



INVESTMENT MANAGEMENT

MEMORANDUM

To: North Carolina Supplemental Retirement Board of Trustees

From: Loren de Mey, Assistant Investment Director

Date: August 2, 2018

Subject: Investment Guideline Compliance Reporting – 2nd Quarter of 2018

Divestment Policies

No prohibited holdings were held in the Supplemental Retirement Plans Group Trust during the calendar quarter.

Investment Guidelines

The guidelines for the NC TIPS Fund, managed by BlackRock Financial Management, Inc., were implemented by the custodian on June 5, 2018, and the portfolio is being monitored daily.

Due to the elimination of the NC Global Equity Fund from the Plans' investment lineup, the investment guidelines for the two managers in the fund (Wellington Management Company and Arrowstreet Capital) were removed from the custodial system and daily monitoring was discontinued.

The staff continues to monitor the reporting on a daily basis. No material issues occurred in the second quarter and all managers are in compliance with their investment guidelines.