Investment Performance Services

INTEGRITY | DISCIPLINE | RESULTS

411 S. State Street
Suite 301
Newtown, PA 18940
(215) 867-2330

June 16, 2025

(sent via email)

Mr. Bill Seehafer
Chairman - UFCW Unions and Participating Employers' Pension (Non-Food)

Re: UFCW Unions and Participating Employers' Pension (Non-Food) - Investment Consulting Services Agreement

Dear Bill,

Investment Performance Services, LLC ("IPS") has enjoyed a long-standing relationship with the Non-Food Pension ("the Fund"). Over the course of time, several changes have been made to the Fund to enhance performance, increase diversification, and decrease portfolio risk. As a result, the Fund has experienced strong, consistent investment returns and continues to rank favorably in the peer group.

The current fee agreement between IPS and the Fund was guaranteed for a three-year period, which expired March 31, 2025, and we are requesting a new fee term and fee increase at this time. Based on the complexity of the Funds, SFA work, and the pending restructuring of the legacy assets, I am proposing a higher level of services for consideration.

The current service provided to the Funds is our proactive **Master Consulting Service** ("MCS"). This service includes written recommendations and compliance monitoring. All recommendations made by IPS must be approved by the Board of Trustees and all investment managers being considered by the Funds are selected by the Trustees. IPS does not have discretion over the assets and all actions must be executed by the Fund Office.

In addition to MCS, IPS offers **Expanded MCS** ("Ex-MCS") which includes all services currently provided to the Funds, but with additional responsibilities by IPS in lieu of full Trustee involvement. IPS reviews the Funds' asset allocation more frequently (monthly vs quarterly), identifies investment managers for retention and termination (no more manager interviews), and issues written recommendations to "Sub-Committee (one Labor Trustee and one Management Trustee) or Fund Appointee before implementing the approved actions. All actions would continue to be carried out by the Fund Office. In addition, this service can be customized to help streamline operations of the Funds. Many of our MCS and SFA clients prefer the efficiency and flexibility of Ex-MCS.

Below is a summary of the current service cost as well as the proposed increase effective July 1, 2025. Also included is the cost of upgrading to Ex-MCS.

UFCW Unions and Participating Employers' Pension			
Services	MCS		EX-MCS
Investment Policy	Review, revision; updates as needed		Review, revision; updates as needed
Asset Allocation Review	Annual analysis		Annual analysis with monthly review
PE Pacing Analysis	Annual analysis		Annual analysis
Performance Reporting	Quarterly		Quarterly with monthly updates
Compliance Monitoring	Quarterly		Quarterly
Investment Manager Searches	Trustees interview candidiates		IPS selects manager(s) (no interviews by Trustees)
Third party Searches (custody, CRP, securities lending)	As needed		As needed
Negotiation of Fees	Included		Included
Trustee Education	Included		Included
Written Recommendations	Quarterly (as needed); requires Trustee approval		Monthly (as needed); requires sub-committee approval
	Current MCS	Proposed MCS	Proposed Ex-MCS
Annual Cost	$90,000	**$100,000**	**$125,000**

All fees are inclusive of travel and would be guaranteed for three years.

We truly enjoy working with Non-Food Trustees and professionals and are proud of the investment success of the Fund. We look forward to continued success with the investment program and will be prepared to discuss this request at the June 25th meeting.

Thank you for your consideration.

Sincerely,

Jennifer Mink
President

Chris McDonough
Chief Investment Officer

cc: Jeff Ianniello – Fund Administrator
Sarah Sanchez, Esq.
James Kimble, Esq.