



## Board Regular Meeting

Wednesday, November 19, 2025, 9:00 AM CST  
Teachers' Retirement System of Oklahoma  
301 NW 63rd Street, Suite 105, Oklahoma City

### Agenda

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1. Roll Call for Quorum  
Presented by Kelsey Ardies
2. Discussion and Possible Action to resolve into executive session pursuant to 25 O.S. Section 307(B)(4) for the purpose of confidential communications between a public body and its attorney concerning a pending or potential claim, investigation, or action where disclosure will seriously impair the ability of the public body to process the claim or conduct a pending or potential investigation, litigation, or proceeding in the public interest
  - a. Vote to Resolve into Executive Session
  - b. Vote to Return to Open SessionPresented by Kelsey Ardies
3. Discussion and Possible Action on Items Discussed in Executive Session  
Presented by Kelsey Ardies
4. Discussion and Possible Action on Approval of Minutes:
  - a. October 22 - 23, 2025, Board Special Meeting
  - b. October 24, 2025, Board Regular MeetingPresented by Kelsey Ardies

 Bd-4a_2025-Oct.22-23-BdSpecialMtg-Mins-TJPSG.pdf	1
 Bd-4b_Oct.24-2025-Bd-Reg-Mtg-Minutes-final-draft.pdf	9
5. Discussion and Possible Action on Committee Reports:

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  - 5.1. Investment Committee Report

- a. Investment Department Report
- b. Discussion and possible action regarding amendments to Investment Policy Statement
- c. Presentation by Blackstone on Multi-Asset Credit
- d. Presentation by KKR on Multi-Asset Credit
- e. Discussion and possible action to commit up to \$400m to Blackstone Multi-Asset Credit (BMAC) and up to \$400m to customized multi-asset credit fund-of-one managed by Blackstone
- f. Discussion and possible action to commit up \$500m to KKR Global Credit Opportunities Fund (GCOF)
- g. Discussion and possible action on CY 2026 private markets pacing studies:
  - i. Private Equity
  - ii. Private Credit
  - iii. Real Assets
- h. Discussion and possible action on invitation to bid for private market asset class: Real Assets
- i. Discussion and possible action on issuance of request for proposal for Investment Consulting Services
- j. Discussion and possible action on amendment to investment management agreement with Geneva Capital Management LLC
- k. Presentation of Performance Report for Quarter ending September 30, 2025

Presented by Charles Walworth

 Bd-5.1.a_2025-Nov-Investment-Dept-Rpt.pdf	15
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 Bd-5.1.c_BX-TRS-Multi-Asset-Credit-Partnership-Board-Nov2025vF.pdf	47
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 Bd-5.1.f_2025_11_TRSO-PE-PD-Pacing_final.pdf	95
 Bd-5.1.g_TRSOK-Annual-Planning-2026.pdf	102
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## 5.2. Audit Committee

Presented by Marla Tharp

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5.3. Governance Committee

Presented by Michael Kellogg

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6. Discussion and Possible Action to Resolve into Executive Session Pursuant to 25 O.S. Section 307(B)(1) for the Purpose of Discussing the Employment, Evaluation, Compensation, Hiring, Appointment, Promotion, Demotion, Disciplining, Termination or Resignation of the General Counsel
  - a. Vote to Resolve into Executive Session
  - b. Vote to Return to Open Session

Presented by Kelsey Ardies

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7. Discussion and Possible Action on Items Discussed in Executive Session

Presented by Kelsey Ardies

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8. Discussion and Possible Action to Resolve into Executive Session Pursuant to 25 O.S. Section 307(B)(1) for the Purpose of Discussing the Employment, Evaluation, Compensation, Hiring, Appointment, Promotion, Demotion, Disciplining, Termination or Resignation of the Executive Director
  - a. Vote to Resolve into Executive Session
  - b. Vote to Return to Open Session

Presented by Kelsey Ardies

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9. Discussion and Possible Action on Items Discussed in Executive Session

Presented by Kelsey Ardies

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10. Discussion and Possible Action on Approval of Strategic Plan for FY26-FY30

Presented by Sarah Green

 Bd-10\_Strategic-Plan-FY26-FY30.pdf

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11. Discussion and Possible Action on Recommendation to Adopt Drafts of Proposed Administrative Rules for the Purpose of Submission to the Governor and for Public Comment: 715:1-1-5 [amended]; 715:10-1-5 [amended]; 715:10-1-6 [amended]; 715:10-3-1 [amended]; 715:10-3-2 [amended]; 715:10-3-3 [amended]; 715:10-3-4 [amended]; 715:10-5-10 [amended]; 715:10-5-30; [amended]; 715:10-5-36 [amended]; 715:10-7-2

[amended]; 715:10-9-3 [amended]; 715:10-9-6 [amended]; 715:10-9-7 [amended]; 715:10-13-2 [amended]; 715:10-13-3 [amended]; 715:10-13-8 [amended]; 715:10-13-10 [amended]; 715:10-13-11 [amended]; 715:10-13-13 [amended]; 715:10-13-15 [amended]; 715:10-15-1 [revoked]; 715:10-15-2 [amended]; 715:10-15-10 [amended]; 715:10-15-10.1 [amended]; 715:10-15-10.2 [amended]; 715:10-15-11.1 [amended]; 715:10-17-5 [amended]; 715:10-17-13 [amended]; 715:10-17-15 [revoked]; 715:10-23-1 [amended]; 715:10-23-2 [amended]; 715:10-23-3 [revoked]; 715:10-23-4 [amended]; 715:10-23-5 [amended]; 715:10-23-6 [amended]

Presented by Terri Phillips

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 Bd-11.c_2026-PermRules-Ch.1-11.14.2025.pdf	230
 Bd-11.d_2026-Perm-Rules-Ch.10-11.18.25.pdf	231
 Bd-11.e_RIS-Ch10-2026-publication-version-11.17.25.pdf	245

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12. Discussion and Possible Action to Renew CY 2026 Tax Guarantor Agreement with KPMG (Taiwan)

Presented by Terri Phillips

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13. Discussion and Possible Action on Agency Reports

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13.1. Human Resources

Presented by Keri Gomez

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13.2. Chief Operating Officer

Presented by Dessa Herl

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13.3. General Counsel

Presented by Terri Phillips

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**13.4. Executive Director**

Presented by Sarah Green

 Bd-13.4\_E.D.Report-Nov-2025.pptx

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**14. Questions and Comments from Trustees**

Presented by Kelsey Ardies

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**15. New Business (Any matter not known about or which could not have been reasonably foreseen prior to the time of posting. 25 O.S. Section 311(A)(10))**

Presented by Kelsey Ardies

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**16. Adjournment**

Presented by Kelsey Ardies

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Next meeting: Board Regular Meeting, January 28, 2026

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**MINUTES**  
**OCTOBER 22 & 23, 2025**  
**BOARD OF TRUSTEES SPECIAL MEETING**  
**TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**

A Special meeting of the Board of Trustees of the Teachers' Retirement System of Oklahoma was called to order by Kelsey Ardies, Chair, at 2:30p.m. October 22, 2025. This meeting was held in Ballroom North of the Artesian Hotel, 1001 W. 1<sup>st</sup> Street, Sulphur, Oklahoma. The meeting notice and agenda were posted in accordance with 25 O.S. Section 311(A).

**TRUSTEES PRESENT:**

Kelsey Ardies, *Chair*  
Brandon Meyer, *Vice Chair*  
Polly Christian  
Shanci Garison  
Michael Kellogg  
Dr. Theodore Murray

Todd Russ  
Stephen Streeter  
Marla Tharp  
Chuck Thompson  
Charles Walworth  
Dr. Greg Winters

**TRUSTEES ABSENT:**

Vernon Florence  
Brandy Manek

**TRS STAFF PRESENT:**

Sarah Green, *Executive Director*  
Dessa Herl, *Chief Operating Officer*  
Terri Phillips, *General Counsel*  
Kirk Stebbins, *Chief Investment Officer*  
Joe Cappello, *Deputy Chief Investment Officer*  
Robert Ward, *Investment Analyst*

Lisa Van Liew, *Chief Financial Officer*  
Catherine Bartlett, *Deputy Chief Financial Officer*  
Keri Gomez, *Human Resources Director*  
Angela Berry, *Deputy General Counsel*  
Matthew Ashurst, *Director of Information Systems*  
Phyllis Bennett, *Executive Assistant*

**OTHERS PRESENT:**

Bob Perez, *Foster Garvey PC*  
Matt Maynard, *Foster Garvey PC*  
Andy Ferguson, *State Treasurer's Office*  
Scott Cooprider, *Aon Investments*  
Rishi Delvadia, *Aon Investments*  
Eric Denneny, *Aon Investments*

\* Denotes late arrival or early departure

**ITEM 1 – ROLL CALL FOR QUORUM:** Chairwoman Ardies asked the recording secretary to call roll to determine if a quorum was present. Trustees responding as present were Ms. Ardies, Ms. Christian, Ms. Garison, Mr. Kellogg, Mr. Meyer, Dr. Murray, Mr. Russ, Mr. Streeter, Ms. Tharp, Mr. Thompson, Mr. Walworth, and Dr. Winters. As there were 11 voting Trustees present, a quorum was present.

**ITEM 2 – WELCOME, INTRODUCTION, SHARING OF EXPECTATIONS, PRESENTATIONS OF STRATEGIC INITIATIVES FROM FY21-FY25:** TRS Executive Director Sarah Green introduced TRS staff to the Board. She explained that the strategic plan is adopted every five years, with checkpoint two years into the plan, and she presented the list of strategic objectives that came out of the 2021 strategic planning retreat. She reviewed this retreat's purpose and outcomes, and the process and timeline to lead to key initiatives

to incorporate into a Strategic Plan for FY26-30 that will be presented and adopted at the November Board meeting.

**ITEM 3 – PRESENTATION AND DISCUSSION: BOARD SELF-ASSESSMENT RESULTS:** TRS

General Counsel Terri Phillips explained the Board self-assessment is done every other year ahead of the strategic planning retreat. It is a survey consisting of 24 questions the Board approved in its August meeting. She said the purpose of the self-assessment is to evaluate the Board's performance and operations, reveal areas that may need their attention, and to clarify expectations and demonstrate that this Board takes accountability seriously. She said 11 of 14 Trustees responded to the survey for a completion rate of 79% compared to 69% in 2023, and the overall Board rating was 4.7 out of 5. Ms. Phillips' slides listed some successes and key areas for improvement. In reply to a question from Mr. Meyer, Ms. Phillips said the question that discusses key stakeholders will now identify the key stakeholders.

**ITEM 4 – PRESENTATION AND DISCUSSION: FIDUCIARY DUTIES OF TRS TRUSTEES AND STAFF:**

Ms. Phillips introduced Bob Perez and Matt Maynard from Foster Garvey PC, who the Board has retained for external legal services. Mr. Perez spoke about the importance of fiduciary duties, how the Board understands and meets its obligations which leads to good governance. He said good Board governance builds trust with staff, plan members and the public which ensures TRS' longevity, operational sustainability and positions TRS to be nationally recognized. He spoke about the types of Board obligations and how they were derived by statutes or TRS policies. He also spoke about individual Board member obligations including meeting attendance, disclosures, education and training and ad hoc obligations. He explained how Board delegation intersects with staff obligations and committee obligations.

Mr. Maynard reviewed slides listing applicable fiduciary duties. He spent some time speaking about the duty of prudent care as it related to the Spence v. American Airlines case and proxy voting. He spoke about the duty of loyalty as it relates to ethical conduct, conflicts of interest, confidentiality and gift rules. He also explained duties related to investment policies, impartiality and being a co-Trustee. Mr. Maynard listed positive aspects of TRS' Board Policy.

There was discussion about charitable contributions, gifts, fraud and campaign contributions. Ms. Green closed out the session explaining the information TRS provided Foster Garvey to make their presentation relevant to TRS' Trustees.

*Chairwoman Ardies adjourned the Special Meeting at 3:54 p.m., Wednesday, October 22, 2025.*

*The Special Meeting reconvened at 9 a.m., Thursday, October 23, 2023.*

**TRUSTEES PRESENT:**

Kelsey Ardies, *Chair*  
Brandon Meyer, *Vice Chair*  
Brandy Manek, *Secretary*  
Polly Christian  
Shanci Garison  
Michael Kellogg  
Dr. Theodore Murray

Todd Russ  
Stephen Streeter  
Marla Tharp  
Chuck Thompson  
Charles Walworth  
Dr. Greg Winters  
  
Vernon Florence

**TRUSTEES ABSENT:**

**TRS STAFF PRESENT:**

Sarah Green, *Executive Director*  
Dessa Herl, *Chief Operating Officer*  
Terri Phillips, *General Counsel*  
Kirk Stebbins, *Chief Investment Officer*  
Joe Cappello, *Deputy Chief Investment Officer*  
Robert Ward, *Investment Analyst*  
Lisa Van Liew, *Chief Financial Officer*  
Catherine Bartlett, *Deputy Chief Financial Officer*  
Keri Gomez, *Human Resources Director*  
Angela Berry, *Deputy General Counsel*  
Matthew Ashurst, *Director of Information Systems*  
Phyllis Bennett, *Executive Assistant*

**OTHERS PRESENT:**

Ryan Boyle, *Northern Trust*  
Ken Mehlman, *KKR*  
Ari Barkan, *KKR*  
Eric Denneny, *Aon Investments*  
Katie Comstock, *Aon Investment*

Scott Cooprider, *Aon Investments*  
Rishi Delvadia, *Aon Investment*  
Joe Newton, *Gabriel Roeder Smith*  
Andy Ferguson, *State Treasurer's Office*

\* Denotes late arrival or early departure

**ITEM 5 – PRESENTATION ON ECONOMIC OUTLOOK BY CHIEF U.S. ECONOMIST RYAN**

**BOYLE, NORTHERN TRUST:** Mr. Boyle introduced himself and gave an overview of the economy over the past eight years when the United States experienced trade wars, the pandemic, stops and starts, shortages, inflation and volatility. He said the United States is now dealing with a larger trade war than in 2017, one involving many countries and products. He spoke about the U.S. trade deficit, adding that it is unavoidable for a wealthy nation when it is cheaper to produce things elsewhere, and noting that the United States exports services like entertainment, advertising, technology, financial services, travel and tourism, and higher education. He spoke at length about the impact of tariffs and who pays them. Mr. Boyle presented slides illustrating measurements of inflation, wages and the labor market. In reply to a question from TRS Chief Investment Officer Kirk Stebbins, Mr. Boyle shared his thoughts on how AI is affecting the U.S. labor market. He reviewed slides about the labor market; the monthly jobs report; the purpose and politicalization of the Federal Reserve; faith in U.S. markets; financial conditions and fiscal policy; and government debt. He spoke about the budget outlook and the “big, beautiful bill;” international market headlines; the aging of the workforce and productivity; AI and employment. He reviewed slides about the United Kingdom’s economy; Asian markets; United States/China trade; China’s economy; and growth in the U.S. Gross Domestic Product. In reply to a question from Mr. Thompson, there was a discussion about interest rates. In reply to a comment from Mr. Russ, there was discussion about the national debt.

**ITEM 6 – PRESENTATION ON THE INVESTOR’S GUIDE TO POLITICAL VOLATILITY BY KEN MEHLMAN, KKR:** TRS Deputy Chief Investment Officer Joe Cappello introduced Mr. Mehlman, a partner at KKR, one of TRS’ major investment partners. Mr. Mehlman shared information about his career in politics and spoke about gratitude and growth. Mr. Cappello asked Mr. Mehlman to share his thoughts and experiences related to politics and investing.

Mr. Mehlman spoke about the United States being in a period of big government and that decisions by the Fed are more important to what happens in markets; that the United States is in a period of geopolitical rivalry as barriers to people, capital, technology and data go down between countries; that the potential for tariffs, export controls, or outbound investment restrictions could impact who can buy an asset that you underlyingly invest in; and the supply chain impact on a manufacturing business. He explained the importance of public-private partnerships; the importance of having self-reliance in pharma and shipbuilding; and having a more secure supply chain and manufacturing base which he said private capital can do smartly while financing some of it. Mr. Mehlman also spoke about President Trump's economics; being in a world geopolitical competition where there is likely to be more tariffs and export controls; sectoral tariffs for aluminum, steel, autos, land, and pharma; understanding that not all trade deficits and trade surpluses are the same. He said one legislative priority is to pass permitting reform and that it could come later this year or next year. Regarding sustainability, Mr. Mehlman said he thinks sustainability issues ought to be a tool in the toolkit that a smart investor uses to maximize pecuniary returns because the investor's job is to maximize returns, period. He added that between 2015 – 2021, some people used sustainability to focus on a political agenda, which was a mistake because the fiduciary's job is to maximize returns, period; folks making announcements for virtue-signaling reasons were not consistent with their fiduciary duty. He spoke about George W. Bush's agenda; government getting more power with each new crisis; speech on some college campuses; and some political figures being angry instead of showing humility. In reply to a question from Ms. Green, Mr. Mehlman spoke about programs that help kids learn and support teachers. In reply to a question by Dr. Winters, Mr. Mehlman spoke about possible outcomes of next year's midterm elections and if it will affect the markets. In reply to a question by Mr. Streeter, Mr. Mehlman gave his thoughts on the United States taking an ownership position in Intel and that he worries about the United States-China relationship, and the United States' education system.

*A break was taken from 11:02 a.m. to 11:18 a.m.*

*Ms. Ardies left at 11:02 a.m.*

*Mr. Russ left at 11:02 a.m.*

*Mr. Walworth left at 11:02 a.m.*

**ITEM 7 – PRESENTATION AND DISCUSSION ON ORGANIZATION UPDATE (PART ONE) TO INCLUDE AGENCY OVERVIEW OF ADMINISTRATION, INVESTMENTS, OPERATIONS, AND INFORMATION TECHNOLOGY:** Ms. Green said that with the exception of a few, this Board hired her as agency director in 2021, and this could be the last retreat for political appointees or those who serve coterminous with the governor. She outlined the structure for Items 7 through 10 and reviewed slides including the TRS' Mission, Vision, Core Values, whom TRS serves, and a breakdown of benefits paid out. She reviewed the Strategic Objectives for FY21-FY25 and accomplishments made during that period. There was a discussion about dedicated revenue, TRS 80% funded status, and Cost of Living Adjustments. She reviewed slides illustrating TRS is lowest in administrative expenses for plans its size, and she spoke about her five-year goals for the agency.

*Mr. Russ returned at 11:23 a.m.*

*Mr. Walworth returned at 11:26 a.m.*

*Ms. Ardies returned at 11:38 a.m.*

TRS Chief Investment Officer Kirk Stebbins shared slides and explained the work done by consultants the Board's consultants, Aon and Meketa Investment Group. He reviewed slides reflecting investment department accomplishments and challenges in the FY21-FY25 period and noted plans to address those challenges. He also reviewed his department's saving and efficiencies during that period including saving \$145 Million in investment manager fees and contracting with Meketa for critical back-office administration and reporting of private market investments. He shared a list of investment department goals to achieve over the next five years.

TRS Chief Operating Officer Dessa Herl reviewed a slide illustrating the many departments that make up Operations. She spoke about FY21-FY25 accomplishments including how increasing staff from mid-30s to about 50 helped with morale and allowed for staff development; career progression plans; employee townhalls; an internal newsletter; and a staff social committee. She shared photos of in-house and off-site events involving staff. She presented a slide showing Communication & Education Outreach's many platforms, and a graph showing that educational presentations increased from four in 2021, to 77 in 2025. She reviewed slides showing that streamlining process has resulted in tremendous progress in workflow backlogs, Oklahoma State Treasurer's Unclaimed Property submissions, and Required Minimum Distributions. She reviewed challenges in the FY21-25 period and current and planned actions to address them. She also reviewed savings and efficiencies. Ms. Herl shared some details about Operation's goals for F26-FY30 include a comprehensive fraud prevention and detection program and implementation of integrated IT platforms to streamline and optimize business processes.

*A break was taken from 12:16 p.m. to 1:04 p.m.*

TRS Director of Information System Matt Ashurst reviewed a slide illustrating the organizational chart for TRS' Information Technology department and said he also used four contracted developers and a contracted business analyst. He said five years ago they were dependent on a third-party company for application development and support and now his team can manage and make changes to the system with little to no outside help allowing them to set goals for the agency and have better outcomes. He reviewed their accomplishments and challenges in FY21-F25 listing actions to address the challenges. He presented slides showing their savings by onboarding junior developers and details about their 5-year goals for FY26-FY30. Ms. Green spoke about how far TRS' IT has come.

**ITEM 8 – PRESENTATION AND DISCUSSION ON ORGANIZATION UPDATE (PART TWO) TO INCLUDE HUMAN RESOURCES, FINANCE AND LEGAL DEPARTMENTS:** TRS Human Resources Director Keri Gomez introduced herself and spoke about her background in HR with the State. She reviewed slides illustrating TRS' total compensation FY21 through FY25 and total compensation budgeted for FY26. She spoke about HR-related accomplishments FY21-FY25. She explained the one challenge in that time period is limited staff size for a pension plan TRS' size and she gave an example of like-size pension plan's staff count. She reviewed 5-year goals for FY26-FY30 and how to achieve them. She also spoke about Oklahoma's statute to "ensure state employees are compensated at least 90% of comparable private sector positions;" OMES Human Capital Management completing their job catalog for state employees which created job profiles that more accurately describe their work; and she reported that TRS had already begun updating employee job codes and is working with HCM to complete that project.

TRS Chief Financial Officer Lisa Van Liew presented a slide showing her Finance team of eight. She reviewed a slide showing the history of TRS' actual annual expenditures and budgets for FY21 through FY25 adding that TRS has been consistently under budget in this time frame. She reviewed Finance's accomplishments including being awarded the GFOA Certificate of Achievement for Excellence in Financial Reporting for 32 years running, and hiring a second CPA. She also gave examples of Finance's improved processes and operational

efficiencies. Ms. Van Liew reviewed a list of challenges and how they are being addressed, and she reviewed Finance's 5-year goals for FY26-FY30 and how they can achieve them.

TRS General Counsel Terri Phillips reviewed legal department staff and external counsel. She reviewed a list of the legal department's accomplishments for the FY21-FY25 period including developing and implementing a standardized recoupment process and streamlining legal review and processing of powers of attorney, probate waivers and independent contracts. She explained the legal department's challenges in FY21-FY25 and the current and planned actions to address them. She described the savings and efficiencies achieved in FY21-FY25 and she reviewed their 5-year goals for FY26-FY30 and reviewed processes to achieve those goals.

Ms. Green presented a recap of the TRS' 5-year goals for FY26-FY30 which included an Actuarially Sound Pension Plan Design; Workforce Excellence and Operational Efficiency; Portfolio Optimization and Strategic Investment Partnership Excellence; Digital Transformation and Operational Excellence; Enterprise Risk Management and Security Excellence, then she reviewed their respective performance metrics. There was discussion about creating and finalizing a FY26-FY30 strategic plan that will be approved in the November meeting.

**ITEM 9 – DISCUSSION ON TRS PLAN DESIGN FEATURES:** Ms. Green introduced TRS' Actuary Joe Newton of Gabriel Roeder Smith who will participate in this discussion. She gave an overview of the discussion and listed key elements of 401(a) public pension plan design, saying TRS meets most of them. She reviewed plan benefits, retirement eligibility, and the multiple ways the plan is funded. She reviewed slides illustrating median employee and employer contribution rates for those who participate in Social Security; the actuarially determined contribution rate in FY23 and how TRS compared to its peers; and the assumed rate of return, which for TRS at 7%. She reviewed a slide illustrating TRS' funded ratio has been increasing over the last 25 years while public pension peers' funded ratios are decreasing. She reviewed vesting in TRS; a peer plan design comparison; and a state plan comparison. Ms. Green presented the TRS Cost of Living Adjustments history from 1947 through 2020 saying TRS was never 100% funded. She reviewed pending COLA legislation from the 2025 session and shared information about South Dakota Retirement System's COLAs. There was discussion on COLAs. Ms. Green reviewed slides on other legislation proposed by Oklahoma legislators. There was discussion about HB2288 which would remove all post-retirement earnings limits after a 60-day break.

**ITEM 10 – DISCUSSION ON STRATEGIC INITIATIVES FOR FY26 – FY 30:** *Ms. Green discussed this in Item 8.*

*A break was taken from 3:10 p.m. to 3:20 p.m.*

*Ms. Manek left at 3:10 p.m.*

*Ms. Ardies left at 3:10 p.m.*

## **ITEM 11 – INVESTMENT COMMITTEE REPORT:**

- 1. Presentation of Investment Department Report:** Mr. Stebbins reported that the Investment Department completed work on Fixed Income restructuring; commitments with Brookfield Super-Core Infrastructure Partners and Blackstone Infrastructure Partners; investment due diligence on multi-asset credit and core real estate; consent to an extension to the Ares Pathfinder fund; and he and Mr. Cappello attended the NASIO conference. He reviewed the Asset Allocation and Performance reports as of October 13 and June 30, and he shared the Investment Committee's planning calendar for FY26.

**2. Presentation of Multi-Asset and Private Credit Structures:** Investment Consultant Scott Cooprider of Aon presented a report on their Multi-Asset Credit search. He said MAC is the best performing Fixed Income asset and reviewed the background leading up to the search which TRS' Board approved earlier this year. Investment Consultant Eric Denneny of Aon reviewed the timeline of the Multi-Asset Credit search process that resulted in 12 managers responding, and others considered through e-Vestment. Ultimately, Aon narrowed the search to two managers. He presented a slide showing potential MAC allocations for two managers and said the managers will present to the Board at the November meeting. In reply to a question by Mr. Russ, Mr. Denneny explained how Aon works with its staff and TRS staff on the search process. Mr. Cappello presented slides showing staff's perspective of the Multi-Asset Credit mandate search. He lauded Aon for their work with the search and explained the need to have a lot of the details pre-negotiated before the manager comes in. He presented a slide showing what TRS' MAC portfolio will include which will result in an improved risk-return profile and increased diversification. In reply to a question from Mr. Walworth, Mr. Cappello explained the process that led to 12 firms replying to the MAC invitation to bid. In reply to a question from Mr. Russ, Mr. Cappello spoke about the pace at which TRS will reach its proposed portfolio.

*Ms. Ardies returned at 3:41 p.m.*

**3. Presentation of FY 2025 Proxy Voting Summary and Analysis:** Mr. Cappello explained the definition of proxy voting and the process of proxy voting for TRS. He said TRS owns at least 6,000 unique securities through investment managers who use two firms to vote on what best aligns with TRS' Investment Policy Statement. He said TRS analyzes the votes to report to the Board. TRS Investment Analyst Robert Ward reviewed the processes of proxy voting on 50,335 ballots on behalf of TRS. He reviewed a slide illustrating a breakdown of management vs shareholder votes in FY25 which showed TRS voting in alignment with management recommendations on 88.8% of all proxy ballot items. Mr. Ward presented slides that broke down the ballots by domestic and international managers; the 2025 vote summary; and shareholder proposals broken down by environmental, social and governance categories. He noted that 1,234, or 2.5%, of the total proxies voted, were shareholder proposals. Of the 1,234 shareholder proposals, TRS voted in alignment with shareholders on 29.7% of shareholder ballot items. Mr. Meyer thanked Mr. Ward for the amount of detail put into these reports. Mr. Ward reviewed a slide listing manager voting policies and said TRS will continue to ensure that investment managers comply with TRS' investment policy statement and that they understand TRS is monitoring the votes. In reply to a request by Mr. Cappello, Mr. Ward pointed out TRS' IPS language on Page 216 of the board materials. Mr. Ward confirmed with Mr. Meyer that the Board adopted the proxy voting policy in November 2023. Mr. Russ said TRS' proxy voting policy is impressive and comprehensive. There was discussion on proxy voting practices.

**ITEM 12 – QUESTIONS AND COMMENTS FROM TRUSTEES:** There were none.

**ITEM 13 – ADJOURNMENT:** Chairwoman Ardies adjourned the meeting at 4:30 p.m. and announced where to meet for the bus for dinner.

Minutes transcribed by:

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Phyllis Bennett, *Executive Assistant*

On the 19th day of November 2025, the foregoing minutes were adopted by the TRS Board of Trustees:

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Kelsey Ardies, Chair

ATTEST:

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Brandy Manek, Secretary

**MINUTES**  
**OCTOBER 24, 2025**  
**BOARD OF TRUSTEES REGULAR MEETING**  
**TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**

A regular meeting of the Board of Trustees of the Teachers' Retirement System of Oklahoma was called to order by Kelsey Ardies, Chair, at 9 a.m. October 24, 2025. The meeting was held in the north ballroom at The Artesian Hotel, 1001 W 1<sup>st</sup> Street, Sulphur, Oklahoma. The meeting notice and agenda were posted in accordance with 25 O.S. Section 311(A) by posting in prominent view at the Artesian Hotel and by posting on the Teachers' Retirement System of Oklahoma's website.

**TRUSTEES PRESENT:**

Kelsey Ardies, <i>Chair</i>	Vernon Florence	Marla Tharp
Brandon Meyer, <i>Vice Chair</i>	Shanci Garison	Chuck Thompson*
Brandy Manek, <i>Secretary</i>	Theo Murray	Chuck Walworth
Polly Christian	Stephen Streeter	Greg Winters

**TRUSTEES ABSENT:**

Michael Kellogg  
Todd Russ

**TRS STAFF PRESENT:**

Sarah Green, *Executive Director*  
Dessa Herl, *Chief Operating Officer*  
Terri Phillips, *General Counsel*  
Kirk Stebbins, *Chief Investment Officer*  
Robert Ward, *Investment Analyst*  
Lisa Van Liew, *Chief Financial Officer*

Catherine Bartlett, *Deputy Chief Financial Officer*  
Keri Gomez, *Human Resources Director*  
Matt Ashurst, *Director of Information Systems*  
Angela Berry, *Deputy General Counsel*  
Phyllis Bennett, *Executive Assistant*

**OTHERS PRESENT:**

Joe Gil, *Meketa (via Zoom)*  
Matthew Perun, *Meketa (via Zoom)*  
Eric Denneny, *Aon Investments*  
Rishi Delvadia, *Aon Investments*  
Jack Dowd, *Aon Investments*  
Vanessa Dutton, *Eide Bailly*

Joe Newton, *Gabriel Roeder Smith*  
Cassie Rapoport, *Gabriel Roeder Smith*  
Katie Comstock, *Aon Investments*  
Scott Cooprider, *Aon Investments*  
Sabra Tucker, *OREA*  
Jennifer Gambrell, *OREA*

\* Denotes late arrival or early departure

**ITEM 1 - ROLL CALL FOR QUORUM:** Chairwoman Ardies asked the recording secretary to call roll to determine if a quorum was present. Trustees responding as present were Ms. Ardies, Ms. Christian, Mr. Florence, Ms. Garison, Ms. Manek, Mr. Meyer, Dr. Murray, Mr. Streeter, Ms. Tharp, Mr. Walworth and Dr. Winters. As there were 10 voting members in attendance, a quorum was present.

**ITEM 2 – DISCUSSION AND POSSIBLE ACTION ON APPROVAL OF MINUTES FROM AUGUST 27, 2025, BOARD REGULAR MEETING:** Following no requests for discussion or amendments by Trustees, Chairwoman Ardies asked Trustees to approve the minutes from the August 27, 2025, Board Regular Meeting.

A motion made by Dr. Winters with a second made by Dr. Murray to approve minutes of the August 27, 2025, Board Regular Meeting as presented carried by a majority voice vote. Trustees responding were Ms. Ardies,

Mr. Florence, Ms. Garison, Ms. Manek, Mr. Meyer, Dr. Murray, Mr. Streeter, Ms. Tharp, Mr. Walworth and Dr. Winters.

### **ITEM 3 – DISCUSSION AND POSSIBLE ACTION ON COMMITTEE REPORTS:**

**3.1 – Investment Committee:** Investment Committee Chair Chuck Walworth introduced the following items:

**a. Presentation on Private Market Fund Reviews and Investment Fee Verification:** Board consultants Joe Gil and Matt Perun of Meketa gave an overview of their operations and their services supporting TRS. They reported that cash flows processed in FY25 totaled \$493 Million, and reviewed their work reviewing investment managers' policies, calculations, processes and practices, and accuracy of supporting documents among other things. They spoke about the fund review process for the quarter ended March 31, 2025, and concluded they found no material deficiencies regarding management fee calculations, capital account and distribution waterfall calculation and expense allocation policies of the 36 funds reviewed. They presented slides showing a summary of fees charged by strategy, by manager, and private and public market fee comparison. In reply to a question from Mr. Walworth, Mr. Perun and Mr. Gil explained details about carried interest.

**b. Presentation on Public Market Investment Management Fee Review:** Investment Consultant Rishi Delvadia explained the importance of fee monitoring. He reviewed Aon's fee analysis showing TRS' annual fee savings of \$18.3 for U.S. Equity, International Equity and Fixed Income combined as of September 30, 2025. He shared slides breaking down savings by managers within those strategies.

*The next two paragraphs below were presented out of sequence:*

**a. (continued) Presentation on Private Market Fund Reviews and Investment Fee Verification:** Mr. Denneny reviewed TRS' private markets portfolio. He reminded Trustees that while the Real Estate and Private Equity portfolios are mature, the Private Debt allocation was recently released and will take time to build to the long-term policy target. He also noted future reports will include Infrastructure. He reviewed slides breaking down the Private Debt, Private Equity, and Real Estate portfolios which detailed their performance including in relation to peers, strategy diversification and geographic diversification as of March 31, 2025.

Investment Consultant Jack Dowd of Aon reviewed slides illustrating the current state of the U.S. Real Estate Market; market recovery of core diversified funds in recent quarters; and long-term return expectations. He also reviewed slides showing an analysis of several real estate investment themes; performance by TRS real estate partners as of March 31, 2025, which showed the TRS Private Real Estate Portfolio IRR of 5.2%; and performance vs. the benchmark. He noted that Aon was able to obtain for TRS a 65bps fee on the Ares Industrial Fund that TRS committed to earlier this year vs the typical 80 to 100 bps. He reviewed slides illustrating commitments to core vs non-core partnerships; property type diversification; and geographic diversification.

**c. Presentation of Monthly Performance Report:** Mr. Delvadia reviewed the capital market environment for September 2025, noting that U.S. equities performed well driven by the AI boom, strong corporate earnings, and the Fed cut of 25 bps in September. He presented the asset allocation compliance report and rebalancing policy noting that all were within TRS Investment Policy Statement parameters. He reviewed the performance report noting that TRS' fund was up 4.5% for

the quarter compared to 5.6% for the benchmark and said relative to its peers, TRS is in the 35<sup>th</sup> percentile for the third quarter.

**3.2 – Audit Committee:** The Audit Committee had no report.

*Mr. Streeter left at 10:18*

*Mr. Thompson arrived at 10:20 a.m.*

**3.3 – Governance Committee:**

**DISCUSSION AND POSSIBLE ACTION ON AMENDMENTS TO THE BOARD OF TRUSTEES POLICY MANUAL: CHAPTER 1 (LEGAL AUTHORITY), CHAPTER 2 (MISSION AND VISION STATEMENTS), CHAPTER 4 (BOARD GOVERNANCE), AND CHAPTER 6 (BOARD**

**ORGANIZATION AND ADMINISTRATION):** TRS General Counsel Terri Phillips reviewed all of the proposed amendments to the Board's policy manual and explained the need for the amendments. In reply to a question from Dr. Murray, Ms. Green explained the Core Values would be in the Strategic Plan submitted to Office of Management and Enterprise Services, but the Board decides if they go into the Board's policy manual.

A motion made by Ms. Tharp with a second made by Dr. Murray to approve the amendments to the Board of Trustees Policy Manual as presented carried by a unanimous voice vote. Trustees responding were Ms. Ardies, Mr. Florence, Ms. Garison, Ms. Manek, Mr. Meyer, Dr. Murray, Ms. Tharp, Mr. Thompson, Mr. Walworth and Dr. Winters.

**ITEM 4 – DISCUSSION AND POSSIBLE ACTION TO APPROVE AUDITED FINANCIAL**

**STATEMENTS FOR FY 2025:** External Auditor to the Board Vanessa Dutton of Eide Bailly reviewed her team's members, the scope of the audit, the deliverables, and audit report. She gave credit to TRS CFO Lisa Van Liew and her staff for their assistance with the financial statements. Ms. Dutton reported that Eide Bailly issued an unmodified opinion on the financial statement, which is the type of opinion that TRS wants. Also, there were no findings per Government Auditing Standards. She reported two modifications to the report that are informational and do not affect the opinion: The financial statements represent only TRS and not the financial position of the State of Oklahoma, and TRS' investments include alternative investments whose fair values are not readily available like stocks and bonds values. She said there were no audit adjustments. She reported on the recurring passed audit adjustments that relate to late contributions from school districts. That amount would have been \$7.8 Million for FY 2025, and it was \$19.4 Million FY 2024. Ms. Dutton said Ms. Van Liew told her that the large drop was due to TRS hiring an Employer Services Analyst to help employers speed up that process, and state credit billing was done far in advance of the end of the fiscal year end. Ms. Dutton said there were no Financial Statement Findings. She reviewed other required communications and said her firm also will look at employer allocation schedules which will be presented in February 2026. She thanked Ms. Van Liew, Ms. Green and Ms. Phillips for their assistance. Mr. Walworth said he appreciates Ms. Dutton emphasizing the matter with illiquid investments and he asked about her interactions with some of TRS service providers. She explained that they get audited financial statements from those firms, and they use a confirmation procedure.

*Mr. Streeter returned at 10:35 a.m.*

A motion made by Mr. Walworth with a second made by Mr. Meyer to approve the audited financial statements for FY 2025 as presented carried by a unanimous voice vote. Trustees responding were Ms. Ardies, Mr. Florence, Ms. Garison, Ms. Manek, Mr. Meyer, Dr. Murray, Mr. Streeter, Ms. Tharp, Mr. Thompson, Mr. Walworth and Dr. Winters.

**ITEM 5 – DISCUSSION AND POSSIBLE ACTION TO APPROVE THE ACTUARIAL VALUATION REPORT FOR FY 2025:** Mr. Newton reported that TRS's funded ratio is 80%; the unfunded actuarial accrued liability decreased from \$8.6 Billion in 2020 to \$6.1 Billion in 2025; the funding period decreased from 11 years in FY24 to 9 years in FY25; and TRS had a market return of 11% for FY2025. Actuary Cassie Rapoport of GRS reviewed valuations from FY23 – FY25; the history of the Unfunded Actuarial Accrued Liability since 2020; Market Value of Assets vs Actuarial Value of Assets from FY05 to FY25 to illustrate smoothing asset values; and changes from the FY24 valuation to the FY25. She presented slides showing an increase in TRS membership, and an approximate 4% increase in payroll over the period between FY15 and FY25. In reply to a question from Mr. Meyer, Ms. Rapoport said the payroll growth is due to an increase in active members and pay increases. Ms. Green added that federal Covid funds going to Oklahoma schools showed up last year in the System's experience data. Mr. Rapoport also reviewed a slide showing an increase in contributions to TRS. Mr. Newton reviewed a graph showing the eventual convergence of the assets and liabilities in 2034, noting that it depends on actual investment returns and all other assumptions being met. He presented a slide showing a history of the funded ratio including a discussion on the assumptions changing and a COLA being granted in FY20. In reply to a question from Mr. Meyer, Ms. Green said the assumption changes equate to \$1.3 Billion negative experience and the COLA was \$425 Million. Mr. Newton reviewed slides showing the historical and projected unfunded liability crediting the decrease to investment performance and higher revenues from taxes and membership growth. He said TRS remains in a strong actuarial position; the UAAL is expected to continue to decline; 80% funded is not a target, but a great milestone; and he recommended staying the course. In reply to a question from Mr. Walworth, Mr. Newton said the salary increase on which assumptions are based is around 3.25% to 4.25% per year. There was a discussion about assumptions with or without COLAs figured in, and the effect of COLAs on the funding period.

A motion made by Dr. Winters with a second made by Dr. Murray to approve the Actuarial Valuation Report for FY 2025 as presented carried by a unanimous voice vote. Trustees responding were Ms. Ardies, Mr. Florence, Ms. Garison, Ms. Manek, Mr. Meyer, Dr. Murray, Mr. Streeter, Ms. Tharp, Mr. Thompson, Mr. Walworth and Dr. Winters.

**ITEM 6 – DISCUSSION AND POSSIBLE ACTION ON PROPOSED BOARD REGULAR MEETINGS SCHEDULE FOR CY 2026:** Ms. Phillips presented proposed Board Regular Meeting schedule for Calendar Year 2026 and pointed out Trustees might consider moving the May meeting from the fourth Wednesday to the third Wednesday due to the Memorial Day holiday and end-of-year school events. She also presented the proposed 2026 Investment Committee meeting calendar for informational purposes only. There was discussion about moving the May 27 to May 20.

A motion made by Ms. Manek with a second made by Ms. Garison to adopt the CY 2026 Board Regular Meeting schedule with the May meeting being May 20 carried by a unanimous voice vote. Trustees responding were Ms. Ardies, Mr. Florence, Ms. Garison, Ms. Manek, Mr. Meyer, Dr. Murray, Mr. Streeter, Ms. Tharp, Mr. Thompson, Mr. Walworth and Dr. Winters.

**ITEM 7 – DISCUSSION AND POSSIBLE ACTION ON ELIGIBILITY OF AND NOTIFICATION TO A QUALIFYING STATEWIDE ORGANIZATION REPRESENTING RETIRED EDUCATORS REGARDING APPOINTMENT OF NON-VOTING TRUSTEE FOR CY 2026 PURSUANT TO 70 O.S. SECTION 17-106(2)(N) AND OAC 715:1-1-19:** Ms. Phillips explained this annual action item and presented documents qualifying RPOE to appoint a non-voting member to TRS' Board of Trustees for CY 2026.

A motion made by Mr. Florence with a second made by Dr. Murray to recertify RPOE as a statewide organization representing retired educators eligible to nominate the Calendar Year 2026 non-voting Trustee and to notify RPOE by November 1, 2025, of the Board's decision carried by a unanimous voice vote. Trustees

responding were Ms. Ardies, Mr. Florence, Ms. Garison, Ms. Manek, Mr. Meyer, Dr. Murray, Mr. Streeter, Ms. Tharp, Mr. Thompson, Mr. Walworth and Dr. Winters.

## **ITEM 8 – DISCUSSION AND POSSIBLE ACTION ON AGENCY REPORTS:**

1. Human Resources Director Keri Gomez reported there was one new hire, her position as Human Resources Director October 6; no resignations, terminations, or retirements; two promotions, a Financial Accountant to the Employer Service Analyst, and a Retirement Benefit Counselor to Assistant Member Services Manager. She added that there are two vacancies, Staff Attorney and a Financial Accountant.
2. Chief Financial Officer Lisa Van Liew reported there were seven delinquent Employer reports totaling \$37K from five employers. She presented the Comparison of Actual Expenditures FY 2026 and FY 2025 for the three months ended September 30, 2025, and explained any line item increases and decreases that appeared large and said expenditures were down overall -1.5%. She presented the year-to-date Comparison of FY 2026 Budget to Actual Expenses for three months ended September 30, 2025, and noted total expenses were down -83.5%. She presented the Claims for Authorized Expenditures for July, August, and September 2025, noting the large payment to Aon in September represented investment consultant services for October 2024 through June 2025.
3. TRS Chief Operating Officer Dessa Herl presented slides illustrating the number of retirements and terminated annuities from FY 2022 through September 2025. She shared a slide showing photographs of some staff at a retirement seminar in Owasso that was attended by over 200 people, and a slide showing upcoming retirement planning seminars. Ms. Herl reviewed a slide from October 15 showing stats on MyTRS 2.1 registration. She also gave an update on MyPAS, and other projects in progress. Mr. Meyer expressed his appreciation for all the work on these projects.
4. General Counsel Terri Phillips shared a slide listing projects the legal department worked on in September and October. She reminded Trustees of their \$25 waiver payment for the fiduciary liability insurance renewal. She reported that in November the Board will review and adopt 2026 permanent rules, some of which were left over from last year's rulemaking process. She said there will also be three executive sessions in November and possible grievance hearings in the future.
5. Executive Director Sarah Green shared a picture of the GFOA (Government Finance Officers Association) award for Outstanding Achievement in Popular Annual Financial Reporting. She presented a list of upcoming projects including her presentation at a retirement interim study October 29, and the Pension Commission November 13.

**ITEM 9 – QUESTIONS AND COMMENTS FROM TRUSTEES:** Ms. Ardies lauded staff for their hard work and dedication, especially when staff was lean.

**ITEM 10 – NEW BUSINESS** (Any matter not known about or which could not have been reasonably foreseen prior to the time of posting. 25 O.S., Section 311(A)(10)): There was none.

**ITEM 11 – ADJOURNMENT:** Chairwoman Ardies adjourned the meeting at 11:45 a.m.

Minutes transcribed by:

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Phyllis Bennett, TRS Executive Assistant

On the 19th day of November 2025, the foregoing minutes were adopted by the TRS Board of Trustees:

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Kelsey Ardies, Chair

ATTEST:

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Brandy Manek, Secretary



**OKLAHOMA**  
Teachers' Retirement System

# Investment Department Report

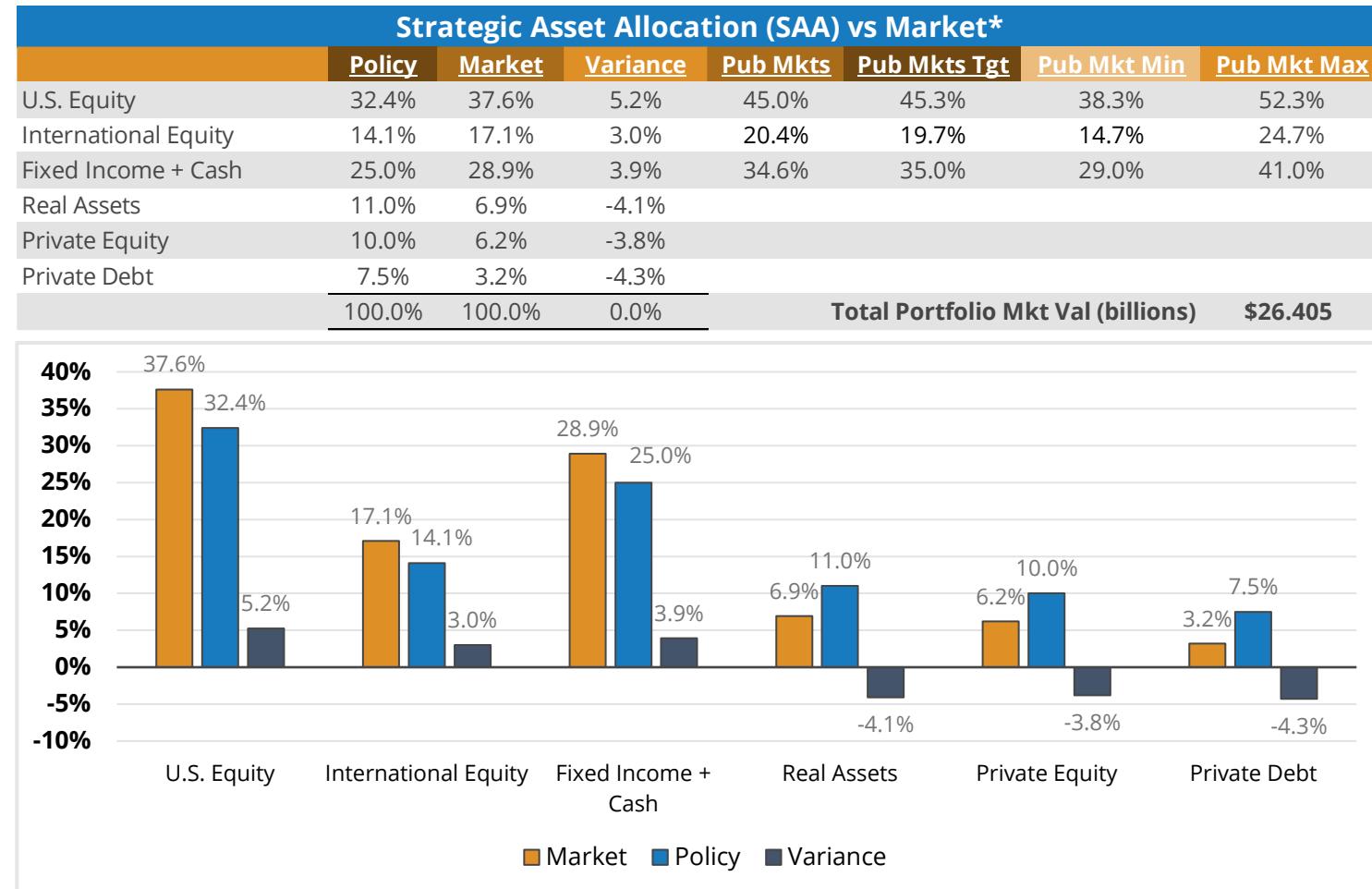
November 2025

# Investment Department Update

- Geneva fee amendment
- FCP Capital acquisition by Federated Hermes
- Oaktree consent
- BSIP consent / LPAC vote

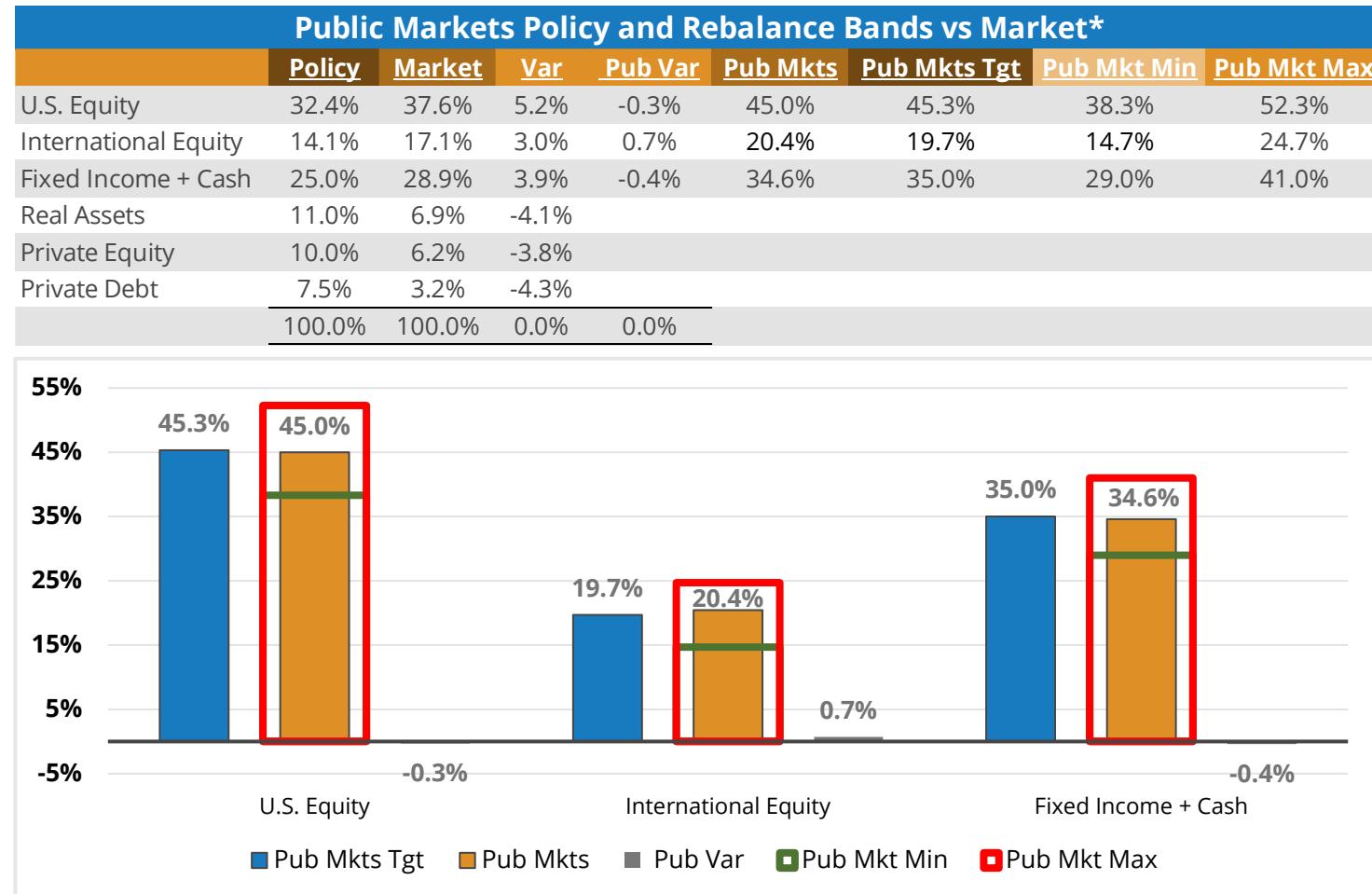
# Asset Allocation

As of November 12<sup>th</sup>, 2025



# Asset Allocation (Cont.)

As of November 12<sup>th</sup>, 2025



# Performance

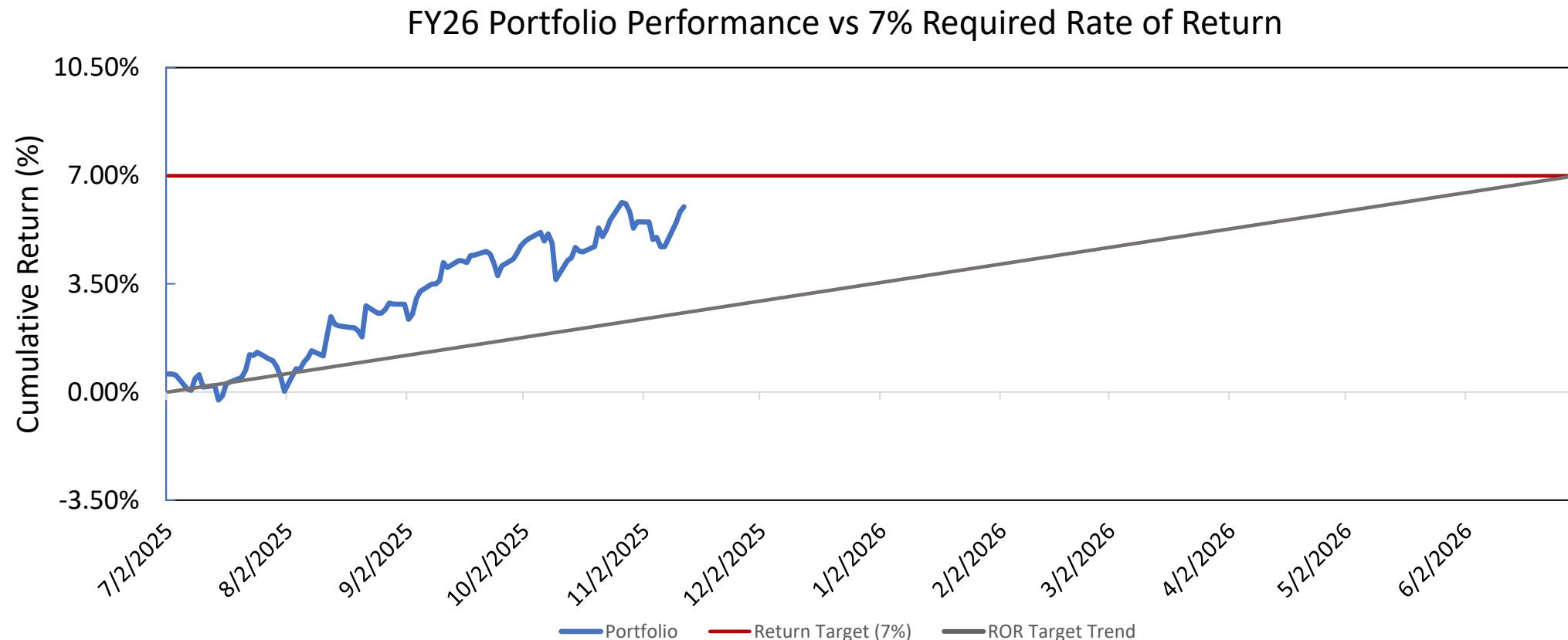
As of November 12<sup>th</sup>, 2025

## Recent Performance (net of fee)

Composite	FYTD	1 Year	3 Year	5 Year	10 Year
Oklahoma Teachers'	6.00%	12.76%	12.39%	9.94%	8.59%
Domestic Equity	8.16%	15.51%	17.86%	15.04%	11.95%
Russell 3000	10.63%	20.81%	21.76%	16.74%	14.08%
International Equity	9.95%	25.28%	20.43%	10.74%	7.37%
MSCI ACWI ex USA ND	10.73%	24.93%	20.30%	11.18%	7.67%
Fixed Income	2.96%	6.98%	7.48%	0.73%	3.35%
BBG US Universal	3.02%	6.51%	6.22%	0.28%	2.29%
Real Estate	0.87%	1.23%	-5.84%	2.06%	3.63%
Real Estate BM	0.94%	3.18%	-5.74%	3.83%	5.05%
Private Equity	2.04%	1.62%	2.57%	12.97%	14.41%
Private Equity BM	11.83%	18.51%	16.91%	16.24%	14.11%
Private Debt	6.27%	10.42%	-	-	-
Private Debt BM	3.07%	10.70%	-	-	-

# Performance (Cont.)

As of November 12<sup>th</sup>, 2025



# Planning Calendar

Calendar 2026	
Investment Committee & Board Focused Work Plan	Other key dates/events
<b>January Board Meeting</b> Investment Consultant RFP Response Review Open-End Real Estate Commitment Private Equity Presentation and Commitment	
<b>February Board Meeting</b> Investment Consultant RFP - Finalist Selection Private Equity Structure Review	<b>February 2, 2026</b> Legislative Session Begins
<b>April Board Meeting</b> Investment Consultant RFP - Finalist Interviews (if needed) US Private Equity Structure Review	

- (d) International Equity portfolios will invest no less than 50% of the portfolio in companies located in developed markets as determined by MSCI.
- (e) International Equity portfolios will be limited to holdings of common stock, American Depository Receipts (ADRs) listed on a domestic exchange and any other security type that is a constituent in the portfolio's benchmark index.
- (f) International Equity portfolios may hold, sell or exercise rights, warrants or other instruments received by virtue of corporate actions.
- (g) Equity portfolios may purchase unlevered Exchange Traded Funds (ETFs) linked to the portfolio's benchmark index or country sub index solely for the purpose of reducing temporarily high cash exposure. International Equity portfolios may also hold commingled fund units to gain exposure to markets where individual company share purchases are either inefficient or not possible.

**G) Fixed Income**

Fixed income investments support the plan's objectives of generating stable income, preserving capital, and providing liquidity while allowing sufficient flexibility for investment managers to pursue optimal risk-adjusted returns.

**General Requirements**

- Maximum 5% of market value in [publicly traded](#) securities of a single issuer, excluding sovereign issues.
- Maximum 5% of any issuer's outstanding [publicly traded](#) securities.
- Investment managers have authority to hold non-debt securities received as the result of a corporate action.

**(a) Core Plus Fixed Income**

- (i) Credit Quality:
  - (i) Maximum 20% (for mandates benchmarked to the Bloomberg US Universal) and 30% (for mandates benchmarked to 80% Bloomberg US Aggregate Index/20% to ICE BofA ML US High Yield Index) in securities rated Ba1/BB+ or lower by an SEC registered NRSRO. The highest rating will be used if they differ. If not rated by an SEC registered NRSRO, the equivalent rating determined by the Manager's internal rating system will be used.
  - (ii) Maximum 5% in securities rated below Caa2/CCC or in equities or exchange-traded-funds (ETFs)
  - (iii) Maximum 10% of the portfolio in unrated securities which are subject to monthly reporting requirements as set forth in Section VI. 3. of this policy.
  - (iv) Maximum 10% in non-USD denominated obligations
  - (v) Maximum 10% in emerging markets securities as defined by MSCI
  - (vi) Maximum 10% in Bank Loans typically found in the Morningstar LSTA US Leveraged Loan Index

**(b) Active Duration Fixed Income**

- (i) Active duration portfolios may concentrate holdings up to 100% at any maturity along the U.S. Treasury term structure.**
- (ii) Active duration portfolio accounts are limited to holding securities backed by the full faith and credit of the U.S. government and units of the short term investment fund of the System's custodial bank.**

**(c)(b) Multi-Asset Credit**

- (i) Multi-Asset Credit is return-seeking fixed income that provides diversifying return sources that can generate higher relative yield. Assets can include, but would not be limited to, high yield debt, emerging market debt, bank loans, agency and non-agency mortgages, and structured credit, and other non-investment grade and investment grade investments.-**
- (ii) Investment managers have authority to hold non-debt securities received as the result of a corporate action.**
- (ii) Investment Managers can hold no more than 50% of the portfolio in private market investments.**
- (iii) Investment Managers have a 5% maximum allowable position size.**

**(d)(c) Securities Lending Collateral Pool**

- (i) The investments of the securities lending collateral are governed by a separate investment policy document therefore they are not addressed herein.**

**2) Private Market Partnership Interests and Commingled Account Investments**

The System recognizes that private market investments and commingled fund investments are governed by subscription agreements, limited partnership agreements, trust documents and other related legal documents. Additionally, the System recognizes that in the event of a conflict between the aforementioned documents and this Investment Policy Statement, the subscription agreements, limited partnership agreement and other related legal documents shall take precedence in the governance of these investments.

**Private Market Asset Types and Structuring**

The System determines how it will select and structure its private market and commingled fund investments; this section sets forth the guidelines the System will follow for structuring the portion of the portfolio invested in private market and commingled fund investments.

**A) Private Equity**

- (a) Private equity investments are made using fund-of-one structures that focus on private equity investments and private equity co-investments. Should the System choose at some point in the future to make private equity investments by commitments to limited partnerships outside of the existing fund-of-one structures, additional guidelines may be added.**

# **Multi-Asset Credit (MAC) Search**

Teachers' Retirement System of  
Oklahoma

November 2025

Investment advice and consulting services provided by Aon Investments USA, Inc.  
To protect the confidential and proprietary information included in this material, it  
may not be disclosed or provided to any third parties without the approval of Aon.



# Executive Summary

## Multi-Asset Credit (MAC) Search | Introduction

- **MAC's role:** provide diversified growth via return-seeking fixed income
  - Typically has a flexible mandate to gain credit exposure, primarily, but not exclusively, in below-investment grade securities across high yield, bank loans, emerging market debt, and securitized (e.g., CLOs)
- Aon and TRSOK conducted a thorough search process, including due diligence meetings with the highest conviction managers
- The goal of the search was to identify managers for:
  - The 3% MAC strategic allocation
  - An approximate 2% interim MAC allocation to serve as a private debt proxy as TRSOK's Private Debt portfolio grows to its long-term 7.5% target
- **Aon and TRSOK Staff recommend the following:**
  1. Blackstone: To manage the 3% strategic MAC allocation
  2. KKR's Global Credit Opportunities Fund (GCOF): To manage approximately 2% as a private debt proxy to shift the portfolio further towards the TRSOK long-term risk/return profile

Strategic Asset Allocation	Target Allocation
U.S. Equity	32.4%
International Equity	14.1%
Fixed Income	25.0%
• Core Plus Fixed Income	22.0%
• MAC	3.0%
Private Debt	7.5%
Real Assets	11.0%
• Real Estate	8.0%
• Infrastructure	3.0%
Private Equity	10.0%
Cash	0.0%

# Teachers' Retirement System of Oklahoma

## Multi-Asset Credit | MAC Structure Recommendation

Aon supports the Blackstone allocation of 3% to fulfill the MAC allocation and a supplemental allocation to KKR's Global Credit Opportunities (GCOF) to manage the underweight to private debt as well as reduce risk by funding from global equities

### 3% MAC Allocation

**Blackstone**  
**Mandate Size: Approximately \$800 M**



### Overweight MAC as Private Debt Proxy ~2.0%

**KKR Global Credit Opportunities Fund (GCOF)**  
**Mandate Size: Approximately \$500 M**

#### Comments:

- Single manager with large platform and well-diversified portfolio across asset types, including high yield, bank loans, and allocations to securitized securities
- Access to private credit (below investment grade and investment grade securities)
- Blends a Separately Managed Account and a Fund investment to lower fees and get some immediate deployment of assets (in the Fund)

#### Comments:

- GCOF is a fully liquid portfolio with primarily below investment grade securities
- KKR has a large credit platform and tenured team
- Provides an interim solution to allow for reduction to overall portfolio risk by reducing equities and allocating assets to MAC (serving as an approximate proxy to private debt)

# MAC Search: 3% Strategic Asset Allocation Target

## Blackstone Multi-Asset Credit

- Aon recommends Blackstone Multi-Asset Credit to fulfill TRSOK's 3% MAC Target for its Strategic Asset Allocation comprised of:



Blackstone MAC Strategy			
Strategy	BMAC (Commingled Fund)	Blackstone Separately Managed Account (SMA)	Total Blackstone MAC
Expected Allocation	<ul style="list-style-type: none"> <li>High Yield Corporate Bonds (25%)</li> <li>Leveraged Loans (20%)</li> <li>Structured Credit (20%)</li> <li>Liquid Opportunistic Credit (15%)</li> <li>Private Credit (20%)</li> </ul>	<ul style="list-style-type: none"> <li>High Yield Corporate Bonds (20%)</li> <li>Leveraged Loans (20%)</li> <li>Structured Credit (20%)</li> <li>Liquid Opportunistic Credit (10%)</li> <li>Private Investment Grade Credit (30%)</li> </ul> <p>+/- 15% relative to strategic asset allocation for each of the five categories listed above</p>	Blended allocation: <ul style="list-style-type: none"> <li>High Yield Corporate Bonds (22.5%)</li> <li>Leveraged Loans (20%)</li> <li>Structured Credit (20%)</li> <li>Liquid Opportunistic Credit (12.5%)</li> <li>Private Credit (25%)</li> </ul>
Illiquids	No cap on illiquids (expectation of 20%)	Up to 50% Private Credit	Expect 20-30%
Leverage	No leverage	Leverage: Up to 0.5x debt/equity	At or below 0.25x
Aon Rating	Buy Rated Strategy	N/A - due to custom mandate	N/A – due to custom mandate
Fees	0.52%	0.33%	0.42%

# MAC Search: 3% Strategic Asset Allocation Target

## BMAC Strategy Description

### Blackstone's Multi-Asset Credit (BMAC) - Commingled Fund

- The BMAC strategy brings together the expanse of the manager's public and private credit capabilities, focusing on the below-investment grade market.
- Blackstone looks to maintain flexibility in the underlying allocations to adjust where it sees the best relative value, although the private markets exposure is expected to range around 20%. Among the broader MAC universe, Blackstone incorporates a wide opportunity set across both the public and private allocations.
- BMAC's investment process starts with the asset allocation view, which is formally set through a monthly meeting but in practice is an ongoing conversation among the portfolio managers (PMs), asset allocation team, and underlying sector PMs around relative value views across markets and underlying issues.
- After setting top-level positioning, which includes sector allocations and risk level, the underlying investment teams help populate the portfolio from an issue level.
- Within the private allocation, Blackstone looks to ladder the maturity exposures to help with overall portfolio liquidity as well as to take advantage of current market opportunities.
- Over a cycle, the manager expects to outperform its blended benchmark by 100 to 200 basis points, net of fees, through a combination of asset allocation and security selection decisions.
- BMAC's portfolio has a current yield of 8.6 %, an effective duration of 1.6 years, and an average quality rating of B+.

# MAC Overweight: Private Debt Proxy and Overall Risk Reduction

## KKR Global Credit Opportunities (GCOF)

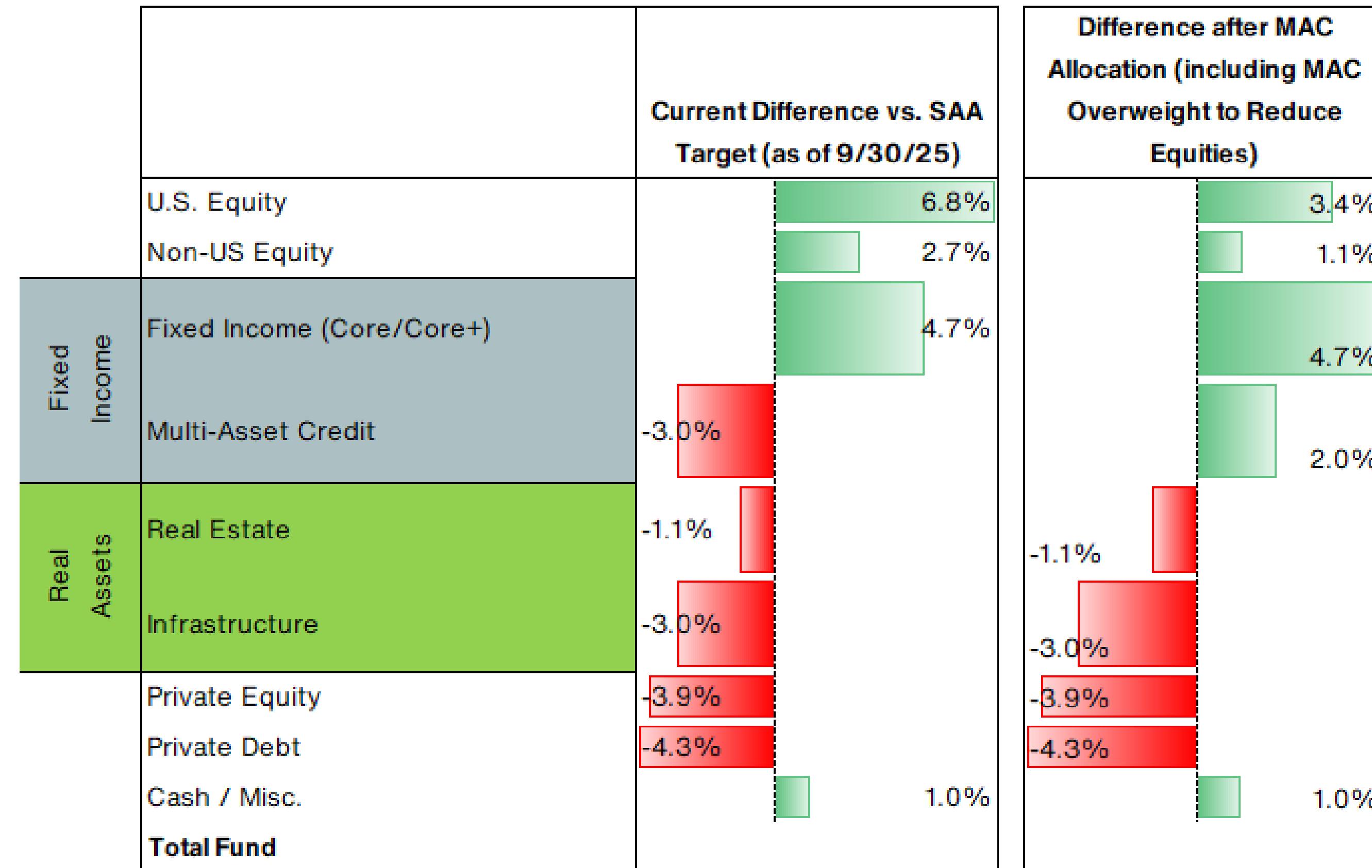
Aon supports a supplemental allocation to KKR's Global Credit Opportunities (GCOF) to manage the underweight to private debt as well as reduce risk by funding from global equities

KKR GCOF Characteristics	KKR GCOF Strategy Description
Commingled Fund (\$500M; ~2% of Total Plan)	<ul style="list-style-type: none"><li>KKR's Opportunistic Credit strategy is a concentrated best ideas strategy within the firm's Global Leveraged Credit platform.</li><li>The portfolio largely consists of liquid performing high yield and bank loan securities and is constructed according to a unique thematic approach which harnesses KKR's global platform to identify relative value across sectors, issuers, and individual securities.</li><li>The strategy is a performing, largely liquid, credit strategy that aims to invest in securities that offer value, i.e., are mispriced.</li><li>The portfolio's investments are categorized into the following investment themes: Event Driven, Dislocation/Relative Value, Proprietary Sourcing, Stressed Credits, Structured Products, and Illiquidity Premium. Global macro views will be considered for risk management; however, credit underwriting is the essential portion of the investment process.</li></ul>
35% CCC rated securities	
All liquid securities	
No leverage	
Buy Rated Strategy	
Fees: 0.65%*	

\* Dependent on final negotiations

# Teachers' Retirement System of Oklahoma

## Multi-Asset Credit | MAC Allocation + Reducing Equities Via MAC Overweight



By funding MAC from equities and overweighting MAC, it allows TRSOK to reduce the overall risk in the portfolio (i.e., equities are relatively riskier than MAC)

# Teachers' Retirement System of Oklahoma

## Multi-Asset Credit | Recommendation Summary & Next Steps

### Aon and TRSOK Staff Recommendation

- 1) Allocate 3% (~\$800M) to Blackstone (1.5% BMAC + 1.5% Separately Managed Account)
- 2) Allocate 2% (~\$500M) to KKR Global Credit Opportunities (GCOF) as private debt proxy

### Next Steps

1. Consider appointment of transition manager to efficiently move assets from equities to MAC commingled funds (Blackstone BMAC and KKR GCOF)
2. Implementation will include legal work
3. Blackstone's Separately Managed Account will be implemented over time

# Appendix



# Fixed Income Strategy | Risk Spectrum

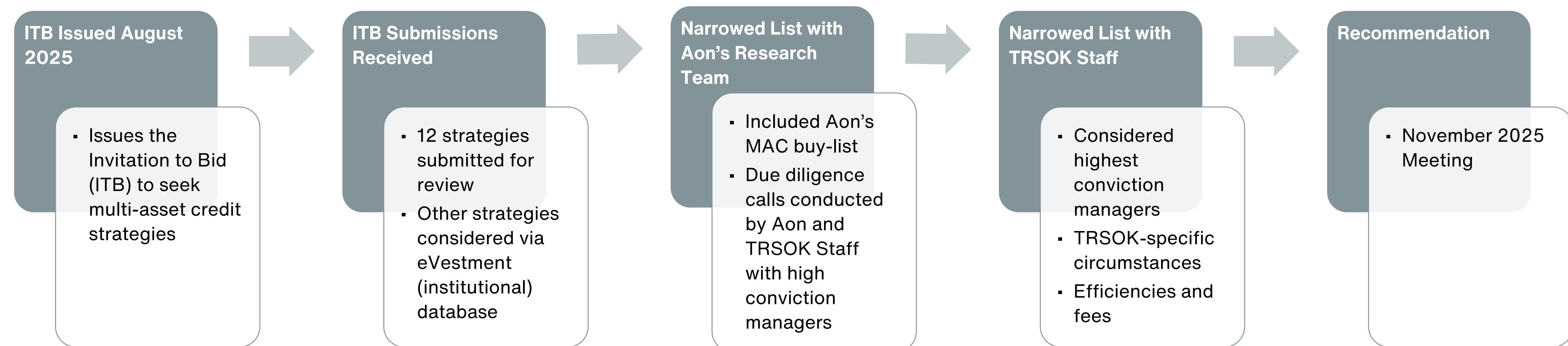
Spectrum below highlights *credit* risk; other risks must be evaluated including absolute risk (volatility), duration risk, etc.



Treasuries	Core Strategies	Core Plus Strategies	Multi-Sector	Multi-Asset Credit
Benchmarked to duration appropriate Treasury Index	Benchmarked to Bloomberg U.S. Aggregate Index	Benchmarked to Bloomberg U.S. Aggregate Index	Benchmark Agnostic	Benchmark Agnostic Typically, 50% High Yield and 50% Bank Loans or SOFR + 450 bps
Typically passive: Low-zero tracking	Tracking Error Target: 100 bps	Tracking Error Target: 200 bps	Tracking Error Target: >200 bps	Tracking Error Target: Varies
Typically passive thus no alpha target	Alpha Target: Typically, 50 to 100 bps	Alpha Target: Typically, 100 to 200 bps	Alpha Target: Typically >200 bps	Alpha Target: SOFR + 450 bps
<ul style="list-style-type: none"> <li>Zero credit risk</li> <li>Multiple variations of duration exposure</li> <li>Can be a defensive position during “flight to quality” events</li> <li>Typically, a low-cost portfolio with only one sector exposure</li> </ul>	<ul style="list-style-type: none"> <li>Closer to the benchmark in terms of credit quality, investment grade credit</li> </ul>	<ul style="list-style-type: none"> <li>Invests a greater amount in non-benchmark securities</li> <li>Plus areas include: high yield, emerging market debt, structured securities outside of agency MBS &amp; CMBS (generally closer to 20%)</li> <li>Likely to experience larger drawdown in extreme credit events due to higher exposure to lower quality credit</li> </ul>	<ul style="list-style-type: none"> <li>Typically unconstrained</li> <li>Invest across plus sectors (high yield, emerging market debt, structured securities outside of agency MBS &amp; CMBS), and minimally to Treasuries</li> <li>Tend to have a credit focus</li> <li>Can be opportunistic on sector exposures</li> <li>Likely experience large drawdowns in extreme credit events</li> </ul>	<ul style="list-style-type: none"> <li>Typically unconstrained</li> <li>Dynamically rotates across bank loans, HY bonds, CLOs, CMBS and stressed/distressed</li> <li>Offers high current yield while taking advantage of relative value securities</li> <li>Global securities with some having developed and emerging markets exposure</li> </ul>
100% U.S. Treasury exposure	<ul style="list-style-type: none"> <li>Can invest modestly in non-investment grade securities, but typically limited</li> </ul>	<ul style="list-style-type: none"> <li>Tend to utilize a greater tool kit: top-down/bottom-up, global, rates, duration, curve, currencies, EMD, macro, etc.</li> </ul>	<ul style="list-style-type: none"> <li>Seek to identify best opportunities across both investment grade and non-investment grade</li> </ul>	<ul style="list-style-type: none"> <li>Typically invests in mainly below investment grade securities</li> </ul>

# Multi-Asset Credit Search Process

- Aon Investments (Aon) partnered with TRSOK Staff to narrow the MAC candidates based on Invitation-to-Bids (ITBs) received and Aon's Buy Rated list to construct a diversified portfolio



Considerations for the recommendation will include:

- Portfolio diversification
- Manager diversification
- Vehicle structure
- Flexibility
- Fees

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Aon Investments USA Inc.  
200 E. Randolph Street  
Suite 700  
Chicago, IL 60601  
ATTN: Aon Investments Compliance Officer

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# InBrief: Blackstone Credit & Insurance

## Multi-Asset Credit ("BMAC")

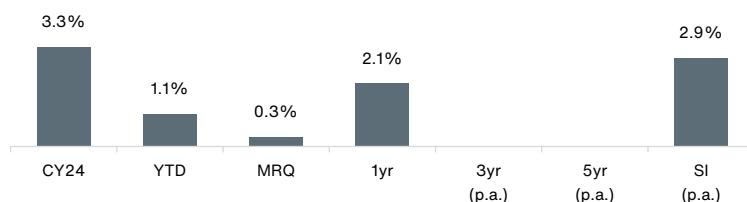
### Aon Rating

**Buy**

### Overall Rating

Blackstone's Multi-Asset Credit ("BMAC") strategy leverages the breadth of the manager's public and private credit capabilities, focusing on the below-investment grade market. The manager looks to maintain flexibility in the underlying allocations to adjust where it sees the best relative value, although the private markets exposure is expected to range around 20%. Among the broader MAC universe, Blackstone incorporates a wide opportunity set across both the public and private allocations. While the multi-asset nature of this strategy is a relatively newer structure for the firm, especially with the range of included assets, we believe the thoughtful build out of the asset allocation framework, and experience in the underlying areas, will allow the manager to execute on its process.

### Relative Performance to 30 Jun 2025



Pooled fund performance (USD) is gross of fees relative to 50% ICE BofAML US High Yield Constrained / 50% Morningstar LSTA US Leveraged Loan. CY = calendar year. Source: eVestment Performance is representative performance as reported in eVestment. The performance for a specific vehicle may differ from the representative strategy.

### Key InBrief Data

**Review Date:**  
October 2025

**Parent Name:**  
Blackstone, Inc.

**Strategy Benchmark:**  
50% ICE BofAML US High Yield Constrained / 50% Morningstar LSTA US Leveraged Loan

**Head Office Location:**  
New York, NY, U.S.

**Team Location:**  
New York, NY, U.S.

**Firm AUM:**  
\$407.3 billion (30 Jun 2025)

**Strategy Size:**  
\$1.4 billion (30 Jun 2025)

**Strategy Inception:**  
December 2023

**Performance Objective:**  
100 – 200 bps, net

**Risk Target:**  
N/A

### Component Ratings

Criteria	Business	Staff	Process	Risk	Ops	Perf	T&C
<b>Ratings</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>2</b>	<b>A2 Pass</b>	<b>3</b>	<b>2</b>
<b>Change</b>	No Change	No Change	No Change				

# Investment Manager Evaluation

## Business

### Rating: 3

Blackstone Credit & Insurance (“BXCI”) is the credit division of the broader alternative assets manager Blackstone, Inc. (“Blackstone”). BXCI was formally created in late 2023 when the firm combined its credit and insurance platforms, but the credit investing business largely traces its history to a prior CLO and bank loan investment firm called GSO Capital Partners (“GSO”), which was founded in 2005 and later acquired by Blackstone. Blackstone is a publicly traded firm with assets of \$1.2 trillion as of 30 June 2025, of which BXCI represents over \$400 billion. The three main investment platforms – Private Equity, Real Estate, and Credit & Insurance – are roughly similar in asset size. While BMAC is a newer offering for the manager, it relies on existing firm capabilities across public and private market investing.

## Investment Staff

### Rating: 3

Historically, the individual market sector investment teams were siloed, but an effort in the past few years has helped further integrate these teams into one credit platform. The BMAC strategy brings together several senior individuals across different investment teams, with the portfolio management team assisted by an asset allocation team and asset class leads across the underlying components. There is a strong level of experience and tenure among these individuals, with several having worked together at BXCI for 15+ years. While the integration of these various teams has occurred within recent years, we believe the structure and approach to its integration, and the experience of the individuals, should allow the manager to successfully execute on this strategy.

## Investment Process

### Rating: 3

BMAC’s investment process starts with the asset allocation view, which is formally set through a monthly meeting but in practice is an ongoing conversation among the PMs, asset allocation team, and underlying sector PMs around relative value views across markets and underlying issues. After setting top-level positioning, which includes sector allocations and risk level, the underlying investment teams help populate the portfolio from an issue level.

Within the private allocation, which is expected to be around 20% of the portfolio, Blackstone looks to ladder the maturity exposures to help with overall portfolio liquidity as well as to take advantage of current market opportunities. Additionally, among managers with some level of private market exposure, Blackstone invests across a more diversified opportunity set.

Overall, we believe the thoughtful framework of the asset allocation process and general investment team experience lead this to be a well-structured and repeatable process.

## Risk Management

### Rating: 2

Blackstone established an “Office of the CIO” group a few years ago to act as an oversight and monitoring body within the Credit division. This team includes individuals across different investment functions but is largely tasked with overseeing the full investment process, from underwriting to exit. Additionally, the team maintains the issue watchlist where it can pull in investment team members to discuss underperforming investments. Through a combination of proprietary and industry standard tools, the PMs and risk team are aware of the characteristics and risk positioning of the portfolio.

While the Office of the CIO team is a separate group, it is still somewhat more connected to the investment team compared to some other firms where the risk management group maintains a more independent structure and reports outside the investment function.

**Operational Due Diligence****Rating: A2 Pass**

Blackstone has institutional levels of infrastructure, controls, and oversight across its operating environment. Features include a well-developed committee structure to help ensure cross-functional participation in operating decisions, and comprehensive, documented policies and procedures.

Aon noted some deviations from best practice including lack of internal controls testing by an external auditor and the Funds parts of the strategy not having a formal governing body to oversee and protect investors' interest. Investors should be aware of the liquidity limitations (lock-up period / limits) related to withdrawal requests.

**Terms & Conditions (T&C)****Rating: 2**

Standard fees for the strategy are on the higher end compared to the broad multi-asset credit universe although we believe reasonable given the inclusion of private assets. There is a minimum one-year soft lock in place, with quarterly redemptions, with 90 days' notice, subject to a 25% investor limit. Investors can select a voluntary two-year hard lock commitment for a slight fee discount. Additionally, currently available founder's fee pricing is competitive, although requires a two-year hard lock commitment.

**Performance Analysis****Rating: 3**

Over a cycle, the manager expects to outperform its blended benchmark by 100 – 200 bps, net of fees, through a combination of asset allocation and security selection decisions. Given the material inclusion of private assets, which in most market environments would be expected to generate a premium spread to liquid credit markets, and extensive use of non-benchmark assets, we believe the manager is well-equipped to provide investors with an attractive risk-return experience.

**Overall****Rating: Buy**

Blackstone's BMAC strategy leverages the breadth of the manager's public and private credit capabilities, focusing on the below-investment grade market. The manager looks to maintain flexibility in the underlying allocations to adjust where it sees the best relative value, although the private markets exposure is expected to range around 20%. Among the broader MAC universe, Blackstone incorporates a wide opportunity set across both the public and private allocations. While the multi-asset nature of this strategy is a relatively newer structure for the firm, especially with the range of included assets, we believe the thoughtful build out of the asset allocation framework, and experience in the underlying areas, will allow the manager to execute on its process.

## Aon InBrief Ratings Explanation

### Aon Overall Rating

These are the ratings definitions for our qualitative InBrief assessment.

Rating	What does this mean?
<b>Buy</b>	We recommend clients invest with or maintain their existing allocation to our Buy rated high conviction products.
<b>Buy (Closed)</b>	We recommend clients invest with or maintain their existing allocation to our Buy rated high conviction products, however it is closed to new investors.
<b>Qualified</b>	A number of criteria have been met and we consider the investment manager to be qualified to manage client assets.
<b>Sell</b>	We recommend termination of client investments in this product.
<b>In Review</b>	The rating is under review as we evaluate factors that may cause us to change the current rating.

