



CHAMBER PENSION PLAN

LIFECYCLE FUNDS

OBJECTIVE

These funds seek to provide a diversified investment strategy based on the target retirement date of Plan members. Funds that are targeting retirement at a later date will have a higher equity allocation in an effort to maximize capital appreciation. Conversely, funds that are targeting retirement at an earlier date will have a lower equity allocation and a higher exposure to fixed income in an effort to minimize the risk of capital loss. Each fund will be rebalanced on a quarterly basis in order to maintain the target asset allocation.

PORTFOLIO MANAGERS

BLACKROCK

Global equity manager (index fund). This strategy seeks capital appreciation over the long-term tracking the performance of the Morgan Stanley Capital International World Free Index, market-capitalization-weighted index of common stocks of companies in developed countries.

INCOME RESEARCH + MANAGEMENT

Fixed income manager. This strategy seeks to provide a high level of interest income while limiting principal loss through bottom-up, value-oriented security selection.

EFG

Fixed income manager. This strategy seeks to provide positive absolute returns while limiting principal loss by utilizing a top-down investment approach.

LIFECYCLE FUND EXPENSES¹

The expense ratio for each of the Lifecycle

Chamber Income Conservative	N/A	Chamber 2040	1.07%
Chamber Income Growth	0.98%	Chamber 2050	1.07%
Chamber 2030	1.03%	Chamber 2060	1.23%

TOP TEN HOLDINGS - AS OF 30 JUNE 2018

EQUITY		FIXED INCOME ²	
NAME	% OF PORTFOLIO	NAME	% OF PORTFOLIO
APPLE	2.4	US TREASURY	19.4
MICROSOFT CORPORATION	1.8	SBAP	6.7
AMAZON.COM INC	1.8	MORGAN STANLEY	2.9
ALPHABET INC	1.7	JPMORGAN CHASE & CO	2.1
FACEBOOK INC	1.2	GOLDMAN SACHS	2.0
JPMORGAN CHASE & CO	0.9	HSBC HOLDINGS PLC	1.6
EXXON MOBIL CORP	0.9	MACQUIRE GROUP LTD	1.6
JOHNSON & JOHNSON	0.8	AMERICAN INTL GROUP	1.4
ROYAL DUTCH SHELL	0.7	ISHARES USD TIPS	1.2
BANK OF AMERICA CORP	0.7	BANK OF NOVA SCOTIA	1.2
TOTAL	12.8	TOTAL	40.0

¹ As of June 30 2017. Please refer to the Plan's audited financial statements for more information on the associated expenses incurred by the Plan.
² Top 10 holdings were calculated using the weighted average of the IR+M and EFG portfolios. Fixed income managers may invest in non-US securities.
³ May 2018 was the first month of performance for the Income Conservative Fund.

JUNE 2018 FUND FACT SHEET

PLEASE REMEMBER TO VISIT OUR WEBSITE
WWW.CHAMBERPENSION.KY

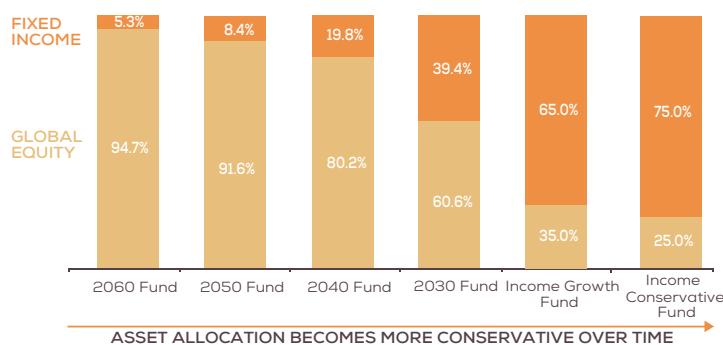
PERFORMANCE SUMMARY - AS OF 30 JUNE 2018

	ANNUALIZED					
	3 MONTHS	YTD	1 YR	2 YR	3 YR	5 YR
Net of All Plan Expenses						
INCOME CONSERVATIVE FUND³	N/A	N/A	N/A	N/A	N/A	N/A
INCOME GROWTH FUND	0.41%	-0.88%	2.75%	3.31%	2.23%	2.96%
2030 FUND	0.87%	-0.42%	5.91%	6.69%	3.54%	5.03%
2040 FUND	1.20%	-0.16%	8.01%	8.99%	4.47%	6.20%
2050 FUND	1.39%	-0.02%	9.15%	10.30%	4.84%	6.79%
2060 FUND⁴	0.87%	0.20%	10.33%	11.68%	N/A	N/A

TOTAL PLAN AND INDIVIDUAL MANAGER PERFORMANCE - AS OF 30 JUNE 2018

	ANNUALIZED				
	3 MONTHS	YTD	1 YR	3 YR	5 YR
Net of investment manager fees					
TOTAL PLAN	12%	-0.1%	7.5%	4.7%	6.3%
TOTAL PLAN INDEX	1.3%	0.1%	6.8%	5.3%	6.4%
TOTAL EQUITY	1.7%	0.4%	12.7%	7.1%	9.5%
TOTAL EQUITY INDEX	1.7%	0.4%	11.1%	8.5%	9.9%
BlackRock ⁵	1.7%	0.4%	--	--	--
MSCI World	1.7%	0.4%	--	--	--
TOTAL FIXED INCOME	-0.1%	-1.3%	-0.4%	1.3%	1.6%
TOTAL FIXED INCOME INDEX	0.0%	-0.8%	0.2%	1.3%	1.5%
IR+M	-0.3%	-1.9%	-0.6%	1.9%	2.5%
Bloomberg Barclays US Gov/Credit	-0.3%	-1.9%	-0.6%	1.8%	2.3%
EFG	0.2%	-0.2%	0.9%	2.0%	1.9%
3 Month US Tbill + 100 bps	0.7%	1.3%	2.4%	1.7%	1.4%
Bloomberg Barclays US Intermediate Credit	-0.1%	-1.4%	-0.4%	2.0%	2.5%

