

Kentucky Retirement Systems
IMCA Extension, Guideline and Fee Agreement

This IMCA Extension, Guideline and Fee Agreement shall be effective October 16th, 2019, unless otherwise referenced herein, and hereby replaces and supersedes all previous Guideline and Fee Agreements. Reference is made to the Investment Management and Custody Agreement (the "Agreement") dated April 7, 2005 by and between Kentucky Retirement Systems (the "Systems") and BlackRock Institutional Trust Company, N.A. (the "Manager"). Capitalized terms used herein and not defined shall be given their meanings as so defined in the Agreement.

SECTION 1. IMCA EXTENSION

Pursuant to Paragraph 21 of the Agreement dated April 7, 2005 and most recent renewal that became effective July 1, 2013 between the Systems and the Manager, the parties have agreed to extend the Agreement for three years from July 1, 2019 to June 30, 2022. At the expiration of this term and subsequent terms, a new term of one year shall automatically come into being, unless one of the parties hereto notifies the other party that it wishes to terminate the Agreement in accordance with Section 17 of said Agreement dated April 7, 2005.

SECTION 2. GUIDELINES

- A. To expand on Paragraph Two of the Agreement, the Systems have determined that, pursuant to the Systems' investment policies and objectives, the Systems' investment needs can best be met by investing a portion of its assets in the following collective investment funds (each, a "Collective Fund" and collectively, "Collective Funds"):

[REDACTED]

[REDACTED]

The above Collective Funds engage in securities lending and will pay to the Manager a separate securities lending fee as described in Section 3 below.

[REDACTED]

- B. The investment guidelines for the above referenced Collective Funds can be found in the Plan of BlackRock Institutional Trust Company, N.A. Investment Funds for Employee Benefit Trusts and the Schedule A thereto (collectively the "Plan Document"), a current copy of which may be accessed via the following website link: www.blackrockdocuments.com. The Manager shall notify the Systems of material changes to the investment guidelines in which the Account is invested.

- C. The Account or the above referenced Collective Funds may be invested in one or more short term investment funds, including but not limited to the Short-Term Investment Fund, a short term investment fund established under the Plan Document (each, a "STIF Fund"), used for a cash "sweep" vehicle to manage uninvested cash or, if a Collective Fund engages in securities lending, to reinvest and manage cash collateral associated with securities loans. Additional information relating to the investment objectives, guidelines and risk management for the STIF Funds can be found in "Short-Term Investment Funds Overview and Guidelines" (the "STIF Guidelines"). A copy of the STIF Guidelines, which may be updated from time to time, may be accessed via www.blackrockdocuments.com.

The Systems will notify the Manager if it is determined for any reason that there is a change in the Systems' investment needs affecting the stated objectives.

SECTION 3. FEES

This Guideline and Fee Agreement will also serve as the fee agreement referred to in the Eleventh Section of the Agreement. The fees to be applied to the Systems' investment in the above Collective Funds are as follows:

A. Investment management fees.

████████████████████
Annual investment management fee rate: 5.5 bps

████████████████████
Annual investment management fee rate: 4 bps

Investment management fees are calculated and billed quarterly in arrears (for quarters ending March 31st, June 30th, September 30th and December 31st) by (i) averaging the Account's proportionate share of the Collective Fund's net asset value, as determined by the Manager,

as of the last day of each month in the applicable quarter and (ii) applying the applicable annual investment management fee rate that shall be based on the actual number of days of such calendar quarter (e.g., 91/365). Where the Account's assets are held for a partial period as a result of the Account's initial contribution into or final withdrawal from the Collective Fund, the investment management fees will be prorated for such period, based on the actual number of days in the invoice period divided by the actual number of calendar days (e.g., actual days in invoice period/365). The month end market values will be prorated for any daily subscriptions or redemptions that exceed \$5 million during any billing period and for any quarter in which management commences or terminates on a day other than the beginning or end of the quarter. Payment of investment management fees is due to the Manager within thirty (30) days after the invoice date. Investment management fees will be calculated and billed in U.S. Dollars.

