waive its venue or arbitration procedures, and to require the Nation to become subject to dispute resolution and confidentiality requirements not otherwise authorized by the laws of the Navajo Nation (collectively, together with all such other rights, the "**Limitations**"). Terms and provisions in any of the Contracts relating to any of the Limitations will not be binding upon the Nation, except to the extent authorized by the laws of the Navajo Nation. The Investment Manager acknowledges and agrees that any provisions in the Contracts purporting to (i) subject the Nation to Legal Proceedings in New York (or some other jurisdiction other than the Navajo Nation), (ii) cause the Nation to waive its right to certain statutes of limitations or venue, (iii) subject the Nation to indemnity obligations that would require a resolution of the Navajo Nation Council in accordance with 2 N.N.C. § 223(C), or (iv) require the Nation to pay any amount in violation of 1 N.N.C. §§ 554(K), are not applicable to or enforceable against the Nation.

10. **Governing Law, Venue and Jurisdiction**. Notwithstanding anything to the contrary in any Contract, the rights and obligations of the Nation shall be governed by and construed in accordance with the laws of the Navajo Nation and applicable federal law, without giving effect to conflict of laws provisions. The Nation represents and warrants that there is no substantive law of the Navajo Nation that is inconsistent with the Nation's fulfillment of its obligations under the Contracts as modified by this Addendum and hereby covenants not to assert the existence of inconsistent substantive Navajo law in connection with any Claim that may arise in connection with the Contracts as modified by this Addendum. The Investment Manager acknowledges and agrees that any legal proceeding involving any Claim asserted against the Nation arising out of any Contract or this Addendum may be brought as specified in Section 8 above.

11. **Liability of Nation**. In accordance with 2 N.N.C. § 223(A) and § 354, the Nation's obligations under the Contracts are contingent upon the availability of appropriations by the Navajo Nation Council to carry out the same. In accordance with 2 N.N.C. § 223(B), the Nation represents, warrants and agrees that the Nation's obligations under the Contracts have been approved and appropriations by the Navajo Nation Council have been made available to satisfy the Nation's initial and continuous obligations under the Contracts.

12. **Indemnification by the Nation**. The Investment Manager hereby waives any right of indemnification against the Nation set forth in the Contracts to the extent that indemnification (i) would

require a resolution of the Navajo Nation Council under 2 N.N.C. § 223(C), (ii) would subject the Nation to Legal Proceedings not contemplated under Section 8 hereof, (iii) would require the Nation to pay any amount in violation of 1 N.N.C. §§ 554(K), or (iv) would violate 2 N.N.C. § 223(A) or any other provision of Navajo law. Further, under no circumstances shall the Nation be obligated to indemnify the Investment Manager, or any of its Affiliates for losses incurred by any such Persons if any such losses were caused by the breach by any such Persons of any of their respective obligations under any of the Contracts or this Addendum.

13. **Indemnification of the Investment Manager**. The Investment Manager shall not be indemnified for any losses to the Investment Manager arising from the Investment Manager's fraud, gross negligence, willful misconduct, bad faith, breach of fiduciary duty, or reckless disregard for or material breach of any Contract or this Addendum. The Investment Manager shall not be indemnified for claims made by one affiliate of the Investment Manager against another.

14. **Power of Attorney**. Any power of attorney granted to the Investment Manager by the Nation pursuant to the Contracts shall be limited to ministerial matters which do not affect the material rights or obligations of the Nation, and such power of attorney shall automatically be revoked if the Investment Manager files a petition in bankruptcy or is dissolved, in each case upon the occurrence of any such event. In addition, the Investment Manager shall not exercise any power of attorney granted to it by the Nation in any manner that could materially and adversely affect the interests of the Nation with respect to any Contract or otherwise. The Investment Manager agrees to provide the Nation with a copy of any agreement, instrument, or other document that is signed by the Investment Manager as attorney-in-fact for the Nation pursuant to any power of attorney set forth in the Contracts. Notwithstanding anything to the contrary in the Contracts concerning the "power of attorney" provided therein, the Parties agree that no exercise of such power by the Investment Manager which contravenes any law of the Navajo Nation is authorized by the Nation and no such exercise shall be deemed valid.

15. **Books and Records and Audit**. The Investment Manager shall maintain accurate books and records relating to the Nation's interest under the Contracts, including accounting records. In accordance with 12 N.N.C. § 352(B), during the term of the Contracts and for at least five (5) years after expiration or termination of the Contracts, on reasonable notice, the Investment Manager shall make its books and records relating to the Investment Manager's performance of services under the Contracts available to the Nation for review and audit electronically or, if not available electronically, at the Nation's offices in Window Rock, Arizona. The Investment Manager acknowledges and agrees that it may be subject to examination and audit by the Nation's external auditors, as well as the Auditor General of the Navajo Nation, during the term of the Contracts and for five years (5) years thereafter. Any examination or audit of the Investment Manager performed by the Nation, its external auditors, or the Nation's Auditor General shall be confined to those matters relating to services provided by the Investment Manager to the Nation. The Investment Manager shall reasonably cooperate with the Nation's examiners, auditors, and their respective representatives in connection with any examination or audit of the Investment Manager's duties with respect to the Contracts.

16. **The Investment Manager as Fiduciary**. To the extent the Investment Manager acts for the Nation in an advisory capacity or exercises discretion in the management of the Nation's funds or investments, it is a fiduciary of the Nation. While serving as a fiduciary of the Nation, the Investment Manager owes the Nation a duty of loyalty, due care, and skill and shall refrain from self-dealing or other acts prejudicial to or harmful to the Nation's interests. In accordance with § 3.1 of the Nation's Master Investment Policy, the Investment Manager shall make investments for the Nation with the judgment and care, under circumstances then prevailing, which Persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived, and solely for purposes of benefiting

the Nation (the "**Investment Standard**"). In furtherance of the Investment Standard, the Investment Manager acknowledges that it is primarily involved in making large investments and that in making such investments on behalf of the Nation, the Investment Manager will endeavor to produce maximum growth in income and/or appreciation of capital with a high degree of safety in protecting the Nation's funds and the probable income anticipated therefrom, consistent with the nature of the investments being made and considering such investments as a whole, in accordance with 12 N.N.C. § 902(A). For the avoidance of doubt, when a Contract grants the Investment Manager authority to make a determination or to act in its "discretion," "sole discretion," or "sole and absolute discretion," or words to that effect, such discretion shall be exercised in accordance with, rather than in place of, the Investment Manager's fiduciary duty to the Nation.

17. **AML Documentation Compliance**. Notwithstanding anything to the contrary in any Contract, except for their names, the Nation shall not be obligated to provide the Investment Manager or any subcontractor or investment manager with personal identification information about the Navajo Nation Council or the Nation's executive officers or counsel. Among other things, the Nation shall not be obligated to provide the Investment Manager or any subcontractor or investment manager with the social security numbers, driver license numbers, and residence address information of the members of the Navajo Nation Council, the Nation's executive officers or counsel.

18. **Waiver**. Notwithstanding anything in any Contract to the contrary, the terms of this Addendum shall control over any amendments proposed or effected by the Investment Manager to any Contract unless the Nation agrees to such amendments by separate writing executed by the Nation's authorized representatives. For purposes of clarity, no unilateral modification by the Investment Manager to any Contract which purports to modify (or has the effect of modifying) the terms of this Addendum shall be construed as having been approved by the Nation, or to qualify as a waiver by the Nation of the relevant Addendum terms, unless the Nation first consents to such modification by separate writing, regardless of whether the Nation withdraws all or any portion of its funds from the Investment Manager after its receipt of notice of such modification.

19. **Fees**. Each and every fee to be charged by the Investment Manager to the Nation for services performed by the Investment Manager to the Nation shall be set forth on Exhibit B hereto. In the event the Investment Manager desires to assess a fee not specified on Exhibit B, the Investment Manager shall first obtain authorization from the Nation to charge, allocate, or deduct such a fee before performing the services giving rise to such fee.

20. **Representations**. The Investment Manager represents and warrants to the Nation as follows:

(a) *Authority and Enforceability*. The Investment Manager has the requisite corporate, partnership or other power and authority to enter into this Addendum and to consummate the transactions contemplated hereby; and the execution and delivery of this Addendum and the consummation of the transactions contemplated hereby have been duly and validly authorized by the Investment Manager, and no other corporate, partnership or other proceedings on the part of the Investment Manager are necessary to authorize the consummation of the transactions contemplated hereby. This Addendum has been duly executed by the Investment Manager and constitutes a valid and binding obligation of the Investment Manager, enforceable against the Investment Manager in accordance with its terms, except as such enforceability may be limited by bankruptcy, fraudulent conveyance, insolvency, reorganization, moratorium, and other laws relating to or affecting creditors' rights generally and by general equitable principles.

(b) *No Default*. The execution and delivery of this Addendum and the Contracts to which the Investment Manager is a party do not, and the consummation of the transactions contemplated hereby and thereby will not, (i) violate in any material respect, or result in a material default (with or without notice or lapse of time, or both) under any material agreement, instrument, permit, right, or license to which the Investment Manager is a party or by which the Investment Manager is bound; (ii) conflict with or result in any violation of any provision of any organizational documents of the Investment Manager; or (iii) conflict with or violate any law, statute, regulation, order, writ, injunction, judgment, or decree to which the Investment Manager is subject.

(c) *Compliance with Laws*. The Investment Manager has not violated, and is not in violation of, any statute, regulation, law, order, writ, injunction, judgment, or decree to which it is subject that would materially adversely affect its business or financial condition or materially impair its ability to carry out its respective obligations under this Addendum or any of the Contracts.

(d) *No Pending Legal Actions*. There are no actions, suits, arbitrations, or other legal, administrative, or governmental investigations, proceedings, or inquiries pending or, to the knowledge of the Investment Manager, threatened against the Investment Manager, or affecting any of its properties or assets, in each case, at law or in equity, that would reasonably be expected to have a material adverse effect on the Investment Manager. The Investment Manager shall notify the Nation as soon as reasonably practicable in the event any such action, suit, investigation, or proceeding is initiated during the term of this Addendum.

(e) *No Past Legal Actions*. During the five (5) years preceding the date of this Addendum, there have been no actions, suits, arbitrations, or other legal, administrative, or governmental investigations, proceedings, or inquiries (or settlements in lieu thereof) against the Investment Manager relating to any material violation of any federal, state, or local securities, tax, or criminal law, rule, or regulation or a violation of duties (fiduciary or otherwise) owed to investors.

(f) *No Regulatory Approvals*. No governmental approvals are required to enable the Investment Manager to operate in accordance with the terms of the Contracts or this Addendum.

21. **Identity**. To the fullest extent permitted by law, (a) the Investment Manager shall keep confidential Investor's identity, and shall not disclose same to others without Investor's prior written authorization; and (b) the Investment Manager shall keep this Addendum and its terms strictly confidential and shall not disclose the terms and provisions of this Addendum to any other person or entity, including without limitation, any other manager of an investment fund, and shall not authorize its attorneys to use or refer to this Addendum for any purpose other than its direct representation of the Investment Manager. Notwithstanding anything to the contrary in Section 12 of the Agreement, the Investor does not authorize the Investment Manager to list the Investor's name on the Investment Manager's client lists.

22. **Additions and Withdrawals**. The Investment Manager acknowledges that the Nation may make deposits to, and withdrawals from, the Account in the sole discretion of the Nation.

23. **Exhibits A and B to Agreement**. Exhibits A and B to the Agreement are each replaced in its entirety with Exhibits A and B to this Addendum with the word "Account" replaced with "Portfolio" for purposes of the Agreement.

24. **Captions.** Captions used in this Addendum are for convenience only and shall not be construed as having any legal meaning and shall not be taken into account for purposes of construing any provision of this Addendum.

25. **Entire Agreement; Applicability**. This Addendum and the Contracts represent the entire understanding of the Parties in respect of the subject matter contained herein. This Addendum, together with the Contracts, supersede all prior agreements and understandings between the Parties with respect to the subject matter of such instruments. In the event of a conflict between the provisions of this Addendum and any Contract, the provisions of this Addendum shall control. This Addendum may be executed in one or more counterparts, and all such counterparts shall constitute an original agreement binding on all of the Parties hereto, but together they shall constitute one instrument. This Addendum shall be governed by, and construed in accordance with, the laws of the Navajo Nation, without regard to the conflict of law principles thereof. This Addendum may be amended only by a written agreement among all of the Parties hereto.