The comments and assertions reflect our views of the specific investment product and our opinion of its quality. Differences between the qualitative and Aon InForm outcome can occur and if meaningful these will be explained within the Key Monitoring Points section. Although the Aon InForm Assessment forms a valuable part of our manager research process, it does not automatically alter the overall rating where we already have a qualitative assessment. Overall rating changes must go through our qualitative manager vetting process. Similarly, we will not issue a Buy recommendation before fully vetting the manager on a qualitative basis.

### Component Ratings

Below we describe the criteria which we use to rate fund management organizations and their specific investment products. Our manager research process assesses each component using both our qualitative and Aon InForm criteria. With the exception of Operational Due Diligence ("ODD"), each component is assessed as follows:

Qualitative Outcome
4 = Strong
3 = Above Average
2 = Average
1 = Weak

The ODD factor is assigned a rating and can be interpreted as follows:

Overall ODD Rating*	What does this mean?
A1 Pass	No material operational concerns – the firm's operations largely align with a well-controlled operating environment.
A2 Pass	The firm's operations largely align with a well-controlled operating environment, with limited exceptions – managers may be rated within this category due to resource limitations or where isolated areas do not align with best practice.
Conditional Pass (CP)	Specific operational concerns noted that the firm has agreed to address in a reasonable timeframe; upon resolution, we will review the firm's rating.
Fail	Material operational concerns that introduce the potential for economic or reputational exposure exist – we recommend investors do not invest and/or divest current holdings.

\* Operational due diligence inputs provided to the research team by Aon's Operational Risk Solutions and Analytics Group (ORSA). ORSA is an independent entity from Aon Investments Limited, Aon Investments USA Inc., and Aon Solutions Canada Inc./Aon Investments Canada Inc. Investment advice is provided by these Aon entities.

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# InBrief: Kohlberg Kravis Roberts & Co.

## Opportunistic Credit Strategy

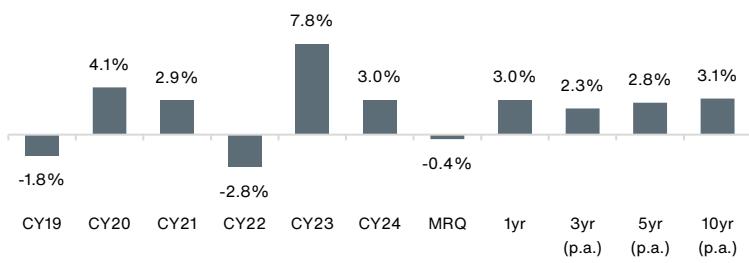
### Aon Rating

**Buy**

### Overall Rating

KKR's Opportunistic Credit strategy is a concentrated best ideas strategy within the firm's Global Leveraged Credit platform. The portfolio largely consists of liquid performing high yield and bank loan securities and is constructed according to a unique thematic approach which harnesses KKR's global platform to identify relative value across sectors, issuers, and individual securities.

### Relative Performance to 31 Dec 2024



Composite performance (USD) is gross of fees relative to 50% ICE BofAML US High Yield Index / 50% Morningstar LSTA US Leveraged Loan Index. CY = calendar year. Source: eVestment Performance is representative performance as reported in eVestment. The performance for a specific vehicle may differ from the representative strategy.

### Key InBrief Data

**Review Date:**  
March 2025

**Parent Name:**  
---

**Strategy Benchmark:**  
50% ICE BofAML US High Yield Index / 50% Morningstar LSTA US Leveraged Loan Index

**Head Office Location:**  
New York, NY, U.S.

**Team Location:**  
San Francisco, CA, U.S.

**Firm AUM:**  
\$624.4 billion (30 Sep 2024)

**Strategy Size:**  
\$4.5 billion (30 Sep 2024)

**Strategy Inception:**  
May 2008

**Performance Objective:**  
200 – 400 bps

**Risk Target:**  
N/A

### Component Ratings

Criteria	Business	Staff	Process	Risk	Ops	Perf	T&C	ESG
<b>Ratings</b>	<b>3</b>	<b>4</b>	<b>4</b>	<b>3</b>	<b>A2 Pass</b>	<b>3</b>	<b>2</b>	<b>Integrated</b>
<b>Change</b>	No Change	No Change	No Change	No Change				

# Investment Manager Evaluation

## Business

### Rating: 3

KKR was established in the U.S. in 1976 as a private equity firm before opening investment offices globally in Europe and broader Asia, including the Middle East. Since that time, the firm has expanded its business to include a dedicated credit investing platform, a capital markets group, and real estate, infrastructure, and energy investment divisions. Additionally, in recent years, the firm purchased Global Atlantic (“GA”), at the time a \$90 billion insurance provider. This purchase helped expand the firm’s capital base which can help support its investment efforts. Along with the GA managed assets, the Credit division is now the largest investment platform in terms of assets.

## Investment Staff

### Rating: 4

The Opportunistic Credit strategy is overseen by a group of experienced portfolio managers that have been with the firm and working together for several years. The PMs are also members of the investment committee for the US Leveraged Credit platform. The team’s credit research analysts are organized by industry across the capital structure, allowing analysts to form a robust view on issuers and competitors to form relative value views, albeit with an investment focus on below investment grade issuers.

## Investment Process

### Rating: 4

The strategy is a performing, largely liquid, credit strategy that aims to invest in securities that offer value, i.e., are mispriced. The portfolio’s investments are categorized into the following investment themes: Event Driven, Dislocation/Relative Value, Proprietary Sourcing, Stressed Credits, Structured Products, and Illiquidity Premium. Global macro views will be considered for risk management; however, credit underwriting is the essential portion of the investment process.

## Risk Management

### Rating: 3

The risk management team has dedicated members within the firm’s Leveraged Credit, Private Credit, and Special Situations teams. These individuals are each assigned to various strategies/funds within the firm. The risk management of the strategy is driven by the fundamental credit research process. Portfolio construction and position sizing is key to risk control as well.

## Operational Due Diligence

### Rating: A2 Pass

KKR has institutional levels of infrastructure, operations, controls, and oversight. As a publicly traded company, KKR generally implements an operating environment that aligns with best practice including a robust committee structure, best in class IT application investments, and partnerships with global leading service providers where applicable. The A2 Pass rating is primarily the result of a lack of independent governance relating to the fund vehicle.

## Performance Analysis

### Rating: 3

The Opportunistic Credit strategy looks to outperform its blended benchmark by 200 – 400 bps annually across a market cycle, which is viewed as a net return goal of 7-10%. Up-capture and down-capture ratios historically have been impressive. The bulk of performance should come from idiosyncratic security selection. Given the manager’s differentiated approach, we believe the strategy is capable of achieving its target going forward.

**Terms & Conditions (T&C)****Rating: 2**

The strategy is currently available through separate account and commingled fund. Fees are slightly more expensive than peers however KKR has shown a willingness to aggregate/negotiate where applicable.

**ESG****Rating: Integrated**

KKR has been a signatory to the UN PRI since 2009. Initially, the ESG framework grew out of the firm's Private Equity group, as there can be more control and dialogue with portfolio companies, although now is considered integrated across the firm. Within the Credit platform, ESG considerations, with a focus on materiality, are a distinct item, including through a Responsible Investment Credit Scorecard. ESG commentary is included in deal writeups and discussed in investment committee meetings. An ESG Committee, inclusive of senior executives across the firm, acts as a central oversight body, while dedicated sustainability individuals help set and implement these programs across the firm and with portfolio companies.

**Overall****Rating: Buy**

KKR's Opportunistic Credit strategy is a concentrated best ideas strategy within the firm's Global Leveraged Credit platform. The portfolio largely consists of liquid performing high yield and bank loan securities and is constructed according to a unique thematic approach which harnesses KKR's global platform to identify relative value across sectors, issuers, and individual securities.

# Aon InBrief Ratings Explanation

## Aon Overall Rating

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<b>Buy (Closed)</b>	We recommend clients invest with or maintain their existing allocation to our Buy rated high conviction products, however it is closed to new investors.
<b>Qualified</b>	A number of criteria have been met and we consider the investment manager to be qualified to manage client assets.
<b>Sell</b>	We recommend termination of client investments in this product.
<b>In Review</b>	The rating is under review as we evaluate factors that may cause us to change the current rating.

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<b>3 = Above Average</b>
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The ODD factor is assigned a rating and can be interpreted as follows:

Overall ODD Rating*	What does this mean?
<b>A1 Pass</b>	No material operational concerns – the firm's operations largely align with a well-controlled operating environment.
<b>A2 Pass</b>	The firm's operations largely align with a well-controlled operating environment, with limited exceptions – managers may be rated within this category due to resource limitations or where isolated areas do not align with best practice.
<b>Conditional Pass (CP)</b>	Specific operational concerns noted that the firm has agreed to address in a reasonable timeframe; upon resolution, we will review the firm's rating.
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## ESG

The ESG factor is assigned a rating and can be interpreted as follows:

Overall ESG Rating*	What does this mean?
<b>Advanced</b>	The fund management team demonstrates an advanced awareness of potential financially material ESG risks in the investment strategy. The fund management team can demonstrate advanced processes to identify, evaluate and potentially mitigate these risks across the entire portfolio.
<b>Integrated</b>	The fund management team has taken appropriate steps to identify, evaluate and mitigate potential financially material ESG risks within the portfolio.
<b>Limited</b>	The fund management team has taken limited steps to address financially material ESG considerations in the portfolio.
<b>N/A (Not Applicable)</b>	ESG risks and considerations are not applicable to this strategy, for example, on the grounds of materiality or asset class relevance.
<b>NR (Not Rated)</b>	An evaluation of ESG risks is not yet available for this strategy.

\*The ESG rating represents IMR's interpretation of the relevant teams' ability to identify and mitigate potentially financially material ESG risks in the context of the strategy's stated investment objectives. The ESG rating does not assess the sustainability profile of the underlying companies or issuers within the investment strategy.

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As of December 31, 2024, Aon's quantitative model is run on approximately 13,892 strategies from an external database. Aon assigned a quantitative rating of "Qualified" to 35% of these strategies and "Not Recommended" to 30% of these strategies. The remainder were not rated. A "Buy" rating cannot be assigned via quantitative analysis. Across asset classes, Aon had approximately 29,000 strategies in its internal database. Aon assigned a qualitative rating of "Buy" to approximately 3% of strategies in the database (excludes historical "Buy" ratings of closed-end private equity/real estate funds that have since closed to new investment); "Qualified" to <1% of strategies in the database; "Sell" to <1% of strategies in the database; and "In Review" to <1% of strategies in the database. The remaining strategies in the database are not rated or are quantitatively rated only. Some strategies may be included in both the internal and external database. Where a qualitative rating exists, it prevails over the quantitative rating.

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Blackstone



# Multi-Asset Credit Partnership Board Meeting

NOVEMBER 2025

Prepared at the request and for the exclusive use of the Oklahoma Teachers' Retirement System ("Oklahoma TRS") and Aon.  
For Discussion Purposes Only and Not for Public Use or Further Distribution.

All figures as of October 31, 2025, unless stated otherwise.

# World's largest alternative asset manager<sup>(1)</sup>

**\$1.2T+**

assets under management

**40yr**

investment record<sup>(2)</sup>

Credit & Insurance	Private Equity	Real Estate	Multi-Asset Investing
<b>\$432B</b>	<b>\$396B</b>	<b>\$321B</b>	<b>\$93B</b>
Largest third-party focused credit business <sup>(3)</sup>	One of the world's largest private equity platforms <sup>(4)</sup>	World's largest owner of commercial real estate <sup>(5)</sup>	Largest discretionary allocator to hedge funds globally <sup>(6)</sup>

Note: Please refer to Additional Endnotes in the Important Disclosure Information section of this presentation for all explanatory endnotes referenced on this page. As of September 30, 2025, unless otherwise noted.

# Deep, longstanding capabilities across the credit spectrum

## Private Corporate Credit<sup>(2)</sup>

**\$205B**

Largest Direct  
Lending Fund<sup>(3)</sup>

- Senior Direct Lending
- Opportunistic Credit

## Liquid Corporate Credit

**\$120B**

Largest Global  
CLO Manager<sup>(5)</sup>

- Investment Grade / High Yield
- Leveraged Loans
- CLO Debt / Equity

## Real Estate Credit

**\$76B**

Largest Real Estate Debt  
Fund<sup>(4)</sup>

- Real Estate Lending
- Real Estate Debt Securities

**\$508B**

AUM<sup>(1)</sup>

**\$169B** MAC AUM<sup>(8)</sup>

## Infrastructure & Asset Based Credit<sup>(6)</sup>

**\$107B**

Largest Energy  
Transition Credit Fund<sup>(7)</sup>

- Infrastructure Debt
- Asset Based Lending
- Energy / Energy Transition

Note: There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses. See Endnotes and "Important Disclosure Information" for additional information and all explanatory endnotes referenced on this page. As of September 30, 2025, unless otherwise noted.

# Leveraging Blackstone's deep bench of investment expertise and knowledge integration

## TRS OK Portfolio Managers

Ultimate decision authority for portfolio construction / asset allocation



**Michael Zawadzki**  
Global CIO of BXCI



**Dan Oneglia**  
CIO of LCS & Head of Loan Management

## TRS OK Relationship Managers



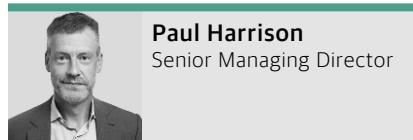
**Paget MacColl**  
Global COO of ICS



**Ted Mark**  
Managing Director

## Asset Allocation Team

Manage inputs for MAC quantitative/qualitative relative value models



**Paul Harrison**  
Senior Managing Director



**David Watters**  
Head of Insurance & Multi Asset IG Allocation



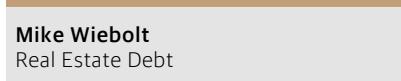
**Eugene Lee**  
Managing Director

## Asset Class Leads

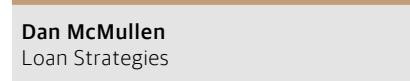
Source and underwrite individual credits for MAC portfolio inclusion



**Adam Dwinells**  
High Yield and IG Bonds



**Mike Wiebold**  
Real Estate Debt



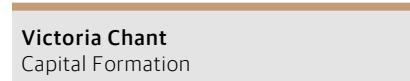
**Dan McMullen**  
Loan Strategies



**Mike Sobol**  
CLO Securities



**Mike Carruthers**  
European Private Credit



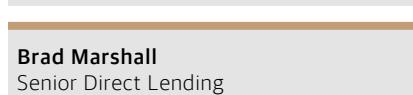
**Victoria Chant**  
Capital Formation



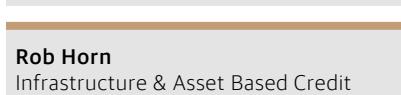
**Robert Petriini**  
Junior Direct Lending



**Valerie Kritsberg**  
Capital Markets & Trading



**Brad Marshall**  
Senior Direct Lending



**Rob Horn**  
Infrastructure & Asset Based Credit

## Office of the CIO

- Underwriting & Execution
- Asset Management
- Operating Support
- Liability & Restructuring Expertise
- Capital Formation
- Structuring
- Asset Allocation
- Portfolio Insights
- Quant & Portfolio Analytics

# We seek to capitalize on Blackstone's premier position and breadth of credit opportunities

01

## Blackstone Edge

scale is a critical success factor



02

## Broad Set of Asset Classes

optimize for long-term risk/reward



03

## Credit Selection

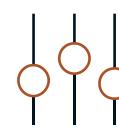
outperform within asset classes



04

## Dynamic Allocation

capitalize on shifting relative value



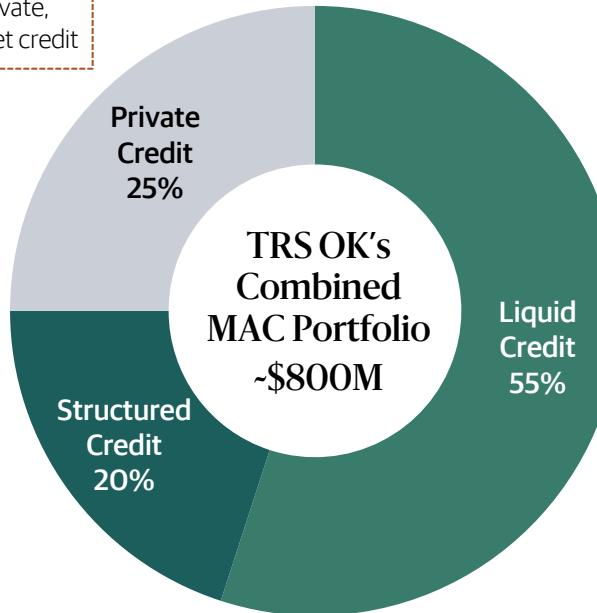
Note: See important disclosure information. Diversification does not ensure a profit or protect against losses. There can be no assurance that any of the downside control features will be successful. Capital is at risk and investors may not get back the amount originally invested.

# Combining an investment in BMAC with a separate fund-of-one provides a “best of both worlds” customized solution

**BMAC** is BX's flagship multi-asset credit fund, with access across liquid, private, corporate structured and real asset credit

Low overlap with TRS OK's existing exposure:

- ✓ 0% liquid IG corp.
- ✓ <5% direct lending



## The BXCI Difference

- ✓ \$508B of credit AUM
- ✓ ~20 credit verticals
- ✓ Proven asset allocation framework
- ✓ Client-centric approach
- ✓ Differentiated access and economics

This approach balances liquidity, efficient deployment, diversification, and tactical overweights to targeted strategies

Note: Diversification does not ensure a profit or protect against losses. There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses. There can be no assurance that any future BXCI funds (including multi-asset credit strategies) will achieve comparable results or avoid substantial losses. See Key Risk Factors and Important Disclosure Information, including, "Estimates/Targets.", and "Target Allocations."

# I. Endnotes, Risk Factors, and Important Disclosure Information

Set out below is a summary of the rewards and associated risks of an investment in the Fund. This summary does not purport to be a comprehensive statement of all such rewards and risks and investors should refer to the private placement memorandum of the Fund before making a final investment decision. Please see the "Important Disclosure Information" section.

Rewards	Risks
<p><b>Awards.</b> This document refers to awards and rankings issued to Blackstone, our investments and/or our investment professionals.</p>	<p><b>Awards.</b> Any awards or rankings referred to are provided solely for informational purposes and should not be construed as or relied upon as an indication of future performance or activity.</p>
<p><b>Blackstone and BXCI's Scale and Expertise.</b> Blackstone's brand, operational expertise and market positioning coupled with BXCI's powerful networks and deep in-house sector expertise with Multi-Asset Credit strategies means that we can be well positioned as a partner of choice and aim to enhance value for our investors and portfolio companies.</p>	<p><b>Blackstone and BXCI's Scale and Expertise.</b> There is no assurance that any Blackstone product, investment or portfolio company will achieve their objectives or avoid significant losses. Sharing of expertise is subject to Blackstone's policies and procedures regarding the management of conflicts of interest and information walls. The activity of identifying, completing and realizing attractive investments is highly competitive, and involves a high degree of uncertainty. There can be no assurance that the Fund will be able to locate and consummate investments, or fully invest its committed capital, that satisfy its objectives.</p>
<p><b>Disciplined Investment Process, Pipeline and Dynamic Allocation.</b> Our portfolio is not dependent on federal or local governments for deal flow, given our focus on a wide product slate covering many European sponsors and advisors. The material refers to indicative investments in the BMAC pipeline, illustrating our outlook on potentially beneficial investment opportunities.</p>	<p><b>Disciplined Investment Process, Pipeline and Dynamic Allocation.</b> There is no assurance that current expectations for the portfolio will hold, that BMAC or any of its investments will meet their objectives or avoid substantial losses. Pipeline estimations are inherently uncertain and transactions, whether committed or pending, may not successfully close as expected or at all.</p>
<p><b>Diversification.</b> The Fund is Blackstone's dedicated Multi-Asset Credit platform and its portfolio is diversified primarily across companies in our targeted sectors and geographies.</p>	<p><b>Diversification.</b> Diversification does not ensure a profit or protect against losses.</p>
<p><b>Defensive Positioning.</b> We believe the Fund can meet the needs of our investors through market cycles.</p>	<p><b>Defensive Positioning.</b> There can be no assurance that any of the downside control features will be successful. Capital is at risk and investors may not get back the amount originally invested.</p>
<p><b>Estimates / Forward-Looking Statements.</b> This material contains certain forward-looking statements and their underlying assumptions and analysis, in order to offer BXCI's expectations for future developments and events.</p>	<p><b>Estimates / Forward-Looking Statements.</b> Estimates and other forward-looking information are based on assumptions that Blackstone believes to be reasonable as of the date hereof. Future results are inherently uncertain and subject to many important factors.</p>
<p><b>Key Personnel.</b> We believe that BMAC's dedicated global team's collective experience with European direct lending strategies forms a strong operating intervention platform that we mobilize on an integrated basis to lead, grow, run and defend our business.</p>	<p><b>Key Personnel.</b> Certain professionals are not dedicated to BMAC and will perform work for other Blackstone business units or are not employed by Blackstone. There is no assurance that such professionals will continue to be associated with the Fund throughout its life.</p>
<p><b>Leverage.</b> A fund may employ leverage or borrowings to advance investments or other activities. Leverage may at certain stages enhance returns from investments to the extent such returns exceed the costs of borrowings.</p>	<p><b>Leverage.</b> The use of leverage or borrowings magnifies investment, market and certain other risks and may be significant. Leverage can increase losses or gains and borrowing fees may reduce fund returns.</p>
<p><b>Returns and Past Performance.</b> BMAC has recently launched and as such has no track record, but we believe that Multi-Asset Credit portfolio can enhance returns while lowering volatility. The Fund has delivered positive net returns since inception.</p>	<p><b>Returns and Past Performance.</b> Past performance does not predict future returns. There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses, or that any downside control features will be successful. This document may include hypothetical performance, based on assumptions and judgements that Blackstone believes are reasonable, but are subject to significant risks and limitations.</p>
<p><b>Risk Management and portfolio optimization.</b> The Fund maintains a robust investment process to manage risk and optimize returns for our investors and portfolio companies through credit selection.</p>	<p><b>Risk Management and portfolio optimization.</b> Risk management seeks to mitigate risk, including inflation risk, but does not reduce or eliminate risk and does not protect against losses. <b>Capital is at risk.</b> There can be no assurance that any downside control features will be successful.</p>
<p><b>Themes and Trends.</b> For us, recognizing significant market trends and good neighbourhoods supported by secular tailwinds is essential to finding quality investment opportunities and achieving strong performance.</p>	<p><b>Themes and Trends.</b> There is no assurance that BMAC will find or close on any opportunities relating to themes or current market trends identified herein or that future initiatives will occur as expected or at all. Trends may not continue and may reverse.</p>

**Strength of Blackstone (page 1)**

AUM is estimated and unaudited as of September 30, 2025, and includes co-investments and Blackstone's GP and side-by-side commitments, as applicable. There can be no assurance that any Blackstone fund or investment will achieve its objectives or avoid substantial losses.

1. Based on Blackstone analysis of company earnings presentations and calls, as of September 30, 2025 or latest publicly available data.
2. Not all strategies have been in existence at Blackstone for the full 40-year investment record presented.
3. Based on Blackstone Credit and Insurance analysis of company earnings presentations and calls, as of September 30, 2025 and latest publicly available data of Blackstone Credit and Insurance peers.
4. Based on Private Equity International, as of June 2025. Represents amount of capital raised from investors over a rolling five-year period.
5. Largest owner based on estimated market value per Real Capital Analytics.
6. With Intelligence FoHF Billion Dollar Club, as of December 31, 2024, based on AUM. Includes AUM from BXMA's non-fund of fund platforms.

**Powerful Credit Platform (page 2)**

AUM is estimated and unaudited as of September 30, 2025. The AUM for Blackstone, Blackstone Credit & Insurance or any specific fund, account or investment strategy presented in this Presentation may differ from any comparable AUM disclosure in other non-public or public sources (including public regulatory filings) due to, among other factors, methods of net asset value and capital commitment reporting, differences in categorizing certain funds and accounts within specific investment strategies and exclusion of certain funds and accounts, or any part of net asset value or capital commitment thereof, from the related AUM calculations. Certain of these differences are in some cases required by applicable regulation. All figures are subject to change.

1. AUM is a combined figure inclusive of Blackstone Credit & Insurance "BXCI" and Real Estate Debt businesses.
2. Private Corporate Credit includes funds and products in Capital Solutions and Credit Alpha strategies, and assets managed for certain strategic insurance partnerships, in addition to the strategies listed.
3. Largest BDC based on publicly reported fair value of both traded and non-traded BDCs as of June 30, 2025.
4. Largest real estate debt fund based on BREDS IV fund size, per PERE historical fundraising data as of September 30, 2025.
5. Source: 9Fin (as of September 30, 2025)
6. Reflects assets under management attributable to infrastructure (energy transition, energy drawdown funds, private placements, asset-based finance, and resi). ESOF I (energy drawdown fund) has an investment program and objective substantially different from the investment program and objective of the Energy Transition funds (e.g. ESOF II, BGREEN III). All figures are subject to change
7. Largest private credit energy transition fund ever raised according to Preqin as of June 30, 2025. Relevant fund commitments included in this figure are as of August 8, 2023 to reflect final closing amount. Analysis based on universe of private credit funds closed since 2006 with fund sizes of \$7B or greater.
8. Represents the assets under management attributed to multi-asset credit strategies across Blackstone Credit & Insurance and Real Estate Debt Strategies as of September 30, 2025.

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# KKR Global Credit Opportunities Fund

*A Presentation to the Oklahoma Teachers'  
Retirement System Board of Trustees*

NOVEMBER 18-19, 2025



# Your KKR Team

## Investment Team



**Jeremiah S. Lane**

*Partner*

*Co-Head of Global Leveraged Credit*

Mr. Lane joined KKR in 2005 and is a Partner. Mr. Lane is Co-Head of Global Leveraged Credit alongside Eddie O'Neill. Mr. Lane is a portfolio manager of KKR's leveraged credit funds and portfolios and a member of the US Leveraged Credit Investment Committee and the Credit Portfolio Management Committee. Previously Mr. Lane served as Head of U.S. Leveraged Credit Research, and prior to that, he was an analyst on the team covering different industries. Before joining KKR, Mr. Lane worked at JPMorgan in TMT investment banking. Mr. Lane holds an A.B. with honors in History from Harvard College.

## Relationship Team



**Ari Barkan**

*Managing Director*

*KKR Relationship Manager*

Mr. Barkan joined KKR in 2012 and is a Managing Director in Global Client Solutions. He serves as the Head of the U.S. Central Region for Institutional Client Solutions. Prior to joining KKR, Mr. Barkan was a managing director in Credit Suisse Asset Management performing a similar role from 2009 until early 2012. Previously, he spent 12 years at Citigroup where he held both asset management and corporate banking roles. Before joining Citigroup, Mr. Barkan worked as an oil and gas equity analyst for Creditanstalt in Russia. Mr. Barkan holds a Masters in International Affairs from Columbia University, a Bachelor of Arts from the University of California, Berkeley, and was a Rotary Ambassadorial Fellow at the Moscow State Institute for International Relations.

# What Oklahoma TRS Will Hear Today

*The KKR Global Credit Opportunity Fund ("GCOF")*

1

Is a differentiated approach to investing OKTRS' unused private credit allocation

2

Provides immediate exposure to credit markets

3

Has had consistent leadership since the Fund's inception

4

Leverages KKR's global resources, intellectual capital, and highly collaborative culture to deliver results for our investors

5

Has a long track record of strong performance

# KKR Credit & Markets

**\$261bn**

CREDIT ASSETS UNDER MANAGEMENT  
ACROSS GLOBAL, US, EMEA, AND APAC

**~240<sup>(1)</sup>**

PROFESSIONALS ACROSS **12** CITIES IN **10** COUNTRIES

## Leveraged Credit

**\$134bn**

ASSETS UNDER  
MANAGEMENT

Leveraged Loans  
High Yield Bonds  
Multi-Asset Credit  
Structured Credit

## Private Credit

**\$120bn**

ASSETS UNDER  
MANAGEMENT

Senior Direct Lending  
Junior Debt  
Asset-Based Finance

## Strategic Investments

**\$8bn**

ASSETS UNDER  
MANAGEMENT

Capital Solutions  
Opportunistic

## Capital Markets

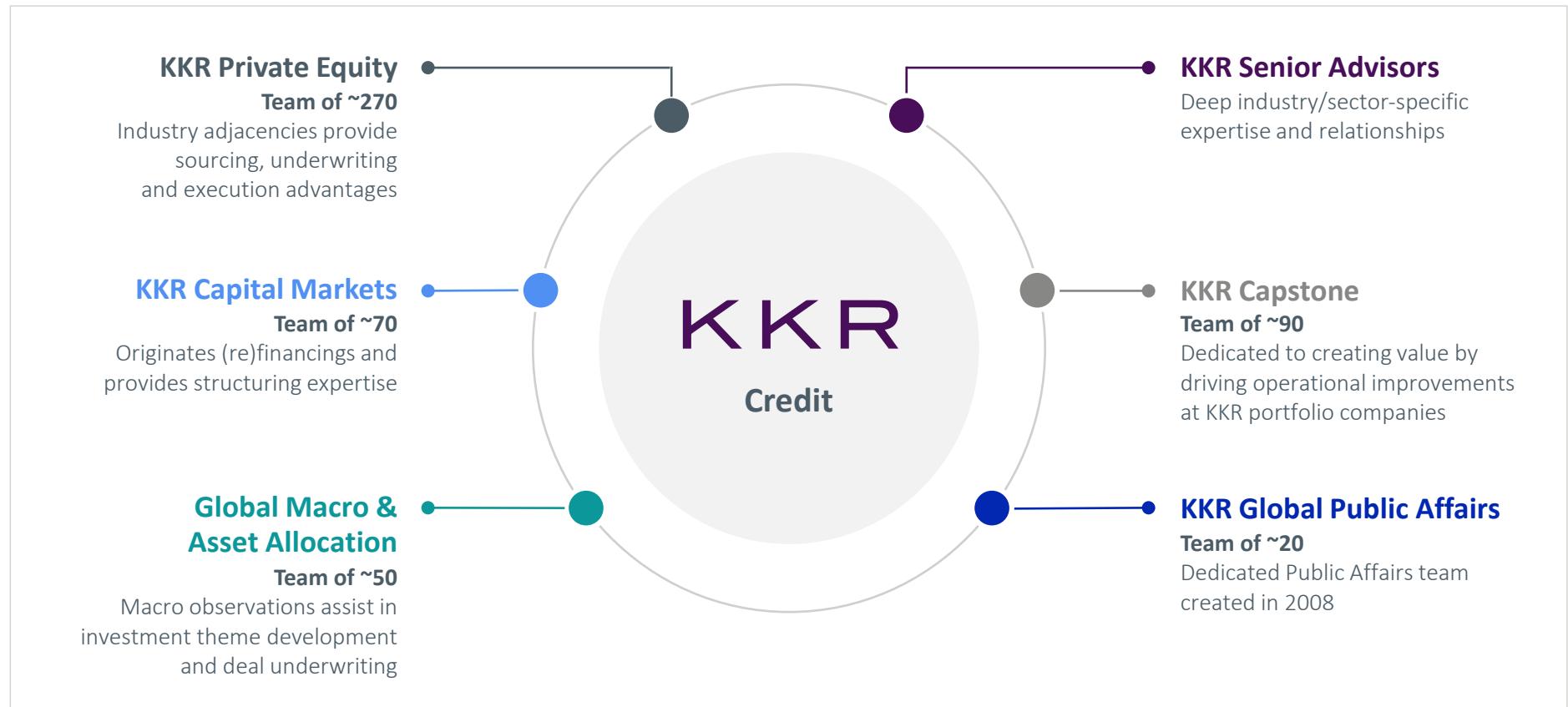
**\$2T**

CUMULATIVE DEBT &  
EQUITY FINANCING

Debt Capital Markets | Equity Capital Markets | Structured Capital Markets | Co-Invest & Partnerships

# Global Credit Opportunities Fund (“GCOF”) Benefits from Powerful Cross Firm Synergies

The whole firm is used to enhance origination, underwriting and portfolio management



## CONNECTING THE DOTS – A ONE-FIRM APPROACH

Note: As of June 30, 2025. Please see “Important Information” at the beginning of this presentation for additional disclosure regarding KKR’s internal information barrier policies and procedures, which may limit the involvement of certain personnel in some investment discussions.

# Global Credit Opportunities Fund (“GCOF”) Summary

## High-conviction, Concentrated and Opportunistic Multi-Asset Credit Portfolio

- Concentrated portfolio of our highest conviction ideas
- Flexible mandate
- Long-only strategy that does not use leverage or derivatives to take investment risk<sup>3</sup>
- Strategy launched 17 years ago, and the Global Credit Opportunities Fund launched 10 years ago
- Top quartile performance amongst peers over the last 3, 5, 7, and 10 years<sup>(2)</sup>

## Experienced Team

- Consistent leadership since the Fund’s inception
- PM team averages 22 years of industry experience
- Have worked together for over 10 years
- Idea generation comes from across the KKR Global Leveraged Credit platform

## Supportive Market Conditions

- Dislocations and pricing inefficiencies are endemic to credit markets
- Opportunities to buy cheap assets are present across all market environments

**Past performance is no guarantee of future results.** Please see Important Information for a discussion of the limitations of related performance. Unless otherwise noted, all information as of September 30, 2025

1. Since Inception of the Opportunistic Credit Composite (May 2008)

2. Source: eVestment Alliance - performance reflects performance vs. peers based on data ending June 30, 2025. Collection and analysis of comparison data is based on the universe of managers as self-defined by each manager. Based on performance of the respective strategies. OCS ranked in the first quartile over the last 3, 5, 7, & 10 years.

3. Derivatives used for currency hedging purposes only

**\$5.3bn**

Strategy Size

**17 Year**

Track Record

**10.5%**

Gross return since inception<sup>1</sup>

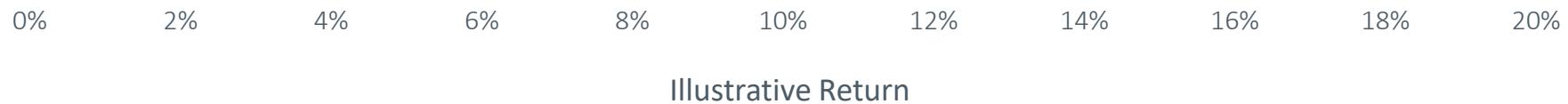
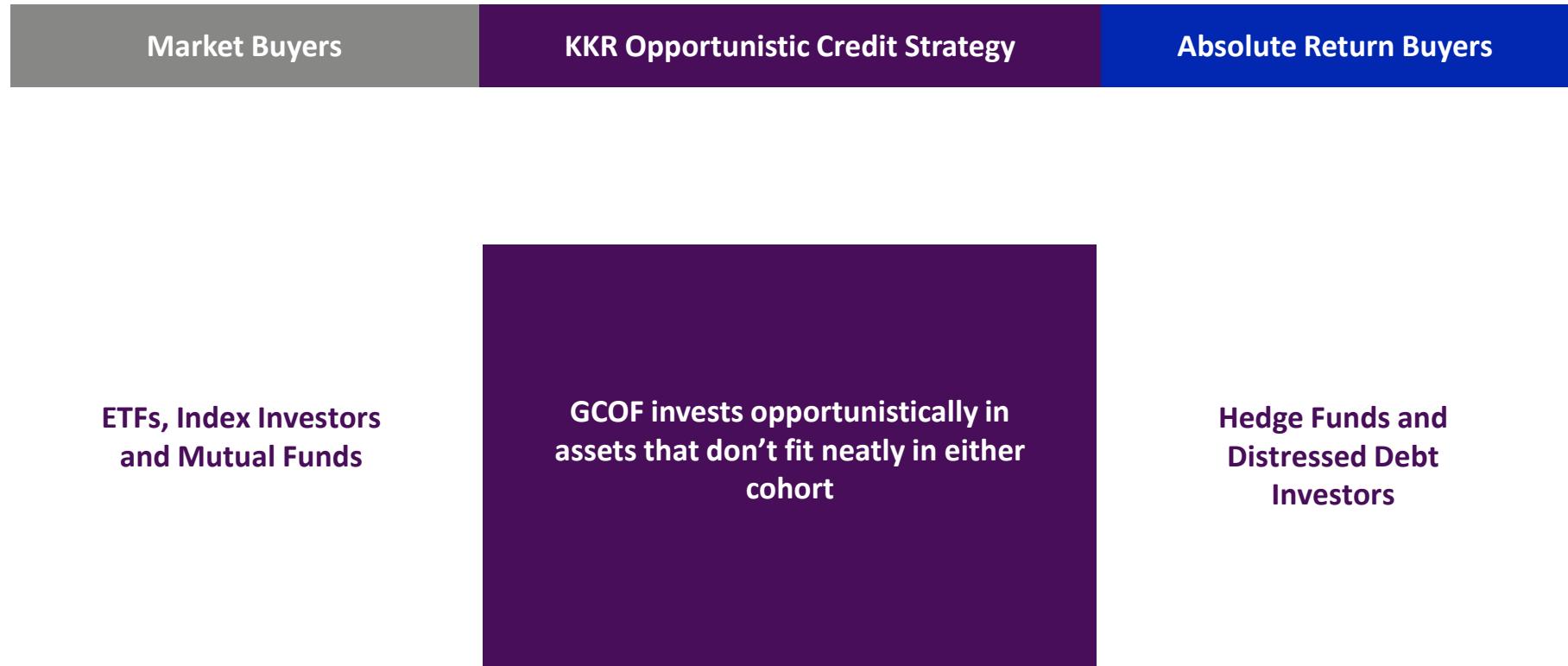
**9.4%**

Net return since inception<sup>1</sup>

**1st**

Quartile Performance<sup>2</sup>

# KKR Opportunistic Credit Strategy Seeks Value Between Borders



For illustrative purposes only.

# KKR Global Credit Opportunities Fund (“GCOF”) Overview

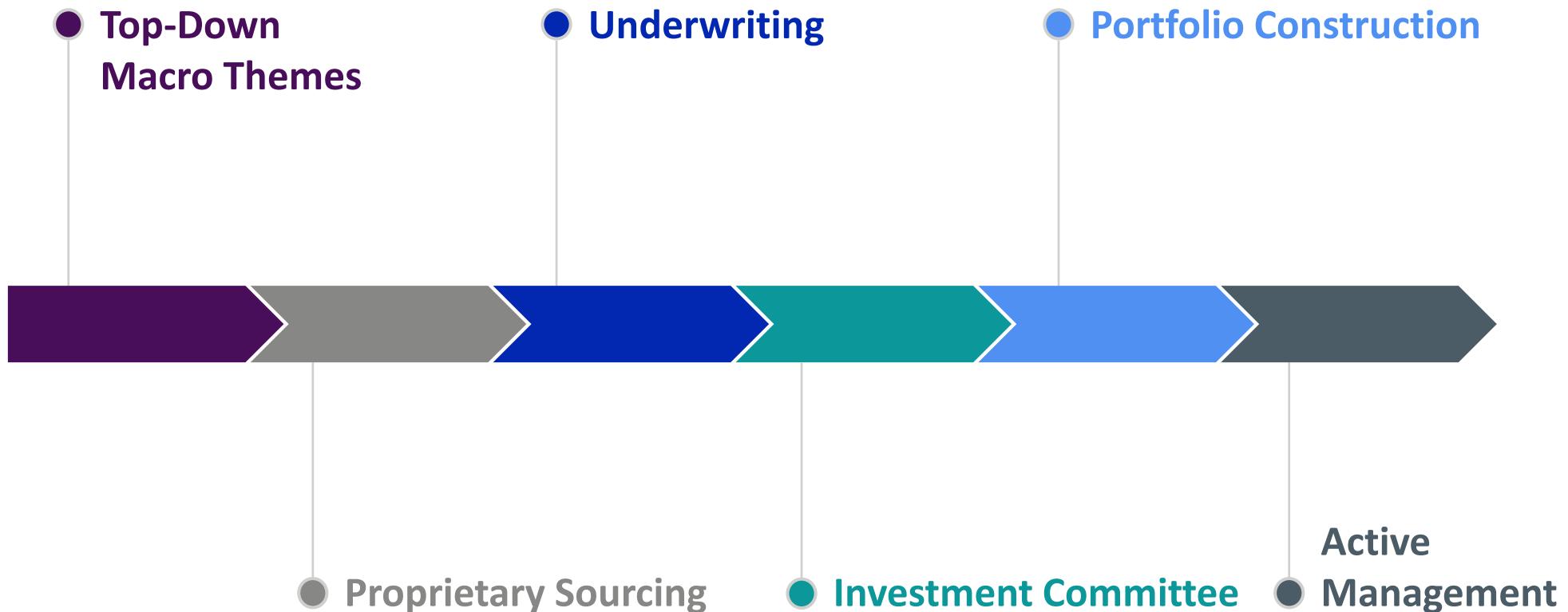
Global Credit Opportunities Fund (“GCOF”): Portfolio Characteristics	
	Target
<b>Total Issuers</b>	60 – 80 core
<b>Effective Duration Range</b>	2 – 5 years
<b>Average Core Position Size<sup>(1)</sup></b>	1.5% - 4.0%
<b>U.S. / Non-U.S. Issuer Geography</b>	Global

(1) Typical maximum size position is ~5% of the portfolio.

Note: Target allocations are subject to change. There is no assurance that the characteristics will be achieved, and actual characteristics may be significantly different than that shown here. The Fund has no investment restrictions. Please refer to "Important Information" on pages 2-4 for further information on KKR's inside information barrier policies and procedures, which may limit the involvement of personnel in certain investment processes and discussions. Participation of KKR Private Equity, KKR Capital Markets, and KKR Capstone personnel in the public markets investment process is subject to applicable law and inside information barrier policies and procedures, which may limit the involvement of such personnel in certain circumstances and KKR Credit's ability to leverage such integration with KKR.

# KKR Opportunistic Credit Strategy Investment Process

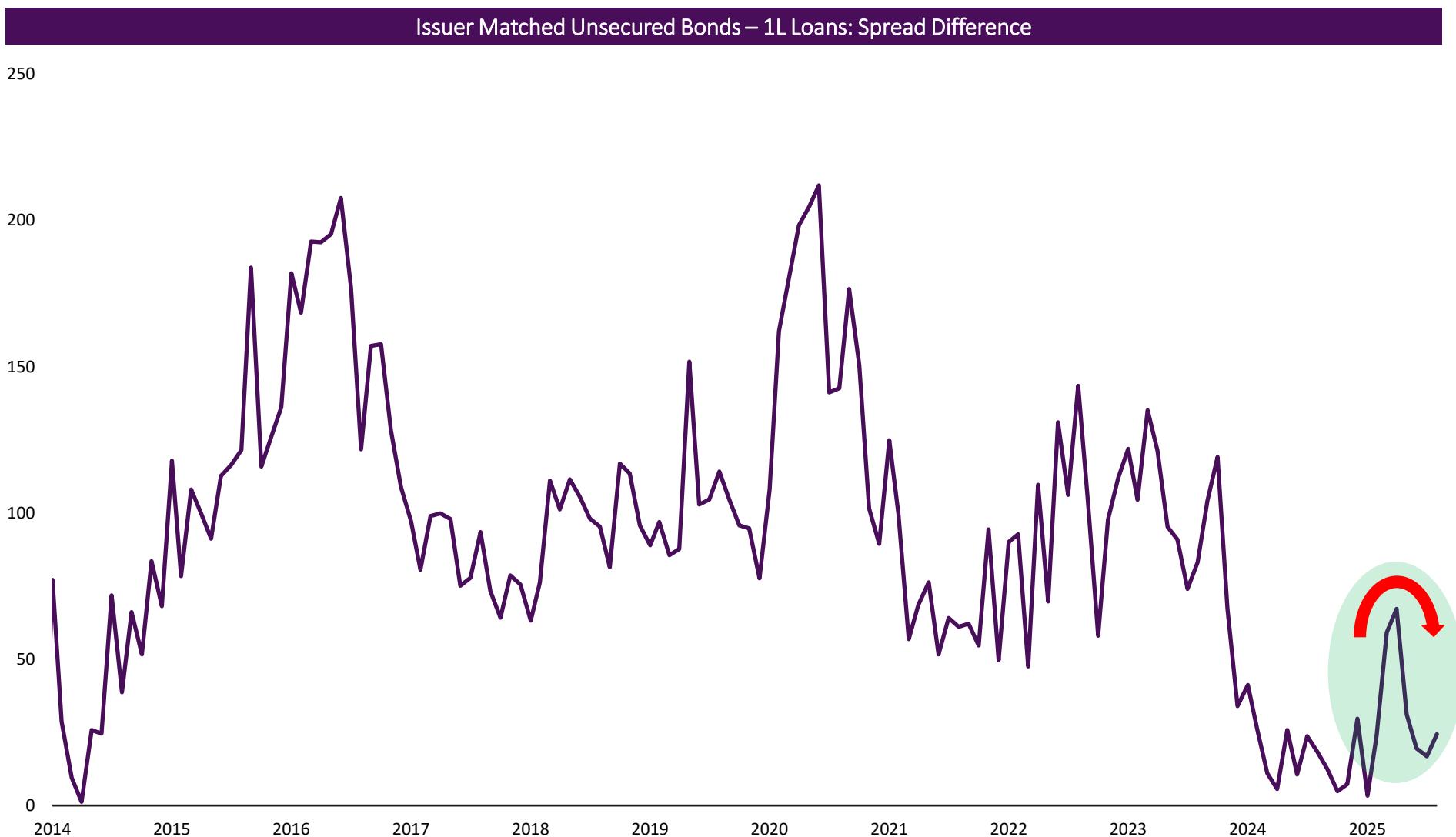
Combines rigorous credit research with top-down macroeconomic and sector views



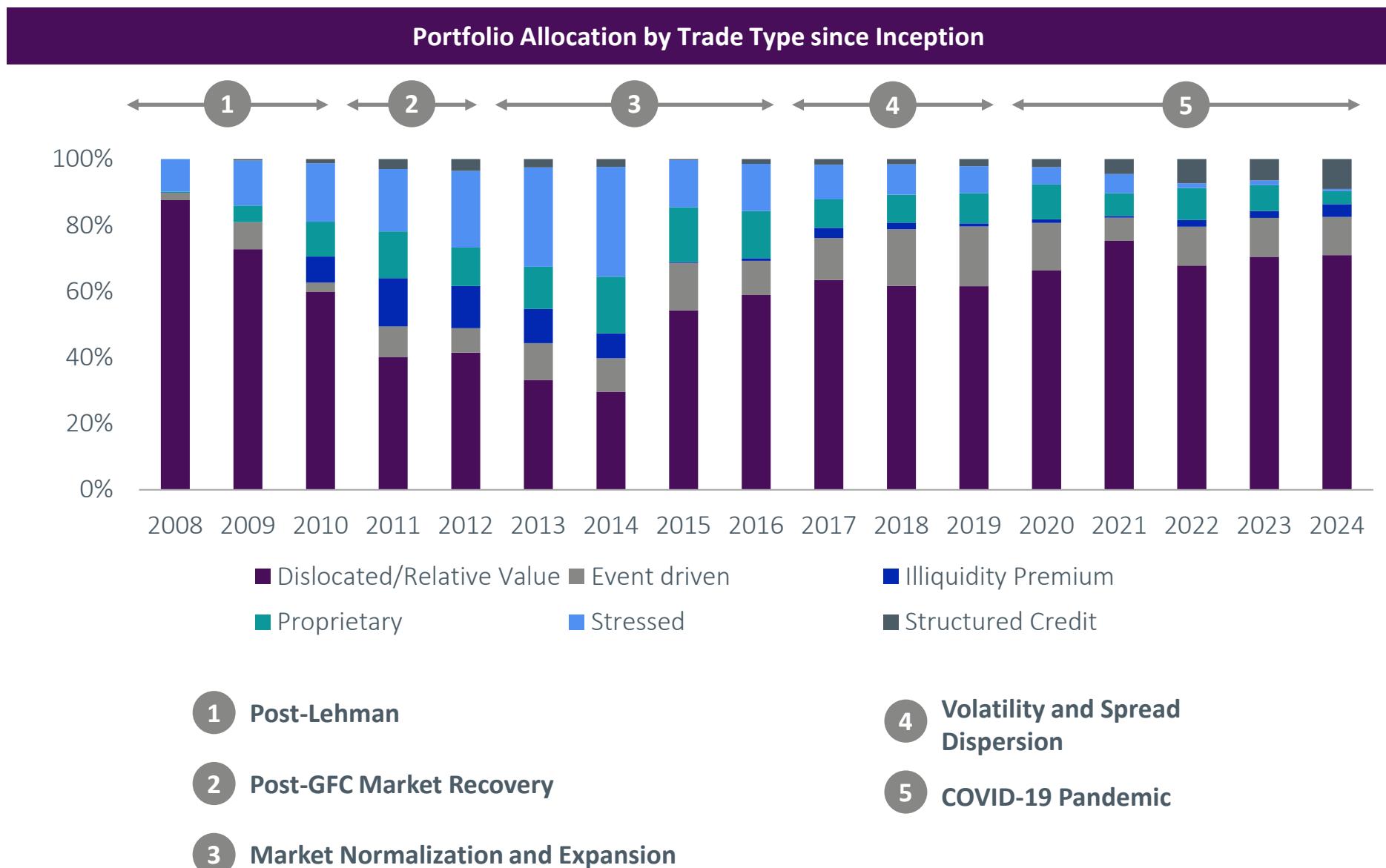
Note: KKR may use some or all of the techniques described herein. Please refer to "Important Information" at the beginning of this Presentation for further information on KKR's inside information barrier policies and procedures, which may limit the involvement of personnel in certain investment processes and discussions.

# Finding Opportunities in Capital Structure Dispersion

Capital structure dispersion widened meaningfully in April which presented a brief buying opportunity. Nimble strategies, which can move quickly to access relative value opportunities, were best able to take advantage.



# Dynamic and Repeatable Allocation Process

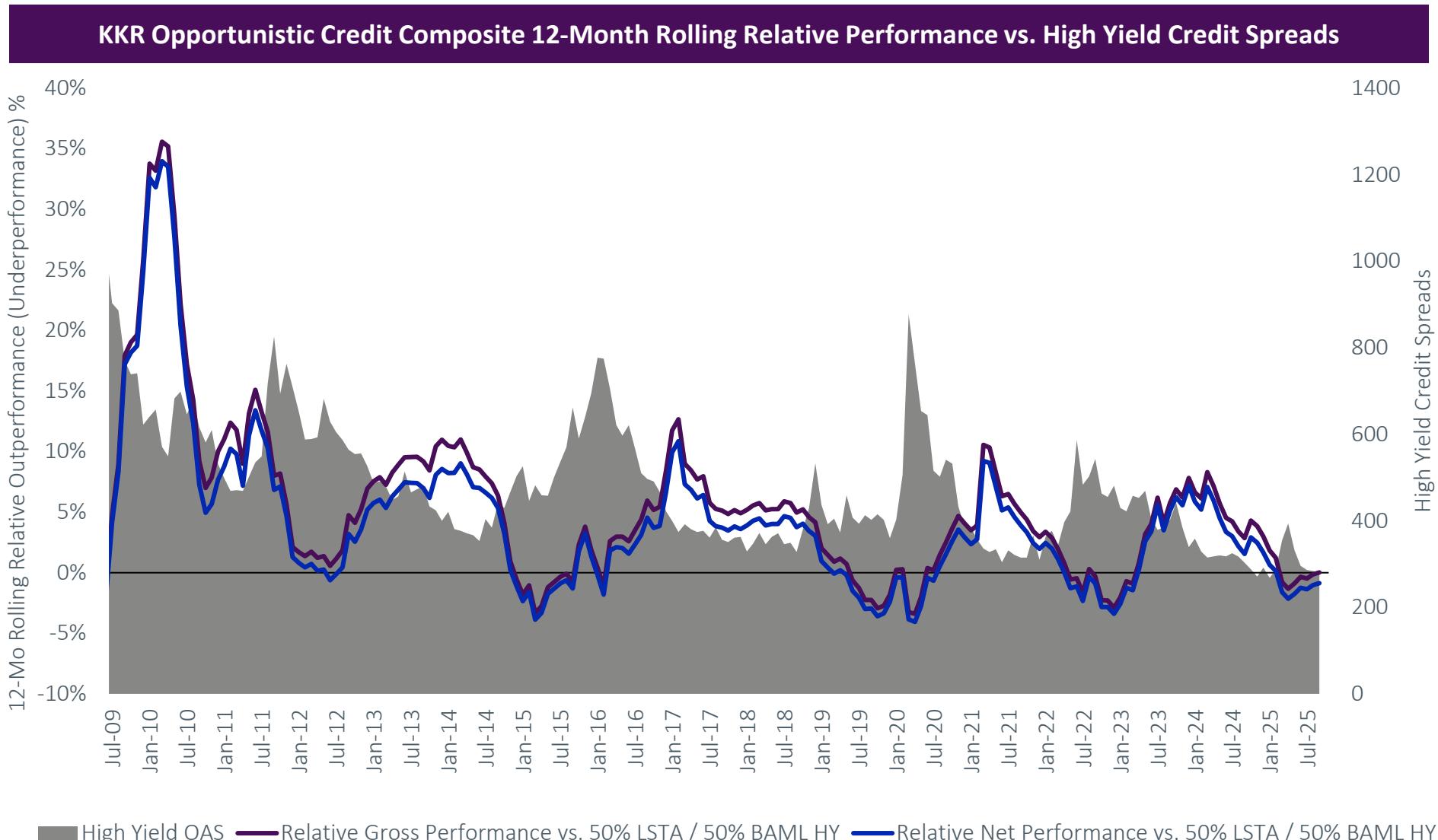


Source: KKR Credit Analysis as of December 31, 2024. Reflects allocation of the Opportunistic Credit Strategy; allocation of the Fund may differ.

# Examples of Recent Thematic Trades in the Global Credit Opportunities Fund (“GCOF”)

Issuer	Assets	Theme
<i>Strategic Asset Sales:</i>		
	High Yield Bonds Term Loans	Strategic Asset Sales
	High Yield Bonds Term Loans	Strategic Asset Sales
	Preferred	Strategic Asset Sales
	High Yield Bonds	Strategic Asset Sales
	High Yield Bonds	Strategic Asset Sales
<i>Private Credit Refinancings:</i>		
	Term Loan	Refinancing
	Term Loan	Refinancing
	Term Loan	Refinancing
	Term Loan	Refinancing
<i>Proactive Convertible Bond Refinancings:</i>		
	Convertible Bond High Yield Bonds	Convertible Refinancing
	Convertible Bond High Yield Bond Common Stock	Convertible Refinancing

# KKR Opportunistic Credit Strategy Has Delivered Strong Excess Returns Across Different Market Environments



Note: Past Performance does not guarantee future results. The performance information is presented in USD. Source: KKR Credit Analysis. Relative 12-Mos Rolling Relative Returns measured against a blended benchmark of the 50% BAML HY / 50% LSTA index as of September 30, 2025

# KKR Opportunistic Credit Strategy<sup>(1)</sup> Performance: Not Dependent on Market Direction

**135%**

Gross Up Capture  
since Inception<sup>(1)</sup>

**99%**

Gross Down Capture  
since Inception<sup>(1)</sup>

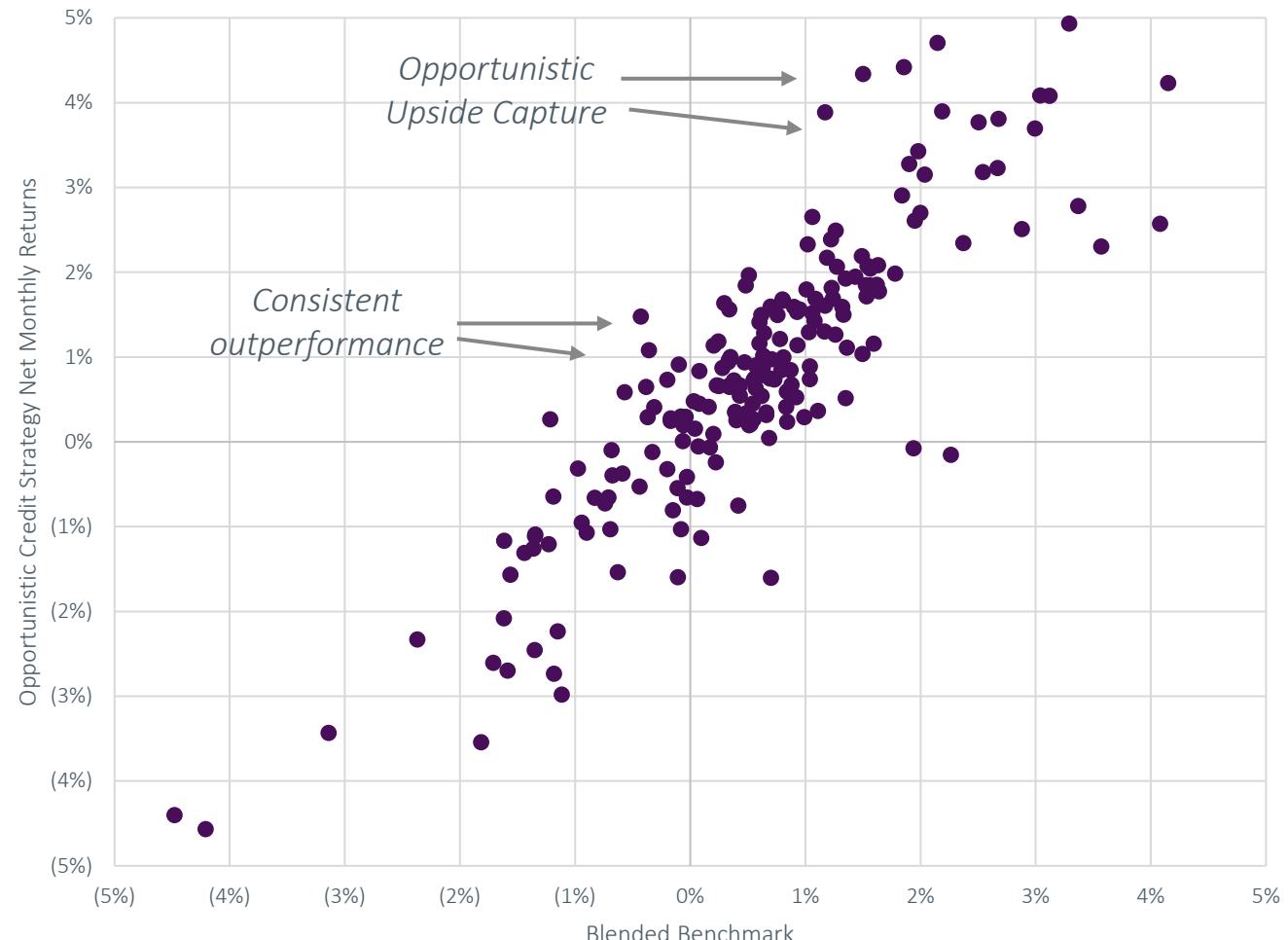
**128%**

Net Up Capture  
since Inception<sup>(1)</sup>

**103%**

Net Down Capture  
since Inception<sup>(1)</sup>

**KKR Opportunistic Credit Strategy Monthly Net Returns versus the Blended Benchmark since inception**

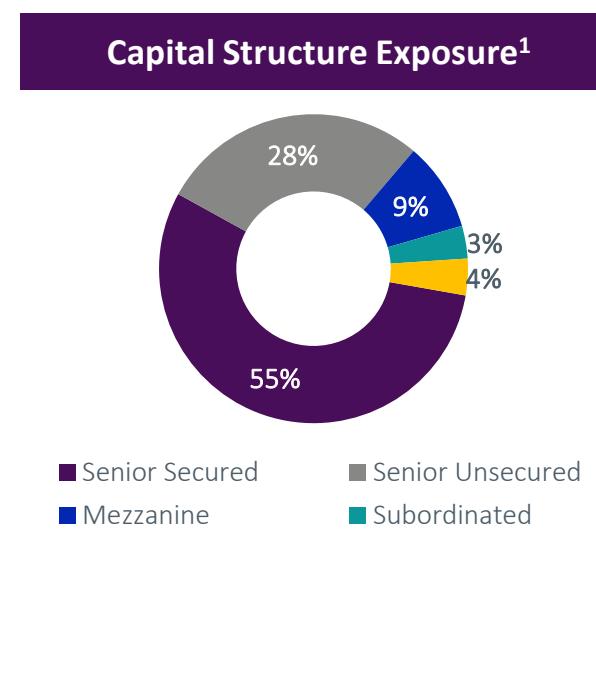
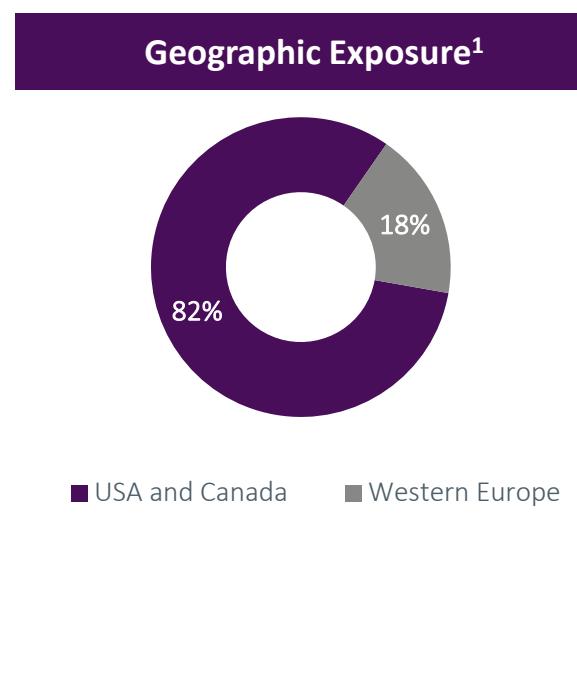
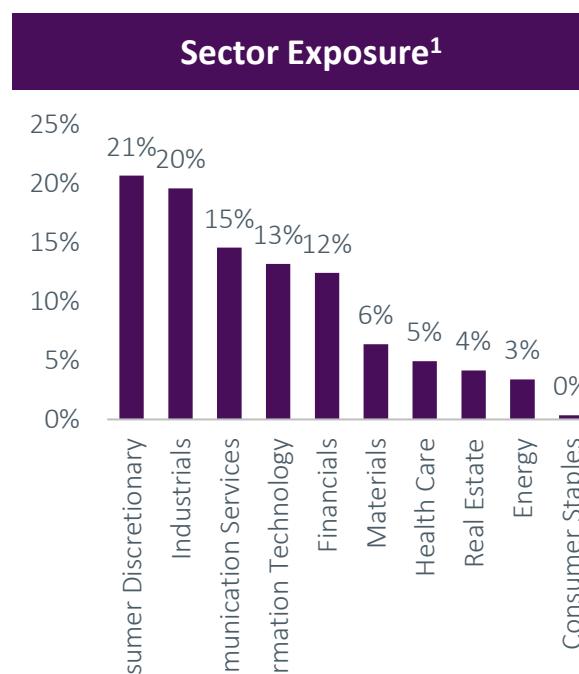
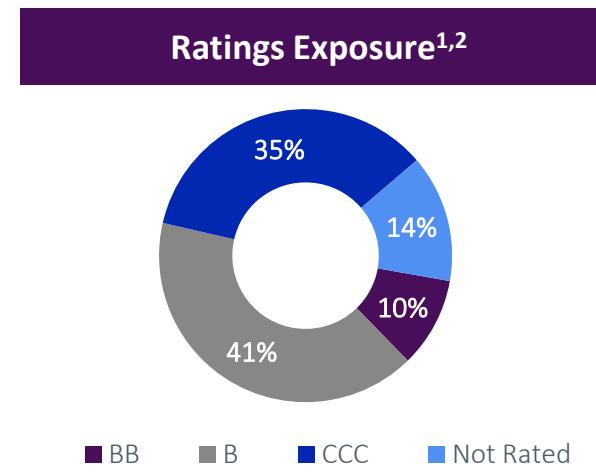
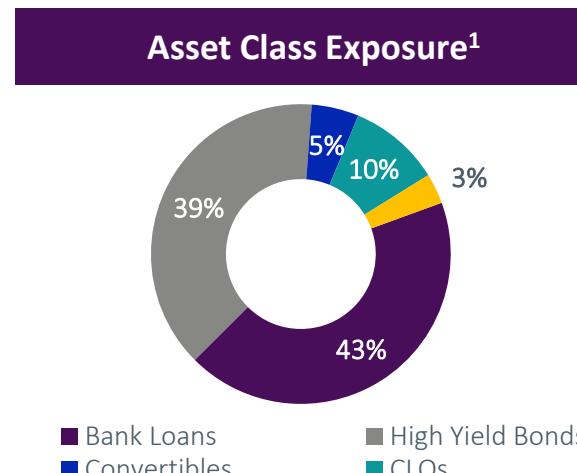


Source: BAML, Morningstar, and KKR Credit Analysis as of September 30, 2025. The Opportunistic Credit Composite (OCS) returns are since inception.

1. Since inception of the KKR Opportunistic Credit Composite (May 2008). Past Performance does not guarantee future results.

# Global Credit Opportunities Fund (“GCOF”) Portfolio Snapshot

Portfolio Statistics <sup>1</sup>		
Portfolio Statistics	Portfolio	Bench <sup>3</sup>
# of issuers / positions	273 / 357	3,000+
Top 10 issuers %	22.5%	~2.9%
Avg. weighted price	\$97.04	\$98.81
YTM	9.4%	7.9%
Current Yield	8.0%	7.3%
Credit Spread (OAS)	624 bps	334 bps



Note: All data as of September 30, 2025, unless otherwise noted.

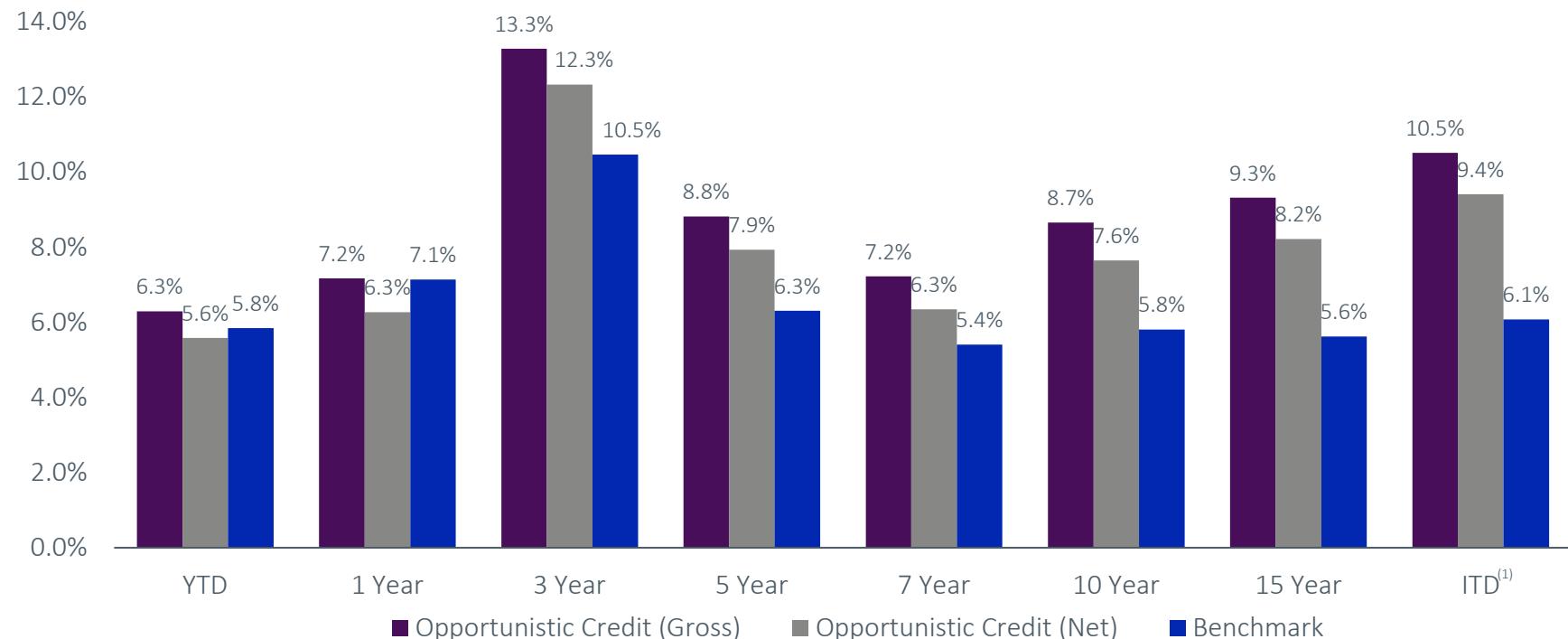
(1) Excludes cash and derivatives

(2) Ratings shown as the lowest available security rating across S&P, Moody's, and Fitch

(3) Benchmark is 50% ICE BofA US High Yield Index / 50% Morningstar LSTA US Leveraged Loan Index

# KKR Opportunistic Credit Strategy versus Benchmark

## KKR Opportunistic Credit Strategy Performance versus the Benchmark



	YTD	1 Year	3 Year	5 Year	7 Year	10 Year	15 Year	ITD <sup>(1)</sup>
KKR Opportunistic Credit Strategy (Gross)	6.3%	7.2%	13.3%	8.8%	7.2%	8.7%	9.3%	10.5%
KKR Opportunistic Credit Strategy (Net)	5.6%	6.3%	12.3%	7.9%	6.3%	7.6%	8.2%	9.4%
50% BAML HY / 50% LSTA	5.8%	7.1%	10.5%	6.3%	5.4%	5.8%	5.6%	6.1%
Gross Excess Return	+44 bps	+3 bps	+282 bps	+251 bps	+181 bps	+285 bps	+369 bps	+443 bps
Net Excess Return	-26 bps	-87 bps	+187 bps	+162 bps	+94 bps	+184 bps	+260 bps	+333 bps

Source: KKR Credit Analysis, S&P LCD, BAML as of September 30, 2025

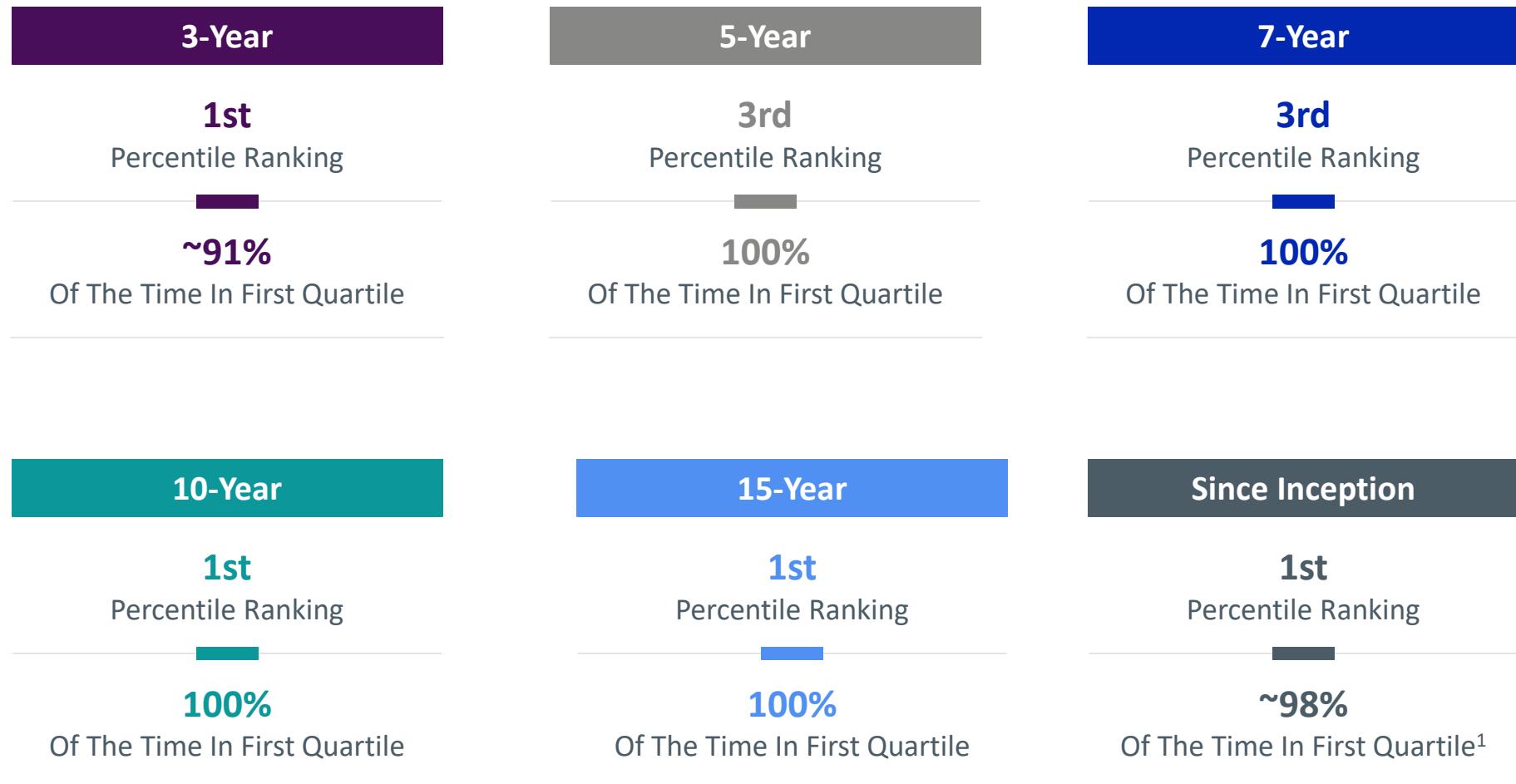
Returns for periods longer than one year shown on an annualized basis.

(1) The Opportunistic Credit Composite's inception date is May 2008.

Note: Past performance is no guarantee of future results. Please see Important Information for a discussion of the limitations of related performance. June performance based on estimates.

# KKR Opportunistic Credit Strategy Performance Among Peers

Past Performance is no guarantee of future results



Source: eVestment Alliance - performance reflects performance vs. peers based on data ending June 30, 2025. Collection and analysis of comparison data is based on the universe of managers as self-defined by each manager. Based on performance of the respective strategies.

1. Quarterly reporting periods following the Opportunistic Credit Composite's first full year of performance.

# KKR Global Leveraged Credit Team

## Senior Leadership



**Jeremiah S. Lane**

Partner & Co-Head of Global Leveraged Credit



**Christopher Sheldon**

Partner & Co-Head of KKR Credit & Markets



**Eddie O'Neill**

Partner & Co-Head of Global Leveraged Credit

## Global Leveraged Credit Portfolio Management Team



**James Newman**

Managing Director



**Ali Allahbachani**

Managing Director



**Dima Mostovoy**

Managing Director



**Richard Schoenfeld**

Managing Director



**Gearoid Casey**

Managing Director



**Myles Carey**

Managing Director



**Lakshya Madhok**

Managing Director

## Asset Allocation Team



**Kris Novell**  
Managing Director  
San Francisco



**Tony Buckley**  
Director  
Dublin



**Rachel Li**  
Principal  
New York



**James Newman**  
Managing Director  
London



**Michael Russell**  
Managing Director  
San Francisco



**Evelyn Stevens**  
Managing Director  
San Francisco



**Kevin McMahon**  
Managing Director  
Dublin



**Rudy Pimentel**  
Managing Director  
San Francisco



**Rory O'Farrell**  
Managing Director  
Dublin



**Ezra Max**  
Principal  
New York



**Jackson Battey**  
Analyst  
San Francisco



**Mary Beth Wallace**  
Director  
London



**Kate Ryan**  
Principal  
San Francisco



**Gaby Costamanga**  
Associate  
San Francisco



**Conor Cannon**  
Associate  
Dublin



**Jose Valdivia**  
Principal  
Dublin



**Tony Hsieh**  
Principal  
San Francisco



**Hudson Rawlings**  
Associate  
San Francisco



**Peter Schwartz**  
Associate  
San Francisco

## Global Trading & Capital Markets



**James Newman**  
Managing Director  
London



**Michael Russell**  
Managing Director  
San Francisco



**Evelyn Stevens**  
Managing Director  
San Francisco



**Kevin McMahon**  
Managing Director  
Dublin



**Rudy Pimentel**  
Managing Director  
San Francisco



**Rory O'Farrell**  
Managing Director  
Dublin

## Leveraged Credit Product Team



**Kevin McMahon**  
Managing Director  
Dublin



**Rudy Pimentel**  
Managing Director  
San Francisco



**Rory O'Farrell**  
Managing Director  
Dublin

## Global Investment Team

### U.S. Leveraged Credit Team

30

Investment Professionals

10

Average Years of Experience

### European Leveraged Credit Team

16

Investment Professionals

13

Average Years of Experience

# Go-Forward Opportunities for the Global Credit Opportunities Fund (“GCOF”)

Market Focus Areas	Opportunities and Themes	Implications for GCOF
<b>Rate Cuts Have Begun but All-In Yield Still Attractive</b>	<ul style="list-style-type: none"><li>• “Lock-in” higher returns for longer</li><li>• Remain focused on absolute yield</li></ul>	GCOF’s opportunistic strategy maximizes the ability to toggle between fixed and floating rate liquid credit
<b>Reopened Capital Markets</b>	<ul style="list-style-type: none"><li>• As M&amp;A picks up, there will be many more opportunities to build in convexity and total return</li></ul>	GCOF’s opportunistic strategy can build in convexity via short-maturity trades as refis, takeouts, and IPOs become more prevalent
<b>Pockets of Dislocation &amp; Increased Dispersion</b>	<ul style="list-style-type: none"><li>• Capital providers can provide liquidity to quality asset owners</li><li>• Levels of borrower stress may increase, but a “large wave” of defaults is unlikely</li></ul>	Opportunistic credit strategies like GCOF can capitalize on market inefficiencies, particularly under stressed market conditions

For Discussion Purposes Only. The above commentary is subject to change depending on market factors. Note: Unless indicated, the above reflects the current market views, opinions and expectations of KKR [Credit] based on its historic experience. Historic market trends are not reliable indicators of actual future market behavior or future performance of any particular investment or any KKR [Credit] fund, vehicle or account which, may differ materially, and are not to be relied upon as such. There can be no assurance that investors in any KKR [Credit] fund, vehicle or account will receive a return of capital.

# Appendix

# Monthly Performance for the Opportunistic Credit Composite and the Global Credit Opportunities Fund (GCOF)

Opportunistic Credit Composite Monthly Returns															
Gross	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	BM*	Excess
2025	0.8%	0.8%	-1.0%	-0.6%	1.9%	1.6%	0.9%	0.5%	1.3%	--	--	--	6.3%	5.8%	0.4%
2024	1.2%	1.6%	2.6%	-0.3%	0.9%	0.4%	1.7%	0.4%	1.7%	0.5%	0.3%	0.0%	11.6%	8.6%	3.0%
2023	5.0%	1.1%	0.3%	1.8%	0.6%	2.7%	2.0%	0.8%	1.0%	-1.5%	2.5%	3.3%	21.3%	13.4%	7.9%
2022	-0.6%	-0.6%	-0.5%	-2.6%	-2.2%	-4.4%	2.6%	1.5%	-3.4%	0.0%	1.9%	-0.8%	-8.8%	-6.0%	-2.8%
2021	0.9%	1.0%	0.9%	1.1%	0.7%	0.9%	0.0%	0.4%	0.7%	0.2%	-0.3%	1.3%	8.2%	5.3%	2.9%
2020	1.0%	-1.2%	-15.4%	4.3%	6.0%	2.7%	2.9%	1.8%	0.8%	1.0%	4.2%	2.2%	8.7%	4.7%	4.1%
2019	2.4%	1.8%	0.4%	1.8%	-0.7%	0.6%	0.4%	-0.6%	0.4%	-0.5%	0.6%	3.0%	9.7%	11.5%	-1.8%
2018	1.8%	0.4%	0.4%	0.5%	0.5%	0.8%	1.2%	0.8%	0.6%	-0.6%	-1.0%	-2.2%	3.3%	-0.9%	4.2%
2017	1.7%	1.4%	0.3%	1.3%	1.0%	0.6%	0.6%	0.4%	1.4%	0.4%	0.4%	0.8%	10.7%	5.8%	4.9%
2016	-2.9%	-0.3%	6.7%	3.8%	1.8%	0.9%	3.6%	2.2%	1.6%	0.8%	0.1%	2.2%	22.1%	13.8%	8.3%
2015	0.2%	3.3%	-1.0%	1.6%	1.2%	-0.3%	0.5%	-1.2%	-2.0%	2.1%	-1.5%	-3.5%	-0.7%	-2.7%	2.0%
Annual Returns	2014	2013	2012	2011	2010	2009	2008								
Gross	1.5%	17.4%	19.5%	5.1%	22.7%	80.4%		-26.6%							
Benchmark	2.1%	6.4%	12.6%	3.0%	12.7%	54.7%		-27.2%							
Excess	-0.6%	11.0%	6.9%	2.1%	10.0%	25.8%		0.5%							
Net	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD		
2025	0.7%	0.7%	-1.0%	-0.7%	1.9%	1.5%	0.8%	0.4%	1.2%	--	--	--	5.6%		
2024	1.0%	1.4%	2.3%	-0.3%	0.9%	0.3%	1.6%	0.4%	1.7%	0.4%	0.3%	-0.1%	10.4%		
2023	5.0%	1.0%	0.3%	1.8%	0.6%	2.6%	1.8%	0.7%	0.8%	-1.5%	2.5%	3.1%	20.1%		
2022	-0.7%	-0.7%	-0.5%	-2.6%	-2.2%	-4.4%	2.6%	1.5%	-3.4%	-0.1%	1.8%	-0.8%	-9.3%		
2021	0.8%	0.9%	0.8%	1.0%	0.7%	0.8%	-0.1%	0.3%	0.6%	0.2%	-0.4%	1.3%	7.2%		
2020	0.9%	-1.3%	-15.5%	4.2%	5.9%	2.7%	2.8%	1.7%	0.7%	0.9%	4.1%	2.1%	7.6%		
2019	2.3%	1.8%	0.3%	1.7%	-0.7%	0.5%	0.3%	-0.7%	0.4%	-0.6%	0.5%	2.9%	9.0%		
2018	1.7%	0.3%	0.3%	0.5%	0.5%	0.7%	1.1%	0.8%	0.5%	-0.7%	-1.1%	-2.3%	2.2%		
2017	1.6%	1.3%	0.2%	1.2%	0.9%	0.5%	0.5%	0.3%	1.3%	0.3%	0.3%	0.7%	9.4%		
2016	-3.0%	-0.4%	6.6%	3.7%	1.7%	0.7%	3.4%	2.1%	1.5%	0.6%	0.0%	2.0%	20.3%		
2015	0.2%	3.3%	-1.0%	1.5%	1.2%	-0.3%	0.4%	-1.2%	-2.0%	2.1%	-1.6%	-3.5%	-1.2%		
Annual Returns	2014	2013	2012	2011	2010	2009	2008								
Net	0.9%	14.9%	17.8%	4.3%	20.4%	79.4%		-26.9%							
Global Credit Opportunities Fund L.P. Monthly Returns															
Gross	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD	BM*	Excess
2025	0.8%	0.8%	-1.0%	-0.8%	2.0%	1.6%	0.9%	0.5%	1.3%	--	--	--	6.2%	5.8%	0.4%
2024	1.2%	1.5%	2.4%	-0.3%	1.1%	0.4%	1.7%	0.4%	1.6%	0.5%	0.3%	0.0%	11.3%	8.6%	2.7%
2023	5.0%	1.0%	0.4%	1.8%	0.7%	2.6%	2.0%	0.8%	1.0%	-1.5%	2.5%	3.4%	21.5%	13.4%	8.0%
2022	-0.6%	-0.6%	-0.4%	-2.5%	-2.0%	-4.1%	2.7%	1.3%	-3.4%	0.1%	1.9%	-0.7%	-8.2%	-6.0%	-2.2%
2021	1.1%	1.1%	1.0%	1.1%	0.8%	1.0%	0.0%	0.4%	0.7%	0.3%	-0.4%	1.3%	8.7%	5.3%	3.4%
2020	0.9%	-1.2%	-16.1%	4.2%	6.0%	3.0%	3.0%	1.8%	1.0%	1.1%	4.2%	2.2%	8.4%	4.7%	3.7%
2019	2.2%	1.7%	0.4%	1.7%	-0.8%	0.6%	0.4%	-0.5%	0.4%	-0.4%	0.5%	2.8%	9.4%	11.5%	-2.1%
2018	1.5%	0.2%	0.3%	0.4%	0.2%	0.7%	1.1%	0.7%	0.6%	-0.5%	-0.9%	-2.1%	2.1%	-0.9%	3.0%
2017	1.3%	0.9%	0.3%	1.1%	0.8%	0.5%	0.9%	0.3%	1.0%	0.5%	0.4%	0.8%	8.9%	5.8%	3.1%
2016	-1.5%	0.3%	4.7%	2.8%	1.5%	0.5%	2.9%	1.9%	1.5%	1.0%	0.4%	1.4%	18.7%	13.8%	4.9%
2015	0.0%	2.4%	0.0%	1.4%	0.8%	-0.6%	0.5%	-0.2%	-1.6%	1.4%	-1.0%	-2.9%	0.0%	-2.7%	2.7%
Net	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD		
2025	0.8%	0.7%	-1.0%	-0.8%	1.9%	1.5%	0.8%	0.4%	1.3%	--	--	--	5.5%		
2024	1.1%	1.4%	2.3%	-0.4%	1.0%	0.3%	1.6%	0.3%	1.5%	0.4%	0.3%	0.0%	10.3%		
2023	4.9%	0.9%	0.3%	1.7%	0.6%	2.5%	2.0%	0.8%	1.0%	-1.5%	2.5%	3.3%	20.5%		
2022	-0.6%	-0.7%	-0.5%	-2.6%	-2.1%	-4.2%	2.6%	1.3%	-3.4%	0.0%	1.9%	-0.8%	-9.0%		
2021	1.0%	1.0%	0.9%	1.0%	0.7%	1.0%	-0.1%	0.3%	0.6%	0.2%	-0.4%	1.3%	7.7%		
2020	0.9%	-1.3%	-16.2%	4.1%	5.9%	2.9%	2.9%	1.7%	0.9%	1.0%	4.1%	2.2%	7.5%		
2019	2.2%	1.6%	0.3%	1.6%	-0.8%	0.5%	0.3%	-0.6%	0.4%	-0.5%	0.5%	2.7%	8.4%		
2018	1.4%	0.1%	0.2%	0.3%	0.1%	0.6%	1.0%	0.6%	0.5%	-0.6%	-1.0%	-2.2%	1.2%		
2017	1.2%	0.8%	0.2%	1.0%	0.7%	0.4%	0.9%	0.2%	1.0%	0.4%	0.3%	0.7%	7.9%		
2016	-1.5%	0.2%	4.5%	2.4%	1.3%	0.5%	2.5%	1.8%	1.2%	0.8%	0.3%	1.3%	16.4%		
2015	-0.1%	2.2%	0.0%	1.2%	0.7%	-0.5%	0.4%	-0.2%	-1.6%	1.3%	-1.1%	-2.9%	-0.6%		

SECTION ELEVEN

# Important Information and Endnotes: GIPS Performance

# Important Information

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The Fund does not qualify as alternative investment funds ("AIFs") under the AIFMD. KKR Credit does not intend to engage in any marketing in any member state of the European Union or European Economic Area or to register under any national private placement regime of such member states as contemplated in Article 42 AIFMD. As such, investors will not receive the protections afforded to investors in AIFs managed by registered EU AIFMs or non-EU AIFMs marketing AIFs to EU investors under the AIFMD and/or member state laws, rules and regulations implementing the AIFMD.

