FELRA and UFCW Benefit Funds VEBA, Severance, Scholarship and Legal Funds

Compliance Report

December 31, 2019

Investment Performance Services, LLC
Fixed Income Separate Account Quarterly Compliance Checklist
Period Ending December 31, 2019

To: Segall Bryant & Hamill

Re: FELRA & UFCW Benefit Funds - Fixed Income B2F9853 & B2F9853 T

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the Fund's investment policy statement? Please attach a comparison of each of the Fund's objectives and guidelines and each permitted range to the actual allocation for each guideline or range at the end of the quarter to illustrate compliance with the investment policy guidelines. Also include the Client specific Quarter 1, 3 and 5 year returns and statement of assets including market values and bond ratings.

Yes **No (please explain)**

These accounts hold a number of defaulted securities inherited from the previous manager, which we are waiting for resolution. Additionally, these accounts hold mortgages and one asset backed security, which we continue to monitor bids to sell at a reasonable level.

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the Fund's investment policy?

Yes **No (please explain)**

3.) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No **Yes (please explain)**

4.) In regard to derivative securities that may be held in the portfolio, do you attest that the following statements are true?

- The March 28, 1996, Letter of Guidance and Statement on Derivatives has been read and reviewed by personnel of this firm. We accept full responsibility for complying with all aspects of derivative investment outlined therein.
- Specific examples of types of derivatives include but are not limited to the following:
  - Structured Finance
  - Collateralized Debt Obligations (CDO)
  - Structured Commercial Mortgage Obligations
  - Collateralized Mortgage Obligations (CMO)
  - Collateralized Loan Obligations (CLO)
  - Structured Asset-Backed Obligations
- A complete list of derivatives securities utilized in the Fund's portfolio since our last certification is attached to this certification. In our judgment, these investments are

prudent, in the best interest of the Fund and its participants, and are in compliance with the investment policy and guidelines of the Fund.

- We certify that the subject derivatives are considered by this firm as suitable for the Fund given known actuarial and economic factors. In our analysis of the suitability of derivatives for the Fund, these positions have been stress tested under varying interest rate scenarios.
- Our firm has experienced personnel in place and the investment processes and the controls to prudently invest in the derivatives listed.

Yes **No (please explain)**

Attached is a list of securities that may fall into one of the derivative types listed above

5.) Is the investment management fee charged by your firm to the Fund consistent with the fee schedule in the investment management contract? Is the fee charged by your firm to the Fund consistent with the fee charged by your firm to other funds of a similar size and the most competitive fee offered by your firm?

Yes **No (please explain)**

We believe the fee for this client is competitive and appropriate based on the individual circumstances of this client relationship. As such, SBH may offer a different fee schedule to other clients based on their individual circumstances, which may include style, size, specific objectives, etc.

6.) Have you confirmed that the Qualified Institutional Buyer requirements for the above client have been met for the purchases 144a securities?

Yes **No (please explain)**

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No **Yes (provide details)**

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No **Yes (provide details)**

3.) Have any ownership changes in the firm occurred during the quarter?

No **Yes (provide details)**

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **<u>If you are not required to file form ADV, please explain why.</u>**

No **Yes (provide details)**

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No **Yes (provide details and current status)**

6.) Has your firm reviewed all regulations and directives from the Securities and Exchange Commission concerning brokerage and research services and are you in compliance with all disclosure requirements?

Yes **No (please explain)**

7.) Has your firm reviewed the DOL's final ruling on cross-trading of securities and are you in compliance with the ruling?

Yes **No (please explain)**

8.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No **Yes (provide details)**

9.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes **No (please explain)**

10.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes **No (please explain)**

11.) Is your firm achieving best execution for the Fund on all transactions involving Fund assets?