IN WITNESS WHEREOF, the Parties have executed this Addendum as of the Effective Date first written above.

NAVAJO NATION (listed in the Federal Register as Navajo Nation, Arizona, New Mexico & Utah)

By:_____
Jonathan Nez, President

JENNISON ASSOCIATES LLC

By:_____

EXHIBIT A

to
Addendum
between
Jennison Associates LLC (the "Investment Manager")
and
Navajo Nation (the "Client")

INVESTMENT OBJECTIVES AND GUIDELINES

1.1 Strategy – The Account will be managed according to the Investment Manager's Domestic Large Capitalization Growth Equity Strategy.

1.2 Benchmark – Russell 1000 Growth Index ("Benchmark").

GUIDELINES:

2. ELIGIBLE INSTRUMENTS

2.1 All securities included in the Benchmark are eligible for investment in the Account,

2.2 Equity and equity-related securities of U.S. and non-U.S. issuers including but not limited to: Common Stocks (including those of companies that elect to be taxed as limited partnerships), Preferred Stocks, Convertible Securities, Warrants, Rights, non-U.S. dollar denominated securities of non-U.S. issuers ("Foreign Ordinaries"), Real Estate Investment Trusts ("REITs"), Exchange Traded Funds ("ETFs"), Registered Investment Companies ("RICs"), American Depositary Receipts ("ADRs") (other than over-the-counter ADRs) and other Depositary Receipts or Shares in listed form.

2.3 Cash and cash equivalents such as the custodian Short Term Investment Fund ("STIF") and securities issued by the U.S. government and its agencies.

2.4 Commercial Paper of the highest three grades as rated by a nationally recognized rating agency.

3. PROHIBITED INSTRUMENTS

Investments in the following securities are prohibited:

3.1 Fixed income securities, with the exception of Convertible Securities,

3.2 Securities of private companies acquired through privately negotiated transactions ("Private Equity") and Private Placements,

3.3 Direct real estate investments, with the exception of REITs,

3.4 Direct investments in Natural resource properties such as oil, gas or timber

3.5 Commodities,

3.6 Derivatives,

3.7 Securities issued by the Client or the Client's affiliates as detailed in a list provided by the Client.

4. INVESTMENT RESTRICTIONS

The Investment Manager shall not;

4.1 Sell securities short, (the sale of a when-issued security is not considered a short sale)

4.2 Buy securities on margin,

4.3 Enter into securities lending agreements or participate in securities lending except as directed by the Client.

4.4 Securities of Issuers in Dispute with Nation. The Investment Manager shall not purchase, for the direct benefit of the Nation, the securities of any issuer which is in litigation with the Nation or with which the Nation has a significant contractual dispute, all as disclosed by written notice from the Nation to the Investment Manager. The Investment Manager may update such written notice as appropriate and the Investment Manager shall not be precluded from purchasing the securities of any issuer for the direct benefit of the Nation if that issuer is not listed in a written notice from the Nation to the Investment Manager. If the securities of an issuer are purchased because that issuer is not listed in a written notice from the Nation to the Investment Manager at the time of purchase but that issuer is later listed in a written notice from the Nation to the Investment Manager, then the Investment Manager shall not be obligated to sell the securities of such issuer unless directed to do so by the Nation, in writing or the Investment Manager determines it is in the best interests of the Nation.

4.5 No direct investment shall be made in any Enterprise of the Nation for purposes of allowing that Enterprise to make a direct or indirect investment in any entity or project unless that entity or project is wholly-owned and managed by the Nation or its Enterprise. For purposes of clarity, an "Enterprise of the Nation" is any business, entity or project wholly-owned by the Nation. The Nation shall notify the Investment Manager if any Enterprise of the Nation becomes a publicly traded corporation.

4.6 If applicable, transact with brokers affiliated with the Client ("Client Restricted Brokers"): If applicable, the Client is requested to provide a list of brokers affiliated with the Client. The Client is responsible for notifying the Investment Manager of any changes to Client Restricted Brokers.

5. INVESTMENT PARAMETERS

5.1 Typically no more than 5% of the market value of the Account may be invested in cash and cash equivalents under normal market conditions.

5.2 A maximum of 5% of the market value of the Account, at the time of purchase and a maximum of 7% of the market value of the Account may be invested in a single issuer.

5.3 A maximum of 15% of the market value of the Account, at the time of purchase, may be invested in Foreign Ordinaries.

5.4 The Account may invest in a maximum of 5% of an issuer's outstanding shares.

5.5 A maximum of 25% of the market value of the Account, at the time of purchase, may be invested in a single industry.

5.6 A maximum of 40% of the market value of the Account, at the time of purchase may be invested in a single sector.

5.7 Individual certificates of deposit and time deposits shall not exceed FDIC deposit insurance limits unless they are collateralized by government or government agency securities equal to 102% of the face value of the certificate or are fully covered by surety bond.

5.8 Deviations to the Investment Guidelines caused by market movements, corporate actions or other passive events outside the Investment Manager's control shall not be deemed a violation. Subject to the following sentence, the Investment Manager will remedy any deviations to the Guidelines for the events listed above as soon as reasonably practicable, but in any event within 10 business days. If the Investment Manager believes that it is not in the client's best interest to correct the violation within 10 business days, the Investment Manager should obtain from the client a written agreement to correct the passive violation in an alternative manner as suggested by the Investment Manager. For the avoidance of doubt, any deviations to the Investment Guidelines caused by any active breach shall be remedied by the Investment Manager immediately upon discovery and reported to the Nation pursuant to Section 21 of the Nation's Master Investment Policy. In addition, the Investment Manager shall disclose in its quarterly reports delivered to the Nation and during the Investment Manager's annual performance review with the Nation the passive breaches and the active breaches, if any, which occurred during the related quarterly or annual period, as applicable.

EXHIBIT B

to
Addendum
between
Jennison Associates LLC (the "Investment Manager")
and
Navajo Nation (the "Client")

FEES

For the services rendered by the Investment Manager under this Contract, the Investment Manager shall be paid in accordance with the following schedule:

- 0.75% per annum on the first $10 million of the market value of the Account;
- 0.50% on the next $30 million;
- 0.35% on the next $25 million;
- 0.25% on the next $335 million; and
- 0.22% on the balance.

Minimum Account Size: $50,000,000

For purposes of calculating the fee payable hereunder, the assets from all separately managed accounts managed by the Investment Manager on behalf of the Nation in the same investment strategy shall be aggregated. The total fee on such aggregated assets determined in accordance with the above schedule will be allocated to each account managed in proportion to the total assets managed in the same investment strategy for the quarter.

Such fee shall be paid quarterly in arrears (in USD using the quarterly equivalent of such annual fee rate), net 30 days following receipt of each quarterly invoice. Fees are billed at the end of each calendar quarter, based on the average of the month end market values for the preceding quarter of the Account as determined by the Custodian. The Investment Manager shall prorate contributions and withdrawals in calculating the advisory fee for the period. Withdrawals for advisory and other miscellaneous fees, such as custodial fees, and dividends or interest activity will not be prorated. If the Investment Manager commences rendering services other than at the beginning of a calendar quarter, the first quarterly fee shall be prorated for the portion of such calendar quarter during which this Contract was in force. If the Investment Manager terminates rendering services other than at the end of a quarter, the Investment Manager's fee for such quarter shall be prorated based on the portion of the quarter in which the Investment Manager rendered services.

EXHIBIT D(2)

RETIREMENT PLAN

APPENDIX A TO AMENDED & RESTATED ADDENDUM TO INVESTMENT MANAGEMENT AGREEMENT

Exhibit D(2)
to BFC Resolution
APPENDIX A

BFD-45-18

RESOLUTION OF THE
BUDGET AND FINANCE COMMITTEE
OF THE NAVAJO NATION COUNCIL

23RD NAVAJO NATION COUNCIL - Fourth Year, 2018

AN ACTION

RELATING TO BUDGET AND FINANCE COMMITTEE; APPROVING AND ADOPTING THE AMENDED AND RESTATED NAVAJO NATION MASTER INVESTMENT POLICY

BE IT ENACTED:

SECTION ONE. AUTHORITIES

A. The Budget and Finance Committee is empowered with the authority to exercise oversight in the areas including, but not limited to, budget, finance, investment, bonds, contracting, insurance, audits, accounting, taxes, loans, and Chapter budget and finance, for the purpose of coordinating, overseeing, and regulating the fiscal, financial, investment, contracting, and audit policies of the Navajo Nation and to promulgate rules and regulations relative to contracting, investments, and financial matters pursuant to 2 N.N.C. §§ 300(C)(1) and 301(B)(1).

B. The Navajo Nation Investment Committee is an advisory group to the Budget and Finance Committee in the management of the Nation's investment program and is responsible for recommending to the Budget and Finance Committee the adoption of modifications to the Master Investment Policy, Sub-Policies, and Asset Class Guidelines, pursuant to the Master Investment Policy, §§ 4.3 and 4.3(a).

SECTION TWO. FINDINGS

A. The Budget and Finance Committee approved and adopted the investment policies for all Navajo Nation financial resources pursuant to Budget and Finance Committee Resolution No. BFO-61-90, as amended by BFJY-114-03, BFJA-01-08, BFJN-17-15 (adopting the Amended and Restated Master Investment Policy and the Asset Class Guidelines

attached thereto as Appendices A through G), BFD-38-17, and BFD-41-17 (collectively, the "Master Investment Policy").

B. The Investment Committee, upon the advice of its Investment Consultant, RVK Inc., may recommend modifications to the Master Investment Policy for the approval of the Budget and Finance Committee. Master Investment Policy §§ 1.1, 4.3(a), 4.8(a), and 22.

C. The Investment Committee, the Investment Consultant, and other appropriate advisors as needed, are directed to develop investment guidelines for each asset class of permitted investments (the "Asset Class Guidelines") to provide guidance concerning the management of the Nation's funds. Master Investment Policy, § 21.

D. The Investment Committee has recommended through Resolution No. NNICN-14-18, attached as **Exhibit 1**, that the Budget and Finance Committee approve and adopt the Amended and Restated Master Investment Policy.

SECTION THREE. APPROVAL

The Budget and Finance Committee hereby approves and adopts the Amended and Restated Master Investment Policy. An underscored and overstricken version of which is attached as **Exhibit 2**, and the clean version including Appendices A through G is attached as **Exhibit 3**.

CERTIFICATION

I, hereby, certify that the foregoing resolution was duly considered by the Budget and Finance Committee of the Navajo Nation Council at a duly called meeting held at Window Rock, Navajo Nation (Arizona), at which a quorum was present and that the same was passed by a vote of 4 in favor, 0 opposed and Pro Tem Chairman not voting this 18th day of December 2018.

Tuchoney Slim, Jr., Pro Tem Chairperson
Budget and Finance Committee

Motion: Honorable Jimmy Yellowhair
Second: Honorable Lee Jack, Sr.

THE NAVAJO NATION

MASTER INVESTMENT POLICY

Section 1. Introduction and Scope

1.1 Introduction. This Master Investment Policy (this "Policy") and the corresponding Sub-Policies (defined below in Section 20) covering specific funds of the Navajo Nation (the "Nation") provide the Parties (defined below in Section 3.1) with policy guidance for investing the Nation's financial resources. This Policy provides the framework for the Nation's execution of its fiduciary responsibilities to Nation members, employees, and other beneficiaries of the Nation's funds.

This Policy will be reviewed as needed by the Nation acting through the Nation's Investment Committee (the "Investment Committee") and the Budget and Finance Committee of the Navajo Nation Council (the "B&F Committee"). Adoption of this Policy and any subsequent modifications require recommendation by the Investment Committee to the B&F Committee for the B&F Committee's approval.