B. Securities lending fees.

- i. The lending Collective Fund and the Manager will each receive [REDACTED] of the net income earned from securities lending transactions. If a loan is collateralized with cash, net income is determined by calculating the return received by a lending Collective Fund's investment of cash collateral posted for securities loans in the applicable STIF Fund used to manage cash collateral, net of borrower rebate fees. If a loan is collateralized with assets other than cash, net income equals the loan fee negotiated with the borrower. The net income from securities lending divided between the lending Collective Fund and the Manager is also net of cash collateral management fees paid to the Manager as described below and the other expenses of the STIF Funds used to manage cash collateral. The Manager bears all operational costs directly related to securities lending transactions from its share of net income. The System's portion of lending revenue is retained by the lending Collective Fund and invested in accordance with the relevant Collective Fund Guidelines.
- ii. STIF Funds used to manage cash collateral associated with securities loans are subject to a management fee, payable to the Manager, accrued daily on the net assets of such STIF fund. The primary STIF Fund used to manage cash collateral for the lending Collective Funds is subject to an annual management fee rate of [REDACTED]

C. Administrative expenses. Each of the Collective Funds is subject to administrative expenses, including, but not limited to accounting, custody and audit fees. The

administrative expenses are accrued daily against the Collective Funds, which results in an adjustment in the Collective Funds' unit value to reflect such expenses accrued.

- D. **PRV calculation fee.** With respect to any purchase or redemption of units of an "index" or "model-driven" Collective Fund, as such terms are defined under applicable law, an investor in such a Collective Fund may experience transaction costs associated with such purchase or redemption. Such costs include all or a portion, as applicable, of a flat fee of [REDACTED] payable to the Manager for calculating a "purchase net asset value" or a "redemption net asset value", if the transaction costs in the aggregate for the Collective Fund exceed [REDACTED]. If there are multiple transacting parties contributing to or withdrawing from the Collective Fund on a given day, any calculation fee will be applied to the transacting parties on a pro rata basis.

SECTION 4. AUTHORIZATIONS

- A. This IMCA Extension, Guideline and Fee Agreement shall also serve as standing authorization for Manager to accept investment direction from the Systems' account representatives designated in Appendix B to the Agreement (as may be provided from time to time by the Systems to the Manager as a separate document reflecting the Authorized Persons of the Systems) ("**Representatives**"). Such directions as Manager may receive from the Representatives shall be subject to the Systems' overall investment strategy and may include purchase and sale directives, wire instructions, and such other instructions as may be necessary or appropriate to manage the account. This authorization shall continue until revoked in writing by the Systems or Manager.

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BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A.



AGREED AND ACCEPTED:
KENTUCKY RETIREMENT SYSTEMS

By:  Date: 10/18/19

Name: Tom Gilbert
Title: Director of Equity

Kentucky Retirement System Insurance Trust Fund

Guideline and Fee Agreement

This Guideline and Fee Agreement shall be effective October 18th, 2019 and shall replace and supersede all previous guideline and fee related agreements. Reference is made to the Grantor Trust Agreement (the "Agreement") dated March 22, 2012 between Kentucky Retirement System Insurance Trust Fund (the "Grantor") and BlackRock Institutional Trust Company, N.A. (the "Trustee"). Capitalized terms used herein and not defined shall be given their meanings as so defined in the Agreement.

SECTION 1. GUIDELINES

- A. To expand on Section Two of the Agreement, the Grantor has determined that, pursuant to the Trust's investment policies and objectives, the Trust's investment needs can best be met by investing in the following Collective Funds:

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The above Collective Funds engage in securities lending and will pay to the Trustee a separate securities lending fee as described in Section 2 below.

- B. The investment guidelines for the above referenced Collective Funds can be found in the Plan of BlackRock Institutional Trust Company, N.A. Investment Funds for Tax Exempt and Foreign Organizations "Group B" and the Schedule A thereto, as it may be amended from time to time (collectively the "Plan Document"), a current copy of which may be accessed via the following

website link: www.blackrockdocuments.com. The Trustee shall notify the Grantor of material changes to the investment guidelines in which the Trust is invested.

- C. The Trust or the above referenced Collective Funds may be invested in one or more short term investment funds, including but not limited to Short-Term Investment Fund B, a short term investment fund established under the Plan Document (each, a "STIF Fund"), used for a cash "sweep" vehicle to manage uninvested cash or, if a Collective Fund engages in securities lending, to reinvest and manage cash collateral associated with securities loans. Additional information relating to the investment objectives, guidelines and risk management for the STIF Funds can be found in "Short-Term Investment Funds Overview and Guidelines" (the "STIF Guidelines"). A copy of the STIF Guidelines, which may be updated from time to time, may be accessed via www.blackrockdocuments.com.

The Grantor will notify the Trustee if it is determined for any reason that there is a change in the Trust's investment needs affecting the stated objectives.