Yes **No (please explain)**

Subject only to a client's direction to use a particular broker or dealer for the execution of transactions for that client's account, SBH's overriding objective in selecting brokers and dealers to effect client transactions is to seek the best combination of net price and execution. The best net price, giving effect to brokerage commission, if any, is an important factor in this decision; however, a number of other judgmental factors also may enter into the decision. These factors include SBH's knowledge of negotiated commission rates currently available and other current transaction costs; the nature of the security being purchased or sold; the size of the transaction; the particular security; confidentiality; the execution, clearance and settlement capabilities of the broker or dealer selected and others considered; SBH's knowledge of the financial condition of the broker or dealer selected and such other brokers and dealers; and, SBH's knowledge of actual or apparent operational problems of any broker or dealer. Recognizing the value of these factors, SBH may cause a client to pay brokerage commission in excess of that which another broker might have charged for effecting the same transaction.

SEGALL BRYANT & HAMILL

Portfolio Code	Short Name	Report Heading1	Classification Member Name	Perf Start Date	End Valuation Date	MTD Gross	MTD Net	QTD Gross	QTD Net	YTD Gross	YTD Net	1Yr Gross	1Yr Net	3Yr Gross	3Yr Net	5Yr Gross	5Yr Net	10Yr Gross	10Yr Net	Incep Ann Gross	Incep Ann Net	Incep Cum Gross	Incep Cum Net
50000181	B2F9853 *	FELRA & UFCW VEBA Fund	Total	11/1/2008	12/31/2019	0.07	0.07	0.31	0.26	6.56	6.35	6.56	6.35	3.4	3.19	2.72	2.51	3.56	3.36	4.46	4.27	62.83	59.45
50000181	B2F9853 *	FELRA & UFCW VEBA Fund	Alternative	11/1/2008	12/31/2019	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
50000181	B2F9853 *	FELRA & UFCW VEBA Fund	Fixed Income	11/1/2008	12/31/2019	0.07	0.07	0.32	0.32	6.80	6.80	6.80	6.80	3.46	3.48	2.78	2.79	3.66	3.67	4.74	4.75	67.78	67.87
50000181	B2F9853 *	FELRA & UFCW VEBA Fund	Equity	11/1/2008	12/31/2019	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00										
50000181	B2F9853 *	FELRA & UFCW VEBA Fund	Cash	11/1/2008	12/31/2019	0.20	0.20	0.75	0.75	53.70	53.70	53.70	53.70										
50000181	B2F9853 *	FELRA & UFCW VEBA Fund	Barclays Capital US	11/1/2008	12/31/2019	-0.07	-0.07	0.18	0.18	8.72	8.72	8.72	8.72	4.03	4.03	3.05	3.05	3.75	3.75	4.52	4.52	63.89	63.89
50000182	B2F9853T.	FELRA & UFCW VEBA Fund - Illiquid	Total	11/1/2008	12/31/2019	0.13	0.13	0.12	0.1	6.33	6.23	6.33	6.23	7.93	7.82	7.83	7.73	16.98	16.9	12.02	11.95	255.1	252.5
50000182	B2F9853T.	FELRA & UFCW VEBA Fund - Illiquid	Alternative	11/1/2008	12/31/2019	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0	0	25.98	25.98	17.43	17.43	501.2	501.2
50000182	B2F9853T.	FELRA & UFCW VEBA Fund - Illiquid	Fixed Income	11/1/2008	12/31/2019	0.13	0.13	0.07	0.07	6.78	6.78	6.78	6.78	8.21	8.21	8.01	8.01	16.83	16.83	11.76	11.76	245.9	245.9
50000182	B2F9853T.	FELRA & UFCW VEBA Fund - Illiquid	Equity	11/1/2008	12/31/2019	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	-0.39	-0.39	-1.71	-1.71	-1.71	-1.71	-12.6	-12.6
50000182	B2F9853T.	FELRA & UFCW VEBA Fund - Illiquid	Cash	11/1/2008	12/31/2019	0.13	0.13	0.44	0.44	2.25	2.25	2.25	2.25	1.48	-1.51	0.89	-11.2	1.61	-9.23	2.92	-7.05	37.52	-55.5
50000182	B2F9853T.	FELRA & UFCW VEBA Fund - Illiquid	Barclays Capital US	11/1/2008	12/31/2019	0.13	0.13	0.37	0.37	6.80	6.80	6.80	6.80	3.24	3.24	2.57	2.57	3.05	3.05	3.77	3.77	51.15	51.15