1.2 Scope - Funds and Accounts.

a) **Scope**. The scope of this Policy and its Sub-Policies applies to all investable funds of the Nation, being short, intermediate, or long-term, or managed internally or externally. Such investable funds include, without limitation, those funds specified below as well as any additional funds of the Nation created from time to time.

b) **Master Trust**. For purposes of this Policy, the term "Master Trust" refers to the accounts of the Nation in the custody of Northern Trust as Custodian (defined below in Section 4.7) relating to the following funds: Navajo Nation Permanent Fund, Navajo Nation Síhasin Fund, Navajo Nation Land Acquisition Trust Fund, Navajo Nation Veterans Trust Fund, General Fund, 1982 Scholarship Claims Fund, Scholarship Trust Fund (Graduate and TG&E), 1982/1986 Chapter Claims Fund, Navajo Nation Trust Fund for Handicapped Services, Navajo Nation Trust Fund for Vocational Education, Workers Compensation Self-Insurance Fund, Navajo Nation Trust Fund for Senior Citizens Services, and Business and Industrial Development Fund.

c) **Fund Classification**. Accounts are classified into funds pursuant to generally accepted accounting principles ("GAAP") in accordance with specified activities and objectives. The Nation's existing funds include the following funds organized in the following five (5) fund classifications (the "Fund Classifications"):

i) GOVERNMENTAL FUNDS

General Fund
Navajo Dam Escrow Fund
Oil and Gas Special Revenue Development Fund
Navajo Nation Reforestation Fund
Capital Outlay Match Funding Special Revenue Fund
Navajo Nation Síhasin Fund

ii) SPECIAL REVENUE FUNDS

Grant Fund
Scholarship Fund (Navajo Engineering and Construction Authority Trust Fund for Scholarships and Financial Assistance and the Diné Higher Education Grant Fund)
Navajo Tourism Fund
Navajo Nation Environmental Protection Agency Fund
Tax Administration Suspense Fund
Navajo Nation Water Rights Claims Fund
Navajo Nation Road Fund
Navajo Nation Land Acquisition Trust Fund
Navajo Rehabilitation Trust Fund
Judicial/Public Safety Facilities Fund
1982/1986 Chapter Claims Fund
1982 Scholarship Claims Fund
Scholarship Trust Fund (Graduate and TG&E)

iii) FIDUCIARY FUNDS

A) Pension Trust Funds:

Retirement Plan ("Defined Benefits Plan")
Deferred Compensation Plan
Nihibeeso Retirement Fund ("401(k) Savings Plan" or "Defined Contribution Plan")

B) Private Purpose Trust Funds:

Navajo Nation Trust Fund for Handicapped Services
Navajo Nation Trust Fund for Vocational Education
Navajo Nation Trust Fund for Senior Citizens Services
Navajo Nation Trust Fund for Navajo Preparatory School, Inc.
Phoenix Urban Navajo Trust Fund
Navajo Nation Veterans Trust Fund
Navajo Nation Local Governance Trust Fund
Sales Tax Trust Fund

iv) PERMANENT FUND TYPES

Navajo Nation Permanent Fund

v) PROPRIETARY FUNDS

Business and Industrial Development Fund
Loan Fund
Employee Housing
Parks and Recreation Fund
Archaeology Services
Tribal Ranch Fund
Navajo Times
Fleet Management
Duplicating Services

Office Supply Center
Air Transportation
Group Health Self-Insurance
Property and Casualty Self-Insurance
Workers Compensation Self-Insurance Fund
Contingency Management Fund

d) The administrative responsibility for the Pension Trust Funds (i.e., the Retirement Plan or Defined Benefits Plan, Deferred Compensation Plan, and the 401(k) Savings Plan or Defined Contribution Plan) rests with the committees or boards established in the respective plan documents. The responsibilities of the Investment Committee are to oversee investment policies and Investment Managers (defined below in Section 4.6) for all of the above-named funds.

1.3 **Additional Funds.** From time to time the Nation designates financial resources into new funds. All such funds will be classified into the Fund Classifications identified in Section 1.2 above, or into a new Fund Classification, and added to the Master Trust, if appropriate. The Controller shall assign the appropriate Fund Classification for new funds in accordance with GAAP.

1.4 **Pooling of Funds.** Each Fund Classification will be managed as a single pool to take advantage of economies of scale when making investment purchases and to simplify the investment process, unless internal commingling of the funds is prohibited. Except for cash in certain restricted funds, the Nation will consolidate cash balances from all funds, regardless of Fund Classification, to maximize investment earnings. Investment income will be allocated to the funds based on their respective participation in the aggregate investment and in accordance with GAAP. Funds prohibited from internal commingling will be managed separately (e.g., Pension Trust Funds).

The Controller may, using his or her professional judgement, establish more than one cash management fund. On a quarterly basis, the Controller shall report the status and performance of the internal cash management fund(s) to the Investment Committee. The Controller shall report to the B&F Committee the establishment of any new cash management fund.

Section 2. General Objectives

2.1 **Investment Objectives and Priorities.** The Nation shall invest all available funds subject to the following objectives and priorities:

a) Safety of principal. Investments shall be undertaken in a manner that seeks to ensure the preservation of capital in the overall portfolio.

b) Liquidity requirements of anticipated and unanticipated expenditures.

c) Yield.

d) Recognition of differing objectives and needs of various fund portfolios.

e) Conformance with Nation law and other applicable legal restrictions.

f) Maximization of the total rate of return on investment consistent with the foregoing objectives.

g) Diversification by asset type, security, and Investment Manager in order to smooth the volatility of quarterly and annual returns.

2.2 **Short-Term Funds**. The Nation shall invest its short-term funds in a manner that integrates safety, liquidity, and yield as defined by (a)–(c) below. The Nation's short-term funds include:

The General Fund;
The Grant Fund;
Proprietary Funds;
The cash portion of long-term funds; and
Any other short-term funds that may be added.

a) Safety. The Nation shall treat safety of principal as the foremost objective of the short-term investment portfolio. The Nation shall undertake investments in a manner that seeks to ensure the preservation of capital in the overall short-term investment portfolio. The Nation's objective will be to mitigate Credit Risk (defined below) and Interest Rate Risk (defined below).

i) Credit Risk - The risk of loss due to failure of the security issuer or backer ("Credit Risk") will be minimized by the Nation as follows:

A) Investments will be limited to the safest types of securities;

B) Investment Managers will conduct proper due diligence on investments; and

C) The short-term investment portfolio will be diversified to minimize potential losses on individual securities.

ii) Interest Rate Risk - The Nation will minimize the risk that the market value of securities in the short-term investment portfolio will fall due to changes in general interest rates ("Interest Rate Risk") by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations. Operating funds will be invested primarily in shorter-term securities, money market mutual funds, or similar investment pools.

b) Liquidity. The short-term investment portfolio shall remain sufficiently liquid to meet all operating requirements of the Nation. This will be accomplished by structuring the portfolio so that securities mature concurrent with cash needs to meet anticipated demands (static liquidity). Since all possible cash demands cannot be anticipated, the portfolio should consist largely of investments with active secondary markets (dynamic liquidity).

c) Yield. The short-term investment portfolio shall be designed to attain a market rate of return, taking into account the Nation's investment risk constraints and liquidity needs. Yield includes interest from bonds and dividends from common and preferred stocks.

2.3 **Long-Term Funds**. The Nation shall focus its long-term funds on capital growth. The Nation's long-term funds include:

Special Revenue Funds (excluding the Grant Fund);
Fiduciary Funds; and

Any other long-term funds that may be added.

Capital Growth. The Nation's long-term investment portfolio shall be designed to protect principal while earning a rate of return that will meet or exceed the rate of inflation to preserve the fund assets and to ensure that sufficient reserves will be available to cover future cash requirements. Capital growth is generally achieved by investing prudently in a wide range of asset classes in order to achieve proper diversification. Since these funds will focus on long-term capital appreciation some short-term volatility including loss of principal may be experienced.

Section 3. Standards of Care

3.1 **Prudence.** All participants in the Nation's investment process shall act responsibly as custodians of the public trust. The Controller and the Investment Staff (defined below in Section 4.4), the Investment Committee and its members, the B&F Committee and its members, the Investment Consultant (defined below in Section 4.8), the Investment Managers, the Financial Advisor (defined below in Section 4.9), Special Counsel (defined below in Section 4.10), and any other consultants engaged by the Nation to assist in the Nation's investment program (collectively, the "Parties"), shall follow the "prudent investor" rule in investing or advising the Nation concerning the investment of the Nation's funds. The "prudent investor" rule provides that "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived."

In connection with performing its responsibilities under this Policy, the Investment Committee shall take into consideration the accepted institutional investment practices of the Government Finance Officers Association ("GFOA") with regard to investment program management, investment policy, portfolio diversification and all other applicable responsibilities, unless such practices are inconsistent with the laws of the Navajo Nation.

3.2 **Code of Ethics.** The Controller and the Investment Staff, the Investment Committee and its members, and the B&F Committee and its members shall comply with the Navajo Nation Ethics in Government Law set forth in 2 N.N.C. § 3741 *et seq.* (the "Ethics Code").

Section 4. Authorities, Responsibilities and Duties

The Nation shall adhere to, and maintain, a highly structured and organized process for implementing its investment programs.

4.1 **Budget and Finance Committee.** The B&F Committee is a standing committee of the Navajo Nation Council and is vested with oversight authority with respect to the Nation's investments for the purposes of coordinating, overseeing, and regulating the investment policies of the Nation, and with the power to promulgate rules and regulations relative to investment matters, pursuant to 2 N.N.C. §§ 300 (A), 300 (C)(1), and 301(B)(1). The B&F Committee has a duty to protect the interests of the Navajo people through the prudent management of the financial reserves of the Nation. Id. at § 300(C)(4). Pursuant to the aforementioned statutory authority and obligation, the B&F Committee has final authority to approve this Policy and all Nation investment policies, and to reaffirm, modify, or restate this Policy and all Nation investment policies.

4.2 **Investment Committee.** The Investment Committee will consist of:

a) The Controller, who shall serve as Chairman of the Investment Committee pursuant to 12 N.N.C. § 203.I;

b) The Executive Director of the Office of the Navajo Tax Commission;

c) The Auditor General;

d) The President or a Presidential Appointee;

e) The Chairman of the B&F Committee;

f) An additional B&F Committee Member; and

g) The Attorney General as a nonvoting, ex officio member.

4.3 **Investment Committee Responsibilities**. The Investment Committee is an advisory group to the B&F Committee in the management of the Nation's investment programs. At a minimum, the Investment Committee will meet once a quarter within sixty (60) days after the quarter ends. The Chairperson of the Investment Committee shall schedule meetings of the Investment Committee as necessary to insure compliance with this Policy, and to protect the investments of the Nation. The Investment Committee's responsibilities include, but are not limited to, the following:

a) Recommend to the B&F Committee all modifications to this Policy, the Sub-Policies, and the Asset Class Guidelines (defined below in Section 21).

b) Determine strategies and monitor results for all funds listed above in Section 1.2 (Scope - Funds and Accounts). The Investment Committee shall include in its deliberations such topics as: economic outlook, portfolio diversification and maturity structure, potential risks to the Nation's funds, authorized depositories, brokers and dealers, and the target rate of return on the investment portfolio.

c) Select the Investment Consultant, subject to approval of the Investment Consultant's contract by the B&F Committee.

d) Accept or reject the Investment Consultant's recommendations for Investment Managers and Custodians, subject to the approval of each Investment Manager contract and each Custodian contract by the B&F Committee.

e) Select specialty service providers to assist with the selection, feasibility, management, and oversight of direct investments in real estate and other direct investments requiring additional expertise, including, without limitation, private equity and venture capital.

f) Receive quarterly and annual reports from the Investment Consultant regarding the performance of Investment Managers and receive periodic reports from individual Investment Managers.

g) Receive quarterly and annual reports from the Controller regarding the status of each fund's investment, which reconcile to the Investment Consultant's report.

4.4 **Controller's Responsibility**. The Controller is vested with the authority to pursue the administration and management of the Nation's investment programs, and the Controller has a

responsibility to the Navajo Nation Council and the B&F Committee to properly execute and operate the Nation's investment program. 12 N.N.C. § 203.I. The Controller may delegate the execution authority to his or her staff (the "Investment Staff") to assist in the operation of the Nation's investment program. The Controller and the Investment Staff shall act in accordance with established written procedures and internal controls for the management and operation of the investment program consistent with this Policy. No person may engage in an investment transaction with respect to any of the funds listed above in Section 1.2 (Scope - Funds and Accounts) except as provided under the terms of this Policy. The Controller shall be responsible for all transactions undertaken with respect to those funds and shall establish a system of controls to regulate the activities of the Investment Staff. The Controller's responsibilities include, but are not limited to, the following:

a) Safekeeping;

b) Delivery versus payment;

c) Investment accounting;

d) Repurchase agreements;

e) Wire transfer agreements; and

f) Collateral/depository agreements.