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## **Past performance is no guarantee of future results.**

Any indices referred to in this presentation are used for purposes of comparison to the performance of certain capital markets. The market index returns assume that on the day a portfolio investment is made, a hypothetical investment in a matching amount is made in the given index. For each date on which either a portion or all of the portfolio investment is sold, a hypothetical index multiple (factor) is calculated by comparing the change in index value between the two dates. The cost of the investment sold (or portion of cost sold) is multiplied by this factor, resulting in a hypothetical index value. The return is calculated using these dates of investment and hypothetical value(s) generated. The return figures for each index do not reflect the deduction of any taxes, expenses, transaction costs or advisory fees. Broad-based securities indices are unmanaged and are not subject to fees and expenses typically associated with investing in a Fund. It is not possible to invest directly in an unmanaged index. The performance of the indices represents unmanaged, passive buy-and-hold strategies, investment characteristics and risk/return profiles that differ materially from those of the Fund, and an investment in the Fund is not comparable to an investment in such index or in the securities that comprise the index. Further, the indices referred to herein are not used or selected by KKR Credit as an appropriate benchmark to compare relative to the performance of the Fund's strategy, but rather they are included herein solely because they are well-known and widely-recognized indices that embody investments with materially less risk than an investment in a Fund.

The "Morningstar LSTA" is a daily tradable index for the U.S. loan market that seeks to mirror the market-weighted performance of the largest institutional loans that meet the inclusion criteria and that have marks from the LSTA/LPC mark-to-market service. The inclusion criteria consist of the following: i) syndicated term loan instruments consisting of term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans; ii) secured; iii) U.S. dollar denominated; iv) minimum term of one year at inception; and v) minimum initial spread of LIBOR plus 1.25%. For more information on the Morningstar LSTA, please visit <http://www.lsta.org/MarketDataContent.aspx?id=4636>. Unless otherwise indicated, all Morningstar LSTA performance data is as of the date provided.

The S&P 500 is a capitalization-weighted index of 500 stocks. The index is designed to measure performance of the broad domestic economy through changes in the aggregate market value of 500 stocks representing all major industries.

The BAML HY Master II is an index for high yield corporate bonds. It is designed to measure the broad high yield market, including lower-rated securities.

The JP Morgan EMBI Global Index is an unmanaged index that tracks total returns for dollar-denominated Brady Bonds, Eurobonds, traded loans and local market debt instruments issued by sovereign and quasi-sovereign entities of emerging markets countries.

# Important Information

For the avoidance of doubt, neither the calculation nor the presentation of any performance results herein has been approved or reviewed by the U.S. Securities and Exchange Commission.

The Barclays Aggregate is an index that measures the performance of the U.S. investment grade bond market. The index covers a wide spectrum of public, investment-grade, taxable, fixed income securities in the United States - including government, corporate, and international dollar-denominated bonds, as well as mortgage-backed and asset-backed securities, all with maturities of more than 1 year.

Investments of the Fund may be illiquid, making, at times, fair market valuation impossible or impracticable. As a result, valuation of the Fund may be volatile, reducing the utility of comparison to any index whose underlying securities are priced according to market value, such as the Morningstar LSTA. Investors should be aware that the Fund may incur losses both when major indices are rising and when they are falling.

The information in this presentation may contain projections or other forward-looking statements regarding future events, targets or expectations regarding the Fund described herein, and is only current as of the date indicated. There is no assurance that such events or targets will be achieved, and may be significantly different from that shown here. The information in this presentation, including statements concerning financial market trends, is based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons.

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The offering of the Fund into Switzerland is exempt from the prospectus requirement under the FinSA. No prospectus pursuant to the FinSA has been or will be prepared for or in connection with the offering of the Fund.

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# Important Information

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Participation of KKR Capital Markets and KKR Capstone personnel in the public markets investment process is subject to applicable law and inside information barrier policies and procedures, which may limit the involvement of such personnel in certain circumstances and KKR Credit's ability to leverage such integration with KKR. Discussions with senior advisors and employees of the Firm's managed portfolio companies are also subject to the inside information barrier policies and procedures, which may restrict or limit discussions and/or collaborations with KKR Credit.

Target returns are hypothetical in nature and are shown for illustrative, informational purposes only. This material is not intended to forecast or predict future events, but rather to indicate the returns for the asset classes listed above that KKR has observed in the market generally. It does not reflect the actual or expected returns of any portfolio strategy and does not guarantee future results. The target returns are based upon KKR's view of the potential returns for investments of the asset classes listed above, are not meant to predict the returns for any accounts managed by KKR, and are subject to the following assumptions: KKR considers a number of factors, including, for example, observed and historical market returns relevant to the applicable asset class, projected cash flows, projected future valuations of target assets and businesses, relevant other market dynamics (including interest rate and currency markets), anticipated contingencies, and regulatory issues. Certain of the assumptions have been made for modeling purposes and are unlikely to be realized. No representation or warranty is made as to the reasonableness of the assumptions made or that all assumptions used in achieving the returns have been stated or fully considered. Changes in the assumptions may have a material impact on the projected returns presented. All data is shown before fees, transaction costs and taxes and does not account for the effects of inflation. Management fees, transaction costs, and potential expenses are not considered and would reduce returns. Actual results experienced by clients may vary significantly from the hypothetical illustrations shown.

**Target Returns May Not Materialize.** The information in this presentation may contain projections or other forward-looking statements regarding future events, targets or expectations and is only current as of the date indicated. There is no assurance that such events or projections will occur, and may be significantly different than that shown here. The information in this presentation, including projections concerning financial market performance, is based on current market conditions, which will fluctuate and may be superseded by subsequent market events or for other reasons.

In calculating the gross targeted returns for the Global Credit Opportunities Fund (GCOF), KKR has made certain portfolio construction and performance assumptions including, without limitation, that (i) the GCOF portfolio will make investments on a continuous basis over a full credit market cycle, (ii) investments will be held until maturity, and capital will be re-invested into perpetuity, (iii) the GCOF portfolio will bear annualized ongoing expenses which KKR estimates to be de minimis for purposes of such calculation (but which could not reflect the expenses ultimately borne by the Fund) and (iv) performance of the Fund will be tracked on the basis of gross time weighted returns (TWR) that is consistent with (a) the historic performance of investments of the type targeted by the Fund that have been made by prior KKR portfolios and (b) the observations of KKR and its professionals regarding historical market returns achieved more broadly in the Leveraged Credit market (c) forward-looking capital markets assumptions (CMA) and expected outperformance relative to benchmarks. In calculating net targeted returns for the Fund, KKR has assumed that (I) management fees paid by the Fund to KKR are charged at the highest applicable rate charged to a limited partner exclusive of any fee discounts [(as described in the respective Private Placement Memorandums, Prospectus, or other related documents)], (II) incentive fees are distributed to the general partner in accordance with the distribution priorities set forth in the respective Private Placement Memorandums, Prospectus, or other related documents and (III) organizational expenses and operating expenses are not considered for the purpose of calculations, but KKR would expect net returns to further be reduced by actual organizational and operating expenses.

**Potential loss of investment –** No guarantee or representation is made that the investment program used by KKR Credit will be successful. The Fund represent speculative investments and involve a high degree of risk. An investment in any Fund should be discretionary capital set aside strictly for speculative purposes. Investors must have the financial ability, sophistication/experience and willingness to bear the risks of an investment in a Fund. An investment in a Fund is not suitable for all investors. An investor could lose or a substantial portion of his/her/its investment. Only qualified eligible investors may invest in the Fund. Because of the nature of the trading activities, the results of a Fund's operations may be volatile from month to month and from period to period. Accordingly, investors should understand that past performance is not indicative of future results. Funds typically represent that their returns have a low correlation to the major market indices. Investors should be aware that the Fund may incur losses both when major indices are rising and falling.

**Use of leverage –** Funds may invest in forward contracts, options, swaps and over-the-counter derivative instruments, among others. Like other traded investments, trading in these securities may result in losses in excess of the amount invested.

**Regulatory risk –** No Fund will be registered under the Investment Company Act of 1940. As a result, investors will not receive the protections of the Investment Company Act afforded to investors in registered investment companies (i.e. "mutual funds"). The Fund's offering documents are not reviewed or approved by federal or state regulators and its privately placed interests are not federally or state registered. In addition, a Fund may engage in trading on non- U. S. exchanges and markets. These markets and exchanges may exercise less regulatory oversight and supervision over transactions and participants in transactions.

# Important Information

**Valuations** – The net asset value of a Fund may be determined by its administrator in consultation with its manager or advisor, or based on information from the manager(s) of the underlying funds. Certain portfolio assets may be illiquid and without a readily ascertainable market value and accuracy of valuations of other managers may be difficult to verify. Since the value assigned to portfolio securities affects a manager's or advisor's compensation, the manager's or advisor's involvement in the valuation process creates a potential conflict of interest. The value assigned to such securities may differ substantially from the value the Fund is able to realize. Instances of mispriced portfolios, due to fraud or negligence, have occurred in the industry.

**Fees and expenses** – A Fund may be subject to substantial charges for management, advisory and brokerage fees. It may be necessary for those pools that are subject to these charges to make substantial trading profits to avoid depletion or exhaustion of their assets. Please refer to the relevant Confidential Private Placement Memorandum for a more complete description of risks and a comprehensive description of each expense to be charged to the Fund.

**Limited operating history** – A Fund may have little or no operating history or performance and may use performance which may not reflect actual trading of the Fund and should be reviewed carefully. Investors should not place undue reliance on hypothetical, pro forma or predecessor performance. The Fund's actual performance may differ substantially and may be volatile.

**Reliance on key persons** – The Fund's manager or advisor has total trading authority over the Fund and may be subject to various conflicts of interest. The death, disability or departure of the manager or advisor may have a material effect on a Fund.

**Concentration** – A Fund may use a single advisor or employ a single strategy, which could mean a lack of diversification and higher risk.

**Counterparty and bankruptcy risk** – Although KKR Credit will attempt to limit its transactions to counterparties which are established, well-capitalized and creditworthy, a Fund will be subject to the risk of the inability of counterparties to perform with respect to transactions, whether due to insolvency, bankruptcy or other causes, which could subject a Fund to substantial losses.

**Limited liquidity** – Your ability to redeem Interests will be limited and subject to certain restrictions and conditions under the Limited Partner Agreement of a Fund. No secondary public market for the sale of the Interests exists, nor is one likely to develop. In addition, your Interests will not be freely transferable.

**Tax risks** – Investors in private equity funds such as the Fund are subject to pass-through tax treatment of their investment. Since profits generally will be reinvested in the Fund rather than distributed to investors, investors may incur tax liabilities during a year in which they have not received a distribution of any cash from the Fund. In addition, it is likely that the general partner will not be able to prepare its tax returns in time for investors to file their returns without requesting an extension of time to file.

**Volatile markets** – Market prices are difficult to predict and are influenced by many factors, including: changes in interest rates, weather conditions, government intervention and changes in national and international political and economic events. Please refer to the Fund's Confidential Private Placement Memorandum for a more comprehensive description of volatility factors.

The above summary is not a complete list of the risks, tax considerations and other important disclosures involved in investing in Funds and is subject to the more complete disclosures in the relevant Confidential Private Placement Memorandum and related subscription agreement, which must be reviewed carefully prior to making an investment.

# Endnotes

These endnotes are an integral part of this presentation. The data and information presented are for informational purposes only. By accepting this material, you agree that you will not distribute or provide this information to any other person

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KKR Credit believes the target returns set forth herein are reasonable based on a combination of factors, including the investment team's general experience and assessment of prevailing market conditions and investment opportunities. There are, however, numerous assumptions that factor into the target returns that may not be consistent with future market conditions and that may significantly affect actual investment results. Such assumptions include, but are not limited to, economic forecasts, cash flow assumptions, credit quality, and general investment environment. KKR Credit does not make any representation as to the reasonableness of the assumptions or that all the assumptions used in calculating the target returns have been stated or fully considered. KKR Credit's ability to achieve investment results consistently, in the aggregate or with regard to any particular asset class or sector, with the target returns set forth above depends significantly on a number of factors in addition to the accuracy of its assumptions. These include KKR Credit's ability to identify a sufficient number and mix of suitable investments. Changes in the assumptions may have a material impact on the target returns presented. Actual results experienced by clients may vary significantly from the illustrations shown.

Unless otherwise noted, the term "assets under management" (or "AUM") represent the assets under management as to which KKR Credit is entitled to receive a fee or carried interest as well as assets to which it is not entitled to receive a fee or carried interest. KKR Credit's calculation of AUM may differ from the calculations of other asset managers and, as a result, KKR Credit's measurements of its AUM may not be comparable to similar measures presented by other asset managers.

No assumption should be made that any investor will have an investment experience similar to that of any previous or existing investor or that any investor will achieve returns comparable to those shown. Further, individual investments presented herein may not be included in any future fund sponsored by KKR Credit. High short-term returns for any period may be and likely were attributable to favorable market conditions during that period, which may not be repeated. Differences in fund size, timing of transactions and market conditions prevailing at the time of investment may lead to different results. Differences in the methodology used to calculate performance might also lead to different performance results than those shown. KKR Credit believes, however, that the performance shown is reasonably representative of its management style and is sufficiently relevant for consideration.

# GIPS® Composite Report

## Bank Loans Composite (Page 1 of 2)

Time Period	Gross Total Return	Net Total Return	Benchmark Total Return <sup>1</sup>	Gross Composite 3-Yr Std Dev	Benchmark 3-Yr Std Dev	No. of Portfolios	Composite Assets (USD Million)	Total Firm Assets (USD Million)
2015	1.0%	0.5%	-0.7%	2.1%	2.1%	≤5	\$2,157	\$15,061
2016	11.2%	10.6%	10.2%	2.8%	2.9%	≤5	\$1,138	\$18,395
2017	5.1%	4.6%	4.1%	2.6%	2.7%	≤5	\$1,289	\$23,048
2018	1.1%	0.6%	0.4%	2.9%	2.9%	≤5	\$758	\$17,102
2019	7.9%	7.3%	8.6%	2.6%	2.8%	≤5	\$1,040	\$21,337
2020	5.2%	4.7%	3.1%	9.0%	8.8%	≤5	\$1,138	\$22,454
2021	6.3%	5.8%	5.2%	8.8%	8.6%	≤5	\$1,536	\$20,469
2022	-0.3%	-0.8%	-0.8%	9.2%	8.9%	≤5	\$1,680	\$18,976
2023	14.5%	13.9%	13.3%	3.9%	3.9%	≤5	\$1,513	\$16,614
2024	10.3%	9.7%	9.0%	3.9%	3.8%	6	\$2,315	\$16,817
5-Year <sup>2</sup>	7.1%	6.5%	5.9%					
10-Year <sup>2</sup>	6.1%	5.6%	5.2%					

<sup>1</sup> S&P/LSTA Leveraged Loan Index

<sup>2</sup> Results presented through December 31, 2024. All periods longer than one year are annualized.

# GIPS® Composite Report

## Bank Loans Composite (Page 2 of 2)

1. KKR Credit conducts its business through KKR Credit Advisors (US) LLC, an SEC-registered investment adviser, and its wholly-owned subsidiaries, as well as KKR Credit Advisors (Ireland) Unlimited Company, which is authorized and regulated by the Central Bank of Ireland, and KKR Credit Advisors (EMEA) LLP, which is authorized and regulated by the Financial Conduct Authority (FCA). KKR Credit is divided into two divisions: the Marketable Securities Division and the Alternative Investments Division. The Marketable Securities Division provides investment management services that follow a fixed-income and/or equity strategy generally investing in instruments with a readily determinable market value. The Alternative Investments Division provides investment management services that generally invest in instruments with a not readily determinable market value or vehicles that may sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging). For compliance with the Global Investment Performance Standards (GIPS®), the Firm is defined and held out to the public as the Marketable Securities Division of KKR Credit. The Alternative Investments Division does not claim GIPS compliance. In January 2014, the Firm was redefined to exclude blended portfolios that hold over 30% of their assets in investments managed by the Alternative Investments Division, as it was determined that such portfolios are not representative of the Marketable Securities Division's investment management process. In 2014, Avoca Capital Holdings was acquired by KKR and became a part of KKR Credit. In January 2018, the Firm was redefined to exclude collateralized loan obligations (CLOs).
2. The Marketable Securities Division of KKR Credit (the "Firm") claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods beginning August 2004 through December 2024. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
3. The Bank Loans Composite ("Composite") consists of all discretionary portfolios which primarily invest in bank loans investing across the credit spectrum. The Composite may invest in below investment grade or unrated debt instruments, which are generally subject to more credit risk and a greater risk of loss of principal and interest than higher rated debt instruments. Loans are usually not securities, are usually not listed on a recognized exchange, and are usually less liquid or not liquid compared to other securities. Loans can be subject to transfer or assignment restrictions and approvals and are generally treated and traded differently than debt securities. Senior loans are subject to prepayment risk. Derivatives are used in the management of the Composite. Derivative investments may be used for, but not limited to, indirect hedging purposes, including foreign exchange forward contracts. The use of derivative instruments carry risks including, among others, leverage risk, volatility risk, duration mismatch risk, correlation risk and counterparty risk. Investors could lose some or all of their investment. The Composite inception date and creation date is April 2011.
4. The benchmark is the S&P/LSTA Leveraged Loan Index. The S&P/LSTA Leveraged Loan Index comprises all loans that meet the inclusion criteria and that have marks from the LSTA/LPC mark-to-market service. The inclusion criteria consist of the following: i) syndicated term loan instruments consisting of term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans; ii) secured; iii) U.S. dollar denominated; iv) minimum term of one year at inception; and v) minimum initial spread of LIBOR plus 1.25%.
5. There are differences, some significant, between the Composite and the benchmark. For instance, securities included in the Composite may have a greater degree of risk and volatility than those securities contained in the benchmark.
6. Effective January 2016, portfolios are removed from the composite that have a significant external cash outflow greater than 15% of the portfolio's beginning of month valuation. Additional information regarding the treatment of significant cash flows is available upon request.
7. Internal dispersion is not presented as it is not statistically meaningful for years in which five or fewer portfolios were included in the Composite for the full year. The three-year annualized standard deviation is a measure of the variability of the gross-of-fees composite returns and benchmark returns over time.
8. All returns are expressed in U.S. dollars.
9. Returns presented are time-weighted total returns that have been adjusted for cash flows. Composite results have been aggregated monthly and weighted based on beginning-of-month portfolio valuations.
10. All returns include the reinvestment of income and dividends. Gross performance results are net of trading expenses, but before management fees, custody charges, and withholding taxes. Net performance results are net of model management fees, but before custody charges and withholding taxes.
11. The U.S. institutional fee schedule is: 0.45% on assets less than \$200 million, 0.40% on assets greater than \$200 million, 0.37% on next \$200 million; 0.35% on remaining assets. Actual investment advisory fees incurred by clients may vary.
12. The expense ratio for the KKR US Broadly Syndicated Loan Fund Class A is 0.36% as of December 31, 2024.
13. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A complete list of composite descriptions, a list of pooled fund descriptions for limited distribution pooled funds, and a list of broad distribution pooled funds are available upon request.
14. Past performance is no guarantee of future results. High short-term returns for any period may be and likely were attributable to favorable market conditions during that period, which may not be repeated.

# GIPS® Composite Report

## High Yield Composite (Page 1 of 2)

Time Period	Gross Total Return	Net Total Return	Benchmark Total Return <sup>1</sup>	Gross Composite 3-Yr Std Dev	Benchmark 3-Yr Std Dev	No. of Portfolios	Composite Assets (USD Million)	Total Firm Assets (USD Million)
2015	-0.9%	-1.5%	-4.6%	4.4%	5.4%	≤5	\$877	\$15,061
2016	12.1%	11.5%	17.5%	4.5%	6.1%	≤5	\$294	\$18,395
2017	8.8%	8.2%	7.5%	4.0%	5.7%	≤5	\$320	\$23,048
2018	0.1%	-0.5%	-2.3%	3.3%	4.7%	≤5	\$431	\$17,102
2019	14.5%	13.9%	14.4%	3.4%	4.2%	≤5	\$657	\$21,337
2020	8.6%	8.0%	6.2%	12.6%	15.4%	≤5	\$360	\$22,454
2021	4.9%	4.4%	5.4%	7.6%	9.3%	≤5	\$807	\$20,469
2022	-11.0%	-11.4%	-11.2%	9.8%	11.3%	≤5	\$937	\$18,976
2023	14.0%	13.4%	13.5%	7.9%	8.5%	≤5	\$781	\$16,614
2024	8.6%	8.0%	8.2%	8.0%	8.6%	≤5	\$1,199	\$16,817
5-Year <sup>2</sup>	4.7%	4.1%	4.0%					
10-Year <sup>2</sup>	5.7%	5.1%	5.1%					

<sup>1</sup> ICE BofA U.S. High Yield Master II Index

<sup>2</sup> Results presented through December 31, 2024. All periods longer than one year are annualized.

# GIPS® Composite Report

## High Yield Composite (Page 2 of 2)

1. KKR Credit conducts its business through KKR Credit Advisors (US) LLC, an SEC-registered investment adviser, and its wholly-owned subsidiaries, as well as KKR Credit Advisors (Ireland) Unlimited Company, which is authorized and regulated by the Central Bank of Ireland, and KKR Credit Advisors (EMEA) LLP, which is authorized and regulated by the Financial Conduct Authority (FCA). KKR Credit provides investment management and advisory services to separate accounts and pooled investment vehicles. KKR Credit is divided into two divisions: the Marketable Securities Division and the Alternative Investments Division. The Marketable Securities Division provides investment management services that follow a fixed-income and/or equity strategy generally investing in instruments with a readily determinable market value. The Alternative Investments Division provides investment management services that generally invest in instruments with a not readily determinable market value or vehicles that may sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging). For compliance with the Global Investment Performance Standards (GIPS®), the Firm is defined and held out to the public as the Marketable Securities Division of KKR Credit. The Alternative Investments Division does not claim GIPS compliance. In January 2014, the Firm was redefined to exclude blended portfolios that hold over 30% of their assets in investments managed by the Alternative Investments Division, as it was determined that such portfolios are not representative of the Marketable Securities Division's investment management process. In 2014, Avoca Capital Holdings was acquired by KKR and became a part of KKR Credit. In January 2018, the Firm was redefined to exclude collateralized loan obligations (CLOs).
2. The Marketable Securities Division of KKR Credit (the "Firm") claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods beginning August 2004 through December 2024. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
3. The High Yield Composite ("Composite") consists of all discretionary portfolios which primarily invest in high yield securities investing across the credit spectrum. Portfolios may invest in thinly-traded and/or relatively illiquid securities. The Composite typically invests in below investment grade or unrated debt instruments, which are generally subject to more credit risk and a greater risk of loss of principal and interest than higher rated debt instruments. Derivatives are used in the management of the Composite. Derivative investments may be used for, but not limited to, indirect hedging purposes, including foreign exchange forward contracts. The use of derivative instruments carry risks including, among others, leverage risk, volatility risk, duration mismatch risk, correlation risk and counterparty risk. Investors could lose some or all of their investment. The Composite inception date and creation date is April 2011.
4. The benchmark is the ICE Bank of America U.S. High Yield Master II ("ICE BofA HY Master II") Index. The ICE BofA HY Master II Index is a market-value weighted index of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. "Yankee" bonds (debt of foreign issuers issued in the U.S. domestic market) are included in the ICE BofA HY Master II Index provided that the issuer is domiciled in a country having investment grade foreign currency long-term debt rating. Qualifying bonds must have maturities of one year or more, a fixed coupon schedule and minimum outstanding of US\$100 million. In addition, issues having a credit rating lower than BBB3, but not in default are also included.
5. There are differences, some significant, between the Composite and the benchmark. For instance, securities included in the Composite may have a greater degree of risk and volatility than those securities contained in the benchmark.
6. Internal dispersion is not presented as it is not statistically meaningful for years in which five or fewer portfolios were included in the Composite for the full year. The three-year annualized standard deviation is a measure of the variability of the gross-of-fees composite returns and benchmark returns over time.
7. All returns are expressed in U.S. dollars.
8. Returns presented are time-weighted total returns that have been adjusted for cash flows. Composite results have been aggregated monthly and weighted based on beginning-of-month portfolio valuations.
9. All returns include the reinvestment of income and dividends. Gross performance results are net of trading expenses, but before management fees, custody charges, and withholding taxes. Net performance results are net of model management fees, but before custody charges and withholding taxes.
10. The U.S. institutional fee schedule is: 0.45% on assets less than \$200 million, 0.40% on assets greater than \$200 million, 0.37% on next \$200 million; 0.35% on remaining assets. Actual investment advisory fees incurred by clients may vary.
11. The expense ratio for the KKR US High Yield Bond Fund Class B is 0.28% as of December 31, 2024.
12. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A complete list of composite descriptions, a list of pooled fund descriptions for limited distribution pooled funds, and a list of broad distribution pooled funds are available upon request.
13. Past performance is no guarantee of future results. High short-term returns for any period may be and likely were attributable to favorable market conditions during that period, which may not be repeated.

# GIPS® Composite Report

## Opportunistic Credit Composite (Page 1 of 2)

Time Period	Gross Return	Net 55/15 Return	Net 90 bps Return <sup>1</sup>	Benchmark Return <sup>2</sup>	Gross Composite 3-Yr Std Dev	Benchmark 3-Yr Std Dev	No. of Portfolios	Composite Assets (USD Million)	Total Firm Assets (USD Million)
2015	-0.7%	-1.2%	-1.5%	-2.7%	5.4%	3.5%	≤5	\$339	\$15,061
2016	22.1%	20.3%	21.0%	13.8%	7.0%	4.3%	≤5	\$907	\$18,395
2017	10.6%	9.3%	9.7%	5.8%	6.5%	4.1%	≤5	\$1,304	\$23,048
2018	3.3%	2.2%	2.4%	-0.9%	5.6%	3.7%	≤5	\$2,063	\$17,102
2019	9.7%	9.1%	8.7%	11.5%	3.4%	3.3%	≤5	\$3,336	\$21,337
2020	8.7%	7.6%	7.8%	4.7%	11.1%	9.0%	≤5	\$4,061	\$22,454
2021	8.2%	7.3%	7.3%	5.3%	10.9%	8.8%	≤5	\$4,023	\$20,469
2022	-8.8%	-9.3%	-9.6%	-6.0%	11.7%	9.7%	≤5	\$3,580	\$18,976
2023	21.3%	20.6%	20.2%	13.5%	6.3%	5.7%	≤5	\$4,085	\$16,614
2024	11.6%	10.3%	10.6%	8.6%	6.5%	5.7%	6	\$4,627	\$16,817
5-Year <sup>3</sup>	7.7%	6.8%	6.8%	5.0%					
10-Year <sup>3</sup>	8.2%	7.3%	7.3%	5.1%					

<sup>1</sup> Net 90 bps Returns are presented as supplemental information. See performance disclosure on next page.

<sup>2</sup> Custom Blended Benchmark (50% ICE BofA U.S. High Yield Master II Index and 50% S&P/LSTA Leveraged Loan Index)

<sup>3</sup> Results presented through December 31, 2024. All periods longer than one year are annualized.

# GIPS® Composite Report

## Opportunistic Credit Composite (Page 2 of 2)

1. KKR Credit conducts its business through KKR Credit Advisors (US) LLC, an SEC-registered investment adviser, and its wholly-owned subsidiaries, as well as KKR Credit Advisors (Ireland) Unlimited Company, which is authorized and regulated by the Central Bank of Ireland, and KKR Credit Advisors (EMEA) LLP, which is authorized and regulated by the Financial Conduct Authority (FCA). KKR Credit provides investment management and advisory services to separate accounts and pooled investment vehicles. KKR Credit is divided into two divisions: the Marketable Securities Division and the Alternative Investments Division. The Marketable Securities Division provides investment management services that follow a fixed-income and/or equity strategy generally investing in instruments with a readily determinable market value. The Alternative Investments Division provides investment management services that generally invest in instruments with a not readily determinable market value or vehicles that may sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging). For compliance with the Global Investment Performance Standards (GIPS®), the Firm is defined and held out to the public as the Marketable Securities Division of KKR Credit. The Alternative Investments Division does not claim GIPS compliance. In January 2014, the Firm was redefined to exclude blended portfolios that hold over 30% of their assets in investments managed by the Alternative Investments Division, as it was determined that such portfolios are not representative of the Marketable Securities Division's investment management process. In 2014, Avoca Capital Holdings was acquired by KKR and became a part of KKR Credit. In January 2018, the Firm was redefined to exclude collateralized loan obligations (CLOs).
2. The Marketable Securities Division of KKR Credit (the "Firm") claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods beginning August 2004 through December 2024. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
3. The Opportunistic Credit Composite ("Composite") consists of all discretionary portfolios which primarily invest in high yield securities and corporate loans with no preset allocation and may have the flexibility to use leverage to enhance investment returns. The Composite may invest in below investment grade or unrated debt instruments, which are generally subject to more credit risk and a greater risk of loss of principal and interest than higher rated debt instruments. Derivatives are used in the management of the Composite. Derivative investments may be used, but not limited to, as a financing strategy, including total rate of return swaps, or for indirect hedging purposes, including foreign exchange forward contracts. The use of derivative instruments carry risks including, among others, leverage risk, volatility risk, duration mismatch risk, correlation risk and counterparty risk. Beginning January 2012, certain accounts in the Composite utilize leverage to enhance investment returns. The use and extent of use are both dictated by client specific objectives, though the maximum permissible amount of leverage for those accounts that allow leverage is currently capped at 33%. The use of leverage may result in losses in excess of the amount invested. Loans are usually not securities, are usually not listed on a recognized exchange, and are usually less liquid or not liquid compared to other securities. Loans can be subject to transfer or assignment restrictions and approvals, and are generally treated and traded differently than debt securities. Senior loans are subject to prepayment risk. Investors could lose some or all of their investment. Beginning January 2015, the Composite was redefined to require accounts to allocate less than 10% of portfolio assets to alternative and/or illiquid investment strategies. Beginning March 2020, the Composite was redefined to require accounts to have a primary investment objective of maximizing total return, rather than maximizing current income. The Composite inception date and creation date is May 2008.
4. The Composite has historically contained investments valued using subjective unobservable inputs. At times, the fair value of such investments has exceeded 20% of the total Composite value. As of December 31, 2024, 2% of the investments were valued using subjective, unobservable inputs.
5. The Composite is measured against a custom blended benchmark, rebalanced monthly, comprised of 50% ICE Bank of America U.S. High Yield Master II ("ICE BofA HY Master II") Index and 50% S&P/LSTA Leveraged Loan Index. The ICE BofA HY Master II Index is a market-value weighted index of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. "Yankee" bonds (debt of foreign issuers issued in the U.S. domestic market) are included in the ICE BofA HY Master II Index provided that the issuer is domiciled in a country having investment grade foreign currency long-term debt rating. Qualifying bonds must have maturities of one year or more, a fixed coupon schedule and minimum outstanding of US\$100 million. In addition, issues having a credit rating lower than BBB3, but not in default are also included. The S&P/LSTA Leveraged Loan Index comprises all loans that meet the inclusion criteria and that have marks from the LSTA/LPC mark-to-market service. The inclusion criteria consist of the following: i) syndicated term loan instruments consisting of term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans; ii) secured; iii) U.S. dollar denominated; iv) minimum term of one year at inception; and v) minimum initial spread of LIBOR plus 1.25%.
6. There are differences, some significant, between the Composite and the benchmark. For instance, securities included in the Composite may have a greater degree of risk and volatility than those securities contained in the benchmark.
7. Internal dispersion is not presented as it is not statistically meaningful for years in which five or fewer portfolios were included in the Composite for the full year. The three-year annualized standard deviation is a measure of the variability of the gross-of-fees composite returns and benchmark returns over time.
8. All returns are expressed in U.S. dollars.
9. Returns presented are time-weighted total returns that have been adjusted for cash flows. Composite results have been aggregated monthly and weighted based on beginning-of-month portfolio valuations.
10. All returns include the reinvestment of income and dividends. Gross performance results are net of trading expenses, but before management fees, custody charges, and withholding taxes. Net performance results are net of model management fees but before custody charges and withholding taxes. Net returns are presented using two methodologies: (1) Net 55/15 Returns – performance results are net of a 0.55% management fee plus incentive fee of 15% over a hurdle rate of 50% ICE BofA U.S. High Yield Master II Index and 50% S&P/LSTA Leveraged Loan Index. (2) Net 90 bps Returns - performance results are net of a 0.90% management fee without the benefit of breakpoints. The Net 90 bps Returns are presented as supplemental information. Actual investment advisory fees incurred by clients may vary.
11. Fee schedule (Option 1): 0.90% on assets less than \$75 million, 0.85% on assets between \$75-150 million, 0.75% on assets greater than \$150 million. Fee schedule (Option 2): base fee of 0.55% on assets less than \$75 million, 0.50% on assets between \$75-150 million, 0.40% on assets greater than \$150 million, plus incentive fee of 15% over a hurdle rate of 50% ICE BofA U.S. High Yield Master II Index and 50% S&P/LSTA Leveraged Loan Index.
12. The expense ratio for the KKR Global Credit Opportunities Master Fund L.P. Tranche C is 0.95% as of December 31, 2024.
13. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A complete list of composite descriptions, a list of pooled fund descriptions for limited distribution pooled funds, and a list of broad distribution pooled funds are available upon request.
14. Past performance is no guarantee of future results. High short-term returns for any period may be and likely were attributable to favorable market conditions during that period, which may not be repeated.

# GIPS® Composite Report

## Multi-Asset Credit Composite (Page 1 of 2)

Time Period	Gross Total Return	Net Total Return	Benchmark Total Return <sup>1</sup>	Gross Composite 3-Yr Std Dev	Benchmark 3-Yr Std Dev	No. of Portfolios	Composite Assets (USD Million)	Total Firm Assets (USD Million)
2015	0.2%	-0.5%	-2.1%	2.5%	3.1%	≤5	\$2,718	\$15,061
2016	10.4%	9.7%	12.7%	2.9%	3.9%	≤5	\$1,208	\$18,395
2017	6.7%	6.0%	5.3%	2.7%	3.6%	≤5	\$1,063	\$23,048
2018	0.9%	0.3%	-0.5%	2.6%	3.4%	≤5	\$1,098	\$17,102
2019	10.3%	9.6%	10.6%	2.7%	3.1%	≤5	\$1,525	\$21,337
2020	6.0%	5.3%	4.2%	8.4%	8.9%	≤5	\$307	\$22,454
2021	5.1%	4.4%	5.3%	8.2%	8.7%	≤5	\$657	\$20,469
2022 <sup>1</sup>	-4.9%	-5.5%	-5.2%	9.1%	9.6%	≤5	\$1,598	\$18,976
2023	14.6%	13.8%	13.5%	5.2%	5.6%	≤5	\$1,593	\$16,614
2024	10.3%	9.5%	8.6%	5.2%	5.7%	≤5	\$3,066	\$16,817
5-Year <sup>2</sup>	6.0%	5.3%	5.1%					
10-Year <sup>2</sup>	5.8%	5.1%	5.1%					

<sup>1</sup> Custom Blended Benchmark (50% ICE BofA U.S. High Yield Master II Index and 50% S&P/LSTA Leveraged Loan Index. For periods prior to June 2022, 65% S&P/LSTA Leveraged Loan Index and 35% ICE BofA U.S. High Yield Master II Index.)

<sup>2</sup> Results presented through December 31, 2024. All periods longer than one year are annualized.

# GIPS® Composite Report

## Multi-Asset Credit Composite (Page 2 of 2)

1. KKR Credit conducts its business through KKR Credit Advisors (US) LLC, an SEC-registered investment adviser, and its wholly-owned subsidiaries, as well as KKR Credit Advisors (Ireland) Unlimited Company, which is authorized and regulated by the Central Bank of Ireland, and KKR Credit Advisors (EMEA) LLP, which is authorized and regulated by the Financial Conduct Authority (FCA). KKR Credit provides investment management and advisory services to separate accounts and pooled investment vehicles. KKR Credit is divided into two divisions: the Marketable Securities Division and the Alternative Investments Division. The Marketable Securities Division provides investment management services that follow a fixed-income and/or equity strategy generally investing in instruments with a readily determinable market value. The Alternative Investments Division provides investment management services that generally invest in instruments with a not readily determinable market value or vehicles that may sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging). For compliance with the Global Investment Performance Standards (GIPS®), the Firm is defined and held out to the public as the Marketable Securities Division of KKR Credit. The Alternative Investments Division does not claim GIPS compliance. In January 2014, the Firm was redefined to exclude blended portfolios that hold over 30% of their assets in investments managed by the Alternative Investments Division, as it was determined that such portfolios are not representative of the Marketable Securities Division's investment management process. In 2014, Avoca Capital Holdings was acquired by KKR and became a part of KKR Credit. In January 2018, the Firm was redefined to exclude collateralized loan obligations (CLOs).
2. The Marketable Securities Division of KKR Credit (the "Firm") claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods beginning August 2004 through December 2024. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
3. The Multi-Asset Credit Composite ("Composite") consists of all discretionary portfolios which primarily invest in a combination of two or more of the following asset classes and strategies and have no more than 5% unhedged foreign currency exposure: Global Structured Credit Strategy, European Bank Loans, US Bank Loans, European High Yield, US High Yield, and Tactical Allocation Strategy. Portfolios included in the Composite may make direct investments in credit securities or pooled investment vehicles, including business development companies that may be sponsored or managed by KKR Credit. Portfolios included in the Composite may invest in below investment grade or unrated debt instruments, which are generally subject to more credit risk and a greater risk of loss of principal and interest than higher rated debt instruments. Loans are usually not securities, are usually not listed on a recognized exchange, and are usually less liquid or not liquid compared to other securities. Loans can be subject to transfer or assignment restrictions and approvals, and are generally treated and traded differently than debt securities. Senior loans are subject to prepayment risk. Investments in distressed securities involve a substantial degree of risk. The level of analytical sophistication, both financial and legal, necessary for successful investment in distressed assets is unusually high. Derivative investments may be used for but not limited to indirect hedging purposes, including foreign exchange forward contracts. The use of derivative instruments carry risks including, among others, leverage risk, volatility risk, duration mismatch risk, correlation risk and counterparty risk. Investors could lose some or all of their investment. The Composite inception date is July 2008 and creation date is June 2023.
4. Composite has historically contained investments valued using subjective unobservable inputs. At times, the fair value of such investments has exceeded 20% of the total Composite value. As of December 31, 2024, the fair value of such investments represented approximately 37% of the total Composite value.
5. The Composite is measured against a custom blended benchmark, rebalanced monthly, comprised of 50% ICE Bank of America U.S. High Yield Master II ("ICE BofA HY Master II") Index and 50% S&P/LSTA Leveraged Loan Index. The ICE BofA HY Master II Index is a market-value weighted index of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market. "Yankee" bonds (debt of foreign issuers issued in the U.S. domestic market) are included in the ICE BofA HY Master II Index provided that the issuer is domiciled in a country having investment grade foreign currency long-term debt rating. Qualifying bonds must have maturities of one year or more, a fixed coupon schedule and minimum outstanding of US\$100 million. In addition, issues having a credit rating lower than BBB3, but not in default are also included. The S&P/LSTA Leveraged Loan Index comprises all loans that meet the inclusion criteria and that have marks from the LSTA/LPC mark-to-market service. The inclusion criteria consist of the following: i) syndicated term loan instruments consisting of term loans (both amortizing and institutional), acquisition loans (after they are drawn down) and bridge loans; ii) secured; iii) U.S. dollar denominated; iv) minimum term of one year at inception; and v) minimum initial spread of LIBOR plus 1.25%. For periods prior to June 2022, the weights of the components of the custom blended benchmark were 65% S&P/LSTA Leveraged Loan Index and 35% ICE BofA HY Master II Index.
6. There are differences, some significant, between the Composite and the benchmark. For instance, securities included in the Composite may have a greater degree of risk and volatility than those securities contained in the benchmark.
7. Internal dispersion is not presented as it is not statistically meaningful for years in which five or fewer portfolios were included in the Composite for the full year. The three-year annualized standard deviation is a measure of the variability of the gross-of-fees composite returns and benchmark returns over time.
8. All returns are expressed in U.S. dollars.
9. Returns presented are time-weighted total returns that have been adjusted for cash flows. Composite results have been aggregated monthly and weighted based on beginning-of-month portfolio valuations.
10. All returns include the reinvestment of income and dividends. Gross performance results are net of trading expenses, but before management fees, custody charges, and withholding taxes. Net performance results are net of model management fees, but before custody charges and withholding taxes.
11. Composite results presented reflect the impact of leverage, which was material in certain periods. The use of leverage is an integral part of this strategy and has been used extensively for all time periods.
12. The standard management fees for this strategy is: 0.65% on all assets. Actual investment advisory fees incurred by clients may vary.
13. The expense ratio for the KKR Multi-Asset Class Fund Class A is 24.82% as of December 31, 2024.
14. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A complete list of composite descriptions, a list of pooled fund descriptions for limited distribution pooled funds, and a list of broad distribution pooled funds are available upon request.
15. Past performance is no guarantee of future results. High short-term returns for any period may be and likely were attributable to favorable market conditions during that period, which may not be repeated.

# GIPS® Composite Report

## European Leveraged Loan Composite (Page 1 of 2)

Time Period	Gross Total Return	Net Total Return	Benchmark Total Return <sup>1</sup>	Gross Composite 3-Yr Std Dev	Benchmark 3-Yr Std Dev	No. of Portfolios	Composite Assets (€ Million)	Total Firm Assets (€ Million)
2015	4.0%	3.5%	4.0%	1.3%	1.4%	≤5	1,531	13,866
2016	5.6%	5.0%	5.6%	1.6%	1.7%	≤5	2,275	17,488
2017	2.9%	2.4%	3.1%	1.6%	1.6%	≤5	2,736	19,199
2018	0.8%	0.3%	0.5%	1.8%	1.9%	≤5	2,324	14,914
2019	4.5%	4.0%	5.3%	1.3%	1.6%	≤5	2,060	19,026
2020	2.5%	2.0%	-4.5%	8.7%	8.5%	≤5	1,901	18,376
2021	4.1%	3.6%	4.2%	8.6%	8.4%	≤5	1,900	17,989
2022	-2.5%	-3.0%	-2.5%	9.8%	9.2%	≤5	1,961	17,726
2023	12.8%	12.2%	11.4%	5.2%	4.4%	≤5	1,860	15,052
2024	8.9%	8.4%	8.3%	5.2%	4.4%	≤5	1,927	16,443
5-Year <sup>2</sup>	5.0%	4.5%	3.2%					
10-Year <sup>2</sup>	4.3%	3.8%	3.5%					

<sup>1</sup> Credit Suisse Institutional Western European Leveraged Loan Index

<sup>2</sup> Results presented through December 31, 2024. All periods longer than one year are annualized.

# GIPS® Composite Report

## European Leveraged Loan Composite (Page 2 of 2)

1. KKR Credit conducts its business through KKR Credit Advisors (US) LLC, an SEC-registered investment adviser, and its wholly-owned subsidiaries, as well as KKR Credit Advisors (Ireland) Unlimited Company, which is authorized and regulated by the Central Bank of Ireland, and KKR Credit Advisors (EMEA) LLP, which is authorized and regulated by the Financial Conduct Authority (FCA). KKR Credit provides investment management and advisory services to separate accounts and pooled investment vehicles. KKR Credit is divided into two divisions: the Marketable Securities Division and the Alternative Investments Division. The Marketable Securities Division provides investment management services that follow a fixed-income and/or equity strategy generally investing in instruments with a readily determinable market value. The Alternative Investments Division provides investment management services that generally invest in instruments with a not readily determinable market value or vehicles that may sell securities or other assets short or enter into similar transactions (other than for the purpose of hedging). For compliance with the Global Investment Performance Standards (GIPS®), the Firm is defined and held out to the public as the Marketable Securities Division of KKR Credit. The Alternative Investments Division does not claim GIPS compliance. In January 2014, the Firm was redefined to exclude blended portfolios that hold over 30% of their assets in investments managed by the Alternative Investments Division, as it was determined that such portfolios are not representative of the Marketable Securities Division's investment management process. In 2014, Avoca Capital Holdings was acquired by KKR and became a part of KKR Credit. In January 2018, the Firm was redefined to exclude collateralized loan obligations (CLOs).
2. The Marketable Securities Division of KKR Credit (the "Firm") claims compliance with Global Investment Performance Standards (GIPS®) and has prepared and presented this report in compliance with the GIPS standards. The Firm has been independently verified for the periods beginning August 2004 through December 2024. The verification reports are available upon request. A firm that claims compliance with the GIPS standards must establish policies and procedures for complying with all the applicable requirements of the GIPS standards. Verification provides assurance on whether the firm's policies and procedures related to composite and pooled fund maintenance, as well as the calculation, presentation, and distribution of performance, have been designed in compliance with the GIPS standards and have been implemented on a firm-wide basis. Verification does not provide assurance on the accuracy of any specific performance report. GIPS® is a registered trademark of CFA Institute. CFA Institute does not endorse or promote this organization, nor does it warrant the accuracy or quality of the content contained herein.
3. The European Leveraged Loan Composite ("Composite") consists of all discretionary funds which invest on behalf of our clients in leveraged debt used to fund predominantly European leveraged buyouts. Each fund within the Composite is managed by the same portfolio managers and investment team. The Composite may invest in below investment grade or unrated debt instruments, which are generally subject to more credit risk and a greater risk of loss of principal and interest than higher rated debt instruments. Loans are usually not securities, are usually not listed on a recognized exchange, and are usually less liquid or not liquid compared to other securities. Loans can be subject to transfer or assignment restrictions and approvals, and are generally treated and traded differently than debt securities. Senior loans are subject to prepayment risk. Investors could lose some or all of their investment. Investors could lose some or all of their investment. The Composite inception date is September 2009 and the creation date is August 2009.
4. The Composite invests in leveraged debt instruments but does not directly employ the use of leverage or derivatives. Foreign exchange rates are sourced daily from Bloomberg.
5. The benchmark for the Composite is the Credit Suisse ("CS") Institutional Western European Leveraged Loan Index, a sub-index of the CS Western European Leveraged Loan Index, which is designed to mirror the investable universe of the Institutional Western European leveraged loan market.
6. There are differences, some significant, between the Composite and the benchmark. For instance, securities included in the Composite may have a greater degree of risk and volatility than those securities contained in the benchmark.
7. Internal dispersion is not presented as it is not statistically meaningful for years in which five or fewer portfolios were included in the Composite for the full year. The three-year annualized standard deviation is a measure of the variability of the gross-of-fees composite returns and benchmark returns over time.
8. All returns are expressed in Euro.
9. Returns presented are time-weighted total returns that have been adjusted for cash flows. Composite results have been aggregated monthly and weighted based on beginning-of-month portfolio valuations.
10. All returns include the reinvestment of income and dividends. Gross performance results are net of trading expenses, but before management fees, custody charges, and withholding taxes. Net performance results are net of model management fees, but before custody charges and withholding taxes.
11. The standard management fee for this strategy is 0.50%. Actual investment advisory fees incurred by clients may vary.
12. The expense ratio for the KKR European Broadly Syndicated Loan Fund is 0.49% as of December 31, 2024.
13. Policies for valuing investments, calculating performance, and preparing GIPS Reports are available upon request. A complete list of composite descriptions, a list of pooled fund descriptions for limited distribution pooled funds, and a list of broad distribution pooled funds are available upon request.
14. Past performance is no guarantee of future results. High short-term returns for any period may be and likely were attributable to favorable market conditions during that period, which may not be repeated.
15. Performance prior to 1 July 2014 represents a track record established at a prior firm. Results presented should not be interpreted as the actual historical performance of KKR Credit. KKR Credit has adhered to the performance record portability requirements outlined in the GIPS standards with regard to the presentation of this performance track record.

# Private Equity & Private Debt Discussion

Teachers' Retirement  
System of Oklahoma

November 2025



# Executive Summary

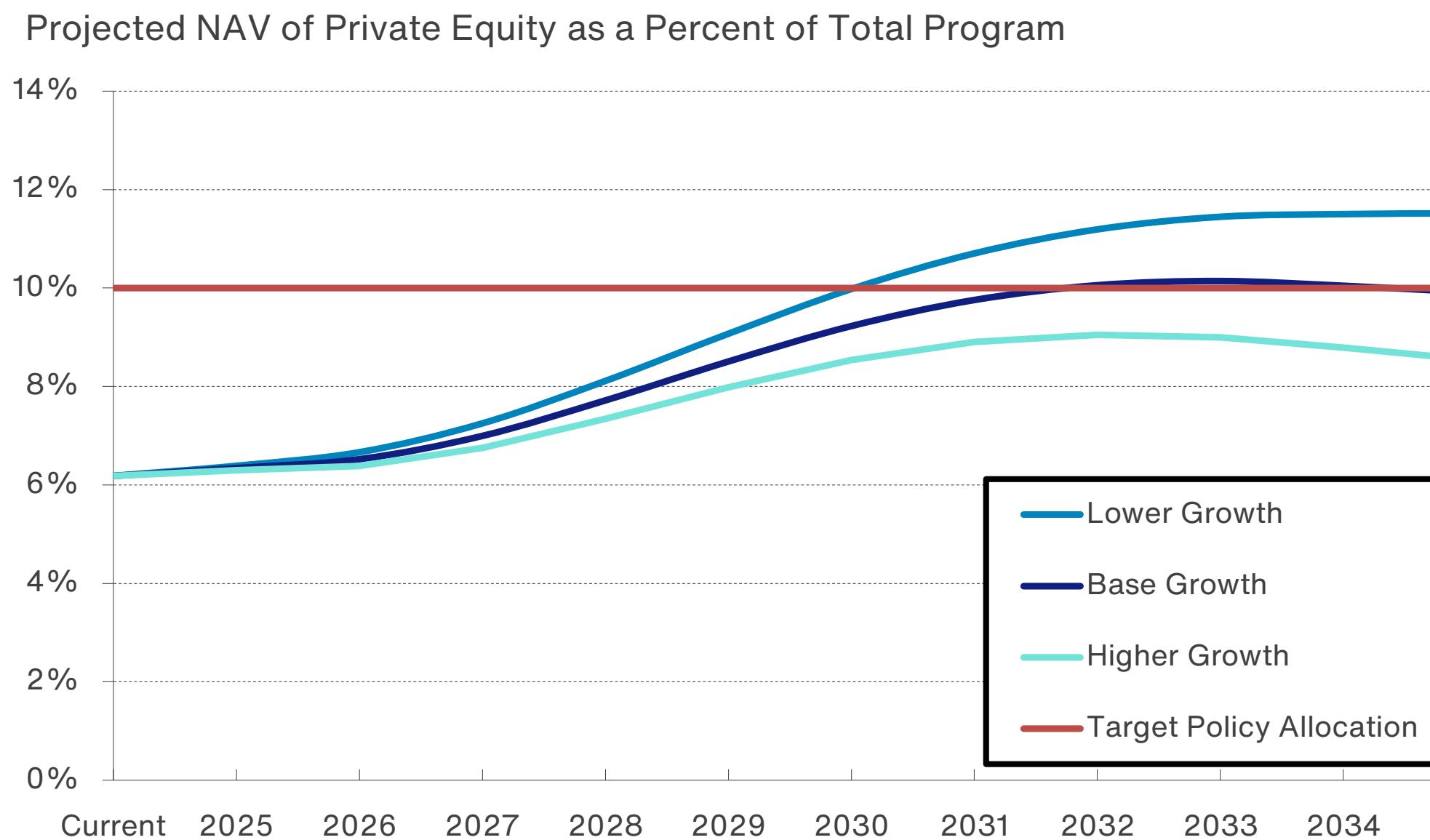
- The following material cover pacing for private equity and private debt; real assets pacing is provided under separate cover
- Pacing analysis includes several assumptions, including Total Fund and asset class growth assumptions, as well as capital call and distribution assumptions for each asset class
- The pacing analysis strives to provide a measured commitment plan to balance the goals of:
  1. Reaching long-term targets efficiently; and
  2. Building a diversified portfolio to fulfill the long-term risk/return asset class objectives
- Pacing analysis is conducted annually to help manage portfolio growth to reach and maintain the long-term target in a prudent and diversified manner

	Current Allocation*	Target Allocation
<b>U.S. Equity</b>	<b>39.2%</b>	<b>32.4%</b>
<b>International Equity</b>	<b>16.8%</b>	<b>14.1%</b>
<b>Fixed Income</b>	<b>26.7%</b>	<b>25.0%</b>
<b>Private Debt</b>	<b>3.2%</b>	<b>7.5%</b>
<b>Real Assets</b>	<b>6.9%</b>	<b>11.0%</b>
• <i>Real Estate</i>	6.9%	8.0%
• <i>Infrastructure</i>	--	3.0%
<b>Private Equity</b>	<b>6.1%</b>	<b>10.0%</b>
<b>Cash</b>	<b>1.0%</b>	<b>0.0%</b>

\*As of 9/30/25

# Private Equity Annual Commitment Plan

## As of June 30, 2025



**Annual Commitment Pace**  
In \$ Millions

Year	FoF	Primary	Co-Invest	Total
2025	0.0	150.0	0.0	150.0
2026	90.0	420.0	90.0	600.0
2027	90.0	420.0	90.0	600.0
2028	90.0	420.0	90.0	600.0
2029	90.0	420.0	90.0	600.0
2030	90.0	420.0	90.0	600.0
2031	90.0	420.0	90.0	600.0
2032	90.0	420.0	90.0	600.0
2033	90.0	420.0	90.0	600.0
2034	90.0	420.0	90.0	600.0

### Commitment Plan Comments:

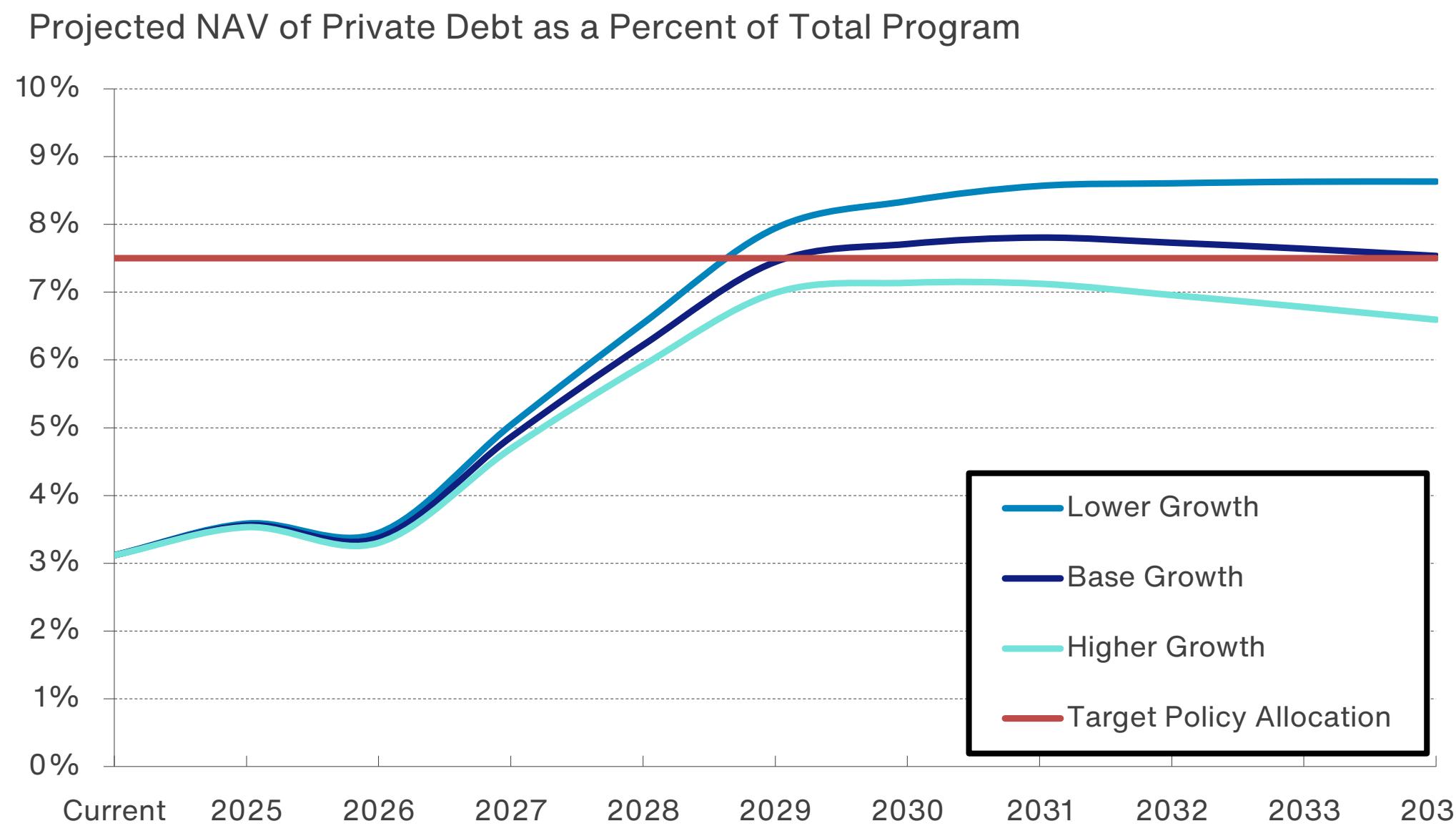
- Plan seeks to reach and maintain a Private Equity exposure equal to the 10% policy target within the next five years
- Pacing indicates a steady annual commitment of \$600M

### Assumptions:

- Total Program Size: \$25,065.0 million
- Private Equity Program NAV (as of March 31, 2025): \$1,550.2 million
- Private Equity Policy Target: 10.0%
- Net Total Plan Growth Base Rate: 6.0%

# Private Debt Annual Commitment Plan

## As of June 30, 2025



### Annual Commitment Pace In \$ Millions

Year	FoF	Primary	Co-Invest	Total
2025	0.0	400.0	0.0	400.0
2026	0.0	400.0	0.0	400.0
2027	0.0	1,300.0	0.0	1,300.0
2028	0.0	400.0	0.0	400.0
2029	0.0	400.0	0.0	400.0
2030	0.0	175.0	0.0	175.0
2031	0.0	175.0	0.0	175.0
2032	0.0	175.0	0.0	175.0
2033	0.0	175.0	0.0	175.0
2034	0.0	175.0	0.0	175.0

### Commitment Plan Comments:

- Pacing plan includes a steady commitment with one planned increased commitment targeted for 2027, or as soon as is feasibly possible, which seeks to reach the policy target within 3-4 years
- This commitment plan warrants consideration of an additional separately managed account (SMA) within private debt for manager diversification and more efficient deployment of capital

### Assumptions:

- Total Program Size: \$25,065.0 million
- Private Debt Program NAV (as of March 31, 2025): \$781.9 million
- Private Debt Policy Target: 7.5%
- Net Total Plan Growth Base Rate: 6.0%

# Summary Recommendation

Aon's 2026 Pacing analysis suggests the following pacing plans:

## **Private Equity:**

- 2026 commitment of \$600M to be deployed by Franklin Park
- \$600M annually going forward to reach and maintain the long-term policy target

## **Private Debt:**

- 2026 commitment of up to \$400M
- Plan suggests an increased commitment in 2027, but is targeted for as soon as administratively feasible, with the goal to quicken the pace to the long-term target
- The increased commitment warrants consideration of a third separately managed account to complement the existing portfolio manager structure and support deployment of capital
- Following the one-time higher commitment, the annual commitment amount reverts to \$400M annually, then decreases to \$175M annually starting in 2030

Pacing is revisited annually to adjust for actual experience and updated assumptions

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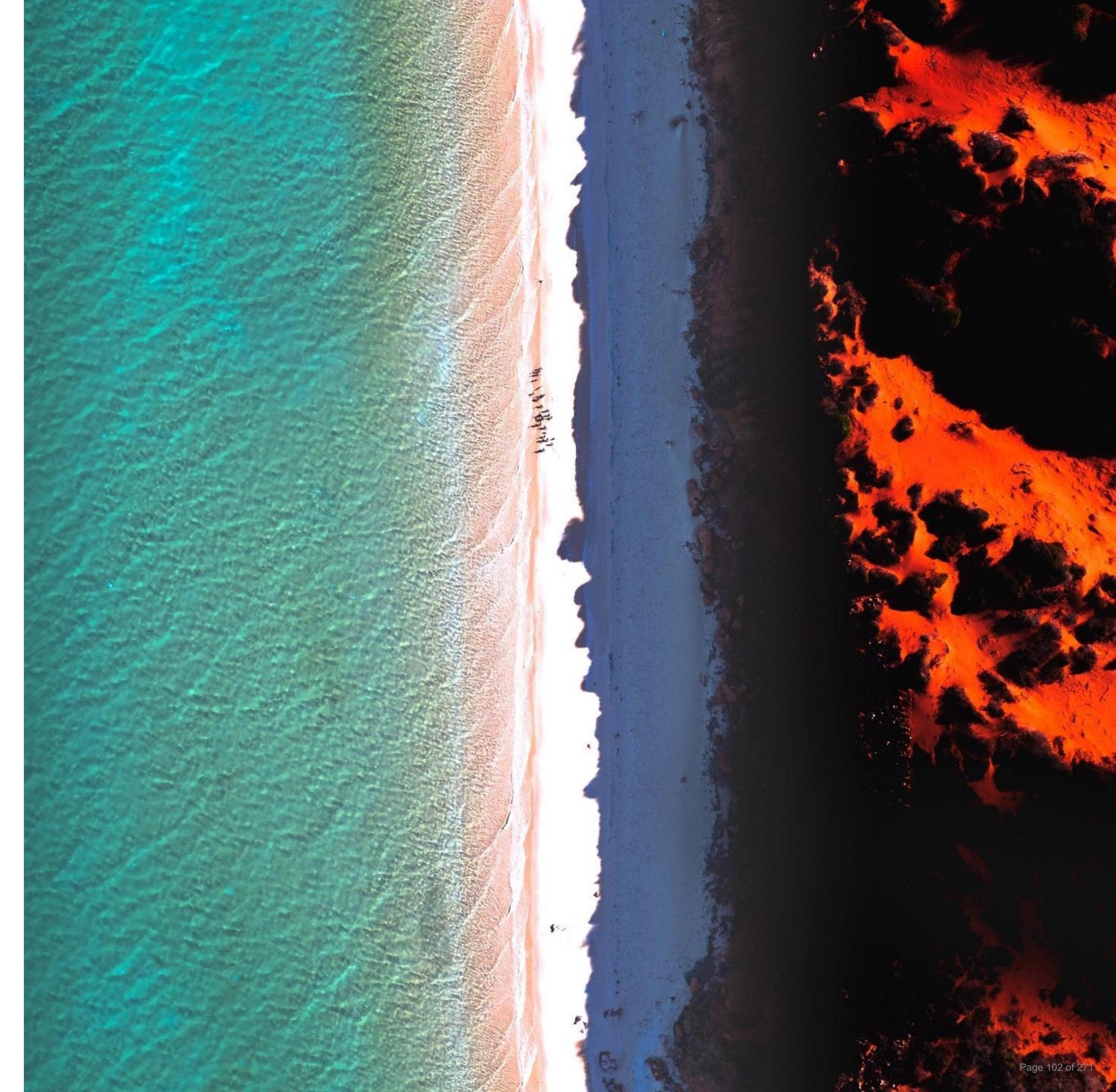
# Thank You

# **2026 Real Assets Annual Planning**

**Teachers' Retirement System  
of Oklahoma**

November 2026

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# 1

## Executive Summary

**AON**



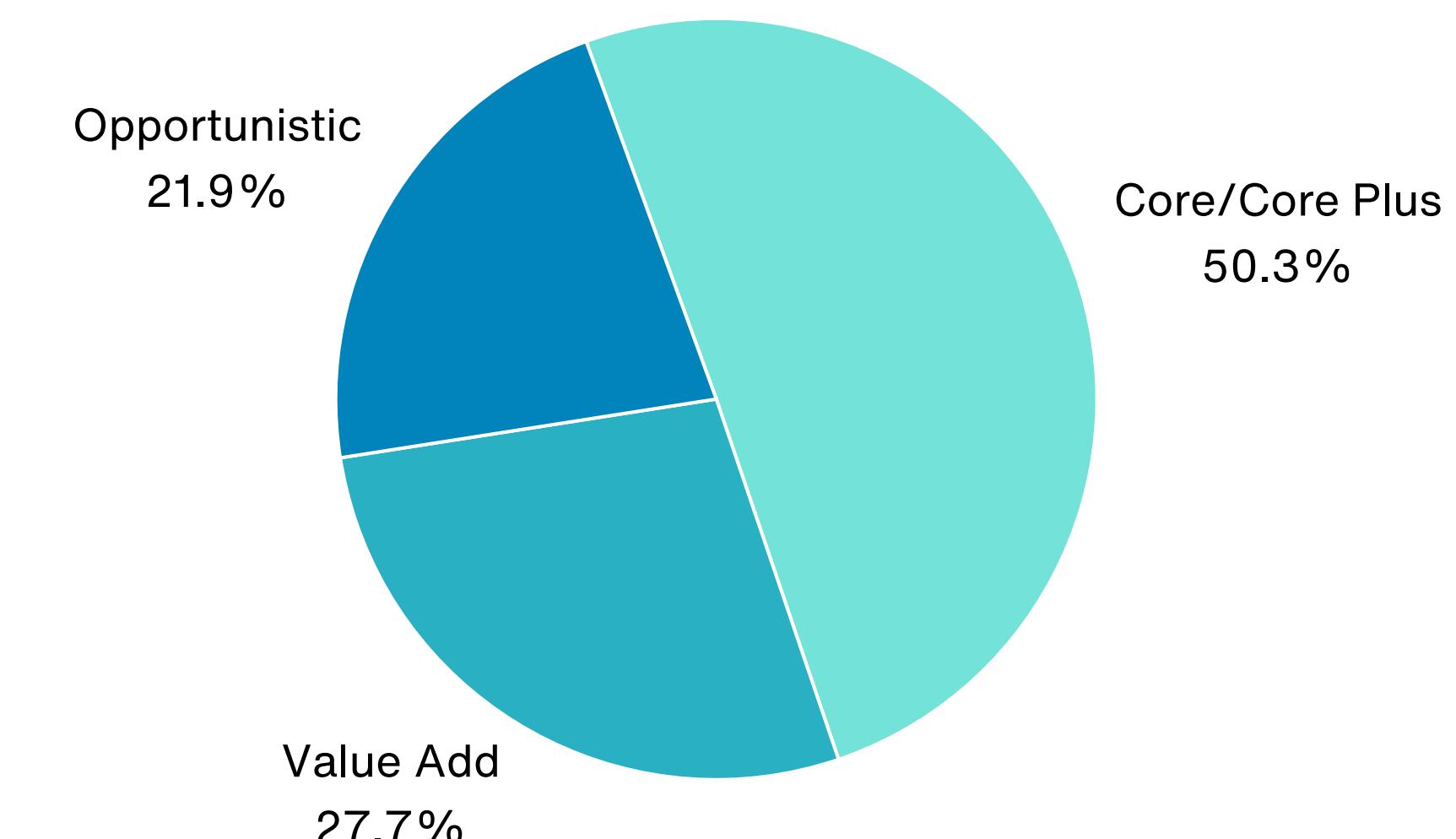
# Real Estate Portfolio Funding Status and Composition

As of June 30, 2025

TRSOK Portfolio (\$ in Millions)	
<b>Total Plan Assets <sup>1</sup></b>	26,089.5
<b>Number of Investments</b>	30
<b>Total Commitments</b>	2,631.1
<b>Unfunded Commitments</b>	1,413.2
<b>Net Asset Value</b>	1,686.9

Portfolio Composition to Targets		Target	Actual Funded	NAV + Unfunded Commitments
Target Real Assets Allocation	11.0 %	6.5 %	10.9 %	
Core/Core Plus	4.0 %	3.3 %	3.1 %	
Non-Core	4.0 %	3.2 %	6.0 %	
Infrastructure	3.0 %	0.0 %	1.8 %	

**Real Estate Style Diversification by Net Asset Value As of June 30, 2025**



- As of 2025, the Board approved decreasing Core/Core Plus and Non-Core Real Estate targets from 5.0% to 4.0%, while establishing an Infrastructure target to 3.0%
- The Core/Core Plus Real Estate portfolio consists of 4 commingled real estate funds, one of which is winding down, and one direct investment
- The Value Add and Opportunistic Real Estate portfolios consists of 18 real estate managers, primarily in commingled funds with one separate account

<sup>1</sup>. Total Plan Assets is as of September 30, 2025

# 2026 Strategic Plan and Pacing

## Recommended Commitment Pace for Core/Core Plus Real Estate

- In Accordance with last year's pacing model, we recommended that the TRSOK approve committing \$200 million to Core/Core Plus Real Estate in 2025. However, due to the state of the real estate and capital markets, only one \$100 million commitment was made out of an abundance of caution.
- In Accordance with this year's pacing model, we recommend that the TRSOK approve committing \$200 million to Core/Core Plus Real Estate in 2026
- Due to evolving market dynamics, including elevated interest rates and cap rates, we recommend TRSOK perform a search for new Core/Core Plus Real Estate exhibiting market tailwinds and stabilized valuations.

## Recommended Commitment Pace for Non-Core Real Estate

- In Accordance with our pacing model, we recommended that the TRSOK approve committing \$300 million to Non-Core Real Estate in 2026.
- Continue to make commitments into favorable sectors with commitment sizes up to \$100 million

## Recommended Commitment Pace for Infrastructure

- In Accordance with our pacing model, we recommended that the TRSOK approve committing \$200 million to Infrastructure in 2026.

# 2026 Strategic Plan and Pacing (cont'd)

## Key Investment Themes for 2025:

- Real Estate
  - Commit fresh capital into a rebased real estate market with high conviction managers targeting property types exhibiting strong fundamentals
  - As open-end fund liquidity improves, re-evaluate current investments to deploy to higher conviction options
  - Strategically make commitments to Core/Core Plus and Non-Core real estate in accordance with Aon's Real Estate Investment Themes
    - Commit capital to sectors with contracting supply such as residential and logistics
    - Explore commitments to alternative property types strategies that invest in demographic driven real estate assets
    - Look to commit capital to smaller sized managers to complement bigger funds targeting larger deal sizes
- Infrastructure
  - Targeting Mid-Market Power infrastructure is that is positioned for long-term growth, driven by electrification, surging data center and AI demand, and the onshoring of U.S. manufacturing
  - In the same vertical, data center exposure presents compelling investment potential, particularly when investments are made at the right price and with the appropriate structure. The sector is experiencing robust economic tailwinds from AI and digital transformation

# 2

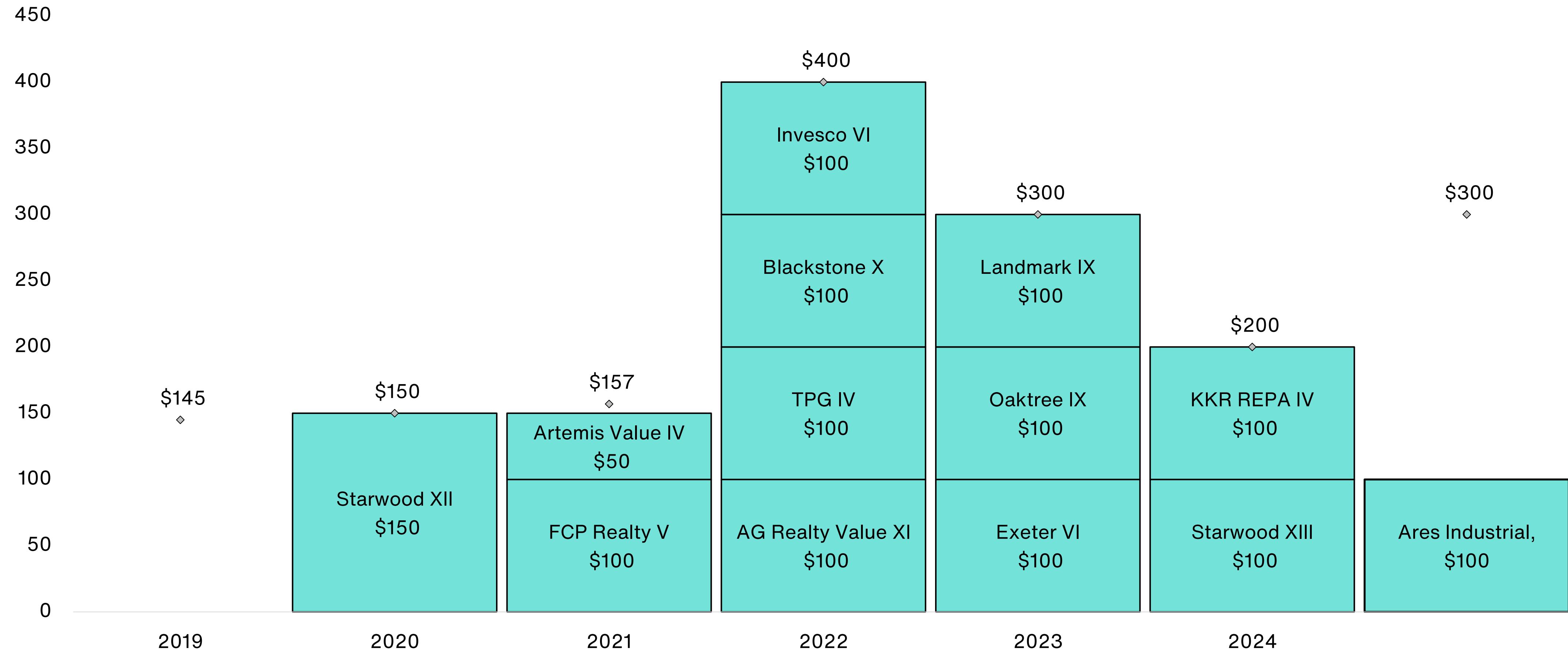
## Real Assets Portfolio Overview

**AON**



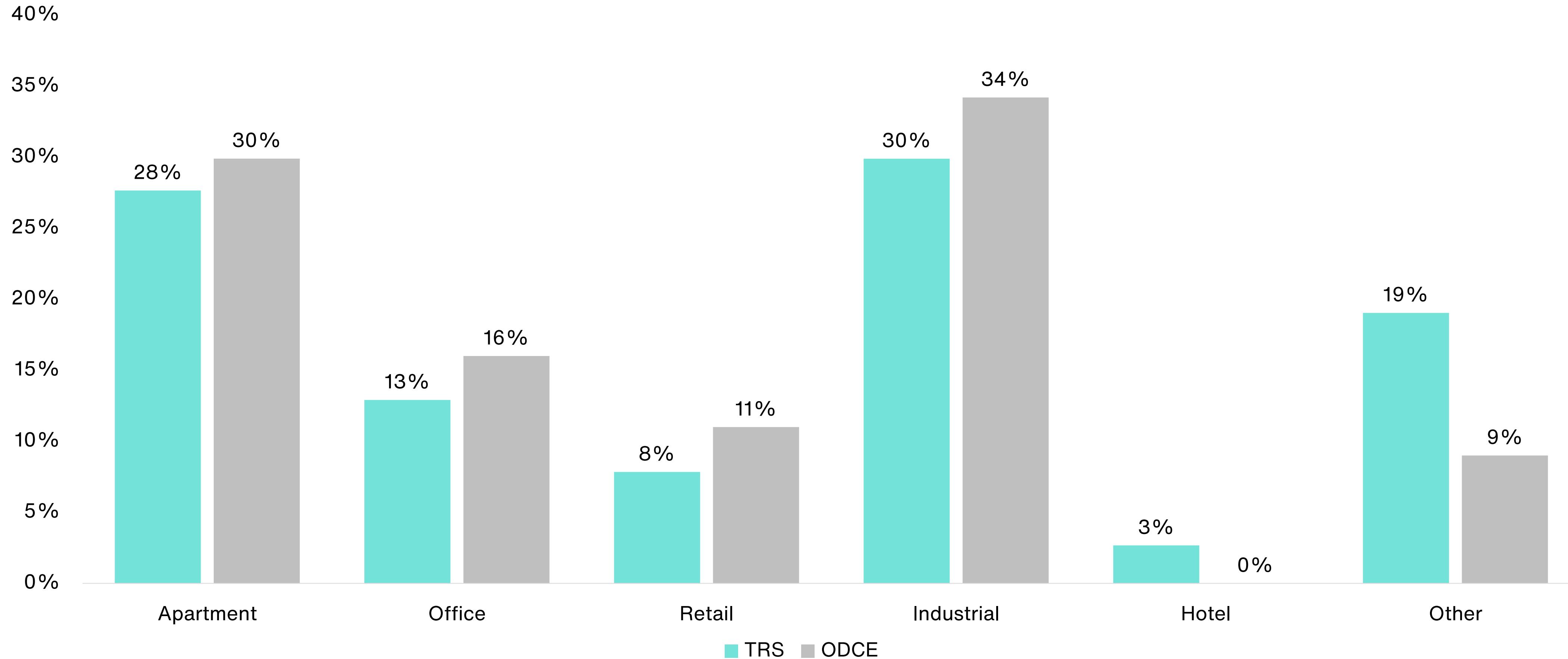
# Real Estate Non-Core Commitments

As of June 30, 2025



# Real Estate Property Type Diversification

As of June 30, 2025



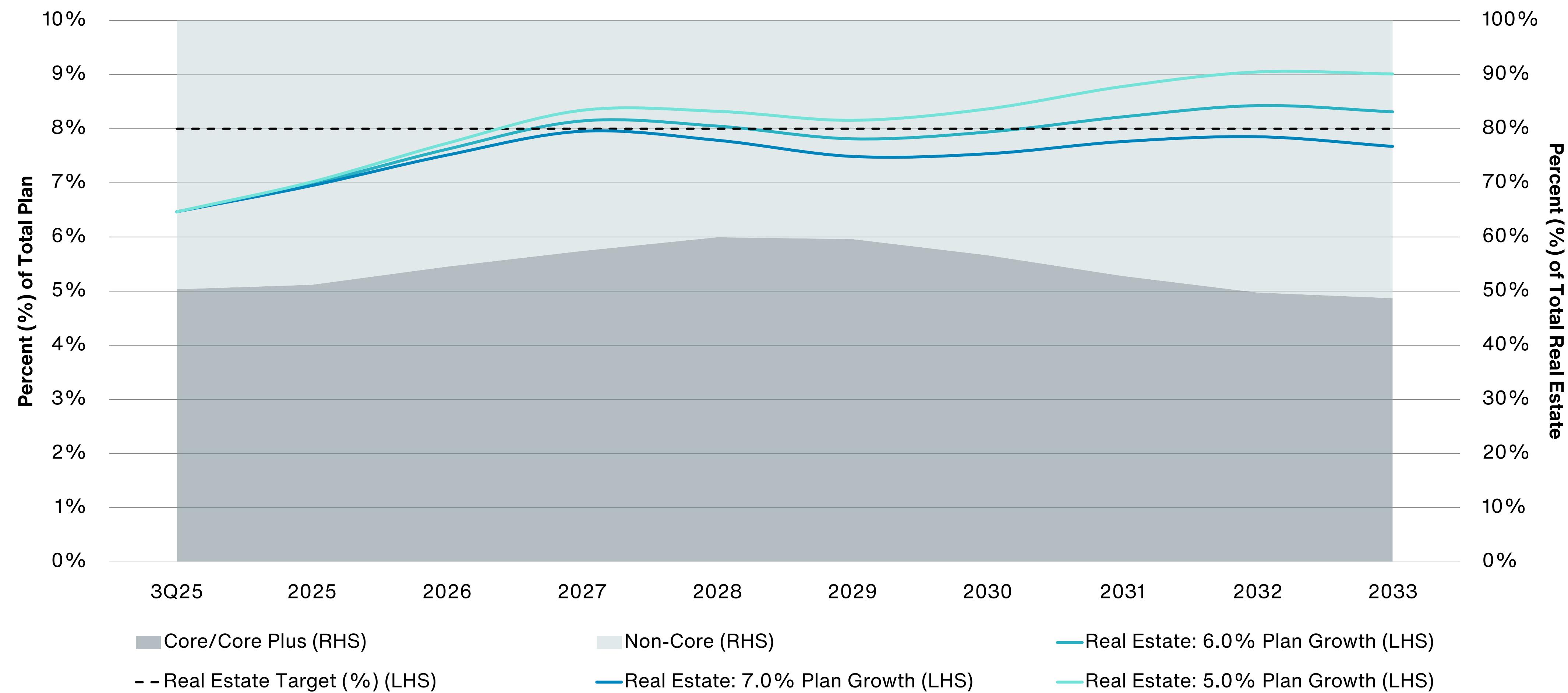
# 3

## Investment Pacing Recommendations



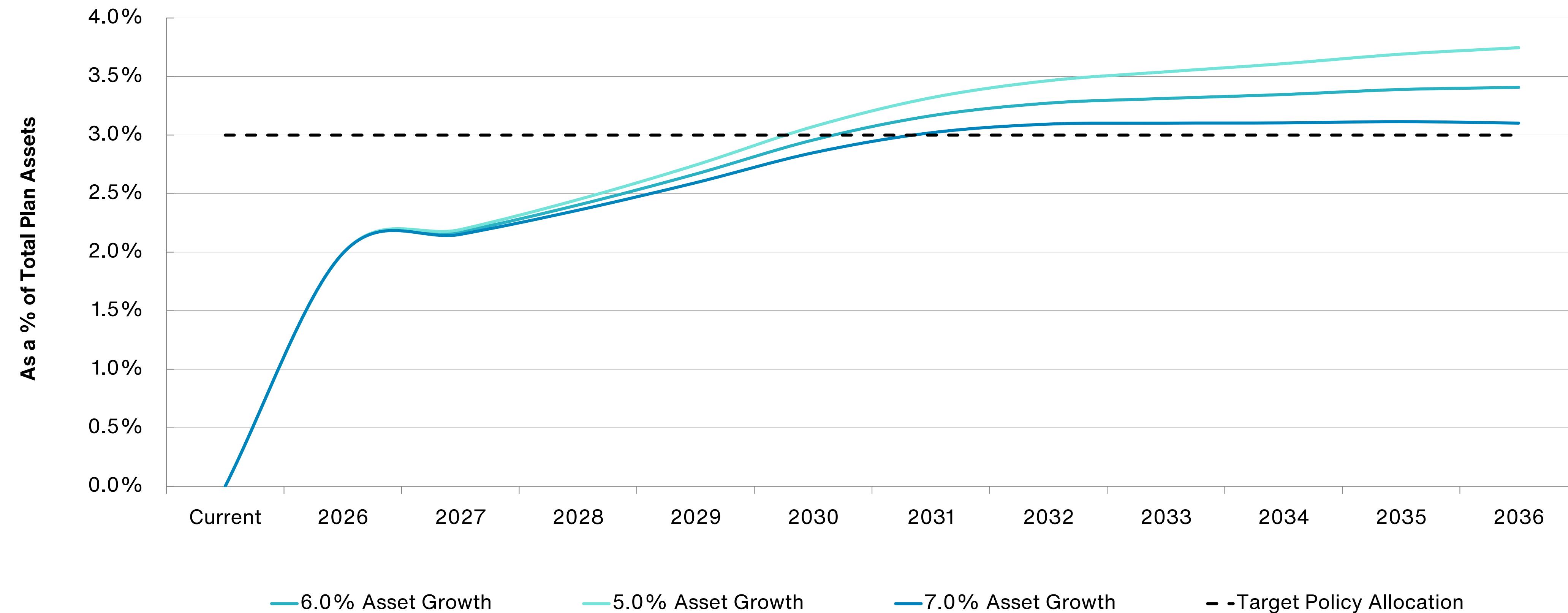
# Real Estate 2026 Pacing

## Projected Real Estate NAV as a Percent of Total Plan Assets



# Infrastructure 2026 Pacing

## Projected Infrastructure NAV as a Percent of Total Plan Assets



# Real Assets 2026 Pacing Commitment Overview

	2026	2027	2028	2029	2029 Forecasted Allocations
Non-Core	\$300	\$300	\$300	\$300	3.4%
Core/Core Plus	\$200	\$200	\$100	\$0	4.4%
Infrastructure	\$200	\$200	\$50	\$50	2.6%
<b>Real Assets Total</b>	<b>\$700</b>	<b>\$700</b>	<b>\$450</b>	<b>\$350</b>	<b>10.9%</b>