SECTION 2. FEES

To expand on Section Twenty-Five of the Agreement, the fees to be applied to the Trust's investment in the above Collective Funds are as follows:

A. Investment management fees.

[REDACTED]

Annual investment management fee rate: 5.5 bps

[REDACTED]

Annual investment management fee rate:

[REDACTED] 12 bps

[REDACTED] 10 bps

[REDACTED]

Annual investment management fee rate:

[REDACTED] 12 bps

[REDACTED] 10 bps

[REDACTED]

Annual investment management fee rate:

[REDACTED] 12 bps

[REDACTED] 10 bps

[REDACTED]

Annual investment management fee rate: 4 bps

Investment management fees are calculated and billed quarterly in arrears (for quarters ending March 31st, June 30th, September 30th and December 31st) by (i) averaging the Trust's proportionate share of the Collective Fund's net asset value, as determined by the Trustee, as of the last day of each month in the applicable quarter and (ii) applying the applicable annual investment management fee rate that shall be based on the actual number of days of such calendar quarter (e.g., 91/365). Where the Trust's assets are held for a partial period as a result of the Trust's initial contribution into or final withdrawal from the Collective Fund, the investment management fees will be prorated for such period, based on the actual number of days in the invoice period divided by the actual number of calendar days (e.g., actual days in invoice period/365). The month end market values will be prorated for any daily subscriptions or redemptions that exceed \$5 million during any billing period and for any quarter in which management commences or terminates on a day other than the beginning or end of the quarter. Payment of investment management fees is due to the Manager within thirty (30) days after the invoice date. Investment management fees will be calculated and billed in U.S. Dollars.

B. Securities lending fees.

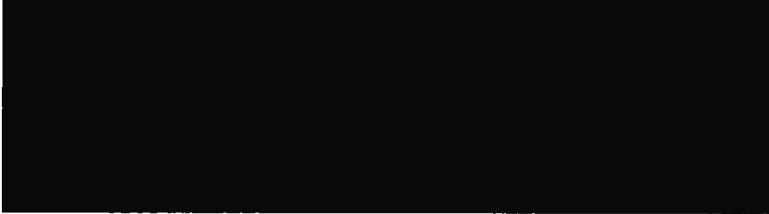
- i. The lending Collective Fund and the Trustee will each receive [REDACTED] of the net income earned from securities lending transactions. If a loan is collateralized with cash, net income is determined by calculating the return received by a lending Collective Fund's investment of cash collateral posted for securities loans in the applicable STIF Fund used to manage cash collateral, net of borrower rebate fees. If a loan is collateralized with assets other than cash, net income equals the loan fee negotiated with the borrower. The net income from securities lending divided between the lending Collective Fund and the Trustee is also net of cash collateral management fees paid to the Trustee as described below and the other expenses of the STIF Funds used to manage cash collateral. The Trustee bears

all operational costs directly related to securities lending transactions from its share of net income. The Trust's portion of lending revenue is retained by the lending Collective Fund and invested in accordance with the relevant Collective Fund Guidelines.

- ii. STIF Funds used to manage cash collateral associated with securities loans are subject to a management fee, payable to the Trustee, accrued daily on the net assets of such fund at an annual rate of [REDACTED].
- C. **Administrative expenses.** Each of the Collective Funds is subject to administrative expenses, including, but not limited to accounting, custody and audit fees. The administrative expenses are accrued daily against the Collective Fund, which results in an adjustment in the Collective Fund's unit value to reflect such expenses accrued.
- D. **PRV calculation fee.** With respect to any purchase or redemption of units of an "index" or "model-driven" Collective Fund, as such terms are defined under applicable law, an investor in such a Collective Fund may experience transaction costs associated with such purchase or redemption. Such costs include all or a portion, as applicable, of a flat fee of [REDACTED] payable to the Trustee for calculating a "purchase net asset value" or a "redemption net asset value", if the transaction costs in the aggregate for the Collective Fund exceed [REDACTED]. If there are multiple transacting parties contributing to or withdrawing from the Collective Fund on a given day, any calculation fee will be applied to the transacting parties on a pro rata basis.

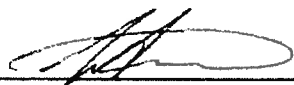
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BLACKROCK INSTITUTIONAL TRUST COMPANY, N.A., as Trustee



AGREED AND ACCEPTED:

KENTUCKY RETIREMENT SYSTEM INSURANCE TRUST FUND, as Grantor

By: 

Date: 10/18/19

Name: J. Gilbert
Title: Director of Equ. Tr.