4.5 **Responsibilities of the Controller's Staff.** Investment Staff of the Office of the Controller may be retained, directed, and authorized by the Controller to support and maintain the integrity of the Nation's investment program. In striving to attain quality investment management, it is the policy of the Office of the Controller to attract and retain qualified Investment Staff and to promote, encourage, and provide continuing education and professional development for the Investment Staff.

4.6 **Duties of the Investment Managers.** The duties of the Nation's external investment managers (each an "Investment Manager" and collectively, the "Investment Managers") include, but are not limited to, the following:

a) Provide the Nation with a written agreement to invest within the guidelines established by this Policy and the corresponding Asset Class Guidelines and commit to comply with the Nation's Ethics Code as affirmed in writing.

b) Provide the Nation with proof of liability and fiduciary insurance coverage.

c) Be (i) a Securities and Exchange Commission ("SEC") Registered Investment Advisor under the Investment Advisers Act of 1940, as amended, a "commodity pool operator" under the Commodity Exchange Act, as amended ("CEA"), a commodity trading advisor under the CEA and/or a member of the National Futures Association ("NFA"), as applicable, unless exempted by applicable laws, rules and regulations from being required to register thereunder or be a member thereof due to its status as a regulated entity (i.e., certain banks), and (ii) recognized as providing demonstrated expertise over a number of years in the management of institutional assets.

d) Adhere to the investment management style concepts and principles for which they are engaged by the Nation.

e) Execute all transactions for the benefit of the Nation with brokers and dealers qualified to execute institutional orders on an ongoing basis at the best net cost to the Nation and, where appropriate, facilitate the recapture of commissions on behalf of the Nation.

f) Reconcile monthly accounting, transaction, and asset summary data with Custodian valuations and communicate and resolve any significant discrepancies with the Nation's Investment Consultant and Custodian.

g) Report in writing to the Controller and Investment Consultant on all significant matters pertaining to their firm's ownership, investment style and philosophy, changes in personnel, significant client departures, and periods of underperformance.

4.7 **Duties of Custodians.** The duties of the Nation's custodian bank (the "Custodian") include, but are not limited to, the following:

a) Provide complete global custody and depository services for the designated Nation accounts.

b) Provide an audited monthly report of the investment activities conducted by the Investment Managers.

c) Provide monthly and year-end accounting statements for all funds, including all transactions.

d) Collect all interest income and dividends and principal realization and properly report it in monthly statements.

e) Reconcile monthly accounting, transaction, and asset summary data and communicate and resolve any significant discrepancies with the Nation's Investment Consultant and Investment Managers.

4.8 **Duties of the Investment Consultant.** The Nation's investment consultant (the "Investment Consultant") must be independent of all Investment Managers and Custodians, with no conflicts of interests with any current or prospective service providers to the Nation. The Investment Consultant's duties include, but are not limited to, the following:

a) Make recommendations to the Controller, Investment Committee, and B&F Committee regarding investment policy and strategic asset allocation. The Investment Consultant shall make recommendations regarding the reaffirmation, modification or restatement of this Policy on an annual basis.

b) Assist the Nation in the selection of qualified Investment Managers, and assist in the oversight of existing Investment Managers, including monitoring changes in personnel, ownership, and the investment process.

c) Assist with Request for Information ("RFI") research and summary due diligence of qualified custodian(s) and securities lending agents.

d) Negotiate fee arrangements and other contract terms with the Investment Managers on behalf of the Nation.

e) Negotiate and arrange for brokerage and custodial services.

f) Prepare a quarterly performance report including performance attribution on all the Nation's Investment Managers, funds, and total assets, including a check on the Investment Managers' guideline compliance and adherence to investment style and discipline.

g) Handle special projects at the request of the Investment Committee.

h) Handle certain other matters, primarily reporting, as described elsewhere in this Policy, the Sub-Policies and the Asset Class Guidelines.

i) Report proxy votes as needed to the Investment Committee.

4.9 Duties of the Financial Advisor. The Nation's financial advisor (the "Financial Advisor") must be independent of the Investment Consultant, all Investment Managers and Custodians, with no conflicts of interest with any current or prospective service providers to the Nation. The Financial Advisor's duties shall include, but not be limited to, the following:

a) Make recommendations to the Controller, the Investment Committee, and the B&F Committee regarding direct and specialized investments.

b) Handle special projects at the request of the Office of the Controller, the Investment Committee, and the B&F Committee.

4.10 Appointment and Duties of Special Counsel. The Controller may recommend to the Attorney General of the Navajo Nation Department of Justice (the "Attorney General") engagement of special counsel ("Special Counsel") with specialized expertise with respect to investment matters, including private equity, alternative investments, restructuring, hedging and mergers and acquisitions, to advise the Nation on investment matters. Duties of Special Counsel shall be established in an attorney contract negotiated and executed by the Attorney General pursuant to the Attorney General's authority and duties set forth in 2 N.N.C. § 1963.B. Duties of Special Counsel may include, but shall not be limited to, the following:

a) Advise the Office of the Controller, the Investment Committee, and the B&F Committee on legal matters concerning investment policy and investment opportunities, including both direct and passive investments.

b) Assist the Nation in the selection of advisors, consultants, managers and other service providers, including the preparation of requests for proposals and the evaluation of proposals.

c) Assist the Nation in the negotiation of fee arrangements and contract terms, including dispute resolution, jurisdiction, governing law, protection of confidential information and intellectual property and other agreement provisions, consistent with the laws and policies of the Nation.

d) Handle special projects at the request of the Office of the Controller, the Investment Committee, the B&F Committee, and the Department of Justice.

Section 5. Asset Allocation Guidelines and Rebalancing Policy

The target asset allocation guidelines and time parameters for achieving target allocations are outlined in the Sub-Policy established for each separate fund. Such Sub-Policies shall be approved by the B&F Committee upon recommendation by the Investment Committee.

Section 6. Cash Holdings

It is the policy of the Nation for equity Investment Managers to be fully invested at all times, except in anticipation of large withdrawals. Equity Investment Managers should maintain less than five percent (5%) of their portfolios in cash equivalents. Fixed income Investment Managers can maintain higher cash balances (e.g., as bar-bell strategies necessitate this exposure to cash). This Section does not apply to cash Investment Managers.

Section 7. Commingled Investments

7.1 **Definition of Commingled Investments.** "Commingled Investments" refer to investment vehicles in which there is a pooling of funds from multiple clients managed by an Investment Manager as one account for diversification and cost benefits and, therefore, Investment Managers cannot tailor the portfolio to suit client-specific guidelines. Commingled Investments may be used for investment in approved asset classes with the Investment Committee taking into consideration fees, investment minimums, liquidity and other investment-related factors when reviewing investment vehicle options. Commingled Investments may be structured as limited partnerships, limited liability companies, private Real Estate Investment Trusts ("REITs"), trusts, partnerships, joint ventures, corporations or other investment vehicles. Commingled Investments include mutual funds, hedge funds, commingled investment funds, private equity funds, unit trusts, exchange traded funds, portable alpha funds, venture capital funds and other types of commingled investment vehicles.

7.2 **Commingled Investments Criteria.**

a) No single investment of the Nation's funds shall be made in any Commingled Investment that would contain more than ten percent (10%) of the Nation's total portfolio valued at market at the time of such investment, unless otherwise recommended by the Investment Committee and approved by the B&F Committee.

b) With the approval of the Investment Committee, the Nation may invest in any Commingled Investment as long as it is either (i) registered under the Securities Act of 1933 and/or the Investment Company Act of 1940, as amended, and has qualified under applicable state registration requirements or (ii) is exempt from such federal and state registration.

c) Any mutual fund must be purchased at the current net asset value of such mutual fund.

d) The Investment Manager for a Commingled Investment shall have demonstrated a favorable record of at least three years in managing institutional assets in the particular investment strategy relating to such Commingled Investment; provided, that shorter-term histories will be considered for entire portfolio management teams that have portable favorable records from predecessor firms of at least three years in managing institutional assets in the particular investment strategy relating to such Commingled Investment.

7.3 **Commingled Investments Exception.** Commingled Investments may provide lower costs and better diversification than can be obtained with a separately managed account pursuing the same investment objectives. However, Commingled Investments cannot customize investment policies and guidelines to the specific needs of individual clients. The Investment Committee may determine to accept the policies of Commingled Investments in order to achieve such lower costs and diversification benefits. Therefore, Commingled Investments and the related Investment Managers and their respective affiliates recommended by the Investment Committee and approved by the B&F Committee shall be exempt from the policies and restrictions specified in this Policy (other than those set forth in this Section 7), and the related Investment Managers and their respective affiliates will have full discretion over the portfolio management decisions subject to the guidelines established by the respective organizational and related documents and offering documents of the Commingled Investments and the contracts with the related Investment Managers and their respective affiliates. Proxy votes for securities held by Commingled Investments shall be exercised by the related Investment Managers.

Section 8. Permissible Investments

8.1 **Asset Category Definitions.** Investments must be of institutional quality and well diversified. Investment Managers must exercise prudence in all matters and invest solely for the benefit of the Nation.

a) Domestic Equity - Common and Preferred Stocks. The emphasis of the common stock portfolio will be on high quality companies, which offer above-average returns as a protection against inflation. Securities should be publicly traded at a level sufficient to insure liquidity of the holdings without significant adverse effects on price due to rapid sale. In certain circumstances, securities may be purchased in an initial public offering ("IPO") for companies and in sectors where it is reasonably anticipated that there is a high likelihood that there will be an active secondary market for the securities to insure liquidity of the holdings without significant adverse effects on the price due to rapid sale.

b) International Equity - International equity managers concentrate on identifying companies or countries or both that offer competitive valuation levels and potential for capital appreciation. The countries will be developed and emerging markets and generally represented by the MSCI All Country World (Ex. US) Index.

c) Fixed-Income - The primary role of the fixed-income portfolio is to provide a stable investment return and to generate income while diversifying the investment assets. In addition, the role of fixed-income is to provide a deflationary hedge. The fixed-income asset class will typically include the following security types and the permissible investments for this asset class are further detailed in the Appendix:

i) Bonds, notes or other obligations of the United States government, its agencies, government-sponsored enterprises, corporations, or instrumentalities for which the credit of the United States government is pledged for the payment of the principal and interest.

ii) Bonds, notes, or other obligations issued by a Native Nation or a state, or by their respective political subdivisions, that have received an investment grade bond rating.

iii) Bonds, notes, commercial paper or other obligations of any corporation organized and operating within the United States.

iv) Debt obligations of non-United States governmental or quasi-governmental entities, that may be denominated in foreign currencies; obligations, including but not limited to bonds, notes or commercial paper with an investment grade rating of any corporation organized outside of the United States. Currency transactions, including spot or cash basis currency transactions, forward contracts and buying or selling options or futures on foreign currencies, shall be permitted for the purposes of hedging foreign currency risk.

v) Collateralized obligations, including but not limited to mortgages, held in trust that: (1) are publicly traded and are registered by the SEC or other Self Regulatory Organization ("SRO") and (2) have underlying collateral that is either an obligation of the United States government or has received an investment grade rating from a nationally recognized rating agency.

d) Diversified Inflation Strategies ("DIS"). The investment objective of DIS is to provide total returns and capital appreciation exceeding inflation by a premium (e.g. CPI + 5%) as measured by the appropriate custom inflation index. The primary role of the DIS allocation is to hedge against the erosion of asset values due to inflation and to diversify portfolio risks. The DIS asset class may include but is not limited to master limited partnerships ("MLPs"), royalty trusts, infrastructure, treasury inflation protected securities ("TIPS"), real estate/REITs, natural resources, commodities, and currencies and can be implemented either through diversified multi-asset strategies or as separate standalone allocations using individual asset class types.

e) Absolute Return/Global Tactical Asset Allocation ("GTAA") – Absolute Return and GTAA strategies are designed to provide returns similar to publicly traded equities but with significantly lower volatility. Additionally, these strategies should exhibit low correlations to the traditional asset classes in the portfolio. Investments in Absolute Return and GTAA strategies can be made via fund of fund, direct investments, and mutual fund vehicles. The Absolute Return/GTAA asset class may include but is not limited to strategy types including event driven, long/short equity, long/short credit, distressed, risk-parity, directional/tactical (including global macro and managed futures inclusive of commodities and currency) and relative value.

f) Cash Equivalents. Cash equivalents are interest bearing securities that maximize liquidity and safety of principal. The following types of cash equivalents are eligible for investment:

i) Certificates of Deposit ("CDs") that are one hundred percent (100%) federally insured or collateralized with government or government agency securities with a market value of at least one hundred and two percent (102%) of the face value of the certificate. Preference placement in CDs may be granted to those financial institutions that are supportive of the Nation's fiscal objectives (e.g., loans, lease/purchase agreements, check cashing fee waivers, etc.);

ii) United States Treasury Bills;

iii) Repurchase Agreements acquired under an Investment Committee-approved master agreement;

iv) Commercial Paper of the highest three grades as rated by a nationally recognized rating agency; and

v) Commercial Bank Trust Department commingled liquidity funds specifically approved by the Investment Committee.