- Under the proposed pacing, TRSOK will have approximately \$3,505 million in its real assets portfolio by 2029, at a forecasted value of 10.9% of the total plan
- Real Estate capital deployed to closed-end funds in the 2026 vintage year should be able to take advantage of an undersupplied market, emphasize a mix of Value-Add and Opportunistic strategies to balance risk in the event of future uncertainty
- Continue to diversified and/or sector specific open-ended commingled funds to position the Core/Core Plus Real Estate portfolio to target Aon's Real Estate Investment Themes
- Target mid-market power and data center infrastructure positioned for long-term growth, driven by electrification, AI demand, and digital transformation tailwinds
- In accordance with our pacing model, we recommend the TRSOK approve committing \$300 million to Non-Core Real Estate, \$200 million to Core/Core Plus Real Estate, and \$200 million to Infrastructure in 2026

# 4

## Real Assets Market Overview

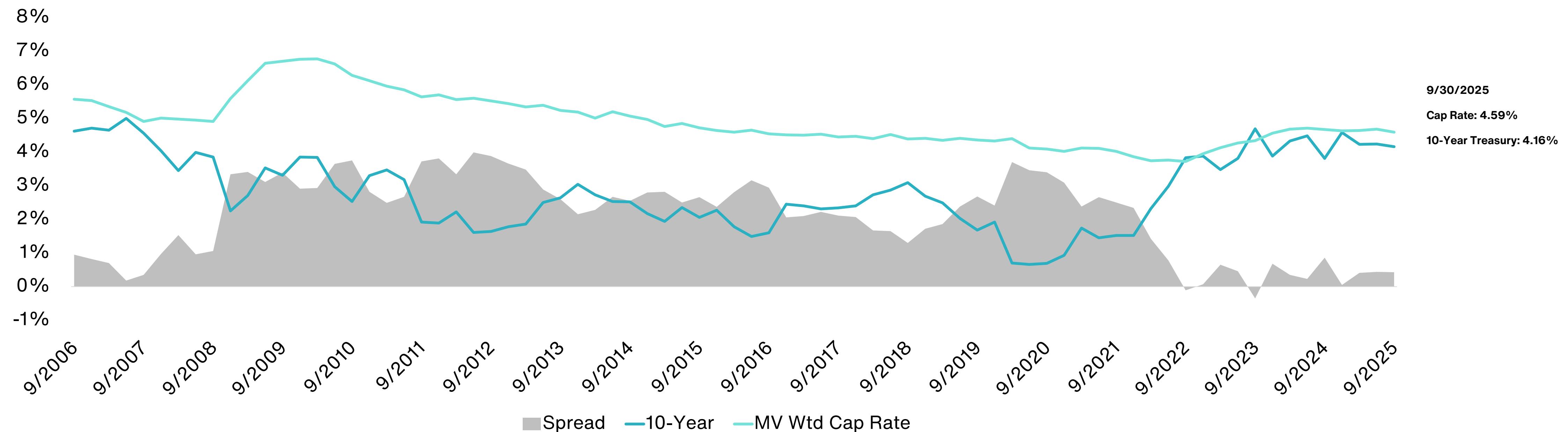
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# Current State of the U.S. Real Estate Market

- The **Capitalization Rate** measures Net Operating Income / Current Value, or the net income that real estate is projected to generate
- Historically, cap rates have risen when the spread between cap rates and the 10-year Treasury falls below +100-150bps
- The 10-year Treasury as of November 6, 2025, was 4.08%

## NPI Current Value Cap Rate versus 10yr Treasury

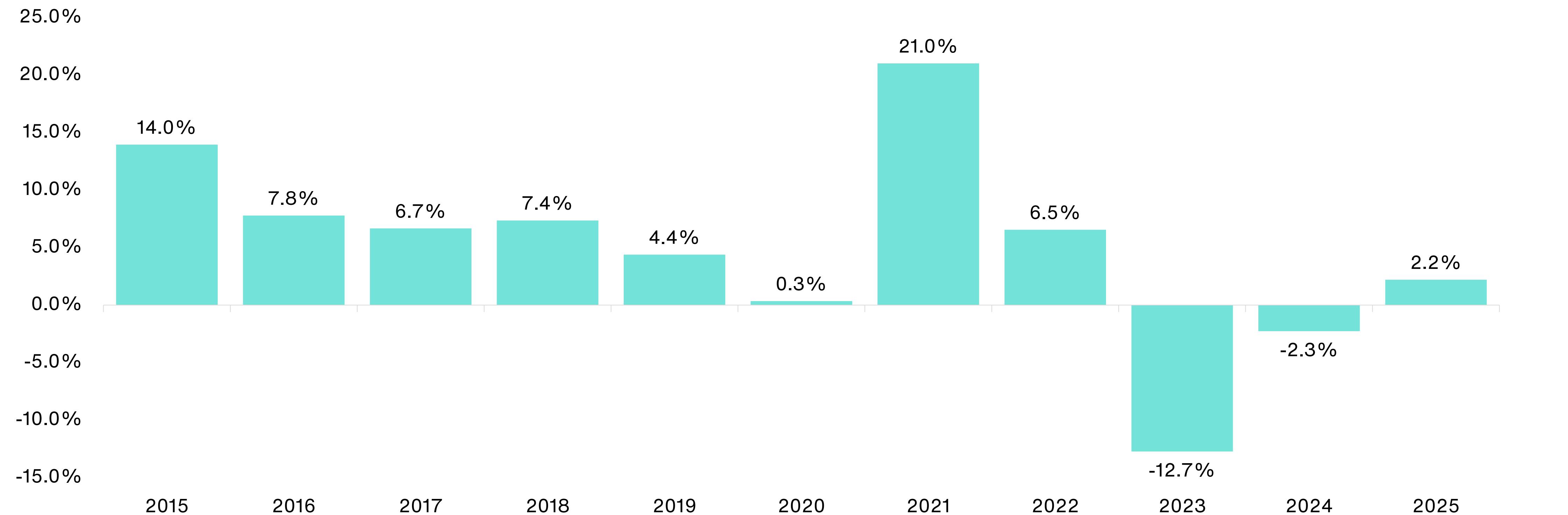


Source: St. Louis Fed, NCREIF

# Market Recovery Underway

- Generally, real estate fundamentals (supply, demand, rents, etc.) remain stable to strong, except for well-publicized challenges in the office sector
- The real estate market has begun to recover in recent quarters

## NFI-ODCE Calendar Year Net Returns (as of 09/30/2025)

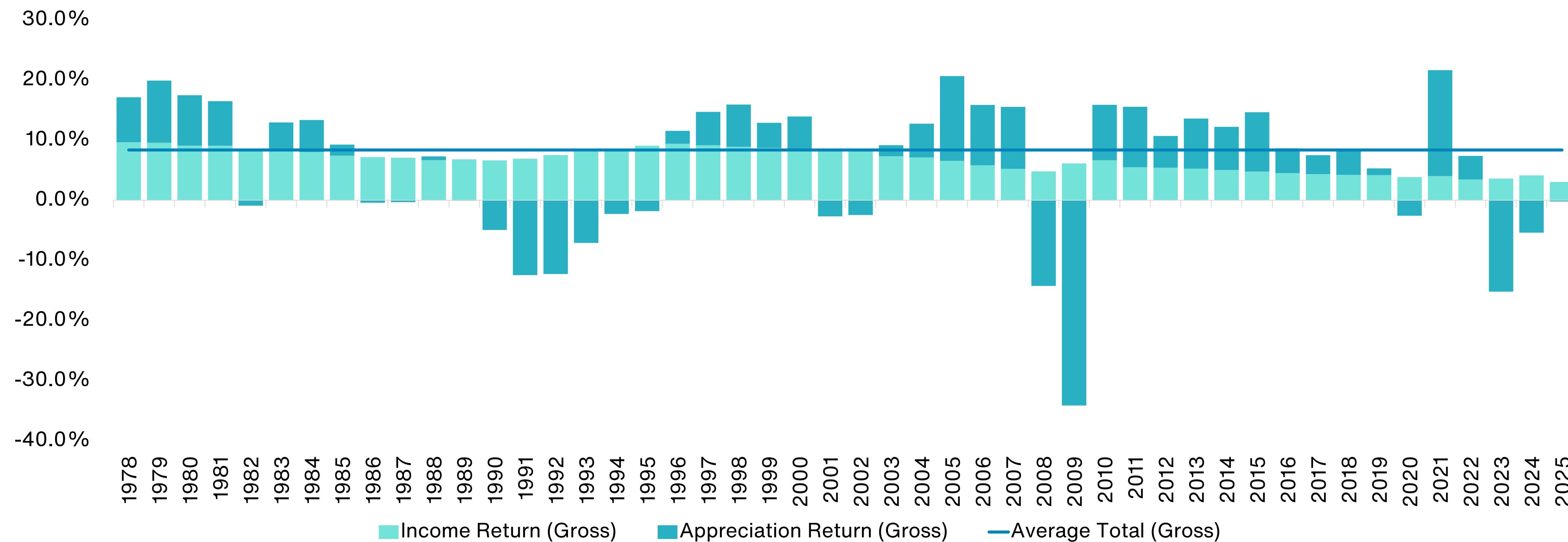


Source: NCREIF

# Resetting Real Estate Performance Expectations

- Core real estate has returned 8.3% gross and 7.3% net on average over the long term
- Real estate provides a stable income return through market cycles

**NFI-ODCE Calendar Year Gross Returns (as of 09/30/2025)**



Source: NCREIF

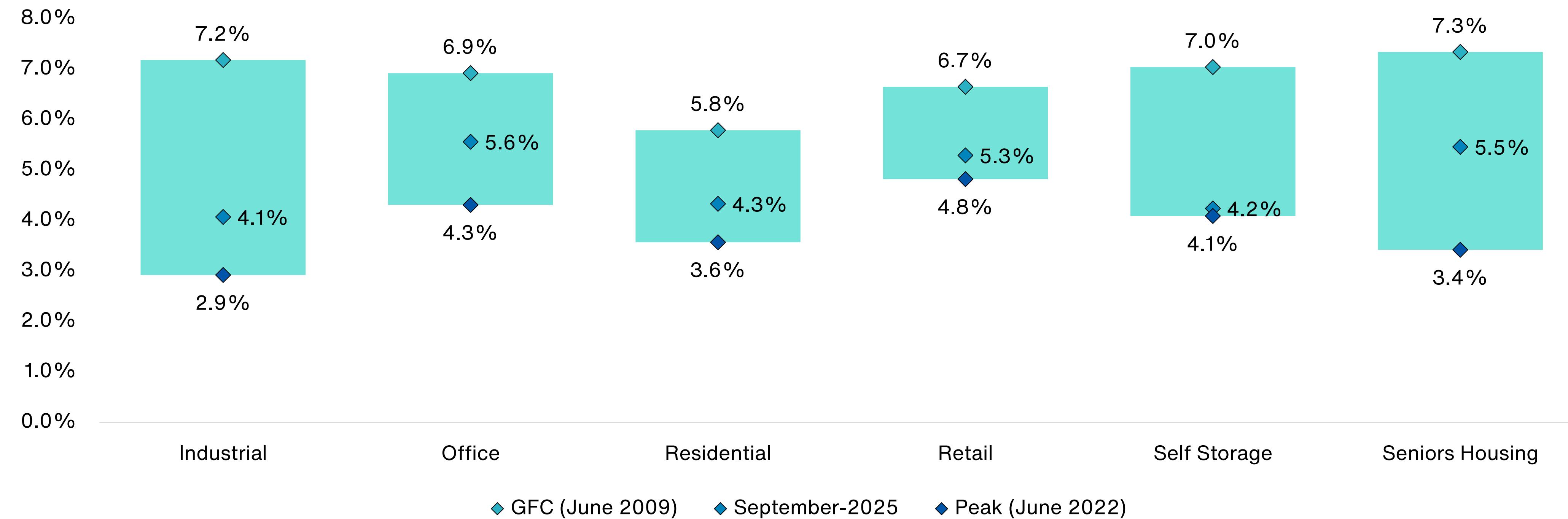
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# NFI-ODCE Valuations

- Capitalization Rates continue to correct as tight financial markets put stress on commercial real estate valuations
- With the exception of Office, appraisal agencies are seeing a stabilization in Capitalization Rates
- Commercial Real Estate investment managers will be keeping a watchful eye on the Federal Reserve and how they enact monetary policy in the coming quarters

## Historical Cap Rate by Sector



Source: NCREIF

# Real Estate Investment Themes

## Alternative sectors and middle market strategies

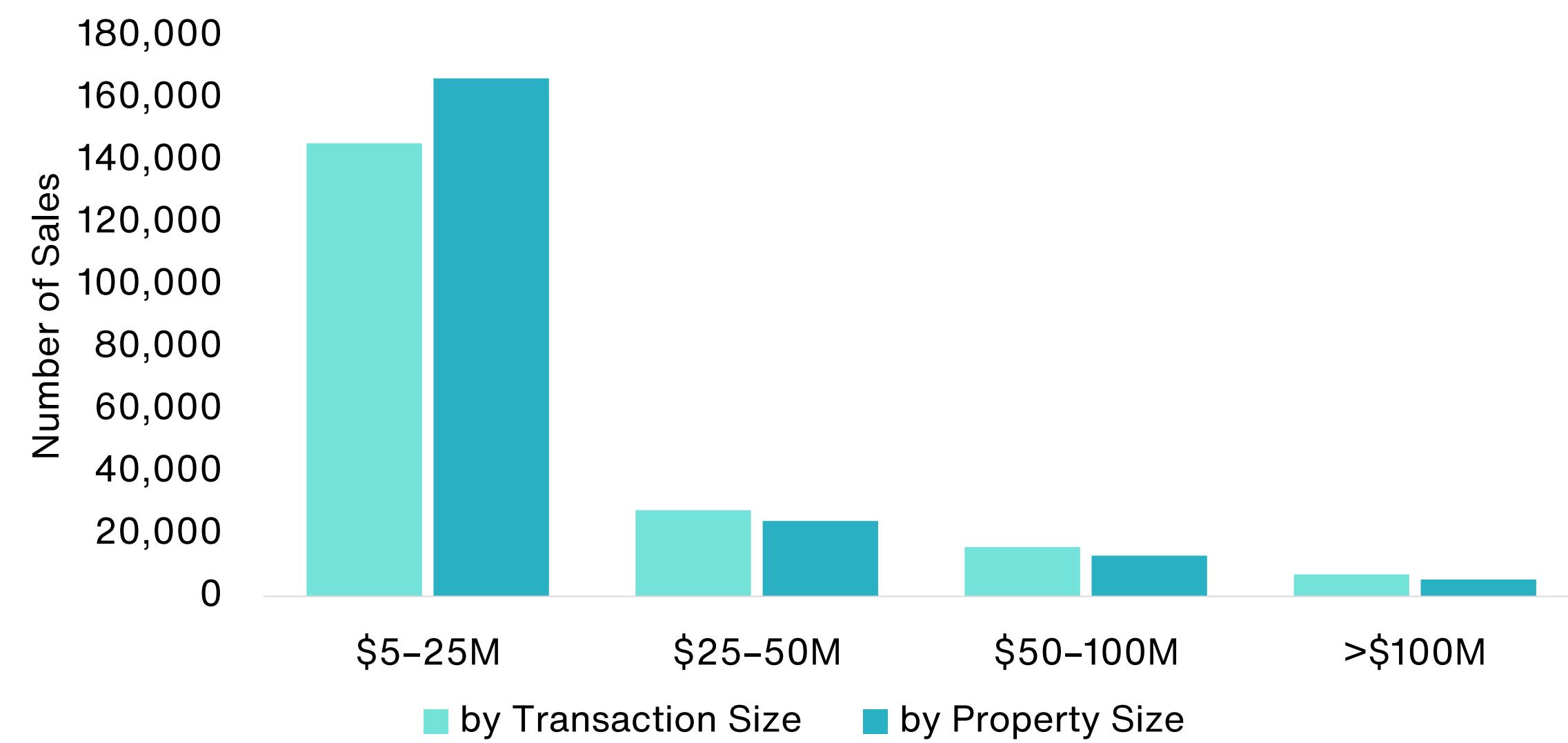
Themes	Analysis
<b>Single-Family Rental/ Build-To-Rent (SFR/BTR)</b>	 <p>Housing is undersupplied. Need for additional housing space has been rising as millennials age, live with partners, and have kids. Further, adoption of work-from-home is adding to that rising housing space demand. The cost of housing ownership is rising due to higher mortgage rates.</p>
<b>Manufactured Housing</b>	 <p>Affordable housing at discounts to alternatives, with market fragmentation and significant barriers to entry for new supply. Occupancy rates and revenue growth remain strong, at or near record levels.</p>
<b>Medical Office</b>	 <p>Demographic-driven demand for healthcare from the aging population in the U.S. Stable demand with a degree of non-correlation to GDP.</p>
<b>Industrial Outdoor Storage (IOS)</b>	 <p>Outdoor storage demand continues to rise as moderated e-commerce growth continues. Occupancy levels remain close to 97-98%, highlighting limiting supply and strong demand. Lower capital expenditures compared to traditional warehouse.</p>
<b>Middle Market Strategies</b>	 <p>Small and middle market real estate deals potentially give investors access to a less efficient market compared to large mega deals. That's not to say they will perform better but rather, are complementary to strategies sponsored by large mega managers. Additionally, there is potential higher liquidity given that a significant portion of real estate deals are in the small and middle market.</p>

Source: Aon

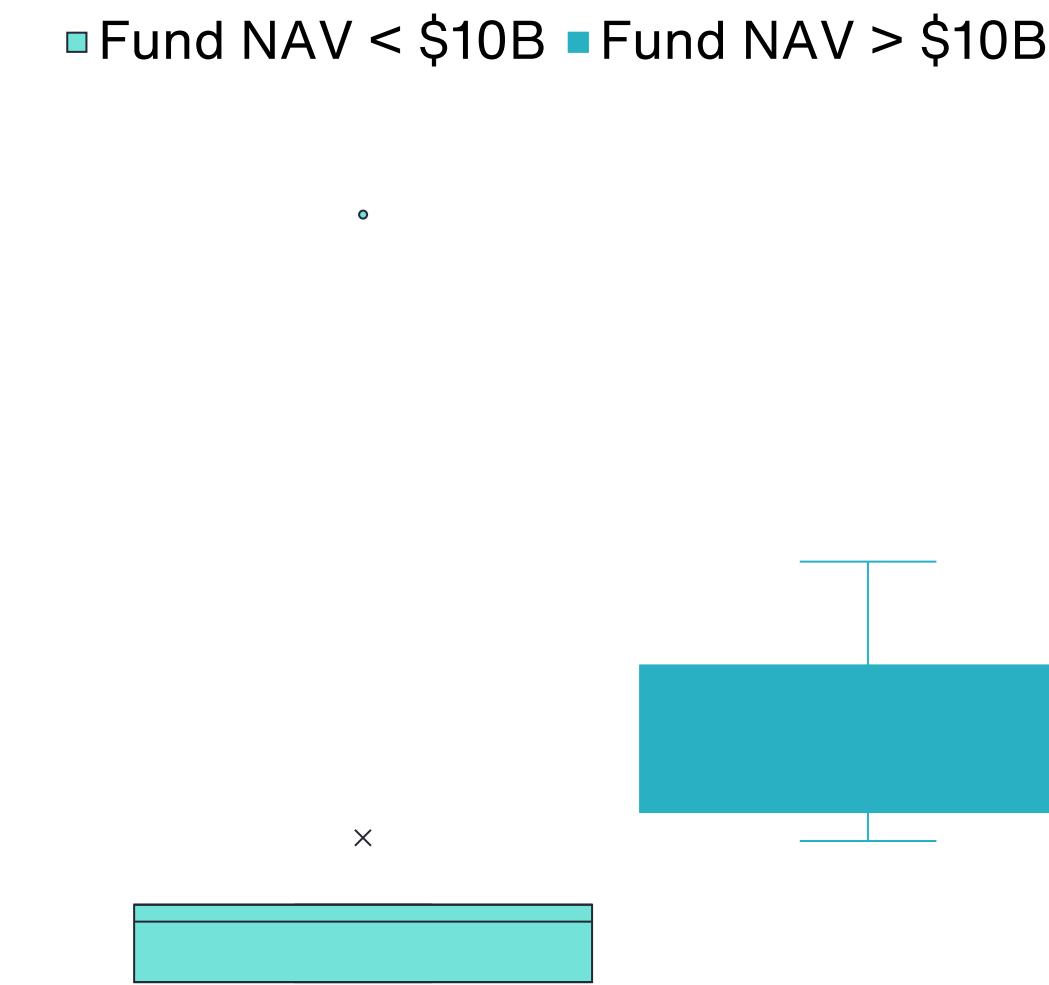
# Target Smaller Real Estate Funds

- The majority of real estate transactions over the past 10 years have been smaller deals
- Smaller funds should have the ability to pivot more easily in response to shifting market conditions

**Total Real Estate Sales by Transaction Size**  
(10 years as of 12/31/2024)



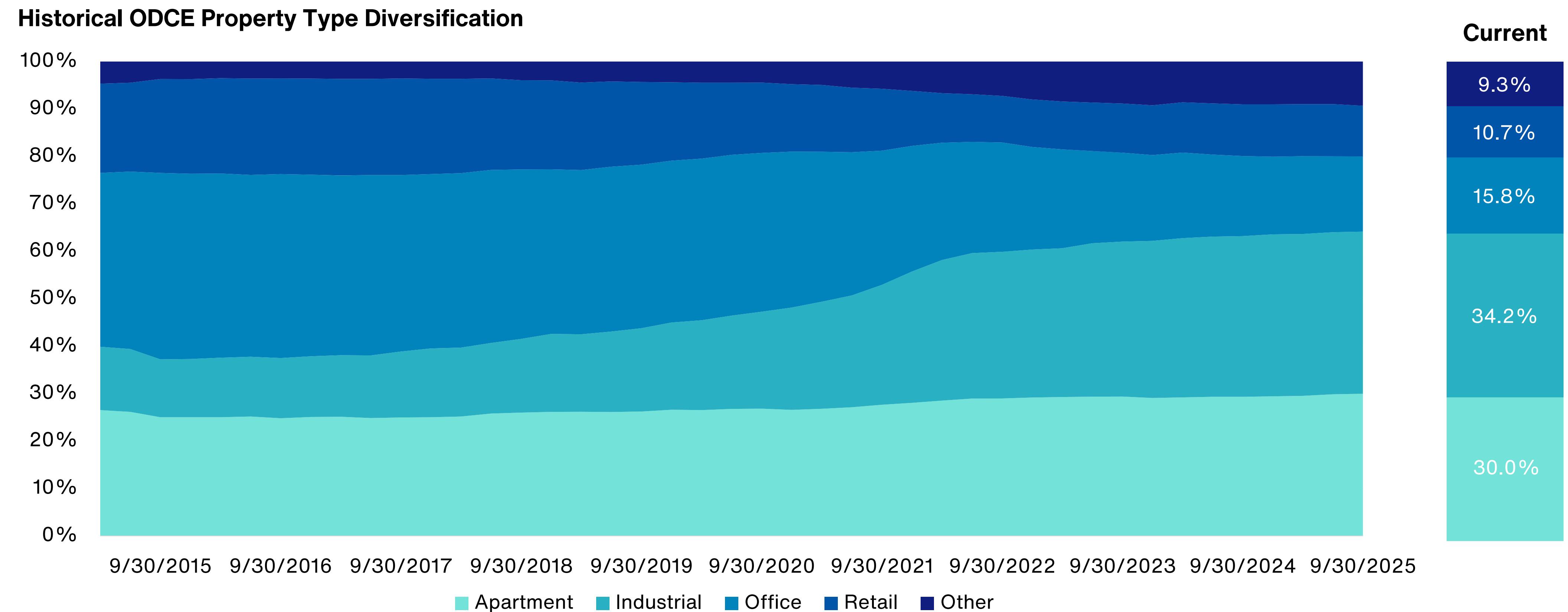
**ODCE Redemption Queues as a % of Fund NAV**  
(as of 6/30/2025)



Source: CoStar, RCA, Managers. ODCE Redemption Queues chart includes ODCE funds on Aon's Buy-rated list

# Unintended Concentration: property type

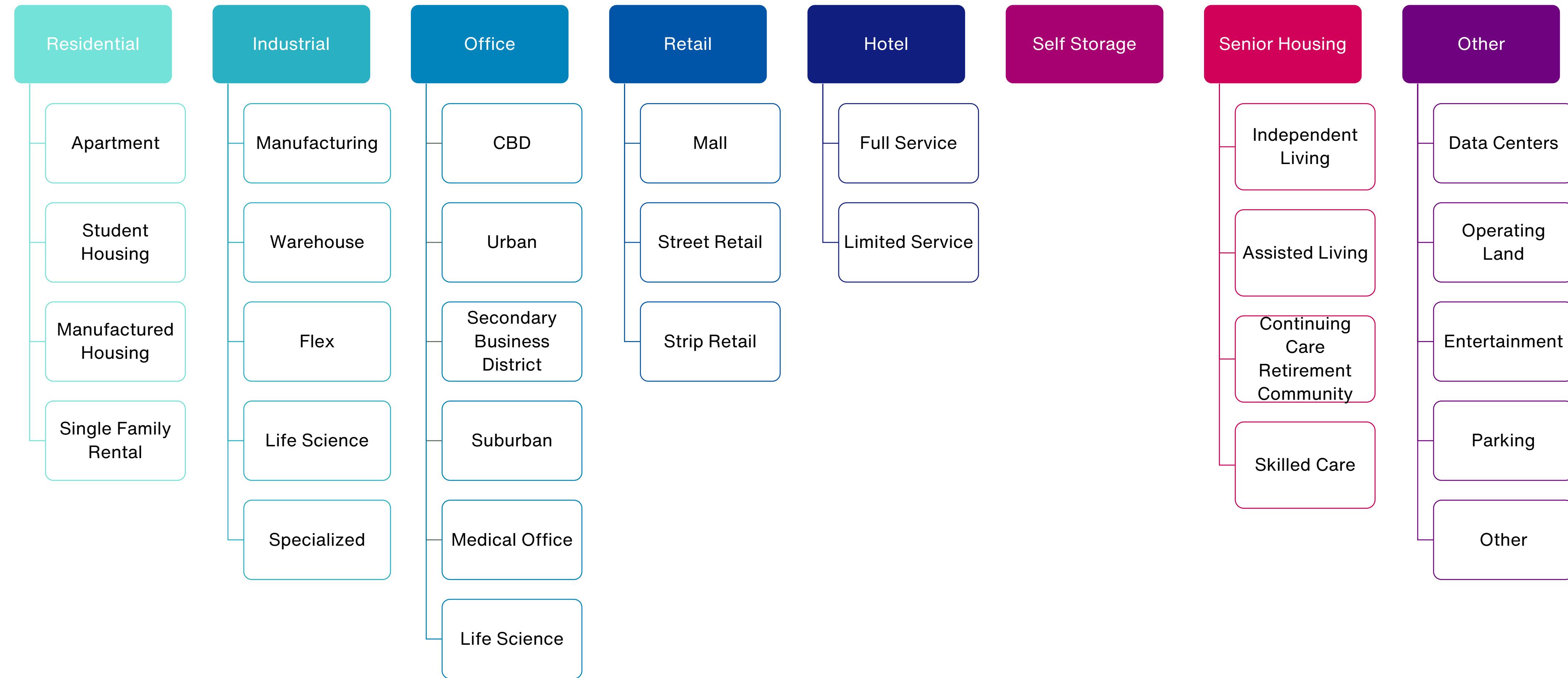
- NFI-ODCE has historically been comprised of the 4 traditional property types but has increasing exposure to alternative property types
- Build a portfolio around existing traditional sectors with complementary alternative sector exposure



Source: NCREIF

# Expanded Property Types and Sub-Types

- Focus has shifted toward alternative property types such as medical office, life science, self storage, senior housing, and data centers.

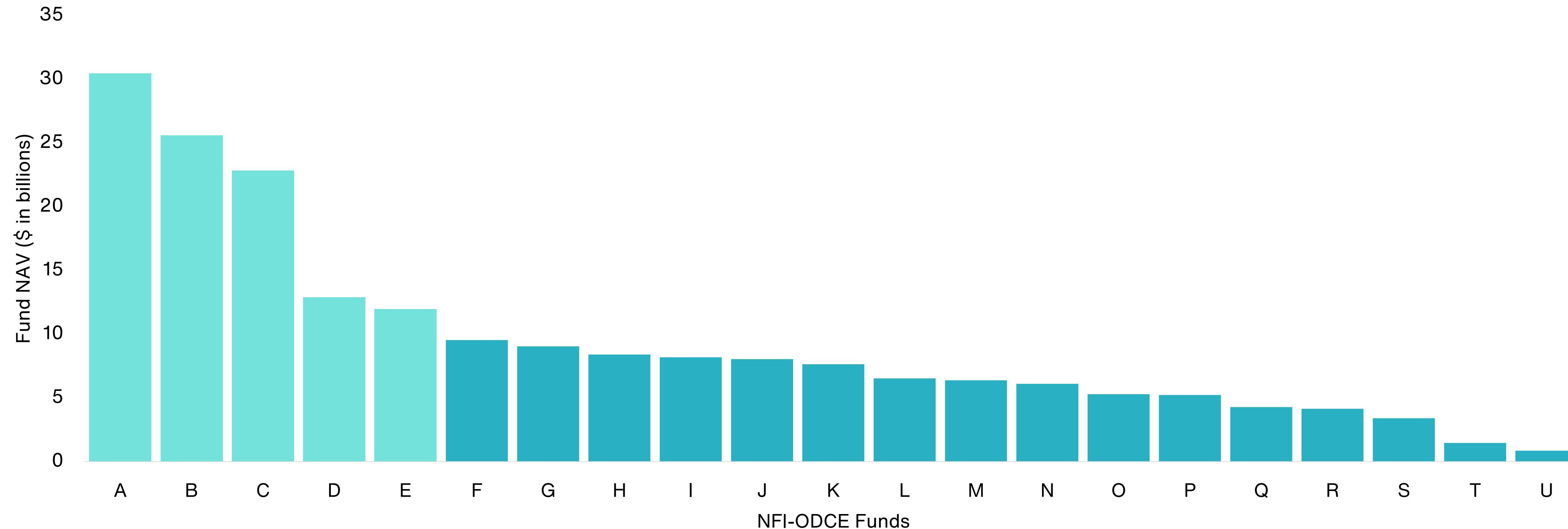


Source: NCREIF

# Unintended Concentration: Large Funds

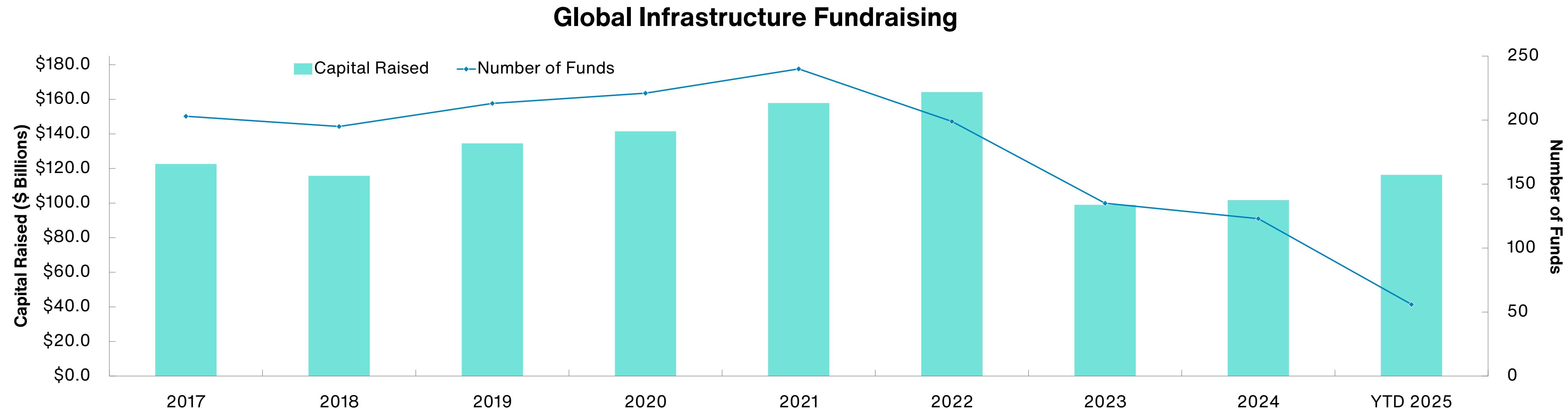
- 52% of capital is in the 5 largest core diversified real estate funds
- Construct a portfolio with a mix of larger and smaller fund sizes to access varied deal profiles

**NFI-ODCE Fund Size Comparison**



Source: NCREIF, Managers

# Infrastructure

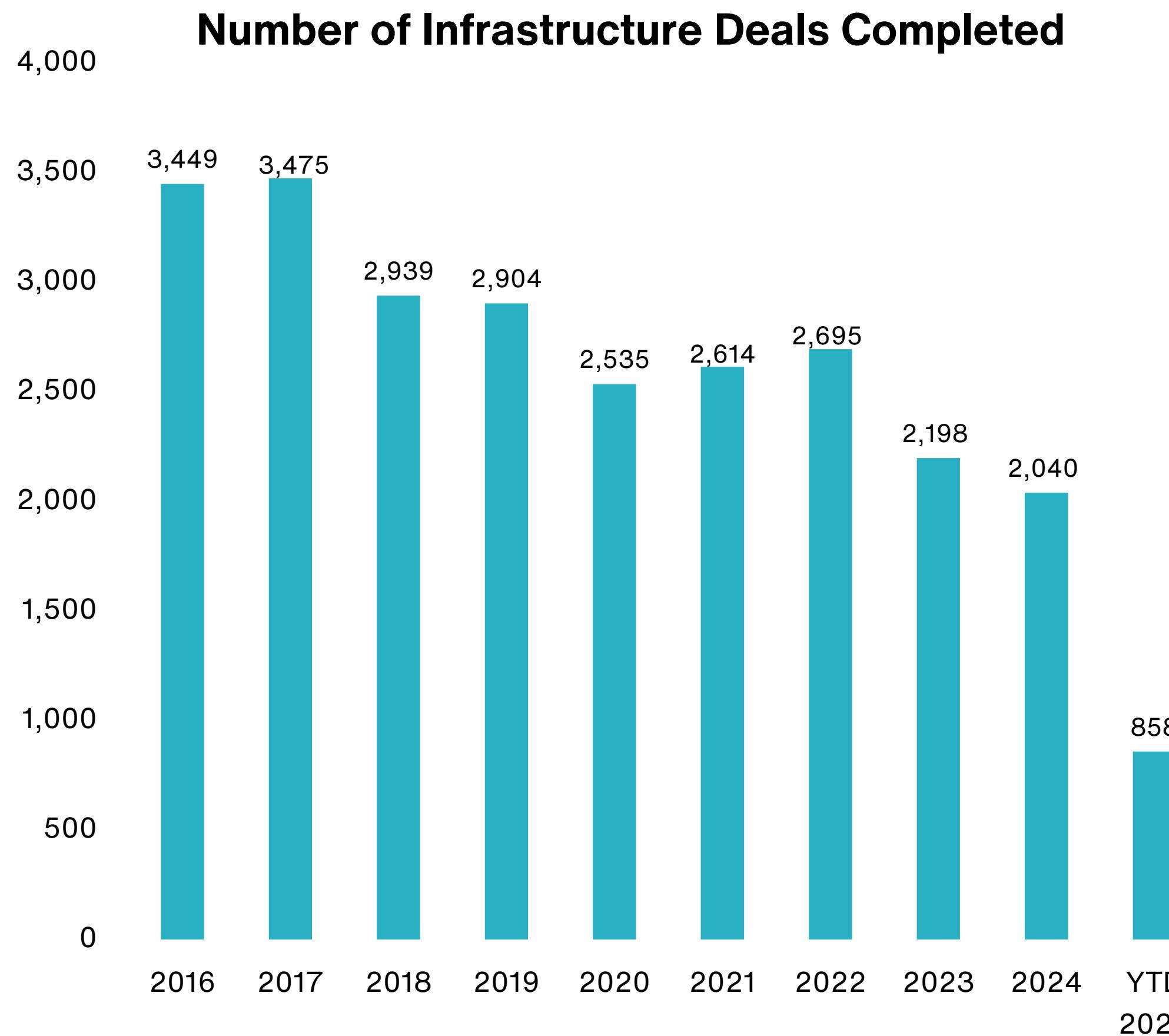


## Fundraising

- \$55.2 billion of capital was raised by 25 funds in Q2 2025 compared to \$61.1 billion of capital raised by 31 funds in Q1 2025 and \$23.2 billion of capital raised by 33 funds in Q2 2024. Aggregate capital raised in the first half of 2025 (\$116.3 billion) exceeded the total for the entirety of 2024 (\$101.7 billion). This was an increase of 78.7% compared to the five-year quarterly average of \$33.6 billion. Funds with a primary geographic focus on North America raised more capital during the quarter than funds investing in Europe.
  - Macquarie Infrastructure Partners VI was the largest fund closed during the quarter with aggregate commitments of \$6.8 billion.
- As of the end of Q2 2025, there were an estimated 397 unlisted infrastructure funds in the market seeking roughly \$508.5 billion.
  - AIP Infrastructure Partnership, a fund being raised by Blackstone, was the largest fund in market with a target fund size of \$30.0 billion.
  - The 10 largest funds in market are currently seeking a combined \$161.9 billion in capital.
- Concerns surrounding the relative availability and pricing of assets remain. Fundraising remains competitive given the number of funds and aggregate target level of funds in market. Investor appetite for the asset class persists despite the strong levels of dry powder and increased investment activity from strategic and corporate buyers as well as institutional investors.

Source: Preqin

# Infrastructure



#### Activity

- Infrastructure managers completed 380 deals for an aggregate deal value of \$82.8 billion in Q2 2025, a decrease, on a capital and number basis, compared to 478 deals totaling \$153.5 billion completed in Q1 2025.
  - By region, North America produced the largest value of completed deals, with 56.7% of deal value being completed in the region, followed by Europe at 21.1%. APAC amassed only 11.9% of value during Q2 2025.
- Infrastructure dry powder totaled \$344.1 billion at the end of 2024, a decrease compared to year-end 2023's total of \$413.0 billion.

#### Opportunity

- Mid-market value-add infrastructure funds, infrastructure investments in power generation and distribution and renewable energy projects such as wind, solar, and hydro, which align with sustainability goals and long-term energy demand
- Infrastructure funds supporting the global shift from fossil fuels to cleaner energy sources, specifically outside the U.S., tapping into international policy momentum and market gaps.
- Investing in market-leading platforms for data center development and expansion, capitalizing on the growing demand for digital infrastructure and cloud services.

Source: Preqin, Aon

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# 5

## Glossary



# Glossary of Terms

## Fund Classifications by Strategy

<b>Capital Contribution</b>	The amount of capital drawn down by the general partner. Also known as the paid-in capital.
<b>Carried Interest</b>	The performance fee a general partner receives once the limited partners have received their return of capital and preferred return.
<b>Catch-Up</b>	The provision that dictates how distributions from a fund will be allocated between the limited partners and the general partner once the limited partners have received their preferred return. The catch-up rate determines how quickly the general partner earns its carried interest.
<b>Commitment</b>	A limited partner's obligation to provide a certain amount of capital to a fund.
<b>Distribution</b>	The value of the cash and stock disbursed to the partners of a fund.
<b>DPI</b>	“Distributions to Paid-In Capital”. The ratio of cumulative distributions to cumulative paid-in. Used to measure to what extent the value of an investor's position is realized relative to the cash paid-in.
<b>Final Closing</b>	The final date at which new investors can subscribe to a closed-end fund.
<b>First Closing</b>	The date at which a general partner receives and executes the initial subscription documents for a closed-end fund and can begin drawing capital from investors.
<b>Hurdle</b>	The return that the limited partners of a fund must earn before the general partner is entitled to receive carried interest. Also known as the Preferred Return.
<b>IRR</b>	“Internal Rate of Return”. The discount rate that equates the net present value of an investment's cash inflows with its cash outflows. The IRR is determined by both the timing and magnitude of a fund's cash flows and thus is known as a dollar-weighted return. This is a more appropriate performance metric for closed-end funds than a time-weighted return because the general partner determines the timing and magnitude of cash flows.
<b>J-Curve</b>	The curve that results from plotting the since inception returns or cumulative net cash flows of a fund over time.
<b>Net Asset Value</b>	The carrying value of the remaining investments. Also known as the Market Value or Fair Market Value.
<b>Pooled IRR</b>	A method of calculating an aggregate IRR for multiple investments by totaling cash flows and net asset values to create a portfolio-level stream of cash flows and valuations. Pooled IRRs are commonly used to measure the aggregate performance of all investments of a given vintage year, strategy or manager within a given portfolio.

# Glossary of Terms

<b>RVPI</b>	“Residual Value to Paid-In Capital”. The ratio of net asset value to cumulative paid-in. Used to measure to what extent the value of an investor’s position is unrealized relative to the cash paid-in.
<b>Time-Weighted Return</b>	A method of measuring the performance of a portfolio over a particular period of time. Effectively, it is the return of one dollar invested in the portfolio at the beginning of the measurement period. This methodology is commonly used to measure manager performance of open-end funds, as the manager does not determine the timing or magnitude of cash flows into or out of the fund.
<b>TVPI</b>	“Total Value to Paid-In Capital”. The sum of DPI and RVPI. Used to measure the total realized and unrealized value of an investor’s position relative to the cash paid-in. Also known as the Multiple on Invested Capital.
<b>Unfunded Commitment</b>	The portion of a limited partner’s commitment that remains to be called by the general partner. This is generally calculated as the commitment minus contributions plus recallable returns of capital.
<b>Vintage Year</b>	For closed-end funds, generally the year in which the investment period begins. Evaluating a fund’s performance against other funds of the same vintage year enables the comparison of funds that are investing during the same economic conditions. The vintage year is sometimes alternately determined by the year of the first close, final close or first drawdown of capital.

# Legal Disclosures and Disclaimers

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Aon Investments USA Inc.  
200 E. Randolph Street  
Suite 700  
Chicago, IL 60601  
ATTN: Aon Investments Compliance Officer

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## INVITATION TO BID NOTICE

Mandate Description:	Real Assets
Calendar Year:	2026
Mandate Size:	~\$700mm or as modified pending updated pacing analysis or modified allocation targets
Timing:	This search will remain open until the mandate size has been fulfilled
Benchmark:	Core Real Estate: NCREIF ODCE Non-Core Real Estate: NCREIF ODCE +100 Infrastructure: CPI + 400bp
Structure:	Open-end Commingled Fund(s), Closed End Commingled Fund(s), Separately Managed Account(s), Fund-of-One(s), Co-investment fund(s)
Investment Consultant:	Aon Investments USA Inc
Instructions to Bidders:	To be considered for this search, your firm's consultant relations professional should ensure that all information related to your firm and the product you wish to propose are sent by email to <a href="mailto:aonrealassetsduediligence@aon.com">aonrealassetsduediligence@aon.com</a> . In the subject line of your email, please refer to TRSOK and the Mandate Description shown above. Initial screenings conducted by the investment consultant will determine the products meriting further initial review to be performed by the investment consultant and TRS investment professionals. After the investment consultant and TRS concur on finalist firms, you may be required to provide additional information.  For other instructions and any applicable qualifying minimum criteria, see the TRS Investment Policy Statement, V) Investment Guidelines and Constraints, 2) Private Market Partnership Interests, C) Real Assets
	See <a href="#">the Reports and Resources page</a> for the current IPS.



Teachers' Retirement System of Oklahoma

P.O. Box 53524

Oklahoma City, OK 73152-3524

**J. KEVIN STITT**  
GOVERNOR

[Oklahoma.gov/trs](https://oklahoma.gov/trs)

**SARAH GREEN**  
EXECUTIVE DIRECTOR

405-521-2387

### **REQUEST FOR PROPOSAL**

**RFP #: 715-25-1002**

**RFP Date: November 20, 2025**

**Type of Services Requested: Investment Consulting**

**Brief Description of Services Requested:** The Teachers' Retirement System of Oklahoma (TRS) is seeking proposals from qualified firms to provide investment consultant services. TRS will accept bids solely for general investment consulting services, solely for private market investment consulting, and for both as a bundled fee. The general investment consultant will advise the System on strategic advisory services, investment manager oversight, portfolio and investment manager reporting, investment policy statement monitoring and advisory, and in-person Investment Committee and Board meeting attendance. The private market consultant will provide private market research and investment manager search functions. Bidders may bid solely on the general investment consultant services, solely on the private market consultant services, or both. Contracts will last five (5) years with annual renewals.

The Board reserves the right to reject any or all proposals submitted. There is no express or implied obligation for the Board to reimburse Vendors for any expenses incurred in preparing proposals in response to this RFP. Proposals submitted in response to the RFP become the property of TRS and the Board and are subject to public inspection. The Board reserves the right to modify the RFP contents and requirements at any time prior to the submission deadline. If it becomes necessary to revise the RFP at any time prior to the proposal deadline, the Board will post revisions to the TRS website at <https://oklahoma.gov/trs/about-us1/request-for-proposals.html>.

**This RFP shall not be altered in any way.**

**Section One: Cover Page**

**RFP #: 715-25-1002**

**RESPONSE DUE DATE: January 14, 2026**

**TIME: 4:00pm CST/CDT**

***EMAIL BID IN PDF FORMAT TO:***

**BOARD OF TRUSTEES OF THE TEACHERS' RETIREMENT SYSTEM OF OKLAHOMA**

**Subject: RFP # 715-25-1002 "Your Firm Name"**

**ATTN: Kristen Banta**

**Kristen.Banta@trs.ok.gov**

**301 NW 63<sup>rd</sup> Street, Suite 500**

**OKLAHOMA CITY, OK 73116**

**BIDDER IDENTIFICATION:**

Name of Firm:	<hr/>
FEI/SSN:	<hr/>
Address:	<hr/>
City/State/Zip Code:	<hr/>
Email:	<hr/>
Telephone Number:	<hr/>
Firm Website:	<hr/>

**Checklist for all bidders:**

- **Proposal Cover Sheet with Bid Submission Designation**
- **Executive Summary**
- **Required Forms, Certifications, and Disclosures**
- **Bid Portions Requested to be Held Confidential**
- **Requested Exceptions to Terms**
- **Additional Bidder Terms**
- **Bidder's Response to Specifications and Requirements**
- **Answers to Questionnaire and Excel table(s)**
- **Business References**
- **Detailed fee proposal in proper format**
- **Offer of Value-Added Products or Services**
- **Third Party Vendor Information**

**Bid Submitted For:**

**General Investment Consultant**

- *If bidding for General Investment Consultant, please complete questions G.1. through G.8. on the questionnaire. In addition, please complete the General Investment Consultant Questionnaire Table.xlsx.*
- *Ensure pricing for General Investment Consultant services is on a per-year fixed fee basis.*

We will bid for General Investment Consultant

**Private Markets Investment Consultant**

- *If bidding for the Private Market Investment Consultant, please complete questions G.1. through G.4. and G.9. through G.10. on the questionnaire. In addition, please complete the Private Markets Investment Consultant Questionnaire Table.xlsx.*
- *Ensure pricing for Private Markets Investment Consulting services is on a per-year fixed fee basis, plus a per-fund fee above four (4) funds.*

We will bid for Private Market Investment Consultant

**Both General Investment Consultant and Private Markets Investment Consultant**

- *If bidding for both the General Investment Consultant and the Private Markets Investment Consultant, please complete questions G.1. through G.10. In addition, please complete both the General Investment Consultant Questionnaire Table.xlsx and the Private Markets Investment Consultant Questionnaire.xlsx.*
- *Ensure pricing for General Investment Consultant services is on a per-year fixed fee basis and pricing for Private Markets Investment Consulting services is on a per-year fixed fee basis, plus a per-fund fee above four (4) funds.*
- *You may provide a discount to TRS if selected for both mandates as a bundled fee.*

We will bid for Both General and Private Market Investment Consultant

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Authorized Signature

---

Bid Submission Date

---

Printed Name

---

Title

## GENERAL PROVISIONS

### A.1. Definitions

As used herein, the following terms shall have the following meaning unless the context clearly indicates otherwise:

- A.1.1. "Acquisition" means items, products, materials, supplies, services, and equipment an entity acquires by purchase, lease purchase, lease with option to purchase, or rental;
- A.1.2. "Amendment" means a written restatement of or modification to a Contract Document executed by the Vendor and State.
- A.1.3. "Bid" means an offer in the form of a bid, proposal, or quote a bidder submits in response to a solicitation;
- A.1.4. "Bidder" means an individual or business entity that submits a bid in response to a solicitation;
- A.1.5. "Contract" means the written, mutually agreed and binding legal relationship resulting from the contract documents and an appropriate encumbering document as may be amended from time to time, which evidences the final agreement between the parties with respect to the subject matter of the contract.
- A.1.6. "Debarment" means action taken by a debarring official under federal or state law or regulations to exclude any business entity from inclusion on the supplier list; bidding; offering to bid; providing a quote; receiving an award of contract with the state and may also result in cancellation of existing contracts with the state.
- A.1.7. "Indemnified parties" means the state and customer and/or its officers, directors, agents, employees, representatives, contractors, assignees and designees thereto
- A.1.8. "Solicitation" means a request or invitation by the Board of Trustees (the Board) of the Teachers' Retirement System (TRS) for a Vendor to submit a priced offer to sell acquisitions to the state. A solicitation may be an invitation to bid, request for proposal, or a request for quotation; and
- A.1.9. "State" means the government of the State of Oklahoma, its employees and authorized representatives, including without limitation the Board of Trustees of the Teachers' Retirement System of Oklahoma and any department, agency or other unit of the government of the State of Oklahoma.
- A.1.10. "Supplier" or "vendor" means an individual or business entity that sells or desires to sell acquisitions to state agencies.
- A.1.11. "Suspension" means action taken by a suspending official under federal or state law or regulations to suspend a supplier from inclusion on the supplier list; be eligible to submit bids to state agencies and be awarded a contract by a state agency subject to the Oklahoma Central Purchasing Act.
- A.1.12. "Supplier confidential information" means certain confidential and proprietary information of supplier that is clearly marked as confidential and agreed by the state purchasing director or customer, as applicable, but does not include information excluded from confidentiality in provisions of the contract or the Oklahoma Open Records Act.
- A.1.13. "Value-Added" means any goods and/or services that a Bidder provides to other customers that a Bidder wishes to offer to TRS that are in addition to those required by Section D herein.

### A.2. Amendments to the Solicitation

- A.2.1. Any Amendment shall be set forth at the same online link as the Solicitation.
- A.2.2. It is the Bidder's responsibility to check the TRS website frequently for any possible Amendments that may be issued. At a minimum, Bidders should check the day before the Solicitation closes. TRS is not responsible for the Bidder's failure to review any amendment documents required to complete a Bid.

### A.3. Bid Submission

- A.3.1. Submitted bids shall be in strict conformity with the instructions to bidders and shall be submitted with a completed Responding Bidder Information, Bidder's Certification, and any other forms required by the solicitation.
- A.3.2. All bids shall be submitted in electronic format to Kristen Banta at [Kristen.Banta@trs.ok.gov](mailto:Kristen.Banta@trs.ok.gov)
  - A. Bidders may request confirmation of receipt.
  - B. All bids should be submitted as a searchable PDF and Excel spreadsheet for the required attachment.
- A.3.3. Required Bid Format - The Bid is required to be structured into labelled and easily identifiable sections using the Bid Packet Format provided in A.4 below. A Bid submitted using any other format may not be accepted. The Bid Packet should not contain duplicative content amongst multiple sections. Any section of the Bid Packet that is not applicable to the Bidder shall contain a page that reads "Not Applicable," "N/A" or similar notation.

#### **A.4 Bid Packet Format**

##### **Section One: Cover Page**

Provide a dated cover page or transmittal letter that identifies the Solicitation and the Bidder and provides Bidder contact information. The cover page should also designate if the Bidder is bidding on only General Investment Consultant Services, only Private Markets Investment Consultant Services, or both General and Private Markets Investment Consultant Services.

##### **Section Two: Executive Summary and Company Information**

The Bidder's executive summary shall be submitted in this section. This includes marketing information, information for a designated contact person to receive official notices, approvals and requests, general company information and other similar resources the Bidder wishes to provide.

##### **Section Three: REQUIRED Forms, Certifications and Disclosures**

- Completed "Responding Bidder Information" Form CP076 form set forth and accompanying required documentation.
- Completed "Certification for Competitive Bid and Contract, or Non-Collusion" Form CP004 attached to bid.
- Disclosure of:
  - (1) any public contract terminated by a governmental entity or suits or claims against the Bidder for failure to perform in connection with a public contract (including any company which a Bidder has merged with or acquired that will be performing services or providing products if awarded the Contract).
  - (2) Any contractual relationship or any other relevant contact with any State personnel or another Bidder or Supplier involved in the development of a Bidder's response to the Solicitation.
  - (3) The name of any officer, director or agent of the Bidder who is also an employee of the State or any of its agencies.
  - (4) The name of any state employee who owns, directly or indirectly, an interest of five percent (5%) or more in the Bidder firm or any of its branches; and
  - (5) Any activity or interest that conflicts or may conflict with the best interest of the State, including but not limited to any person or entity currently under contract with or seeking to do business with the State, its employees or any other third-party individual or entity awarded a contract with the State. Any conflict of interest shall, in the sole discretion of the State, be grounds for rejection of the Bid or partial or whole termination of the Contract.
- Bidder's Certificate(s) of Insurance

##### **Section Four: Bid Portions Requested to be Held Confidential**

All material submitted by a Bidder becomes the property of the State. No portion of a Bid shall be considered confidential after award of the Contract except, pursuant to 74 O.S. § 85.5. Any portion of the Bid requested to be held confidential shall be listed in this section for review. Do not duplicate listed documents in this section, simply provide a list of documents or sections of documents requested to be confidential.

For each portion of the Bid listed as considered confidential, the Bidder must identify the specific information considered confidential and fully comply with OAC 260:115-3-9 which additionally requires a Bidder to enumerate the specific grounds, based on applicable laws which support treatment of the information as exempt from disclosure and explain why disclosure is not in the best interest of the public. Additional information regarding information which may be considered confidential by a Bidder is provided in Section A.9 below.

A Bid marked in total as proprietary and/or confidential will not be considered confidential.

**ANY INFORMATION MARKED AS CONFIDENTIAL AND EMBODIED ELSEWHERE IN A BID RATHER THAN LISTED IN THIS SECTION OF THE BID PACKET WILL NOT BE CONSIDERED CONFIDENTIAL AND WILL BE**

**SUBJECT TO DISCLOSURE WITHOUT FURTHER REVIEW. THE STATE HAS NO RESPONSIBILITY TO INDEPENDENTLY REVIEW AN ENTIRE BID FOR A CONFIDENTIALITY CLAIM. LIKEWISE, CONFIDENTIALITY CLAIMS OF A BIDDER WILL NOT BE CONSIDERED IF A BID DOES NOT COMPLY WITH REQUIREMENTS OF OAC 260:115-3-9 AND THE INFORMATION WILL BE SUBJECT TO DISCLOSURE PURSUANT TO STATE LAW.**

#### **Section Five: Requested Exceptions to Terms**

Any requested exception or revision to terms or conditions provided by TRS in this RFP located in Attachment A shall be redlined in Word format using track changes. If no exceptions or revisions are requested, the Bid should reflect that by inserting a page to denote this section is not applicable.

A clarification question is not an exception, and any clarification included in this section will be disregarded.

Requested exceptions should not be excessive, specifically exceptions should not be in excess of 10% of the terms and conditions provided by the State in the Solicitation. If the requested exceptions are in excess of 10% it may result in disqualification from evaluation.

**THE STATE HAS NO RESPONSIBILITY TO INDEPENDENTLY REVIEW AN ENTIRE BID FOR EXCEPTIONS AND ANY EXCEPTION EMBODIED IN ANOTHER SECTION OF THE BID OR IN A FORMAT OTHER THAN TRACK CHANGES IN WORD FORMAT WILL NOT BE CONSIDERED. LIKEWISE, AN EXCEPTION EXPRESSING ONLY GENERAL DISAGREEMENT WITH A TERM OR A GENERAL EXCEPTION TO ANY STATE TERMS OR CONDITIONS, WITHOUT SUGGESTED ALTERNATIVE WORDING OR IDENTIFYING THAT THE TERM SHOULD BE INTENTIONALLY OMITTED, WILL NOT BE CONSIDERED.**

#### **Section Six: Additional Bidder Terms**

Any additional terms that the Bidder requests to be applicable to the Contract shall be submitted in this section and shall be provided in **Word** format. The Bidder must review terms before submitting to make changes that contradict the terms and conditions included in the Solicitation. If the Bidder desires any contradicting terms to govern, such changes must be memorialized in the Requested Exceptions in Section Five. Failure to provide Additional Bidder Terms that have not been harmonized to NOT conflict with the terms and conditions in the Solicitation without a documented exception request may result in disqualification from receiving an award.

**THE STATE HAS NO RESPONSIBILITY TO INDEPENDENTLY REVIEW AN ENTIRE BID FOR ADDITIONAL TERMS AND ANY SUCH TERMS NOT SUBMITTED IN THIS SECTION OF THE BID SHALL NOT BE CONSIDERED.** Should a Bidder be awarded a Contract, neither the State nor a customer shall be required to execute additional documents not included in a Bid. For example, if a Bidder typically uses an ordering document in connection with an acquisition, the ordering document template shall be included in the Bid. The State expressly rejects any terms found in documents not attached to the Bid Response including, but not limited to, terms and conditions located at provided in hyperlinks.

## **Section Seven: Response to Specifications and Requirements and Questionnaire**

The portion of the Bid to be submitted in this section shows the ability of the Bidder to meet or exceed any Solicitation specifications and requirements found in **Sections D and E**, as applicable, of this RFP. Please include timelines for deliverables when applicable.

## **Section Eight: Pricing (Will not be held Confidential)**

Pricing requirements are detailed in **Section I and Attachment A**. In accordance with 74 O.S. § 85.40, all travel expenses to be incurred by Supplier in performance of the Contract shall be included in the total Bid price. Travel expenses include, but are not limited to, transportation, lodging and meals.

A Bid containing early payment discounts may be evaluated when making an award. If a Bidder wishes to offer an early payment discount, the Bid must include available discount percentages for no less than ten (10) days payment, increasing in five (5) day increments up to thirty (30) days. The discount percentages shall be expressed in a half or whole percentage, with the minimum discount percentage being 0.5%. The State is not obligated to utilize an offered discount.

## **Section Nine: Offer of Value-Added Products and/or Services**

If a Bid includes an offer of value-added products and/or services, such an offer shall be submitted in this section and include associated pricing and any other information relevant to such value-added offer. However, the State is not obligated to purchase value-added products or services.

## **Section Ten: Third Party Vendor Information**

If a third-party or subcontractor is included as part of a submitted Bid, the following information is required to be included in the Bid for each such third-party vendor:

- a. Company history.
- b. Relationship to Bidder.
- c. Clients for which the two entities have worked together; and
- d. Products and/or services proposed to be provided by the third-party vendor and how those products and/or services interface with the Bidder's solution.

### **A.5. Solicitation Questions and Answers**

- A.5.1. In an effort to clarify any issues in this solicitation, TRS will respond only to questions that are presented through email. Questions should be submitted to Kristen Banta at [Kristen.Banta@trs.ok.gov](mailto:Kristen.Banta@trs.ok.gov) by the deadline outlined in this solicitation. All questions and answers will be consolidated into a single Q&A document. The Q&A document will be posted on the TRS website by the deadline outlined in this solicitation. This will be the only distribution method for the Q&A document.
- A.5.2. The selection of investment consultants for state retirement systems, including TRS, is specifically exempt from the competitive bidding procedures established by Oklahoma Statutes (see 74 O.S. §85.7). Selection is, however, subject to the Board's procurement policy, which does require competitive bids.
- A.5.3. The Board prohibits the payment of a finder's fee in any form. The Vendor must certify that no finder's fee or finder's commission has been paid or shall be paid to any individual or organization from the establishment of this investment consulting relationship with the Board.

### **A.6. Bid Change**

If the bidder needs to change a bid prior to the solicitation response due date, a new bid shall be submitted to [Kristen.Banta@trs.ok.gov](mailto:Kristen.Banta@trs.ok.gov) with the following statement "This bid supersedes the bid previously submitted". The updated bid should be submitted in the same method as the original bid.

### **A.7. Certification Regarding Debarment, Suspension, and Other Responsibility Matters**

By submitting a response to this solicitation:

- A.7.1. The prospective primary participant and any subcontractor certifies to the best of their knowledge and belief, that they and their principals or participants:
  - A. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal, State or local department or agency;

- B. Have not within a three-year period preceding this proposal been convicted of or pleaded guilty or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) contract; or for violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- C. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph A.5.1.2. of this certification; and
- D. Have not within a three-year period preceding this application/proposal had one or more public (Federal, State, or local) contracts terminated for cause or default.

A.7.2. Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to its solicitation response.

**A.8. Bid Opening**

Bids shall be opened by the Business Manager with one witness present at the offices of the Teachers' Retirement System, 301 NW 63<sup>rd</sup> Street, 5<sup>th</sup> Floor, Oklahoma City, OK, 73116, as reasonably practical after the Response Due Date and Time provided herein.

**A.9. Open Bid / Open Record**

Pursuant to the Oklahoma Public Open Records Act, a public bid opening does not make the bid(s) immediately accessible to the public. The procurement or contracting agency shall keep the bid(s) confidential and provide prompt and reasonable access to the records only after a contract is awarded or the solicitation is cancelled. This practice protects the integrity of the competitive bid process and prevents excessive disruption to the procurement process. The interest of achieving the best value for the State of Oklahoma outweighs the interest of vendors immediately knowing the contents of competitor's bids. [51 O.S. § 24A.5(6)]

**A.10. Late Bids**

Bids received late will not be considered.

**A.11. Legal Contract**

Submitted bids are rendered as a legal offer and any bid, when accepted by the procuring agency, shall constitute a contract. Please see Attachment A for contract terms.

**A.12. Pricing**

- A.12.1. Bids shall remain firm for a minimum of 180 days from the solicitation response due date.
- A.12.2. Pricing shall be provided on a fiscal year basis. Please see Section I and Attachment A for other pricing terms.

**A.13. Negotiations**

- A.13.1. In accordance with 74 O.S. §85.5, the Board reserves the right to negotiate with one, selected, all or none of the vendors responding to this solicitation to obtain the best value for the agency. Negotiations could entail discussions on products, services, pricing, contract terminology or any other issue that may mitigate the State's risks. Firms that contend that they lack flexibility because of their corporate policy on a particular negotiation item shall face a significant disadvantage and may not be considered. If such negotiations are conducted, the following conditions shall apply:

Terms, conditions, prices, methodology, or other features of the bidder's offer may be subject to negotiations and subsequent revision. As part of the negotiations, the bidder may be required to submit supporting financial, pricing, and other data to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the offer.

The requirements of the Request for Proposal shall not be negotiable and shall remain unchanged unless TRS and/or the Board determine that a change in such requirements is in the best interest of the State Of Oklahoma.

**A.14. Rejection of Bid**

TRS and/or the Board reserves the right to reject any bids that do not comply with the requirements and specifications of the solicitation. A bid may be rejected when the bidder imposes terms or conditions that

would modify requirements of the solicitation **or limit the bidder's liability to the State**. Other possible reasons for rejection of bids are listed in OAC 260:115-7-32.

#### **A.15. Award of Contract**

The Board may award the Contract to more than one bidder by awarding the Contract(s) by item or groups of items, or may award the Contract on an ALL OR NONE basis, whichever is deemed by the Board to be in the best interest of the State of Oklahoma. In order to receive an award or payments from TRS, vendors must be registered. The vendor registration process can be completed electronically through the OMES website at the following link: <https://oklahoma.gov/omes/divisions/central-purchasing/suppliers-and-payees/supplier-portal.html>. The initial contract term will begin July 1, 2026, and continue through June 30, 2027 (Fiscal Year 2027). The contract may be renewed for up to four (4) additional one-year periods at the Board's discretion

### **B. TRS BACKGROUND INFORMATION**

#### **B.1. Legal Authorization**

The Teachers' Retirement System of Oklahoma (TRS) was created by an act of the Oklahoma Legislature in 1943 after citizens amended the state constitution allowing the creation of a public retirement program for educators. TRS is established as set forth in 70 O.S. § 17-101 et seq. and placed under the management of the Board of Trustees for the purpose of providing retirement allowances and other benefits for public educators of the State of Oklahoma. The Board of Trustees of the Teachers' Retirement System of Oklahoma (the Board or Board of Trustees) is charged with the investment of approximately \$26.0 billion in retirement funds for education employees. The Board of Trustees and TRS staff oversee the administration of the System to ensure adequate funds are maintained to meet the financial obligations of the entire membership. In directing investments of TRS funds, the Board seeks to maximize gains, minimize losses, and protect the fund. TRS has a budgeted staff of 52 employees. The Executive Director is the chief administrative officer of the agency.

#### **B.2. Board Composition**

TRS is administered by a Board of Trustees composed of 14 voting members including the State Superintendent of Public Instruction or designee, the Director of the State Office of Career and Technology Education or designee, the Director of the Office of Management and Enterprise Services (OMES) or designee, the State Treasurer or designee, and members appointed by the Governor, the Speaker of the House of Representatives, the President Pro Tempore of the State Senate, and 1 non-voting member appointed by a retired educators association.

#### **B.3. Asset Allocation**

The target asset allocation mix for TRS as of July 1, 2025, is as follows:

Asset Class	Target
<b>U.S. Equity</b>	<b>32.4%</b>
<b>International Equity</b>	<b>14.1%</b>
<b>Fixed Income</b>	<b>25.0%</b>
<b>Real Assets</b>	<b>11.0%</b>
• Real Estate	8.0%
• Infrastructure	3.0%
<b>Private Equity</b>	<b>10.0%</b>
<b>Private Debt</b>	<b>7.5%</b>

#### **B.4. Investment Services Providers**

All assets are managed by external investment managers. A complete list of our external investment managers can be found on our website:

<https://oklahoma.gov/content/dam/ok/en/trs/documents/manuals/TRSOK-Investment-Managers-and-Benchmarks.pdf>

## **B.5. Investment Guidelines**

The current Investment Policy Statement can be found on our website:  
<https://oklahoma.gov/trs/investments/reports-and-resources.html>

## **B.6. Investment Manager Search Process**

- B.6.1. The System solicits investment managers through an invitation-to-bid process. Current examples of an invitation-to-bid are found here: <https://oklahoma.gov/trs/about-us1/request-for-proposals.html>
- B.6.2. The invitation-to-bid process is detailed in our IPS Section III.5. Investment Manager Selection Policy
- B.6.3. This is a competitive bid process but is much more streamlined than a typical RFP and does not require a large, standardized questionnaire, blackout period with staff or consultant, or formulaic scoring matrix. It does require a blackout period with the Board of Trustees.

## **B.7. Private Market Reporting Process**

- B.7.1. The System currently retains Meketa Investment Group as a back-office service provider for private markets. Meketa Investment Group provides all private market reporting, fee validation, and capital call management. **These services are not required for this search.**
- B.7.2. An example of the existing reporting process is available in the reports and resources section of our website: <https://oklahoma.gov/trs/investments/reports-and-resources.html>

## **C. COMMUNICATION WITH TRS**

### **C.1. Prohibited Communications**

TRS will respond only to questions that are presented as described in paragraph A.5 above. Telephone questions will not be accepted. Board policy prohibits direct contact between prospective service providers and TRS Board members, consultants, or staff during this RFP process. This does not include communication with TRS' incumbent service provider for normal business not related to this selection process. From the date of release of this RFP until a Vendor is selected and a contract is executed and approved, all contacts and communications regarding this RFP are restricted to the Q&A provisions in Section A.5. Exceptions include communications with TRS staff identified in this section and designated participants in attendance only during negotiations, presentations, and contract award and execution. Non-permitted communications must be disclosed in writing to TRS's General Counsel by bidders prior to the board meeting at which a contract for these services is awarded. Violation of these conditions may result in rejection of a Vendor's proposal.

## **D. SOLICITATION SPECIFICATIONS, MINIMUM QUALIFICATIONS, AND TIMELINE**

### **D.1. General Investment Consultant Services Requested.** The Board of Trustees of the Teachers' Retirement System of Oklahoma is issuing this request for proposals to identify a qualified firm to provide general investment consultant services to TRS. Requested services include:

#### **D.1.1. Strategic Advisory**

- A. work closely with TRS staff and actuary to provide the Board of Trustee's with periodic (once every 4 years or promptly after each actuarial experience study) asset-liability studies and strategic asset allocation recommendations based upon an analysis of actuarial risks.
- B. make recommendations on capital market assumptions, asset class structure, liquidity requirements, and research new or complementary strategies for the TRS portfolio.
- C. provide pacing models for private market asset classes.
- D. review the investment practices and performance of TRS' portfolio against our U.S. pension fund peers.
- E. assist staff in modeling periodic rebalances between asset classes.

#### **D.1.2. Investment Search and Manager Oversight**

- A. perform public market investment manager searches on an as needed basis (currently a very limited set)
- B. perform on-going monitoring of the System's investment managers, reporting on and staying abreast of developments at each investment manager or general partner organization,
- C. provide recommendations concerning investment manager termination/retention,
- D. provide staff with existing public market investment manager research and due diligence, operational due diligence, and investment memos.

- E. perform an annual review of investment management fees including peer comparisons and recommendations for reducing above median fees.
- F. keep a client accessible manager database to access investment manager due diligence, summary statistics, and industry research.
- G. Assist in the preparation of investment manager guidelines, as needed.

**D.1.3. Reporting & Board Meetings**

- A. prepare monthly and quarterly performance reports from data provided by Northern Trust, our master custodian. These reports will be presented in-person to our Board of Trustees and Investment Committee. The Board meets approximately eight (8) times per year. The Investment Committee meets approximately eight (8) times per year,
- B. provide the Board of Trustees with an analysis of the performance of each composite and manager account versus performance goals set forth in the TRS Investment Policy – goals which are both absolute and relative to the investment manager's benchmark and peer group,
- C. provide the Board of Trustees with periodic analysis of performance attribution, style, risk and other relevant metrics for composites and accounts,
- D. provide the Board of Trustees with an annual summary and analysis of compliance with the Investment Policy Statement of all proxy votes cast on behalf of the System, and
- E. provide special reports as needed to cover manager search, asset allocation review, or other ad-hoc assignments.

**D.1.4. Investment Policy Statement Monitoring**

- A. assist TRS staff with monitoring all external investment managers' compliance with our Investment Policy Statement.
- B. assist TRS staff in updating the language and standards within the Investment Policy Statement.

**D.1.5. Other Services**

- A. assist TRS staff in completing periodic open-record and third-party data requests,
- B. assist TRS staff in coordination of Trustee education on investment related topics,
- C. assist TRS staff in hosting periodic Board retreats and public fund conferences, such as the Oklahoma Public Fund Trustee Education Conference,
- D. periodically review custodian and securities lending program for competitiveness and an assessment of services,
- E. assist TRS staff in other reasonable ad hoc assignments.

## **D.2. Private Market Consultant Services Requested**

- D.2.1. Perform non-discretionary investment manager searches in private equity, private credit, real estate, and infrastructure, on an as needed, but regular basis. This will include closed-end fund selection, open-end fund selection, co-investment fund selection, and separately managed account / fund-of-one structuring.
- D.2.2. Provide access to research on market environment, investment strategies, geographic considerations, and private market industry trends.
- D.2.3. Identify applicable investment strategies and source investment opportunities (primary funds, secondary funds, co-investment funds) as requested by internal investment staff or the general investment consultant.
- D.2.4. When applicable, work with staff to develop fund-of-one or separately managed account structures.
- D.2.5. Provide operational and investment due diligence reports to investment staff and Board of Trustees.
- D.2.6. Attend Investment Committee and Board meetings, not to exceed 2 in-person trips to TRS, to present recommendations and due diligence, interview recommended finalists and assist the Board with requests about the private market portfolio, when required. Virtual options are available, if needed.
- D.2.7. Provide one annual private market review to the Investment Committee and Board. The review will include private market performance analysis and go-forward private market portfolio management advisory.
- D.2.8. Provide on-going advice and recommendations on post-closing private market consent forms, such as continuation vehicles, LPAC items, etc.

## **D.3. Minimum Qualifications – General Investment Consultant**

- D.3.1. The investment consulting firm must be a registered investment advisor under the SEC.
- D.3.2. The investment consultant must currently serve as a full-service consultant to at least five (5) U.S.-based public pension plans, each having at least \$10 billion in assets as of June 30, 2025.

- D.3.3. The investment consulting firm must agree to be bound by the terms of the Investment Policy Statement for TRS referred to in Section III.F of this RFP and must agree to act as a fiduciary to the plan.
- D.3.4. If hired, the consulting firm must agree to disclose all conflicts of interest, all sources of revenue related to its relationship with the System, and all affiliations on an annual basis.

#### **D.4. Minimum Qualifications – Private Market Consultant**

- D.4.1. The investment consulting firm must be a registered investment advisor under the SEC.
- D.4.2. The investment consultant must currently serve as a consultant advising on private market assets of, in aggregate, at least \$20 billion.
- D.4.3. The investment consulting firm must be able to provide coverage for private credit, real estate, infrastructure, and will provide a periodic review of our discretionary private equity manager.
- D.4.4. The investment consulting firm must agree to act as a fiduciary to the plan.
- D.4.5. If hired, the consulting firm must agree to disclose all conflicts of interest, all sources of revenue related to its relationship with the System, and all affiliations on an annual basis.

### **E. QUESTIONNAIRE**

#### **Sections E.1. through E.4. to be completed by General Investment Consultant and Private Market Search Consultant bidders.**

##### **E.1. Firm Overview**

- E.1.1. List your firm's name, address, website, and year founded. List the names, titles, locations, telephone numbers, and email addresses for the individuals responsible for new business contacts and this RFP response. Provide a brief history and background of your firm.
- E.1.2. Describe the services your firm provides and discuss all sources of revenue (organized by line of business and as a proportion of total firm revenue).
- E.1.3. Describe the firm's ownership structure. Discuss the financial condition of your firm based on the most recent financial statements and annual report if an annual report is published.
- E.1.4. Provide an organizational chart for your firm and specifically for your investment consulting and research divisions. Describe your office locations and the primary functions of each.
- E.1.5. Describe any restructuring, organizational changes, or senior management turnover in the past five years, and anticipated changes in the next two years. Include reasons where possible.
- E.1.6. Describe your succession plans for the management of the firm and the continuity of leadership within the investment consulting team.
- E.1.7. Provide your organization's code of ethics. Does your firm comply with the CFA Institute's Code of Ethics and Standards of Professional Conduct?
- E.1.8. Do you outsource or subcontract any parts of your investment consulting business? If so, please describe which functions are outsourced and the reason for doing so.
- E.1.9. What is the single most important distinctive competitive advantage your firm provides to benefit our fund?

##### **E.2. Team Overview**

- E.2.1. Detail the team members who would be responsible for the TRS consulting relationship. List each team member's responsibilities for the relationship. Please include a brief biography of each professional including their geographic location, education, advanced certifications, and work history.
- E.2.2. Discuss the team members' (listed above) current account responsibilities. List the total number of each team members' currently assigned accounts, the name of each client, their responsibilities for each account, the team members' geographic location, and the dollar value of assets under management.
- E.2.3. Describe the compensation and incentive structure for the consulting professionals and/or the professional staff.
- E.2.4. Describe the team members' experience, expertise, and capabilities advising on the asset classes the System is invested in.

##### **E.3. Regulatory and Ethics**

- E.3.1. Has your firm been involved in any investigation, examination, complaint, disciplinary action or other proceeding relating to or affecting the firm or its employees' ability to perform its duties under any

investment advisory engagement during the previous five (5) years? If so, describe to the greatest extent possible.

E.3.2. Have any persons in your firm involved in providing investment advisory services been convicted of a felony, found liable in a civil or administrative proceeding, pleaded no contest, or agreed to any consent decree with respect to any matter involving a theft, breach of trust, breach of fiduciary duty, fraud, securities law violations, ethical violations, or bankruptcy law violations during the previous five (5) years? If so, please describe.

E.3.3. Does your firm have any conflicts of interests with regards to any Board Member, TRS staff member, custodian, consultant, or investment manager related to the Teachers' Retirement System of Oklahoma?

E.3.4. Has anyone in the firm provided any gifts or other remuneration, or paid any expenses for travel, hotel, meals, or entertainment for or on behalf of any current Teachers' Retirement System of Oklahoma Board Member or individual currently employed by Teachers' Retirement System of Oklahoma during the 12 months prior to the submission date?

E.3.5. Is your firm an SEC registered advisor or is it exempt from registration? If applicable, submit a copy of your most recent Form ADV, Parts I and II for the firm, as well as all Investment Adviser Representative Report Summary for any advisors in your firm that will be performing any work on this account if the contract is awarded.

E.3.6. If the firm does engage in discretionary asset management, how do you deal with conflicts of interest? Does the firm provide disclosure reports on the list of asset managers it invests with?

E.3.7. Detail your firm's OCIO business, if applicable. Detail the general metrics of the business, including AUM, number of clients, scope of dedicated personnel.

E.3.8. Does your firm provide any services to investment management firms for a fee? If so, please describe those services in detail.

E.3.9. Describe your insurance coverage including errors and omissions and fiduciary liability, with coverage levels for each.

E.3.10. Does your firm sell any client data? If so, please describe this revenue stream in detail.

E.3.11. Does your firm provide any discretionary investment management services? If so, please describe those services and an overview of your client base.

E.3.12. Please describe your firm's disaster recovery / emergency management plan. How has your firm prepared for remote work?

E.3.13. Describe your firm's approach to cyber-security. Has your firm experienced any material cyber security breaches in the last 5 years?

#### **E.4. References**

E.4.1. Provide three references for your firm from funds representing a mandate of similar size and complexity to Teachers' Retirement System of Oklahoma.

E.4.2. Provide the fund name, contact name, and phone number of a past consulting client that terminated your firm during the last three years, the reason for termination and the dollars advised at the termination date.

#### **Sections E.5. through E.8. to be completed by General Consultant bidders.**

#### **E.5. Strategic Advisory Capabilities**

E.5.1. Explain your firm's capabilities to perform asset-liability modeling. If your firm has actuaries on staff, please detail their credentials and backgrounds. Attach an example of a draft or recent asset-liability study.

E.5.2. Describe your firm's approach to determining and recommending a strategic asset allocation for a defined benefit fund of our size and complexity.

E.5.3. What is your firm's approach to setting capital market expectations? Please detail any third-party research you plan to utilize.

E.5.4. Describe your firm's methodology and experience in the development of models to forecast liquidity needs and cash-flows.

E.5.5. Explain how fund-level risk is measured and monitored.

E.5.6. Describe your approach to asset class structuring; optimal number of relationships needed, portfolio design characteristics, mandate sizes, and risk/return profile.

E.5.7. Review our strategic asset allocation and asset class structure. Use this question to provide high-level thoughts about the investment portfolio and any specific areas you believe that your firm can provide improvement on.

**E.6. Public Market Investment Manager Research and Monitoring**

E.6.1. Describe your firm's investment manager research process. Describe the research team responsible for the selection of new investment managers and the monitoring of current investment managers. How is your research staff organized?

E.6.2. Do you track your firm's or individual consultant's manager selection results? If not, please describe the process by which your consultant's recommendations are reviewed and monitored.

E.6.3. Describe the types of analytics you can provide at the individual investment, portfolio, asset class, and total fund levels.

E.6.4. Explain your firm's position on the use of active versus passive management in each of the major asset classes for a fund of our size and complexity.

E.6.5. Describe the circumstances under which you would recommend the termination or replacement of an investment manager.

E.6.6. What role does your firm play in helping clients transition assets from one portfolio to another?

E.6.7. Describe your approach to monitoring, controlling and reducing investment management expenses. Do you have an advantage in negotiating competitive fees for your clients? What resources do you use to assess competitiveness of investment manager fees? Do you provide clients with consultant aggregation discounts? Who do you have agreements with?

E.6.8. Describe the subject matter and frequency of industry and asset-class research provided to clients.

E.6.9. Describe your firm's experience creating customized separately-managed-accounts in private market asset classes.

**E.7. Technology and Reporting**

E.7.1. What systems and tools do you provide that will be available to TRS?

E.7.2. Describe your performance reporting capabilities; including, metrics provided, accuracy controls, reporting systems used, customization capabilities, and typical turnaround time (days after month-end).

E.7.3. Does the firm maintain in-house peer fund universes or is the data derived from a third party? If data is derived outside the firm, describe the service. Is this data available to your clients?

E.7.4. How do you assist your clients in monitoring investment manager compliance with a client's Investment Policy Statement?

E.7.5. What is your firm's experience working with Northern Trust to produce client reports and analytics?

E.7.6. What AI programs or platforms have you implemented into your workflow? Have you assisted any clients with implementing AI solutions?

**E.8. Additional Required Submissions**

E.8.1. Provide an example of a monthly or quarterly performance report that you would present to a fund of similar size and complexity. Include both public and private market reporting.

E.8.2. Provide screenshots and an overview of any online platform you offer general investment consulting clients. This can include data repositories, analytics platforms, reporting packages, performance dashboards, peer universes, etc.

E.8.3. Provide a representative client list to the furthest extent allowable under your firm's current guidelines.

E.8.4. Provide an example of an investment due diligence report on a public equities manager. These should be unredacted, if possible.

E.8.5. Provide your most recent capital market assumptions as well as your capital market assumptions in 2020 and 2015.

E.8.6. Complete the attached Excel document titled, "General Investment Consultant Questionnaire Table".

E.8.7. Confirm you have reviewed TRS' Investment Policy Statement, Annual Comprehensive Financial Report, Aon Quarterly Performance Report, Meketa Private Market Quarterly Report, and TRS Current Investment Manager Report located here: <https://oklahoma.gov/trs/investments/reports-and-resources.html>

## Section E.9 through E.10 to be submitted by Private Market Search Consultant bidders

### E.9. Private Market Search Capabilities

- E.9.1. Describe your experience providing investment manager search functions for the asset classes TRS is invested in. Provide information on historical capital deployment into private markets.
- E.9.2. Describe your overall investment style. What are your competitive advantages?
- E.9.3. Describe the quantity and quality of your investment manager research that would be provided to TRS.
- E.9.4. Describe the technology your firm uses to assist your investment and reporting process.
- E.9.5. Describe your investment and operational due diligence process. How many funds, across which asset classes, did you perform full investment and operational due diligence on in the last full calendar year?
- E.9.6. Describe your portfolio management process. How important are benchmark-relative metrics? How do you manage sector, geographic, and manager diversification, if at all?
- E.9.7. Describe your level of familiarity with the general partners TRS is currently invested with.
- E.9.8. Describe the different models through which you work with clients. Do you work with clients on both a discretionary and non-discretionary basis? Fund-of-one structure? Commingled fund? Do you believe any additional structures may be beneficial to TRS?
- E.9.9. Do you provide clients with consultant aggregation discounts? If so, describe the structure and requirements of these discounts and, if possible, detail who you have these relationships with.

### E.10. Additional Required Submissions

- E.10.1. Provide screenshots and an overview of any online platform you offer general investment consulting clients. This can include data repositories, analytics platforms, reporting packages, performance dashboards, peer universes, etc.
- E.10.2. Provide a representative client list to the furthest extent allowable under your firm's current guidelines.
- E.10.3. Provide an example of an investment due diligence report for a closed-end real estate fund that is no longer in its fundraising period. Additional reports are welcome. These should be unredacted, if possible.
- E.10.4. Complete the attached Excel document titled, "Private Market Investment Consultant Questionnaire Table".
- E.10.5. With the understanding that performance within a non-discretionary relationship can be difficult to determine, please provide relevant historical performance metrics for "buy-list" funds, discretionary funds in relevant asset classes, and any other performance metrics you would be willing to present.
- E.10.6. Confirm you have reviewed TRS' Investment Policy Statement, Annual Comprehensive Financial Report, Aon Quarterly Performance Report, Meketa Private Market Quarterly Report, and TRS Current Investment Manager Report located here: <https://oklahoma.gov/trs/investments/reports-and-resources.html>

### F. Solicitation Deadline and Timeline

The deadline for receipt of completed proposals is **4:00 p.m. Central Time, on January 14, 2026**. Proposals submitted to an incorrect address or location or received after this date and time will be rejected and will not be considered. **TRS will not grant requests for extension of the submission date. A complete timeline for this solicitation is as follows:**

Event	Date & Time
Issuance of Solicitation (RFP)	November 20, 2025
Questions Due to TRS	December 10, 2025
Q&A Posted to TRS website	December 19, 2025
Response to Solicitation (RFP) Due	January 14, 2026, by 4:00pm CT
Finalists Selection	February 20, 2026
Finalists' Presentation ( <i>if needed</i> )	April 21-22, 2026
Tentative Contract Start Date	July 1, 2026

## **G. EVALUATION CRITERIA – General Investment Consultant**

G.1. This RFP will be evaluated to determine best value for the Board of Trustees in accordance with standards set by the Board of Trustees as follows:

- G.1.1. Bidder's ability to perform Services Requested,
- G.1.2. Bidder's expertise, capabilities, and proven track record as a firm,
- G.1.3. Bidder's expertise, capabilities, and proven track record as an investment consultant team,
- G.1.4. Bidder's expertise, capabilities, and proven track record to perform strategic advisory services,
- G.1.5. Bidder's expertise, capabilities, and proven track record in investment manager research and monitoring,
- G.1.6. Bidder's expertise, capabilities, and proven track record using modern technology and reporting standards,
- G.1.7. Bidder's regulatory history and ethical standards,
- G.1.8. Bidder's request for exceptions to contract terms in Attachment A,
- G.1.9. Bidder's request for additional contract terms,
- G.1.10. Fee proposal,
- G.1.11. Interview of Bidder and overall presentation skills,
- G.1.12. References.