Portfolio	20%G0QA80 %B1AO	B E 1-3 YR G/C INDEX	B E INTERM G/C INDEX	B2F9853 *	B2F9853T.
Pricing Date	12/31/2019	12/31/2019	12/31/2019	12/31/2019	12/31/2019
# Bonds	2,249	1,602	4,919	144	7
Base Currcy	USD	USD	USD	USD	USD
Cash (000)	0	0	0	104	9
Par (000)	7,384,475	4,619,972	11,788,508	9,952	243
Mkt Val (000)	1,000,000	4,695,787	12,212,351	10,342	45
Quality	Aa1	Aa1	Aa2	Aa3	Aa3
Mdys	Aa1	Aa1	Aa2	Aa3	Aa3
S&P	AA	AA	AA-	AA-	AA+
Coupon	2.373	2.319	2.646	3.027	0.788
Coupon (Mkt)	2.402	2.335	2.685	3.056	4.554
Curr Yield	2.36	2.297	2.573	2.932	4.278
Maturity (Yrs)	1.648	1.956	4.292	4.309	4.093
Avg Life	1.648	1.948	4.26	4.252	3.622
YTM	1.732	1.723	1.941	2.081	4.176
YTW	1.723	1.712	1.93	2.063	4.176
OAS	12	10	24	36	288
Mod Dur	1.599	1.897	3.935	3.931	3.005
Eff Dur	1.584	1.877	3.911	3.845	1.582
Conv	0.016	0.019	0.106	0.067	0.044
Spread Dur	0.511	0.598	1.565	2.92	3.1

Portfolio	20%G0QA80 %B1AO	B E 1-3 YR G/C INDEX	B E INTERM G/C INDEX	B2F9853 *	B2F9853T.
Quality					
Aaa % Held (MV)	78.1	75.09	66.96	43.35	49.88
Aa % Held (MV)	3.93	4.04	3.53	11.4	
A % Held (MV)	9.28	10.93	13.32	29.52	
Baa % Held (MV)	8.69	9.95	16.2	15.73	
Caa % Held (MV)					11.07
N/A % Held (MV)					39.05

Portfolio	20%G0QA80 %B1AO	B E 1-3 YR G/C INDEX	B E INTERM G/C INDEX	B2F9853 *	B2F9853T.
Eff Dur					
<0.00 % Held (MV)					
0.00 - 0.99 % Held (MV)	22.57	1.35	0.57	10.09	62.96
1.00 - 1.99 % Held (MV)	44.99	57.73	22.35	15.27	
2.00 - 2.99 % Held (MV)	32.44	40.92	17.97	18.05	6.86
3.00 - 3.99 % Held (MV)			15.18	9.71	
4.00 - 4.99 % Held (MV)			14.29	12.5	30.18
5.00 - 5.99 % Held (MV)			10.2	10.32	
6.00 - 6.99 % Held (MV)			9.67	13.43	
7.00 - 7.99 % Held (MV)			6.38	7.22	
8.00 - 8.99 % Held (MV)			2.98	3.41	
9.00 - 9.99 % Held (MV)			0.42		
10.00+ % Held (MV)					
Maturity (Yrs)					
<0.00 % Held (MV)					
0.00 - 0.99 % Held (MV)	20.04	0.05	0.03	9.62	22.03
1.00 - 1.99 % Held (MV)	42.68	52.73	20.29	14.2	11.07
2.00 - 2.99 % Held (MV)	37.28	45.85	17.65	11.19	
3.00 - 3.99 % Held (MV)		1.36	13.12	13.54	6.86
4.00 - 4.99 % Held (MV)			14.18	13.02	30.18
5.00 - 6.99 % Held (MV)			18.57	23.31	29.02
7.00 - 9.99 % Held (MV)			16.17	15.11	
10.00 - 14.99 % Held (MV)					
15.00 - 19.99 % Held (MV)					
20.00 - 24.99 % Held (MV)					
25.00+ % Held (MV)					0.84