Maturities should be short enough that funds can be quickly liquidated with no loss of principal.

g) Real Estate. The real estate investment objectives are to provide the client with total return, capital appreciation, protection against inflation risk, and consistent returns as measured by the appropriate real estate index. External investment management firms that have demonstrated a favorable record in managing real estate portfolios will actively manage Nation funds invested in real estate. The primary role of the real estate portfolio is to generate income while diversifying the investment assets. The real estate asset class may include but is not limited to the following:

i) Core Real Estate – Commingled pools and Real Estate Investment Trusts (REITs) appropriate for institutional investors including diversification by property type and geographic location.

ii) Non-Core Real Estate – Investments in value-added and mezzanine debt.

iii) First-lien mortgages and other debt instruments, and direct real estate equity/outright ownership.

This Section 8.1(g) shall not apply to the Navajo Nation Land Acquisition Trust Fund.

h) Private Equity. The investment objectives of Private Equity are to provide the Nation with total return, capital appreciation, and protection against inflation risk with an expected return premium above public equity markets as measured by an internal rate of return ("IRR") based on the S&P 500 (e.g., S&P 500 + 5%). A diverse array of strategies that provide either return enhancement or diversification benefits shall be sought across multiple vintage years. Such strategies, accessed through fund of fund, co-investment, or direct partnership vehicles, may include but are not limited to leveraged buyouts, secondaries, distressed debt, venture capital, special situations, and other opportunistic strategies.

i) Direct Investments.

i) Direct investment of Nation funds in emerging growth, pre IPO and other non-public companies through various investment structures (e.g., a partnership or joint venture), either equity or debt based, is permitted subject to investment and operational due diligence by the Investment Committee or its designee. The Nation shall not invest in a direct investment that has a projected annual rate of return of less than the five (5) year average rate of return of the Master Trust portfolio, gross of fees, except as to the direct investments addressed in Section 8.1(i)(ii) below, rates shall be as negotiated, but at no less than the ten (10) year average rate of return of the Master Trust portfolio. The average rate of return of the Master Trust portfolio shall be set at the rate set forth in the most recent quarterly report provided by the Investment Consultant.

ii) Direct investment of Nation funds in any entity or enterprise owned in whole or part by the Nation is permitted subject to investment and operational due diligence by the Investment Committee or its designee. Direct investment in any entity or enterprise owned in whole or part by the Nation shall be evaluated consistent with the above Section 2.1 (Investment Objectives and Priorities), including but not limited to, the overall benefit to the Nation of such investment, the promotion of tribal economic development, the promotion of tribal self-sufficiency and self-governance, the creation of jobs for enrolled members of the Nation, and the promotion of health, education, safety, and welfare of enrolled members of the Nation.

j) Accretive Investments. Accretive investment of Navajo Nation funds may include, without limitation, equity and debt investments in real estate, business expansions, financing, and land. The Investment Committee may invest with co-investors and operating partners specific to any Accretive Investment. Annual rate of return targets for Accretive Investments shall be priced using an industry-standard index used to price similar commercial transactions. The Investment Committee may consider an Accretive Investment that falls below the annual return target if such Accretive Investment is likely to achieve significant benefits to the Navajo Nation's economic, social, political, environmental, and community goals to maximize positive impact to the Navajo Nation while providing capital appreciation, protection against inflation risk, risk diversification and consistent returns, according to the Accretive Sub-Policy.

k) Other Investments. Other investments, including entertainment investments and professional sports franchises, subject to the limitations of Section 11 below.

l) High Yield Investments. Notwithstanding anything to the contrary in this Section 8, investments which offer potential for higher returns and price appreciation, including but not limited to investments in early stage companies, real estate development projects and other ventures where there are substantial upside returns but also greater risks; provided that such investments shall not be made in the Nation, an enterprise of the Nation or any affiliates thereof, and the aggregate purchase amount of such investments shall not exceed in the aggregate 1% of the assets in the Master Trust at the time of investment.

Section 9. Prohibited Investments

The following investments are prohibited in separately managed account situations (i.e., not Commingled Investments). Should a prohibited transaction occur it should be reported immediately to the Controller, who will report it at the next Investment Committee meeting where the Investment Committee will decide how to proceed.

9.1 **Self-Dealing Transactions**. Investment Managers shall not purchase or hold any security or other investment that is issued by a corporation with which the Investment Manager's firm has any type of ownership relationship.

9.2 **Individual CD's and Time Deposits**. Individual CDs and Time Deposits shall not exceed applicable Federal Depository Insurance Corporation ("FDIC") deposit insurance limits unless they are one hundred percent (100%) collateralized by eligible securities or fully covered by a surety bond.

9.3 **Letter Stock.** Letter stock and other unregistered equity securities are prohibited. For the avoidance of doubt, memberships in limited liability companies, partnership interests, corporations or other ownership in connection with hedge funds, venture capital, private equity, other Commingled Investments and real estate investments are not prohibited.

9.4 **Litigation with the Nation.** The Nation prefers not to invest in a company with which it is involved in litigation or a major contractual dispute.

9.5 **General Prohibitions.** No investment may be made in any enterprise of the Nation for the purpose of allowing that enterprise to make a direct or indirect investment in any entity or project that is not wholly owned and managed by the Nation or an enterprise of the Nation.

Section 10. Derivatives Policy

Investment Managers shall not purchase securities on margin, sell short, use individual stock options, puts, calls or trade in futures contracts, unless specified in the investment management agreement entered into by the Nation and the Investment Manager.

Section 11. Concentration and Diversification Guidelines Pertaining to the Overall Investment Program

a) Not more than five percent (5%) of the outstanding shares of any public corporation shall be owned by the Nation.

b) An investment in privately held companies or joint ventures, including entertainment investments and professional sports franchises, may not exceed ten percent (10%) of the Master Trust portfolio valued at market at the time of the investment.

Section 12. Collateralization

This Section 12 applies solely to the Controller's cash management activities on behalf of the Nation.

In accordance with the GFOA-recommended Practice on the Collateralization of Public Deposits, full collateralization will be required on non-negotiable CDs. Repurchase agreements shall be consistent with the GFOA-Recommended Practice on Repurchase Agreements.

For deposit type instruments investments managed internally, adequate collateral over the FDIC Insurance limit must be obtained to protect the assets of the Nation. Acceptable collateral is limited to U.S. Treasury and agency securities. The minimum acceptable limit is one hundred and two percent (102%) of assets.

Section 13. Safekeeping/Custody

The Controller, with notification to the B&F Committee, shall contract with an authorized safekeeping agent(s) for safekeeping securities owned by the Nation as part of its investment portfolio or held as collateral to secure CDs or repurchase agreements. All securities transactions shall be conducted on a delivery versus payment basis to the Controller's safekeeping bank or to the Office of the Controller. The Office of the Controller, custodian, or safekeeping agent(s) shall have custody of all securities purchased or held and all evidence of deposits and investments.

To protect against potential fraud and embezzlement, the assets of the Nation shall be secured through third-party custody and safekeeping procedures. Bearer instruments shall be held only through third-party

institutions. Collateralized securities such as repurchase agreements shall be purchased using the delivery versus payment procedure. Unless prevailing practices or economic circumstances dictate otherwise, ownership shall be protected through third-party custodial safekeeping. The independent auditor shall review safekeeping procedures annually. The independent auditor shall conduct periodic audits of safekeeping and custodial systems.

Section 14. Voting of Proxies

To the extent that investments include ownership rights, such as the voting of proxies, such ownership rights shall be exercised according to the vehicle type:

14.1 **Separately Managed Accounts**. Proxy votes for securities held in separately managed accounts shall be exercised by the Investment Manager as it deems appropriate taking into account the interests of the Nation. The Investment Committee reserves its right to exercise its proxy rights when it so chooses. Each Investment Manager shall keep accurate written records as to the exercise of such ownership rights, whether exercised by the Investment Manager or by the Investment Committee, and shall report in writing to the Investment Committee or Office of the Controller upon request.

14.2 **Commingled Investments**. For proxy votes issued by Commingled Investments to the Nation, the Investment Consultant will provide voting guidance and recommendations to the Nation upon request. For the avoidance of doubt, proxy votes for securities held by Commingled Investments shall be exercised by the related Investment Managers as set forth in Section 7 above.

Section 15. Securities Lending

A securities lending program may be implemented by the master Custodian or an outside independent securities lending agent. The belief is that this program will provide additional income without incurring additional risk. For all securities lent, liquid financial assets of the highest quality will be held as collateral in amounts equal to or greater than the value of securities lent. Cash, U.S. Treasury Bills and Notes, and A-1 or P-1 rated Commercial Paper are acceptable collateral.

Supervision of the lending program by the Investment Committee shall include:

a) Procedures to review the creditworthiness of all borrowers;

b) Requirements for full collateralization of all loans;

c) Other methods and procedures required by the Investment Committee for securing the lending program.

Section 16. Commission Recapture Program

The Office of the Controller assisted by the Investment Consultant shall monitor the commission recapture and discount brokerage programs to insure that Investment Managers provide the best effort to meet their commission recapture guidelines. The quality of execution should never be jeopardized.

Investment Managers may utilize brokers who provide the best net trade (discount brokerage) for their transactions.

The Office of the Controller assisted by the Investment Consultant shall report, at least annually, to the Investment Committee and the B&F Committee the Investment Managers' adherence to the commission recapture guidelines.

Section 17. Trades and Exchanges

Investment Managers and the Office of the Controller may sell or exchange securities in the course of daily management of specific funds. Such trades may be executed to raise cash, to shift maturity, to change asset mix, to enhance yield, and to improve quality. The goal of all such trades is to maximize portfolio performance while minimizing risk.

a) The Office of the Controller and all Investment Managers will take advantage of security swap opportunities to improve portfolio yield.

b) To account for market fluctuations and volatility, the Office of the Controller or its agent (independent pricing agent) will mark to market all securities at least monthly. If a significant market event takes place during the month that impacts the value of the portfolio, the Office of the Controller or its agent will mark the portfolio to market to determine the impact on the portfolio.

The Controller shall determine the market value of all securities in the portfolio on at least a quarterly basis. These values shall be obtained from a reputable and independent source and the Investment Consultant shall make a report to the Investment Committee at least quarterly. The report shall include the market value and unrealized gain or loss of the securities in the portfolio.

Section 18. Procedures for Selecting and Reviewing Investment Managers

18.1 **Review Process**. The Nation's investments shall be managed by professional Investment Managers except to the extent the Investment Committee specifically delegates investment authority for cash management portfolios to the Office of the Controller. When it is decided that an Investment Manager(s) is to be hired, the Investment Consultant shall solicit qualified proposals in compliance with the Navajo Nation Business Opportunity Act, 5 N.N.C. §201 *et seq.* (the "Business Opportunity Act"). The Controller and Investment Consultant will select at least two finalists to make an oral presentation to the Investment Committee. The Investment Committee will evaluate the finalists and select the Investment Manager(s) best suited to meet the Nation's investment needs. Evaluation factors will include the finalists' one-year, five-year and ten-year performance record and the associated risks taken to achieve the returns, the quality and stability of the investment personnel of each company, adherence to philosophy/style, and the fees charged by each company.