## **H. EVALUATION CRITERIA – Private Market Consultant**

H.1. This RFP will be evaluated to determine best value for the Board of Trustees in accordance with standards set by the Board of Trustees as follows:

- H.1.1. Bidder's ability to perform Services Requested,
- H.1.2. Bidder's expertise, capabilities, and proven track record as a firm,
- H.1.3. Bidder's expertise, capabilities, and proven track record as an investment consultant team,
- H.1.4. Bidder's expertise, capabilities, and proven track record in investment manager search,
- H.1.5. Bidder's expertise, capabilities, and proven track record using modern technology and research capabilities,
- H.1.6. Bidder's regulatory history and ethical standards,
- H.1.7. Bidder's request for exceptions to contract terms in Attachment A,
- H.1.8. Bidder's request for additional contract terms,
- H.1.9. Fee proposal,
- H.1.10. Interview of Bidder and overall presentation skills,
- H.1.11. References.

## **I. FEE PROPOSAL**

### **I.1. General Investment Consultant Assumptions**

- I.1.1. The fee proposal set forth in response to the RFP will be a factor in determining the successful Vendor. Please note that the scope of services has changed materially since the last general consultant search and previously paid general consulting fees do not accurately represent the current scope of work required.
- I.1.2. The proposal should include the fee for the initial 1-year contract period of July 1, 2026, through June 30, 2027, as well as annual fee amounts for each of the next 4 years starting on the contract anniversary date of July 1st. This fee should be inclusive of the complete range of investment consulting services. TRS will not reimburse vendor for travel or other out-of-pocket expenses.
- I.1.3. The fixed fee amount per year need not be the same amount per year. If the fee for each year is fixed, and the total of the fees over the possible contract term are fixed, it will be an acceptable fee proposal.
- I.1.4. Bidders may bid on solely the general investment consultant services, solely the private market consultant services, and/or both on a bundled basis. If bidding on both assignments, please price each section separately **and** together, if possible.
- I.1.5. Bids for general investment consulting services are on a per-year fixed fee.
- I.1.6. Bids for private market investment consulting are on a per-year fixed fee plus a per fund fee above four.
- I.1.7. Bids for bundled fees will include general and private market investment consulting services on a bundled per-year fixed fee plus a per fund fee above 4 private market funds

- I.1.8. The general consultant is required as part of the contract to attend eight (8) regularly scheduled Board meetings per year, and eight (8) investment committee meetings per year which are currently held the afternoon before the Board meetings. This will generally require one (1) overnight hotel stay per meeting. We typically allow for virtual attendance for some participants. These meetings are held in Oklahoma City and the dates and times can be found here: <https://oklahoma.gov/trs/about-us1/schedules-and-agendas.html>
- I.1.9. Total portfolio performance reports are required to be presented at each Board meeting using rates of return calculated by Northern Trust. Our existing relationship, Meketa Investment Group, will provide private markets performance data.
- I.1.10. One (1) Asset-Liability Study incorporating the liability data from Gabriel, Roeder, Smith & Company (GRS), our current actuary, conducted once every four (4) years or promptly after the actuarial experience study is completed.
- I.1.11. Public market manager searches performed on an as needed basis. There are currently no open public manager searches. Assume no additional fee for public market manager searches.
- I.1.12. All other anticipated projects as covered in the *Scope of Assignment* in Section D1..

## **I.2. Private Market Consultant Assumptions**

- I.2.1. The fee proposal set forth in response to the RFP will be a factor in determining the successful Vendor.
- I.2.2. The proposal should include the fee for the initial 1-year contract period of July 1, 2026 through June 30, 2027, as well as annual fee amounts for each of the next 4 years starting on the contract anniversary date of July 1st. This fee should be inclusive of the complete range of private market investment consulting services.
- I.2.3. The fixed fee amount per year need not be the same amount per year, but the per search fee (above four) does need to be fixed for the duration of the contract.
- I.2.4. Four (4) private market searches per year. Searches beyond four will be on a per-fund fee basis. Assume three (3) closed-end fund investments and one (1) evergreen fund investment (fund-of-one or open-end fund) per year. Additional fees will be on a per-search basis.
- I.2.5. In most cases, TRS investment staff will rely on the private market consultant's sourcing pipeline for new investments. TRS-directed due diligence on manager's outside of the consultant's standard pipeline will be rare and can be assumed to be one to two (1 - 2) over the life of the contract.
- I.2.6. Access to buy-rated investment due diligence reports within private credit, real estate, and infrastructure. Operational due diligence reports are required only for funds selected for commitment. Private equity research is not needed, but an annual review of our discretionary private equity partner is needed. This review will include an overview of performance, fees, and portfolio structure.
- I.2.7. The private market consultant will need to attend one (1) in-person meeting for the annual private market portfolio review and can attend in-person or virtually when making a fund recommendation. Our Investment Committee and Board of Trustees meet in our offices and the meeting dates can be found here: <https://oklahoma.gov/trs/about-us1/schedules-and-agendas.html>.
- I.2.8. All investments will be made on a non-discretionary basis with no comprehensive legal review, no cash-flow management, no consolidated reporting, and no pacing models.
- I.2.9. Work closely with our back-office service provider and general consultant in a professional and collaborative manner.

# Attachment A

This State of Oklahoma General Terms ("General Terms") is a contract document in connection with the contract awarded by the Teachers' Retirement System of Oklahoma (TRS).

In addition to other terms contained in an applicable contract document, supplier and TRS agree to the following General Terms:

## **1. Scope and Contract Renewal**

- 1.1 Supplier may not add products or services to its offerings under the contract without the state's prior written approval. Such request may require a competitive bid of the additional products or services. If the need arises for goods or services outside the scope of the contract, supplier shall contact the state.
- 1.2 At no time during the performance of the contract shall the supplier have the authority to obligate any customer for payment for any products or services (a) when a corresponding encumbering document is not signed or (b) over and above an awarded contract amount. Likewise, supplier is not entitled to compensation for a product or service provided by or on behalf of supplier that is neither requested nor accepted as satisfactory.
- 1.3 If applicable, prior to any contract renewal, TRS shall subjectively consider the value of the contract to the state, the supplier's performance under the contract, and shall review certain other factors, including but not limited to the: a) terms and conditions of contract documents to determine validity with current state and other applicable statutes and rules; b) current pricing and discounts offered by supplier; and c) current products, services and support offered by supplier. If TRS determines changes to the contract are required as a condition precedent to renewal, TRS and supplier will cooperate in good faith to evidence such required changes in an amendment.
- 1.4 TRS may extend the contract for 90 days beyond a final renewal term at the contract compensation rate for the extended period. If the state exercises such option to extend 90 days, the state shall notify the supplier in writing prior to contract end date. The state, at its sole option and to the extent allowable by law, may choose to exercise subsequent 90-day extensions at the contract pricing rate, to facilitate the finalization of related terms and conditions of a new award or as needed for transition to a new supplier.
- 1.5 Supplier understands that supplier registration expires annually and, pursuant to OAC 260:115-3-3, supplier shall maintain its supplier registration with the state as a precondition to renewal of the contract.

## **2. Contract Effectiveness and Order of Priority**

- 2.1 Unless specifically agreed in writing otherwise, the contract is effective upon the date last signed by the parties. Supplier shall not commence work, commit funds, incur costs, or in any way act to obligate the state until the contract is effective.
- 2.2 Contract documents shall be read to be consistent and complementary. Any conflict among the contract documents shall be resolved by giving priority to contract documents in the following order of precedence:
  - A. Any amendment.
  - B. Terms contained in this contract document.
  - C. Any contract-specific state terms that include, without limitation, information technology terms and terms specific to a statewide contract or a state agency contract.
  - D. Any applicable solicitation.
  - E. Any successful bid as may be amended through negotiation and to the extent the bid does not otherwise conflict with the solicitation or applicable law.
  - F. Any statement of work, work order or other mutually agreed contract documents.
- 2.3 If there is a conflict between the terms contained in this contract document or in contract-specific terms and an agreement provided by or on behalf of supplier including but not limited to linked or supplemental documents which alter or diminish the rights of customer or the state, the conflicting terms provided by supplier shall not take priority over this contract document or acquisition-specific terms. In no event will any linked document alter or override such referenced terms except as specifically agreed in an amendment.
- 2.4 Any contract document shall be legibly written in ink or typed. All contract transactions, and any contract

document related thereto, may be conducted by electronic means pursuant to the Oklahoma Uniform Electronic Transactions Act.

### **3. Modification of contract Terms and contract documents**

- 3.1 The contract may only be modified, amended, or expanded by an amendment. Any change to the contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials made unilaterally by the supplier, is a material breach of the contract. Unless otherwise specified by applicable law or rules, such changes, including without limitation, any unauthorized written contract modification, shall be void and without effect and the supplier shall not be entitled to any claim under the contract based on those changes. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the contract.
- 3.2 Any additional terms on an ordering document provided by supplier are of no effect and are void unless mutually executed. TRS bears no liability for performance, payment or failure thereof by the supplier or by a customer other than TRS in connection with an acquisition.
- 3.3 Except for information deemed confidential by the state pursuant to applicable law, rule, regulation, or policy, the parties agree contract terms and information are not confidential and are disclosable without further approval of or notice to supplier.
- 3.4 Unless mutually agreed to in writing by TRS, no contract document or other terms and conditions or clauses, including via a hyperlink or uniform resource locator, shall supersede or conflict with the terms of this contract or expand the state's or customer's liability or reduce the rights of customer or the state. If supplier is acting as a reseller, any third-party terms provided are also subject to the foregoing.
- 3.5 To the extent any term or condition in any contract document, including via a hyperlink or uniform resource locator, conflicts with an applicable Oklahoma and/or United states law or regulation, such term or condition is void and unenforceable. By executing any contract document which contains a conflicting term or condition, the state or customer makes no representation or warranty regarding the enforceability of such term or condition and the state or customer does not waive the applicable Oklahoma and/or United states law or regulation which conflicts with the term or condition.

### **4. Pricing**

- 4.1 Pursuant to 68 O.S. §§ 1352, 1356 and 1404, state agencies are exempt from the assessment of state sales, use, and excise taxes. Further, state agencies and political subdivisions of the state are exempt from federal excise taxes pursuant to Title 26 of the United States Code. Any taxes of any nature whatsoever payable by the supplier shall not be reimbursed.
- 4.2 Pursuant to 74 O. S. § 85.40, all travel expenses of supplier must be included in the total acquisition price.
- 4.3 The price of a product offered under the contract shall include and supplier shall prepay all shipping, packaging, delivery and handling fees. All product deliveries will be free on-board customer's destination. No additional fees shall be charged by supplier for standard shipping and handling. If customer requests expedited or special delivery, customer may be responsible for any charges for expedited or special delivery.

### **5. Ordering, Inspection and Acceptance**

- 5.1 Any product or service furnished under the contract shall be ordered by issuance of a valid purchase order or other appropriate payment mechanism, including a pre-encumbrance, or by use of a valid purchase card. All orders and transactions are governed by the terms and conditions of the contract. Any purchase order or other applicable payment mechanism dated prior to termination or expiration of the contract shall be performed unless mutually agreed in writing otherwise.
- 5.2 Services will be performed in accordance with industry best practices and are subject to acceptance by the customer. Notwithstanding any other provision in the contract, deemed acceptance of a service or associated deliverable shall not apply automatically upon receipt of a deliverable or upon provision of a service. Supplier warrants and represents that a product or deliverable furnished by or through the supplier shall individually, and where specified by supplier to perform as a system, be substantially uninterrupted and error-free in operation and guaranteed against faulty material and workmanship for a warranty period of the greater of 90 days from the date of acceptance or the maximum allowed by the manufacturer. A defect in a product or deliverable furnished by or through the supplier shall be repaired or

replaced by supplier at no additional cost or expense to the customer if such defect occurs during the warranty period.

Any product to be delivered pursuant to the contract shall be subject to final inspection and acceptance by the customer at destination. The customer assumes no responsibility for a product until accepted by the customer. Title and risk of loss or damage to a product shall be the responsibility of the supplier until accepted. The supplier shall be responsible for filing, processing and collecting any and all damage claims accruing prior to acceptance.

Pursuant to OAC 260:115-9-1, payment for an acquisition does not constitute final acceptance of the acquisition. If subsequent inspection affirms that the acquisition does not meet or exceed the specifications of the order or that the acquisition has a latent defect, the supplier shall be notified as soon as is reasonably practicable. The supplier shall retrieve and replace the acquisition at supplier's expense or, if unable to replace, shall issue a refund to customer. Refund under this section shall not be an exclusive remedy.

- 5.3 Supplier shall deliver products and services on or before the required date specified in a contract document. Failure to deliver timely may result in liquidated damages as set forth in the applicable contract document. Deviations, substitutions, or changes in a product or service, including changes of personnel directly providing services, shall not be made unless expressly authorized in writing by the customer. Any substitution of personnel directly providing services shall be a person of comparable or greater skills, education and experience for performing the services as the person being replaced. Additionally, supplier shall provide staff who are sufficiently experienced and able to perform with respect to any transitional services provided by supplier in connection with termination or expiration of the contract.
- 5.4 Product warranty and return policies and terms provided under any contract document will not be more restrictive or more costly than warranty and return policies and terms for other similarly situated customers for a like product.

## **6. Invoices and Payment**

- 6.1 Supplier shall be paid upon submission of a proper invoice(s) at the prices stipulated in the contract in accordance with 74 O.S. § 85.44B, which requires that payment be made only after products have been provided and accepted or services rendered and accepted.  
The following terms additionally apply:
  - A. An invoice shall contain the purchase order number, description of products or services provided and the dates of such provision.
  - B. Failure to provide a timely and proper invoice may result in delay of processing the invoice for payment. Proper invoice is defined at OAC 260:10-1-2.
  - C. Payment of all fees under the contract shall be due net 45 days unless an early payment discount is negotiated. Payment and interest on late payments are governed by 62 O.S. § 34.72. Such interest is the sole and exclusive remedy for late payments by a state agency and no other late fees are authorized to be assessed pursuant to Oklahoma law.
  - D. The date from which an applicable early payment discount time is calculated shall be from the receipt date of a proper invoice. There is no obligation, however, to utilize an early payment discount.
  - E. If an overpayment or underpayment has been made to supplier any subsequent payments to supplier under the contract may be adjusted to correct the account. A written explanation of the adjustment will be issued to supplier.
  - F. Supplier shall have no right of set off.
  - G. Because funds are typically dedicated to a particular fiscal year, an invoice will be paid only when timely submitted, which shall in no instance be later than six months after the end of the fiscal year in which the goods are provided or services performed.
  - H. The supplier shall accept payment by purchase card as allowed by Oklahoma law.

## **7. Maintenance of Insurance, Payment of Taxes, and Workers' Compensation**

- 7.1 As a condition of this contract, supplier shall procure at its own expense and provide proof of insurance coverage with the applicable liability limits set forth below, and any approved subcontractor of supplier shall procure and provide proof of the same coverage. The required insurance shall be underwritten by an insurance carrier with an A.M. Best rating of A- or better. Such proof of coverage shall additionally be provided to the customer if services will be provided by any of supplier's employees, agents or

subcontractors at any customer premises and/or if employer vehicles will be used in connection with performance of supplier's obligations under the contract. Supplier may not commence performance hereunder until such proof has been provided. Additionally, supplier shall ensure each insurance policy includes a notice of cancellation and includes the state and its agencies as certificate holder and shall promptly provide proof to the state of any renewals, additions or changes to such insurance coverage. Supplier's obligation to maintain insurance coverage under the contract is a continuing obligation until supplier has no further obligation under the contract. Any combination of primary and excess or umbrella insurance may be used to satisfy the limits of coverage for commercial general liability, auto liability and employers' liability. Unless agreed between the parties and approved by the state purchasing director, the minimum acceptable insurance limits of liability are as follows:

- A. Workers' compensation and employer's liability insurance in accordance with and to the extent required by applicable law.
- B. Commercial general liability insurance covering the risks of personal injury, bodily injury (including death) and property damage, including coverage for contractual liability, with a limit of liability of not less than 2,000,000 per occurrence.
- C. Automobile liability insurance with limits of liability of not less than \$2,000,000 combined single limit each accident.
- D. If the supplier will access, process or store state data, then security and privacy liability insurance, including coverage for failure to protect confidential information and failure of the security of supplier's computer systems that results in unauthorized access to customer data with a limit of not less than \$5,000,000 per occurrence.
- E. Additional coverage required in writing in connection with a particular acquisition.

7.2 Supplier shall be entirely responsible during the existence of the contract for the liability and payment of taxes payable by or assessed to supplier or supplier's employees, agents and subcontractors of whatever kind, in connection with the contract. Supplier further agrees to comply with all state and federal laws applicable to any such persons, including laws regarding wages, taxes, insurance and workers' compensation. Neither customer nor the state shall be liable to the supplier, supplier's employees, agents or others for the payment of taxes or the provision of unemployment insurance and/or Workers' Compensation or any benefit available to a state or customer employee.

7.3 Supplier agrees to indemnify customer, the state and its employees, agents, representatives, contractors and assignees for any and all liability, actions, claims, demands or suits, and all related costs and expenses (including without limitation reasonable attorneys' fees and costs required to establish the right to indemnification) relating to tax liability, unemployment insurance and/or workers' compensation in connection with its performance under the contract.

## **8. Compliance With Applicable Laws**

8.1 As long as supplier has an obligation under the terms of the contract and in connection with performance of its obligations, the supplier represents its present compliance, and shall have an ongoing obligation to comply, with all applicable federal, state and local laws, rules, regulations, ordinances and orders, as amended, including but not limited to the following:

- A. Drug-Free Workplace Act of 1988 set forth at 41 U.S.C. § 81.
- B. Section 306 of the Clean Air Act, Section 508 of the Clean Water Act, Executive Order 11738, and Environmental Protection Agency Regulations which prohibit the use of facilities included on the EPA List of Violating Facilities under nonexempt federal contracts, grants or loans.
- C. Prospective participant requirements set at 2 CFR part 376 in connection with Debarment, Suspension and other responsibility matters.
- D. 1964 Civil Rights Act, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, and Americans with Disabilities Act of 1990.
- E. Anti-Lobbying Law set forth at 31 U.S.C. § 1325 and as implemented at 45 CFR Part 93.
- F. Requirements of IRS Publication 1075 regarding use, access and disclosure of Federal Tax Information (as defined therein).
- G. Obtaining certified independent audits conducted in accordance with Government Auditing Standards and Office of Management and Budget Uniform Guidance, 2 CFR 200 Subpart F § 200.500 et seq. with approval and work paper examination rights of the applicable procuring

entity.

- H. Requirements of the Oklahoma Taxpayer and Citizen Protection Act of 2007, 25 O.S. § 1312 and applicable federal immigration laws and regulations and be registered and participate in the Status Verification System, defined at 25 O.S. § 1312, includes but is not limited to the free Employment Verification Program (E-Verify) through the Department of Homeland Security, and is available at [e-verify.gov](http://e-verify.gov).
- I. Requirements of the Health Insurance Portability and Accountability Act of 1996; Health Information Technology for Economic and Clinical Health Act; Payment Card Industry Security Standards; Criminal Justice Information System Security Policy and Security Addendum; and Family Educational Rights and Privacy Act.
- J. Be registered as a business entity licensed to do business in the state, have obtained a sales tax permit, and be current on franchise tax payments to the state, as applicable.

8.2 The supplier's employees, agents and subcontractors shall adhere to applicable customer policies including but not limited to acceptable use of internet and electronic mail, facility and data security, press releases, and public relations. As applicable, the supplier shall adhere to the [State of Oklahoma Information Security Policy, Procedures and Guidelines](#) set forth at [e-verify.gov](http://e-verify.gov). Supplier is responsible for reviewing and relaying such policies covering the above to the supplier's employees, agents and subcontractors.

8.3 At no additional cost to customer, the supplier shall maintain all applicable licenses and permits required in association with its obligations under the contract.

8.4 In addition to compliance under subsection 9.1 above, supplier shall have a continuing obligation to comply with applicable customer-specific mandatory contract provisions required in connection with the receipt of federal funds or other funding source.

8.5 The supplier is responsible to review and inform its employees, agents, and subcontractors who provide a product or perform a service under the contract of the supplier's obligations under the contract and supplier certifies that its employees and each such subcontractor shall comply with minimum requirements and applicable provisions of the contract. At the request of the state, supplier shall promptly provide adequate evidence that such persons are its employees, agents or approved subcontractors and have been informed of their obligations under the contract.

8.6 As applicable, supplier agrees to comply with the governor's executive orders related to the use of any tobacco product, electronic cigarette or vaping device on any and all properties owned, leased, or contracted for use by the state, including but not limited to all buildings, land and vehicles owned, leased, or contracted for use by agencies or instrumentalities of the state.

8.7 The execution, delivery and performance of the contract and any ancillary documents by supplier will not, to the best of supplier's knowledge, violate, conflict with or result in a breach of any provision of, or constitute a default (or an event which, with notice or lapse of time or both, would constitute a default) under, or result in the termination of any written contract or other instrument between supplier and any third party.

8.8 Supplier represents that it can pay its debts when due and it does not anticipate the filing of a voluntary or involuntary bankruptcy petition or appointment of a receiver, liquidator or trustee.

8.9 Supplier represents that, to the best of its knowledge, any litigation or claim or any threat thereof involving supplier has been disclosed in writing to the state and supplier is not aware of any other litigation, claim or threat thereof.

8.10 If services provided by supplier include delivery of an electronic communication, supplier shall ensure such communication and any associated support documents are compliant with Section 508 of the Federal Rehabilitation Act and with state standards regarding accessibility. Should any communication or associated support documents be noncompliant, supplier shall correct and redeliver such communication immediately upon discovery or notice, at no additional cost to the state. Additionally, as part of compliance with accessibility requirements where documents are only provided in nonelectronic format, supplier shall promptly provide such communication and any associated support documents in an alternate format usable by individuals with disabilities upon request and at no additional cost, which may originate from an intended recipient or from the state.

## **9. Audits and Records Clause**

- 9.1 As used in this clause and pursuant to 67 O.S. § 203, "record" includes a document, book, paper, photograph, microfilm, computer tape, disk, record, sound recording, film recording, video record, accounting procedures and practices and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data or in any other form. Supplier agrees any pertinent federal or state agency or governing entity of a customer shall have the right to examine and audit, at no additional cost to a customer, all records relevant to the execution and performance of the contract except, unless otherwise agreed, costs of supplier that comprise pricing under the contract.
- 9.2 The supplier is required to retain records relating to the contract for the duration of the contract and for a period of seven years following completion or termination of an acquisition unless otherwise indicated in the contract terms. If a claim, audit, litigation or other action involving such records is started before the end of the seven-year period, the records are required to be maintained for two years from the date that all issues arising out of the action are resolved or until the end of the seven-year retention period, whichever is later.
- 9.3 Pursuant to 74 O.S. § 85.41, if professional services are provided hereunder, all items of the supplier that relate to professional services are subject to examination by the state agency, state auditor and inspector, and the state purchasing director.

## **10. Confidentiality**

- 10.1 The supplier shall maintain strict security of all state and citizen data and records entrusted to it or to which the supplier gains access, in accordance with and subject to applicable federal and state laws, rules, regulations, and policies and shall use any such data and records only as necessary for supplier to perform its obligations under the contract. The supplier further agrees to evidence such confidentiality obligation in a separate writing if required under such applicable federal or state laws, rules and regulations. The supplier warrants and represents that such information shall not be sold, assigned, conveyed, provided, released, disseminated or otherwise disclosed by supplier, its employees, officers, directors, subsidiaries, affiliates, agents, representatives, assigns, subcontractors, independent contractors, successor or any other persons or entities without customer's prior express written permission. Supplier shall instruct all such persons and entities that confidential information shall not be disclosed or used without the customer's prior express written approval except as necessary for supplier to render services under the contract. The supplier further warrants that it has a tested and proven system in effect designed to protect all confidential information.
- 10.2 Supplier shall establish, maintain and enforce agreements with all such persons and entities that have access to state and citizen data and records to fulfill supplier's duties and obligations under the contract and to specifically prohibit any sale, assignment, conveyance, provision, release, dissemination or other disclosure of any state or citizen data or records except as required by law or allowed by written prior approval of the customer.
- 10.3 Supplier shall immediately report to the customer any and all unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of any state or citizen data or records of which it or its parent company, subsidiaries, affiliates, employees, officers, directors, assignees, agents, representatives, independent contractors, and subcontractors is aware or have knowledge or reasonably should have knowledge. The supplier shall also promptly furnish to customer full details of the unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination, or attempt thereof, and use its best efforts to assist the customer in investigating or preventing the reoccurrence of such event in the future. The supplier shall cooperate with the customer in connection with any litigation and investigation deemed necessary by the customer to protect any state or citizen data and records and shall bear all costs associated with the investigation, response and recovery in connection with any breach of state or citizen data or records including but not limited to credit monitoring services with a term of at least three years, all notice-related costs and toll free telephone call center services.
- 10.4 Supplier further agrees to promptly prevent a reoccurrence of any unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of state or citizen data and records.
- 10.5 Supplier acknowledges that any improper use, appropriation, sale, assignment, conveyance, provision,

release, access, acquisition, disclosure or other dissemination of any state data or records to others may cause immediate and irreparable harm to the customer and certain beneficiaries and may violate state or federal laws and regulations. If the supplier or its affiliates, parent company, subsidiaries, employees, officers, directors, assignees, agents, representatives, independent contractors and subcontractors improperly use, appropriate, sell, assign, convey, provide, release, access, acquire, disclose or otherwise disseminate such confidential information to any person or entity in violation of the contract, the customer will immediately be entitled to injunctive relief and/or any other rights or remedies available under this contract, at equity or pursuant to applicable statutory, regulatory, and common law without a cure period.

10.6 The supplier shall immediately forward to the state purchasing director, and any other applicable person listed in the Notices section of the contract, any request by a third party for data or records in the possession of the supplier or any subcontractor or to which the supplier or subcontractor has access and supplier shall fully cooperate with all efforts to protect the security and confidentiality of such data or records in response to a third party request.

10.7 Customer may be provided access to supplier's confidential information. State agencies are subject to the Oklahoma Open Records Act and supplier acknowledges information marked confidential will be disclosed to the extent permitted under the Open Records Act and in accordance with this contract.

10.8 Except for information deemed confidential by the state pursuant to applicable law, rule, regulation or policy, the parties agree contract terms and information are not confidential and are disclosable without further approval of or notice to the supplier.

## **11. Conflict of Interest**

In addition to any requirement of law or of a professional code of ethics or conduct, the supplier, its employees, agents and subcontractors are required to disclose any outside activity or interest that conflicts or may conflict with the best interest of the state. Prompt disclosure is required under this section if the activity or interest is related, directly or indirectly, to any person or entity currently under contract with or seeking to do business with the state, its employees or any other third-party individual or entity awarded a contract with the state. Further, as long as the supplier has an obligation under the contract, any plan, preparation or engagement in any such activity or interest shall not occur without prior written approval of the state. Any conflict of interest shall, at the sole discretion of the state, be grounds for partial or whole termination of the contract. Supplier shall not be compensated on the basis of a share of capital gains upon or capital appreciation of any funds the Supplier recommends TRS invest in or commit to.

## **12. Assignment and Permitted Subcontractors**

12.1 Supplier's obligations under the contract may not be assigned or transferred to any other person or entity without the prior written consent of the state which may be withheld at the state's sole discretion. Should supplier assign its rights to payment, in whole or in part, under the contract, supplier shall provide the state and all affected customers with written notice of the assignment. Such written notice shall be delivered timely and contain details sufficient for affected customers to perform payment obligations without any delay caused by the assignment.

12.2 Notwithstanding the foregoing, the contract may be assigned by supplier to any corporation or other entity in connection with a merger, consolidation, sale of all equity interests of the supplier, or a sale of all or substantially all of the assets of the supplier to which the contract relates. In any such case, said corporation or other entity shall by operation of law or expressly in writing assume all obligations of the supplier as fully as if it had been originally made a party to the contract. Supplier shall give the state and all affected customers prior written notice of said assignment. Any assignment or delegation in violation of this subsection shall be void.

12.3 If the supplier is permitted to utilize subcontractors in support of the contract, the supplier shall remain solely responsible for its obligations under the terms of the contract, for its actions and omissions and those of its agents, employees and subcontractors and for payments to such persons or entities. Prior to a subcontractor being utilized by the supplier, the supplier shall obtain written approval of the state of such subcontractor and each employee, as applicable to a particular acquisition, of such subcontractor proposed for use by the supplier. Such approval is within the sole discretion of the state. Any proposed subcontractor shall be identified by entity name, and by employee name, if required by the particular acquisition, in the applicable proposal and shall include the nature of the services to be performed. As

part of the approval request, the supplier shall provide a copy of a written agreement executed by the supplier and subcontractor setting forth that such subcontractor is bound by and agrees, as applicable, to perform the same covenants and be subject to the same conditions and make identical certifications to the same facts and criteria, as the supplier under the terms of all applicable contract documents. Supplier agrees that maintaining such agreement with any subcontractor and obtaining prior written approval by the state of any subcontractor and associated employees shall be a continuing obligation. The state further reserves the right to revoke approval of a subcontractor or an employee thereof in instances of poor performance, misconduct or for other similar reasons.

12.4 All payments under the contract shall be made directly to the supplier, except as provided in 13.1 above regarding the supplier's assignment of payment. No payment shall be made to the supplier for performance by unapproved or disapproved employees of the supplier or a subcontractor.

12.5 Rights and obligations of the state or a customer under the terms of this contract may be assigned or transferred, at no additional cost, to other customer entities.

### **13. Background Checks and Criminal History Investigations**

Prior to the commencement of any services, background checks and criminal history investigations of the supplier's employees and subcontractors who will be providing services may be required and, if so, the required information shall be provided to the state in a timely manner. Supplier's access to facilities, data and information may be withheld prior to completion of background verification acceptable to the state. The costs of additional background checks beyond supplier's normal hiring practices shall be the responsibility of the customer unless such additional background checks are required solely because supplier will not provide results of its otherwise acceptable normal background checks; in such an instance, supplier shall pay for the additional background checks. Supplier will coordinate with the state and its employees to complete the necessary background checks and criminal history investigations. Should any employee or subcontractor of the supplier who will be providing services under the contract not be acceptable as a result of the background check or criminal history investigation, the customer may require replacement of the employee or subcontractor in question and, if no suitable replacement is made within a reasonable time, terminate the purchase order or other payment mechanism associated with the project or service.

### **14. Patents and Copyrights**

Without exception, a product or deliverable price shall include all royalties or costs owed by the supplier to any third party arising from the use of a patent, intellectual property, copyright or other property right held by such third party. Should any third party threaten or make a claim that any portion of a product or service provided by supplier under the contract infringes that party's patent, intellectual property, copyright or other property right, supplier shall enable each affected customer to legally continue to use, or modify for use, the portion of the product or service at issue or replace such potentially infringing product, or reperform or redeliver in the case of a service, with at least a functional noninfringing equivalent. Supplier's duty under this section shall extend to include any other product or service rendered materially unusable as intended due to replacement or modification of the product or service at issue. If the supplier determines that none of these alternatives are reasonably available, the state shall return such portion of the product or deliverable at issue to the supplier, upon written request, in exchange for a refund of the price paid for such returned goods as well as a refund or reimbursement, if applicable, of the cost of any other product or deliverable rendered materially unusable as intended due to removal of the portion of product or deliverable at issue. Any remedy provided under this section is not an exclusive remedy and is not intended to operate as a waiver of legal or equitable remedies because of acceptance of relief provided by supplier.

### **15. Indemnification**

#### **15.1 State Shall Not Indemnify**

The State of Oklahoma cannot lawfully agree to indemnify a private contractor. The credit of the state shall not be given, pledged or loaned to any individual, company, corporation, association, municipality or political subdivision of the state pursuant to Okla. Const. art. 10, § 15, OAC 260:115-7-32(r)(3)(A) and Attorney General Opinion 2012-18.

#### **15.2 Acts or Omissions**

A. Supplier shall defend and indemnify the indemnified parties, as applicable, for any and all liability, claims, damages, losses, costs, expenses, demands, suits and actions of third parties (including

without limitation reasonable attorneys' fees and costs required to establish the right to indemnification) arising out of or resulting from any action or claim for bodily injury, death or property damage brought against any of the Indemnified parties to the extent arising from any negligent act or omission or willful misconduct of the supplier or its agents, employees, or subcontractors in the execution or performance of the contract.

B. To the extent supplier is found liable for loss, damage or destruction of any property of customer due to negligence, misconduct, wrongful act or omission on the part of the supplier, its employees, agents, representatives or subcontractors, the supplier and customer shall use best efforts to mutually negotiate an equitable settlement amount to repair or replace the property unless such loss, damage or destruction is of such a magnitude that repair or replacement is not a reasonable option. Such amount shall be invoiced to and is payable by supplier 60 days after the date of supplier's receipt of an invoice for the negotiated settlement amount.

**15.3 Infringement**  
Supplier shall indemnify the indemnified parties, as applicable, for all liability, claims, damages, losses, costs, expenses, demands, suits and actions of third parties (including without limitation reasonable attorneys' fees and costs required to establish the right to indemnification) arising from or in connection with supplier's breach of its representations and warranties in the contract or alleged infringement of any patent, intellectual property, copyright or other property right in connection with a product or service provided under the contract. Supplier's duty under this section is reduced to the extent a claimed infringement results from: (a) customer's or user's content; (b) modifications by customer or third party to a product delivered under the contract or combinations of the product with any nonsupplier-provided services or products unless supplier recommended or participated in such modification or combination; (c) use of a product or service by customer in violation of the contract unless done so at the direction of supplier, or (d) nonsupplier product that has not been provided to the state by, through or on behalf of supplier as opposed to its combination with products supplier provides to or develops for the state or customer as a system.

**15.4 Notice and Cooperation**  
In connection with indemnification obligations under the contract, the parties agree to furnish prompt written notice to each other of any third-party claim. Any customer affected by the claim will reasonably cooperate with supplier and defense of the claim to the extent its interests are aligned with supplier. Supplier shall use counsel reasonably experienced in the subject matter at issue and will not settle a claim without the written consent of the party being defended, which consent will not be unreasonably withheld or delayed, except that no consent will be required to settle a claim against indemnified parties that are not a state agency, where relief against the indemnified parties is limited to monetary damages that are paid by the defending party under indemnification provisions of the contract.

**15.5 Coordination of Defense**  
In connection with indemnification obligations under the contract, when a state agency is a named defendant in any filed or threatened lawsuit, the defense of the state agency shall be coordinated by the attorney general of Oklahoma, or the attorney general may authorize the supplier to control the defense and any related settlement negotiations; provided, however, supplier shall not agree to any settlement of claims against the state without obtaining advance written concurrence from the attorney general. If the attorney general does not authorize sole control of the defense and settlement negotiations to supplier, supplier shall have authorization to equally participate in any proceeding related to the indemnity obligation under the contract and shall remain responsible to indemnify the applicable indemnified parties.

**15.6 Limitation of Liability**

A. With respect to any claim or cause of action arising under or related to the contract, neither the state nor any customer shall be liable to supplier for lost profits, lost sales or business expenditures, investments or commitments in connection with any business, loss of any goodwill, or for any other indirect, incidental, punitive, special or consequential damages, even if advised of the possibility of such damages.

B. Notwithstanding anything to the contrary in the contract, no provision shall limit damages, expenses, costs, actions, claims and liabilities arising from or related to property damage, bodily injury or death caused by supplier or its employees, agents or subcontractors; indemnity, security or confidentiality obligations under the contract; the bad faith, negligence, intentional misconduct or other acts for which applicable law does not allow exemption from liability of supplier or its

employees, agents or subcontractors.

C. The limitation of liability and disclaimers set forth in the contract will apply regardless of whether customer has accepted a product or service. The parties agree that supplier has set its fees and entered into the contract in reliance on the disclaimers and limitations set forth herein, that the same reflect an allocation of risk between the parties and form an essential basis of the bargain between the parties. These limitations shall apply notwithstanding any failure of essential purpose of any limited remedy.

## **16. Termination for Funding Insufficiency**

16.1 Notwithstanding anything to the contrary in any contract document, the state may terminate the contract in whole or in part if funds sufficient to pay obligations under the contract are not appropriated or received from an intended third-party funding source. In the event of such insufficiency, supplier will be provided at least 15-day written notice of termination. Any partial termination of the contract under this section shall not be construed as a waiver of, and shall not affect, the rights and obligations of any party regarding portions of the contract that are not terminated. The determination by the state of insufficient funding shall be accepted by, and shall be final and binding on, the supplier.

16.2 Upon receipt of notice of a termination, supplier shall immediately comply with the notice terms and take all necessary steps to minimize the incurrence of costs allocable to the work affected by the notice. If a purchase order or other payment mechanism has been issued and a product or service has been accepted as satisfactory prior to the effective date of termination, the termination does not relieve an obligation to pay for the product or service but there shall not be any liability for further payments ordinarily due under the contract or for any damages or other amounts caused by or associated with such termination. Any amount paid to supplier in the form of prepaid fees that are unused when the contract or certain obligations are terminated shall be refunded.

16.3 The state's exercise of its right to terminate the contract under this section shall not be considered a default or breach under the contract or relieve the supplier of any liability for claims arising under the contract.

## **17. Termination for Cause**

17.1 Supplier may terminate the contract if (i) it has provided the state with written notice of material breach, and (ii) the state fails to cure such material breach within 30 days of receipt of written notice. If there is more than one customer, material breach by a customer does not give rise to a claim of material breach as grounds for termination by supplier of the contract as a whole. The state may terminate the contract in whole or in part if (i) it has provided supplier with written notice of material breach, and (ii) supplier fails to cure such material breach within 30 days of receipt of written notice. Any partial termination of the contract under this section shall not be construed as a waiver of, and shall not affect, the rights and obligations of any party regarding portions of the contract that are not terminated.

17.2 The state may terminate the contract in whole or in part immediately without a 30-day written notice to supplier if (i) supplier fails to comply with confidentiality, privacy, security, environmental or safety requirements applicable to supplier's performance or obligations under the contract; (ii) supplier's material breach is reasonably determined to be an impediment to the function of the state and detrimental to the state or to cause a condition precluding the 30-day notice; or (iii) when the state determines that an administrative error in connection with award of the contract occurred prior to contract performance.

17.3 The state may terminate the contract if the scope includes public relations (PR) vendor services and the supplier, or supplier's employee, violate the lobbying clause. PR vendor services is defined to include a contract for public relations, marketing or communication services. The state may immediately terminate the contract with no more than a 10-day notice under this section.

17.4 Upon receipt of notice of a termination, supplier shall immediately comply with the notice terms and take all necessary steps to minimize the incurrence of costs allocable to the work affected by the notice. If a purchase order or other payment mechanism has been issued and a product or service has been accepted as satisfactory prior to the effective date of termination, the termination does not relieve an obligation to pay for the product or service but there shall not be any liability for further payments ordinarily due under the contract or for any damages or other amounts caused by or associated with such termination. Such termination is not an exclusive remedy but is in addition to any other rights and

remedies provided for by law. Any amount paid to supplier in the form of prepaid fees that are unused when the contract or certain obligations are terminated shall be refunded. Termination of the contract under this section, in whole or in part, shall not relieve the supplier of liability for claims arising under the contract.

17.5 The supplier's repeated failure to provide an acceptable product or service; supplier's unilateral revision of linked or supplemental terms that have a materially adverse impact on a customer's rights or obligations under the contract (except as required by a governmental authority); actual or anticipated failure of supplier to perform its obligations under the contract; supplier's inability to pay its debts when due; assignment for the benefit of supplier's creditors; or voluntary or involuntary appointment of a receiver or filing of bankruptcy of supplier shall constitute a material breach of the supplier's obligations, which may result in partial or whole termination of the contract. This subsection is not intended as an exhaustive list of material breach conditions. Termination may also result from other instances of failure to adhere to the contract provisions and for other reasons provided for by applicable law, rules or regulations; without limitation, OAC 260:115-9-1 is an example.

## **18. Termination for Convenience**

18.1 The state may terminate the contract, in whole or in part, for convenience if it is determined that termination is in the state's best interest. In the event of a termination for convenience, supplier will be provided at least a 30-day written notice of termination. Any partial termination of the contract shall not be construed as a waiver of, and shall not affect, the rights and obligations of any party regarding portions of the contract that remain in effect.

18.2 Upon receipt of notice of such termination, supplier shall immediately comply with the notice terms and take all necessary steps to minimize the incurrence of costs allocable to the work affected by the notice. If a purchase order or other payment mechanism has been issued and a product or service has been accepted as satisfactory nor to the effective date of termination, the termination does not relieve an obligation to pay for the product or service but there shall not be any liability for further payments ordinarily due under the contract or for any damages or other amounts caused by or associated with such termination. Such termination shall not be an exclusive remedy but shall be in addition to any other rights and remedies provided for by law. Any amount paid to supplier in the form of prepaid fees that are unused when the contract or certain obligations are terminated shall be refunded. Termination of the contract under this section, in whole or in part, shall not relieve the supplier of liability for claims arising under the contract.

## **19. Suspension of Supplier**

19.1 Supplier may be subject to suspension without advance notice and may additionally be suspended from activities under the contract if supplier fails to comply with confidentiality, privacy, security, environmental or safety requirements applicable to supplier's performance or obligations under the contract.

19.2 Upon receipt of a notice pursuant to this section, supplier shall immediately comply with the notice terms and take all necessary steps to minimize the incurrence of costs allocable to the work affected by the notice. If a purchase order or other payment mechanism has been issued and a product or service has been accepted as satisfactory prior to receipt of notice by supplier, the suspension does not relieve an obligation to pay for the product or service, but there shall not be any liability for further payments ordinarily due under the contract during a period of suspension or suspended activity or for any damages or other amounts caused by or associated with such suspension or suspended activity. A right exercised under this section shall not be an exclusive remedy but shall be in addition to any other rights and remedies provided for by law. Any amount paid to supplier in the form of prepaid fees attributable to a period of suspension or suspended activity shall be refunded.

19.3 Such suspension may be removed, or suspended activity may resume, at the earlier of such time as a formal notice is issued that authorizes the resumption of performance under the contract or at such time as a purchase order or other appropriate encumbrance document is issued. This subsection is not intended to operate as an affirmative statement that such a resumption will occur.

## **20. Certification Regarding Debarment, Suspension, and Other Responsibility Matters**

The certification made by supplier with respect to debarment, suspension, certain indictments, convictions, civil judgments and terminated public contracts is a material representation of fact upon which reliance was placed when entering into the contract. A determination that supplier knowingly rendered an erroneous certification, in addition to other available remedies, may result in whole or partial termination of the contract for supplier's default. Additionally, supplier shall promptly provide written notice to the state purchasing director if the certification becomes erroneous due to changed circumstances.

## **21. Certification Regarding state Employees Prohibition From Fulfilling Services**

Pursuant to 74 O.S. § 85.42, the supplier certifies that no person involved in any manner in the development, approval or negotiation of the contract, including change orders, extensions, renewals or amendments, while employed by the state shall be employed or given anything of value to fulfill any services provided under the contract.

## **22. Force Majeure**

- 22.1 Either party shall be temporarily excused from performance to the extent delayed as a result of unforeseen causes beyond its reasonable control including fire or other similar casualty, act of God, strike or labor dispute, war or other violence, or any law, order or requirement of any governmental agency or authority provided the party experiencing the force majeure event has prudently and promptly acted to take any and all steps within the party's control to ensure continued performance and to shorten duration of the event. If a party's performance of its obligations is materially hindered as a result of a force majeure event, such party shall promptly notify the other party of its best reasonable assessment of the nature and duration of the force majeure event and steps it is taking, and plans to take, to mitigate the effects of the force majeure event. The party shall use commercially reasonable best efforts to continue performance to the extent possible during such event and resume full performance as soon as reasonably practicable.
- 22.2 Subject to the conditions set forth above, nonperformance as a result of a force majeure event shall not be deemed a default. However, a purchase order or other payment mechanism may be terminated if supplier cannot cause delivery of a product or service in a timely manner to meet the business needs of customer. Supplier is not entitled to payment for products or services not received; therefore, amounts payable to supplier during the force majeure event shall be equitably adjusted downward.
- 22.3 Notwithstanding the foregoing or any other provision in the contract, (i) the following are not a force majeure event under the contract: (a) shutdowns, disruptions or malfunctions in supplier's system or any of supplier's telecommunication or internet services other than as a result of general and widespread internet or telecommunications failures that are not limited to supplier's systems or (b) the delay or failure of supplier or subcontractor personnel to perform any obligation of supplier hereunder unless such delay or failure to perform is itself by reason of a force majeure event; and (ii) no force majeure event modifies or excuses supplier's obligations related to confidentiality, indemnification, data security or breach notification obligations set forth herein.

## **23. Security of Property and Personnel**

- 23.1 In connection with supplier's performance under the contract, supplier may have access to customer personnel, premises, data, records, equipment and other property. Supplier shall use commercially reasonable best efforts to preserve the safety and security of such personnel, premises, data, records, equipment and other property of customer.
- 23.2 Supplier shall be responsible for damage to such property to the extent such damage is caused by its employees or subcontractors and shall be responsible for loss of customer property in its possession, regardless of cause. If supplier fails to comply with customer's security requirements, supplier is subject to immediate suspension of work as well as termination of the associated purchase order or other payment mechanism.

## **24. Notices**

All notices, approvals or requests allowed or required by the terms of any contract document shall be in writing, reference the contract with specificity and deemed delivered upon receipt or upon refusal of the intended party to accept receipt of the notice. In addition to other notice requirements in the contract and the designated supplier

contact provided in a successful bid, notices shall be sent to the state at the physical address set forth below. Notice information may be updated in writing to the other party as necessary. Notwithstanding any other provision of the contract, confidentiality, breach and termination-related notices shall not be delivered solely via email.

**If sent to TRS:**

Teachers' Retirement System of Oklahoma  
Attn: General Counsel  
301 NW 63<sup>rd</sup> Street, Suite 500  
Oklahoma City, OK 73116

**With a copy, which shall not constitute notice, to:**

Teachers' Retirement System of Oklahoma  
Attn: Chief Investment Officer  
301 NW 63<sup>rd</sup> Street, Suite 500  
Oklahoma City, OK 73116

**25. Miscellaneous**

**25.1 Choice of Law and Venue**

Any claim, dispute, or litigation relating to the contract documents, in the singular or in the aggregate, shall be governed by the laws of the state of Oklahoma without regard to application of choice of law principles. Pursuant to 74 O.S. § 85.7(F), where federal granted funds are involved, applicable federal laws, rules and regulations shall govern to the extent necessary to insure benefit of such federal funds to the state. Venue for any action, claim, dispute or litigation relating in any way to the contract documents, shall be in Oklahoma County, Oklahoma. The state expressly declines any terms that minimize its rights under Oklahoma law, including but not limited to, statutes of limitations.

**25.2 Employment Relationship**

The contract does not create an employment relationship. Individuals providing products or performing services pursuant to the contract are not employees of the state or customer and accordingly are not eligible for any rights or benefits whatsoever accruing to such employees.

**25.3 Transition Services**

If transition services are needed at the time of contract expiration or termination, supplier shall provide such services on a month-to-month basis, at the contract rate or other mutually agreed rate. Supplier shall provide a proposed transition plan, upon request, and cooperate with any successor supplier and with establishing a mutually agreeable transition plan. Failure to cooperate may be documented as poor performance of supplier.

**25.4 Publicity**

The existence of the contract or any acquisition is in no way an endorsement of supplier, the products or services and shall not be so construed by supplier in any advertising or publicity materials. Supplier agrees to submit to the state all advertising, sales, promotion and other publicity matters relating to the contract wherein the name of the state or any customer is mentioned or language used from which, in the state's judgment, an endorsement may be inferred or implied. Supplier further agrees not to publish or use such advertising, sales promotion or publicity matter or release any informational pamphlets, notices, press releases, research reports or similar public notices concerning the contract or any acquisition hereunder without obtaining prior written approval of the state.

**25.5 Open Records Act**

Supplier acknowledges that all state agencies and certain other customers are subject to the Oklahoma Open Records Act set forth at 51 O.S. § 24A-1 et seq. Supplier also acknowledges that compliance with the Oklahoma Open Records Act and all opinions of the Oklahoma Attorney General concerning the act is required. Nothing herein is intended to waive the state purchasing director's authority under OAC 260:115-3-9 in connection with bid information requested to be held confidential by a bidder. Notwithstanding the foregoing, supplier confidential information shall not include information that: (i) is or becomes generally known or available by public disclosure, commercial use or otherwise and is not in contravention of this contract; (ii) is known and has been reduced to tangible form by the receiving party before the time of disclosure for the first time under this contract and without other obligations of confidentiality; (iii) is

independently developed without the use of any of supplier confidential information; (iv) is lawfully obtained from a third party (without any confidentiality obligation) who has the right to make such disclosure or (v) pricing provided to the state. In addition, the obligations in this section shall not apply to the extent that the applicable law or regulation requires disclosure of supplier confidential information, provided that the customer provides reasonable written notice, pursuant to contract notice provisions, to the supplier so that the supplier may promptly seek a protective order or other appropriate remedy.

#### **25.6 Failure to Enforce**

Failure by the state or a customer at any time to enforce a provision of or exercise a right under the contract shall not be construed as a waiver of any such provision. Such failure to enforce or exercise shall not affect the validity of any contract document, or any part thereof, or the right of the state or a customer to enforce any provision of or exercise any right under the contract at any time in accordance with its terms. Likewise, a waiver of a breach of any provision of a contract document shall not affect or waive a subsequent breach of the same provision or a breach of any other provision in the contract.

#### **25.7 Mutual Responsibilities**

- A. No party to the contract grants the other the right to use any trademarks, trade names, other designations in any promotion or publication without express written consent by the other party.
- B. The contract is a nonexclusive contract, and each party is free to enter into similar agreements with others.
- C. The customer and supplier each grant the other only the licenses and rights specified in the contract and all other rights and interests are expressly reserved.
- D. The customer and supplier shall reasonably cooperate with each other and any supplier to which the provision of a product and/or service under the contract may be transitioned after termination or expiration of the contract.
- E. Except as otherwise set forth herein, where approval, acceptance, consent or similar action by a party is required under the contract, such action shall not be unreasonably delayed or withheld.

#### **25.8 Invalid Term or Condition**

To the extent any term or condition in the contract conflicts with a compulsory applicable state or United states law or regulation, such contract term or condition is void and unenforceable. By executing any contract document which contains a conflicting term or condition, no representation or warranty is made regarding the enforceability of such term or condition. Likewise, any applicable state or federal law or regulation which conflicts with the contract or any nonconflicting applicable state or federal law or regulation is not waived.

#### **25.9 Severability**

If any provision of a contract document or the application of any term or condition to any party or circumstances is held invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable and the application of such provision to other parties or circumstances shall remain valid and in full force and effect. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

#### **25.10 Section Headings**

The headings used in any contract document are for convenience only and do not constitute terms of the contract.

#### **25.11 Sovereign Immunity**

Notwithstanding any provision in the contract, the contract is entered into subject to the state's constitution, statutes, common law, regulations, and the doctrine of sovereign immunity, none of which are waived by the state nor any other right or defense available to the state.

#### **25.12 Survival**

As applicable, performance under all license, subscription, service agreements, statements of work, transition plans and other similar contract documents entered into between the parties under the terms of the contract shall survive contract expiration. Additionally, rights and obligations under the contract which by their nature should survive including, without limitation, certain payment obligations invoiced prior to expiration or termination; confidentiality obligations; security incident and data breach obligations and indemnification obligations, remain in effect after expiration or termination of the contract.

#### **25.13 Entire Agreement**

The contract documents taken together as a whole constitute the entire agreement between the parties. No statement, promise, condition, understanding, inducement or representation, oral or written, expressed or implied, which is not contained in a contract document shall be binding or valid. The supplier's representations and certifications, including any completed electronically, are incorporated by reference into the contract.

**25.14 *Gratuities***

The contract may be immediately terminated, in whole or in part, by written notice if it is determined that the supplier, its employee, agent, or another representative violated any federal, state or local law, rule or ordinance by offering or giving a gratuity to any state employee directly involved in the contract. In addition, suspension or debarment of the supplier may result from such a violation.

**25.15 *Import/Export Controls***

Neither party will use, distribute, transfer or transmit any equipment, services, software or technical information provided under the contract (even if incorporated into other products) except in compliance with all applicable import and export laws, conventions and regulations.

**25.16 *Key Personnel***

A. Key personnel defined. Key personnel means any vendor personnel mutually identified by Vendor and Customer as key personnel under the agreement.

B. Vendor shall not make any change in Key Personnel without the prior written approval of TRS, unless such Key Personnel leaves for a Permitted Reason (defined below). If Vendor makes a change in Key Personnel in violation of the preceding sentence, the change shall be deemed a for cause event invoking paragraph A.19.1. As used herein, a "*Permitted Reason*" will mean (a) the Key Personnel becomes unavailable due to serious illness, legally mandated leave, death, or disability; (b) the Key Personnel is terminated by Vendor for cause (provided, however, that Vendor may not terminate a Key Personnel for the purpose of reassigning the Key Personnel to another Agreement/Customer); (c) by mutual agreement of Vendor and TRS; or (d) the Key Personnel voluntarily leaves the employ of Vendor. Should a Key Personnel leave the employ of Vendor and return at any time prior to the completion of the Agreement between Vendor and TRS, Vendor shall notify TRS of such employee's return and TRS shall have the right, at its sole discretion, to require that such employee be reassigned to the Agreement.

C. Prior to providing a replacement for any Key Personnel that ceases performing services for TRS under the Agreement for any reason, Vendor shall obtain TRS's written approval of the replacement, which may not be unreasonably withheld. Vendor shall provide TRS with the option to interview such replacement and provide TRS with all reasonably requested information regarding such replacement to allow TRS to determine if it approves of the replacement. Such replacement and/or TRS's disapproval of a replacement shall not constitute an Event of Force Majeure or constitute a TRS-caused delay. For Key Personnel, Vendor shall ensure that any replacement candidate proposed by Vendor has qualifications of substantial similarity to the qualifications of the individual being replaced and such replacement will not delay the services required under the Agreement.

You must submit a Certification for Competitive Bid and Contract along with the response to the solicitation.

## 1. SOLICITATION

Solicitation #

## 2. BIDDER GENERAL INFORMATION

FEIN/SSN	Supplier ID
Company name	

## 3. BIDDER CONTACT INFORMATION

Address

Contact name	Title		
Email	Phone	Website	Fax

## 4. BIDDER IS ENGAGED IN BOYCOTT OF GOODS OR SERVICES FROM ISRAEL

Yes  No

## 5. REGISTRATION WITH THE OKLAHOMA SECRETARY OF STATE

Yes *Filing number:* \_\_\_\_\_

No *Prior to the contract award, the successful bidder is required to register with the Secretary of State or must attach a signed statement that provides specific details supporting the exemption the supplier is claiming ([sos.ok.gov](http://sos.ok.gov) or 405-521-3911).*

## 6. WORKERS' COMPENSATION INSURANCE COVERAGE

*Bidder is required to provide a certificate of insurance showing proof of compliance with the Oklahoma Administrative Workers' Compensation Act.*

Yes *Include a certificate of insurance with the bid.*

No *Exempt from the Administrative Workers' Compensation Act pursuant to 85A O.S. § 2(18)(b)(1-11). (Attach a written, signed and dated statement on letterhead stating the reason for the exempt status. For frequently asked questions concerning workers' compensation insurance, visit [wcc.ok.gov](http://wcc.ok.gov).)*

## 7. DISABLED VETERAN BUSINESS ENTERPRISE ACT

Yes *I am a service-disabled veteran business as defined in 74 O.S. § 85.44E.*

*Include the following with the bid response:*

- Certification of service-disabled veteran status as verified by the appropriate federal agency.*
- Verification of not less than 51% ownership by one or more service-disabled veterans.*
- Verification of the control of the management and daily business operations by one or more service-disabled veterans.*

No *I do not meet the criteria as a service-disabled veteran business.*

## 8. SIGNATURE

Authorized signature	Date
Name	Title

## **CERTIFICATION FOR COMPETITIVE BID AND/OR CONTRACT (NON-COLLUSION CERTIFICATION)**

**Note:** A certification shall be included with any competitive bid and/or contract exceeding \$25,000.00 submitted to the state for goods or services.

### **GENERAL INFORMATION**

Agency name	Agency #
Supplier or bidder legal name	Solicitation # or purchase order #

### **Section 1 74 O.S. § 85.22**

A. For purposes of any competitive bid or contract executed by the state for an acquisition in excess of the fair and reasonable acquisition threshold amount, I certify:

1. I am the duly authorized agent of the above-named supplier or bidder for the purpose of certifying the facts pertaining to the existence of collusion among and between bidders and suppliers and state officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in connection with the prospective acquisition.
2. I am fully aware of the facts and circumstances surrounding the acquisition or making of the bid to which this statement relates and have been personally and directly involved in the events leading to the acquisition or submission of such bid.
3. Neither the business entity that I represent in this certification nor anyone subject to the business entity's direction or control has been a party to:
  - a. Any collusion among bidders or suppliers in restraint of freedom of competition by agreement to bid or contract at a fixed price or to refrain from bidding or contracting.
  - b. Any collusion with any state official or employee as to quantity, quality or price in the prospective contract, or as to any other terms of such prospective contract.
  - c. Any discussions between bidders or suppliers and any state official concerning exchange of money or other thing of value for special consideration in connection with the prospective contract.

B. I certify, if awarded the contract, whether competitively bid or not, neither the business entity I represent nor anyone subject to the business entity's direction or control has paid, given or donated or agreed to pay, give or donate to any officer or employee of this state any money or other thing of value, either directly or indirectly, in procuring the contract to which this statement relates.

### **Section 2 74 O.S. § 85.42**

For the purpose of a contract for services, the supplier also certifies that no person who has been involved in any manner in the development of this contract while employed by the State of Oklahoma shall be employed by the supplier to fulfill any of the services provided for under said contract.

### **Section 3 74 O.S. § 582**

For the purpose of a contract for goods or services, the supplier also certifies it is not currently engaged in a boycott of goods or services from Israel that constitutes an integral part of business conducted or sought to be conducted with the state.

### **Section 4 74 O.S. § 12005**

For the purpose of a contract for goods or services, the supplier also certifies it is not currently engaged in a boycott of energy companies and will not boycott energy companies during the term of the contract.

### **Section 5 DEBARMENT, SUSPENSION OR OTHER RESPONSIBILITY MATTERS**

For the purpose of a contract for goods or services, the supplier certifies any debarment, suspension, indictments, convictions, civil judgments and terminated public contracts have been disclosed to the state purchasing director.

### **Section 6 74 O.S. § 85.5**

For the purposes of a contract for the physical performance of services, the supplier also certifies it is in compliance with the provisions of Section 1313 of Title 25 of the Oklahoma Statutes requiring all suppliers to register and participate in the Status Verification System to verify the work eligibility status of all new employees.

## Section 7 21 O.S. § 1289.31

For the purpose of a contract for goods or services, the supplier also certifies it does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association; and will not discriminate against a firearm entity or firearm trade association during the term of the contract.

## Section 8 74.O.S. § 85.22C

List of all known business or familial relationships that currently exist or which existed within one year prior to the date on this form between any officer or director of the supplier and any officer or employee of the state agency listed on Page 1. State the names of persons with such relationships, their position within the organization, and the nature of such relationships.

- 1.
- 2.
- 3.

**If no such relationships exist, check the box below:**

There are no known business or familial relationships that currently exist or which existed within one year prior to the date on this form between any officer or director of the supplier and any officer or employee of the state agency stated above.

## Section 9 74 O.S. § 85.42(B)

Pursuant to 74 O.S. § 85.42(B), the supplier certifies that no person involved in any manner in the development, approval or negotiation of the contract, including change orders, extensions, renewals or amendments, while employed by the State of Oklahoma shall be employed or given anything of value to fulfill any services provided under the contract, including change orders, extensions, renewals or amendments.

### SIGNATURE

By signing below, the undersigned duly authorized agent for the above-named bidder or supplier acknowledges this certification statement is executed for the purposes of one of the following:

The competitive bid attached herewith and contract, if awarded to said supplier.

The contract attached herewith, which was not competitively bid and awarded by the agency pursuant to applicable Oklahoma Statutes.

I state under penalty of perjury under the laws of Oklahoma that the foregoing is true and correct.

Supplier authorized signature	Certified this date	
Name	Email	
Title	Phone	Fax

# Quarterly Investment Review

Teachers' Retirement System of  
Oklahoma Board Materials

Third Quarter 2025

Investment advice and consulting services provided by Aon Investments USA Inc.

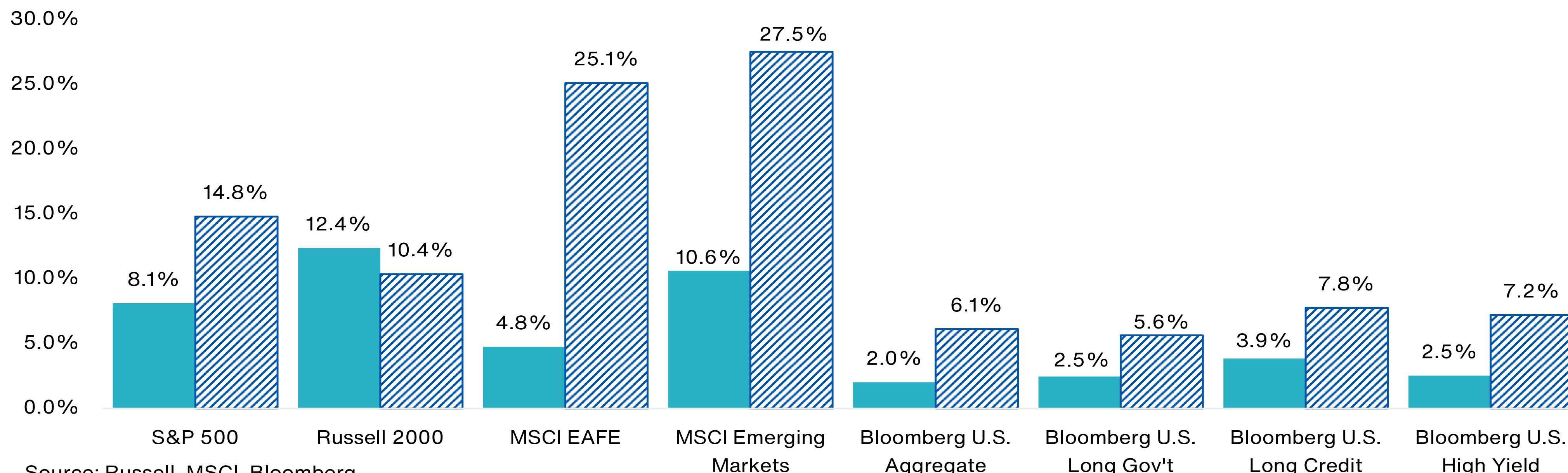
Nothing in this document should be construed as legal or investment advice. Please consult with your independent professional for any such advice. To protect the confidential and proprietary information included in this material, it may not be disclosed or provided to any third parties without the approval of Aon.



# Market Highlights

## SHORT TERM RETURNS AS OF 09/30/2025

■ Third Quarter 2025    ▹ YTD



Source: Russell, MSCI, Bloomberg

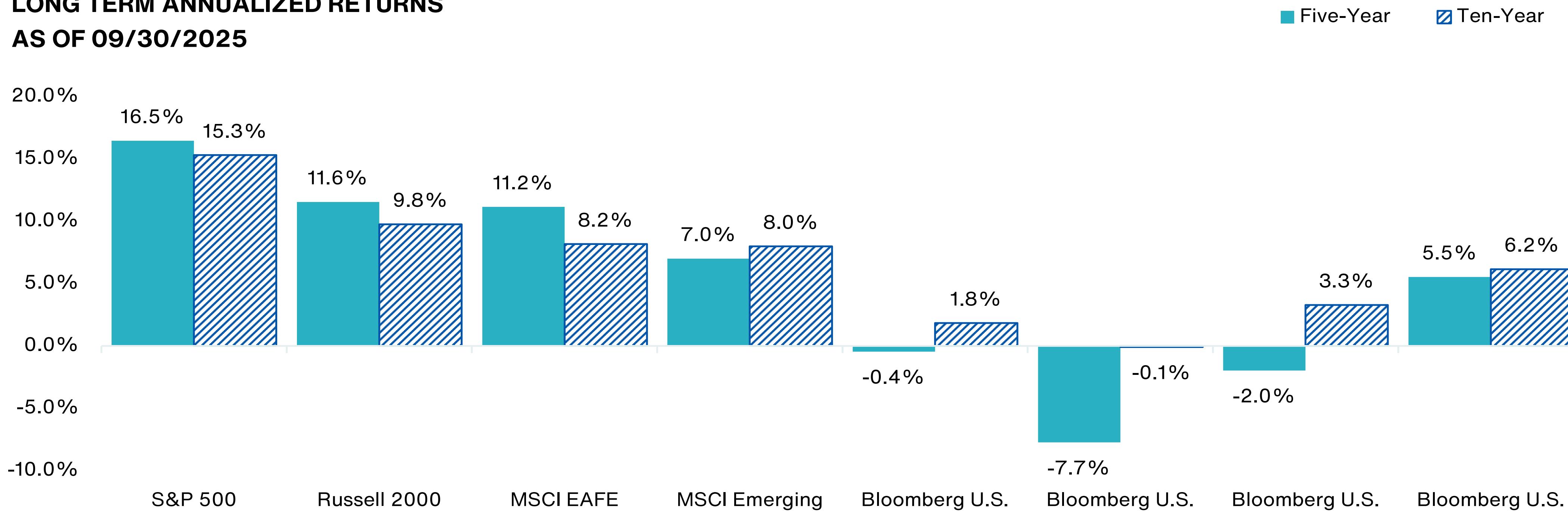
MSCI Indices show net total returns throughout this report. All other indices show gross total returns.

**Past performance is no guarantee of future results.** Indices cannot be invested in directly. Unmanaged index returns assume reinvestment of any and all distributions and do not reflect fees and expenses. Please see appendix for index definitions and other general disclosures.

**MSCI net return:** deducts assumed foreign tax withholding rate from dividends before investing.

# Market Highlights

## LONG TERM ANNUALIZED RETURNS AS OF 09/30/2025



Source: Russell, MSCI, Bloomberg

**Past performance is no guarantee of future results.** Indices cannot be invested in directly. Unmanaged index returns assume reinvestment of any and all distributions and do not reflect fees and expenses. Please see appendix for index definitions and other general disclosures.

**MSCI net return:** deducts assumed foreign tax withholding rate from dividends before investing.

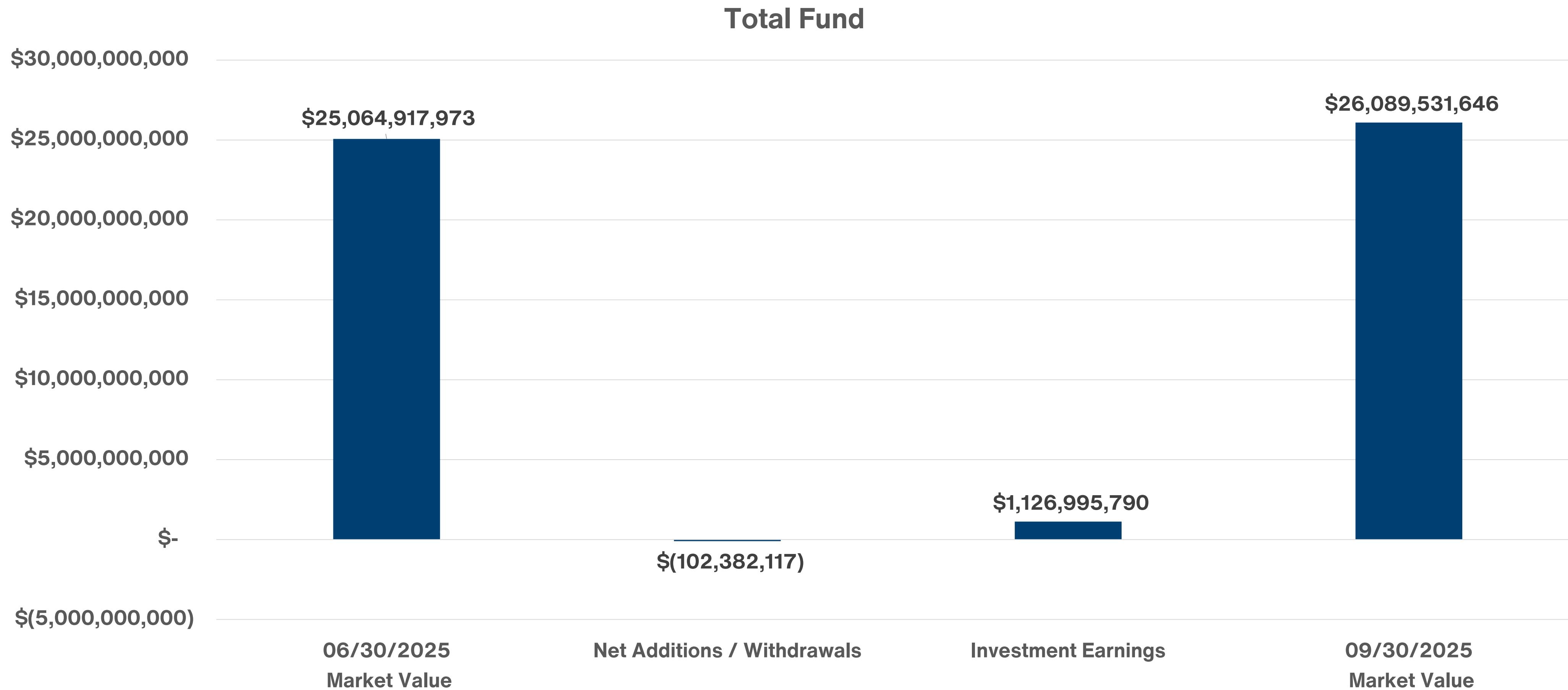
# Market Highlights

Returns of the Major Capital Markets							Returns of the Major Capital Markets						
	Period Ending 09/30/2025						Period Ending 09/30/2025						
	Third Quarter	YTD	1-Year	3-Year <sup>1</sup>	5-Year <sup>1</sup>	10-Year <sup>1</sup>	Third Quarter	YTD	1-Year	3-Year <sup>1</sup>	5-Year <sup>1</sup>	10-Year <sup>1</sup>	
<b>Equity</b>													
MSCI All Country World IMI	7.67%	18.25%	16.79%	22.49%	13.30%	11.63%	Bloomberg Global Aggregate	0.60%	7.91%	2.40%	5.45%	-1.56%	1.15%
MSCI All Country World	7.62%	18.44%	17.27%	23.12%	13.54%	11.91%	Bloomberg U.S. Aggregate	2.03%	6.13%	2.88%	4.93%	-0.45%	1.84%
Dow Jones U.S. Total Stock Market	8.22%	14.36%	17.46%	24.16%	15.69%	14.64%	Bloomberg U.S. Long Gov't	2.49%	5.65%	-3.44%	0.46%	-7.73%	-0.09%
Russell 3000	8.18%	14.40%	17.41%	24.12%	15.74%	14.71%	Bloomberg U.S. Long Credit	3.88%	7.78%	1.03%	7.18%	-1.96%	3.29%
S&P 500	8.12%	14.83%	17.60%	24.94%	16.47%	15.30%	Bloomberg U.S. Long Gov't/Credit	3.16%	6.64%	-1.28%	3.96%	-4.57%	1.88%
Russell 2000	12.39%	10.39%	10.76%	15.21%	11.56%	9.77%	Bloomberg U.S. TIPS	2.10%	6.87%	3.79%	4.88%	1.42%	3.01%
MSCI All Country World ex-U.S. IMI	6.86%	25.97%	16.39%	20.50%	10.22%	8.24%	Bloomberg U.S. High Yield	2.54%	7.22%	7.41%	11.09%	5.55%	6.17%
MSCI All Country World ex-U.S.	6.89%	26.02%	16.45%	20.67%	10.26%	8.23%	Bloomberg Global Treasury ex U.S.	-1.13%	8.33%	0.27%	4.44%	-3.79%	-0.11%
MSCI EAFE	4.77%	25.14%	14.99%	21.70%	11.15%	8.17%	JP Morgan EMBI Global (Emerging Markets)	4.39%	10.11%	7.78%	11.38%	2.22%	4.11%
MSCI EAFE (Local Currency)	5.38%	13.63%	12.92%	16.88%	12.54%	8.62%	<b>Commodities</b>						
MSCI Emerging Markets	10.64%	27.53%	17.32%	18.21%	7.02%	7.99%	Bloomberg Commodity Index	3.65%	9.38%	8.88%	2.76%	11.53%	3.96%
<b>Equity Factors</b>													
MSCI World Minimum Volatility (USD)	0.72%	11.59%	7.41%	14.00%	8.21%	9.10%	Goldman Sachs Commodity Index	4.07%	6.09%	10.13%	4.70%	17.57%	4.07%
MSCI World High Dividend Yield	4.63%	15.01%	8.54%	16.50%	11.61%	9.58%	<b>Hedge Funds</b>						
MSCI World Quality	5.58%	12.32%	8.78%	25.09%	14.08%	14.81%	HFR Fund-Weighted Composite <sup>2</sup>	5.68%	9.78%	11.33%	10.05%	8.81%	6.44%
MSCI World Momentum	5.85%	20.65%	21.00%	26.00%	13.19%	14.95%	HFR Fund of Funds <sup>2</sup>	4.02%	6.86%	9.07%	7.97%	6.10%	4.59%
MSCI World Enhanced Value	9.24%	28.12%	22.38%	23.83%	16.16%	9.67%	<b>Real Estate</b>						
MSCI World Equal Weighted	4.60%	18.93%	13.51%	19.50%	11.35%	9.63%	NAREIT U.S. Equity REITS	4.77%	4.51%	-1.98%	10.80%	9.33%	6.61%
MSCI World Index Growth	8.62%	18.03%	22.57%	28.91%	14.67%	15.39%	FTSE Global Core Infrastructure Index	4.12%	13.41%	7.17%	11.19%	8.53%	8.63%
MSCI USA Minimum Volatility (USD)	1.76%	8.40%	5.94%	14.87%	10.16%	11.32%	<b>Private Equity</b>						
MSCI USA High Dividend Yield	5.37%	10.53%	5.91%	14.61%	11.13%	10.94%	Burgiss Private iQ Global Private Equity <sup>3</sup>			6.75%	2.84%	15.59%	12.76%
MSCI USA Quality	6.16%	11.62%	10.93%	27.28%	15.43%	16.39%	MSCI Indices show net total returns throughout this report. All other indices show gross total returns.						
MSCI USA Momentum	5.83%	19.44%	21.09%	24.75%	12.04%	15.20%	<sup>1</sup> Periods are annualized.						
MSCI USA Enhanced Value	11.07%	20.85%	17.85%	18.61%	14.35%	10.71%	<sup>2</sup> Latest 5 months of HFR data are estimated by HFR and may change in the future.						
MSCI USA Equal Weighted	4.35%	9.45%	9.46%	17.46%	12.81%	11.71%	<sup>3</sup> Burgiss Private iQ Global Private Equity data is as at March 31, 2025						
MSCI USA Growth	10.77%	17.65%	27.61%	33.16%	17.81%	19.02%	Source: Russell, MSCI, Bloomberg						

**Past performance is no guarantee of future results.** Indices cannot be invested in directly. Unmanaged index returns assume reinvestment of any and all distributions and do not reflect fees and expenses. Please see appendix for index definitions and other general disclosures.

**MSCI net return:** deducts assumed foreign tax withholding rate from dividends before investing.

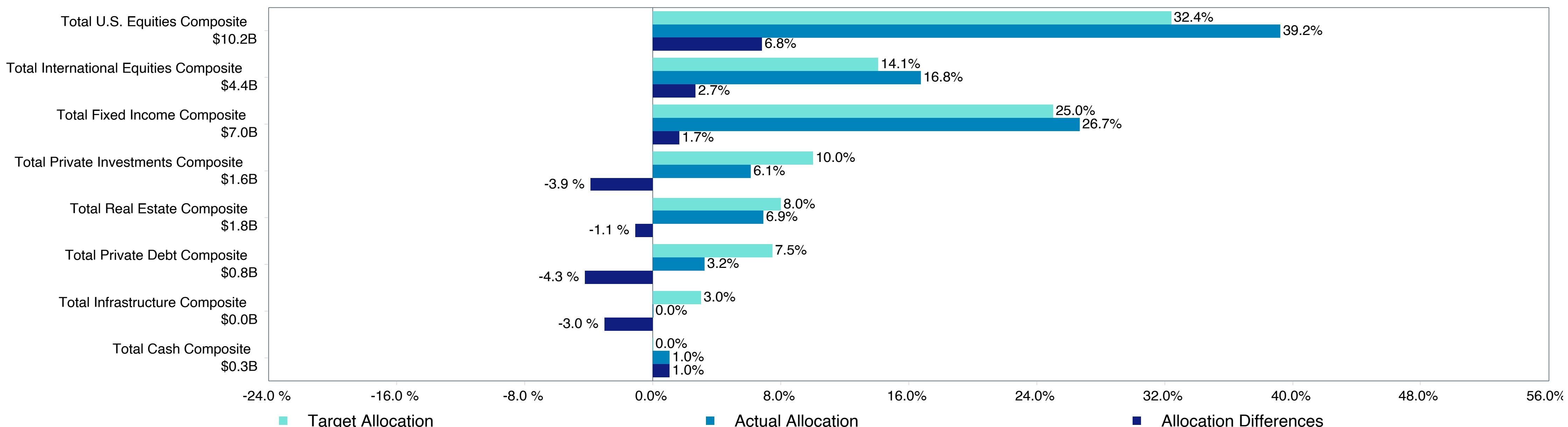
# Total Plan Asset Summary



# Asset Allocation Compliance

As of September 30, 2025

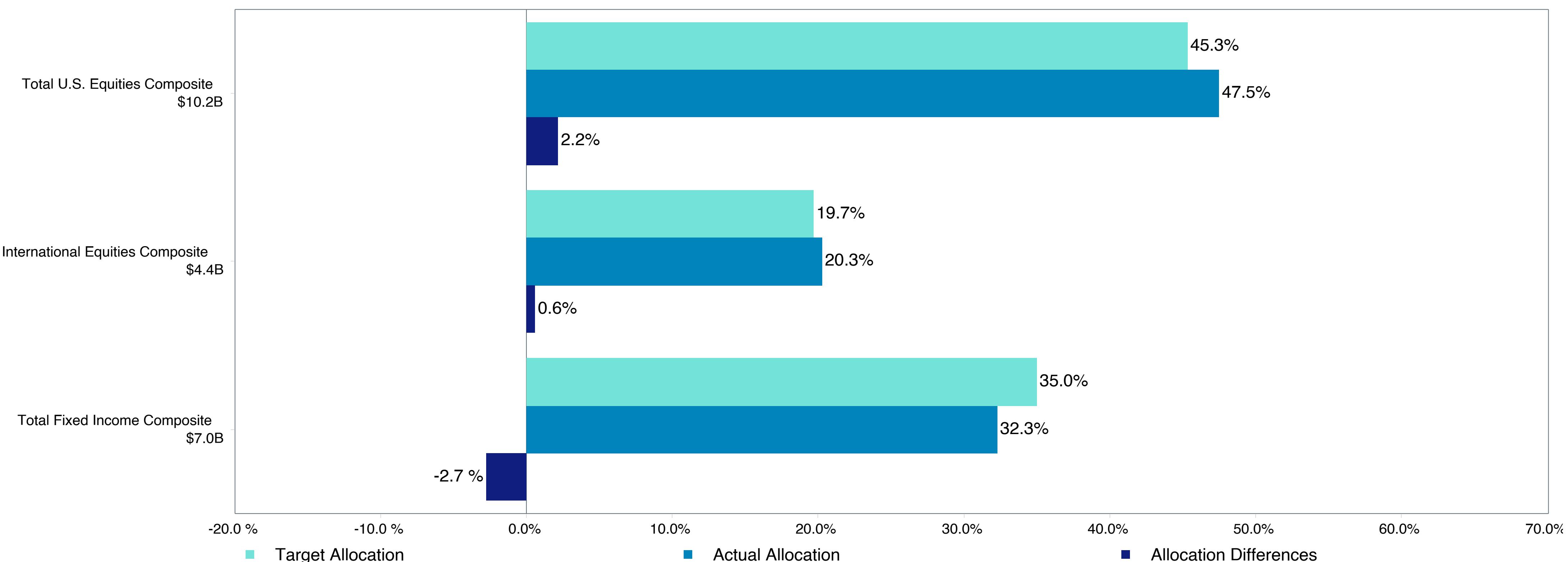
	Market Value \$M	Current Allocation %	Target Allocation (%)
<b>Total Fund</b>	<b>26,090</b>	<b>100.0</b>	<b>100.0</b>
Total U.S. Equities Composite	10,239	39.2	32.4
Total International Equities Composite	4,373	16.8	14.1
Total Fixed Income Composite	6,958	26.7	25.0
Total Private Investments Composite	1,599	6.1	10.0
Total Real Estate Composite	1,801	6.9	8.0
Total Private Debt Composite	846	3.2	7.5
Total Infrastructure Composite	-	0.0	3.0
Total Cash Composite	274	1.0	0.0



# Asset Allocation Compliance - Rebalancing Policy

As of September 30, 2025

	Market Value \$M	Current Allocation %	Target Allocation (%)	Minimum Allocation %	Maximum Allocation %
<b>Total Fund Composite (ex Alts)</b>	<b>21,570</b>	<b>100.0</b>	<b>100.0</b>	-	-
Total U.S. Equities Composite	10,239	47.5	45.3	38.3	52.3
Total International Equities Composite	4,373	20.3	19.7	14.7	24.7
Total Fixed Income Composite	6,958	32.3	35.0	29.0	41.0

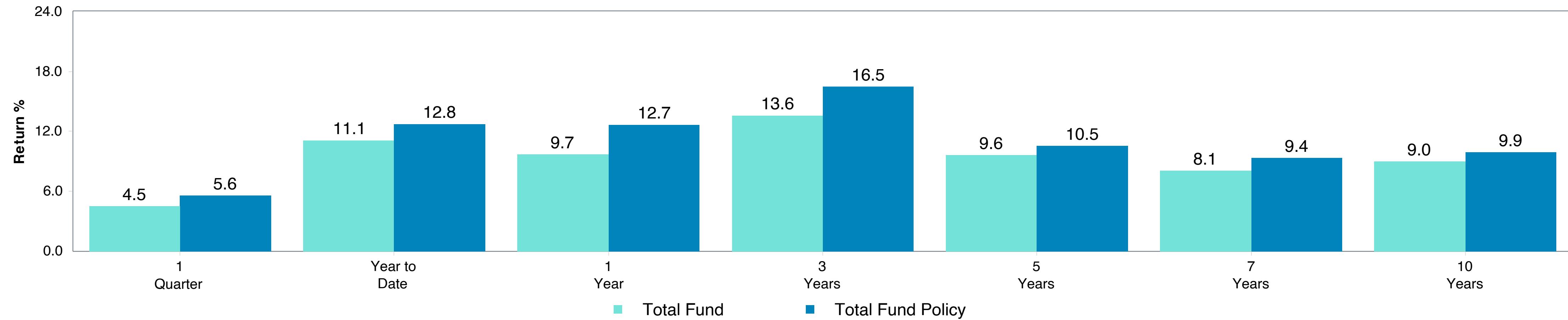


\* The rebalancing policy only involves daily valued public market securities (private market assets are excluded from percentage targets and the minimum and maximum percentage bands).