Sector Report

Portfolio	CASH % Held (MV)	TSY % Held (MV)	AGY % Held (MV)	SOVG % Held (MV)	SUPR % Held (MV)	OGVT % Held (MV)	PROV % Held (MV)	IND % Held (MV)	FIN % Held (MV)	UTIL % Held (MV)	PASS % Held (MV)	ARM % Held (MV)	CMO % Held (MV)	ABS % Held (MV)	CMBS % Held (MV)	MM % Held (MV)	OTHR % Held (MV)
B E INTERM G/C INDEX		61.45	3.85	0.96	2.44	0.15	0.52	16.98	12.16	1.49							
B2F9853 *	1.01	15.20	5.26			11.14		33.11	4.66	9.66	8.92	0.00	1.03	4.54	5.47	0.00	

Sector Report

Report: Distribution

Currency: Base Currency

Portfolio	CASH % Held (MV)	TSY % Held (MV)	AGY % Held (MV)	SOVG % Held (MV)	SUPR % Held (MV)	OGVT % Held (MV)	PROV % Held (MV)	IND % Held (MV)	FIN % Held (MV)	UTIL % Held (MV)	PASS % Held (MV)	ARM % Held (MV)	CMO % Held (MV)	ABS % Held (MV)	CMBS % Held (MV)	MM % Held (MV)	OTHR % Held (MV)
B2F9853T.	19.70								3.17				59.20	11.07			6.86

Standard Holdings
Expanded

Portfolio: B2F9853 *
Pricing Date: 12/31/2019
Representative:
Table 1 : Excl. Table 2 Hldgs

Currency: USD
FILTER APPLIED: (Portfolio: 21 of 144)

Par (000)	Identifier	Ticker (Home)	Issuer Name	Sect	Industry	Mdys	S&P	Coupon	Maturity	Curr	Price	Mkt Val (000)	% Held (MV)	YTW	Mod Dur	Eff Dur	Conv
39	3137BAHA		FHLMC K-715- A2	CMBS	CMBS	AGY	AGY	2.856	01/25/2021	USD	100.431	39	3.44	2.404	0.934	0.934	0.007
10	3137ALJE		FHLMC 3994- AE	CMO	SEQ	AGY	AGY	1.625	02/15/2022	USD	99.769	10	0.84	1.826	0.835	0.876	0.006
125	3137AYCE		FHLMC K25- A2	CMBS	CMBS	AGY	AGY	2.682	10/25/2022	USD	101.680	127	11.16	1.984	2.599	2.662	0.043
100	47788EAC	JDOT	JOHN DEERE 2018-B- A3	ABS	EQPT	Aaa	N/A	3.080	11/15/2022	USD	101.027	101	8.86	2.335	1.350	1.349	0.014
65	14041NFK	COMET	CAP ONE MT 2017-1- A	ABS	CARD	N/A	AAA	2.000	01/15/2023	USD	100.012	65	5.70	1.923	0.206	0.203	0.001
110	92348XAA		VERIZON 2018-A- A1A	ABS	MISC	Aaa	AAA	3.230	04/20/2023	USD	101.694	112	9.81	1.991	1.343	1.342	0.013
130	14041NFN	COMET	CAP ONE MT 2017-4A- A	ABS	CARD	N/A	AAA	1.990	07/15/2023	USD	100.106	130	11.41	1.838	0.697	0.698	0.004
60	12652VAC		CNH EQPT 2018-A- A3(U)	ABS	EQPT	N/A	AAA	3.120	07/15/2023	USD	101.156	61	5.32	2.155	2.640	2.640	0.000
2	31395BD7		FNMA 2006-022- CE	CMO	SEQ	AGY	AGY	4.500	08/25/2023	USD	103.310	2	0.17	2.034	1.437	1.443	0.011
120	3137B5KW		FHLMC K035- A2	CMBS	CMBS	AGY	AGY	3.458	08/25/2023	USD	104.693	126	11.03	1.917	3.297	3.362	0.067
0	31397MHG		FNMA 2008-070- BY	CMO	SEQ	AGY	AGY	4.000	08/25/2023	USD	101.135	0	0.03	2.067	0.718	0.774	0.004
15	31393YZS		FNMA 2004-044- LT	CMO	SEQ	AGY	AGY	4.500	06/25/2024	USD	104.834	15	1.34	1.574	1.720	1.682	0.012
111	3137FBTA	FHMS	FHLMC K-728- A2	CMBS	CMBS	AGY	AGY	3.064	08/25/2024	USD	103.769	115	10.11	2.149	4.191	4.264	0.107
2	31395HJ4		FHLMC 2877- AL	CMO	SEQ	AGY	AGY	5.000	10/15/2024	USD	104.178	2	0.15	2.192	1.523	1.504	0.021
12	31395WHN		FHLMC 3005- ED	CMO	SEQ	AGY	AGY	5.000	07/15/2025	USD	105.133	13	1.11	2.209	1.862	1.820	0.028
70	3137FJXQ		FHLMC K-733- A2	CMBS	CMBS	AGY	AGY	3.750	08/25/2025	USD	107.261	75	6.60	2.335	5.049	5.129	0.155
80	3137BPW2	FHMS	FHLMC K-055- A2	CMBS	CMBS	AGY	AGY	2.673	03/25/2026	USD	102.604	82	7.21	2.197	5.609	5.692	0.187
0	3128QSP8	FMCC	FHLMC POOL - 1G2247	PASS	ARM	AGY	AGY	4.025	10/01/2037	USD	103.113	0	0.02	3.172	4.932	0.786	0.014
35	3137A5MM		FHLMC 3795- ED	CMO	PAC	AGY	AGY	3.000	10/15/2039	USD	101.409	36	3.16	2.244	1.974	1.919	-0.229
6	31392GEK		FNMA 2002-090- A1	CMO	SEQ	AGY	AGY	6.500	06/25/2042	USD	114.398	7	0.64	2.145	3.273	3.310	0.094
19	31394AB4		FNMA 2004-W11- 1A2	CMO	SEQ	AGY	AGY	6.500	05/25/2044	USD	114.366	22	1.90	2.458	3.420	3.377	0.101
1,111						**Aaa**	**AA+**	**3.013**	**2.757**		**102.570**	**1,142**	**100.00**	**2.082**	**2.535**	**2.564**	**0.046**