18.2 The B&F Committee shall approve the Investment Manager(s) selected by the Investment Committee. When presenting the selected Investment Manager(s) to the B&F Committee for approval, the Investment Committee shall include a summary of the finalists not selected and the evaluation factors and ranking utilized in the selection process. A contract with the Investment Manager(s) selected by the Investment Committee and approved by the B&F Committee will be executed pursuant to applicable Nation contract approval procedures.

18.3 If the Investment Committee recommends, subject to the approval of the B&F Committee, terminating an existing Investment Manager(s) prior to completion of the contract approval and execution process for the replacement Investment Manager(s), the Investment Committee, with guidance from the Investment Consultant, shall determine how assets

currently under management by the Investment Manager(s) to be terminated will be liquidated, if necessary, and invested on a temporary basis. If available, a passive, benchmark tracking investment strategy with similar investment exposure to that of the terminated Investment Manager(s) shall be used for short-term investment purposes. If a passive, benchmark tracking investment strategy with similar investment exposure to that of the terminated Investment Manager(s) is unavailable, the Investment Committee, with guidance from the Investment Consultant, shall recommend, subject to the approval of the B&F Committee, using either (i) another existing Investment Manager(s) within the same asset class (or sub-asset class) or (ii) an alternative solution for short-term investment purposes, in each case so long as the recommended approach remains consistent with total fund and asset class risk expectations for the applicable assets. If the Investment Committee determines, with guidance from the Investment Consultant, that no reasonably acceptable alternatives exist for short-term investment, the Investment Committee may recommend, subject to the approval of the B&F Committee, liquidating the applicable assets, if necessary, and holding such assets in cash prior to the completion of the contract approval and execution process for the replacement Investment Manager(s).

18.4 **Selection Criteria for Investment Managers**. Criteria will be established for each Investment Manager search undertaken by the Nation and will be tailored to the Nation's needs and priorities. In general, eligible Investment Managers will possess attributes including, but not limited to, the following:

a) The firm, or the principal of the firm, must be experienced in managing money for institutional clients, family offices or other sophisticated investors in the asset class/product category/investment style specified by the Nation and its Investment Consultant.

b) The firm must be (i) an SEC Registered Investment Advisor under the Investment Advisers Act of 1940, as amended, a "commodity pool operator" under the CEA, a commodity trading advisor under the CEA and/or a member of the NFA, as applicable, unless exempted by applicable laws, rules and regulations from being required to register thereunder or be a member thereof due to its status as a regulated entity (i.e., certain banks), (ii) in current good standing with respective regulators with no recent material compliance or disciplinary violations, and (iii) not involved in any material ongoing or pending litigation with current or former clients of the firm.

c) The firm must have a minimum five-year history (three-year for small cap stocks) with the desired investment style and demonstrated continuity of key personnel, and must offer a reasonable fee schedule; shorter-term histories will be considered for entire portfolio management teams that have portable track records from predecessor firms.

d) The firm must display a record of stability in retaining and attracting qualified investment professionals, as well as a record of managing asset growth effectively, both in gaining and retaining clients.

e) The firm must have an asset base sufficient to accommodate the Nation's portfolio. In general, managers should have at least $500 million of discretionary institutional assets under management, and the aggregate amount of the Nation's portfolio under management by the firm should make up no more than ten percent (10%) of the firm's total assets under management.

f) The firm must demonstrate adherence to the investment style sought by the Nation, and adherence to the firm's stated investment discipline.

g) The firm's fees should be competitive with industry standards for the product category.

h) The firm must comply with the "Duties of the Investment Managers" outlined in Section 4.6 above and conform to CFA Institute standards for performance reporting.

18.5 Criteria for Investment Manager Termination. The Nation reserves the right to terminate an Investment Manager. Grounds for termination may include, but are not limited to, the following:

a) Failure to comply with the guidelines agreed upon for the management of the Nation's funds, including holding restricted securities and conducting prohibited transactions.

b) Failure to achieve performance objectives specified in the Investment Manager's guidelines. Managers who fall into the bottom quartile on the Nation's consultant peer universe for three consecutive quarters will be placed on a "watch list." The watch list is not an automatic termination, but a red flag for the Nation's Investment Consultant, the Controller, and the Investment Committee alerting them to conduct further due diligence to understand the underperformance. The Investment Committee will have the discretion at any time to take an Investment Manager off the watch list once they are comfortable that the Investment Manager's problems have been resolved.

c) Significant deviation from the Investment Manager's stated investment philosophy, style, or process.

d) Loss of key personnel or significant ownership changes that create instability in an organization.

e) Evidence of illegal or unethical behavior by the Investment Manager's firm.

f) Lack of willingness to cooperate with reasonable requests by the Nation or the Nation's Investment Consultant for information, meetings, or materials.

g) Loss of confidence by the Investment Committee, the Controller, or the Nation's Investment Consultant.

h) A change in the Nation's asset allocation program which necessitates a shift of assets to another asset class or style.

The presence of any one or a combination of these factors will be carefully reviewed by the Controller, the Investment Committee, and the Nation's Investment Consultant, but will not necessarily result in an automatic termination.

18.6 Performance Monitoring. The Controller shall monitor monthly statements and receive quarterly, audited performance reports from the Investment Consultant. The Investment Consultant shall monitor at least quarterly the track record of each Investment Manager under contract to determine whether or not that Investment Manager is performing up to the standard required by the benchmark of performance specified in the Investment Manager's contract and shall report those finding to the Investment Committee. If at any time the standard required is not being met, the Controller with the assistance of the Investment Consultant shall make a report of that fact to the Investment

Committee and give a recommendation to the Investment Committee. The Investment Committee will then determine what action will be taken by the Controller.

18.7 **Manager Alerts.** Investment Managers are to provide the Investment Committee and the Investment Consultant with written notice of any material changes in their respective firms (i.e., change in personnel, ownership and policy, etc.).

18.8 **Termination.** The recommendation to terminate an Investment Manager shall be by majority vote of the Investment Committee present at the meeting, subject to the approval of the B&F Committee.

Section 19. Navajo Preference

19.1 **Adherence to Navajo Nation Laws, Rules and Regulations.** All Parties shall comply with all applicable laws, rules and regulations of the Nation, including, without limitation, the Navajo Preference in Employment Act (the "Preference in Employment Act"), 15 N.N.C. § 601 *et seq.*, and the Business Opportunity Act. The terms and provisions of the Preference in Employment Act and the Business Opportunity Act are specifically incorporated herein, and become a part of this Policy; and breach by any Party of any terms and provisions of such laws shall constitute a breach of this Policy and provide grounds for the suspension or termination or other remedy as specified in the Preference in Employment Act, the Business Opportunity Act, or this Policy.

19.2 **Navajo/Native American Promotion Policy.** It is the policy of the Nation to support and promote the growth and development of Navajo or other Native American owned and controlled firms in accordance with the Preference in Employment Act and to the degree permitted by applicable federal laws.

19.3 **Identification of Qualified Navajo/Native American Firms.** The Investment Consultant shall make reasonable efforts to identify and bring to the attention of the Investment Committee and the B&F Committee qualified Navajo and other qualified Native American owned and controlled investment management and brokerage firms. The phrase "owned and controlled" shall be defined by 5 N.N.C. § 202.J of the Business Opportunity Act and shall not include "fronts" as defined in 5 N.N.C. § 202.F of the Business Opportunity Act. The phrase "qualified" as it applies to Investment Managers shall be defined by this Policy, including, but not limited to, Sections 18.1 and 18.2 of this Policy and shall include desired rates of return. The phrase "qualified" as it applies to brokerage firms shall incorporate the standards set forth by the GFOA and shall include participation in commission recapture programs, if appropriate.

19.4 **Qualified Navajo/Native American Investment Managers Preference.** The Investment Committee and the B&F Committee shall give preference to qualified Navajo and other qualified Native American owned and controlled investment management firms, whenever such qualified firms are available, when selecting new or successor investment managers. Such preference is not intended to and shall not dilute or negate adherence to this Policy, including but not limited to the Investment Objectives and Priorities identified in Section 2.1 of this Policy. Consistent with 5 N.N.C. § 201.D of the Business Opportunity Act, such preference is not intended to require the selection of unqualified Navajo or other unqualified Native American investment managers.

19.5 **Qualified Navajo/Native American Brokerage Firm Preference.** The Investment Managers, current and future, shall make reasonable efforts to direct, under the restrictions identified below, a minimum of twenty percent (20%) of the transactional execution of the Nation's investment funds to qualified Navajo and other qualified Native American owned and controlled brokerage firms identified by the Investment Consultant under Section 19.3 above, whenever such qualified firms

are available. Such direction or preference should never jeopardize the quality of execution. Such direction or preference is also not intended to and shall not dilute or negate adherence to this Policy, including, but not limited to, the Investment Objectives and Priorities identified in Section 2.1 of this Policy and the Duties of the Investment Manager identified in Section 4.6 of this Policy. Consistent with 5 N.N.C. § 201.D of the Business Opportunity Act, such preference is not intended to require the selection of unqualified Navajo or other unqualified Native American brokerage firms.

19.6 **Compliance**. The lack of substantial compliance with Sections 19.1 through 19.5 above shall be grounds for termination. The Investment Committee, with the assistance of the Investment Consultant, shall report annually to the B&F Committee on compliance by the Parties with the provisions of Sections 19.1 through 19.5 above.

Section 20. Sub-Policies

The Investment Committee, along with the Investment Consultant, will develop specific investment policies ("Sub-Policies") for each fund, which will include any unique or specific investment objectives for a particular fund; its asset allocation to cash, bonds and stocks; any specific investment restrictions; the fund spending policy; and the investment expectations for the fund.

The investment objectives, asset allocation guidelines, and other specific investment information will be covered for each fund within the Nation's investment program under the Sub-Policies, and modifications to the Sub-Policies and asset class guidelines must be recommended by the Investment Committee and approved by the B&F Committee.

Section 21. Asset Class Guidelines

The Investment Committee, along with the Investment Consultant and other appropriate advisors as needed, will develop specific investment guidelines for each asset class or investment ("Asset Class Guidelines"), which will include objectives, general guidelines, diversification, return expectations, and prohibited practices. Specific investment guidelines for asset classes are included in the Appendix and shall be approved by the B&F Committee upon recommendation by the Investment Committee.

Sector and security selection, portfolio structure and timing of purchases and sales are delegated to the Investment Manager subject to the Investment Manager's contract. Transactions that involve a broker acting as a "principal" and "agent" where such broker or dealer is also the Investment Manager who is making the transaction are prohibited. For separately managed accounts, transactions shall be executed on the basis of "best price and execution" for the sole benefit of the Nation. As described in and as limited by Section 7 above, for Commingled Investments, the related Investment Managers and their respective affiliates will have full discretion over the portfolio management decisions taking into consideration the guidelines established by the respective organizational and related documents and fund offering documents and the contracts with the related Investment Managers and their respective affiliates. Any material violation of these Asset Class Guidelines is to be corrected immediately upon discovery and reported to the Investment Consultant and the Investment Committee in a timely manner.

Section 22. Amendments

This Policy may be amended as necessary from time to time upon recommendation by the Investment Committee and approval by the B&F Committee.

Appendix A

Large Capitalization Domestic Equity

STATEMENT OF INVESTMENT OBJECTIVES, GUIDELINES AND PROCEDURES

A. Investment Objectives. The investment objectives of the large cap domestic equity portfolio are to provide TNN with total return, capital appreciation, protection against inflation risk and consistent returns as measured by the appropriate benchmark. The funds will be actively managed by active external investment management firms that have a demonstrated favorable record in managing institutional equity portfolios. TNN shall employ diversification by investment style; value, core, and growth. The large cap domestic equity allocation is managed by several investment managers, and investment benchmark and peer universes are detailed in Section F of the guidelines.