LIFECYCLE TARGET ALLOCATIONS - AS OF 1 MAY 2018



EQUITY CHARACTERISTICS⁶ & FIXED INCOME CHARACTERISTICS

EQUITY		FIXED INCOME	
# OF STOCKS	1644	# OF BOND ISSUES	108
WEIGHTED MARKET CAP AVG	149.1	AVG. CREDIT QUALITY	AA-
PRICE TO EARNINGS RATIO (X)	19.0	YIELD-TO-MATURITY (%)	3.4
DIVIDEND YIELD (%)	2.3	AVG. MODIFIED ADJ. DUR. (YRS)	6.3
US STOCKS (%)	60.5	US GOV'T/AGENCY BONDS (%)	41.9
NON-US STOCKS (%)	39.2	CORPORATE BONDS (%)	53.6
CASH & EQUIVALENTS (%)	0.3	CASH & EQUIVALENTS (%)	0.2
OTHER (%)	0.0	OTHER (%) ⁷	4.3

Portfolio characteristics may change without notice.

⁴ March 2016 was the first month of performance for the 2060 Fund.
⁵ January 2018 was the first month of performance for the BlackRock Fund.
⁶ Equity characteristics of the BlackRock portfolio.
⁷ Includes Supranational, Sovereign, and Municipal securities.



CHAMBER PENSION PLAN

The Chamber Pension Plan offers six Lifecycle Funds to meet your retirement needs. Each Fund is designed to be a comprehensive investment solution for individual investors who will need their retirement savings in a certain year (or target year). Once your Pension Plan contributions start flowing into a Lifecycle Fund specific to your age at the time of enrollment, your contributions continue to go into that fund until you retire (or elect to transfer your assets, if eligible). The investment mix of each fund is automatically adjusted over time, without requiring any transfers or transactions on your unit balance, to reflect your investment time horizon – that is, the number of years remaining before you're likely to need your retirement income.

LIFECYCLE FUNDS ARE DIFFERENT THAN OTHER TRADITIONAL INVESTMENT OFFERINGS IN TWO WAYS:

- 1 Each Lifecycle Fund sets an appropriate asset allocation based on the target year of the Fund and invests in a mix of asset classes such as stocks and bonds. The Fund automatically rebalances the asset mix to maintain the asset allocation targets.
- 2 Over time, a Lifecycle Fund gradually adjusts the mix of asset classes to become more conservative as you approach the year in which you expect to need your retirement assets.

WHAT DOES THE NUMBER MEAN IN THE NAME OF EACH LIFECYCLE FUND?

The number represents the approximate year when you expect to retire. As you get closer to this year, the Fund is gradually shifted toward a less risky investment mix. This shift is designed to reduce fluctuations in the value of your investment as the time that you will need your money approaches. There are four numbered Funds – Chamber 2030, Chamber 2040, Chamber 2050, and Chamber 2060. Two Funds – Income Conservative and Income Growth – do not include a number in their names because they are designed for those approaching retirement and those choosing our most conservative investment option. The investment mix of the Income Conservative Fund is maintained at 75% fixed income and 25% equity while the Income Growth Fund is maintained at 65% fixed income and 35% equity.

CAN I SELECT A LIFECYCLE FUND THAT IS MORE CONSERVATIVE THAN THE ONE THAT IS BASED ON MY TARGET YEAR?

Should you wish to change your asset allocation to a more conservative Lifecycle Fund, you may do so by completing a Change of Member Information Form. The form may be found at www.chamberpension.ky or you may request the form via email at admin@pensions.ky or in person at Chamber Pension Plan, 90 North Church Street, Strathvale House 2nd Floor, George Town.

WHAT ARE MY INVESTMENT OPTIONS IF I'M MAKING ADDITIONAL VOLUNTARY CONTRIBUTIONS (AVC'S)?

If you want to take less risk than the asset allocation suggested for your target year, you could allocate your Additional Voluntary Contributions (AVCs) to a more conservative lifecycle fund. You also have the option to invest your AVCs in a more aggressive portfolio if you are willing to take more risk. With AVCs, you contribute as much – or as little – as you like. There's no maximum and no minimum. Plus, you can save a different amount each month if you want, based on what you can afford. You decide how to invest your AVCs. Choose from one of the Chamber's six Lifecycle Funds, all run by world-class investment managers. Simply ask your employer to make an additional deduction through your payroll and submit at the same time specifying the fund of your choice.

WHAT ARE MY INVESTMENT OPTIONS WITH MY MANDATORY CONTRIBUTIONS?

At any time, you can make a one-time election to change to a more conservative Lifecycle Fund.

DESCRIPTION OF FUND CHARACTERISTICS:

WEIGHTED MARKET CAP AVG (\$BN) :	The average market capitalization of an aggregate portfolio of stocks weighted by the proportion of each stock to the total portfolio.
PRICE TO EARNINGS RATIO (X) :	The current price of a stock divided by its earnings per share.
DIVIDEND YIELD (%) :	The current dividend per share of a stock divided by its current price per share.
AVG. CREDIT QUALITY :	The average credit ratings of all the issues in a fixed income portfolio.
YIELD-TO-MATURITY (%) :	The internal rate of return of a bond portfolio bought at the current price and held to maturity.
AVG. MODIFIED ADJUSTED DURATION (YRS) :	A measure of a fixed income portfolio's price volatility relative to a change in the general level of interest rates, measured in years.

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WWW.CHAMBERPENSION.KY