Standard Holdings
Expanded

Portfolio: B2F9853T.
Pricing Date: 12/31/2019
Representative:
Table 1 : Excl. Table 2 Hldgs

Currency: USD
FILTER APPLIED: (Portfolio: 3 of 7)

Par (000)	Identifier	Ticker (Home)	Issuer Name	Sect	Industry	Mdys	S&P	Coupon	Maturity	Curr	Price	Mkt Val (000)	% Held (MV)	YTW	Mod Dur	Eff Dur	Conv
14	1266944E		CWMBS CHL 2006-HYB3- 3A1A	CMO	FLT	N/A	NR	3.598	05/20/2036	USD	95.752	13	41.30	4.902	4.884	0.049	0.063
5	36186LAB		GMACM HEL 2007-HE02- A2	ABS	HEL3	Caa3	NR	6.054	12/25/2037	USD	100.140	5	15.76	5.521	0.918	0.761	-0.187
12	31393LFK		FHLMC T054 RP02-R1 2A1	CMO	SEQ	AGY	AGY	6.500	02/25/2043	USD	116.423	14	42.94	2.691	4.173	4.198	0.143
30						**A2**	**AA+**	**5.118**	**4.780**		**104.430**	**32**	**100.00**	**4.050**	**3.954**	**1.943**	**0.058**

Certified for the Firm By:

Name: Paul Lythberg

Signature:

Title: Chief Compliance Officer/Chief Operating Officer

Firm: Segall Bryant & Hamill

Date: January 15, 2020

Units	Fed Tax Cost	Market Value	Issue Description	Major Asset Type	Minor Asset Type	Quality Rating Moody's	Quality Rating S&P	Quality Rating Fitch	Current Quarter Comments	Previous Quarter Comments
25,396.28	22,097.65	21,144.43	COUNTRYWIDE HOME LOANS SERIES 2006-HYB3 CLASS 3A1A VAR% DUE 05/20/2036	BONDS	CMO'S	Withdrawn	NOT RATED		Currently Monitoring for sale. Have not received adequate bid.	Currently Monitoring for sale. Have not received adequate bid.
10,258.32	6,744.11	10,050.08	GMAC MORTGAGE CORP LOAN TRUST SER 2007-HE2 CLASS A2 06.054% DUE 12/25/2037	BONDS	ASSET BACKED CORPORATE BONDS	CAA-3	NOT RATED		Currently Monitoring for sale. Have not received adequate bid.	Currently Monitoring for sale. Have not received adequate bid.
100,000.00	101,283.00	200.00	TWIN REEFS PASS-THROUGH 144A CALL 12/10/09 @ 100 VAR% DUE 12/31/2049	BONDS	VARIABLE RATE CORPORATE BONDS	Withdrawn	Withdrawn	WD	Strategic reorganization underway and status of securities is uncertain.	Strategic reorganization underway and status of securities is uncertain.
100.00	1.00	1.00	DPS 144A WASHINGTON ESCROW - DTC	COMMON STOCKS	COMMON STOCKS	UNDEFINE	UNDEFINE		Received shares out of escrow and sold. May receive more shares.	Received shares out of escrow and sold. May receive more shares.
l in the portfolio										
1.01	-	-	COUNTRYWIDE HOME LOANS SERIES 2006-HYB4 CLASS 1A2 WORTHLESS	BONDS	CMO'S	C	D			Last paydown 7/20/11.
1.00	-	1.00	COUNTRYWIDE ASSET-BKD CERTS SERIES 2006-S6 CLASS A2 05.519% DUE 03/25/2034	BONDS	ASSET BACKED CORPORATE BONDS	BA3	D			Last paydown 5/25/12.
1.00	-	-	GSR MORTGAGE LOAN TRUST SERIES 2006-1F CLASS 5A2 06.000% DUE 02/25/2036	BONDS	CMO'S	NOT RATE	D	WD		Last paydown 4/25/14.
1.01	0.99	0.02	STRUCTURED ADJ RATE MTG LN SERIES 2005-22 CLASS 4A2 VAR % DUE 12/25/2035	BONDS	CMO'S	N/A	D	WD		Last paydown 4/25/14.
1.00	-	0.04	STRUCTURED ADJ RATE MTG LN SERIES 2006-5 CLASS 5A4 VAR % DUE 06/25/2036	BONDS	CMO'S	N/A	D	WD		Last paydown 7/25/13.
1.00	-	0.01	WASHINGTON MUTUAL SERIES 2006-AR8 CLASS 1A5 05.942% DUE 08/25/2046	BONDS	CMO'S	AAA	D	WD		Last paydown 6/25/12 - Still receiving income
1.00	-	0.04	WELLS FARGO MTG BKD SEC TR SERIES 2006-AR11 CLASS A7 05.5386% DUE 08/25/2036	BONDS	CMO'S	N/A	D	WD		Last paydown 12/25/14.
0.01	-	-	WELLS FARGO MTG BACKED SECS SER 2006-AR12 CLASS 1A2 VAR% DUE 09/25/2036	BONDS	CMO'S	C	UNDEFINE	WD		Last paydown 9/25/11.

Investment Performance Services, LLC
Fixed Income Separate Account Quarterly Compliance Checklist
Period Ending December 31, 2019

To: Chartwell Investment Partners

Re: FELRA & UFCW Benefit Funds -Fixed Income- Short Term High Yield- Account 542

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with the Fund's investment policy statement? Please attach a comparison of each of the Fund's objectives and guidelines and each permitted range to the actual allocation for each guideline or range at end of the quarter to illustrate compliance with the investment policy guidelines. Also include the Client specific Quarter, 1, 3 and 5 year returns and statement of assets including market values and bond ratings.

Yes **No (please explain)**

Comparison, returns and statement will follow under separate spreadsheet and separate cover.

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the Fund's investment policy?

Yes **No (please explain)**

3.) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No **Yes (please explain)**

4.) In regard to derivative securities that may be held in the portfolio, do you attest that the following statements are true?