B. Portfolio Characteristics and Guidelines

- Investment in any one corporation shall not exceed 5% of the equity portfolio at the time of purchase, and will be sold to prevent the percentage from exceeding 7% at market valuation.
- Investment in any one corporation will not exceed 5% of the outstanding shares of that corporation.
- A single manager may not have more than 2.5 times the respective index weighting of their individual portfolio in any one industry category, i.e. if technology represents 15% of the S&P 500 Index, an investment manager cannot hold more than 37.5% of their portfolio in technology.
- No manager can invest more than 40% of their portfolio in any one industry sector as defined by the Global Industry Classification Standard (GICS).
- Investment in foreign domiciled companies will not exceed 15% of the portfolio at market value.

C. Performance Objectives. Performance will be monitored on a monthly basis, and long-term performance will be reviewed on a quarterly basis. The measurement period for complete evaluation will typically be trailing three-year periods and a complete market cycle, to be represented by a five-year trailing period. Market cycles are defined to include both a rising and a declining market environment. Therefore, investment managers' minimum period of evaluation shall be three to five years.

The performance objectives of the large capitalization domestic equity allocation are:

- Outperform the respective style benchmark (i.e. Russell 1000 Value Index), net of fees, over a market cycle, typically represented by three- and five-year time periods;

- Rank above the 50th percentile of a nationally recognized peer universe consisting of large capitalization managers possessing a similar style over a market cycle, typically represented by three- and five-year time periods;
- Outperform inflation plus a premium (net of fees), represented by CPI plus 600 basis points per annum over a market cycle;
- Passively managed investments will perform in-line with the appropriate benchmark (gross of fees)..

D. Investment Guidelines. Common stocks, preferred stocks and convertible stocks as defined in the Master Investment Policy. Also allowed are investments in securities issued by non-U.S. companies traded on U.S. exchanges (American Depository Receipts), as well as REITs (real estate investment trusts).

E. Investment Restrictions.

- Prohibited Investments - TNN funds will not invest in options, futures, commodities, venture capital funds, private placement debt securities, floating rate securities, letter stock, natural resource properties or equity securities not traded on a national exchange, except as specifically approved by the Investment Committee.
- Prohibited Investments - TNN prefers not to invest in a company with which it is involved in litigation or a major contractual dispute.
- Prohibited Transactions - Investment managers cannot buy or hold securities within which they have an ownership relationship with.
- Derivatives Restrictions - Investments in derivatives shall be unleveraged investments. No derivatives are permitted whose values are tied to another security or whose value fluctuates as a multiple of any underlying security. Futures, forwards and options are permitted only if they are used in a defensive hedging manner, i.e. to control the volatility of a currency.

F. Current Investment Benchmarks

Mandate	Benchmark	Peer Universe
Value	Russell 1000 Value Index	U.S. Large Cap Value Equity
Core	Russell 1000 Index / S&P 500 Index	U.S. Large Cap Core Equity
Growth	Russell 1000 Growth Index	U.S. Large Cap Growth Equity

BUDGET AND FINANCE COMMITTEE

18 December 2018
Regular Meeting

VOTE TALLY SHEET:

Legislation No. 0387-18:
An Action Relating to Budget and Finance Committee; Approving and Adopting the Amended and Restated Navajo Nation Master Investment Policy Sponsored by Tom T. Chee, Council Delegate

Motion: Jimmy Yellowhair
Second: Lee Jack, Sr.
Vote: 4-0, Pro Tem Chairman not voting

Vote Tally:

Seth A. Damon	**yay**	
Jimmy Yellowhair	**yay**	
Tom T. Chee	**yay**	
Lee Jack, Sr.	**yay**	
Leonard Tsosie		
Tuchoney Slim, Jr.		

Absent: *Leonard Tsosie*

Tuchoney Slim, Jr., Pro Tem Chairman
Budget & Finance Committee

Peggy Nakai, Legislative Advisor
Budget & Finance Committee

EXHIBIT D(3)

RETIREMENT PLAN

ATTORNEY GENERAL

APPROVAL OF ARBITRATION

Exhibit D(3)
to BFC Resolution

NAVAJO NATION DEPARTMENT OF JUSTICE CERTIFICATION

The Navajo Nation Department of Justice has reviewed and hereby approves the foregoing Amended and Restated Addendum to Investment Management Agreement between Jennison Associates LLC and the Navajo Nation, for purposes of the Navajo Sovereign Immunity Act, 1 N.N.C. §§554 (J)(2) and (K)(2), which requires all agreements entered into under the Navajo Nation Arbitration Act, 7 N.N.C. §§1101 et seq., to be approved by the Navajo Nation Department of Justice. The Amended and Restated Addendum to Investment Management Agreement has been authorized, approved, and executed on behalf of the Navajo Nation in accordance with all applicable laws of the Navajo Nation.

NAVAJO NATION
DEPARTMENT OF JUSTICE

By: _____
Doreen N. McPaul, Attorney General

EXHIBIT D(4)

RETIREMENT PLAN

NAVAJO NATION

INCUMBENCY CERTIFICATE

Exhibit D(4)
to BFC Resolution

INCUMBENCY CERTIFICATE

THE NAVAJO NATION
(listed in the Federal Register as Navajo Nation, Arizona, New Mexico & Utah)

I, Doreen N. McPaul, Attorney General of the Navajo Nation (the "Nation"), hereby certify that:

1. Pursuant to 2 N.N.C. § 222, the President of the Nation is authorized to execute and deliver contracts and agreements pertaining to the Executive Branch of the Nation. Such contracts and agreements include those relating to the Nation's investment programs.

2. The Controller of the Nation, Pearline Kirk, was duly appointed by the President of the Navajo Nation on February 8, 2017 and was confirmed by the Navajo Nation Council on February 16, 2017 and accordingly shall serve with the full authority of the Controller pursuant to Navajo law.

3. Pursuant to 12 N.N.C. § 201(B), the Controller is responsible for formulating, implementing, and executing the financial plans and policies of the Nation. She is authorized pursuant to 12 N.N.C. §§ 203(C) - (G) to manage the financial program of the Nation and shall be responsible for all transactions undertaken on behalf of the Nation, including but not limited to (a) safekeeping, (b) delivery versus payment, (c) wire transfer agreements, and (d) collateral/depository agreements.

4. Pursuant to 12 N.N.C. § 203(I), the Controller as Chairperson of the Navajo Nation Investment Committee, is responsible for the administration of the Nation's investment programs. Pursuant to Section 4.4 of the Nation's Master Investment Policy, adopted by the Budget and Finance Committee of the Navajo Nation Council pursuant to Budget and Finance Committee Resolution No. BFO-61-90, as amended by BFJY-114-03, BFJA-01-08, BFJN-17-15 (adopting the Amended and Restated Master Investment Policy and the Asset Class Guidelines attached thereto as Appendices A through G), BFD-38-17, BFD-41-17, and BFD-45-18 (adopting the Amended and Restated Master Investment Policy and the Asset Class Guidelines attached thereto as Appendices A through G) (collectively, the "Master Investment Policy"), the Controller is authorized to manage the Nation's investment programs and shall be responsible for all transactions undertaken, including but not limited to (a) safekeeping, (b) delivery versus payment, (c) investment accounting, (d) repurchase agreements, (e) wire transfer agreements, and (f) collateral/depository agreements.

5. Pursuant to and consistent with the authority granted to the President and the Controller described above, the President and the Controller are authorized to take all action and deliver all documents related to the Nation's investment programs.

INCUMBENCY CERTIFICATE
THE NAVAJO NATION
(listed in the Federal Register as Navajo Nation, Arizona, New Mexico & Utah)
Signature Page

6. The genuine manual or facsimile signatures of the President and the Controller of the Nation are as follows:

Name	Title	Signature
Jonathan Nez	President	_____
Pearline Kirk	Controller and Chair of the Navajo Nation Investment Committee	_____

DATED this _____ day of _____.

THE NAVAJO NATION (listed in the Federal Register as Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Doreen N. McPaul, Attorney General

EXHIBIT D(5)

RETIREMENT PLAN

NAVAJO NATION IPO

CERTIFICATION

Exhibit D(5)
to BFC Resolution

Initial Public Offering of Equity Securities Purchase and Allocations (FINRA Rule 5130 and 5131)
Certification

Pursuant to FINRA Rule 5130 (the "Rule"), a broker may not sell or cause to be sold an initial public offering of equity securities to any account in which a "**restricted person**" (all bolded terms are defined in the reference materials) holds a "**beneficial interest**" unless the account qualifies for a general exemption under the Rules (as defined herein). Pursuant to FINRA Rule 5131 (together with FINRA 5130, the "Rules") a broker may not sell or cause to be sold an initial public offering of equity securities to any account in which a "**covered person**" holds a "**beneficial interest**" unless the account qualifies for a general exemption under the Rules. Please sign and return this Certification indicating whether or not your account is eligible to purchase IPO shares in accordance with the Rule. In addition, in connection with any new issue, you hereby represent that you will not act as a "**finder**" or in a fiduciary capacity to any managing underwriter of any new issue and that you shall notify Jennison Associates LLC immediately in the event that such representation ceases to be true and correct.

The undersigned hereby certifies that with respect to the Account listed below in which it has the opportunity to purchase new issues (please select):

5130 Certification

X The Account is eligible to purchase new issues either because no restricted person (which includes those accounts that meet a general exemption and, by definition, are not restricted persons) holds a beneficial interest in the Account, or because the Account has implemented procedures to reduce the beneficial interests of all restricted persons with respect to new issues below 10% in the aggregate, and the undersigned hereby represents that it will follow such procedures in connection with the purchase by the Account of all new issues; or

☐ The Account is a restricted person and is <u>not</u> eligible to purchase new issues.

5131 Certification

X The Account is eligible to purchase new issues either because no covered person (which includes those accounts that meet a general exemption and, by definition, are not covered persons) holds a beneficial interest in the Account or the Account has implemented procedures to reduce the beneficial interests of all covered person with respect to new issues to in the aggregate below 25%, and the undersigned hereby represents that it will follow such procedures in connection with the purchase by the Account of all new issues. or

☐ The Account is held by one or more covered person(s) of a particular company, whose beneficial interest, in the aggregate, exceeds 25% of the Account:

Name(s) of company (companies) for which each covered person is an executive officer or director:

_____

(Please provide a separate attachment listing of relevant companies if additional space is required)

The undersigned hereby certifies that the undersigned is authorized to provide this Certification and that the undersigned or an authorized representative of the Account will promptly notify Jennison Associates in the event this Certification ceases to be true and correct.

Account: The Navajo Nation – Retirement Plan

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT D(6)

RETIREMENT PLAN

NAVAJO NATION NOTICE TO JENNISON REGARDING ISSUERS IN DISPUTE

Exhibit D(6)
to BFC Resolution

Jennison Associates LLC
466 Lexington Avenue
New York, New York 10017
Attention: Kenneth Moore, Executive Vice President
and Chief Operating Officer

Reference is hereby made to the Amended and Restated Addendum to Investment Management Agreement, dated as of _____, 2019 (as amended from time to time, the "Addendum"), between the Navajo Nation (the "Nation") and Jennison Associates LLC (the "Investment Manager") relating to the account of the Nation entitled "The Navajo Nation Retirement Plan." Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Addendum.

Pursuant to Section 1(p)(4) of the Addendum, the Nation hereby notifies the Investment Manager that the following issuers are in litigation with the Nation or are issuers with which the Nation has a significant contractual dispute:

1. None

The Nation reserves the right to update the above list from time to time by written notice from the Nation to the Investment Manager.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT D(7)

RETIREMENT PLAN

NAVAJO NATION NOTICE TO JENNISON REGARDING NAVAJO NATION CONTACTS

Exhibit D(7)
to BFC Resolution

Jennison Associates LLC
466 Lexington Avenue
New York, New York 10017
Attention: Kenneth Moore, Executive Vice President
and Chief Operating Officer

Reference is hereby made to (a) the Amended and Restated Addendum to Investment Management Agreement, dated as of _____, 2019 (as amended from time to time, the "Addendum"), between the Navajo Nation (the "Nation") and Jennison Associates LLC (the "Investment Manager") and (b) the Investment Management Agreement, dated as of April 1, 2015 (as amended from time to time, the "IMA"), between the Nation and the Investment Manager, in each case relating to the account of the Nation entitled "The Navajo Nation Retirement Plan." Capitalized terms used herein and not otherwise defined shall have the meaning set forth in the Addendum.

