ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

STATEMENT OF INVESTMENT POLICY GOALS AND GUIDELINES

Adopted: December 9, 2015

PURPOSE

The purpose of the Ormond Beach General Employees' Pension Trust Plan is to provide long-term retirement benefits to the Plan's participants.

The purpose of this document is to communicate, in writing, the investment objectives and guidelines established by the Board of Trustees of the Ormond Beach General Employees' Pension Trust Plan. It is intended to provide the investment managers a clear and accurate understanding of all investment objectives, investment guidelines and the criteria by which investment performance will be evaluated. The guidelines and objectives provided herein are intended only to complement those contained in any applicable ordinances or statutes. If at any time this document is found to be in conflict with any applicable ordinances or statutes, the statutes and ordinances shall prevail.

The investment policies set forth in this document were established after a thorough review of the unique needs and circumstances of the Fund and a careful evaluation of the risk and potential returns expected from various mixes of stocks, bonds and cash equivalent securities.

GENERAL OBJECTIVES

The investment objective of the Ormond Beach General Employees' Pension Trust Plan is to preserve the purchasing power of the Plan's assets and earn an above average real rate of return (after inflation) over the long term while minimizing, to a reasonable extent, the short term volatility of results.

To achieve these objectives, the Board of Trustees seeks to create a well diversified and balanced portfolio of equity, fixed income and money market securities. The Board has determined that one or more outside investment managers shall be retained to assure that all investments are managed in both a prudent and professional manner and in compliance with the stated investment guidelines.

INVESTMENT MANAGER RESPONSIBILITIES

1. Within the guidelines and restrictions set forth herein, it is the intention of the Board of Trustees to give each investment manager full investment discretion with respect to assets under its management.

2. The investment managers shall discharge their responsibilities in the same manner as if the Fund were governed by the fiduciary responsibility provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Although the Fund Trustees acknowledge that ERISA does not apply to the Fund as a governmental fund, it hereby imposes the fiduciary provisions of ERISA upon each investment manager whose performance shall conform to the statutory provisions, rules, regulations, interpretations and case law of ERISA. Each investment manager shall acknowledge, in writing, that it is a named fiduciary of the Fund.

3. Each investment manager is expected to provide any reasonable information requested by the Board of Trustees. At a minimum, each manager shall provide a quarterly report detailing their investment activity, the portfolio's current value and any changes in investment philosophy or strategy. This report shall also identify and describe any significant changes in the personnel or ownership of the investment management firm. Each investment manager is expected to meet with the Board of Trustees or their designated representatives periodically to review investment performance and philosophy.

4. Unless otherwise provided by the Plan's Custodian, each investment manager will manage portfolio activity to minimize uninvested cash balances.

5. Each investment manager shall be responsible only for those assets under their management.

6. It will be the responsibility of each investment manager to review the monthly valuations provided by the Fund's custodian and to note, in writing, any significant discrepancies from the valuations provided in their own reports.

INVESTMENT OBJECTIVES

Given the purpose of the Ormond Beach General Employees' Pension Trust Plan stated above, the Board of Trustees recognizes the necessity of a long-term horizon when formulating investment policies and strategies. However, shorter-term investment goals have been established and are intended to provide quantifiable benchmarks to measure and evaluate portfolio return and risk.

Most investment styles require a full market cycle to allow an investment manager to demonstrate his abilities. As most market cycles last from three to five years, performance results will be measured over a three to five year period. Performance over shorter time periods will be monitored as a means of identifying the trend of results.

The specific investment objectives of the Ormond Beach General Employees' Pension Trust Plan are as follows:

Primary Objective: To earn a total rate of return over the longer term, which exceeds the return of a Target Index. The Target Index for the Ormond Beach General Employees' Pension Trust Plan is defined as: 22.5% Russell 1000 Value, 22.5% Russell 1000 Growth, 5% Russell 2500 Value, 5% Russell 2500 Growth, 5% MSCI EAFE Net, 5% MSCI All Country World ex USA, and 35% Barclays Capital Intermediate Government/Credit Bond indexes.

In addition, it is expected that the rate of return earned by the Fund will rank in the above average when compared to a representative universe of other, similarly managed portfolios.

Secondary Objective: A further goal of the Ormond Beach General Employees' Pension Trust Plan shall be to achieve an average annual rate of return greater than 6.75% over the longer term. This absolute return objective will be evaluated in the context of the prevailing investment market conditions.

Volatility: The volatility of the Fund's total returns is expected to be similar to that of the Target Index and will be evaluated accordingly.

The above investment objectives have been established for the entire Ormond Beach General Employees' Pension Trust Plan. The specific investment objectives for each investment manager will be outlined in addenda to this overall Statement of Investment Policy.