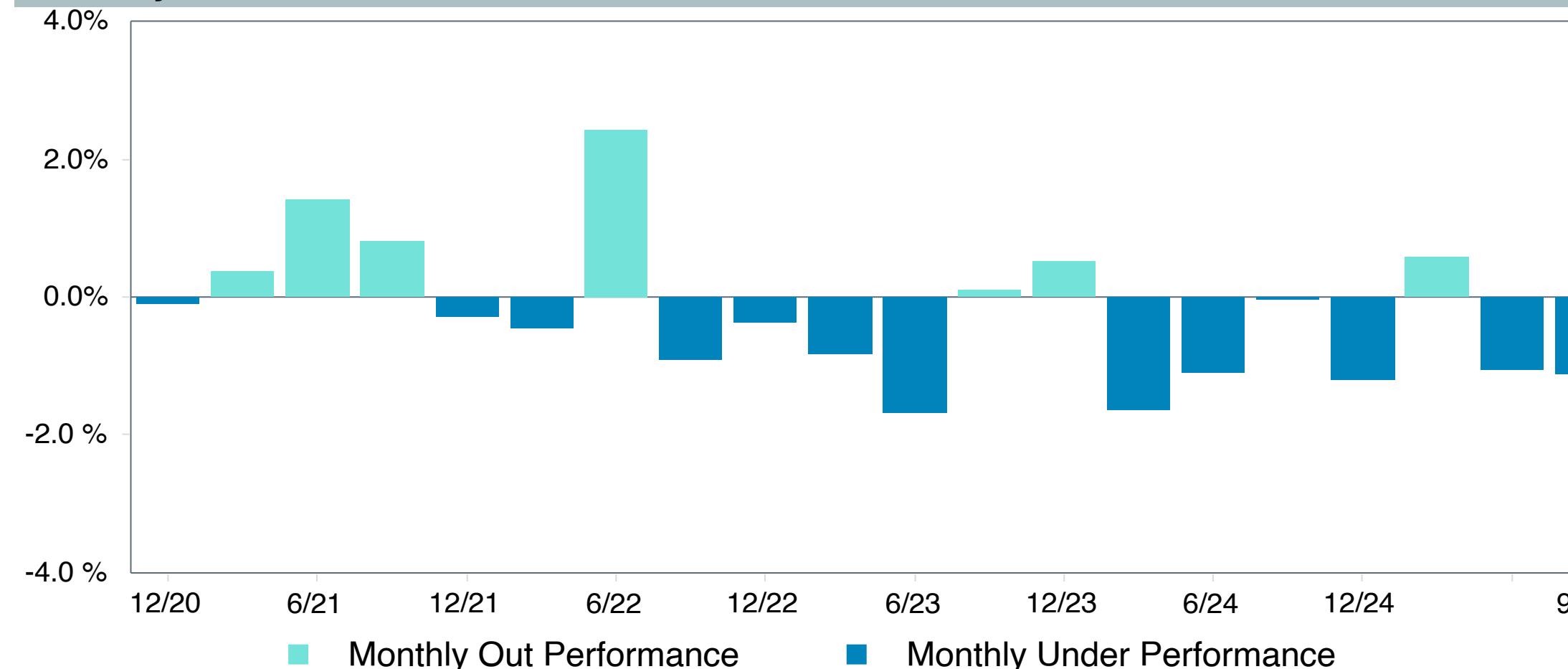
# Total Plan Performance Summary

As of September 30, 2025

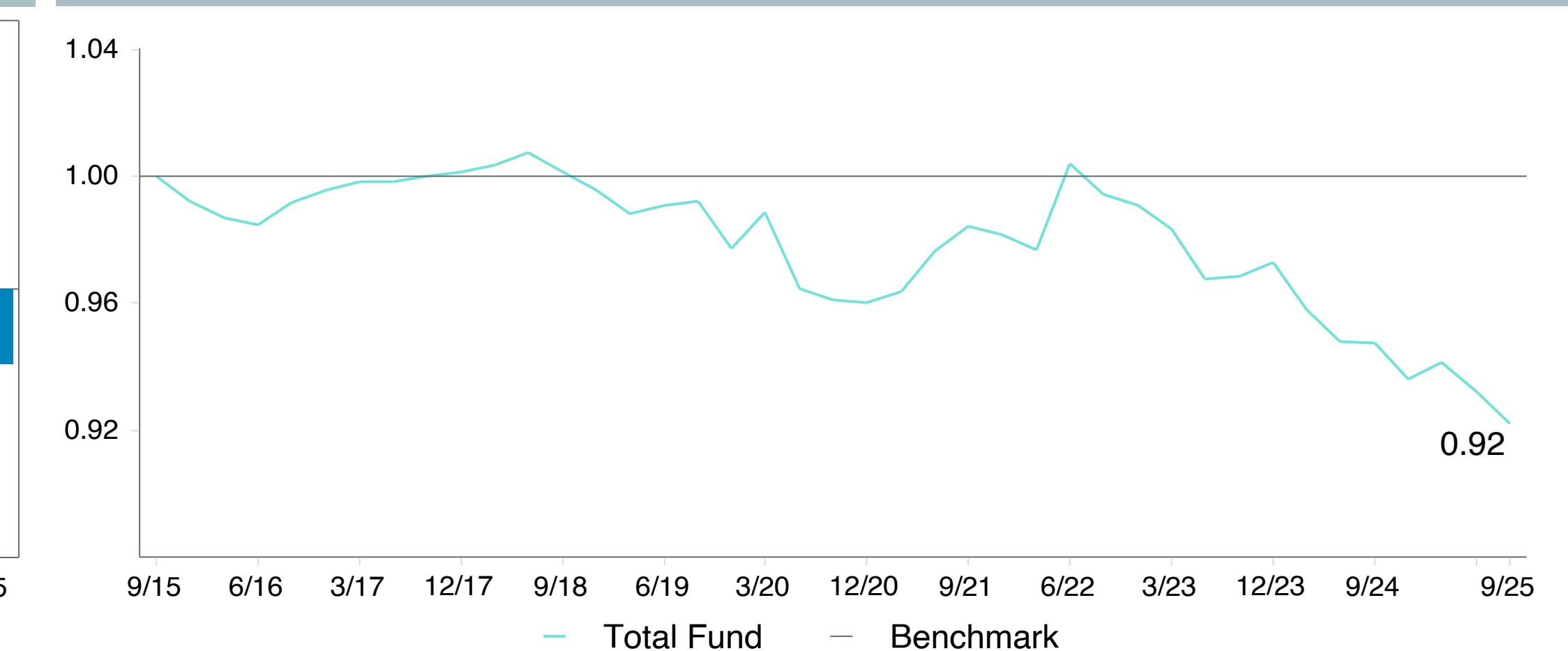
## Return Summary



## Quarterly Excess Performance



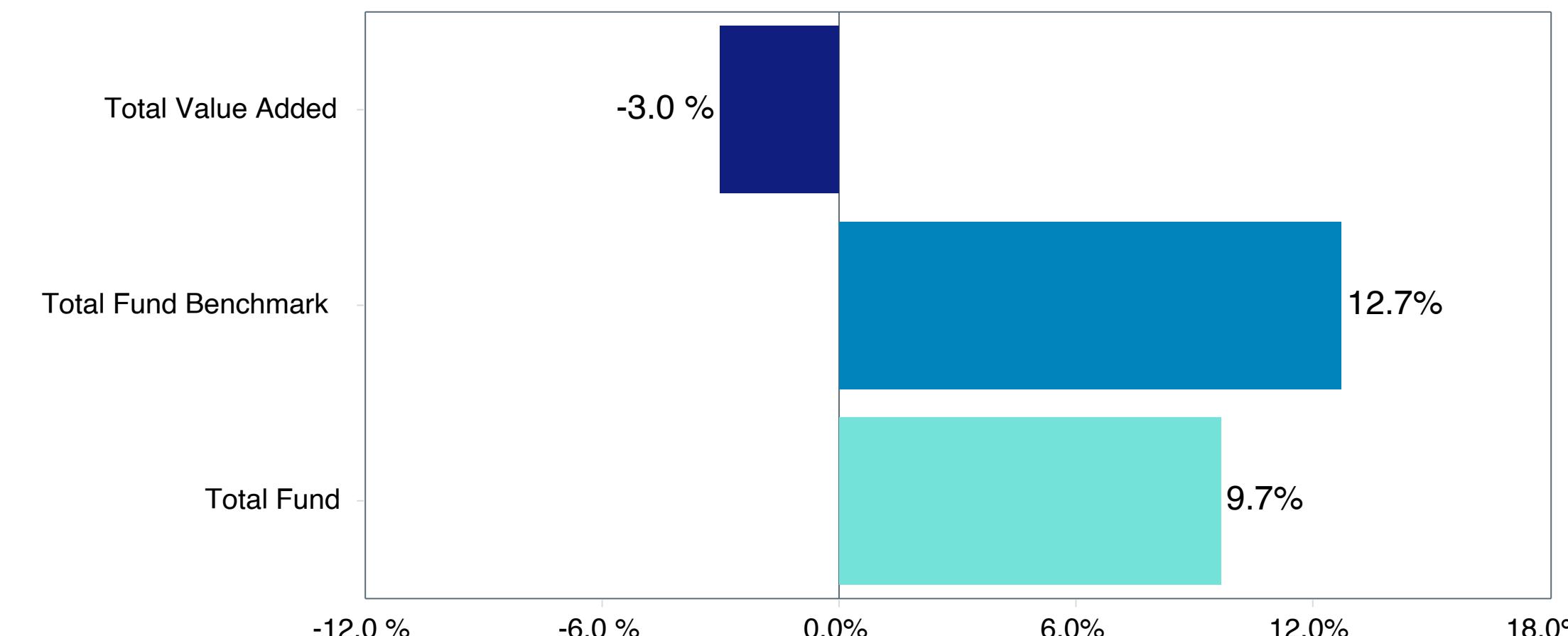
## Ratio of Cumulative Wealth - 10 Years



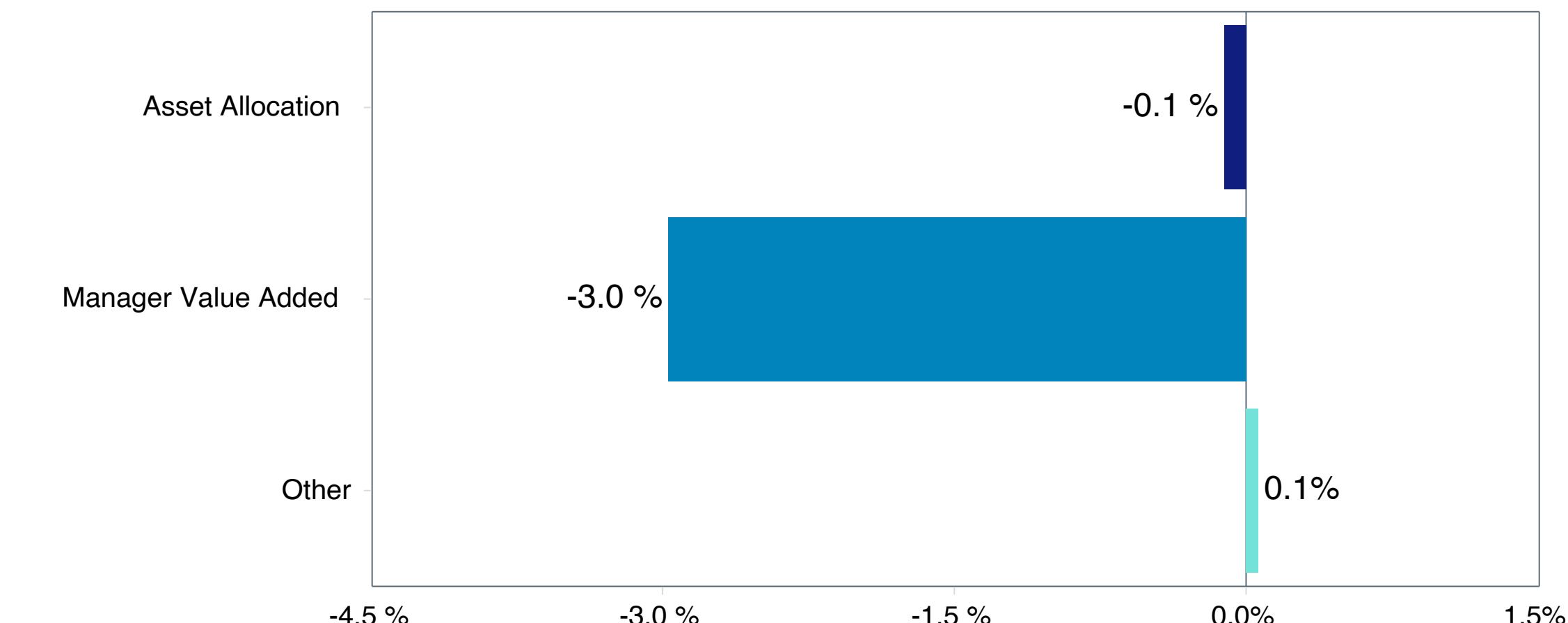
# Total Fund Attribution - Policy Benchmark

1 Year Ending September 30, 2025

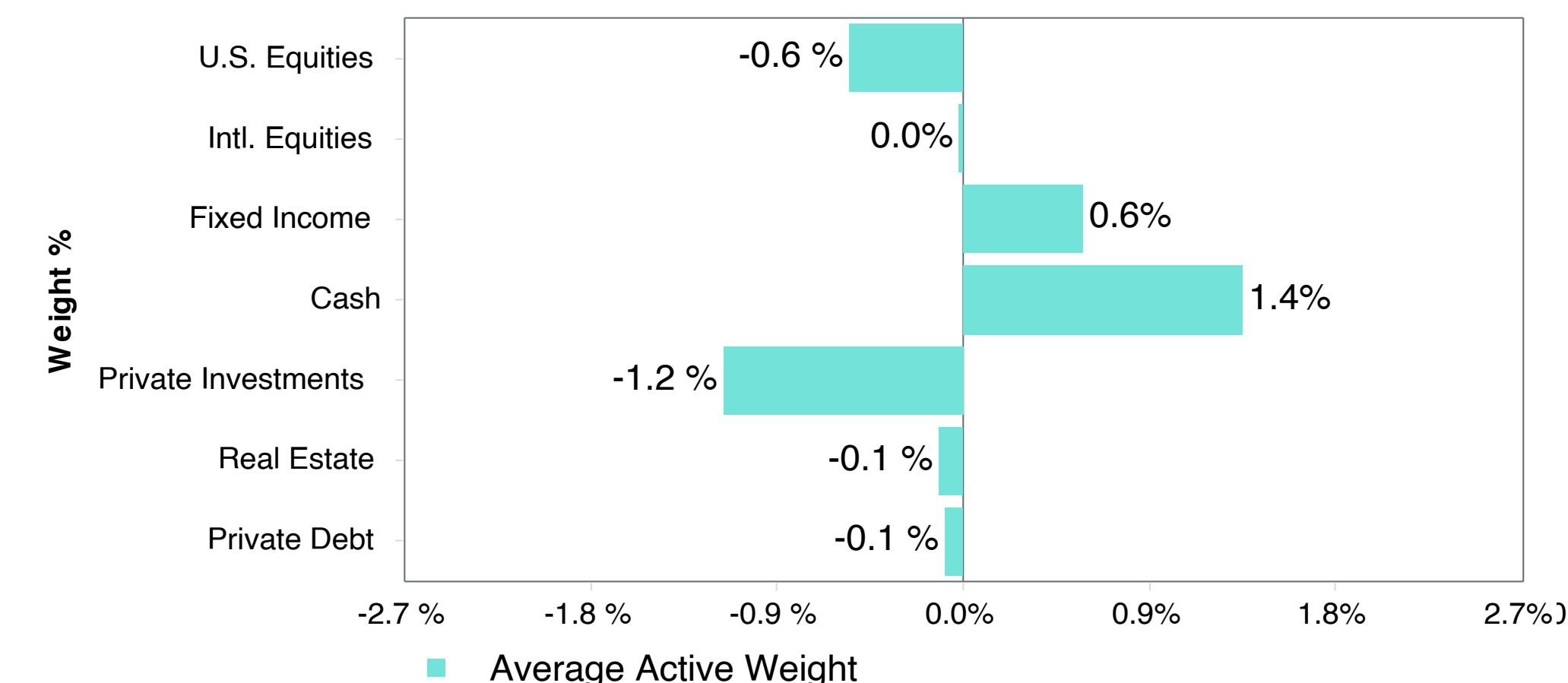
## Total Fund Performance



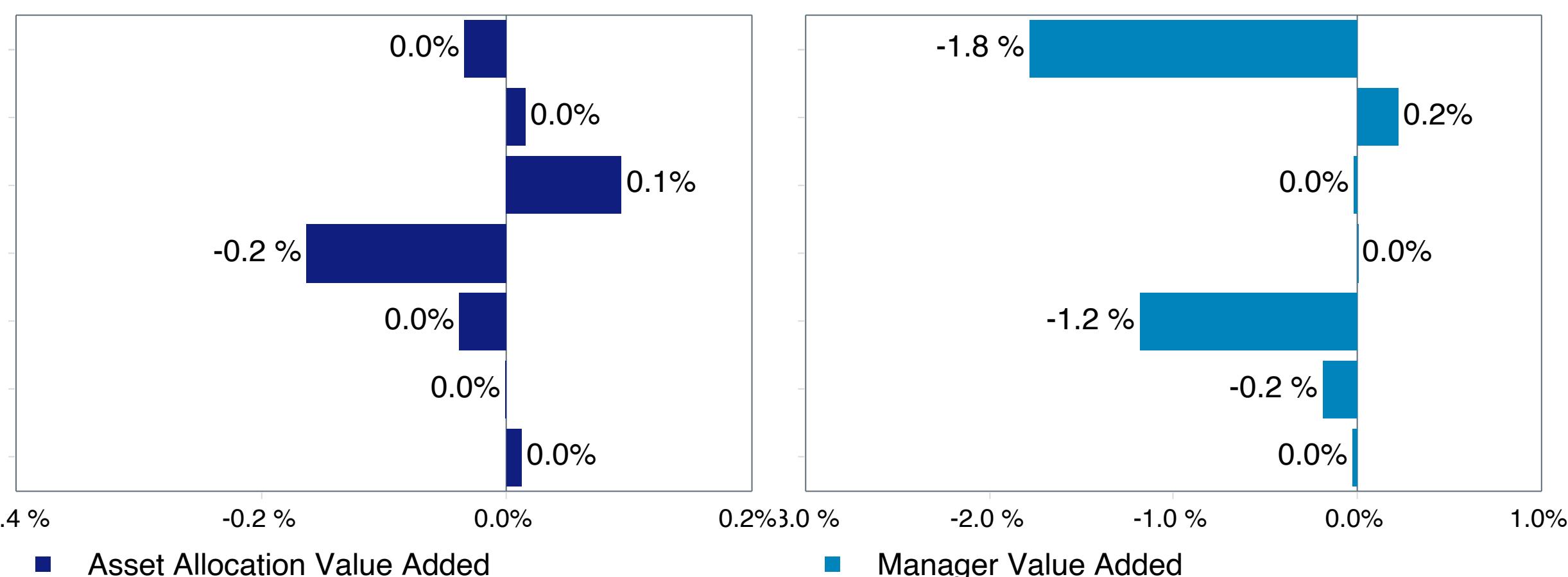
## Total Value Added: -3.0 %



## Total Asset Allocation: -0.1 %



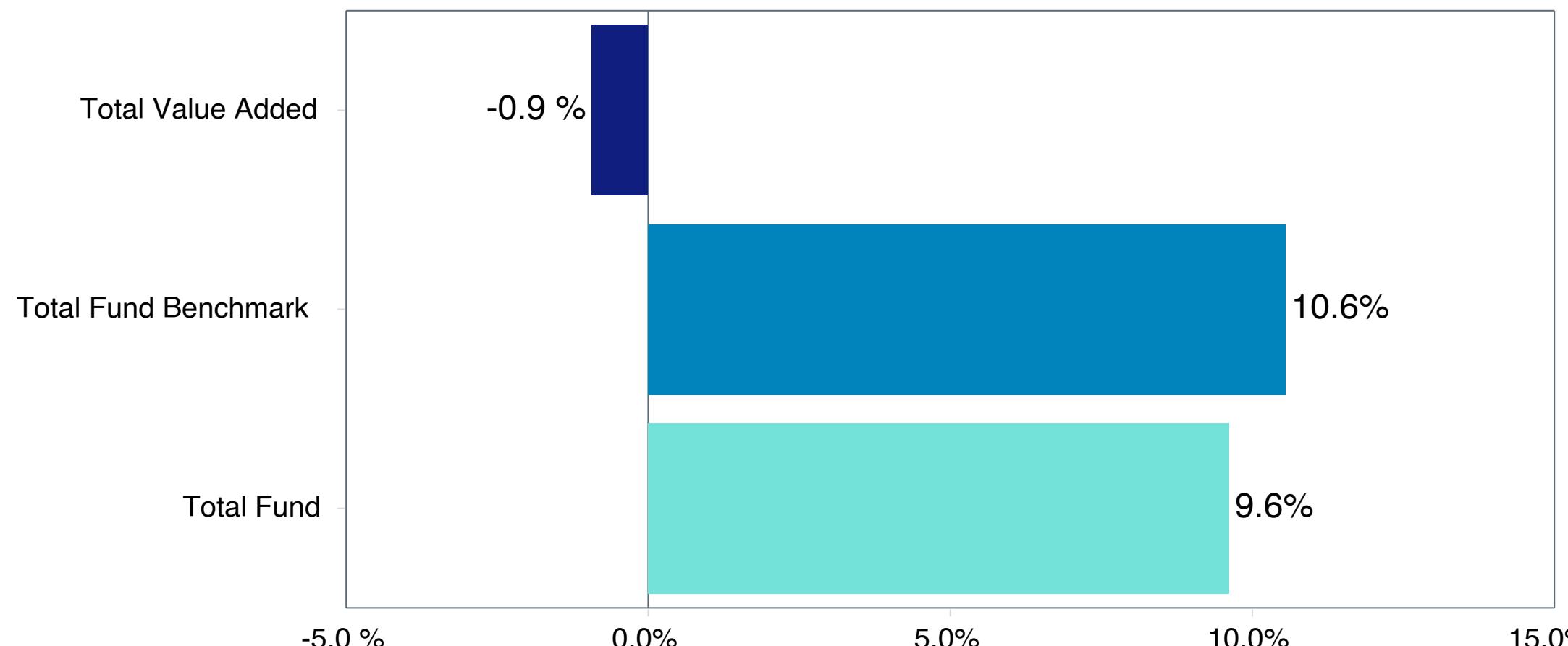
## Total Manager Value Added: -3.0 %



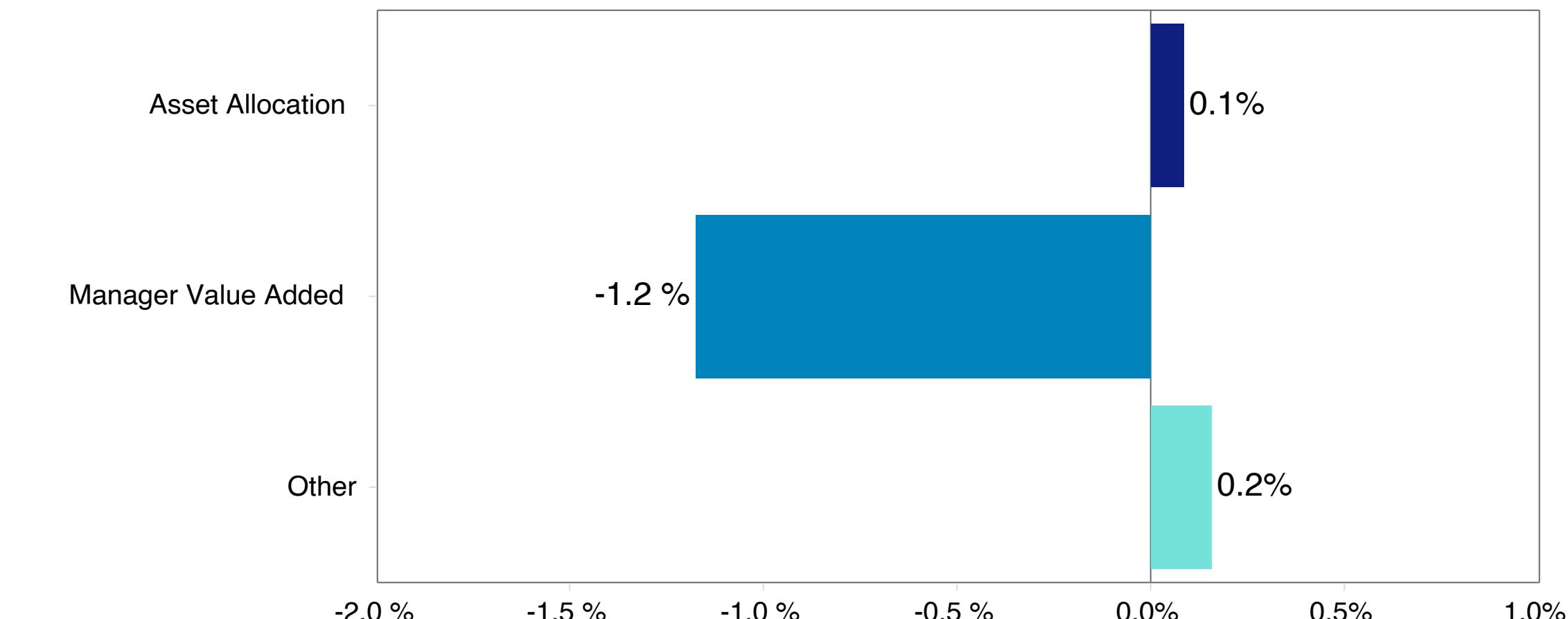
# Total Fund Attribution - Policy Benchmark

5 Years Ending September 30, 2025

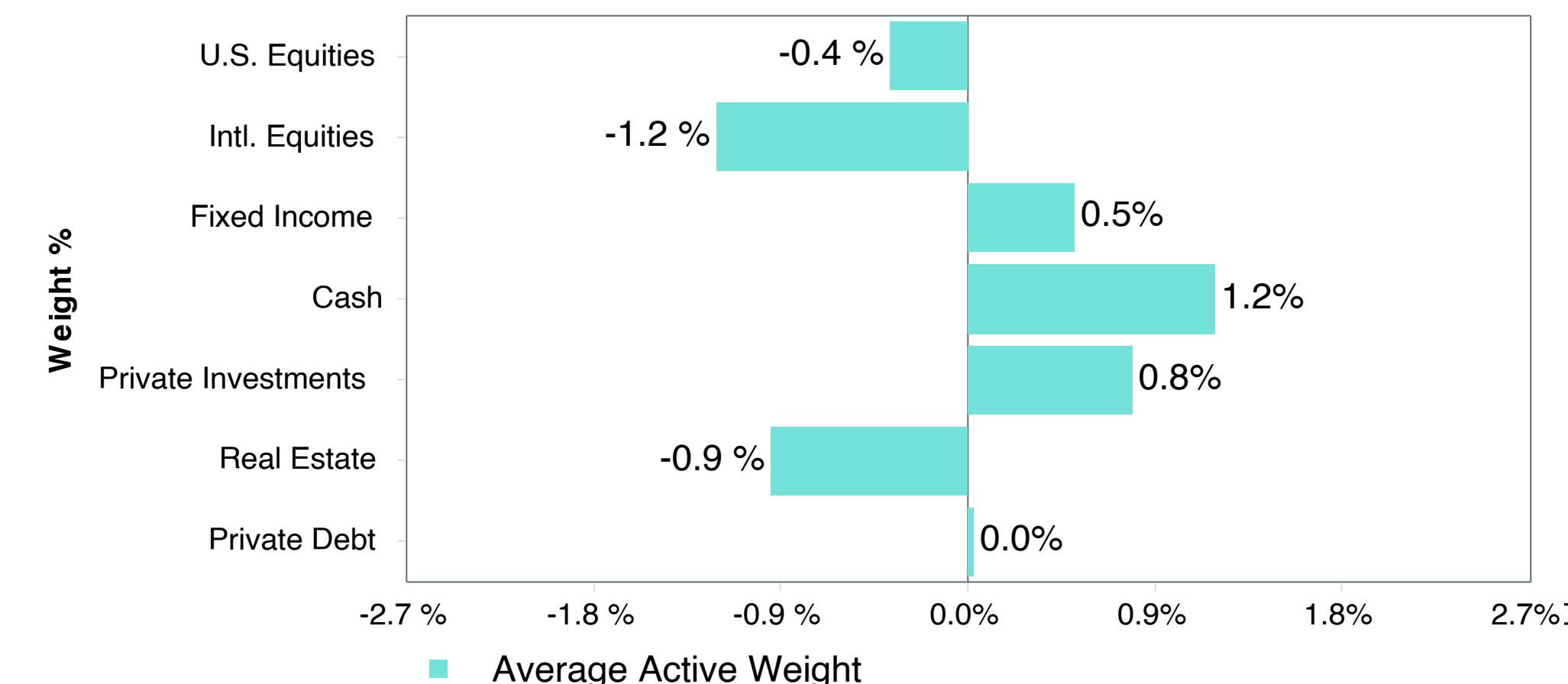
## Total Fund Performance



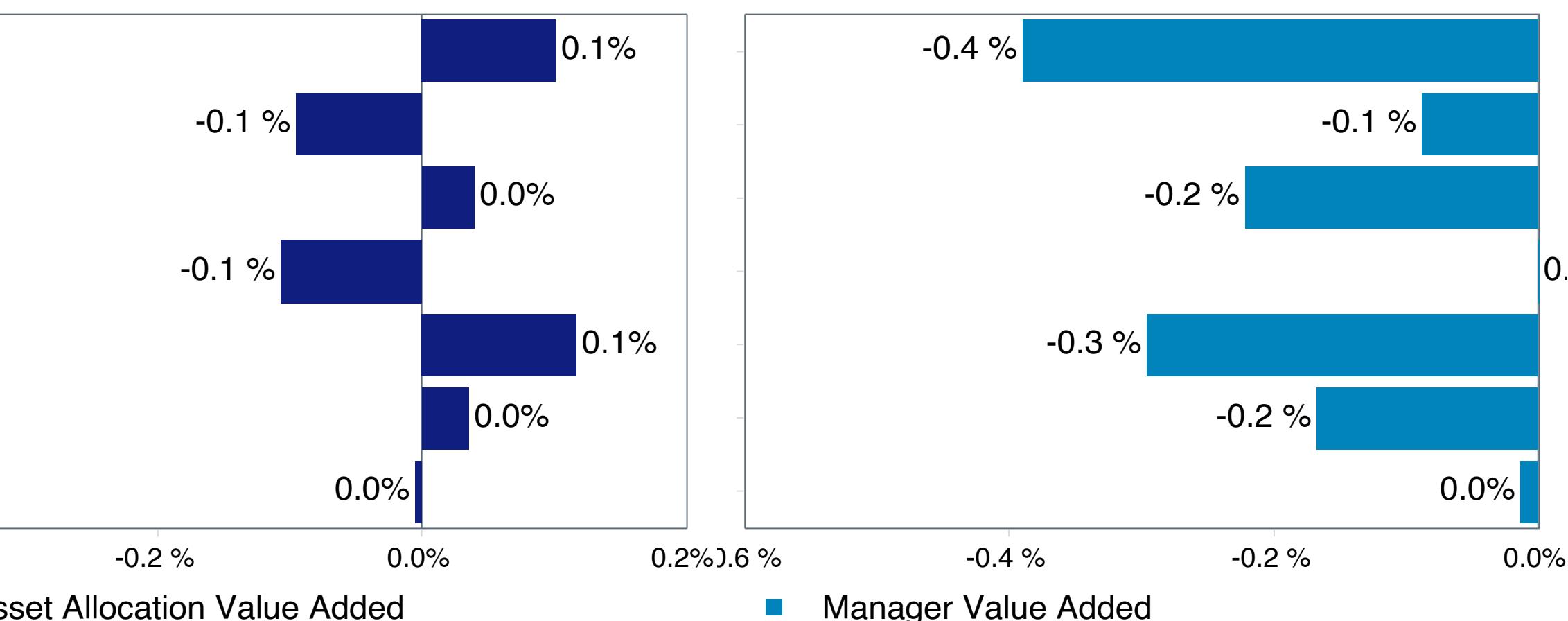
## Total Value Added: -0.9 %



## Total Asset Allocation: 0.1%

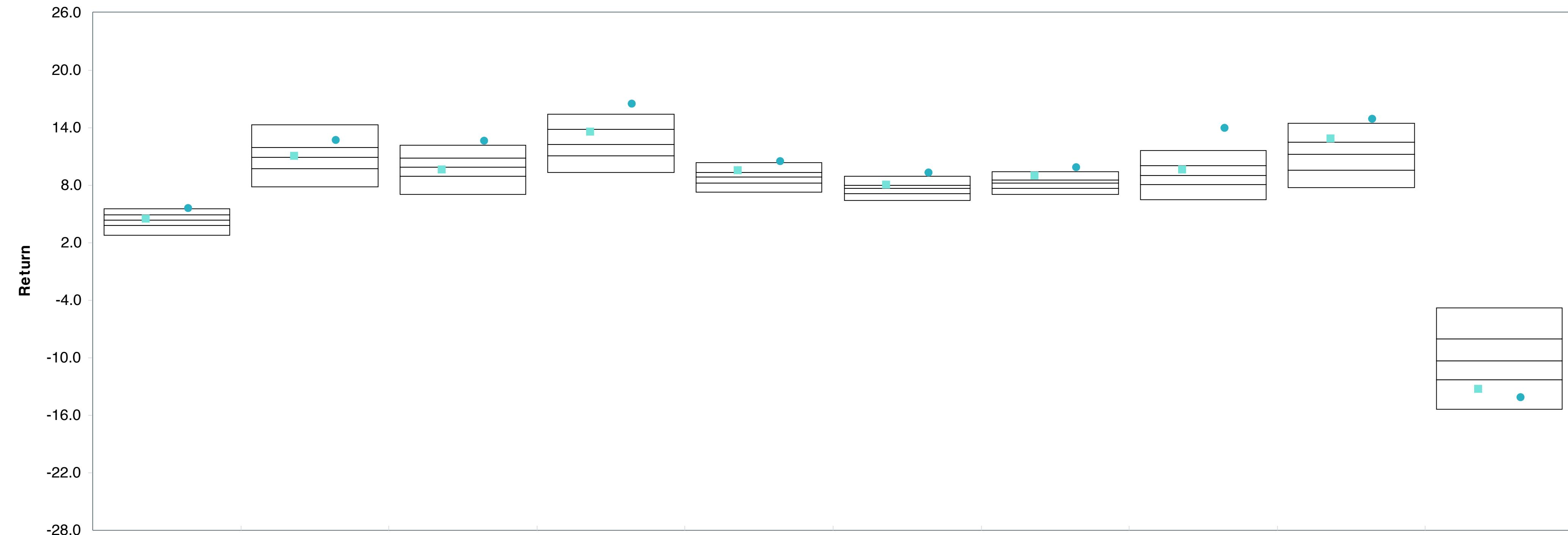


## Total Manager Value Added: -1.2 %



# Plan Sponsor Peer Group Analysis: All Public Plans > \$1B

As of September 30, 2025

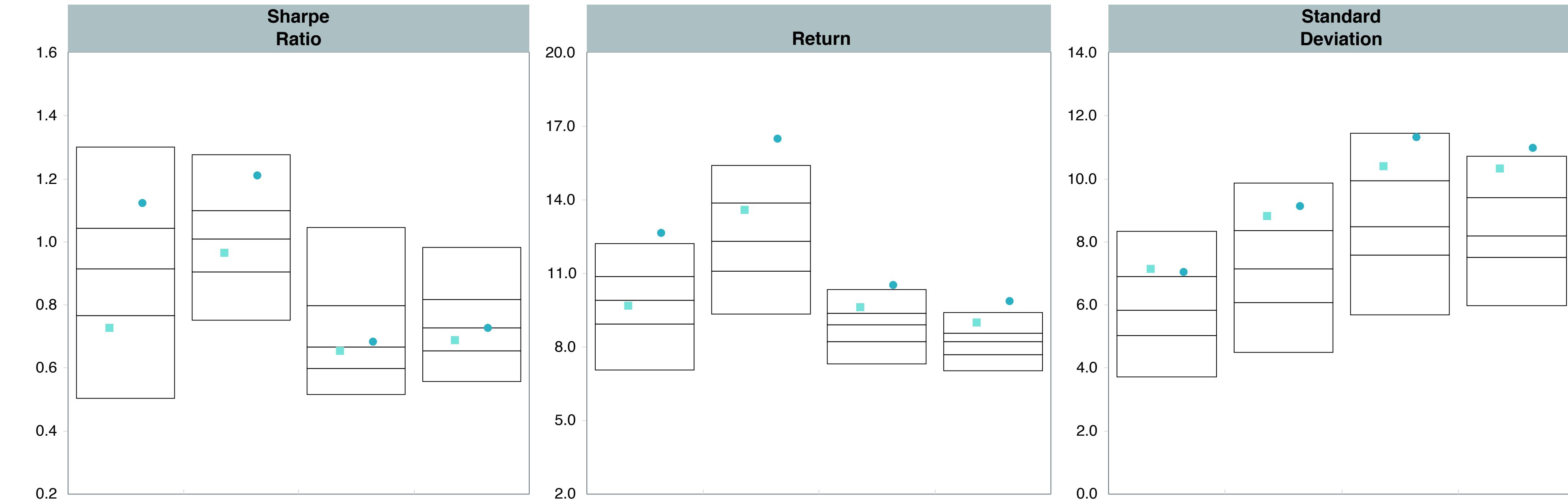


	1 Quarter	Year to Date	1 Year	3 Years	5 Years	7 Years	10 Years	2024	2023	2022
<span style="background-color: #009640; border: 1px solid black; display: inline-block; width: 10px; height: 10px;"></span> Total Fund	4.5 (37)	11.1 (42)	9.7 (57)	13.6 (28)	9.6 (17)	8.1 (25)	9.0 (15)	9.7 (32)	12.9 (20)	-13.2 (84)
<span style="background-color: #009640; border: 1px solid black; display: inline-block; width: 10px; height: 10px;"></span> Total Fund Policy	5.6 (4)	12.8 (11)	12.7 (3)	16.5 (1)	10.5 (5)	9.4 (1)	9.9 (1)	14.0 (1)	15.0 (4)	-14.1 (89)
5th Percentile	5.5	14.3	12.2	15.4	10.3	8.9	9.4	11.6	14.4	-4.8
1st Quartile	4.9	11.9	10.9	13.9	9.4	8.0	8.6	10.1	12.5	-8.0
Median	4.3	10.9	9.9	12.3	8.9	7.7	8.2	9.0	11.3	-10.3
3rd Quartile	3.8	9.8	8.9	11.1	8.2	7.1	7.7	8.1	9.6	-12.3
95th Percentile	2.8	7.9	7.1	9.3	7.3	6.4	7.0	6.5	7.8	-15.4

Parentheses contain percentile rankings.

# Historical Statistics (vs. All Public Plans > \$1 B)

As of September 30, 2025



	1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years	1 Year	3 Years	5 Years	10 Years
Total Fund	0.7 (78)	1.0 (60)	0.7 (57)	0.7 (60)	9.7 (57)	13.6 (28)	9.6 (17)	9.0 (15)	7.2 (19)	8.8 (17)	10.4 (13)	10.3 (10)
Total Fund Policy	1.1 (14)	1.2 (7)	0.7 (42)	0.7 (51)	12.7 (3)	16.5 (1)	10.5 (5)	9.9 (1)	7.0 (22)	9.1 (11)	11.3 (6)	11.0 (4)
5th Percentile	1.3	1.3	1.0	1.0	12.2	15.4	10.3	9.4	8.3	9.9	11.4	10.7
1st Quartile	1.0	1.1	0.8	0.8	10.9	13.9	9.4	8.6	6.9	8.4	9.9	9.4
Median	0.9	1.0	0.7	0.7	9.9	12.3	8.9	8.2	5.8	7.2	8.5	8.2
3rd Quartile	0.8	0.9	0.6	0.7	8.9	11.1	8.2	7.7	5.0	6.1	7.6	7.5
95th Percentile	0.5	0.8	0.5	0.6	7.1	9.3	7.3	7.0	3.7	4.5	5.7	6.0
Population	103	102	99	94	103	102	99	94	103	102	99	94

Parentheses contain percentile rankings.

# Asset Allocation & Performance

As of September 30, 2025

	Allocation				Fiscal YTD	Performance %				
	Market Value \$	%	1 Quarter	Year to Date		1 Year	3 Years	5 Years	7 Years	10 Years
<b>Total Fund</b>	<b>26,089.5</b>	<b>100.0</b>	<b>4.5 (37)</b>	<b>11.1 (42)</b>	<b>4.5 (37)</b>	<b>9.7 (57)</b>	<b>13.6 (28)</b>	<b>9.6 (17)</b>	<b>8.1 (25)</b>	<b>9.0 (15)</b>
Total Fund Policy			5.6 (4)	12.8 (11)	5.6 (4)	12.7 (3)	16.5 (1)	10.5 (5)	9.4 (1)	9.9 (1)
Difference			-1.1	-1.7	-1.1	-3.0	-2.9	-0.9	-1.3	-0.9
Total Fund Policy Attribution Benchmark			5.8 (4)	12.8 (9)	5.8 (4)	12.6 (3)	-	-	-	-
Difference			-1.3	-1.7	-1.3	-2.9	-	-	-	-
<b>Total Equities Composite</b>	<b>14,611.6</b>	<b>56.0</b>	<b>6.5</b>	<b>16.1</b>	<b>6.5</b>	<b>14.6</b>	<b>21.1</b>	<b>13.7</b>	<b>10.0</b>	<b>11.3</b>
Total Equities Policy			7.8	17.9	7.8	17.3	23.2	14.2	11.9	12.8
Difference			-1.3	-1.8	-1.3	-2.7	-2.1	-0.5	-1.9	-1.5
<b>Total U.S. Equities Composite</b>	<b>10,238.8</b>	<b>39.2</b>	<b>6.6 (49)</b>	<b>11.5 (44)</b>	<b>6.6 (49)</b>	<b>12.8 (43)</b>	<b>20.8 (35)</b>	<b>14.7 (42)</b>	<b>10.9 (43)</b>	<b>12.5 (40)</b>
Total U.S. Equities Policy			8.2 (29)	14.4 (25)	8.2 (29)	17.4 (25)	24.1 (22)	15.7 (30)	13.7 (22)	14.7 (22)
Difference			-1.6	-2.9	-1.6	-4.6	-3.3	-1.0	-2.8	-2.2
<b>Total International Equities Composite</b>	<b>4,372.7</b>	<b>16.8</b>	<b>6.5 (33)</b>	<b>26.5 (38)</b>	<b>6.5 (33)</b>	<b>17.8 (38)</b>	<b>21.1 (48)</b>	<b>10.0 (54)</b>	<b>7.1 (62)</b>	<b>7.9 (65)</b>
Total International Equities Policy			6.9 (28)	26.0 (41)	6.9 (28)	16.4 (47)	20.7 (53)	10.5 (47)	7.8 (48)	8.6 (40)
Difference			-0.4	0.5	-0.4	1.3	0.4	-0.5	-0.7	-0.7
<b>Total Fixed Income Composite</b>	<b>6,958.0</b>	<b>26.7</b>	<b>2.3 (41)</b>	<b>6.8 (28)</b>	<b>2.3 (41)</b>	<b>4.1 (26)</b>	<b>7.0 (13)</b>	<b>0.5 (53)</b>	<b>3.3 (22)</b>	<b>3.4 (17)</b>
Total Fixed Income Policy			2.1 (65)	6.4 (55)	2.1 (65)	4.2 (25)	6.7 (17)	1.3 (22)	3.0 (28)	3.1 (24)
Difference			0.2	0.4	0.2	-0.1	0.2	-0.9	0.2	0.3
<b>Total Real Estate Composite</b>	<b>1,801.2</b>	<b>6.9</b>	<b>0.8</b>	<b>1.4</b>	<b>0.8</b>	<b>0.8</b>	<b>-5.6</b>	<b>2.1</b>	<b>2.0</b>	<b>3.9</b>
Total Real Estate Policy			0.9	3.0	0.9	3.2	-5.7	3.8	3.9	5.0
Difference			-0.1	-1.7	-0.1	-2.4	0.2	-1.7	-1.9	-1.1
<b>Total Core Real Estate Composite</b>	<b>832.4</b>	<b>3.2</b>	<b>1.1</b>	<b>3.0</b>	<b>1.1</b>	<b>2.9</b>	<b>-4.4</b>	<b>3.7</b>	<b>2.6</b>	<b>4.3</b>
Total Core Real Estate Policy			0.8	2.7	0.8	2.7	-6.2	4.0	3.6	4.9
Difference			0.3	0.3	0.3	0.2	1.8	-0.3	-1.0	-0.5
<b>Total Non-Core Real Estate Composite</b>	<b>968.8</b>	<b>3.7</b>	<b>0.6</b>	<b>0.1</b>	<b>0.6</b>	<b>-0.9</b>	<b>-6.4</b>	<b>0.4</b>	<b>2.3</b>	<b>3.5</b>
Total Non-Core Real Estate Policy			1.1	3.4	1.1	3.7	-5.3	4.2	4.2	5.2
Difference			-0.5	-3.3	-0.5	-4.6	-1.2	-3.8	-1.9	-1.7

# Asset Allocation & Performance

As of September 30, 2025

	Allocation			Performance %							
	Market Value \$	%	1 Quarter	Year to Date	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	
<b>Total Private Investments Composite</b>	1,598.9	6.1	0.2	0.9	0.2	0.9	4.1	12.5	12.6	13.4	
<i>Total Private Equity Policy</i>			11.9	10.7	11.9	18.7	20.4	16.4	11.3	14.3	
Difference			-11.6	-9.8	-11.6	-17.8	-16.3	-3.8	1.3	-1.0	
<b>Total Private Debt Composite</b>	846.3	3.2	6.3	8.0	6.3	10.4	-	-	-	-	
<i>Total Private Debt Policy</i>			3.1	7.5	3.1	10.5	-	-	-	-	
Difference			3.2	0.6	3.2	-0.1	-	-	-	-	

# Teachers' Retirement System of Oklahoma

## Total Alternatives Program: Data as of June 30, 2025

### Total Program Performance<sup>1</sup>

	Committed Capital (\$M)	Total Contributions (\$M)	Total Distributions (\$M)	Market Value (\$M)	Total Distribution to Paid-In Multiple (x)	Total Value Multiple (x)	Net IRR (%)
<b>Total Alternatives Account<sup>1</sup></b>	<b>7,793.1</b>	<b>5,468.7</b>	<b>4,274.4</b>	<b>4,145.9</b>	<b>0.78</b>	<b>1.5</b>	<b>10.6%</b>
Private Equity <sup>1</sup>	3,222.9	2,256.4	2,590.4	1,575.3	1.15	1.8	16.2%
Private Debt	1,925.0	1,079.7	606.3	873.2	0.56	1.4	12.7%
Real Estate	2,645.2	2,132.6	1,077.7	1,697.4	0.51	1.3	5.1%

### Total Program Capital Activity<sup>1</sup>

	Capital Calls			Distributions		
	Quarter to Date (\$M)	Trailing 12-Months (\$M)	Since Inception (\$M)	Quarter to Date (\$M)	Trailing 12-Months (\$M)	Since Inception (\$M)
<b>Total Alternatives Account<sup>1</sup></b>	<b>756.0</b>	<b>1335.5</b>	<b>5468.7</b>	<b>435.8</b>	<b>626.5</b>	<b>4274.4</b>
Private Equity <sup>1</sup>	266.5	398.2	2256.4	290.9	440.5	2590.4
Private Debt	250.2	561.1	1079.7	57.0	61.4	606.3
Real Estate	239.4	376.2	2132.6	87.9	124.6	1077.7

<sup>1</sup> Source: Meketa; Private Equity underlying data was provided to Meketa by Franklin Park.

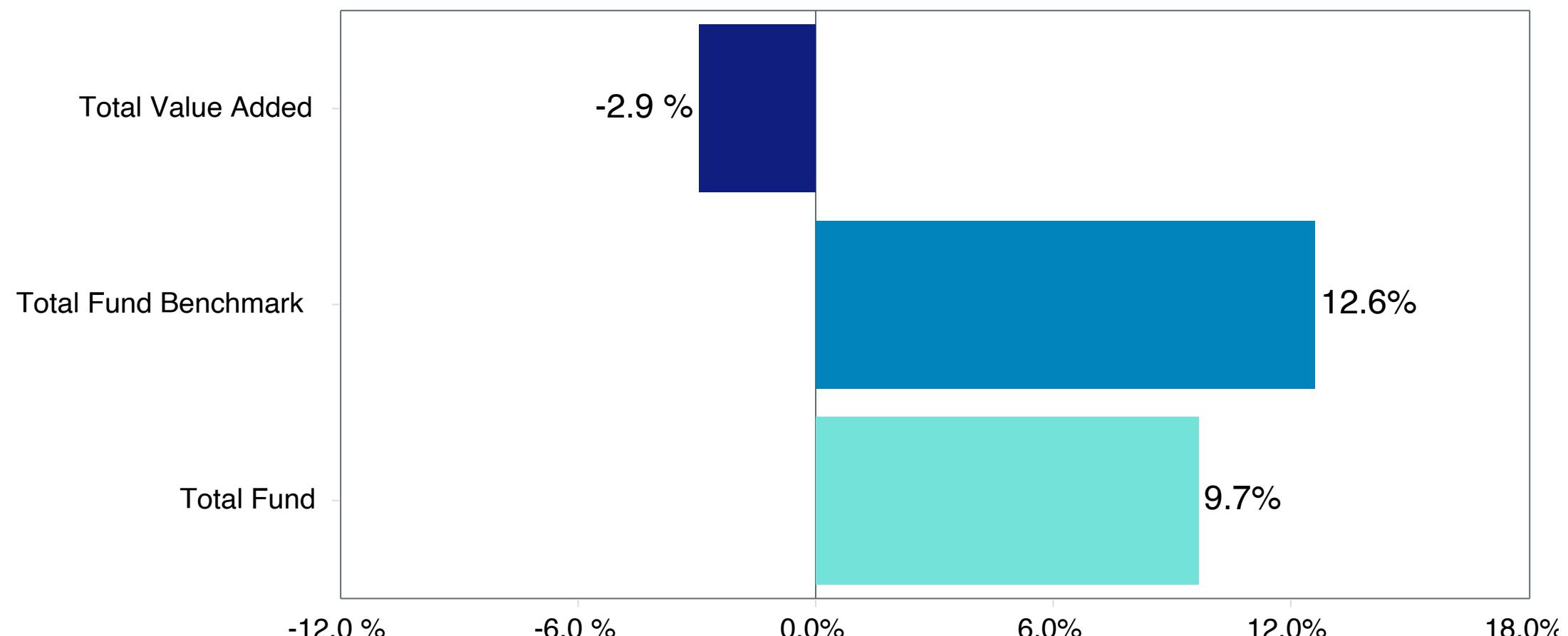
## Appendix



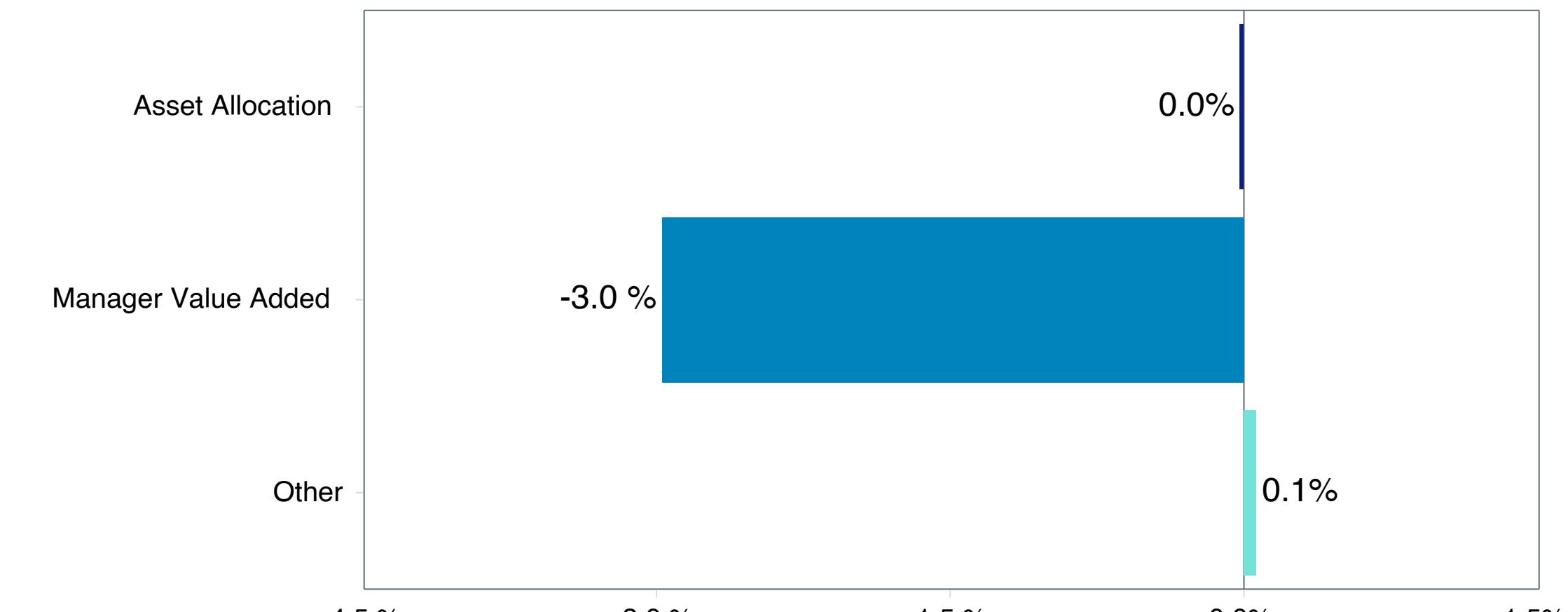
# Total Fund Attribution - Allocation Benchmark

1 Year Ending September 30, 2025

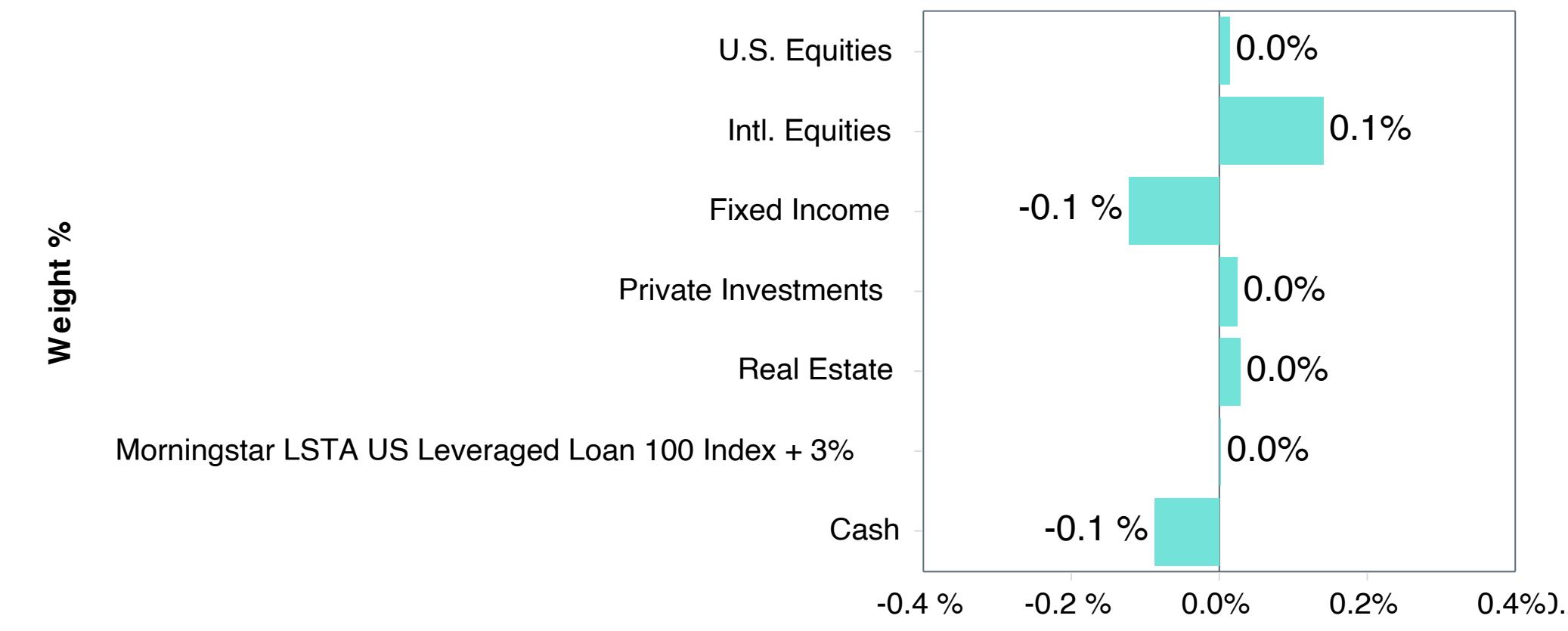
## Total Fund Performance



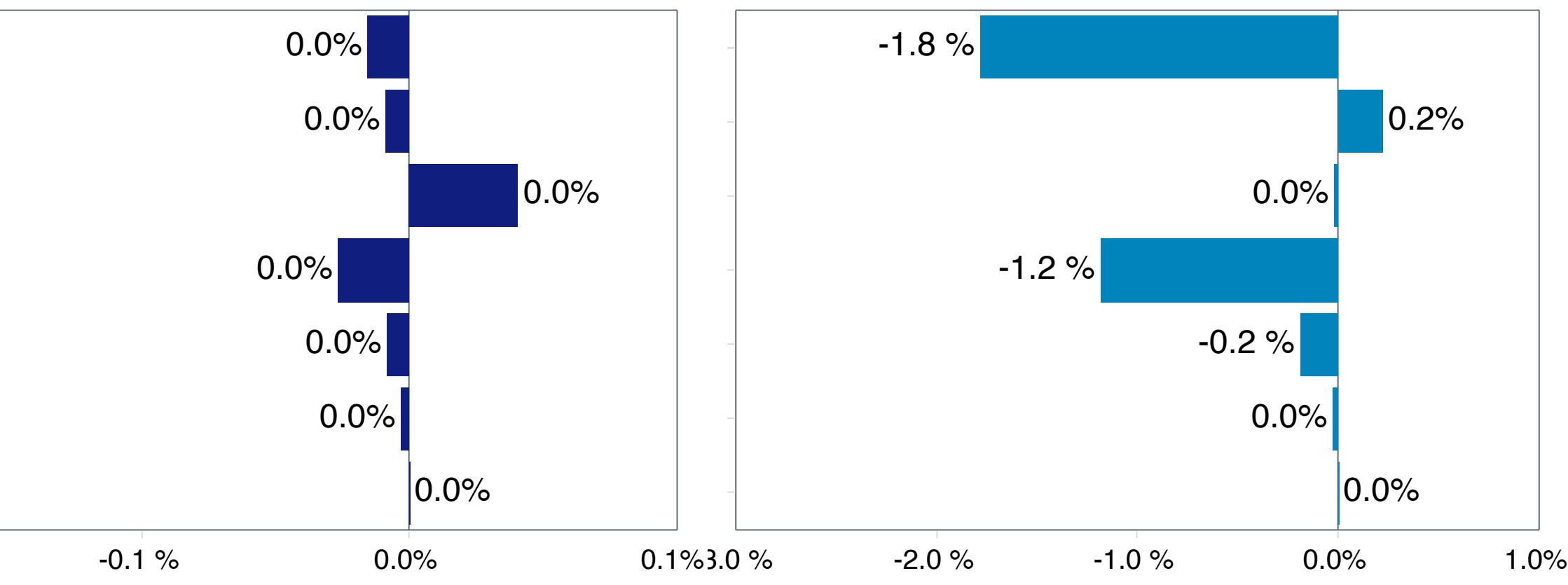
## Total Value Added: -2.9 %



## Total Asset Allocation: 0.0%



## Total Manager Value Added: -3.0 %



# Asset Allocation & Performance

As of September 30, 2025

	Allocation					Performance %						
	Market Value \$	%	1 Month	1 Quarter	Year to Date	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	
<b>Total Fund</b>	26,090	100.0	1.6 (72)	4.5 (37)	11.1 (42)	4.5 (37)	9.7 (57)	13.6 (28)	9.6 (17)	8.1 (25)	9.0 (15)	
Total Fund Policy			2.6 (9)	5.6 (4)	12.8 (11)	5.6 (4)	12.7 (3)	16.5 (1)	10.5 (5)	9.4 (1)	9.9 (1)	
<b>Difference</b>			<b>-1.0</b>	<b>-1.1</b>	<b>-1.7</b>	<b>-1.1</b>	<b>-3.0</b>	<b>-2.9</b>	<b>-0.9</b>	<b>-1.3</b>	<b>-0.9</b>	
Total Fund Policy Allocation Benchmark			2.6 (7)	5.8 (4)	12.8 (10)	5.8 (4)	12.6 (3)	-	-	-	-	
<b>Difference</b>			<b>-1.0</b>	<b>-1.3</b>	<b>-1.7</b>	<b>-1.3</b>	<b>-2.9</b>	-	-	-	-	
<b>Total Equities Composite</b>	14,612	56.0	2.4	6.5	16.1	6.5	14.6	21.1	13.7	10.0	11.3	
Total Equities Policy			3.5	7.8	17.9	7.8	17.3	23.2	14.2	11.9	12.8	
<b>Difference</b>			<b>-1.1</b>	<b>-1.3</b>	<b>-1.8</b>	<b>-1.3</b>	<b>-2.7</b>	<b>-2.1</b>	<b>-0.5</b>	<b>-1.9</b>	<b>-1.5</b>	
<b>Total U.S. Equities Composite</b>	10,239	39.2	2.2 (40)	6.6 (49)	11.5 (44)	6.6 (49)	12.8 (43)	20.8 (35)	14.7 (42)	10.9 (43)	12.5 (40)	
Total U.S. Equities Policy			3.5 (22)	8.2 (29)	14.4 (25)	8.2 (29)	17.4 (25)	24.1 (22)	15.7 (30)	13.7 (22)	14.7 (22)	
<b>Difference</b>			<b>-1.2</b>	<b>-1.6</b>	<b>-2.9</b>	<b>-1.6</b>	<b>-4.6</b>	<b>-3.3</b>	<b>-1.0</b>	<b>-2.8</b>	<b>-2.2</b>	
<b>Frontier Small Cap Value</b>	624	2.4	-0.6 (54)	6.3 (69)	5.9 (41)	6.3 (69)	5.4 (46)	20.1 (6)	20.6 (7)	9.9 (15)	11.7 (10)	
Russell 2000 Value Index			2.0 (9)	12.6 (10)	9.0 (21)	12.6 (10)	7.9 (28)	13.6 (58)	14.6 (56)	6.4 (76)	9.2 (63)	
<b>Difference</b>			<b>-2.6</b>	<b>-6.3</b>	<b>-3.1</b>	<b>-6.3</b>	<b>-2.4</b>	<b>6.6</b>	<b>6.0</b>	<b>3.5</b>	<b>2.5</b>	
<b>Geneva US Small Cap Growth</b>	485	1.9	-2.2 (88)	-2.3 (91)	-7.1 (89)	-2.3 (91)	-7.1 (92)	10.6 (78)	6.2 (65)	5.8 (80)	10.0 (74)	
Russell 2000 Growth Index			4.2 (20)	12.2 (18)	11.7 (23)	12.2 (18)	13.6 (27)	16.7 (36)	8.4 (46)	6.6 (61)	9.9 (78)	
<b>Difference</b>			<b>-6.3</b>	<b>-14.5</b>	<b>-18.8</b>	<b>-14.5</b>	<b>-20.7</b>	<b>-6.1</b>	<b>-2.2</b>	<b>-0.8</b>	<b>0.1</b>	
<b>Northern Trust Russell 3000</b>	6,724	25.8	3.4 (25)	8.2 (22)	14.4 (32)	8.2 (22)	17.3 (29)	24.1 (21)	-	-	-	
Russell 3000 Index			3.5 (25)	8.2 (22)	14.4 (31)	8.2 (22)	17.4 (29)	24.1 (21)	15.7 (27)	13.7 (19)	14.7 (19)	
<b>Difference</b>			<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>-0.1</b>	<b>0.0</b>	-	-	-	
<b>SciBeta US HFE MBMS</b>	2,406	9.2	0.6 (68)	4.2 (76)	9.6 (56)	4.2 (76)	7.7 (65)	16.5 (59)	11.8 (69)	9.5 (57)	-	
Russell 3000 Index			3.5 (22)	8.2 (29)	14.4 (25)	8.2 (29)	17.4 (25)	24.1 (22)	15.7 (30)	13.7 (22)	14.7 (22)	
<b>Difference</b>			<b>-2.9</b>	<b>-4.0</b>	<b>-4.8</b>	<b>-4.0</b>	<b>-9.7</b>	<b>-7.6</b>	<b>-3.9</b>	<b>-4.2</b>	-	
S&P 500 Equal Weighted Index			1.1 (59)	4.8 (70)	9.9 (53)	4.8 (70)	7.8 (64)	16.4 (59)	14.0 (48)	10.7 (44)	12.1 (45)	
<b>Difference</b>			<b>-0.5</b>	<b>-0.7</b>	<b>-0.3</b>	<b>-0.7</b>	<b>-0.2</b>	<b>0.0</b>	<b>-2.1</b>	<b>-1.2</b>	-	

\* Benchmark composition is listed in the Appendix.

# Asset Allocation & Performance

As of September 30, 2025

	Allocation						Performance %					
	Market Value \$	%	1 Month	1 Quarter	Year to Date	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	
<b>Total International Equities Composite</b>	4,373	16.8	3.0 (34)	6.5 (33)	26.5 (38)	6.5 (33)	17.8 (38)	21.1 (48)	10.0 (54)	7.1 (62)	7.9 (65)	
Total International Equities Policy			3.6 (18)	6.9 (28)	26.0 (41)	6.9 (28)	16.4 (47)	20.7 (53)	10.5 (47)	7.8 (48)	8.6 (40)	
Difference			-0.7	-0.4	0.5	-0.4	1.3	0.4	-0.5	-0.7	-0.7	
<b>Arrowstreet EAFE</b>	1,011	3.9	2.2 (56)	8.2 (16)	34.7 (9)	8.2 (16)	29.7 (4)	-	-	-	-	
MSCI EAFE (Net)			1.9 (62)	4.8 (51)	25.1 (47)	4.8 (51)	15.0 (55)	21.7 (41)	11.2 (42)	7.7 (49)	8.2 (56)	
Difference			0.3	3.4	9.6	3.4	14.7	-	-	-	-	
<b>Northern Trust MSCI ACWI ex US ex-China</b>	2,218	8.5	3.0 (32)	5.7 (43)	24.3 (53)	5.7 (43)	15.0 (56)	20.5 (55)	-	-	-	
MSCI AC World ex USA (Net)			3.6 (18)	6.9 (28)	26.0 (41)	6.9 (28)	16.4 (47)	20.7 (53)	10.3 (52)	7.5 (53)	8.2 (55)	
Difference			-0.6	-1.2	-1.7	-1.2	-1.5	-0.2	-	-	-	
<b>Causeway Intl Opportunities</b>	499	1.9	2.7 (41)	6.7 (27)	28.1 (32)	6.7 (27)	19.8 (35)	26.7 (10)	15.3 (5)	9.4 (13)	9.3 (25)	
Causeway Intl Policy			3.2 (30)	8.4 (10)	30.5 (23)	8.4 (10)	21.2 (30)	24.0 (24)	15.2 (5)	8.3 (34)	9.0 (32)	
Difference			-0.4	-1.6	-2.4	-1.6	-1.4	2.7	0.1	1.1	0.3	
<b>Harding Loevner Intl. Equity</b>	645	2.5	4.1 (11)	6.8 (30)	22.8 (59)	6.8 (30)	12.0 (69)	-	-	-	-	
MSCI AC World ex USA (Net)			3.6 (18)	6.9 (28)	26.0 (41)	6.9 (28)	16.4 (47)	20.7 (53)	10.3 (52)	7.5 (53)	8.2 (55)	
Difference			0.5	-0.1	-3.2	-0.1	-4.4	-	-	-	-	
<b>Total Fixed Income Composite</b>	6,958	26.7	1.0 (77)	2.3 (41)	6.8 (28)	2.3 (41)	4.1 (26)	7.0 (13)	0.5 (53)	3.3 (22)	3.4 (17)	
Total Fixed Income Policy			1.1 (66)	2.1 (65)	6.4 (55)	2.1 (65)	4.2 (25)	6.7 (17)	1.3 (22)	3.0 (28)	3.1 (24)	
Difference			-0.1	0.2	0.4	0.2	-0.1	0.2	-0.9	0.2	0.3	
<b>Loomis Multisector Full Discretion</b>	3,224	12.4	1.1 (56)	2.9 (4)	8.1 (1)	2.9 (4)	6.7 (3)	8.4 (6)	2.9 (12)	4.5 (5)	4.3 (10)	
Total Fixed Income Core Plus Policy			1.0 (75)	2.1 (61)	6.4 (53)	2.1 (61)	4.2 (24)	6.7 (17)	1.3 (21)	3.1 (27)	2.7 (47)	
Difference			0.1	0.8	1.7	0.8	2.6	1.6	1.6	1.4	1.7	
<b>Lord Abbett Core Plus Full Discretion</b>	2,034	7.8	1.1 (65)	2.5 (16)	6.5 (46)	2.5 (16)	4.9 (13)	7.5 (12)	2.0 (15)	3.5 (18)	3.2 (24)	
Total Fixed Income Core Plus Policy			1.0 (75)	2.1 (61)	6.4 (53)	2.1 (61)	4.2 (24)	6.7 (17)	1.3 (21)	3.1 (27)	2.7 (47)	
Difference			0.1	0.4	0.1	0.4	0.7	0.8	0.7	0.4	0.5	

\* Benchmark composition is listed in the Appendix.

# Asset Allocation & Performance

As of September 30, 2025

	Allocation						Performance %					
	Market Value \$	%	1 Month	1 Quarter	Year to Date	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years	
<b>Mackay Core Plus Extended Discretion</b>	1,700	6.5	0.7 (93)	1.9 (92)	7.0 (20)	1.9 (92)	4.9 (13)	8.6 (5)	2.6 (13)	4.2 (9)	3.6 (14)	
Total Fixed Income Core Plus Policy			1.0 (75)	2.1 (61)	6.4 (53)	2.1 (61)	4.2 (24)	6.7 (17)	1.3 (21)	3.1 (27)	2.7 (47)	
<b>Difference</b>			<b>-0.3</b>	<b>-0.2</b>	<b>0.6</b>	<b>-0.2</b>	<b>0.7</b>	<b>1.9</b>	<b>1.2</b>	<b>1.1</b>	<b>1.0</b>	
<b>Total Core Real Estate Composite</b>	832	3.2	0.0	1.1	3.0	1.1	2.9	-4.4	3.7	2.6	4.3	
Total Core Real Estate Policy			0.8	0.8	2.7	0.8	2.7	-6.2	4.0	3.6	4.9	
<b>Difference</b>			<b>-0.8</b>	<b>0.3</b>	<b>0.3</b>	<b>0.3</b>	<b>0.2</b>	<b>1.8</b>	<b>-0.3</b>	<b>-1.0</b>	<b>-0.5</b>	
<b>AEW Core Property Trust</b>	364	1.4	0.0	0.7	2.2	0.7	1.7	-4.0	3.9	3.8	4.9	
<b>Heitman America Real Estate Trust</b>	368	1.4	0.0	1.6	3.8	1.6	4.1	-4.4	4.7	3.4	5.1	
<b>Total Non-Core Real Estate Composite</b>	969	3.7	-0.2	0.6	0.1	0.6	-0.9	-6.4	0.4	2.3	3.5	
Total Non-Core Real Estate Policy			0.9	1.1	3.4	1.1	3.7	-5.3	4.2	4.2	5.2	
<b>Difference</b>			<b>-1.1</b>	<b>-0.5</b>	<b>-3.3</b>	<b>-0.5</b>	<b>-4.6</b>	<b>-1.2</b>	<b>-3.8</b>	<b>-1.9</b>	<b>-1.7</b>	
<b>Total Private Investments Composite</b>	1,599	6.1	0.0	0.2	0.9	0.2	0.9	4.1	12.5	12.6	13.4	
Total Private Equity Policy			5.0	11.9	10.7	11.9	18.7	20.4	16.4	11.3	14.3	
<b>Difference</b>			<b>-5.0</b>	<b>-11.6</b>	<b>-9.8</b>	<b>-11.6</b>	<b>-17.8</b>	<b>-16.3</b>	<b>-3.8</b>	<b>1.3</b>	<b>-1.0</b>	

\* Benchmark composition is listed in the Appendix.

# Asset Allocation & Performance

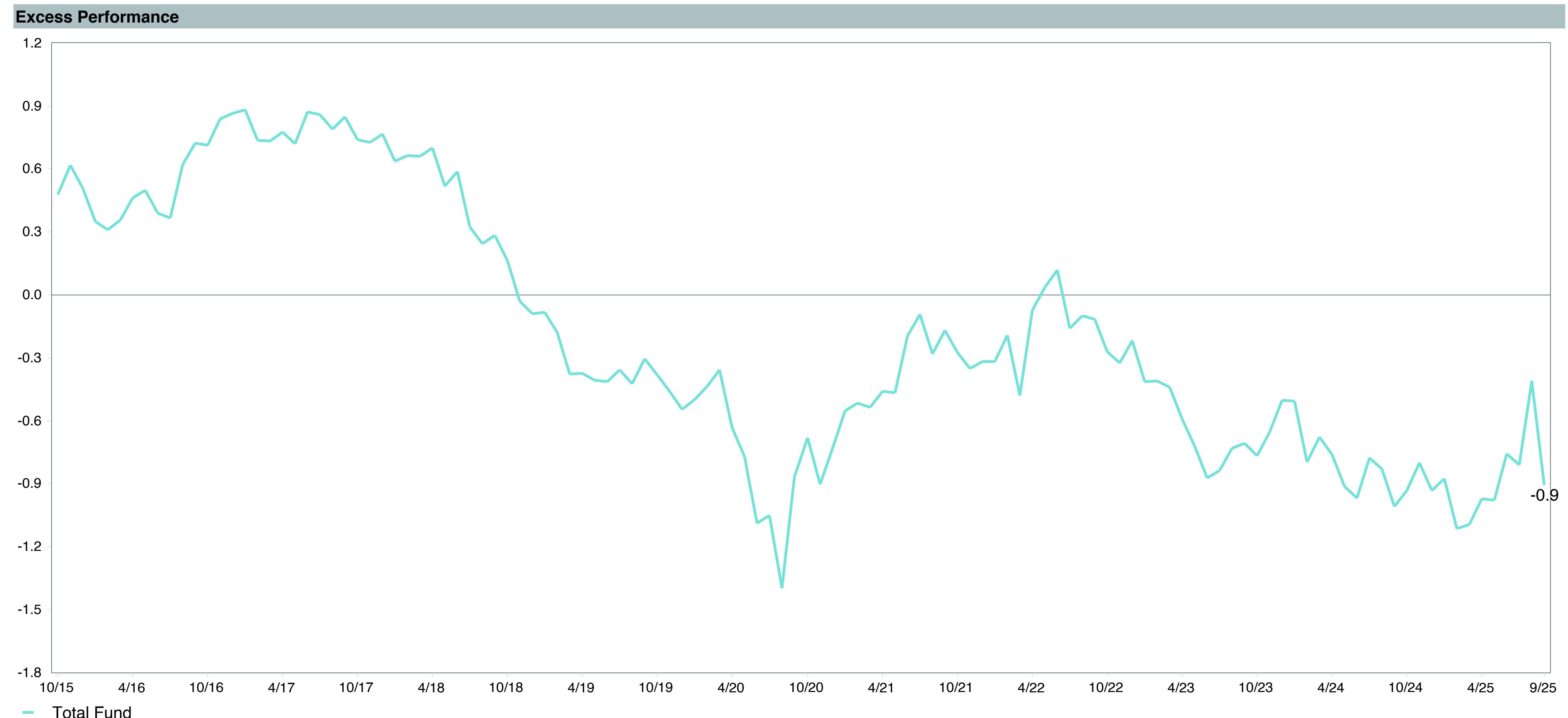
As of September 30, 2025

	Allocation						Performance %						
	Market Value \$	%	1 Month	1 Quarter	Year to Date	Fiscal YTD	1 Year	3 Years	5 Years	7 Years	10 Years		
<b>Total Private Debt Composite</b>	846	3.2	0.0	6.3	8.0	6.3	10.4	-	-	-	-	-	-
<i>Total Private Debt Policy</i>			1.1	3.1	7.5	3.1	10.5	-	-	-	-	-	-
<b>Difference</b>			<b>-1.1</b>	<b>3.2</b>	<b>0.6</b>	<b>3.2</b>	<b>-0.1</b>	-	-	-	-	-	-
<b>Ares (Private Credit Fund O, LLC)</b>	361	1.4	0.0	2.6	7.0	2.6	9.9	-	-	-	-	-	-
<b>KKR (Scissor-Tail Credit Fund, LLC)</b>	298	1.1	0.0	2.0	7.5	2.0	11.5	-	-	-	-	-	-
<b>PIMCO Bravo Fund II LP</b>	9	0.0	0.0	1.7	10.6	1.7	11.3	-6.9	0.8	-1.8	1.1		
<b>PIMCO Bravo Fund III Onshore Feeder LP</b>	92	0.4	0.0	8.6	6.7	8.6	7.0	5.2	10.0	7.8	-		
<b>PIMCO Corporate Opportunities II Onshore LP</b>	87	0.3	0.0	45.6	20.1	45.6	20.8	41.0	32.2	22.2	-		

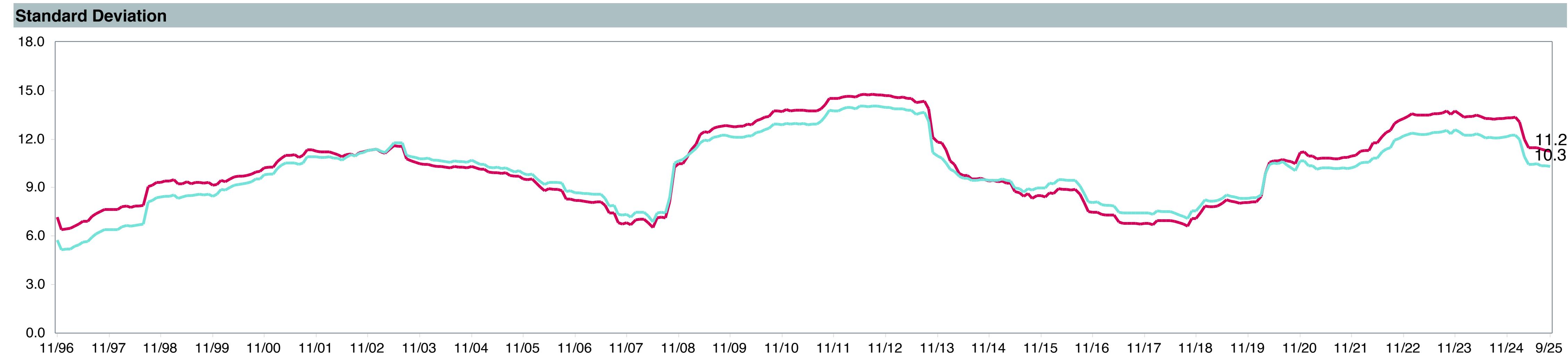
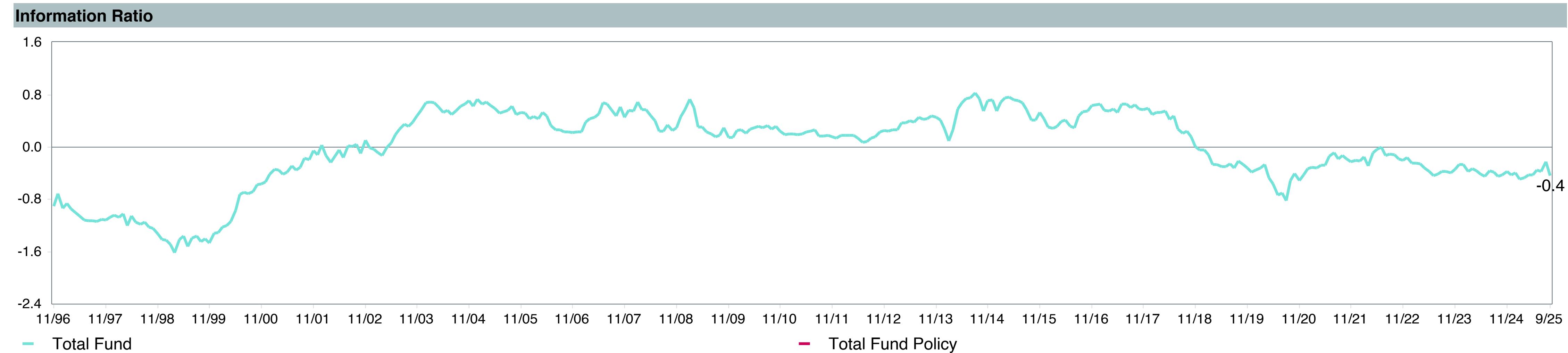
While time-weighted returns are commonly used as a standard measure of performance in traditional asset classes and core real estate portfolios, time-weighted returns ignores both the timing and magnitude of cash flows into and out of the portfolio. Hence, the Internal Rate of Return ("IRR") is a better and more common measure of private market investment performance.

\* Data as of September 30, 2025. All figures are in US dollars.

# Rolling Five Years - Total Fund Excess Performance (vs. Total Fund Policy)



# Statistics: Rolling Five Year - Information Ratio and Standard Deviation



# Historical Statistics

5 Years Ending September 30, 2025

	Excess Performance	Tracking Error	Information Ratio	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
<b>Total Fund</b>	<b>-0.91</b>	<b>2.13</b>	<b>-0.44</b>	<b>0.66</b>	<b>0.09</b>	<b>0.90</b>	<b>9.62</b>	<b>10.33</b>	<b>0.98</b>
<i>Total Fund Policy</i>	<i>0.00</i>	<i>0.00</i>	<i>-</i>	<i>0.69</i>	<i>0.00</i>	<i>1.00</i>	<i>10.52</i>	<i>11.23</i>	<i>1.00</i>

Calculation based on monthly periodicity.

# Teachers' Retirement System of Oklahoma

Data as of June 30, 2025

## Private Equity Program – Performance Analysis (By Strategy)<sup>1</sup>

Group	Number	Committed (\$M)	Contributed (\$M)	Unfunded (\$M)	Distributed (\$M)	Remaining Value (\$M)	Exposure (\$M)	DPI (X)	TVPI (X)	IRR (%)
Buyout	61	1,801.9	1,265.9	690.5	1,641.2	846.1	1,536.6	1.30	1.96	18.0
Distressed	3	95.0	89.3	6.0	107.6	17.5	23.5	1.20	1.40	5.7
Growth Equity	3	75.0	27.9	47.7	0.6	29.6	77.3	0.02	1.08	5.0
Multi-strategy	2	300.0	208.0	121.3	29.1	242.8	364.0	0.14	1.31	11.8
Oil & Gas	4	141.0	148.5	2.9	193.3	38.3	41.1	1.30	1.56	9.4
Private Debt	3	60.0	78.1	8.2	138.7	2.1	10.3	1.78	1.80	16.4
Secondary	2	25.0	23.2	2.6	34.6	0.3	2.9	1.49	1.50	11.8
Special Situations	7	220.0	163.1	84.4	190.4	92.1	176.5	1.17	1.73	16.5
Venture Capital	13	505.0	252.4	249.3	254.9	306.7	556.0	1.01	2.22	20.3
<b>Total</b>	<b>98</b>	<b>3,222.9</b>	<b>2,256.4</b>	<b>1,212.9</b>	<b>2,590.4</b>	<b>1,575.3</b>	<b>2,788.2</b>	<b>1.15</b>	<b>1.85</b>	<b>16.2</b>

## Private Debt Program – Performance Analysis (By Strategy)<sup>1</sup>

Group	Number	Committed (\$M)	Contributed (\$M)	Unfunded (\$M)	Distributed (\$M)	Remaining Value (\$M)	Exposure (\$M)	DPI (X)	TVPI (X)	IRR (%)
Debt	4	1,125.0	685.2	584.8	523.5	428.7	1,013.5	0.76	1.39	12.1
Opportunistic	2	800.0	394.5	486.3	82.8	444.5	930.8	0.21	1.34	15.0
<b>Total</b>	<b>6</b>	<b>1,925.0</b>	<b>1,079.7</b>	<b>1,071.1</b>	<b>606.3</b>	<b>873.2</b>	<b>1,944.3</b>	<b>0.56</b>	<b>1.37</b>	<b>12.7</b>

<sup>1</sup> Source: Meketa; Private Equity underlying data was provided to Meketa by Franklin Park.