Pursuant to Section 1(i) of the Addendum and for purposes of Sections 10 and 16 of the IMA, the Nation hereby notifies the Investment Manager that all reports, notices and other communications provided to the Nation under the Addendum and the Contracts shall be delivered in hard copy and electronically via e-mail to the following persons:

E-mail addresses:

Controller:

Pearline Kirk: pkirk@nnooc.org

Investment Section:

Brent Wauneka: btwauneka@nnooc.org
Shervonna Begay: Sherbegay@nnooc.org

Mailing address:

Office of the Controller
Investments – Section
PO Box 3150
Window Rock, AZ 86515

Physical address:

Office of the Controller
Admin. Bldg. 1
2559 Tribal Hill Dr.
Window Rock, AZ 86515-3150

The Nation reserves the right to update the above list from time to time by written notice from the Nation to the Investment Manager.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT D(8)

RETIREMENT PLAN

FORM ADV RECEIPT ACKNOWLEDGEMENT

Exhibit D(8)
to BFC Resolution

Form ADV Receipt Acknowledgement

Navajo Nation acknowledges that Jennison Associates LLC ("Jennison Associates") has provided it with a copy of its most recent Form ADV Parts 2A and 2B, in accordance with Rule 204-3 under the Investment Advisors Act of 1940, as amended. Navajo Nation consents to the annual delivery of Jennison Associates' Form ADV Part 2A and any disclosure documents or notices required by law by electronic means in accordance with applicable laws and regulations. The Form ADV Part 2A, required disclosure document or notice will be delivered as a PDF file unless Jennison Associates' electronic communication contains instructions on how to access such documents. Such documents shall be delivered to Navajo Nation pursuant to the contact list provided by the Navajo Nation to Jennison Associates which may be updated by the Navajo Nation from time to time by written notice from the Navajo Nation to Jennison Associates.

This consent will remain effective until it is revoked by Navajo Nation in writing. Notwithstanding this consent, Jennison Associates will provide a paper copy of the Form ADV Part 2A, disclosure document or notice at no cost upon Navajo Nation's request.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

EXHIBIT D(9)

RETIREMENT PLAN

CLIENT LIST

AUTHORIZATION

Exhibit D(9)
to BFC Resolution

Client List Authorization

The undersigned ("Client") hereby confirms that Jennison Associates LLC is (please select):

☐ authorized to list the Client's name on its client lists. Please indicate on the line below how the Client's name that should appear on Jennison's client list. If the line below is left blank, Jennison will use the Client's name as it appears on the Client's Agreement.

_X not authorized to list the client on its client lists.

NAVAJO NATION (listed in the Federal Register as
Navajo Nation, Arizona, New Mexico & Utah)

By: _____
Jonathan Nez, President

Date: _____

Client Name as it should appear on the Client List:

_____

Document No. 013614 Date Issued:

EXHIBIT
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EXECUTIVE OFFICIAL REVIEW

Title of Document: Jennison BFC Resolution Contact Name: WAUNEKA, BRENT TREVOR

Program/Division: OFFICE OF THE CONTROLLER

Email: btwauneka@nnooc.org Phone Number: 928-871-6023

			Sufficient	Insufficient
☐ **Business Site Lease**				
1. Division:		Date:	☐	☐
2. Office of the Controller:		Date:	☐	☐
(only if Procurement Clearance is not issued within 30 days of the initiation of the E.O. review)				
3. Office of the Attorney General:		Date:	☐	☐
☐ **Business and Industrial Development Financing, Veteran Loans, (i.e. Loan, Loan Guarantee and Investment) or Delegation of Approving and/or Management Authority of Leasing transactions**				
1. Division:		Date:	☐	☐
2. Office of the Attorney General:		Date:	☐	☐
☐ **Fund Management Plan, Expenditure Plans, Carry Over Requests, Budget Modifications**				
1. Office of Management and Budget:		Date:	☐	☐
2. Office of the Controller:		Date:	☐	☐
3. Office of the Attorney General:		Date:	☐	☐
☐ **Navajo Housing Authority Request for Release of Funds**				
1. NNEPA:		Date:	☐	☐
2. Office of the Attorney General:		Date:	☐	☐
☐ **Lease Purchase Agreements**				
1. Office of the Controller: (recommendation only)		Date:	☐	☐
2. Office of the Attorney General:		Date:	☐	☐
☐ **Grant Applications**				
1. Office of Management and Budget:		Date:	☐	☐
2. Office of the Controller:		Date:	☐	☐
3. Office of the Attorney General:		Date:	☐	☐
☒ **Five Management Plan of the Local Governance Act, Delegation of an Approving Authority from a Standing Committee, Local Ordinances (Local Government Units), or Plans of Operation/Division Policies Requiring Committee Approval**				
1. Division: OOC	[signature]	Date: 10/18/19	☒	☐
2. Office of the Attorney General:	Jana C Werner	Date: 10-21-19	☒	☐
☐ **Relinquishment of Navajo Membership**				
1. Land Department:		Date:	☐	☐
2. Elections:		Date:	☐	☐
3. Office of the Attorney General:		Date:	☐	☐

Pursuant to 2 N.N.C. § 164 and Executive Order Number 07-2013

NAVAJO NATION DEPARTMENT OF JUSTICE

☐ RESUBMITTAL

DOCUMENT REVIEW REQUEST FORM

RECEIVED
OCT 18 2019
DEPARTMENT OF JUSTICE
RECEPTIONIST DESK

DOJ
10/18/19 @ 3:44pm
DATE / TIME
☐ 7 Day Deadline
DOC #: 013614
SAS #:
UNIT: TFU

*** FOR NNDOJ USE ONLY - DO NOT CHANGE OR REVISE FORM. VARIATIONS OF THIS FORM WILL NOT BE ACCEPTED. ***

CLIENT TO COMPLETE

DATE OF REQUEST:	10/18/2019	DIVISION:	OF FINANCE
CONTACT NAME:	Brent Wauneka	DEPARTMENT:	OCC - Investment
PHONE NUMBER:	6023	E-MAIL:	btwauneka@nnooc.org

TITLE OF DOCUMENT: *Jennison BFC Resolution*

DOJ SECRETARY TO COMPLETE

DATE/TIME IN UNIT: OCT 18 2019 4:39pm REVIEWING ATTORNEY/ADVOCATE: Jana Werner

DATE TIME OUT OF UNIT:

DOJ ATTORNEY / ADVOCATE COMMENTS

LEGALLY SUFFICIENT. The attached draft BFC Legislation and Exhibits (recommended by NNICN-08-18) to approve Jennison as IM Manager for MT and the IMAs for the MT & RP are Legally Sufficient. See attached 10/21/19 Memo from J.Werner to P.Kirk. DOJ will email Word & PDF versions to Mr. Wauneka and he will send them to the Sponsor and OLC

REVIEWED BY: (*Print*)	Date / Time	SURNAMED BY: (*Print*)	Date / Time
Jana C Werner	10-21-19 1:30pm	Jana C Werner	10-21-19 1:30 pm

DOJ Secretary Called Brent Wauneka for Document Pick Up on 10-21-19 at 2:33pm By: CK

PICKED UP BY: (*Print*) DATE / TIME:

NNDOJ/DRRF-July 2013

RECEIVED
OCT 18 2019
TAX & FINANCE UNIT

SCANNED
4:46pm

NAVAJO NATION DEPARTMENT OF JUSTICE
OFFICE OF THE ATTORNEY GENERAL

DOREEN N. MCPAUL
Attorney General

KIMBERLY A. DUTCHER
Acting Deputy Attorney General

MEMORANDUM

TO: Pearline Kirk, Controller, The Navajo Nation
Brent Wauneka, Investment Section, Office of the Controller

FROM: Jana C. Werner
Jana C. Werner, Assistant Attorney General
Tax & Finance Unit

DATE: October 21, 2019

SUBJECT: **EOR #13614: BFC Legislation Approving Jennison as Investment Manager for the Master Trust; and Approving the Investment Management Agreements for the Master Trust and the Retirement Plan, as Recommended by Investment Committee Resolution NNICN-08-18**

The OOC Investment Section submitted to DOJ the EOR #13614 to review the draft Budget and Finance Committee Legislation to approve Jennison as an Investment Manager for the Master Trust, and to approve the Investment Management Agreements for the Master Trust and the Retirement Plan, as recommended by Investment Committee Resolution NNICN-08-18. The attached documents are LEGALLY SUFFICIENT.

DOJ drafted the proposed BFC Legislation, *Approving as Recommended by the Navajo Nation Investment Committee, the Termination of Montag & Caldwell, Inc. and the Selection of Jennison Associates LLC as the Domestic Large Capitalization Growth Equity Investment Manager for the Navajo Nation's Master Trust, the Investment Management Agreement and Related Documents Between The Navajo Nation and Jennison Associates LLC for the Navajo Nation's Master Trust and the Amended and Restated Addendum to Investment Management Agreement and Related Documents for the Navajo Nation's Retirement Plan*; and prepared the Exhibits to the Legislation.

The attached documents for the BFC Legislation are LEGALLY SUFFICIENT:

- BFC Legislation Jennison {DOJ FINAL 10-17-19}
- Ex A - BFC Legislation Jennison (BFMA-04-15)
- Ex B - BFC Legislation Jennison (NNICN-08-18)
- Ex C - BFC Legislation Jennison (Master Trust Agreements)
- Ex D - BFC Legislation Jennison (Retirement Plan Agreements)

DOJ will email the approved BFC Legislation and Exhibits to Mr. Wauneka so that he may transmit them to the sponsor of the legislation and to the Office of Legislative Counsel.

JCW/ck-153

24th NAVAJO NATION COUNCIL

First Year 2019

Mr. Speaker:

The **BUDGET & FINANCE COMMITTEE** to whom has been assigned

NAVAJO LEGISLATIVE BILL # 0335-19:

An Action Relating to the Budget and Finance Committee; Approving as Recommended by the Navajo Nation Investment Committee, the Termination of Montag & Cadwell, Inc. and the Selection of Jennison Associates LLC as the Domestic Large Capitalization Growth Equity Investment Manager for the Navajo Nation's Master Trust, the Investment Management Agreement and Related Documents between the Navajo Nation and Jennison Associates LLC for the Navajo Nation's Master Trust and the Amended and Restated Addendum to Investment management Agreement and Related Documents Between the Navajo Nation and Jennison Associates LLC for the Navajo Nation Retirement Plan *Sponsored by Jamie Henio and Daniel E. Tso, Council Delegates*

has had it under consideration and reports the same with the recommendation that It **Do Pass** without amendment.

Respectfully submitted,

Raymond Smith, Jr., Vice Chairman

Adopted: _____ Not Adopted: _____
Legislative Advisor Legislative Advisor

25 November 2019

The vote was **4** in favor **0** opposed *yeas: Jamie Henio, Jimmy Yellowhair, Elmer P. Begay, Amber K. Crotty*
Main Motion: Jimmy Yellowhair
Second: Elmer P. Begay

BUDGET AND FINANCE COMMITTEE

25 November 2019

Special Meeting

VOTE TALLY SHEET:

Legislation No. 0335-19:

An Action Relating to the Budget and Finance Committee; Approving as Recommended by the Navajo Nation Investment Committee, the Termination of Montag & Cadwell, Inc. and the Selection of Jennison Associates LLC as the Domestic Large Capitalization Growth Equity Investment Manager for the Navajo Nation's Master Trust, the Investment Management Agreement and Related Documents between the Navajo Nation and Jennison Associates LLC for the Navajo Nation's Master Trust and the Amended and Restated Addendum to Investment management Agreement and Related Documents Between the Navajo Nation and Jennison Associates LLC for the Navajo Nation Retirement Plan *Sponsored by Jamie Henio and Daniel E. Tso, Council Delegate*

Motion: Jimmy Yellowhair

Second: Elmer P. Begay

Vote: 4-0, Vice Chairman not voting

Vote Tally:

Jamie Henio	**yea**	
Jimmy Yellowhair	**yea**	
Raymond Smith Jr.		
Elmer P. Begay	**yea**	
Amber K. Crotty	**yea**	
Nathaniel Brown		

Absent: Nathaniel Brown

Raymond Smith, Jr., Vice Chairman
Budget & Finance Committee

Peggy Nakai, Legislative Advisor
Budget & Finance Committee