INVESTMENT GUIDELINES

The Board of Trustees has established the following target asset allocation for the entire Ormond Beach General Employees' Pension Trust Plan.

	Target Allocation	Range Allocation	Target Index
Equity Securities	65.0%	70.0 –60.0%	
Large Capitalization Value	22.5%	25.0– 20.0%	Russell 1000 Value
Large Capitalization Growth	22.5%	25.0– 20.0%	Russell 1000 Growth
Small/Mid Capitalization Value	5.0%	7.5- 2.5%	Russell 2500 Value
Small/Mid Capitalization Growth	5.0%	7.5- 2.5%	Russell 2500 Growth
International Value	5.0%	7.5 – 2.5%	MSCI EAFE Net
International Growth	5.0%	7.5 – 2.5%	MSCI AC World x USA
Fixed Income Securities	35.0%	40.0 – 30.0%	
Intermediate Gov't/Credit	35.0%	40.0 – 30.0%	BC Int. Gov't/Credit
Private Real Estate Securities	0.0%	10.0 – 0.0%	NCREIF Property & NCREIF ODCE
Total Portfolio	100.0%		

Specific investment manager assignments and additional guidelines for each investment manager will be outlined in addenda to this overall Statement of Investment Policy. The following guidelines and restrictions apply to all Fund investments.

It may be necessary to rebalance the portfolio periodically in order to maintain policy targets and diversification. The Board of Trustees will monitor each component of the Retirement Plan quarterly and will make adjustments as necessary. Contributions and withdrawals will be received and disbursed to the under-weighted asset class as compared to your policy asset allocation.

EQUITY SECURITIES:

1) Investments in equity securities shall not exceed 70% market of the total portfolio.

2) Investment in equity securities shall be limited to easily and readily negotiable securities.

3) Investment in foreign companies is limited to those traded on a national exchange and / or American Depository Receipts (ADRs).

4) No more than 10% at market value of an investment manager's equity portfolio may be invested in the shares of a single corporate issuer.

5) Investment in those corporations whose stock has been publicly traded for less than one year are limited to 15% of the equity portfolio.

FIXED INCOME SECURITIES:

1) The fixed income portfolio shall comply with the following guidelines:

a) Investments in all corporate fixed income securities shall be limited to:

1) those securities rated "A" or higher by Moody's or by Standard & Poor's rating services. Fixed income securities, which are downgraded below the minimum rating, shall be sold by the portfolio manager within a reasonable period of time as determined by the manager. It is the manager's responsibility to notify the board in writing immediately after a security is downgraded below the policy guidelines. The notice shall contain an explanation describing the manager's intentions regarding the disposition or the decision to continue to hold the security being downgraded.

2) securities issued by a corporation organized under the laws of the United States, any state or organized territory of the United States, or the District of Columbia.

3) no more than 5% at market value of an investment manager's total fixed income portfolio shall be invested in the securities of any single corporate issuer.

b) Investments in Collateralized Mortgage Obligations (CMOs) shall be limited to 15% of the market value of the investment managers' total portfolio and shall be restricted to issues backed by mortgage securities issued, guaranteed, or fully insured by the Government National Mortgage Association (GNMA), the Federal Home Loan Mortgage Corporation (FHLMC), the Federal National Mortgage Association (FNMA) or that are rated "Aaa" by Moody's or "AAA" by Standard & Poor's rating services. Fixed income securities, which are downgraded below the minimum rating, shall be sold by the portfolio manager within a reasonable period of time as determined by the manager. It is the manager's responsibility to notify the board in writing immediately after a security is downgraded below the policy guidelines. The notice shall contain an explanation describing the manager's intentions regarding the disposition or the decision to continue to hold the security being downgraded.

c) There is no limit imposed on investments in fixed income securities issued directly by the United States Government or any agency or instrumentality thereof.

d) Foreign bonds are prohibited.

PRIVATE REAL ESTATE SECURITIES:

Private real estate investments are expected to improve total portfolio diversification and provide income and opportunities for higher incremental returns in the long-term. The objective is to maximize investment return over a market cycle by investment in real estate through private ownership. The investment managers are permitted to invest in private real estate. Private real estate will be purchased through an institutional vehicle. The institutional vehicle provides diversification of property type and geographical location and provides a competitive price structure.

These private real estate investments should generate investment returns exceeding those of a passively managed private real estate index.

Private real estate investment performance parameters include the following:

- Exceed the National Council of Real Estate Investment Fiduciaries (NCREIF) Property Index or Open-End Diversified Core Index .

- The risk associated with the manager's portfolio as measured by the variability of quarterly returns (standard deviation) must not exceed that of the comparison index without a corresponding increase in performance above the index.

Achieve the above objectives within a time horizon of five to ten years or a full real estate market cycle.