- The March 28, 1996, Letter of Guidance and Statement on Derivatives has been read and reviewed by personnel of this firm. We accept full responsibility for complying with all aspects of derivative investment outlined therein.
- Specific examples of types of derivatives include but are not limited to the following:
  - Structured Finance
  - Collateralized Debt Obligations (CDO)
  - Structured Commercial Mortgage Obligations
  - Collateralized Mortgage Obligations (CMO)
  - Collateralized Loan Obligations (CLO)
  - Structured Asset-Backed Obligations
- A complete list of derivatives securities utilized in the Fund's portfolio since our last

certification is attached to this certification. In our judgment, these investments are prudent, in the best interest of the Fund and its participants, and are in compliance with the investment policy and guidelines of the Fund.

- We certify that the subject derivatives are considered by this firm as suitable for the Fund given known actuarial and economic factors. In our analysis of the suitability of derivatives for the Fund, these positions have been stress tested under varying interest rate scenarios.
- Our firm has experienced personnel in place and the investment processes and the controls to prudently invest in the derivatives listed.

Yes **No (please explain)**

5.) Is the investment management fee charged by your firm to the Fund consistent with the fee schedule in the investment management contract? Is the fee charged by your firm to the Fund consistent with the fee charged by your firm to other funds of a similar size and the most competitive fee offered by your firm?

Yes **No (please explain)**

It is consistent with the fees paid by other funds of a similar size, and it is the most competitive fee available for this account based on our evaluation of characteristics for a fund of this nature.

6.) Have you confirmed that the Qualified Institutional Buyer requirements for the above client have been met for the purchases 144a securities?

Yes **No (please explain)**

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No **Yes (provide details)**

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No **Yes (provide details)**

3.) Have any ownership changes in the firm occurred during the quarter?

No **Yes (provide details)**

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **If you are not required to file Form ADV, please explain why.**

No **Yes (provide details)**

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No **Yes (provide details and current status)**

6.) Has your firm reviewed all regulations and directives from the Securities and Exchange Commission concerning brokerage and research services and are you in compliance with all disclosure requirements?

Yes **No (please explain)**

7.) Has your firm reviewed the DOL's final ruling on cross-trading of securities and are you in compliance with the ruling?

Yes **No (please explain)**

8.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No **Yes (provide details)**

9.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes **No (please explain)**

10.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes **No (please explain)**

11.) Is your firm achieving best execution for the Fund on all transactions involving Fund assets?

Yes **No (please explain)**

Certified For The Firm By:

Name: Melissa L. Haupt

Signature:

Melissa L. Haupt

Title: Director of Client Administration
Firm: Chartwell Investment Partners
Date: 1/6/20

Investment Performance Services, LLC
Real Estate Quarterly Compliance Checklist
Period Ending December 31, 2019

To: American Realty Advisors

Re: FELRA and UFCW Health and Welfare Fund - Real Estate - American Core Realty Fund - Acct No. 1145

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio is currently, and has been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment?

Yes

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines?

Yes

3.) Has there been a significant change in the liquidity of the commingled investment vehicle which may cause you to suspend, limit, or change the current liquidity offered to investors?

No

4.) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No

5.) In regard to derivative securities that may be held in the portfolio, do you attest that the following statements are true?

- The March 28, 1996, Letter of Guidance and Statement on Derivatives has been read and reviewed by personnel of this firm. We accept full responsibility for complying with all aspects of derivative investment outlined therein.
- We certify that the subject derivatives are considered by this firm as suitable for the Fund given known actuarial and economic factors. In our analysis of the suitability of derivatives for the Fund, these positions have been stress tested under varying interest rate scenarios.
- Our firm has experienced personnel in place and the investment processes and the controls to prudently invest in the derivatives.

This is not applicable as no derivative securities were held in the portfolio during Fourth Quarter 2019.

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No

3.) Have any ownership changes in the firm occurred during the quarter?

No

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund?

No

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No

6.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No material changes have occurred.

7.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes

8.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes

Certified For The Firm By:

Name: Kristin Adrian

Signature: Kristin Adrian

Title: Chief Compliance Officer

Firm: American Realty Advisors

Date: January 14, 2020