# Teachers' Retirement System of Oklahoma

Data as of June 30, 2025

## Real Estate Program – Performance Analysis (By Strategy)<sup>1</sup>

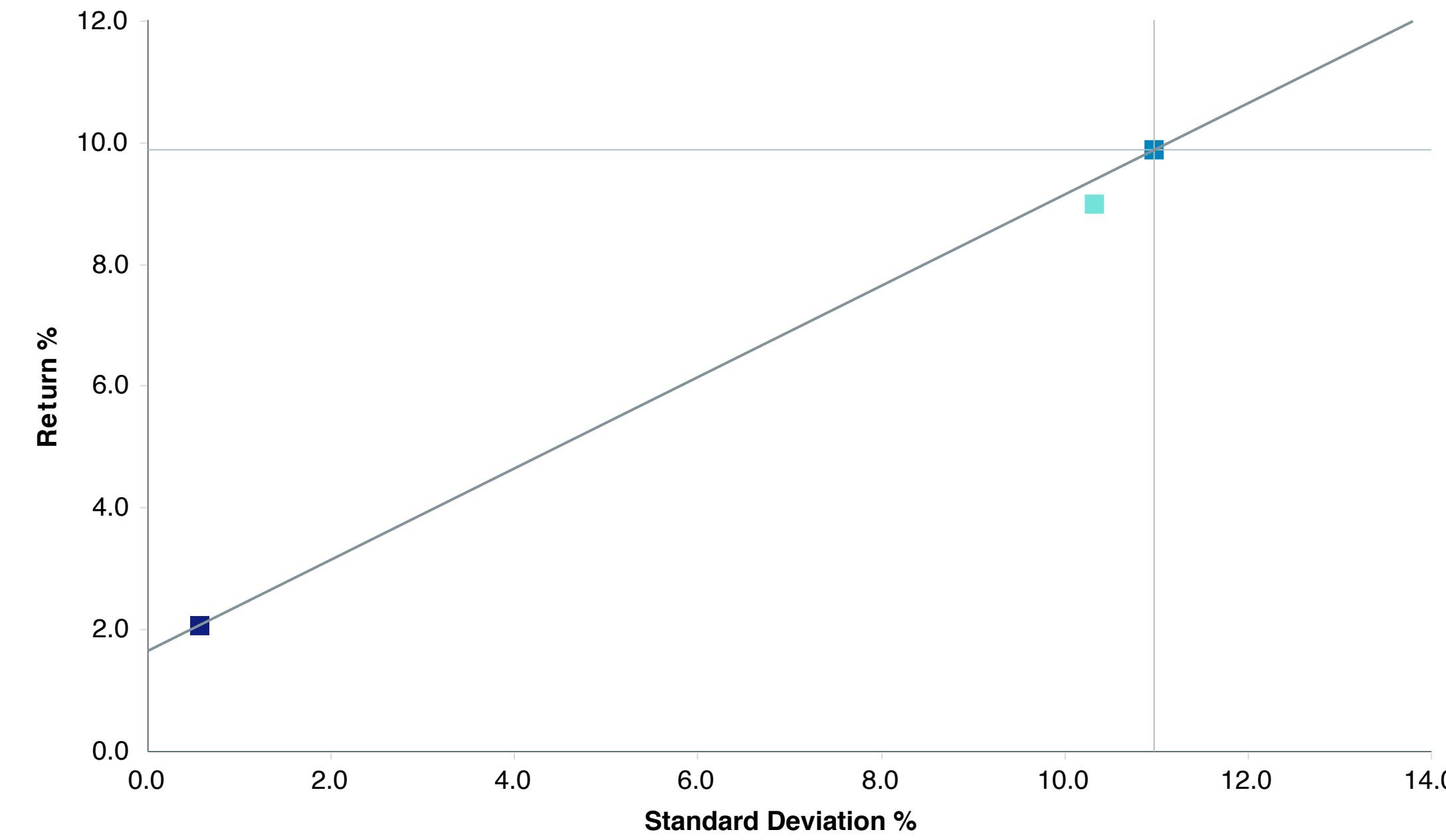
Group	Number	Committed (\$M)	Contributed (\$M)	Unfunded (\$M)	Distributed (\$M)	Remaining Value (\$M)	Exposure (\$M)	DPI (X)	TVPI (X)	IRR (%)
Core	4	572.9	810.7	100	645.3	735.7	835.7	0.80	1.70	6.7
Direct	1	14.1	20.3	0.0	9.1	10.5	10.5	0.45	0.97	-0.9
Opportunistic	11	937.5	436.5	527.1	174.2	339.7	866.8	0.40	1.18	6.6
Secondary	2	135.0	56.6	78.4	34.1	30.0	108.3	0.60	1.13	6.3
Value-Added	14	985.7	808.5	207.7	215.0	581.5	789.2	0.27	0.99	-0.4
<b>Total</b>	<b>32</b>	<b>2,645.2</b>	<b>2,132.6</b>	<b>913.2</b>	<b>1,077.7</b>	<b>1,697.4</b>	<b>2,610.6</b>	<b>0.51</b>	<b>1.30</b>	<b>5.1</b>

<sup>1</sup> Source: Meketa

# Risk Profile

As of September 30, 2025

Annualized Return vs. Annualized Standard Deviation  
10 Years

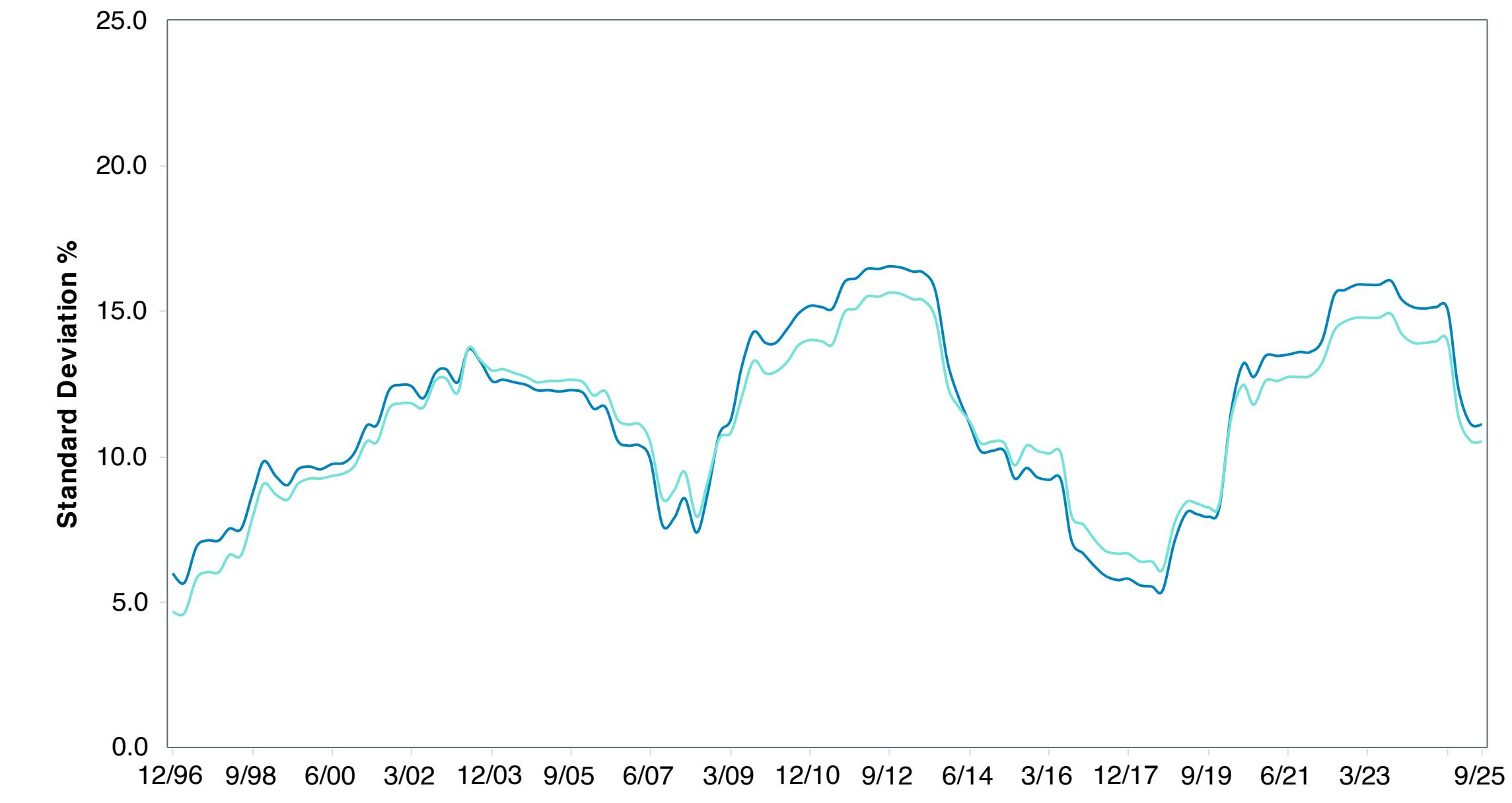


■ Total Fund

■ Total Fund Policy

■ 90 Day U.S. Treasury Bill

Standard Deviation  
Rolling 5 Years



— Total Fund

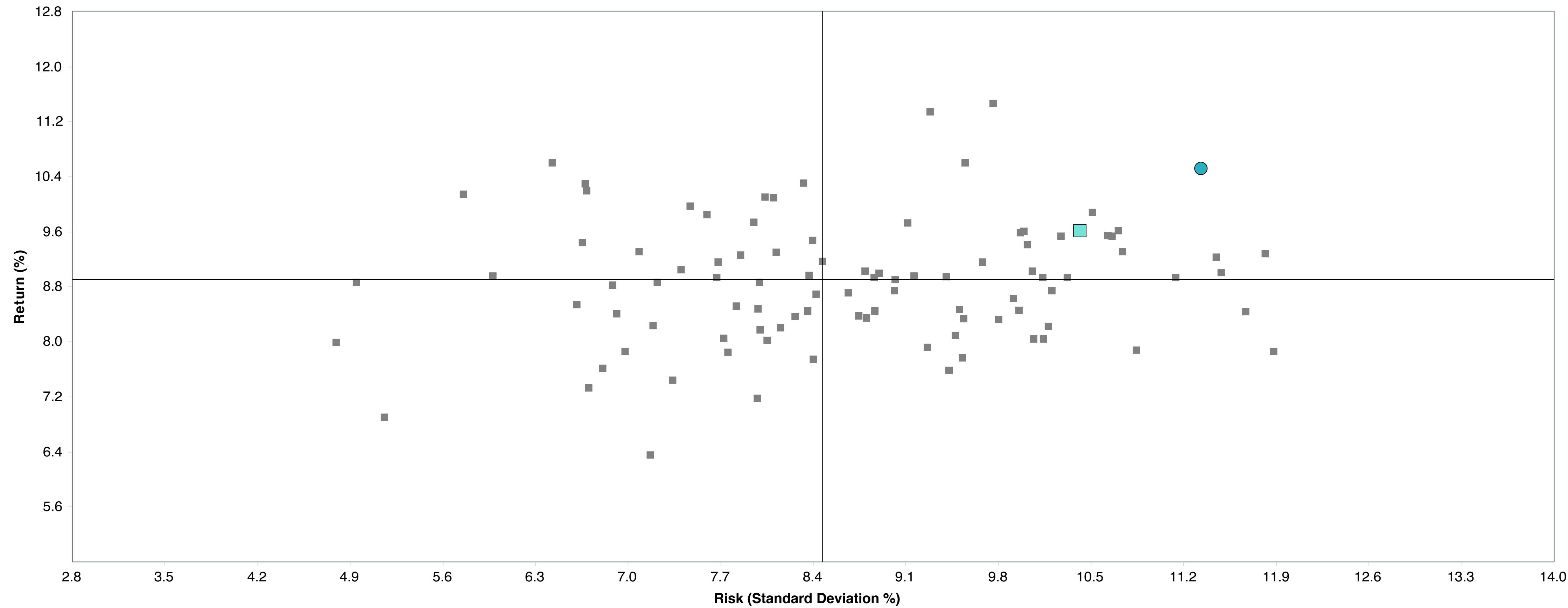
— Total Fund Policy

10 Years Historical Statistics

	Active Return	Tracking Error	Information Ratio	R-Squared	Sharpe Ratio	Alpha	Beta	Return	Standard Deviation	Actual Correlation
<b>Total Fund</b>	<b>-0.88</b>	<b>1.92</b>	<b>-0.46</b>	<b>0.97</b>	<b>0.69</b>	<b>-0.14</b>	<b>0.93</b>	<b>9.00</b>	<b>10.32</b>	<b>0.99</b>
Total Fund Policy	0.00	0.00	-	1.00	0.73	0.00	1.00	9.88	10.98	1.00
<i>90 Day U.S. Treasury Bill</i>	<i>-8.01</i>	<i>11.01</i>	<i>-0.73</i>	<i>0.00</i>	-	<i>2.08</i>	<i>0.00</i>	<i>2.07</i>	<i>0.56</i>	<i>-0.02</i>

# Plan Sponsor Scattergram

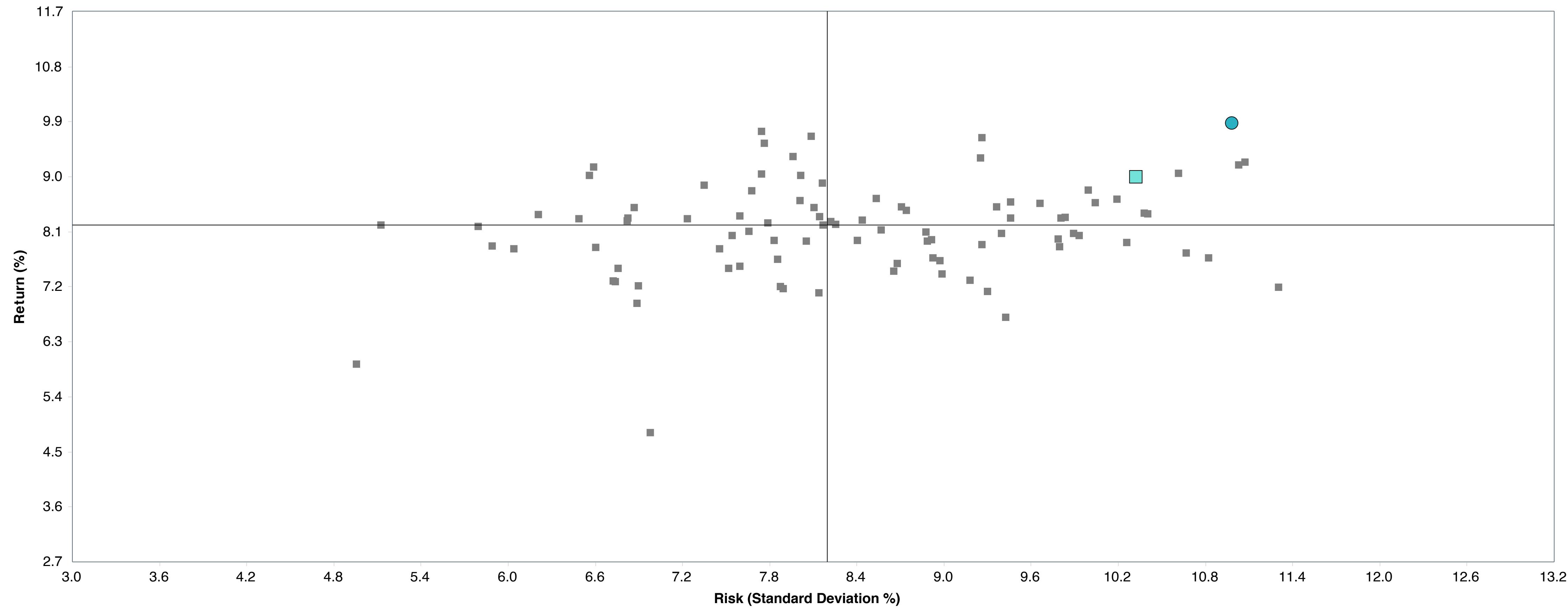
5 Years Ending September 30, 2025



Calculation based on monthly periodicity.

# Plan Sponsor Scattergram

10 Years Ending September 30, 2025



	Return	Standard Deviation
Total Fund	9.00	10.32
Total Fund Policy	9.88	10.98
Median	8.21	8.19

Calculation based on monthly periodicity.

# TRSOK - Financial Reconciliation Report - Three Months

Account/Group	06/30/2025 Market Value	Net Contribution*	Income	Fees	Appreciation	09/30/2025 Market Value
<b>Oklahoma Teachers</b>	<b>25,064,917,973</b>	<b>-102,382,117</b>	<b>171,040,871</b>	<b>7,476,097</b>	<b>955,954,918</b>	<b>26,089,531,646</b>
Total Equity	13,714,382,757	-804	60,986,647	3,881,813	836,210,672	14,611,579,273
Total Domestic Equity	9,609,057,206		34,653,393	1,484,482	595,153,083	10,238,863,681
Domestic Transition	30,104		360	65	2,083	32,547
Transition Account	30,104		360	65	2,083	32,547
Domestic Equity Active	1,083,642,257		3,276,853	1,059,716	22,246,833	1,109,165,943
Domestic Equity Active Small	1,083,642,257		3,276,853	1,059,716	22,246,833	1,109,165,943
Frontier Cap Small Cap	587,017,544		2,742,063	610,871	34,066,025	623,825,631
Geneva Capital	496,624,713		534,791	448,845	-11,819,192	485,340,312
Domestic Equity Indexed	8,525,384,845		31,376,180	424,701	572,904,167	9,129,665,192
Domestic Equity Index Cap Wgt	6,216,188,840		20,101,109	128,620	487,505,794	6,723,795,743
NT Russell 3000	6,216,188,840		20,101,109	128,620	487,505,794	6,723,795,743
Domestic Equity Indexed NonCap	2,309,196,005		11,275,071	296,081	85,398,373	2,405,869,448
Sci Beta US HFE MBMS	2,309,196,005		11,275,071	296,081	85,398,373	2,405,869,448
Total International Equity	4,105,325,552	-804	26,333,254	2,397,331	241,057,589	4,372,715,591
International Large Cap	4,105,118,835	-804	26,332,520	2,397,306	241,057,530	4,372,508,081
ACWI ex-US ex-China	2,098,843,007	-804	12,424,090	153,392	106,367,749	2,217,634,042
Arrowstreet Intl Equity	934,648,358	-	8,286,770	1,222,098	68,026,537	1,010,961,665
Causeway Capital	467,897,991		2,768,624	378,575	28,610,832	499,277,446
Harding Loevner Intl Eq	603,726,414		2,853,036	643,242	38,052,411	644,631,862
TOK121 SANCTIONED ASSET	3,066					3,066
International Transition	206,717		734	25	59	207,510
Global Transition	206,717		734	25	59	207,510
Total Fixed Income	6,802,002,337	-127,014	91,055,985	2,628,512	65,054,387	6,957,985,695
Core Fixed Income	6,802,002,337	-127,014	91,055,985	2,628,512	65,054,387	6,957,985,695
Core Plus Fixed Income	6,130,251,898	670,331,052	90,512,062	2,511,817	66,886,119	6,957,981,131
Loomis Sayles Core Plus	2,089,515,842	1,064,805,344	33,588,674	1,015,982	36,154,170	3,224,064,029
Lord Abbett Core Plus	1,984,194,014		29,738,552	580,406	19,988,304	2,033,920,870
Mackay Shields Core Plus	2,056,542,042	-394,474,292	27,184,836	915,429	10,743,646	1,699,996,232
Active Duration Fixed Income	671,750,440	-670,458,066	543,923	116,695	-1,831,732	4,564
Hoisington Investment	671,750,440	-670,458,066	543,923	116,695	-1,831,732	4,564
Total Alternative Assets	4,084,535,710	94,384,305	12,909,256	958,642	54,579,730	4,246,409,000
Private Capital	1,577,601,880	-1,581,385,768			3,783,887	1,590,554,376
Private Equity	1,577,601,880	-1,581,385,768			3,783,887	1,590,554,376
Franklin Park	1,575,940,526	-1,579,724,968			3,784,441	1,597,276,565

Source: Northern Trust

\* Net Contributions include Cash Contributions/Distributions, Security Deliveries/Receipts, Fees/Fee Rebates, Inter Account transfers for Consolidations & Benefits Payments.



# TRSOK - Financial Reconciliation Report - Three Months

Account/Group	06/30/2025 Market Value	Net Contribution*	Income	Fees	Appreciation	09/30/2025 Market Value
Legacy LP	1,661,354	-1,660,800			-554	1,660,800
<b>Private Debt</b>	<b>823,410,163</b>	<b>-26,881,922</b>		<b>49,765,943</b>		<b>846,294,184</b>
Pimco Bravo II	8,501,374				146,248	8,647,622
PIMCO Bravo III	114,188,156	-30,001,151			7,615,879	91,802,884
Pimco COF II	65,124,208	-5,579,975			27,159,691	86,703,924
Private Credit Fund O, LLC	343,171,767	8,701,521			9,036,420	360,909,708
Scissor-Tail Credit Fund, LLC	292,424,658	-2,317			5,807,705	298,230,046
<b>Total Real Estate</b>	<b>1,683,523,667</b>	<b>-1,699,583,952</b>	<b>12,821,307</b>	<b>958,642</b>	<b>3,238,978</b>	<b>1,797,942,414</b>
<b>Core Real Estate</b>	<b>731,108,301</b>	<b>-739,225,270</b>	<b>11,560,398</b>	<b>654,711</b>	<b>-3,443,429</b>	<b>832,417,723</b>
AEW Core Property Trust	365,153,493	-367,576,727	3,623,883		-1,200,649	363,952,844
Ares Industrial Real Estate						100,000,000
Heitman America Real Estate	365,954,807	-371,648,543	7,936,515	654,711	-2,242,780	368,464,879
<b>Non-Core Real Estate</b>	<b>952,415,366</b>	<b>-960,358,682</b>	<b>1,260,909</b>	<b>303,931</b>	<b>6,682,407</b>	<b>965,524,691</b>
AGXI Non-Core Real Estate	45,659,927	-46,053,476			393,549	55,205,525
American Strategic Value	113,752,706	-113,611,212	354,982	303,931	-496,477	113,611,212
Angelo Gordon VAL FD X	34,481,436	-34,996,402			514,966	33,796,402
Artemis Real Estate III	28,290,072	-29,021,208			731,136	29,660,487
Artemis Real Estate IV	22,257,098	-23,785,136			1,528,038	22,224,869
Blackstone Real Estate X	39,814,724	-41,029,958			1,215,234	42,141,234
Dune Real Estate III	9,878,944	-9,683,692			-195,252	9,683,692
Dune Real Estate IV	53,730,480	-53,003,596			-726,884	53,003,596
EQT Exeter Ind Value VI	42,499,017	-42,499,017				51,965,851
FCP Realty Fund IV, L.P.	34,986,480	-34,974,837	26,966		-38,609	34,046,704
FCP Realty Fund V	75,155,432	-72,798,348			-2,357,084	69,052,591
GreenOak US II	1,546,272	-1,456,250			-90,022	1,456,250
GreenOak US III	37,670,963	-37,670,963				35,703,040
Harbert European Real Estate V	35,254,752	-36,262,313	878,961		128,600	27,933,252
Invesco Real Estate VI	54,078,177	-55,571,780			1,493,603	50,436,643
Invesco Strategic Opportunity	8,911,526	-8,856,190			-55,336	8,856,190
Landmark Real Estate IX	22,386,276	-22,386,276				30,686,539
Landmark Real Estate VII	3,847,479	-3,822,879			-24,600	3,822,879
Lyrical-OTRS Realty Partner IV	54,192,204	-55,033,936			841,732	55,033,936
Oaktree IX	7,633,824	-8,330,465			696,641	14,330,465
Property ACQ Fund	9,700,000	-9,700,000				9,700,000

Source: Northern Trust

\* Net Contributions include Cash Contributions/Distributions, Security Deliveries/Receipts, Fees/Fee Rebates, Inter Account transfers for Consolidations & Benefits Payments.



# TRSOK - Financial Reconciliation Report - Three Months

Account/Group	06/30/2025 Market Value	Net Contribution*	Income	Fees	Appreciation	09/30/2025 Market Value
Starwood Opportunity X	5,814,992	-5,461,393			-353,599	5,461,393
Starwood Opportunity XI	53,710,189	-54,711,108		1,000,919		54,711,108
Starwood XII	113,800,423	-114,914,623		1,114,200		111,512,246
TPG Real Estate IV	43,361,972	-44,723,624		1,361,652		44,723,624
<b>Total Cash</b>	<b>451,472,103</b>	<b>-196,638,604</b>	<b>6,064,723</b>	<b>3,019</b>	<b>-6,945</b>	<b>260,891,276</b>
Custom Cash Flow	451,472,103	-196,638,604	6,064,723	3,019	-6,945	260,891,276
<b>Terminated / Misc. Managers</b>	<b>12,525,066</b>		<b>24,260</b>	<b>4,111</b>	<b>117,075</b>	<b>12,666,401</b>
OTRS-TAX RECLAIM & MISC.	12,525,066		24,260	4,111	117,075	12,666,401

Source: Northern Trust

\* Net Contributions include Cash Contributions/Distributions, Security Deliveries/Receipts, Fees/Fee Rebates, Inter Account transfers for Consolidations & Benefits Payments.

# TRSOK - Financial Reconciliation Report - YTD

Account/Group	12/31/2024 Market Value	Net Contribution*	Income	Fees	Appreciation	09/30/2025 Market Value
<b>Oklahoma Teachers</b>	<b>23,577,047,327</b>	<b>-104,783,910</b>	<b>529,503,764</b>	<b>22,016,367</b>	<b>2,087,764,465</b>	<b>26,089,531,646</b>
Total Equity	13,515,501,193	-976,152,742	219,714,995	11,368,905	1,852,515,826	14,611,579,273
Total Domestic Equity	9,457,081,959	-274,996,918	104,792,419	4,598,181	951,986,222	10,238,863,681
Domestic Transition	25,189	3,836	961	65	2,560	32,547
Transition Account	25,189	3,836	961	65	2,560	32,547
<b>Domestic Equity Active</b>	<b>1,111,524,335</b>		<b>9,350,814</b>	<b>3,267,856</b>	<b>-11,709,206</b>	<b>1,109,165,943</b>
Domestic Equity Active Mid	-					-
<b>Domestic Equity Active Small</b>	<b>1,111,524,335</b>		<b>9,350,814</b>	<b>3,267,856</b>	<b>-11,709,206</b>	<b>1,109,165,943</b>
Frontier Cap Small Cap	589,014,690		7,731,586	1,889,025	27,079,355	623,825,631
Geneva Capital	522,509,645		1,619,228	1,378,831	-38,788,561	485,340,312
<b>Domestic Equity Indexed</b>	<b>8,345,532,434</b>	<b>-275,000,755</b>	<b>95,440,645</b>	<b>1,330,260</b>	<b>963,692,868</b>	<b>9,129,665,192</b>
<b>Domestic Equity Index Cap Wgt</b>	<b>5,878,393,677</b>	<b>-755</b>	<b>59,398,728</b>	<b>391,507</b>	<b>786,004,093</b>	<b>6,723,795,743</b>
NT Russell 3000	5,878,393,677	-755	59,398,728	391,507	786,004,093	6,723,795,743
<b>Domestic Equity Indexed NonCap</b>	<b>2,467,138,757</b>	<b>-275,000,000</b>	<b>36,041,917</b>	<b>938,753</b>	<b>177,688,775</b>	<b>2,405,869,448</b>
Sci Beta US HFE MBMS	2,467,138,757	-275,000,000	36,041,917	938,753	177,688,775	2,405,869,448
<b>Total International Equity</b>	<b>4,058,419,234</b>	<b>-701,155,824</b>	<b>114,922,576</b>	<b>6,770,724</b>	<b>900,529,605</b>	<b>4,372,715,591</b>
<b>International Large Cap</b>	<b>4,057,247,340</b>	<b>-700,000,795</b>	<b>114,895,066</b>	<b>6,770,685</b>	<b>900,366,470</b>	<b>4,372,508,081</b>
ACWI ex-US ex-China	2,392,393,974	-700,000,795	59,013,094	463,569	466,227,768	2,217,634,042
Arrowstreet Intl Equity	750,264,106	-	30,680,563	3,378,246	230,016,995	1,010,961,665
Causeway Capital	389,638,751		11,727,712	1,080,593	97,910,984	499,277,446
Harding Loevner Intl Eq	524,947,443		13,473,697	1,848,277	106,210,722	644,631,862
TOK121 SANCTIONED ASSET	3,066					3,066
International Small Cap	-					-
<b>International Transition</b>	<b>1,171,895</b>	<b>-1,155,028</b>	<b>27,509</b>	<b>39</b>	<b>163,135</b>	<b>207,510</b>
Global Transition	1,171,895	-1,155,028	27,509	39	163,135	207,510
<b>Total Fixed Income</b>	<b>5,915,831,509</b>	<b>614,964,631</b>	<b>253,551,072</b>	<b>7,764,917</b>	<b>173,638,483</b>	<b>6,957,985,695</b>
<b>Core Fixed Income</b>	<b>5,915,831,509</b>	<b>614,964,631</b>	<b>253,551,072</b>	<b>7,764,917</b>	<b>173,638,483</b>	<b>6,957,985,695</b>
<b>Core Plus Fixed Income</b>	<b>5,262,538,625</b>	<b>1,285,422,697</b>	<b>242,226,375</b>	<b>7,414,902</b>	<b>167,793,435</b>	<b>6,957,981,131</b>
Loomis Sayles Core Plus	1,792,162,937	1,269,805,344	80,868,748	2,927,763	81,227,000	3,224,064,029
Lord Abbett Core Plus	1,709,218,208	205,000,000	82,780,824	1,827,091	36,921,838	2,033,920,870
Mackay Shields Core Plus	1,761,157,479	-189,382,647	78,576,803	2,660,048	49,644,597	1,699,996,232
<b>Active Duration Fixed Income</b>	<b>653,292,884</b>	<b>-670,458,066</b>	<b>11,324,698</b>	<b>350,015</b>	<b>5,845,048</b>	<b>4,564</b>
Hoisington Investment	653,292,884	-670,458,066	11,324,698	350,015	5,845,048	4,564
<b>Total Alternative Assets</b>	<b>3,951,524,659</b>	<b>195,732,377</b>	<b>38,012,251</b>	<b>2,862,251</b>	<b>61,139,714</b>	<b>4,246,409,000</b>
<b>Private Capital</b>	<b>1,543,713,233</b>	<b>-1,556,980,199</b>	<b>-3</b>		<b>13,266,968</b>	<b>1,590,554,376</b>

Source: Northern Trust

\* Net Contributions include Cash Contributions/Distributions, Security Deliveries/Receipts, Fees/Fee Rebates, Inter Account transfers for Consolidations & Benefits Payments.

# TRSOK - Financial Reconciliation Report - YTD

Account/Group	12/31/2024 Market Value	Net Contribution*	Income	Fees	Appreciation	09/30/2025 Market Value
<b>Private Equity</b>	<b>1,543,713,233</b>	<b>-1,556,980,199</b>	<b>-3</b>		<b>13,266,968</b>	<b>1,590,554,376</b>
Franklin Park	1,541,163,778	-1,554,704,649			13,540,870	1,597,276,565
Legacy LP	2,549,455	-2,275,550	-3		-273,902	1,660,800
<b>Private Equity</b>	<b>-</b>	<b>1,598,937,379</b>			<b>-14</b>	<b>1,598,937,365</b>
Franklin Park	-	1,597,276,579			-14	1,597,276,565
Legacy LP	-	1,660,800				1,660,800
<b>Private Debt</b>	<b>752,235,982</b>	<b>31,359,090</b>	<b>37,016</b>		<b>62,662,096</b>	<b>846,294,184</b>
Pimco Bravo II	7,817,789				829,833	8,647,622
PIMCO Bravo III	145,045,648	-58,908,084			5,665,320	91,802,884
Pimco COF II	78,931,877	-5,579,975			13,352,022	86,703,924
Private Credit Fund O, LLC	281,020,725	56,899,088	22,694		22,967,201	360,909,708
Scissor-Tail Credit Fund, LLC	239,419,944	38,948,061	14,321		19,847,720	298,230,046
<b>Total Real Estate</b>	<b>1,655,575,444</b>	<b>-1,680,882,460</b>	<b>37,887,289</b>	<b>2,862,251</b>	<b>-12,580,272</b>	<b>1,797,942,414</b>
<b>Core Real Estate</b>	<b>731,130,278</b>	<b>-752,706,390</b>	<b>34,749,049</b>	<b>1,952,500</b>	<b>-13,172,938</b>	<b>832,417,723</b>
AEW Core Property Trust	366,666,737	-374,514,050	10,561,205		-2,713,892	363,952,844
Ares Industrial Real Estate	-					100,000,000
Heitman America Real Estate	364,321,069	-378,056,904	24,187,844	1,952,500	-10,452,009	368,464,879
L&B Core Income	142,473	-135,436			-7,037	
<b>Non-Core Real Estate</b>	<b>924,445,166</b>	<b>-928,176,071</b>	<b>3,138,240</b>	<b>909,751</b>	<b>592,666</b>	<b>965,524,691</b>
AGXI Non-Core Real Estate	35,941,650	-37,366,630			1,424,980	55,205,525
American Strategic Value	112,773,557	-113,611,212	1,070,826	909,751	-233,172	113,611,212
Angelo Gordon VAL FD X	37,007,497	-37,396,402			388,905	33,796,402
Artemis Real Estate III	30,674,547	-33,115,709			2,441,162	29,660,487
Artemis Real Estate IV	19,345,673	-21,721,246	10,146		2,365,426	22,224,869
Blackstone Real Estate X	31,263,039	-33,782,041	37,250		2,481,752	42,141,234
Dune Real Estate III	10,899,832	-9,683,692			-1,216,140	9,683,692
Dune Real Estate IV	55,329,298	-49,276,234			-6,053,064	53,003,596
EQT Exeter Ind Value VI	38,027,806	-42,499,017			4,471,211	51,965,851
FCP Realty Fund IV, L.P.	36,271,109	-35,438,903	129,480		-961,685	34,046,704
FCP Realty Fund V	89,249,419	-72,798,348			-16,451,071	69,052,591
GreenOak US II	5,116,838	-1,456,250			-3,660,588	1,456,250
GreenOak US III	38,701,550	-34,125,715			-4,575,835	35,703,040
Harbert European Real Estate V	30,647,856	-36,262,313	1,060,149		4,554,308	27,933,252
Invesco Real Estate VI	51,557,297	-55,123,845	34,056		3,532,492	50,436,643
Invesco Strategic Opportunity	10,471,692	-9,295,868			-1,175,824	8,856,190
L&B Golden Driller	41,519	-36,642			-4,877	
Landmark Real Estate IX	22,386,276	-22,386,276				30,686,539
Landmark Real Estate VII	3,884,302	-3,822,879			-61,423	3,822,879
Lyrical-OTRS Realty Partner IV	51,041,271	-55,033,936			3,992,665	55,033,936

Source: Northern Trust

\* Net Contributions include Cash Contributions/Distributions, Security Deliveries/Receipts, Fees/Fee Rebates, Inter Account transfers for Consolidations & Benefits Payments.



# TRSOK - Financial Reconciliation Report - YTD

Account/Group	12/31/2024 Market Value	Net Contribution*	Income	Fees	Appreciation	09/30/2025 Market Value
Oaktree IX	-	1,669,535			<b>-1,669,535</b>	14,330,465
Property ACQ Fund	10,150,000	<b>-10,150,000</b>	450,000		<b>-450,000</b>	9,700,000
Starwood Opportunity X	6,853,782	<b>-5,461,393</b>			<b>-1,392,389</b>	5,461,393
Starwood Opportunity XI	53,879,237	<b>-54,711,108</b>			831,871	54,711,108
Starwood XII	116,109,598	<b>-122,782,427</b>			6,672,829	111,512,246
TPG Real Estate IV	26,820,520	<b>-32,507,520</b>	346,333		5,340,667	44,723,624
<b>Total Cash</b>	<b>172,550,595</b>	<b>71,484,455</b>	<b>16,718,565</b>	<b>9,629</b>	<b>137,661</b>	<b>260,891,276</b>
Custom Cash Flow	172,550,595	71,484,455	16,718,565	9,629	137,661	260,891,276
<b>Terminated / Misc. Managers</b>	<b>21,639,371</b>	<b>-10,812,631</b>	<b>1,506,881</b>	<b>10,665</b>	<b>332,780</b>	<b>12,666,401</b>
OTRS-TAX RECLAIM & MISC.	21,639,371	<b>-10,812,631</b>	1,506,881	10,665	332,780	12,666,401

Source: Northern Trust

\* Net Contributions include Cash Contributions/Distributions, Security Deliveries/Receipts, Fees/Fee Rebates, Inter Account transfers for Consolidations & Benefits Payments.

# Benchmark History

As of September 30, 2025

From Date	To Date	Benchmark
<b>Total Fund</b>		
07/01/2025	Present	36.20% Russell 3000 Index, 15.80% MSCI AC World ex USA (Net), 31.00% Blmbg. U.S. Universal Index, 7.00% 50% ODCE + 50% ODCE + 1%, 6.50% PE Benchmark Russell 3k + MSCI ACWI ex USA + 2.5% (1 Qtr. Lag), 3.50% Morningstar LSTA US Leveraged Loan 100 Index + 3%
04/01/2025	06/30/2025	41.40% Russell 3000 Index, 18.10% MSCI AC World ex USA (Net), 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 7.00% 50% ODCE + 50% ODCE + 1%, 8.00% PE Benchmark Russell 3k + MSCI ACWI ex USA + 2.5% (1 Qtr. Lag), 3.50% Morningstar LSTA US Leveraged Loan 100 Index + 3%
07/01/2024	03/31/2025	41.80% Russell 3000 Index, 18.20% MSCI AC World ex USA (Net), 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 7.00% 50% ODCE + 50% ODCE + 1%, 8.00% PE Benchmark Russell 3k + MSCI ACWI ex USA + 2.5% (1 Qtr. Lag), 3.00% Morningstar LSTA US Leveraged Loan 100 Index + 3%
04/01/2024	06/30/2024	43.20% Russell 3000 Index, 18.80% MSCI AC World ex USA (Net), 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 7.00% 50% ODCE + 50% ODCE + 1%, 8.00% PE Benchmark Russell 3k + MSCI ACWI ex USA + 2.5% (1 Qtr. Lag), 1.00% Morningstar LSTA US Leveraged Loan 100 Index + 3%
10/01/2023	03/31/2024	42.50% Russell 3000 Index, 18.50% MSCI AC World ex USA (Net), 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 8.00% 50% ODCE + 50% ODCE + 1%, 8.00% PE Benchmark Russell 3k + MSCI ACWI ex USA + 2.5% (1 Qtr. Lag), 1.00% Morningstar LSTA US Leveraged Loan 100 Index + 3%
07/01/2023	09/30/2023	43.20% Russell 3000 Index, 18.80% MSCI AC World ex USA (Net), 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 8.00% Private Equity 0% return, 8.00% 50% ODCE + 50% ODCE + 1%
04/01/2023	06/30/2023	42.80% Russell 3000 Index, 18.70% MSCI AC World ex USA IMI, 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 8.00% Russell 2000 + 4%, 8.50% 50% ODCE + 50% ODCE + 1%
10/01/2022	03/31/2023	42.50% Russell 3000 Index, 18.50% MSCI AC World ex USA IMI, 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 8.00% Russell 2000 + 4%, 9.00% 50% ODCE + 50% ODCE + 1%
07/01/2022	09/30/2022	42.80% Russell 3000 Index, 18.70% MSCI AC World ex USA IMI, 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 8.00% Russell 2000 + 4%, 8.50% 50% ODCE + 50% ODCE + 1%
04/01/2022	06/30/2022	43.90% Russell 3000 Index, 19.10% MSCI AC World ex USA IMI, 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 8.00% Russell 2000 + 4%, 7.00% 50% ODCE + 50% ODCE + 1%
02/01/2022	03/31/2022	44.60% Russell 3000 Index, 19.40% MSCI AC World ex USA IMI, 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 8.00% Russell 2000 + 4%, 6.00% 50% ODCE + 50% ODCE + 1%
10/01/2019	01/31/2022	43.50% Russell 3000 Index, 19.00% MSCI AC World ex USA IMI, 22.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 6.50% Russell 2000 + 4%, 9.00% NCREIF Property Index
04/01/2017	09/30/2019	38.50% Russell 3000 Index, 19.00% MSCI AC World ex USA IMI, 23.50% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 5.00% Russell 2000 + 4%, 9.00% NCREIF Property Index, 5.00% Alerian MLP Index
10/01/2016	03/31/2017	40.00% Russell 3000 Index, 17.50% MSCI AC World ex USA IMI, 23.50% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained, 5.00% Russell 2000 + 4%, 7.00% NCREIF Property Index, 7.00% Alerian MLP Index
02/01/2001	09/30/2016	17.00% Russell 1000 Index, 13.00% Russell Midcap Index, 10.00% Russell 2000 Index, 17.50% MSCI AC World ex USA (Net), 17.50% Blmbg. U.S. Aggregate Index, 5.00% Russell 1000 + 4%, 7.00% NCREIF Fund Index-Open End Diversified Core Equity (VW) (Monthly Proxy), 7.00% Alerian MLP Index, 6.00% ICE BofA U.S. High Yield Index

# Benchmark History

As of September 30, 2025

From Date	To Date	Benchmark
Total Equities Composite		
07/01/2023	Present	70.00% Russell 3000 Index, 30.00% MSCI AC World ex USA (Net)
02/01/2022	06/30/2023	70.00% Russell 3000 Index, 30.00% MSCI AC World ex USA IMI
06/01/1994	01/31/2022	67.00% Russell 3000 Index, 33.00% MSCI AC World ex USA IMI
04/01/1990	05/31/1994	100.00% Russell 3000 Index
Total U.S. Equities Composite		
01/01/1979	Present	100.00% Russell 3000 Index
Total International Equities Composite		
07/01/2023	Present	100.00% MSCI AC World ex USA (Net)
01/01/1988	06/30/2023	100.00% MSCI AC World ex USA IMI
Causeway Intl Opportunities Policy		
10/01/2016	Present	100.00% MSCI AC World ex USA Value
01/01/1988	09/30/2016	100.00% MSCI AC World ex USA Index
Total Fixed Income Composite		
07/01/2025	Present	100.00% Blmbg. U.S. Universal Index
01/01/1997	06/30/2025	100.00% 70% Bloomberg Barclays Agg / 30% ICE HY Constrained
Total Fixed Income Core Plus Policy		
09/01/2019	Present	70.00% Blmbg. U.S. Aggregate Index, 30.00% ICE BofA U.S. High Yield Index
12/01/2018	08/31/2019	70.00% Blmbg. U.S. Universal Index, 30.00% ICE BofA U.S. High Yield Index
10/01/2016	11/30/2018	100.00% Blmbg. U.S. Universal Index
01/01/1976	09/30/2016	100.00% Blmbg. U.S. Aggregate Index
Total Fixed Income Active Duration Policy		
10/01/2016	Present	100.00% Blmbg. U.S. Treasury Index
01/01/1976	09/30/2016	100.00% Blmbg. U.S. Aggregate Index
Total Real Estate Composite		
02/01/2022	Present	100.00% 50% ODCE + 50% ODCE + 1%
01/01/1978	01/31/2022	100.00% NCREIF Property Index
Total Core Real Estate Composite		
02/01/2022	Present	100.00% NCREIF-ODCE

# Benchmark History

As of September 30, 2025

From Date	To Date	Benchmark
01/01/1978	01/31/2022	100.00% NCREIF Fund Index-ODCE (VW) (Net)
Total Non-Core Real Estate Composite		
02/01/2022	Present	100.00% NCREIF ODCE + 1%
07/01/2014	01/31/2022	100.00% NCREIF Property Index
Total Private Investments Composite		
10/01/2023	Present	100.00% PE Benchmark Russell 3k + MSCI ACWI ex USA + 2.5% (1 Qtr. Lag)
07/01/2023	09/30/2023	100.00% Private Equity 0% return
01/01/1979	06/30/2023	100.00% Russell 2000 + 4%
Total Private Debt Composite		
06/01/2023	Present	100.00% Morningstar LSTA US Leveraged Loan 100 Index + 3%

## Notes

- All of the investment managers' market values and returns are calculated and provided by Northern Trust.
- The rates of return contained in this report are shown on an after-fees basis unless otherwise noted. They are geometric and time-weighted. Returns for periods longer than one year are annualized.
- Universe percentiles are based upon an ordering system in which 1 is the best ranking and 100 is the worst ranking.
- Due to rounding throughout the report, percentage totals displayed may not sum to 100%. Additionally, individual fund totals in dollar terms may not sum to the plan total.
- The information provided was not prepared, reviewed, or approved by the General Partner, the Partnership or any affiliates of same and should not be relied upon by any other party.
- The Total Fund Policy Allocation Benchmark utilizes the monthly asset allocation weights of each asset class benchmark and is shown as a reference. As of September 30, 2025, the Policy Allocation Benchmark composition was 39.11% Russell 3000 Index, 16.59% MSCI AC World ex USA (Net), 26.91% Bloomberg U.S. Universal Index, 1.04% 90 Day U.S. Treasury Bill, 6.84% 50% ODCE + 50% ODCE + 1%, 6.24% PE Benchmark Russell 3k + MSCI ACWI ex USA + 2.5% (1 Qtr. Lag), and 3.28% Morningstar LSTA US Leveraged Loan 100 Index + 3%. Longer history is available upon request.

# Disclaimer

## **Past performance is not necessarily indicative of future results.**

Unless otherwise noted, performance returns presented reflect the respective fund's performance as indicated. Returns may be presented on a before-fees basis (gross) or after-fees basis (net). After-fee performance is net of each respective sub-advisors' investment management fees and include the reinvestment of dividends and interest as indicated on the notes page within this report or on the asset allocation and performance summary pages. Actual returns may be reduced by Aon Investments' investment advisory fees or other trust payable expenses you may incur as a client. Aon Investments' advisory fees are described in Form ADV Part 2A. Portfolio performance, characteristics and volatility also may differ from the benchmark(s) shown.

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Aon Investments USA Inc.  
200 East Randolph Street  
Suite 700  
Chicago, IL 60601  
ATTN: Aon Investments Compliance Officer

**Teachers' Retirement System of Oklahoma:**  
**A Commitment to Pension Excellence**

**TRS Board of Trustees'**  
**Five-Year Strategic Plan**  
**FY2026-FY2030**

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- 1. Letter from the Executive Director**
- 2. Introduction**
- 3. Strategic Objectives**
- 4. Financial Stability and Investment Excellence**
- 5. Digital Transformation and Member Service Experience**
- 6. Organizational Excellence and Workforce Development**
- 7. Enterprise Risk Management and Security Excellence**
- 8. Implementation Governance**
- 9. Terminology and Definitions**



Adopted November 19, 2025

## **Letter from the Executive Director**

Dear Members and Stakeholders of the Teachers' Retirement System of Oklahoma,

It is my privilege to present our Strategic Plan for FY2026-FY2030, a comprehensive roadmap that will guide the Teachers' Retirement System of Oklahoma (TRS) as we continue our mission to provide secure retirement benefits to Oklahoma's dedicated educators.

For decades, TRS has served as a cornerstone of financial security for those who have devoted their careers to educating our state's children and workforce. As we look toward the future, we recognize that maintaining this promise requires not only steadfast commitment to our fiduciary responsibilities but also a willingness to evolve and innovate in an increasingly complex landscape.

This five-year strategic plan reflects the insights gathered from extensive engagement with our members, trustees, staff, and stakeholders. It represents our collective vision for a retirement system that is financially sound, technologically advanced, operationally excellent, and resilient in the face of emerging challenges.

Our plan is built upon four strategic initiatives:

**Initiative 1: Financial Sustainability and Investment Excellence** focuses on strengthening our funded status through prudent investment management, strategic asset allocation, and secured funding. We are committed to generating sustainable returns that will ensure we can meet our obligations to current and future retirees while adapting to evolving market conditions.

**Initiative 2: Digital Transformation and Member Service Experience** reimagines how we serve our members in the digital age. We will continue to modernize our technology infrastructure, enhance our online platforms, and create seamless, intuitive experiences that meet members where they are—whether they're beginning their teaching careers or planning their retirement.

**Initiative 3: Organizational Excellence and Workforce Development** recognizes that our greatest asset is our people. We will invest in developing a highly skilled, engaged workforce equipped with the tools, training, and culture necessary to deliver exceptional service while fostering innovation and continuous improvement throughout our organization.



Adopted November 19, 2025

Initiative 4: Enterprise Risk Management and Security Excellence establishes a comprehensive framework to identify, assess, and mitigate risks across all dimensions of our operations. In an era of increasing cybersecurity threats and regulatory complexity, we will build robust defenses to protect member data, ensure business continuity, and maintain the trust placed in us.

These initiatives are interconnected and mutually reinforcing. Together, they form a holistic approach to organizational transformation that will position TRS for long-term success. Implementation will require dedication, collaboration, and resources, but I am confident that our talented team and supportive Board of Trustees will rise to meet these challenges.

I invite you to review this strategic plan carefully and join us in bringing this vision to life. The work ahead will strengthen TRS for generations to come, ensuring that Oklahoma's educators can retire with dignity and financial security.

Thank you for your continued trust and support.

Respectfully,  
Sarah Green  
Executive Director  
Teachers' Retirement System of Oklahoma

## Introduction



Adopted November 19, 2025

## **Mission Statement**

We collect, protect, and grow assets to provide a secure retirement income for public education employees.

## **Vision Statement**

Provide quality service to our members in an efficient, economical manner by:

- Providing on-demand and accurate access to personal financial information
- Educating members about their retirement benefits
- Managing plan assets competently and prudently while achieving long-term risk-adjusted net returns in excess of market benchmarks and the actuarial assumed return
- Informing members about the TRS financial status to maintain confidence in our ability to provide benefits

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## **Strategic Objectives**



Adopted November 19, 2025

**Initiative 1: Financial Sustainability and Investment Excellence**

**Initiative 2: Digital Transformation and Member Service Experience**

**Initiative 3: Organizational Excellence and Workforce Development**

**Initiative 4: Enterprise Risk Management and Security Excellence**

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Adopted November 19, 2025

## **Initiative 1: Financial Sustainability and Investment Excellence**

**Objective:** Support long-term pension security through sound actuarial practices, financial discipline and prudent portfolio management.

### **Strategic Actions:**

1. Promote actuarial soundness through rigorous financial oversight and systematic UAAL reduction
2. Encourage adequate funding of the System through continued dedicated revenue, consistent contributions, and investment return targets to reduce UAAL
3. Achieve Board approved strategic asset allocation (SAA) aligned with optimized risk tolerance and time horizon - execute disciplined rebalancing strategy towards achieving strategic allocation targets
4. Partner with best-in-class investment managers and advisors demonstrating multi-strategy capabilities and consistent performance
5. Enhance investment governance framework and risk management protocols
6. Build internal investment capabilities through staff development and technology

### **Key Performance Indicators:**

#### ***Actuarial Soundness Metrics:***

- Funding Ratio: Achieve 85% by Year 3, 90% by Year 5
- UAAL (Unfunded Actuarial Accrued Liability): Reduce by 40% by Year 5
- Funding Period: Achieve 5-year funding period by Year 5

#### ***Investment Performance Metrics:***

- Portfolio Return: Achieve actuarial required rate of return (7%) over the long-term while minimizing risk and managing a cost-effective investment program.
- Manager Selection: Continue to build partnerships with world-class investment managers
- Asset Allocation: Invest towards achieving Board's target private market allocations
- External Stakeholder Reporting: Continue to professionalize investment reports for public consumption

### **Timeline:**

- **Year 1:** Move towards SAA; Reduce overweight public equity allocation to 52.4%; continued dedicated revenue; continued strategic partnership and technology deployment
- **Years 2-3:** Move towards SAA; Reduce overweight public equity allocation to 47.8%; continued dedicated revenue; continued strategic partnership and technology deployment
- **Years 4-5:** Move towards SAA; Reduce overweight public equity allocation 46.5% to; continued dedicated revenue; continued strategic partnership and technology deployment

---

### **Priority 2: Digital Transformation and Member Service Experience**

**Objective:** Deliver seamless digital member experience while modernizing operational infrastructure and ensuring comprehensive legal support framework.

#### **Strategic Actions:**

##### *Digital Transformation and Member Service Excellence:*

1. Complete MyPAS platform implementation providing members on-demand access to personal financial information
2. Advance process automation achieving significant internal efficiency gains
3. Deploy integrated IT platforms eliminating system silos and streamlining processes
4. Implement business intelligence tools enabling data-driven decision-making
5. Accelerate electronic 1099-R adoption reducing costs and improving convenience

##### *Legal Foundation and Compliance:*

6. Create searchable knowledge database of legal guidance with intelligent retrieval capabilities
7. Provide dedicated legal resources ensuring comprehensive MyPAS legal foundation including development of legal review protocols for all major initiatives

## **Key Performance Indicators:**

### *Digital and Member Service Metrics:*

- **MyTRS Registration Rate:** 50% active and retired members by Year 5
- **System Uptime:** 99.5% availability
- **Member Satisfaction:** 85% satisfaction rating by Year 3, 90% by Year 5
- **Electronic 1099-R Adoption:** 30% by Year 2, 50% by Year 5
- **Process Efficiency:** 30-40% reduction in manual processing time by Year 5
- **Automation Rate:** 50% of repetitive processes automated by Year 5
- **MyTRS Self-Service Resolution:** 70% by Year 5

### *Legal and Compliance Metrics:*

- **Legal Compliance Rate:** 100% across all regulatory requirements
- **Initiative Legal Review:** 100% of strategic projects reviewed before implementation
- **Customer (staff) satisfaction:** 90%+ satisfaction rate measured as a function of overall satisfaction, perceived responsiveness, and clarity/professionalism of guidance
- **Knowledge Database Usage:** 80%+ of staff utilizing database quarterly

### **Timeline:**

- **Year 1:** Launch BI platform; initiate electronic 1099-R campaign; secure dedicated legal resources; implement legal review protocols
- **Years 2-3:** Deploy integrated IT platforms; implement core automation; expand analytics capabilities; maintain ongoing legal support
- **Years 4-5:** Complete MyPAS MVP; Mature automation programs; advanced analytics deployment; system optimization; proactive risk management; establish knowledge database

### **Priority 3: Organizational Excellence and Workforce Development**

**Objective:** Build high-performing organization through strategic talent management and operational efficiency.

#### **Strategic Actions:**

1. Conduct comprehensive workforce analysis addressing critical staffing gaps
2. Standardize job classification system ensuring consistency and equity
3. Maintain competitive market position for compensation and benefits (top quartile)
4. Develop succession planning framework for all critical positions
5. Establish robust professional development culture
6. Implement technology solutions enhancing team productivity

#### **Key Performance Indicators:**

- **Operational Efficiency Improvement:** 20-30% by Year 5
- **Employee Retention Rate:** 90%+ annually
- **Employee Satisfaction Score:** 85% by Year 5
- **Compensation Competitiveness:** Top quartile positioning by Year 3
- **Succession Coverage:** 100% of critical positions with documented plans by Year 3
- **Training Participation:** 100% of staff completing 40+ hours annually
- **Time-to-Fill Critical Positions:** Reduce by 25% by Year 3
- **Internal Promotion Rate:** 30%+ of leadership positions filled internally

#### **Timeline:**

- **Year 1:** Complete job code standardization and market analysis; launch succession framework
- **Years 2-3:** Implement competitive compensation adjustments; develop talent pipelines
- **Years 4-5:** Mature succession processes; continuous optimization

## **Priority 4: Enterprise Risk Management and Security Excellence**

**Objective:** Protect organizational assets, member data, and operational integrity through comprehensive security framework.

### **Strategic Actions:**

1. Implement advanced fraud prevention and detection program with real-time monitoring
2. Deploy rigid cybersecurity regimen adopting industry-standard frameworks (NIST/ISO 27001)
3. Strengthen physical security protocols with layered protective measures
4. Establish integrated security governance framework with executive oversight
5. Build security-aware organizational culture through continuous training

### **Key Performance Indicators:**

- **Fraud Incidents:** Zero tolerance target; declining trend if incidents occur
- **Fraud Detection Time:** <24 hours for suspicious activity
- **Cybersecurity Incidents:** Zero material breaches
- **Vulnerability Remediation:** 95%+ within 30 days
- **Phishing Simulation Click Rate:** <5% by Year 3
- **Security Training Completion:** 100% annually
- **Patch Management Compliance:** 95%+
- **Physical Security Incidents:** Zero unauthorized access events
- **Security Audit Compliance:** 100% of recommendations addressed within timeline

### **Timeline:**

- **Year 1:** Complete security assessments; establish governance; deploy foundational controls
- **Years 3-5:** Implement advanced detection systems; deploy comprehensive cybersecurity tools; upgrade physical infrastructure

- **Years 5:+** Mature security programs; implement advanced analytics; achieve industry certifications

---

## Implementation Governance

### Oversight Structure:

- **Board of Trustees:** Annual strategic plan progress updates
- **Executive Leadership:** Monthly performance monitoring and adjustment
- **Strategic Initiative Teams:** Monthly execution meetings with defined milestones

### Progress Reporting:

- Annual comprehensive strategic plan assessment and report to Board
- Mid-cycle (FY28) strategic plan refresh based on performance and environmental changes

### Resource Allocation:

- Annual budgets aligned with strategic priorities
- Dedicated project management resources for major initiatives
- External expertise engaged as needed for specialized support

### Risk Monitoring:

- Annual risk assessment updates
- Contingency planning for initiatives encountering obstacles
- Adaptive management approach allowing course corrections

---

## Success Metrics Summary

### By Year 5, TRS will achieve:

- ✓ Funding ratio of 80%+ with declining UAAL
- ✓ Investment returns exceeding benchmarks and actuarial assumptions
- ✓ 85%+ member satisfaction with digital services

- ✓ 75%+ electronic communication adoption
- ✓ 20-30% operational efficiency improvement
- ✓ 85%+ employee retention and satisfaction
- ✓ Zero-tolerance security environment with industry-leading practices
- ✓ 100% legal compliance and comprehensive risk management
- ✓ Top-quartile positioning for talent competitiveness
- ✓ Data-driven decision-making culture supported by modern technology

This strategic plan positions TRS to fulfill its mission of providing secure retirement income while delivering exceptional service to Oklahoma's public education employees through financial discipline, operational excellence, and unwavering commitment to fiduciary responsibility.

### **Terminology and Definitions**

**Actuarial Valuation:** The determination, as of a valuation date, of the Normal Cost, Actuarial Accrued Liability, Actuarial Value of Assets, and related Actuarial Present Values for a plan. An Actuarial Valuation for a governmental retirement system typically also includes calculations of items needed for compliance with GASB, such as the funded ratio and the ADEC.

**Assumed Rate of Return:** A projected rate of investment growth used primarily for long-term financial planning, such as in pension funds. It is an estimate used to calculate future liabilities and required contributions and is determined by the Board of Trustees based on economic forecasts.

**Funded Ratio:** The ratio of the actuarial value of plan assets to the actuarial accrued plan liabilities.

**Funding Period:** The number of years in the future that will theoretically be required to amortize (i.e., pay off or eliminate) the Unfunded Actuarial Accrued Liability, based on the statutory contribution rates, dedicated revenue, and assuming no future actuarial gains or losses.

**Strategic Asset Allocation:** A long-term investment strategy that involves setting and maintaining a target mix of asset classes, like stocks, bonds, and cash, based on an investor's goals, risk tolerance, and time horizon. The portfolio is then periodically

rebalanced to keep it aligned with these original targets, providing a stable, disciplined approach to managing risk and working toward financial goals over an extended period.

**Unfunded Actuarial Accrued Liability (UAAL):** The excess of the Actuarial Accrued Liability over the Actuarial Value of Assets.

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OKLAHOMA  
Teachers' Retirement System

# 2026 Permanent Rulemaking

November 19, 2025

# 2026 Permanent Rulemaking Timeline

- Draft regulatory text ✓
- Open Rulemaking record ✓
- Notice of Rulemaking Intent (NRI)



# 2026 Permanent Rulemaking Timeline

**\*\*NEW\*\***

**Governor must expressly approve rulemaking within 30 days of NRI submission for TRS to proceed with 2026 rulemaking**

**\*\*Important\*\***

January 28, 2026 Board Meeting – final draft text considered/approved by Board

**Must submit final adopted rules text to OAR by February 1, 2026**

Feb. 1, 2026 – May 29, 2026: Legislature has approval/disapproval power during this review period through Joint Resolutions (and the Governor who retains veto power over Joint Resolutions)

If no approval/disapproval occurs by sine die (May 29, 2026), rules are deemed disapproved.

# Rules presented to the Board in Jan. 2025 – no new edits

- 10-1-5
- 10-1-6
- 10-3-1
- 10-3-2
- 10-3-3
- 10-3-4
- 10-5-30
- 10-5-36
- 10-7-2
- 10-9-6
- 10-9-7
- 10-13-2
- 10-13-8
- 10-13-10
- 10-13-13
- 10-13-15
- 10-15-1
- 10-15-2
- 10-15-10.1
- 10-15-10.2
- 10-15-11.1
- 10-17-5
- 10-17-13
- 10-17-15



# Rules presented to the Board in Jan. 2025 – with additional edits

- 10-9-3
  - **Jan. 2025 edits** – were to statutory citations and to update procedure for granting option 2 in lieu of benefit payments when survivor delays return of documents to TRS – with a 6-month cap on payments during the delayed period, similar to pop-up provision
  - **New edits** – further explanation of the procedure above with an example of how it will work
- 10-13-11 – anti-spiking rule:
  - **Jan. 2025 edits:** When the FAS is made up of any of the last 3 years of creditable service, TRS will compare the average of the last 3 years of salary to the year immediately preceding that 3-year period to determine if spiking occurred.
  - **New edits:** same practice as before – the proposed text is clearer.

# Rules presented to the Board in Jan. 2025 – with additional edits

- 10-23-1
- 10-23-2
- 10-23-3
- 10-23-5
- 10-23-6
- **Jan. 2025 edits** to subchapter 23 rules in January 2025 were to correct statutory citations and the name of the governing Board or Act.
- **New:** Upon closer review, staff identified ways to streamline and clarify how the Oklahoma Employee Insurance and Benefits Act works in relation to the \$100 - \$105 subsidy TRS pays toward the health insurance coverage premiums for insurance allowed under the Act.



# New rule edits

- 10-5-10:
  - Incorporates from 2025 legislative session HB1465 which defines military service – TRS already utilizes this definition when allowing military service purchases.
- 10-13-3:
  - Incorporates from 2024 legislative session HB1544 which allows certain athletic trainers to become certified personnel; those certified under SDE rules will receive the offset credit to their member contributions, and this rule edit reflects that.
- 10-15-10:
  - Clarifies that while Option 4 retirement is revoked as of Dec. 31, 2025, any TRS member who was eligible to retire on that date may still choose Option 4
  - Clarifies how TRS calculates the Option 1 retirement benefit
  - Clarifies how TRS pays out survivor benefits to Option 4 survivors



# New rule edits

- 10-23-4:

- Added for edits when other rules in Subchapter 23 presented last year were identified for further review
- Clarifies that TRS will suspend the health insurance premium subsidy when a TRS retiree returns to regular employment and becomes eligible for insurance offered pursuant to the Oklahoma Employees Insurance and Benefits Act based on that employment.
- Also clarifies that TRS is not the determining agency for eligibility on resumed retiree insurance under the Act, but if insurance is resumed correctly according to the Oklahoma Employee Insurance and Benefits Board, TRS will resume the subsidy.

- 1-1-5:

- Corrects title of Chief Operating Officer and Deputy Chief Financial Officer



**Teachers' Retirement System of Oklahoma  
301 Northwest 63<sup>rd</sup> Street, Suite 500  
Oklahoma City, OK 73116  
405.521.2387**

**RULE IMPACT STATEMENT**

*This Rule Impact Statement has been prepared pursuant to 75 O.S.Supp.2025, § 303(D)(1).*

**TITLE 715. TEACHERS' RETIREMENT SYSTEM  
CHAPTER 1. ADMINISTRATIVE OPERATIONS**

**A. BRIEF DESCRIPTION OF PURPOSE/NEED/LEGAL BASIS OF PROPOSED PERMANENT RULES:**

TRS rules are proposed, amended, or revoked to comply with the statutory responsibility of the Board of Trustees in establishing rules and regulations for the administration of the System and the transaction of its business (70 O.S. § 17-101 et seq.). These rules are necessary to the orderly administration of the System for the benefit of the System's members and to defray costs of administering the System.

715: 1-1-5 describes the chief administrative officer of the Teachers' Retirement System, administrative duties of the chief administrative officer, and internal controls regarding vouchers drawn on the System. It is being amended to correctly reference the titles of the Chief Operating Officer and Deputy Chief Financial Officer of Teachers' Retirement System of Oklahoma in relation to the internal controls on vouchers.

**B. CLASSIFICATION OF RULE(S) AND JUSTIFICATION FOR CLASSIFICATION**

This is a non-major rule and is estimated to have no cost.

**C. DESCRIPTION OF PROPOSED RULE(S)**

A comprehensive review of the proposed rule edits is contained in Paragraph (A) above.

**D. DESCRIPTION OF THE CLASS(ES) OF PERSON(S) AFFECTED BY THE PROPOSED RULE(S), INCLUDING CLASS(ES) THAT WILL BEAR THE COST(S) OF THE PROPOSED RULE(S), AND ANY INFORMATION ON COST IMPACTS RECEIVED BY THE AGENCY FROM ANY PRIVATE OR PUBLIC ENTITIES**

The class(es) of person(s) affected by the proposed rule(s) is/are the staff of Teachers' Retirement System of Oklahoma as well as members and participating employers and all external stakeholders who benefit by understanding the organization of the agency. No costs are anticipated.

**E. CLASS OF PERSON(S) BENEFITTED BY PROPOSED RULES:**

The class(es) of person(s) benefited by the proposed rule(s) is/are the staff of Teachers' Retirement System of Oklahoma as well as members and participating employers and all external stakeholders who benefit by understanding the organization of the agency.

#### **F. COMPREHENSIVE ANALYSIS OF THE RULES' ECONOMIC IMPACT**

The proposed rule reflects changes that have already occurred to staff titles and is anticipated to have no negative economic impact. To the extent clarifying the rule avoids confusion regarding the organization of TRS staff which can lead to wasted time and resources, a positive economic impact is anticipated.

#### **G. DETAILED EXPLANATION OF METHODOLOGY AND ASSUMPTIONS USED TO DETERMINE ECONOMIC IMPACT**

Evaluated whether costs were incurred by agency to change the titles of staff.

#### **H. DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULE(S) WILL HAVE AN ECONOMIC IMPACT ON ANY POLITICAL SUBDIVISION OR REQUIRE THEIR COOPERATION IN IMPLEMENTING OR ENFORCING THE RULE(S)**

No political subdivision will be required to assist in implementing/enforcing this rule; no adverse economic impact is anticipated for political subdivisions. To the extent clarifying the rule avoids confusion regarding the organization of TRS staff which can lead to wasted time and resources, a positive economic impact is anticipated.

#### **I. DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULE(S) MAY HAVE AN ADVERSE ECONOMIC EFFECT ON SMALL BUSINESS AS PROVIDED BY THEOKLAHOMA SMALL BUSINESS REGULATORY FLEXIBILITY ACT**

No adverse economic impact on small business is anticipated by implementation of the proposed rules. To the extent clarifying the rule avoids confusion regarding the organization of TRS staff which can lead to wasted time and resources, a positive economic impact is anticipated.

#### **J. MEASURES TAKEN TO MINIMZE THE COST AND IMPACT OF THE PROPOSED RULE(S) ON BUSINESS AND ECONOMIC DEVELOPMENT IN THE STATE, LOCAL GOVERNMENT UNITS OF THE STATE, AND INDIVIDUALS**

Not applicable.

#### **K. DETERMINATION OF THE EFFECT OF THE PROPOSED RULE(S) ON THE PUBLIC HEALTH, SAFETY, AND ENVIRONMENT AND IF THE PROPOSED RULE(S) IS/ARE DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH, SAFETY, AND ENVIRONMENT; AN EXPLANATION OF THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULE WILL REDUCE THE RISK.**

Not applicable.

**L. DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULE(S) IS/ARE NOT IMPLEMENTED.**

Not applicable.

**M. ANALYSIS OF ALTERNATIVES TO ADOPTING THE RULE(S)**

Having been previously adopted, the rule must be amended to be correct.

**N. ESTIMATED TIME SPENT BY STATE EMPLOYEES TO DEVELOP RULE AND OTHER RESOURCES USED IN DEVELOPING RULE**

Quarter of an hour or less to draft rules text; half an hour to complete rule impact statement.

**O. SUMMARY AND PRELIMINARY COMPARISON OF ANY EXISTING OR PROPOSED FEDERAL REGULATIONS INTENDED TO ADDRESS THE ACTIVITIES TO BE REGULATED BY PROPOSED ADMINISTRATIVE RULES**

Not applicable.

**P. DATE IMPACT STATEMENT PREPARED:**

November 7, 2025.

## CHAPTER 1. ADMINISTRATIVE OPERATIONS

### 715:1-1-5. Executive Director

The Executive Director shall be the administrative officer for the Board of Trustees and shall be responsible for the general administration of the Teachers' Retirement System.

(1) All employees shall be under the direct supervision of the Executive Director.

(2) All vouchers drawn against TRS shall be signed by two members of the administrative staff: the Executive Director, the ~~Deputy Executive Director of Operations~~Chief Operating Officer, Chief Financial Officer, or the ~~Assistant~~Deputy Chief Financial Officer.

(3) The Executive Director shall make reports to the Board of Trustees at its regularly scheduled meetings regarding administrative matters, funds and budgetary matters, and present statements showing the general condition of the System's finances.

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## CHAPTER 10. GENERAL OPERATIONS

### SUBCHAPTER 1. MEMBERSHIP PROVISIONS

#### 715:10-1-5. Ineligible for TRS membership

The following employees are ineligible to be members of the Teachers' Retirement System when employed exclusively as any of the following: (Note: Ineligible employment cannot be combined with eligible employment.)

- (1) A non-classified employee regularly working less than 20 hours per week.
- (2) A substitute, irregular, seasonal, graduate assistant, fellowship recipient, adjunct supplemental or temporary employee. This provision does not apply to adjunct teachers as described in 70 O.S. § 6-122.3 who shall be considered non-classified employees and who may qualify for membership pursuant to OAC 715:10-1-4. (Note: Certain substitute and adjunct employment may qualify for service credit. See OAC 715:10-5-2 and OAC 715:10-5-34).
- (3) Persons employed as a consultant or persons contracting with a public school to transport students, to provide food service, or to provide any other services, who are not "regular" employees of the school. (NOTE: School bus drivers or food service personnel who are regular employees of the school are eligible for membership, subject to the requirements of OAC 715:10-1-2, 10-1-4, 10-1-5.)
- (4) An employee whose primary function at a school or institution is that of a student. If both the following conditions apply, a person employed in an Oklahoma public school, college or university shall be considered to be a student employee.
  - (A) The employment is conditional upon the employee's being enrolled as a student at the same institution; and
  - (B) The employee has no other employment during the same payroll period which is eligible for membership in TRS.
- (5) Any persons whose employment compensation comes from federal or other funds and is not administered by an Oklahoma public education employer. (Note: If the employee is not paid by the school on a state warrant, the employee is not considered to be an employee of the school or the State of Oklahoma. Regular employees whose salaries are paid in part or in whole by federal or other funds are eligible for membership if they were hired by the school and paid by the school.)
- (6) Any person employed by the public schools of Oklahoma after July 1, 1991, who is covered by another federal, state, county or local public retirement plan which will provide benefits on the employment service covered by the Teachers' Retirement System.
- (7) Employees of employers that are not governmental employers within the definition of Internal Revenue Code Section 414 and 70 O.S. ~~47-116.2~~§17-116.2(J).
- (8) Any person employed by the University of Oklahoma or Oklahoma State University or the entities of either comprehensive university who elects to participate in an alternative retirement plan provided by the comprehensive university as provided by the Alternate Retirement Plan for Comprehensive Universities Act.

#### 715:10-1-6. Date of Membership

Date of membership is the date the initial contribution is made to TRS under the current membership account. Any former member of TRS who has previously withdrawn contributions and who redeposits said withdrawn contributions as permitted by law shall have his or her initial date of membership reinstated. Any person who transfers service from the Oklahoma Public Employees Retirement System in accordance with 70 O.S., ~~Section~~ §17-116.2(EK), shall be eligible to use his or her initial entry date into the Oklahoma Public Employees Retirement System as his or her date of membership in TRS for all purposes except the member shall not be considered an "eligible participant" under OAC 715:10-15-27 unless the member first joined TRS prior to July 1, 1996. If a current member purchases non-contributory service for those years of qualified employment prior to the current date of membership, the official date of membership will remain the date the member's current membership account was opened. If a member purchases adjunct service in Higher Education that was performed prior to current date of membership, such purchased service shall be considered contributing service for purposes of vesting and membership date.

### SUBCHAPTER 3. SERVICE ELIGIBILITY

#### 715:10-3-1. Requirements for creditable membership service

(a) All members of TRS must be employed a specified amount of time as related to their educational employment position, and earn a minimum salary, before creditable membership service will be awarded. A school employment year typically falls between July 1 and June 30 of any year. No membership service performed as an unpaid volunteer shall be counted as service credit. For membership service performed on or after July 1, 2013, creditable membership service will be awarded based upon the information provided by each employer certifying full-time equivalent for each position, subject to approval by TRS. No member shall receive one (1) year of membership service credit for less than 960 hours of employment. (This does not mean that a member working 960 hours is automatically entitled to receive one (1) year of creditable membership service.) No more than one (1) year of

~~creditable~~membership service shall be awarded for all service in any one (1) school year. For membership service performed on or after July 1, 2013, fractional membership service will be awarded for less than full-time employment performed during the contract year.

(b) For membership service performed from July 1, 2016, through June 30, 2019, membership service credit will be the result of the days the employee worked during the employment year divided by the number of days the full-time equivalent for that position would be required to work during the entire employment year. A member employed in a position where the full-time equivalent is required to work at least 6 hours per day, 30 hours per week, and 8 months per year shall be considered a full-time employee.

(c) For membership service performed from July 1, 2016, through June 30, 2019, the fractional membership service credit awarded for part-time employment will be based on the number of hours the employee works per week divided by the number of hours the full-time equivalent for that position would be required to work per week. A member employed less than 6 hours per day, 30 hours per week, or 8 months in a year shall be considered a part-time employee. If the employee works ~~less~~fewer days per week or employment year than the full-time equivalent, fractional membership service credit will also be awarded based on the number of days the employee works in the employment year divided by the number of days the full-time equivalent works during the employment year.

(d) For membership service performed on or after July 1, 2019, the formula used to calculate membership service credit will be applied in the same manner for both full-time and part-time employment. The minimum requirement for full-time employment is 6 hours per day, 30 hours per week, and 8 months per year. Membership Services~~service~~ credit will be reduced if the employee works less than the minimum requirement for full-time employment or less than the full-time equivalent for the position worked.

Membership Services~~service~~ credit will be calculated by multiplying the full-time equivalent percentage by the employment year percentage as follows:

(1) Full-time equivalent percentage is calculated by dividing the number of hours per week the member was employed by the number of hours per week for the full-time equivalent position.

(2) Employment year percentage is calculated by dividing the number of days the member was employed by the number of days required for the full-time equivalent position for the full employment year.

(e) For membership service performed on or after July 1, 2016, ~~service~~ credit of less than 1.0 shall be rounded to the nearest tenths (~~.4 hundredths~~0.04 and lower will round down, and ~~.5 hundredths~~0.05 and higher will round up).

### **715:10-3-2. Requirements for fulltime service**

(a) For membership service performed prior to July 1, 2013, a member employed at least six (6) hours per day (30 hours per week) shall be considered a full-time employee.

(1) A full-time employee may receive one (1) year of ~~creditable~~membership service credit after completing six (6) months or more of employment in a school year.

(2) No member shall receive one (1) year of membership service credit for less than 720 hours of employment. (This does not mean that a member working 720 hours is automatically entitled to one (1) year of ~~creditable~~membership service credit.)

(b) For membership service performed on or after July 1, 2013, ~~creditable~~membership service credit will be awarded as outlined in 715:10-3-1.

### **715:10-3-3. Requirements for half-time service**

(a) For membership service performed prior to July 1, 2013, a member employed at least four (4) but less than six (6) hours per day (at least 20 but less than 30 hours per week) shall be considered a half-time employee.

(1) A half-time employee may receive one-half (1/2) year of ~~creditable~~membership service credit after completing six (6) months or more of employment in a school year.

(2) No member shall receive one-half (1/2) year of membership service credit for less than 480 hours of employment. (This does not mean that a member working 480 hours is automatically entitled to one-half (1/2) year of ~~creditable~~membership service credit.)

(3) A member who is employed one-half (1/2) the standard workload of other persons employed in similar positions shall not receive more than one-half (1/2) year of membership service credit even if total hours worked exceed 720 hours.

(4) Members who joined TRS prior to July 1, 1991, may receive one-half (1/2) membership service credit for a minimum of three (3) hours per day (540 hours per school year) as long as they remain employed in the same or similar position for the same employing school. Any break in employment shall end this special provision and the member will be required to qualify for full-time or half-time membership service credit as provided for in Subchapters 1 and 3 of this chapter.

(b) For membership service performed on or after July 1, 2013, ~~creditable~~membership service credit will be awarded as outlined in 715:10-3-1.

### **715:10-3-4. Combining fractional years of service**

(a) For membership service performed prior to July 1, 2013, fractions of school terms performed as an active contributing member of TRS of at least one (1) school month, in different school years, may be combined to make a total of six (6) months for one (1) year of ~~creditable~~membership service credit. It is not permissible to divide membership service rendered in one (1) year into fractional parts and combine these fractions with membership service rendered in two (2) or more years in order to gain additional

years of membership service credit. All fractional membership service must be combined together before days of unused sick leave are applied to fractional membership service to obtain service credit. No more than one (1) year of membership service credit will be given for all employment in any one (1) school year. However, if the member has one hundred twenty (120) or more days of unused sick leave and has ninety (90) days or more days of combined work experience at the end of the school year when the member retires, TRS will grant one (1) year of creditable service credit for the 120 days of unused sick leave and round the 90 days of work experience to count as one (1) year of creditable service.

(b) For membership service performed on or after July 1, 2013, fractional membership service credit will be added together and the resulting sum value shall be included in the retirement formula calculations.

## SUBCHAPTER 5. ESTABLISHING OTHER SERVICE CREDITS

### 715:10-5-10. Military service credit

An active contributing member of TRS may purchase service credit for active duty military service. As defined in 70 O.S. §17-113, military service includes in the Armed Forces of the United States of America United States Air Force, Army, Coast Guard, Marine Corps, Navy, Space Force, and the reserve components of these services, as well as the federal and state counterparts of both the Air National Guard and Army National Guard. The member must have received an honorable discharge from the Armed Services military to qualify for military service credit. Active duty is defined as that time a member served in the Armed Forces of the United States of America military from the date inducted to the date of separation. (Time spent between enlistment and induction, or other time spent as a civilian between military service periods, will not be counted as military service.) Credit for military service shall not exceed the number of years obtained when the total months of service are applied to calendar years (January 1 to December 31 periods). Therefore, thirty-six (36) months of military service cannot count for more than three (3) years of TRS membership; forty-eight (48) months cannot count for more than four (4) years; etc.

### 715:10-5-30. Ten-year averaging/Averaging of sick leave

When a member cannot obtain documentation of accumulated sick leave because records at the employing school(s) are not available, TRS will calculate an average using the last ten (10) years of available eligible Oklahoma public education employment records, provided for good cause shown TRS may use less than ten (10) years. The number of sick leave days absented each year during the last ten (10) years of available eligible Oklahoma public education employment shall be averaged to determine the average number of sick leave days used each year. The average sick leave days used will be subtracted from a standard ten (10) days of sick leave per school year and the difference multiplied by the total years of creditable Oklahoma membership service.

### 715:10-5-36. Compliance with USERRA and Code Section 414(u), including applicable HEART Act provisions

(a) Effective with respect to deaths occurring on or after January 1, 2007, while a member is performing USERRA-qualified military service (as defined in Internal Revenue Code Section 414(u)), to the extent required by Internal Revenue Code Section 401(a)(37), survivors of a member are entitled to any additional benefits that TRS would provide if the member had resumed employment and then died, such as survivor benefits that are contingent on the death of an in-service member (as defined in OAC 715:10-9-2). For benefit accrual purposes, a member who dies while performing qualified military service will be treated as if the member had resumed pre-service employment in accordance with USERRA on the day preceding the date of death and then terminated employment on the actual date of death.

(b) Beginning January 1, 2009, to the extent required by Internal Revenue Code Sections 3401(h) and 414(u)(12), an individual receiving differential wage payments from an employer while the individual is performing qualified military service (as defined in Internal Revenue Code Section 414(u)) shall be treated as employed by that employer, and the differential wage payment shall be treated as earned compensation.

(c) Upon the member's timely reemployment with the pre-service employer, the member shall be treated as not having a break in employment and may elect to make-up contributions attributable to the rate of pay the employee would have received but for the member's period of qualified military service, including any differential wage payments.

(d) The member's make-up contributions may only be made during a time period starting with the date of reemployment and continuing for a period of up to three times the length of the member's immediate past period of qualified military service, not to exceed five (5) years. Provided, however, in all cases, payment for all years of qualified military service for which a member wants to receive credit must be received prior to the earlier of termination of the member's employment with the pre-service employer or the member's effective retirement date.

(e) The pre-service employer will not make contributions until the member is reemployed and elects to make-up his or her contributions. The member may elect to pay the make-up employee contributions through a written salary reduction agreement with the pre-service employer for the applicable time period. In that case, the employer would remit its share of the make-up employer contributions each time it remits a make-up employee contribution for the member. If the member elects to make up his or her contributions in a lump sum instead of a written salary reduction agreement with the pre-service employer, the make-up employer contributions are due in a lump sum within 90 days of TRS determining the applicable contributions due by the employer.

(f) If the member chooses not to or fails to repay all of his or her make-up contributions, fractional service credit can be awarded pursuant to OAC 715: 10-3-1 and 715:10-3-4, and credit for any make-up employer contributions paid in excess of the make-up employee contributions will be given to the pre-service employer pursuant to OAC 715:10-11-4.

(g) Make-up contributions made by the member and pre-service employer pursuant to this section shall not be charged interest, so long as repayment is made within the time period set forth in subsection (d).

## SUBCHAPTER 7. MEMBERSHIP VESTING AND TERMINATION

### **715:10-7-2. Limitation of benefits to an inactive, vested member**

A member who has a vested account, but who terminates employment and no longer remits contributions, has an "inactive-vested" account. An inactive-vested member is not entitled to the following:

- (1) Statutory death benefit payable to the beneficiaries of an active member.
- (2) ~~Participation in the Teachers' Retirement System tax-sheltered annuity program.~~
- (3) Option to elect, by the member's spouse, retirement benefits in lieu of a lump sum payment of account balance at the member's death.
- (4) The purchase of any additional past service credits.
- (5) Insurance coverage from the ~~State and Education~~ Oklahoma Employees Group Health Insurance and Benefits Program Plan, unless proper application is made for such coverage within thirty (30) days of termination of employment. (See Subchapter 23 of this chapter for more information about group health insurance.)

## SUBCHAPTER 9. SURVIVOR BENEFITS

### **715:10-9-3. Monthly annuity in lieu of death benefit**

Pursuant to 70 O.S. §17-105(P), ~~The~~ the designated beneficiary of an in-service member who qualified for service retirement and had ten (10) years or more of creditable service may elect to receive, in lieu of the return of contributions and the \$18,000 death benefit, the retirement benefit to which the deceased member would have been entitled at the time of death under the Option 2 retirement plan. [See OAC 715:10-15-2].

- (1) To qualify for this option, the designated beneficiary must have been named as the sole beneficiary at the time of the member's death (see OAC 715:10-15-1 and 10-15-2 and 70 O.S. §17-105(11)).
- (2) This option is only available when the beneficiary is the member's spouse, another person, or the beneficiary of a Discretionary and Special Needs Trust, provided if the designated beneficiary is not the member's spouse, IRS Regulations require that the adjusted member/beneficiary age difference cannot be more than ten (10) years. [See OAC 715:10-15-10, to determine the adjusted member/beneficiary age difference]. [See also OAC 715:10-9-7, if the member and beneficiary were divorced before death].
- (3) Beginning the first day of the month following the member's date of death, the designated beneficiary is eligible to elect a survivor benefit paid monthly in an amount equal to what the member would have been paid under the Option 2 retirement plan. However, the effective date of the election shall be the first day of the month following receipt and approval of the required documentation by TRS. TRS pays monthly benefits in arrears. The first monthly survivor benefit payment and any owed amounts will be made on the first day of the month following the effective date of the election. Owed amounts will be paid without interest. The designated beneficiary who makes this election will receive this monthly survivor benefit for the designated beneficiary's lifetime.
- (4) Notwithstanding paragraph (3) above, regarding owed amounts, TRS shall only make retroactive monthly survivor benefit payments to the designated beneficiary for the months attributable to the period between the date the designated beneficiary first became eligible to elect this benefit to the effective date of the election, and this payment shall be capped at 6 months' of accrued payments. For example, if a member passes away in January and TRS receives valid paperwork from the designated beneficiary in August, the designated beneficiary would have been eligible to elect the monthly annuity to commence on February 1, and the effective date of the election would be September 1. TRS would owe monthly payment amounts attributable to the period between February 1 to September 1, limited to a total of 6 payments. Because TRS pays benefits in arrears, this would be April 1, May 1, June 1, July 1, August 1, and September 1 payments. No payment would be made for March 1, as it exceeds the 6-month cap. Monthly payments would continue as of October 1.

### **715:10-9-6. Probate waivers**

(a) In the event a member dies, leaving no living beneficiary or having designated ~~his~~ the member's estate as beneficiary, or upon the death of any individual who may be entitled to a benefit from TRS, the System TRS shall require the judicial appointment of an administrator or executor for the member's~~decedent's~~ estate prior to payment of any benefits or unpaid contributions. However, this requirement may be waived by the System TRS for any benefits or unpaid contributions in the amount of \$25,000.00 or less, upon receipt of the decedent's death certificate and presentation of:

- (1) the member's~~decedent's~~ valid Last Will and Testament;
- (2) an Affidavit of Heirship naming all heirs to the member's~~decedent's~~ estate which must state:
  - (A) that the value of the deceased member's~~decedent's~~ entire estate is subject to probate, and that the entire estate wherever located, less liens and encumbrances, does not exceed the amount permitted by law, including the payment of benefits or unpaid contributions from the System TRS;

(B) a description of the personal property claimed (including the death benefit or unpaid contributions or both), together with a statement that such personal property is subject to probate; and  
 (C) a claim by each individual claiming heir identifying the amount of personal property that the heir is claiming from ~~the System~~TRS, and that the heir has been notified of, is aware of and consents to the identified claims of all the other claiming heirs of the ~~deceased member~~decedent pending with ~~the System~~TRS; and  
 (D) that all debts of the decedent, including payment of last sickness, hospital, medical, death, funeral, and burial expenses have been paid or provided for.

(3) a Hold Harmless Agreement signed by all heirs; and

(4) a Corroborating Affidavit from someone other than an heir who is familiar with the ~~deceased member~~decedent; and  
 (5) ~~proof of payment of expenses of last sickness, death and burial, including all medical, hospital and funeral expenses.~~

(b) The Executive Director of TRS shall retain complete discretion in determining which requests for probate waiver may be granted or denied, for any reason. If there is any question as to the validity of any document herein required, the judicial appointment requirement shall not be waived.

(c) After paying any death benefits or unpaid contributions to any claiming heirs as provided by this section, TRS is discharged and released from any and all liability, obligation and costs to the same extent as if ~~the System~~TRS had dealt with a personal representative of the ~~deceased member~~decedent. ~~The System~~TRS is not required to inquire into the truth of any matter specified in this section or into the payment of any estate tax liability.

#### **715:10-9-7. Beneficiary designation following a divorce**

Following a divorce between an active or retired member and his or her spouse whom the member had designated as a beneficiary, the former spouse shall be treated as having predeceased the member for purposes of the death benefit payment and/or a return of contributions from the deceased member's Teachers' Retirement System account, unless the member has renamed the former spouse as a designated beneficiary. It is the member's responsibility to notify TRS of the divorce by providing TRS with a file-stamped copy of the final decree. (Note: The beneficiary designation is voided by this section and 15 O.S. §178, only if the member's designation of beneficiary was signed and dated after November 1, 1987).