CASH EQUIVALENT SECURITIES:

1) The investment managers may invest only in the following short-term investment vehicles:

a) The money market or short-term investment fund (STIF) provided by the Fund's custodian.

b) Direct obligations of the United States Government, its agencies or instruments with a maturity of one year or less.

c) Commercial Paper issued by United States corporations which has a maturity of 270 days or less and that is rated A-1 by Standard & Poor's or P-1 by Moodys.

d) Bankers Acceptances and Certificates of Deposit issued by the largest 50 banks in the United States (in terms of total assets).

PROHIBITED INVESTMENTS:

Investments in interest only or principal only CMOs, precious metals, limited partnerships of any kind, real estate, direct investment in repurchase agreements, venture capital, futures contracts, options contracts, trading on margin and short selling are prohibited.

REVIEW OF POLICY

It is the intention of the Board of Trustees to review this Statement of Investment Policy and its addenda periodically and to amend it to reflect any changes in philosophy or objectives. However, if at any time the investment managers believe that the specific objectives defined herein cannot be met or that these guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Adopted this ____ day of_____, 2015.

Kelly A McGuire
Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan

10/21/15
Date

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan

10/23/15
Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

Polen Capital Management

Polen Capital Management has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of high quality equity and money market securities. Polen Capital Management was retained for this assignment based on their qualifications and experience in managing Large Capitalization Growth Equity portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, Polen Capital Management equity securities shall not exceed 12.5% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

Polen Capital Management has been retained as a large capitalization growth portfolio manager and will be evaluated on that basis. The assets of the Plan managed by Polen Capital Management shall be invested with the following objectives:

Equity Portfolio:

The primary objective of the Polen Capital Management portfolio shall be to achieve a return over the longer term (3 to 5 years) in excess of a Target Index. The Target Index for the Polen Capital Management portfolio is the Russell 1000 Growth Stock Index.

The secondary objective of the Polen Capital Management portfolio shall be to achieve a rate of return over the longer term (3 to 5 years) which ranks above average **(TOP 50%)** when compared to a representative universe of other, similarly managed portfolios.

The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

10/23/15

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

Polen Capital Management — Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

Garcia Hamilton & Associates (Fixed Income)

Garcia Hamilton has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of fixed income and money market securities. Garcia Hamilton was retained for this assignment based on their qualifications and experience in managing Intermediate Fixed Income portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, Garcia Hamilton fixed income securities shall not exceed 40% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

Garcia Hamilton has been retained as a fixed income portfolio manager and will be evaluated on that basis. The assets of the Plan managed by Garcia Hamilton shall be invested with the following objectives:

Fixed Income Portfolio

The primary objective of the fixed income portion of the portfolio is to add stability, consistency, and safety to the total fund. The secondary objective is total return. As a result, it should be a goal to achieve a return in excess of the Barclays Capital Intermediate Government/Credit Bond Index while maintaining a positive rate of return in any fiscal year period.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

10/23/15

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

Garcia Hamilton & Associates — Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

HGK Asset Management

HGK Asset Management has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of high quality equity and money market securities. HGK Asset Management was retained for this assignment based on their qualifications and experience in managing Large Capitalization Value Equity portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, HGK equity securities shall not exceed 25% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

HGK has been retained as a large capitalization value portfolio manager and will be evaluated on that basis. The assets of the Plan managed by HGK shall be invested with the following objectives:

Equity Portfolio:

The primary objective of the HGK portfolio shall be to achieve a return over the longer term (3 to 5 years) in excess of a Target Index. The Target Index for the HGK portfolio is the Russell 1000 Value Stock Index.

The secondary objective of the HGK portfolio shall be to achieve a rate of return over the longer term (3 to 5 years) which ranks above average **(TOP 50%)** when compared to a representative universe of other, similarly managed portfolios.

The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

10/23/15

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

HGK Asset Management — Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

Delaware Capital Management

Delaware Capital Management has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of high quality international equity and money market securities. Delaware Capital Management was retained for this assignment based on their qualifications and experience in managing International Equity portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, Delaware Capital Management's international equity securities shall not exceed 7.5% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

Delaware Capital Management has been retained as a international portfolio manager and will be evaluated on that basis. The assets of the Plan managed by Delaware Capital Management shall be invested with the following objectives:

International Equity Portfolio:

The primary objective of the international portfolio shall be to achieve a return over the longer term (3 to 5 years) in excess of a Target Index. The Target Index for the international portfolio is the MSCI EAFE - Net Dividend Index.

The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

10/23/15

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

Delaware Capital Management — Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

GW Capital Inc.

GW Capital Inc. has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of equity and money market securities. GW Capital was retained for this assignment based on their qualifications and experience in managing Small/Mid Capitalization Value Equity portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, GW Capital equity securities shall not exceed 7.5% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

GW Capital has been retained as a small/mid capitalization value portfolio manager and will be evaluated on that basis. The assets of the Plan managed by GW Capital shall be invested with the following objectives:

Equity Portfolio:

The primary objective of the GW Capital portfolio shall be to achieve a return over the longer term (3 to 5 years) in excess of a Target Index. The Target Index for the GW Capital portfolio is the Russell 2500 Value Stock Index.

The secondary objective of the GW Capital portfolio shall be to achieve a rate of return over the longer term (3 to 5 years) which ranks above average **(TOP 50%)** when compared to a representative universe of other, similarly managed portfolios.

The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

10/23/15

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

GW Capital Inc. — Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

Apex Capital Management

Apex Capital Management has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of equity and money market securities. Apex Capital was retained for this assignment based on their qualifications and experience in managing Small/Mid Capitalization Growth Equity portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, Apex Capital equity securities shall not exceed 7.5% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

Apex Capital has been retained as a small/mid capitalization growth portfolio manager and will be evaluated on that basis. The assets of the Plan managed by Apex Capital shall be invested with the following objectives:

Equity Portfolio:

The primary objective of the Apex Capital portfolio shall be to achieve a return over the longer term (3 to 5 years) in excess of a Target Index. The Target Index for the Apex Capital portfolio is the Russell 2500 Growth Stock Index.

The secondary objective of the Apex Capital portfolio shall be to achieve a rate of return over the longer term (3 to 5 years) which ranks above average **(TOP 50%)** when compared to a representative universe of other, similarly managed portfolios.

The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

10/23/15

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

Apex Capital Management — Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

Renaissance Investment Management (International Equity)

Renaissance Investment Management has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of high quality international equity and money market securities. Renaissance Investment Management was retained for this assignment based on their qualifications and experience in managing International Equity portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, Renaissance Investment Management's international equity securities shall not exceed 7.5% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

Renaissance Investment Management has been retained as a international portfolio manager and will be evaluated on that basis. The assets of the Plan managed by Renaissance Investment Management shall be invested with the following objectives:

International Equity Portfolio:

The primary objective of the international portfolio shall be to achieve a return over the longer term (3 to 5 years) in excess of a Target Index. The Target Index for the international portfolio is the MSCI All Country World ex US Index.

The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees — Date
Ormond Beach General Employees' Pension Trust Plan

10/23/15

Secretary, Board of Trustees — Date
Ormond Beach General Employees' Pension Trust Plan

Renaissance Investment Management — Date

ORMOND BEACH GENERAL EMPLOYEES' PENSION TRUST PLAN

ADDENDUM TO STATEMENT OF INVESTMENT POLICY

FOR

Sawgrass Asset Management

Sawgrass Asset Management has been retained by the City of Ormond Beach General Employees' Pension Trust Fund to manage a well-diversified portfolio of high quality equity and money market securities. Sawgrass Asset Management was retained for this assignment based on their qualifications and experience in managing Large Capitalization Growth Equity portfolios.

ADDENDUM

This Addendum is a part of the City of Ormond Beach General Employees' Pension Trust Fund Investment Policy and is intended only to complement the objectives and guidelines outlined therein.

GUIDELINES

Within the guidelines contained in the Statement of Investment Policy established for the City of Ormond Beach General Employees' Pension Trust Fund, Sawgrass Asset Management equity securities shall not exceed 12.5% (at market) of the total portfolio value.

INVESTMENT OBJECTIVES

Sawgrass Asset Management has been retained as a large capitalization growth portfolio manager and will be evaluated on that basis. The assets of the Plan managed by Sawgrass Asset Management shall be invested with the following objectives:

Equity Portfolio:

The primary objective of the Sawgrass Asset Management portfolio shall be to achieve a return over the longer term (3 to 5 years) in excess of a Target Index. The Target Index for the Sawgrass Asset Management portfolio is the Russell 1000 Growth Stock Index.

The secondary objective of the Sawgrass Asset Management portfolio shall be to achieve a rate of return over the longer term (3 to 5 years) which ranks above average **(TOP 50%)** when compared to a representative universe of other, similarly managed portfolios.

The volatility of the Fund's total returns is expected to be similar to that of this Target Index and will be evaluated accordingly.

POLICY REVIEW

It is the intention of the Board of Trustees of the City of Ormond Beach General Employees' Pension Trust Fund to review the Statement of Investment Policy and this Addendum from time to time and to amend them if necessary to reflect any changes in philosophy or objectives. However, if at any time the investment manager believes that the specific objectives defined herein cannot be met, or that the guidelines unnecessarily constrict performance, the Trustees shall be so notified in writing.

Kelly A McGuire — 10/21/15

Chairman, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

10/23/15

Secretary, Board of Trustees
Ormond Beach General Employees' Pension Trust Plan — Date

Sawgrass Asset Management — Date