## **SUBCHAPTER 13. CONTRIBUTIONS FOR MEMBERSHIP SERVICE**

#### **715:10-13-2. Contributions required on all regular annual compensation from all employers**

(a) Contributions shall be made on all regular annual compensation, as defined in OAC 715:10-13-1, received by a member from any participating employer, including federally-subsidized programs under the direct administration of a public school.  
 (b) For employees who are participating in TRS at one employer while maintaining employment in an ineligible position at the same or another employer: the employer that employs the member in the ineligible position must remit contributions on the regular annual compensation of that employee. This is generally known as contributing on secondary employment. This includes pay to a teacher who also drives a school bus, members of TRS who are working part-time for another school and members employed on a regular basis who are employed by the same or different school in a summer school or night school program. For clarification, contributing on secondary employment in an ineligible position will result in an increase to the associated salary denoted in TRS for the applicable fiscal year but will not result in the member earning any associated service credit.  
 (c) All public schools shall treat the employee contributions as being picked-up under the provisions of Section 414(h)(2) of the Internal Revenue Code.  
 (d) Individuals who join ~~the Teachers' Retirement System~~TRS during the school year and who have been employed prior to becoming a member must make retroactive contributions from the date their qualifying employment began. The membership date of such a member is the date the first payment is received, not the beginning of the school year. The member shall not receive full service credit until the balance of contributions, including any contributions required by the employer, are received by TRS.

#### **715:10-13-3. Employee contribution rates**

(a) Beginning with the 1996-97 school year, the maximum compensation level for all members, other than those members employed by a comprehensive university on or before June 30, 1995, shall be the member's regular annual compensation. This includes any employee of a comprehensive university who transfers to another school or university after June 30, 1996, or who terminates paid employment status with a comprehensive university and returns to employment at a later date.  
 (b) Beginning with the 1996-97 school year, the maximum compensation level for those employees of a "comprehensive university", defined in statutes as the University of Oklahoma and all of its constituent agencies, including the University of Oklahoma Health Sciences Center, the University of Oklahoma Law Center and the Geological Survey, and Oklahoma State University and all of its constituent agencies, including the Oklahoma State Agricultural Experiment Station, the Oklahoma State University Agricultural Extension Division, the Oklahoma State University College of Veterinary Medicine, the Oklahoma State University Center for Health Sciences, the Technical Branch at Oklahoma City the Technical Branch at Okmulgee and Oklahoma State University-Tulsa, who were employed on or before June 30, 1995, shall contribute the following:

(1) for members who, prior to June 30, 1995, elected to contribute on a maximum compensation level not to exceed \$25,000:

(A) \$32,500 for service between July 1, 1996 and June 30, 1997,

- (B) \$37,500 for service between July 1, 1997 and June 30, 1998,
- (C) \$42,500 for service between July 1, 1998 and June 30, 2000,
- (D) \$47,500 for service between July 1, 2000, and June 30, 2001,
- (E) \$52,500 for service between July 1, 2001, and June 30, 2002,
- (F) \$57,500.00 for service between July 1, 2002, and June 30, 2003,
- (G) \$62,500.00 for service between July 1, 2003, and June 30, 2004,
- (H) \$67,500.00 for service between July 1, 2004, and June 30, 2005,
- (I) \$72,500.00 for service between July 1, 2005, and June 30, 2006,
- (J) \$77,500.00 for service between July 1, 2006, and June 30, 2007, and

(K) the full amount of regular annual compensation for service authorized and performed after June 30, 2007, and  
 (2) for members who, prior to June 30, 1995, elected to contribute on a maximum compensation level in excess of \$25,000, or who did not make an election prior to June 30, 1995, because their annual salary was less than \$25,000:

- (A) \$49,000 for service between July 1, 1996 and June 30, 1997,
- (B) \$54,000 for service between July 1, 1997 and June 30, 1998,
- (C) \$59,000 for service between July 1, 1998 and June 30, 2000,
- (D) \$64,000 for service between July 1, 2000, and June 30, 2001,
- (E) \$69,000 for service between July 1, 2001, and June 30, 2002,
- (F) \$74,000 for service between July 1, 2002, but not later than June 30, 2003,
- (G) \$79,000 for service between July 1, 2003, and June 30, 2004,
- (H) \$84,000 for service between July 1, 2004, and June 30, 2005,
- (I) \$89,000 for service between July 1, 2005, and June 30, 2006,
- (J) \$94,000 for service between July 1, 2006, and June 30, 2007, and

(K) the full amount of regular annual compensation for service authorized and performed after June 30, 2007.

(c) A person employed by any school district or technology center school district who holds a valid certificate issued by the State Department of Education or the State Board of Career and Technology Education and is employed on a full-time basis as a teacher, principal, supervisor, administrator, superintendent, counselor, librarian, ~~or certified or registered nurse, or certified athletic trainer pursuant to 70 O.S. §1-116~~ shall have a specific amount credited against the employee's contribution amount to TRS. The State of Oklahoma shall pay an annual amount as set forth in 70 O.S. §17-108.2 for each fiscal (or plan) year.

(d) Each school district or technology center school district shall adjust each eligible employee's monthly contribution to TRS in accordance with statutory provisions and shall cause the annual amount paid by the State of Oklahoma as provided in the preceding paragraph to be deducted from the monthly remittance to each eligible employee's retirement account and a like amount added to the gross pay of the eligible employee.

- (1) If the school district pays the retirement contribution in addition to the employee's total compensation, the employer must reduce the employee's annual retirement contribution which the school pays to TRS by the appropriate amount and add that amount to each eligible employee's gross pay.
- (2) If the school district deducts the retirement contribution from each employee's total compensation, whether as a salary reduction to pay the retirement contribution as a fringe benefit or as a deduction on an after-tax basis, the employer must adjust the employee's annual retirement deduction in accordance with the amount to be paid by the State. The adjustment in the retirement deduction will result in an increase to the eligible employee's gross pay.
- (3) The State contribution to each eligible employee's retirement account is determined by the total experience of each employee as verified by the State Department of Education or the Oklahoma Department of Career and Technology Education.
- (4) The State contribution must be calculated and paid in equal monthly installments as determined by the eligible employee's contract, i.e., ten months, eleven months or twelve months. Eligible employees who work full-time for less than a full contract year shall have the prescribed State contribution prorated proportionately based on the employee's full-time employment during the relevant contract period.

#### 715:10-13-8. Procedure for making contribution deductions

The ~~Teachers' Retirement System~~ TRS contribution deduction shall start with the payment for the first month of a "classified" employee's contract, or the first month of membership for an optional "non-classified" member. This contribution shall be based on the total compensation for the month but shall not apply to the compensation of a substitute teacher or any employee working on a less than one-half time basis. Individuals who join ~~the System~~ TRS during the school year, and who have been employed prior to becoming a member, must make retroactive contributions from the ~~beginning of that school year~~ date their ~~qualifying employment began~~. The membership date of such a member is the date of first payment not the beginning of the school year. The member shall not receive ~~full service~~ credit for a year of service until the balance of contributions, including any contributions required by the employer, are received by TRS. Interest compounded annually at ten percent (10%) per annum shall be levied against the balance due until paid.

- (1) The total deductions in any one school year shall not exceed the maximum limit prescribed by statutes as defined in OAC 715:10-13-3.
- (2) In determining the amount of the contribution for a member in any payroll period, the employer shall consider the total compensation earned from all sources. The contribution shall be calculated on the gross compensation before any

deductions, such as tax-sheltered annuity, income taxes, Social Security, etc. Deductions shall be made at the statutory contribution rate on each month's compensation until the maximum annual compensation level is reached. Total monthly compensation shall be reported in the monthly salary column of the remittance report. Monthly compensation includes gross wages and fringe benefits paid or provided by the remitting agency.

(3) Monthly contributions for employees of a comprehensive university, whose maximum compensation level is less than the member's regular annual compensation, may be remitted in twelve equal payments to the member's account during the school year. It shall be the responsibility of the employer to ensure any required adjustment in contributions is made if a member terminates employment or the member's salary changes during the school year.

(4) Required contributions shall be remitted monthly.

(5) As of July 1, 1979, members who signed a waiver to contribute on a maximum annual salary of \$7,800 are required by law to contribute on their total compensation not to exceed any current maximum contribution level.

(6) The Department of Corrections shall contribute the employer's share to the Teachers' Retirement System TRS. The contribution shall be the same dollar amount required of the member.

#### **715:10-13-10. Annual report of employment**

Pursuant to 70 O.S. §17-108.1(E) for the purpose of establishing service credit and confirming the reporting of correct compensation and contributions, At the close of each fiscal year but prior to November 1, the payroll office of each employer shall file a report with Teachers' Retirement System TRS that certifies the number of hours worked that year by each less than fulltime the total regular annual compensation, position information, days and hours worked, sick leave balance, and contributions paid for each participating employee. The report shall also include the names and total number of hours worked by compensation for any employee receiving Teachers' Retirement System retirement benefits person who is a retired member of TRS. This report shall be known as the Employment Year End Report, and shall be provided in a manner required by TRS.

#### **715:10-13-11. Percentage limits on compensation increases**

When any of a member's last three creditable years of service before retirement are used in determining the member's final average salary, the three years of service before retirement shall be known as the spiking review period. During the spiking review period, The the average of the member's aggregate compensation for the last three creditable service years in the spiking review period of service before retirement may not exceed by more than 20% the credited compensation of the immediately preceding creditable service year immediately preceding the spiking review period for service when worked in the same or similar positions by more than 20%. When appropriate, Teachers' Retirement System TRS may convert salary for part-time employment to its full-time equivalent in determining the permissible increases in annual compensation.

(1) Teachers' Retirement System TRS will adjust a member's annual compensation at the time of retirement to comply with the limits of this rule and will refund excess deposits to the member after the effective date of retirement.

(2) Increases in compensation due to a change in employment responsibilities or adjustments in salary schedules for the employees of school district shall be excluded by TRS in determining if an employee exceeds the 20% level. TRS retains the right to require individuals and the employing school to provide documentation to satisfy questions that may arise from increases in compensation in excess of 20% for any school year.

#### **715:10-13-13. Contributions while receiving workers' compensation payments**

Any member who is an active contributing member and receives temporary total disability benefits during the period of absence from a public school due to a work-related injury or illness and qualifies for payment pursuant to the Workers' Compensation Act shall receive credit for said period of absence, if contributions were not remitted on the member's regular annual compensation while the member is receiving temporary total or partial disability benefits, subject to the following requirements:

- (1) the member was employed by the public school immediately prior to and during the period of absence,
- (2) the member must notify the System TRS in writing not later than four (4) months after the member's return to his or her job duties with the public school, or termination of the temporary total disability benefits, whichever is earlier, of the member's desire to receive service credit for the period of absence,
- (3) the public school employer must certify to the System TRS in writing the dates during which temporary total disability benefit payments were paid to the member, and
- (4) the member and the public school employer shall each pay the respective contributions required for the period of absence without interest within sixty (60) days of billing by the System TRS, or with interest at a rate consistent with the actuarial assumed earnings rate adopted by the Board of Trustees, compounded annually if paid after said sixty (60) days. Employee and employer contributions will be based on the member's regular annual compensation the member would have earned had the injury or illness not occurred.
- (5) All balances due must be paid in full at least thirty (30) days prior to termination of employment or and, in all cases, ninety (90) days prior to the effective date of a member's official retirement date.

#### **715:10-13-15. Waiver of employer late fees**

(a) TRS statutes provide that all employer and employee contributions must be remitted to TRS within 30 days after the end of the month in which the work was performed. If they Contributions which are remitted after the deadline they are untimely and will be

assessed a late fee at a rate dependent upon the remission date. Untimely contributions due in the current fiscal year which are received in the current fiscal year or untimely contributions due the fiscal year immediately preceding November 1 which are received prior to November 1 will be assessed a 1 1/2% late charge fee, compounding monthly. Untimely contributions due for any prior fiscal year which are received on or after November 1 will be assessed a late fee of 10% per annum, compounding annually consistent with OAC 715:10-13-5. The Board of Trustees may waive the late fee for good cause shown but may delegate this authority to staff. The Executive Director is authorized to waive these late fees. Good cause is generally shown in cases of an unforeseen circumstance such as a death or illness, acts of nature, or other unforeseen and unavoidable circumstance rendering the timely payment of contributions impossible.

(b) The System TRS will automatically waive late fees assessed for any contributions received late due to the late receipt of federal funds or workers' compensation payments.

(c) The System TRS will automatically waive any late fees assessed in the amount of \$50 or less, provided the requesting employer has had one or less late remittances in the past 12 months.

(d) All other requests for waiver of late fees shall be presented to The System TRS for review and determination of good cause shown for waiver. All waiver requests must be made on district/employer letterhead and signed by the Superintendent, CEO, or CFO.

## SUBCHAPTER 15. SERVICE RETIREMENT

### 715:10-15-1. Eligibility for service retirement [REVOKE]

Service retirement requirements shall be administered as outlined in Title 70, Oklahoma Statutes, Section 17-105 [70 O.S. 17-105].

### 715:10-15-2. Age, service requirements for regular eligibility, and other requirements for service retirement

Service retirement requirements shall be administered as outlined in Title 70, Oklahoma Statutes, Section 17-105 [70 O.S. §17-105].

### 715:10-15-10. Retirement plans

A member may elect to receive a monthly life annuity under one of the following plans:

(1) The Maximum Plan of Retirement (hereafter referred to as the maximum plan) provides the greatest monthly lifetime benefit that each individual member's years of creditable service and average salary permit. The maximum plan is provided thea monthly benefit (also called a monthly annuity) calculated using the standard retirement formula set by statutes. In the event the total benefit payments made prior to the death of a retired member are less than the member's accumulated contributions (with any interest credited to the account prior to July 1, 1968), the difference shall be paid to the member's designated beneficiary or to the member's estate, whichever is applicable.

(2) Retirement Option 1 provides a slightly reduced lifetime benefit with the possibility of a lump sum death benefit that protects the member's accumulated contributions for a longer period of time than under the maximum plan. The Option 1 monthly benefit is the difference between the monthly annuity portion provided under the maximum plan, actuarially reduced for the enhanced lump sum death benefit provided for under Option 1, and the annuity portion of an Option 1 retirement plan subtracted from the maximum plan. If the retired member dies before receiving in the annuity portion of the monthly payments an amount equal to the member's accumulated contributions deposits (with any interest credited to the account prior to July 1, 1968) are paid out to the member via the portion of the monthly benefit provided by the member's own contribution account balance, the remaining balance of accumulated contributions shall be paid in a lump sum to the member's designated beneficiary or to the member's estate, whichever is applicable. (The member's deposits accumulated contributions are "protected" for the member's beneficiary for a longer period of time than under the maximum plan, hence, the monthly benefit is less than the maximum benefit.)

(3) Retirement Option 2 provides a reduced monthly benefit payable to the member for life. At the death of the retired member, the same monthly benefit payable to the member shall continue to the member's joint annuitant, if living. This option is known as a "100% joint survivor annuity." The reduction in the monthly benefit is based on actuarial tables developed for this purpose and approved by the Board of Trustees. The ages of the member and joint annuitant are an important factor in computing this benefit. The joint annuitant for the Option 2 retirement plan may be the member's spouse, another person, or the beneficiary of a Discretionary and Special Needs Trust as provided in 70 O.S. § 17-105(M). (3). If the designated joint annuitant is not the member's spouse, IRS Regulations require that the adjusted member/joint annuitant age difference cannot be more than ten (10) years. The adjusted member/joint annuitant age difference is determined by first calculating the excess of the age of the member over the age of the joint annuitant based on their ages on the date of retirement. If the member is younger than age 70, the age difference determined in the previous sentence is reduced by the number of years that the member is younger than age 70 based on the member's age on the date of retirement. If the adjusted member/joint annuitant age difference is greater than ten (10) years, the Option 2 retirement plan is not available. In the event the member's joint annuitant dies at any time after the member's retirement date but before the death of the member, the member shall return to the retirement benefit, including any post-retirement benefit increases the member would have received, had the member not selected the Option 2 retirement plan. The joint annuitant designation

cannot be changed under any circumstance after the date of retirement except as provided in OAC 715:10-15-11. The reduction in the monthly payment is much greater than under all other retirement options because two people are protected for the life of both individuals.

(4) Retirement Option 3 provides a reduced monthly benefit payable to the member for life. At the death of the retired member, one-half (or 50%) of the monthly benefit payable to the member, shall continue to the member's joint annuitant, if living. This option is known as a "50% joint survivor annuity." The reduction in the monthly benefit is based on actuarial tables developed for this purpose and approved by the Board of Trustees. The age of the joint annuitant is an important factor in computing this benefit. The joint annuitant for the Option 3 retirement plan may be any person or the beneficiary of a Discretionary and Special Needs Trust as provided in 70 O.S. § 17-105(M)(3). In the event the member's joint annuitant dies at any time after the member's retirement date but before the death of the member, the member shall return to the retirement benefit, including any post-retirement benefit increases, the member would have received had the member not selected the Option 3 retirement plan. The joint annuitant cannot be changed under any circumstance after the date of retirement except as provided in OAC 715:10-15-11. The reduction in the monthly payment, while not as great as in the Option 2 plan, still requires a substantial reduction because two people are protected for the life of both individuals.

(5) Members who were eligible for an early or unreduced retirement benefit on or before December 31, 2025 may elect Retirement Option 4 which provides a reduced monthly benefit payable to the member for life. In the event the retired member dies within one hundred twenty (120) continuous months from the date of retirement, the balance of the payments is continued to the designated beneficiary until a total of one hundred twenty (120) months have been completed. The actual reduction is based on actuarial tables developed for this purpose and approved by the Board of Trustees. The beneficiary must be designated at the time of retirement. The Option 4 retirement plan is not available for a member whose retirement date is on or after the member reaches age 93. However, if the designated beneficiary is the member's spouse, the Option 4 retirement plan may be selected if the 120-month period does not extend beyond the joint life and last survivor expectancy of the member and the member's spouse. If theany beneficiary dies before the total number of "guaranteed"120 months of payments have been completed, the remaining payments due to the beneficiary shall be converted to a lump sumcomputed at the rate of interest used in determining the original guarantee Option 4 retiree's monthly benefit payable. The funds remaining and shall be paid to the administrators, executors or assigns of the last surviving payeedeceased beneficiary's estate. Option 4 retirement plan will bewas revoked by the Board of Trustees on December 31, 2025. Beginning January 1, 2026, it willis no longer be available as a retirement plan option for TRS members who were not eligible for an early or unreduced retirement benefit on or before December 31, 2025.

#### **715:10-15-10.1. "Pop-up" of Option 2 or Option 3 retirement plans**

If the designated joint annuitant under the Option 2 or 3 retirement plan dies at any time after the member's retirement date, but before the death of the member, the member shall return to the retirement benefit, including any post-retirement benefit increases the member would have received had the member not selected the Option 2 or 3 retirement plan. In such an event, the member's monthly retirement benefit and any amount due at the death of the member shall be calculated as if the member had selected the Maximum Plan of Retirementretirement allowance. The increase in the member's monthly benefit becomes effective the first day of the month following the date of death of the designated joint annuitant and shall be payable for the member's remaining lifetime. The member shall notify TRS of the death of the designated joint annuitant in writing by providing a certified copy of the joint annuitant's death certificate. If the joint annuitant's death certificate has not yet been issued by the Medical Examiner, or for other good cause shown, the Executive Director of TRS may accept alternative documentation to establish proof of death for purposes of this section. In the absence of timely notice, TRS shall make retroactive benefit payments to the member, not to exceed six (6) months from the time the member first became eligible for increased benefits to the date notification is received.

Notwithstanding any other provision, increased benefits will not be due for any period prior to July 1, 1994.

#### **715:10-15-10.2. Partial lump-sum payments**

Any member of the Teachers' Retirement SystemTRS with 30 or more years of service credit may elect to receive a partial lump-sum payment in exchange for a reduced annuity. The application for a partial lump-sum payment will be added to the retiring member's final contract for retirement on a form prescribed by the Board of Trustees. A beneficiary of a deceased active member is not eligible to select a partial lump-sum payment.

(1) A member may elect to receive a partial lump-sum payment in an amount equal to the unreduced retirement benefit (Maximum Retirement Allowance) which would have been paid over a period of 12, 24 or 36 months, had the lump-sum option not been selected. Once the payout amount is selected, a reduced Maximum Retirement Allowance is then calculated using factors based upon the member's age at retirement and the payout option (12, 24, or 36 months) selected. This reduced Maximum Retirement Allowance then serves as the basis upon which other optional payment alternatives will be calculated pursuant to 70 O.S. §17-105 and OAC 715:10-15-10.

(2) The partial lump-sum payment shall be paid in a single checkissued separateseparately from the regular monthly retirement ninety (90) days after the date of the retiring member's first monthly benefit payment. The partial lump-sum payment cannot be returned to the Retirement SystemTRS once it has been received by the member.

(3) The partial lump-sum payment shall be subject to federal income tax in accordance with Internal Revenue Code or applicable Internal Revenue Service regulations. In accordance with IRS regulations, the member may elect to roll over the

partial lump-sum payment into an eligible individual retirement account (IRA) or other eligible retirement plan, including the Oklahoma Teachers' Retirement System's 403b Tax Sheltered Annuity Plan if you already have an established account prior to expected retirement date.

(4) The total amount of the partial lump-sum payment shall be deducted from the member's account balance consisting of the employee contributions plus interest posted to the member's account prior to July 1, 1968, for the purpose of determining unused contributions remaining in the account.

(5) The partial lump-sum payment will be based on the service credit and average compensation, including projected compensation, at the time of retirement, but may be issued before final compensation and contributions are received and posted to the member's account. TRS reserves the right to correct any overpayment or underpayment discovered after final compensation and contribution postings have been received. Should the member have been overpaid, TRS will collect such overpayment from the member, based on an adjustment to the member's monthly benefit. Should the member have been underpaid, TRS will adjust future monthly benefit payments to compensate the member for the amount of the underpayment.

(6) A retiree, having received a partial lump-sum payment, who is reemployed and returns to membership contributing status pursuant to OAC 715:10-17-13, shall have his or her subsequent retirement benefit calculated taking into consideration that a partial lump-sum payment has been received.

(7) Should the retiring member die after the effective date of retirement, but before the partial lump-sum payment is made, the payment will be made to the beneficiary(ies) designated by the retiring member on the final contract for retirement, unless the member filed a separate beneficiary form specifically designating a third party as the beneficiary of the partial lump-sum payment.

(8) If the retiring member is married at the time of retirement, the member's spouse must sign the member's partial lump-sum application form acknowledging the retiring member's intent to receive a partial lump sum payment.

#### **715:10-15-11.1. Designation of Trustee of Oklahoma Discretionary and Special Needs Trust as joint annuitant or beneficiary**

(a) 70 O.S. § 17-105(g)(3) provides that any person who is eligible to be named as a beneficiary or joint annuitant, and who is also a beneficiary of a trust created under the Oklahoma Discretionary and Special Needs Trust Act, or comparable Trust Act under another state, may be a beneficiary or joint annuitant of a retired member by having the trustee of the trust established for the benefit of that individual named as the legal beneficiary or joint annuitant. Benefit payments shall be paid to the Trustee for the benefit of the beneficiary.

(b) If a beneficiary or joint annuitant, at the time of or subsequent to being named a beneficiary or joint annuitant of a TRS member, is or becomes the beneficiary of a Special Needs Trust, TRS will acknowledge the trust as the beneficiary or joint annuitant and make payments to the Trustee once the following has been submitted to and approved by TRS:

(1) Trust creation documents which include the following:

- (A) Provision that the trust is non-revocable;
- (B) Provision for only one beneficiary of the trust which cannot be changed and provision no other beneficiaries may be added; and,
- (C) Provision that the beneficiary must hold all interests in the trust except for the remainder interest to be paid in the event of the beneficiary's death;

(2) Signed and notarized acknowledgment from Trustee that he or she will notify TRS within 15 (fifteen) days of the death of the beneficiary, or in the event a new Trustee is appointed, or any other change to the Trust documents that would affect the eligibility of the beneficiary or Trustee from being eligible to be named a beneficiary under subsection (b) such as addition of a beneficiary, etc.; and, the tax identification number of the Trust, as well as the Social Security number of the Trust beneficiary.

### **SUBCHAPTER 17. POST-RETIREMENT EMPLOYEE**

#### **715:10-17-5. Permissible employment**

Post-retirement employment in the public schools, institutions, and agencies covered by TRS is allowed after the break in employment outlined in OAC 715:10-17-2 has been met. Employment subject to this section shall include any services performed by a retired member, as defined in this subchapter, except for payments received as an employee of the State Department of Education pursuant to 70 O.S. § 17-103(7E) or as an independent contractor or consultant, pursuant to a lawful contract that complies with the requirements of 70 O.S. § 6-101.2(B) and which is approved by TRS within sixty (60) days of the contract's effective date. TRS will follow guidelines in 70 O.S. § 6-101.2(B) and federal guidelines from the Department of Labor and the Internal Revenue Service in determining when a retired person qualifies as an independent contractor or consultant.

#### **715:10-17-13. Election to return to qualifying employment**

Any retired member who returns to employment in the public schools of Oklahoma and is employed half-time or more as defined in OAC 715:10-3-2 and OAC 715:10-3-3 may return to post-retirement employment or active contributing status under the following conditions:

(1) Active Contributing Status. The retired member must file an irrevocable election to discontinue retirement benefits for the period of such employment. The return to membership contributing status must coincide with the beginning of a school year or the member must refund all benefit payments received from the beginning of the school year in which employment begins and make employee contributions on any compensation earned from the beginning of the school year to the date of the election to return to contributing status.

(2) The election must be completed by the employing school and signed by the retired member and an official who has authority to employ or pay regular employees of the school.

(3) The election must include the nature of the position held and the beginning date of employment. Retirement payments shall not be resumed during the summer months between consecutive years of this type of employment.

(4) The retired member and the employing public school shall remit employee and employer contributions in the same manner as active contributing employees.

(5) The retired member shall accumulate service credit in the same manner as active contributing employees of the system.

(6) Upon termination of employment, the retired member's monthly retirement benefits will resume with an adjustment to reflect credit for the additional employment as follows:

(A) The initial benefit calculated at the time of retirement will not be affected by the additional employment.

(B) Service credits will be accumulated and credited to the member's record in accordance with Subchapter 3 of this Chapter.

(C) A supplemental benefit for the year(s) of additional service will be calculated using the standard retirement benefit formula and the retirement plan and other options selected by the retiree when the member first retired (See OAC 715:10-15-7 and 715:10-15-7.1).

(D) The average salary used in calculating the supplement benefit will be the average of the salaries earned during this period of employment. In the event the member is employed for less than the number of years required to determine the appropriate average salary, the average will be determined by the number of years employed.

Annual salaries will be based on contributions made and determined on a school year basis.

(7) If the retired member is employed for a period of time which does not qualify for additional service credit, the employee contributions remitted by the retired member or by the employer on the retired member's behalf will be refunded to the retired member without interest. Employer contributions as provided by OAC 715:10-13-3 will not be refunded.

(8) The employer shall provide written notice to TRS when the retired member's employment is terminated. The retired member cannot resume benefit payments under this rule and remain employed. The retired member must comply with the sixty (60)-day non-employment rule that applies to a member who elects normal retirement. Retirement payments will be resumed effective the first of the following month, provided the necessary retirement paperwork is received within the prescribed timelines, otherwise benefits will be resumed the first of the next succeeding month. Any supplemental benefit determined pursuant to this section shall commence at the same time.

(9) If the retired member dies while engaging in half-time or more employment as provided in this section, the retired member's beneficiaries will receive any survivor benefits specified in the terms of the retirement contract elected by the member, the \$18,000 death benefit provided by OAC 715:10-9-2, if applicable, and a return of employee contributions, plus interest accumulated during the current employment, as defined in OAC 715:10-9-1. The beneficiaries of the deceased retired member will not be entitled to both the \$18,000 death benefit and the \$5,000 death benefit described in 70 O.S. §17-105(4P) and (4Q).

(10) If a retired member does not file an election to discontinue monthly benefits while employed by the public schools of Oklahoma, he or she waives the accrual of service credit and the right to any supplemental benefit from service in the position. The retired member will, however, be subject to the earnings limits outlined in 70 O.S. §17-116.10.

(11) Retired members returning to half-time or more employment under this subchapter and section shall not be considered "active members" for purposes of purchasing or transferring any form of prior service credit of whatever nature.

(12) A retiree having received a partial lump-sum payment, who is re-employed and returns to membership contributing status pursuant to OAC 715:10-17-13, shall have his or her subsequent retirement benefit calculated taking into consideration that a partial lump-sum payment has been received.

#### **715:10-17-15. Salary limitations for certain returning classroom teachers [REVOKE]**

Legislation enacted during the 2021 legislative session allows members who retired on or before July 1, 2020, to return to employment as an active classroom teacher for a public school or career technology district with no earnings limitations in certain circumstances. Members seeking to return to employment as an active classroom teacher under this provision must meet all the following requirements:

(1) The member must have been retired as of July 1, 2020;

(2) The member must have been retired and drawing a TRS retirement benefit and not be employed by any public school or career technology district in any capacity for a period of twelve (12) consecutive months immediately following the last day of employment prior to their retirement date;

(3) The member can only be employed as an active classroom teacher as defined in 70 O.S. § 17-101(27) when they return to employment; and

(4) Within sixty (60) days of the member's return to employment, the member's employer must provide to TRS, in a manner prescribed by TRS, documentation establishing the member's eligibility under this provision.

(A) The Executive Director of TRS may waive the sixty (60) day requirement for good cause shown.

(B) To petition for waiver, either the TRS member, the employer, or both if appropriate under the circumstances, must provide written documentation of good cause to TRS along with documentation establishing eligibility under this provision.

## **SUBCHAPTER 23. STATE AND EDUCATION EMPLOYEES GROUP HEALTH AND DENTAL INSURANCE PROGRAMOKLAHOMA EMPLOYEES INSURANCE AND BENEFITS ACT**

### **715:10-23-1. State and Education Employees Group Health and Dental Insurance ProgramOklahoma Employees Insurance and Benefits Act**

Members of Teachers' Retirement TRS who retire or terminate employment with at least ten (10) years of creditable service are eligible to enroll in may continue in force the insurance benefits authorized by the State and Education Employees Group Health and Dental Insurance Program Oklahoma Employees Insurance and Benefits Act [74 O.S. §1301 et seq.]. The retiring member must conform to rules and regulations promulgated by the State and Education Employees Group Insurance Oklahoma Employees Insurance and Benefits Board, which is the final authority on questions of eligibility for membership and coverage provided by the insurance plan under the Act. Questions regarding eligibility for insurance coverage and monthly premiums should be referred to the local school district's health insurance coordinator or the State and Education Employees Group Insurance Oklahoma Employees Insurance and Benefits Board.

### **715:10-23-2. Monthly health insurance premium supplementsubsidy paid by the Teachers' Retirement System**

(a) Teachers' Retirement TRS will pay a monthly health insurance premium subsidy in an amount between \$100 and \$105 as determined pursuant to 74 O.S. §1316.3(E) or the premium rate of the monthly health insurance benefit plan, whichever is less, on behalf of premium supplement for each retired member who had at least ten (10) years of creditable service prior to retirement and who is remains continuously enrolled in the health insurance plan provided by authorized by the State and Education Employees Group Health and Dental Insurance plan Oklahoma Employees Insurance and Benefits Act, or in

(b) These health insurance plans include an employer-sponsored insurance program plan provided to retired TRS members by a participating education employer who provides health insurance coverage to former employees does not participate in the plans offered pursuant to the Oklahoma Employees Insurance and Benefits Act, provided the retired member had at least ten (10) years of Oklahoma service prior to retirement.

(1) The term "participating education employer" for purposes of this subchapter shall have the same meaning as the term "public school" as defined by 70 O.S., Section §17-101. The payment shall be in accordance with 74 O.S., Section 1316.3, as amended, which provides that the supplement paid by Teachers' Retirement shall be the premium rate of the Medicare supplement charged to the retired employees not to exceed an amount between \$100 and \$105, depending on length of service and the final average salary of the retired member as specified in subsection 4 of Section 1316.3 of Title 74 of the Oklahoma Statutes.

(2) For eligible group health insurance plans provided by a participating education employer who does not participate in the plans offered pursuant to the Oklahoma Employees Insurance and Benefits Act, TRS will contribute the amount required by law after the group insurance plan has provided all necessary information to TRS. The group health insurance plan must be in compliance with Oklahoma law.

(A) The participating education employer must notify TRS that a retired member will remain enrolled in the employer-sponsored insurance plan.

(B) Each month TRS will provide the participating education employer with a list of all retired members qualifying for the health insurance premium subsidy and a financial officer authorized by the participating education employer shall certify the list is correct.

(C) TRS will remit payment to the participating education employer upon receipt of the certified statement.

(D) The participating education employer will be responsible for collecting additional premiums and remitting the total premium for each retired member to the health insurance provider.

(E) The participating education employer shall file with TRS at least once each year the monthly premium charged for the insurance plan provided to retired members of the employer-sponsored insurance plan. In the event the premium is modified during the school year, the employer shall notify TRS at least thirty (30) days prior to the effective date of the change.

(c) Except as provided for in OAC 715:10-23-4, TRS shall contribute the subsidy amount required by 74 O.S. §1316.3(E) towards the cost of health insurance coverage authorized by the Oklahoma Employees Insurance and Benefits Act only for retired members who receive a monthly retirement benefit for that month. This contribution shall not be made for beneficiaries, survivors, or directly to the retired member.

(d) The monthly health insurance premium subsidy shall be paid in arrears for each eligible retired member.

### **715:10-23-3. Participating education employers not enrolled in the State and Education Employees Group Insurance Plan [REVOKE]**

In accordance with 74 O.S., Section 1316.3, as amended, Teachers' Retirement will pay a monthly health insurance premium supplement to a participating education employer for all each retired members enrolled in an insurance program provided to retired members of the employer, provided the retired member had at least ten (10) years of creditable service prior to retirement. For purposes of this section the following shall apply:

- (1) The participating education employer must notify Teachers' Retirement that a retired member will remain enrolled in the insurance plan provided by the employer.
- (2) Each month Teachers' Retirement will provide the participating employer with a list of all retired members qualifying for the health insurance premium payment and a financial officer authorized by the school shall certify the listing is correct.
- (3) Teachers' Retirement will remit payment to the participating education employer upon receipt of the certified statement.
- (4) The participating education employer will be responsible for collecting additional premiums and remitting the total premium for each member to the health insurance provider.
- (5) The participating education employer shall file with Teachers' Retirement at least once each year the monthly premium charged for the medicare supplement insurance plan provided to retired members of the employer's insurance plan. In the event the medicare supplement premium is modified during the school year, the employer shall notify Teachers' Retirement at least thirty (30) days prior to the effective date of the change.

### **715:10-23-4. Retired members who return to employment**

A retired TRS member who returns to employment in the public schools of Oklahoma and becomes eligible for health insurance coverage as a regular employee of a participating education employer under a health insurance plan authorized by the Oklahoma Employees Insurance and Benefits Act will cease to be eligible for the health insurance supplementpremium subsidy paid by Teachers' RetirementTRS for the period of time the member is enrolled or eligible to be enrolled in the such health insurance plan participating education employer's group insurance plan. This applies even if the retired TRS member has not returned to active contributing status as provided for in OAC 715: 10-17-13. Upon termination of eligibility for health insurance coverage as a regular employee and provided the TRS member maintains continuous coverage as a retiree pursuant to the Oklahoma Employee Insurance and Benefits Act as determined by the Oklahoma Employees Insurance and Benefits Board, TRS will resume the health insurance premiumsupplementssubsidy will be resumed.

### **715:10-23-5. Retired members ineligible for health insurance supplement who are ineligible for health insurance premium subsidy**

- (a) Retired members who are not enrolled in either the plans offered pursuant to the State and Education Employees Group Health Insurance plan Oklahoma Employees Insurance and Benefits Act, or which includes an employer-sponsored insurance plan provided by a participating education employer, are not eligible for the insurance supplementssubsidy provided for in 74 O.S.; Section 1316.3 as amended.
- (b) Except as provided in 74 O.S. §1316.3(A), eligible former employees who declined to continue in force or begin insurance coverage at the time of termination of service, or who subsequently dropped the insurance coverage, are not eligible for the monthly health insurance premium subsidy even if the insurance coverage is reinstated at a later date.
- (c) Retired members who for any reason are not receiving monthly retirement benefits from the Teachers' Retirement SystemTRS are not eligible for the monthly health insurance premiumsupplementssubsidy provided for in 74 O.S. §1316.3.

### **715:10-23-6. Health Insurance Tax treatment of the Health Insurance Premium Contribution**

- (a) The Oklahoma Teachers' Retirement System shall contribute the amount required by law towards the cost of health insurance coverage offered under the State and Education Employees Group Insurance Plan or other eligible group insurance plans only for retired members who actually receive a monthly retirement benefit for that month. This contribution shall not be made for beneficiaries, survivors, or directly to the retired member.
- (b) For eligible group health insurance plans other than the State and Education Employees Group Insurance Plan, the System will contribute the amount required by law after the group insurance plan has made application to the System and completed any necessary and required forms and/or agreements. The group insurance plan must be in compliance with Oklahoma law and offer insurance to all of the covered participating employer's employees, former employees who are vested, and former employees who retired from that covered employer. The insurance plan shall provide a certification monthly detailing each covered retired member in the form and manner required by the System. The subsidy shall be paid in arrears for each eligible retired member.
- (c) As provided under 70 O.S. Section 17-108(13C)(12), and pursuant to the federal Internal Revenue Code Section 401(h) and Treasury Regulation §1.401-14, the Retirement Medical Benefit Fund shall be maintained as a sub-account of the Retirement Benefit Fund. From the Retirement Medical Benefit Fund, the SystemTRS shall remit the subsidy amount specified in 74 O.S. Section 1316.3 toward health insurance premiums.
- (d) All contributions to the Retirement Medical Benefit Fund shall be reasonable and ascertainable.
- (e) Contributions to the Retirement Medical Benefit Fund must be subordinate to the contributions to the Retirement Benefit Fund for retirement benefits. At no time shall the aggregate actual contributions to the Retirement Medical Benefit Fund (when added to

actual contributions for life insurance protection under the plan, if any) be in excess of twenty-five percent (25%) of the total aggregate actual contributions made to the Retirement Benefit Fund (not including contributions to fund past service credits). The Board shall annually determine whether the twenty-five percent (25%) test has been met. If at any time the Retirement Medical Benefit Fund contributions (plus any life insurance contributions) would exceed the twenty-five percent (25%) test, the excess amount of contributions shall be transferred to the Retirement Benefit Fund for retirement benefits.

(fd) Forfeitures in the Retirement Medical Benefit Fund shall not be allocated to individual accounts under the fund, but shall be used for account expenses.

(ge) At no time prior to the satisfaction of all liabilities under the Retirement Medical Benefit Fund or termination of the fund shall any assets in the fund be used for, or diverted to, any purpose other than the providing of payment of the System's TRS's portion of the monthly retiree health insurance premium benefit described by Title 74 O.S. Section §1316.3 and the payment of administrative expenses. Assets in the Retirement Medical Benefit Fund may not be used for retirement or disability benefits or any other purposes for which other assets held in the Retirement Benefit Fund are used.

(hf) The provisions of section 401(h)(5) of the Internal Revenue Code of 1986, as amended from time to time, shall apply upon the satisfaction of all liabilities under law of the Retirement Medical Benefit Fund ~~under law~~ and the Retirement Benefit Fund.

DRAFT

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**RULE IMPACT STATEMENT**

*This Rule Impact Statement has been prepared pursuant to 75 O.S.Supp.2025, § 303(D)(1).*

**TITLE 715. TEACHERS' RETIREMENT SYSTEM**

**CHAPTER 10. GENERAL OPERATIONS**

**A. BRIEF DESCRIPTION OF PURPOSE/NEED/LEGAL BASIS OF PROPOSED  
PERMANENT RULES:**

TRS rules are proposed, amended, or revoked to comply with the statutory responsibility of the Board of Trustees in establishing rules and regulations for the administration of the System and the transaction of its business (70 O.S. §17-101 et seq.). These rules are necessary to clarify the administration of the System regarding amendments to Title 70 of the Oklahoma Statutes passed in the 2024 and 2025 legislative sessions and to otherwise clarify and thus effect the orderly administration of the System for the benefit of the System's members and to defray costs of administering the System.

**SUBCHAPTER 1. MEMBERSHIP PROVISIONS**

715:10-1-5 is being amended to align with language in 715:10-1-4 regarding when non-classified optional personnel are eligible for participation in the System. It is also being amended to correct a statutory reference typographical error. Lastly, it is being amended to strike a vague statement about ineligible employment which is being more clearly incorporated into 715:10-13-2.

715:10-1-6 is being amended to reflect amendments to Title 70 of the Oklahoma Statutes enacted by House Bill 2528 in the 2024 legislative session. House Bill 2528 was re-organized with current statutory referencing system which changed the citations of current provisions. The amendment to this rule is to correct the statutory citation to the proper reference.

**SUBCHAPTER 3. SERVICE ELIGIBILITY**

715:10-3-1 is being amended to conform to statutory definitions of membership and creditable service reflected in Title 70 of the Oklahoma Statutes, most recently confirmed by enactment in House Bill 2528 in the 2024 legislative session. TRS treats the service correctly as directed by statute but references to the service types in rules were incorrect.

715:10-3-2 is being amended to conform to statutory definitions of membership and creditable service reflected in Title 70 of the Oklahoma Statutes, most recently confirmed by enactment in House Bill 2528 in the 2024 legislative session. TRS treats the service correctly as directed by statute but references to the service types in rules were incorrect.

715:10-3-3 is being amended to conform to statutory definitions of membership and creditable service reflected in Title 70 of the Oklahoma Statutes, most recently confirmed by enactment in House Bill 2528 in the 2024 legislative session. TRS treats the service correctly as directed by statute but references to the service types in rules were incorrect.

715:10-3-4 is being amended to conform to statutory definitions of membership and creditable service reflected in Title 70 of the Oklahoma Statutes, most recently confirmed by enactment in House Bill 2528 in the 2024 legislative session. TRS treats the service correctly as directed by statute but references to the service types in rules were incorrect.

## **SUBCHAPTER 5. ESTABLISHING OTHER SERVICE CREDITS**

715:10-5-10 is being amended to conform to statutory amendments to Title 70 of the Oklahoma Statutes enacted in the 2025 legislative session under House Bill 1465 which added a definition for “military service”. TRS statutes allow the purchase of military service under certain circumstances. TRS is adding this definition to rules. Notably, TRS was already using this definition of military service, so there are no operational changes.

715:10-5-30 is being amended to conform to statutory definitions of membership and creditable service reflected in Title 70 of the Oklahoma Statutes, most recently confirmed by enactment in House Bill 2528 in the 2024 legislative session. It is also being amended to provide a good cause exception to the requirement to use 10 years of employment sick leave records for averaging when such records do not exist. This is a member friendly change which allows members to take advantage of an average of accumulated unused sick leave when, through no fault of their own, records from a previous or current employer do not exist.

715:10-5-36 is being amended to clarify that payment for make-up contributions related to qualified military service under USERRA which a member wants included in the calculation of service credit for retirement must be received before a member terminates employment with his or her pre-service employer or the member’s effective retirement date, whichever comes first. This edit clarifies for TRS members and employers the interplay between federal regulations and TRS operational requirements for retirement.

## **SUBCHAPTER 7. MEMBERSHIP VESTING AND TERMINATION**

715:10-7-2 is being amended to strike an outdated reference to the tax-sheltered annuity program which is no longer in existence and to correct the reference to the Oklahoma Employees Insurance and Benefits Plan.

## **SUBCHAPTER 9. SURVIVOR BENEFITS**

715:10-9-3 is being amended to reflect amendments to Title 70 of the Oklahoma Statutes enacted by House Bill 2528 in the 2024 legislative session. House Bill 2528 was re-organized with current statutory referencing system which changed the citations of current provisions. The amendment to this rule is to correct the statutory citation to the proper reference. This rule is also being amended to provide the period in which a survivor will accrue a survivor benefit under this rule and the

timing of payment of the survivor benefit described in this rule. The rule also now provides an example of its application for clarity.

715:10-9-6 is being amended to reflect amendments to Title 70 of the Oklahoma Statutes enacted by House Bill 2528 in the 2024 legislative session. Particularly, consistent with statutory amendments, this rule will now allow probate waivers for all persons, instead of just members, entitled to a benefit from the System, provided they meet certain other statutory qualifications. Additionally, because many beneficiaries use the funds from a probate waiver process to pay last expenses, TRS eliminated the requirement for proof of payment of last expenses and now accepts a notarized statement that last expenses are either paid or provided for.

715:10-9-7 is being amended to clarify members who divorce have a responsibility to provide the System a copy of their file-stamped divorce decree so that the System can properly administer and pay survivor benefits.

### **SUBCHAPTER 13. CONTRIBUTIONS FOR MEMBERSHIP SERVICE**

715:10-13-2 is being amended to incorporate a clearer statement of the stricken language from 715:10-1-5, which clarifies that when a member works secondary employment that would be ineligible if the member was not otherwise participating in TRS with eligible employment, the member will be credited for the associated salary received in that ineligible employment but will not receive additional service credit. This practice allows a member to potentially increase their final average salary which goes into their retirement benefit calculation.

715:10-13-3 is being amended to comply with amendments to Title 70 of the Oklahoma Statutes enacted in House Bill 1544 from the 2024 legislative session which recognized and defined certified athletic trainers as certified school personnel, provided they meet certain statutory conditions. Pursuant to 70 O.S. §17-108.2, certified personnel may receive the state credit offset from the State Department of Education provided they meet all applicable conditions, and the amendment to the rule will reflect that certified athletic trainers are so entitled.

715:10-13-8 is being amended to bring the rule into alignment with prior edits to 715:10-13-2 which requires anyone who joins the System after their qualifying employment began to make contributions back to the date their qualifying employment began. The prior rule text was confusing on the term for which contributions would be due, suggesting contributions could be due for a period of time prior to a member's eligibility for the System, which is incorrect.

715:10-13-10 is being amended to clarify the System's authority under 70 O.S. §17-108.1(E) for the annual year-end report and to bring the rule text into alignment with statute and current practice.

715:10-13-11 is being amended to clarify that the limit the System applies to compensation increases for purposes of retirement benefit calculation applies only when any of the last three years of service are used to calculate the member's final average salary for retirement benefit calculation. This is current practice but was unclearly stated.

715:10-13-13 is being amended to clarify that contributions payable when a member is receiving workers' compensation temporary total disability benefits must be made 90 days prior to retirement, which brings this rule into alignment with 715:10-15-3.

715:10-13-15 is being amended to reflect the System's current practice of applying late fees attributable to late contribution amounts due from prior fiscal years. This practice presents a break to employers of the monthly compounding interest called for in this rule in exchange for annual compounding interest, resulting in lower late charges being applied.

## **SUBCHAPTER 15. SERVICE RETIREMENT**

715:10-15-1 is being revoked as largely duplicative of 715:10-15-2. Elements of 715:10-15-1 which were not duplicated in 715:10-15-2 were incorporated into that rule. Both rules are very brief, and simply refer the reader back to 70 O.S. §17-105 for age, eligibility and other requirements for service retirements. This action complies with Executive Order 2020-03 which tasked agencies with addressing duplicative rules.

715:10-15-2 is being amended to incorporate the non-duplicative language from 715:10-15-1, and the rule now refers the reader to 70 O.S. §17-105 for age, eligibility and other requirements for service retirements. This action complies with Executive Order 2020-03 which tasked agencies with addressing duplicative rules.

715:10-15-10 is being amended to reflect that notwithstanding the Board's prior decision in 2025 Permanent Rulemaking to revoke the Option 4 retirement plan as a retirement option effective December 31, 2025, members who were eligible for retirement (early or normal) on or before December 31, 2025 can elect the Option 4 retirement plan even though it has been discontinued. Further, the rule also clarifies Option 4 retirement plan can no longer be elected for any member becoming eligible for retirement January 1, 2026 or thereafter. Finally, the amendments more clearly describe for TRS members the current practice of calculating an Option 1 retirement benefit and calculating survivor benefits due upon the death of an Option 4 retiree and to whom the payment goes when multiple beneficiaries are selected – all of which are current practice.

715:10-15-10.1 is being amended to correctly reference the Maximum Plan of Retirement derived from amendments to Title 70 of the Oklahoma Statutes made in the 2024 legislative session under House Bill 2528.

715:10-15-10.2 is being amended to clarify current practice for payments of partial lump sums due certain retirees who are eligible and choose same. Specifically, these payments are issued by direct deposit as required by state statute and not with a paper check. It is also being amended to strike a reference to the previously terminated tax-sheltered annuity plan.

715:10-15-11.1 is being amended to reflect amendments to Title 70 of the Oklahoma Statutes enacted by House Bill 2528 in the 2024 legislative session. House Bill 2528 was re-organized with current statutory referencing system which changed the citations of current provisions. The amendment to this rule is to correct the statutory citation to the proper reference.

## **SUBCHAPTER 17. POST-RETIREMENT EMPLOYMENT**

715:10-17-5 is being amended to reflect amendments to Title 70 of the Oklahoma Statutes enacted by House Bill 2528 in the 2024 legislative session. House Bill 2528 was re-organized with current statutory referencing system which changed the citations of current provisions. The amendment to this rule is to correct the statutory citation to the proper reference.

715:10-17-13 is being amended to reflect amendments to Title 70 of the Oklahoma Statutes enacted by House Bill 2528 in the 2024 legislative session. House Bill 2528 was re-organized with current statutory referencing system which changed the citations of current provisions. The amendment to this rule is to correct the statutory citation to the proper reference.

715:10-17-15 is being revoked as the statutory provision which authorized an exemption from earnings limits for active classroom teachers only authorized the exception through June 30, 2024. That period has now expired.

## **SUBCHAPTER 23. STATE AND EDUCATION EMPLOYEES GROUP HEALTH AND DENTAL INSURANCE PROGRAM**

715:10-23-1 is being amended to more accurately describe the statutory mechanism through which certain TRS members may continue in force certain insurance benefits under the Oklahoma Employees Insurance and Benefits Act, to clarify that eligibility for these insurance benefits will be determined by the Oklahoma Employee Insurance and Benefits Board, and to correctly reference that governing board.

715:10-23-2 is being amended to more accurately and clearly describe the health insurance subsidy TRS will pay to certain members who properly continue in force their insurance benefits under the Oklahoma Employees Insurance and Benefits Act set out in 74 O.S. §1316.3. The amendments also include stricken text from 715:10-23-3 and 715:10-23-6 which is more appropriately reflected in 715:10-23-2 for complete comprehension of the process. These edits also allow revocation of other rules which, if not revoked, result in duplicative text for context. This action complies with Executive Order 2020-03 which tasked agencies with addressing duplicative rules.

715:10-23-3 is being **revoked**. Part of the text is duplicative of the text in 715:10-23-2 and part of the text has been incorporated into 715:10-23-2 for a comprehensive understanding of the subsidy. This action complies with Executive Order 2020-03 which tasked agencies with addressing duplicative rules.

715:10-23-4 is being amended to correct the reference that TRS will pay a health insurance subsidy rather than a health insurance supplement and to otherwise reference TRS in short form for consistency throughout administrative rules. It is also being amended to clarify that the subsidy which was terminated upon return to active employment will only resume if the retiree follows the protocols required under the Oklahoma Insurance and Benefits Act and associated governing Board.

715:10-23-5 is being amended to more accurately and clearly describe that when TRS members are not enrolled in an insurance benefit plan as allowed under the Oklahoma Employees

Insurance and Benefits Act, pursuant to 74 O.S. §1316.3 TRS will not pay the subsidy. The rule also sets out statutory exceptions to that general statutory requirement.

715: 10-23-6 is being amended to reflect amendments to Title 70 of the Oklahoma Statutes enacted by House Bill 2528 in the 2024 legislative session. House Bill 2528 was re-organized with current statutory referencing system which changed the citations of current provisions. The amendment to this rule is to correct the statutory citation to the proper reference and to correctly reference the state employee insurance program. Amendments were also made to strike duplicate text and to re-organize portions of text into 715:10-23-2 to provide a comprehensive approach to the subsidy payment in one rule for better understanding.

## **B. CLASSIFICATION OF RULE(S) AND JUSTIFICATION FOR CLASSIFICATION**

All rules are classified as NON-MAJOR:

- 10-1-5: changes more clearly describe current operations and statutory requirements for eligible membership and corrects a statutory reference. No new implementation or compliance costs.
- 10-1-6: changes correct a statutory reference. No new implementation or compliance costs.
- 10-3-1: changes correct the rule text to reflect current operations and statutory requirements. No new implementation or compliance costs.
- 10-3-2: changes correct the rule text to reflect current operations and statutory requirements. No new implementation or compliance costs.
- 10-3-3: changes correct the rule text to reflect current operations and statutory requirements. No new implementation or compliance costs.
- 10-3-4: changes correct the rule text to reflect current operations and statutory requirements. No new implementation or compliance costs.
- 10-5-10: changes add new statutory language from 2025 session HB 1465 which is consistent with the current operations of TRS. No new implementation or compliance costs.
- 10-5-30: changes allow members to provide the sick leave usage records available to them in the past 10 years to take advantage of this section, rather than only being able to take advantage of the provision if 10 years of records exist. The rule without the edits requires records to be produced, so no new implementation or compliance costs are expected.
- 10-5-36: This rule edit clarifies for our members how the timeline for payment of applicable contributions to TRS for qualified military service under USERRA federal

regulations works in tandem with federal requirements to pay before terminating pre-service employment as well as retirement timelines provided by TRS in 10-15-3. This is the current practice, so no new implementation or compliance costs are expected.

- 10-7-2: This rule edit corrects references to the Oklahoma Employees Insurance and Benefits Plan and strikes an outdated reference to the tax-deferred annuity plan which was terminated in 2021. No implementation or compliance costs expected.
- 10-9-3: This rule edit corrects statutory references. It also provides a mechanism for certain qualified beneficiaries to receive a period of payments for which they previously were not eligible to receive. This mechanism is already utilized by TRS in another scenario; accordingly, no new implementation or compliance costs are expected.
- 10-9-6: This rule edit corrects the rule to mirror the statutory changes effected in 2024 legislative session under HB 2528. This process has been in use and thus no new implementation or compliance costs are expected.
- 10-9-7: This rule edit places an obligation for TRS members to provide documentation of any decree/dissolution of marriage to TRS to ensure TRS accurately pays survivor benefits. This document would be imaged in a member's account. TRS currently images various document types in member accounts, so this would not require a new process or new software. As a result, no implementation or compliance costs are expected. To the extent TRS will receive additional documents, certain TRS staff already process and image documents. While this may take additional staff time, TRS does not expect to increase FTE as a result of this change, so no implementation or compliance costs are expected from that perspective.
- 10-13-2: This rule edit adds clarifying language to current requirements. As such, no new implementation or compliance costs are expected.
- 10-13-3: This rule edit adds certified athletic trainers to the rule awarding state credit to offset member contributions. This stems from legislative action in HB 1544 in the 2024 legislative session. Any expected compliance costs are unavoidable due to the legislative action. Expected compliance costs for processing monthly reports from TRS employers with state credit for certified athletic trainers are not expected to reach, or come close, to the major rule threshold because TRS already accepts monthly reports with state credit reporting for several other school employees. As a result, no new processes or software are needed for this particular change. It is possible additional staff time will be spent on this issue, but TRS does not anticipate adding FTE at this time for this particular change.
- 10-13-8: This rule edit corrects rule language to mirror current process as set out in TRS rule OAC 715:10-13-2. No compliance or implementation costs are expected.

- 10-13-10: This rule edit corrects and builds out the rule to mirror statutory language regarding the annual employer report submission. The rule edits avoid confusion between the two sources. This is the current process. Accordingly, no new implementation or compliance costs are expected.
- 10-13-11: This rule edit is meant to clarify the currently utilized practice of preventing the spiking of compensation in the final years of retirement. There is no change to the process, but this edit is meant to make the text clearer and more digestible to TRS members and employers. No new implementation or compliance costs are expected.
- 10-13-13: This rule edit is meant to clarify the requirement for receipt of contributions related to workers' compensation payments to work in tandem with retirement timelines set out in OAC 715:10-15-3. This is the current process, and no new implementation or compliance costs are expected.
- 10-13-15: This rule edit reflects the System's current practice of applying late fees attributable to late contribution amounts due from prior fiscal years. This practice presents a break to employers of the monthly compounding in lieu of annual compounding, resulting in lesser late fees being charged to employers.
- 10-15-1: Revocation of rule as largely duplicative and otherwise incorporated into 10-15-2 – no implementation or compliance costs.
- 10-15-2: Edits incorporated non-duplicative text of 10-15-1 and otherwise are consistent with current statutes on retirement; no implementation or compliance costs.
- 10-15-10: This rule clarifies the computation TRS uses to calculate the Option 1 retirement benefit to language clearer for members to digest and otherwise corrects the language to correctly reflect the current payment of survivor benefits to Option 4 beneficiaries pursuant to law. This rule also clarifies that notwithstanding the Board's prior decision effective December 31, 2025, to revoke the Option 4 retirement plan on a go-forward basis, those eligible to receive it on or before December 31, 2025, will continue to receive it. No implementation or compliance costs are anticipated as TRS is not changing processes to continue to allow eligible members to take a retirement option TRS has been processing.
- 10-15-10.1: This rule edit corrects a reference to the Maximum Plan of Retirement based on statutory language in 70 O.S. Section 17-105 resulting from HB2528 in the 2024 legislative session. No implementation or compliance costs are expected.
- 10-15-10.2: This rule edit captures the current process of issuing partial lump sum payments as direct deposits under state law and deletes a reference to the terminated tax-deferred annuity plan. No new implementation or compliance costs anticipated.

- 10-15-11.1: This rule edits corrects a statutory reference. No implementation or compliance costs anticipated.
- 10-17-5: This rule edit corrects statutory references. No implementation or compliance costs anticipated.
- 10-17-13: This rule edit corrects statutory references. No implementation or compliance costs anticipated.
- 10-17-15: This rule is revoked. No compliance or implementation costs anticipated.
- Rules in Subchapter 23 (10-23-1 through 10-23-6):
  - These rules were edited, and in some cases, revoked, to more clearly organize the information and reflect clearer obligations of TRS as mandated by the Oklahoma Employees Insurance and Benefits Act. Additionally, edits are to reflect that certain determinations (such as insurance eligibility) correctly fall to the Oklahoma Employees Insurance and Benefits Board under the Act. The rule edits are not changing process but rather more clearly reflecting such processes to members/employers. No implementation or compliance costs are expected.

### **C. DESCRIPTION OF PROPOSED RULE(S)**

A comprehensive description is contained in Paragraph (A) above of proposed rule changes.

### **D. DESCRIPTION OF THE CLASS(ES) OF PERSON(S) AFFECTED BY THE PROPOSED RULE(S), INCLUDING CLASS(ES) THAT WILL BEAR THE COST(S) OF THE PROPOSED RULE(S), AND ANY INFORMATION ON COST IMPACTS RECEIVED BY THE AGENCY FROM ANY PRIVATE OR PUBLIC ENTITIES**

The class(es) of person(s) affected by the proposed rule(s) amendments is/are the staff of Teachers' Retirement System of Oklahoma as well as members and participating employers and all external stakeholders who benefit by understanding the organization of the agency. No cost impacts have been provided to TRS by any private or public entity.

### **E. CLASS OF PERSON(S) BENEFITTED BY PROPOSED RULES:**

The class(es) of person(s) benefited by the proposed rule(s) is/are the staff of Teachers' Retirement System of Oklahoma as well as members and participating employers and all external stakeholders who benefit by understanding the organization of the agency.

### **F. COMPREHENSIVE ANALYSIS OF THE RULES' ECONOMIC IMPACT**

No increased FTE is anticipated as the result of the rule edits. The rule edits are not creating new fees for members or participating employers. The rule edits are conforming to current operations and leveraging current processes, not creating newly implemented processes. To the extent many

of the rules are being clarified with language which is easier to understand, this avoids confusion for members, participating employers, legislative bodies, the executive branch, and the public. Confusion leads to wasted time and resources. Therefore, a positive economic impact is anticipated with the clarifications herein. Some rule edits were required to memorialize changes in statutes, and to that extent, any economic impact has been mandated by the legislature.

#### **G. DETAILED EXPLANATION OF METHODOLOGY AND ASSUMPTIONS USED TO DETERMINE ECONOMIC IMPACT**

Economic analysis was completed by conducting a review of whether rule edits would result in changes to processes within TRS which can cost TRS by requiring additional manpower. No major process changes are anticipated. Therefore, no additional manpower need is expected. Analysis was also completed by assessing whether statutory changes implemented by these rules, and to the extent rules edits were the result of statutory changes, the economic impact has been mandated by the legislature.

#### **H. DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULE(S) WILL HAVE AN ECONOMIC IMPACT ON ANY POLITICAL SUBDIVISION OR REQUIRE THEIR COOPERATION IN IMPLEMENTING OR ENFORCING THE RULE(S)**

TRS participating employers, which are political subdivisions, are required by statute to determine whether their employees are eligible to be members of TRS and to remit appropriate contributions on the regular annual compensation of those eligible employees who are members of TRS. To the extent the rule edits herein clarify understanding, this benefits TRS participating employers. Additionally, rule edits in 10-13-3 add certified athletic trainers as recipients of the state credit, and these participating employers must now include these employees in reporting to TRS. This change is mandated by statute.

#### **I. DETERMINATION OF WHETHER IMPLEMENTATION OF THE PROPOSED RULE(S) MAY HAVE AN ADVERSE ECONOMIC EFFECT ON SMALL BUSINESS AS PROVIDED BY THEOKLAHOMA SMALL BUSINESS REGULATORY FLEXIBILITY ACT**

No adverse economic impact on small business is anticipated by implementation of the proposed rules. To the extent clarifying the rule avoids confusion regarding the operations of TRS, which can lead to wasted time and resources, a positive economic impact is anticipated.

#### **J. MEASURES TAKEN TO MINIMZE THE COST AND IMPACT OF THE PROPOSED RULE(S) ON BUSINESS AND ECONOMIC DEVELOPMENT IN THE STATE, LOCAL GOVERNMENT UNITS OF THE STATE, AND INDIVIDUALS**

Rule edits were crafted with the intent of clarifying and maintaining current operations.

#### **K. DETERMINATION OF THE EFFECT OF THE PROPOSED RULE(S) ON THE PUBLIC HEALTH, SAFETY, AND ENVIRONMENT AND IF THE PROPOSED RULE(S) IS/ARE DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH, SAFETY, AND ENVIRONMENT; AN EXPLANATION OF**

**THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULE WILL REDUCE THE RISK.**

Not applicable.

**L. DETERMINATION OF ANY DETRIMENTAL EFFECT ON THE PUBLIC HEALTH, SAFETY AND ENVIRONMENT IF THE PROPOSED RULE(S) IS/ARE NOT IMPLEMENTED.**

Not applicable.

**M. ANALYSIS OF ALTERNATIVES TO ADOPTING THE RULE(S)**

A handful of the rule edits must be adopted due to statutory changes. Otherwise, clarification is vital to allow TRS to provide the best customer service to its members and participating employers. Over 210,000 TRS members and approximately 600 participating employers are served by a TRS staff of, at most, 52 employees. Clarification provides greater understanding of the TRS defined benefit plan and retirement, which can be complex due to state and federal requirements, including tax requirements. Clarifying the rules simplifies understanding and administration. Failure to clarify is less than ideal for multiple impacted groups.

**N. ESTIMATED TIME SPENT BY STATE EMPLOYEES TO DEVELOP RULE AND OTHER RESOURCES USED IN DEVELOPING RULE**

Estimated time to develop rules is approximately 40-50 hours. In that time, TRS staff reviewed text, spoke with subject matter experts on staff, engaged actuarial experts to ensure changes to simplify language did not violate actuarial science ensuring the fiscal integrity of the plan, engaged tax experts to ensure language changes did not violate federal tax and employee benefit laws and regulations, and drafted changes in the text.

**O. SUMMARY AND PRELIMINARY COMPARISON OF ANY EXISTING OR PROPOSED FEDERAL REGULATIONS INTENDED TO ADDRESS THE ACTIVITIES TO BE REGULATED BY PROPOSED ADMINISTRATIVE RULES**

While certain federal regulations apply to qualified military service as reflected in 10-5-36, the regulations are complicated and nuanced. The rule edits in 10-5-36 are intended to clearly address the federal requirements so that our members and employers can understand them and comply with them while also complying with other applicable TRS rules that work in tandem.

**P. DATE IMPACT STATEMENT PREPARED:**

November 12, 2025.



## **HR STATUS REPORT**

- New Hires:**

Financial Accountant – Receipting 12.1.2025

- Resignations/Terminations/Retirements:**

None since last report

- Promotions/Transfers/Salary Adjustments/Changes:**

None since last report

- Vacancies/Other**

Staff Attorney



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Teachers' Retirement System

# Chief Operating Officer Report

**November 19, 2025**

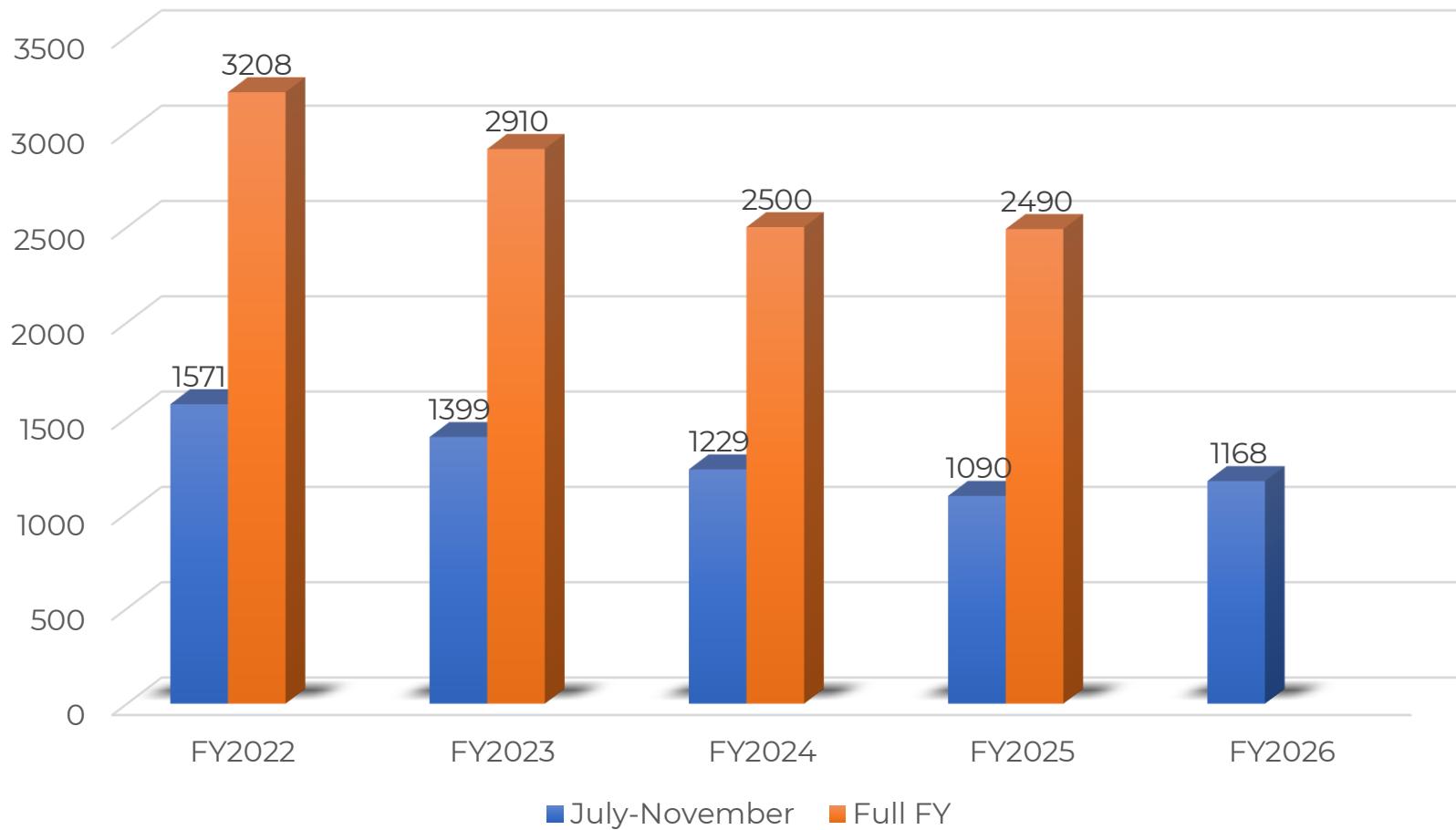
Presented by Dessa Herl

# Member Services



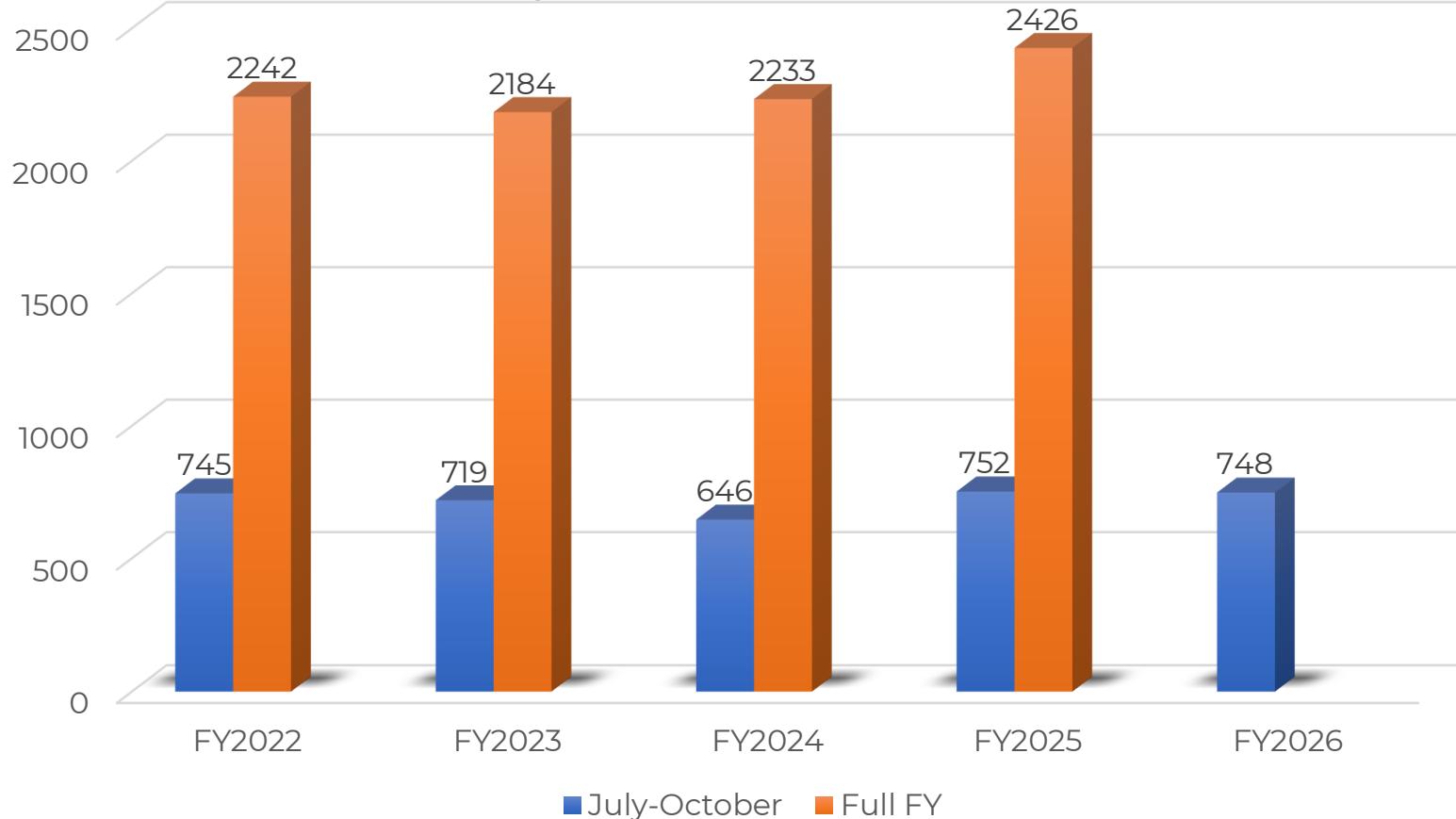
# Retirements

## by Fiscal Year



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# Terminated Annuities by Fiscal Year



# Upcoming Retirement Planning Seminars

December 5<sup>th</sup>  
Altus



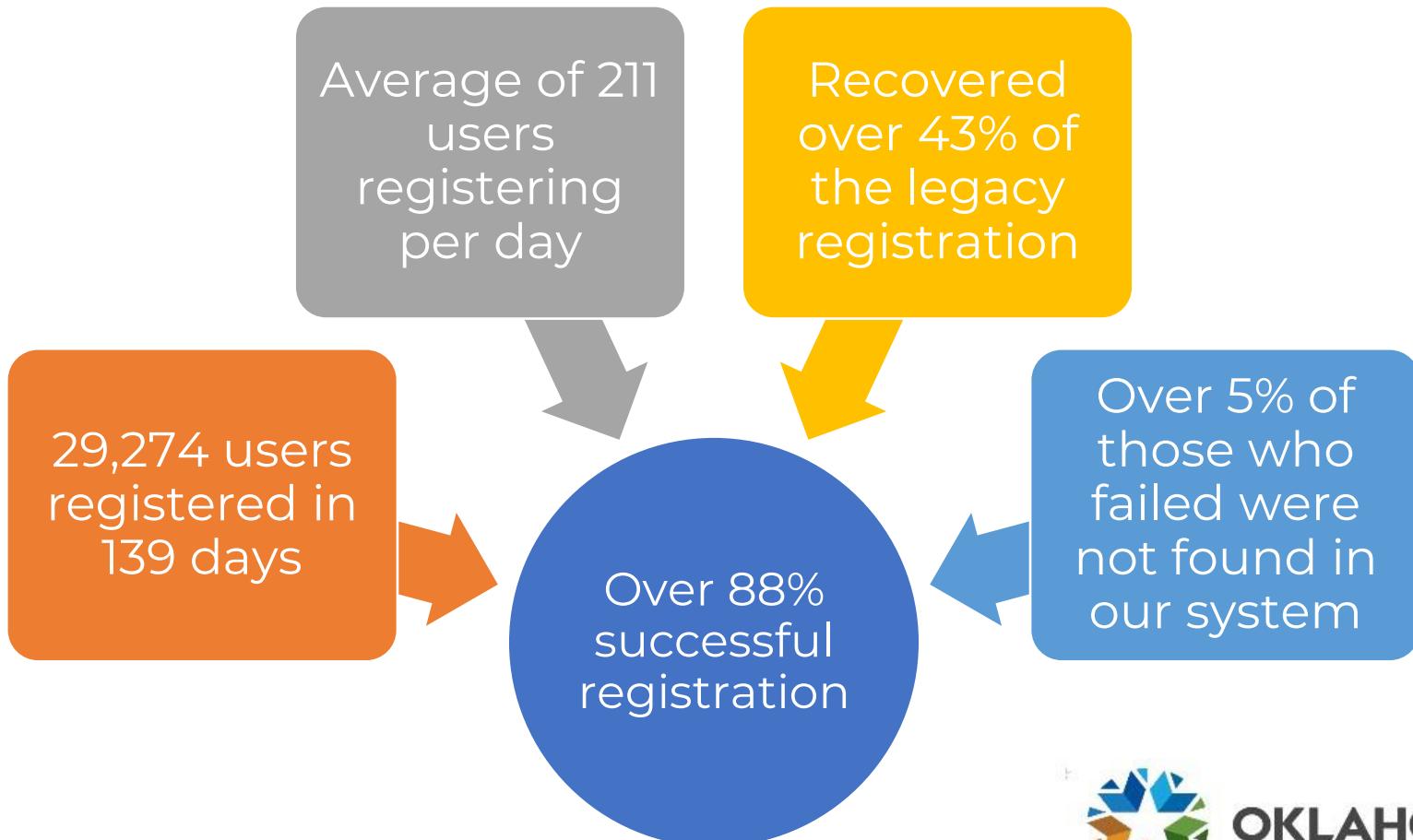
# Information Systems



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# MyTRS 2.1 Registration

as of November 13, 2025



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# MyPAS Update

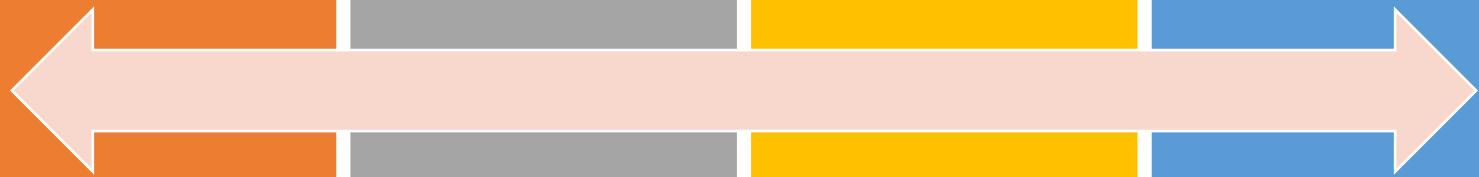
In November, TRS Steering Committee adopted Statements of Work for:

- **Administration Features:** foundational work related to claims management and security
- **Laserfiche Proof of Concept:** migrating 10,000 documents (sampling of different sizes/ages) and evaluate migration speed and efficiency, implementing single-sign on, and exploring ability to embed documents into MyPAS

Retirement & Estimate Workshops:  
December 17-19

- Create medium-level detail future process flow diagrams based on new business model workshops (held in fall 2022) and industry best practices





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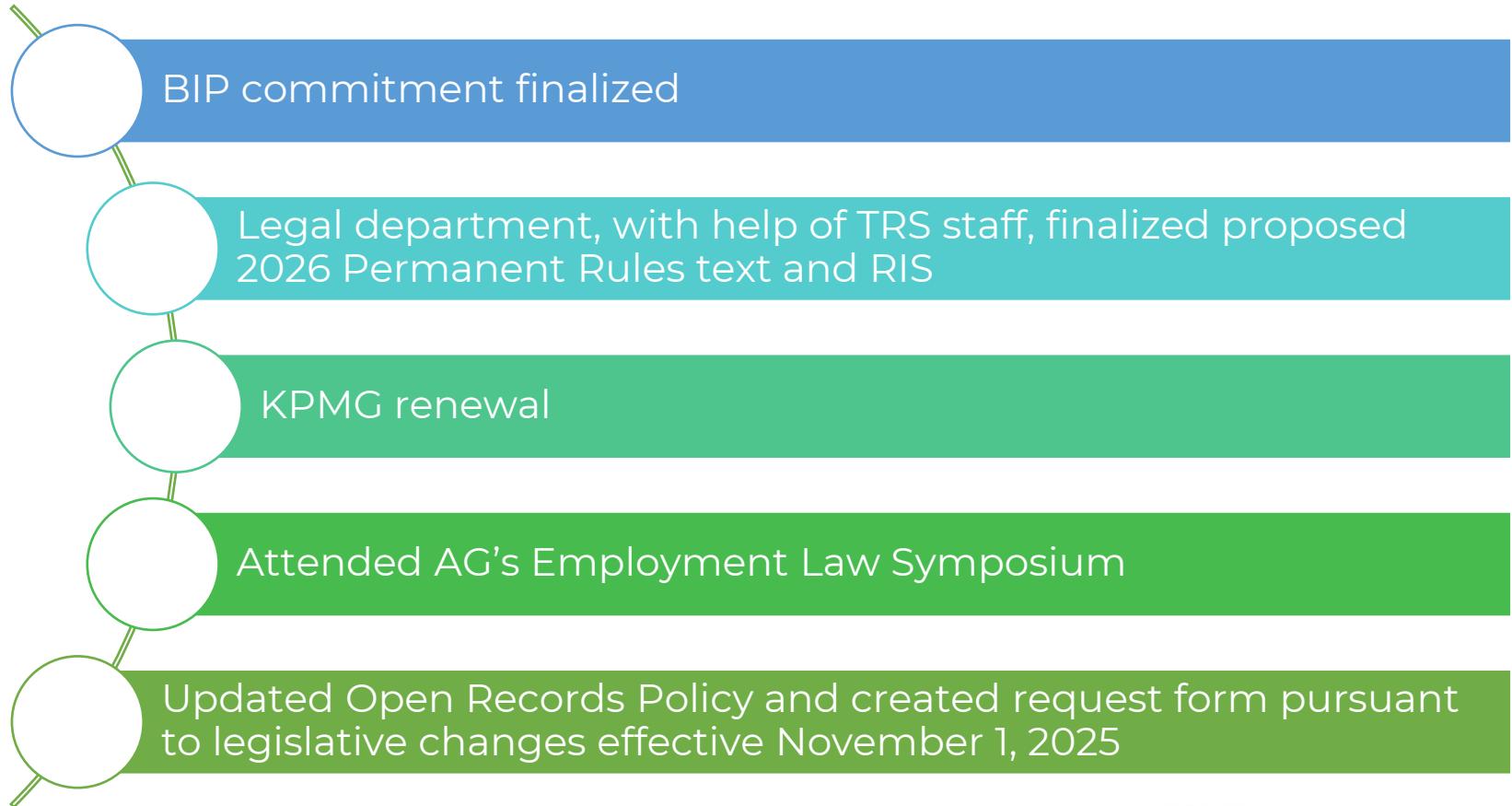


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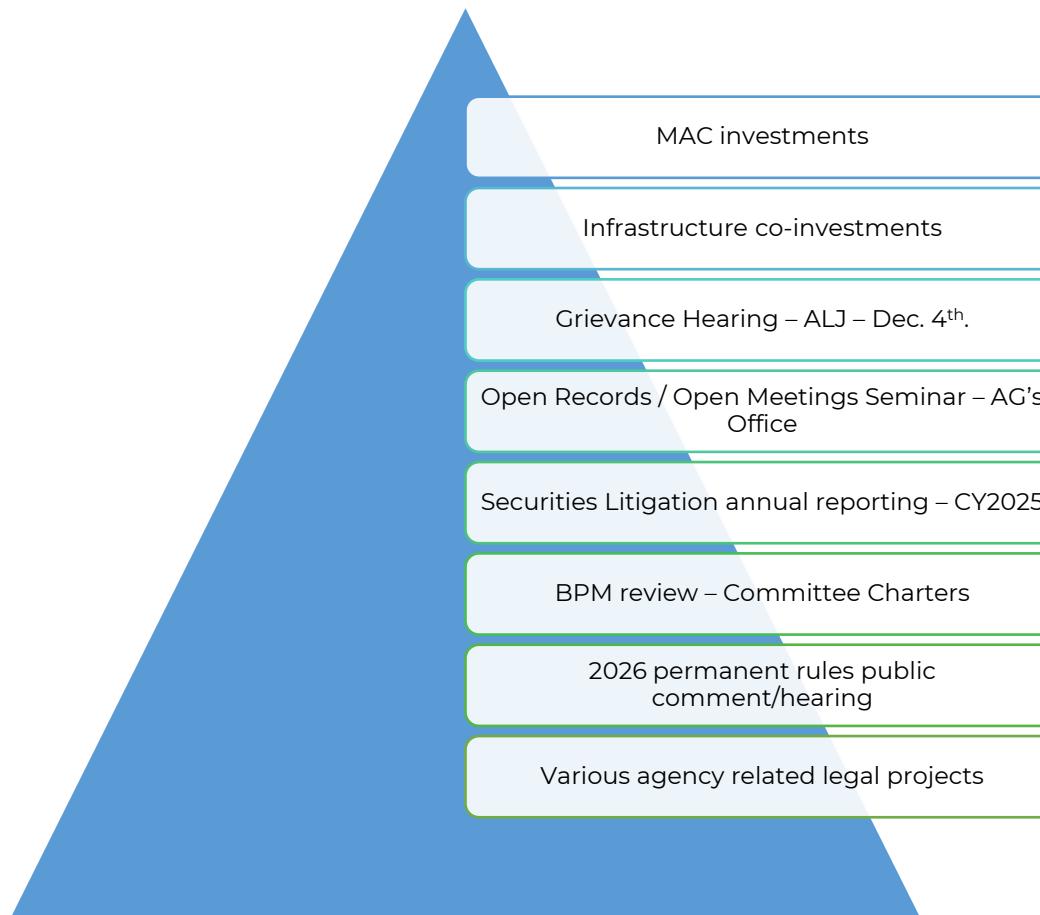
# General Counsel Report

## November 2025

# November



# Coming up: December/January



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# Executive Director's Report

November 2025

## Strategic Objectives FY21-FY25

Communications

Staffing & Employee  
Engagement

Pension Administration  
System

Cyber Security

# Executive Director's Report

## November Happenings...

- Funding History of TRS Document
- Retirement Interim Study
  - ❖ IS25-009 History and Funding of Oklahoma's Pension Systems by Representative Kelley
  - ❖ Presentations by TRS, OPERS, OLERS, OPPRS, OFPRS, and NASRA
- Pension Commission Meeting
  - ❖ Actuarial Update to Commission
  - ❖ Report on Oklahoma investments
- Strategic Plan Document
- Economic Impact Update
- Investment Consultant RFP



# Executive Director's Report

## Looking Ahead...

- Job Codes Project
- Executive Staff/Supervisor Training
- OPFTECA Annual Meeting
- PAFR
- Property Manager RFP
- Potential Legislation for 2026 Session
- See you next year!!!