Erie County Medical Center Corporation

Statement of Investment Policy and Guidelines

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Drafted: December 12, 2006
Revised: April 15, 2014
December 2014

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I. INTRODUCTION

In accordance with the Public Authorities Law, art.9 §§2800 to 2985; State Finance Law §8 (14), Section 201: An investment program involving public funds must include four basic ingredients – legality, safety, liquidity and reasonable return.

It is the responsibility of each public authority to determine and evaluate its own risk in all its investment transactions with due regard to prudent business principles and practices and diligence under the circumstances then prevailing that a knowledgeable and prudent investor would act. The financial resources of the public authority should be properly managed to achieve investment income consistent with sound investment practice.

Guideline requirements are intended to represent only minimum standards.

This document defines the investment policies, objectives, and guidelines applicable to the Erie County Medical Center Corporation's ("Corporation") Investment Funds. It was developed by Arthur J. Gallagher & Co. ("Gallagher") in conjunction with the Corporation's Investment Committee ("Committee").

The purpose of this document is threefold. First, it will constitute the investment plan for these assets. Second, it will serve as a communication tool between the Committee and its investment manager(s). Third, these guidelines will provide a framework to measure the ongoing progress of the recommended structure, and as such should be reviewed annually. Within the constraints imposed by this document, the manager will have total discretion to manage the fund's assets according to its professional judgment and fiduciary obligations. The managers' strategies shall be communicated to the Committee at regularly scheduled review meetings.

II. GENERAL OBJECTIVES

A. Protection of principal.

B. Maintain sufficient liquidity to ensure cash availability for operating cash flow requirements.

C. Maximize the total rate of return within a reasonable risk profile. Monies that are not required for immediate use or disbursement are invested with an average investment time horizon of three years or greater.

III. DELEGATION OF AUTHORITY

The Board of Directors is charged by law with the responsibility for the management of the assets of the Corporation. The Board of Directors shall discharge its duties solely in the interest of the Corporation, with the care, skill, prudence and diligence under the circumstances then prevailing. In this regard, the Board of Directors, the Investment Committee, and Corporation management shall invest and manage Corporation funds as a prudent investor would, by considering the purposes, terms and other circumstances of the funds in the Corporation's care and by pursuing an overall investment strategy reasonably suited to the Corporation, and they shall require the same standard of prudence from investment managers and consultants they engage to assist them.

Within the broad framework of policy set by the Board of Directors, the Investment Committee shall have direct responsibility for the oversight and management of the invested assets of the Corporation and for the establishment of investment policies and procedures.

A. Establishing reasonable and consistent investment objectives, policies and guidelines which will direct the investment of the Corporation's assets.

B. Determining the Corporation's risk tolerance and investment horizon and communicating these to the appropriate parties.

C. Designate an appropriate Corporation individual as "Investment Officer" whose responsibility it will be to proscribe and maintain a control structure to protect investment assets from loss, theft, and misuse.

D. Regularly evaluating the performance of the Investment Manager(s) to assure adherence to policy guidelines and monitoring investment objective progress.

E. Developing and enacting proper control procedures: For example, replacing Investment Manager(s) due to fundamental change in investment management process, or failure to comply with established guidelines.

F. Advising and communicating with the Board of Directors as necessary with respect to investment matters.

G. Recommending to the Board of Directors proposed changes and revisions to this Investment Policy.

H. Reviewing any independent audits of the investment program.

I. Prudently and diligently selecting qualified investment professionals, including Investment Management Consultants, Investment Managers, and Custodians, to which the Committee is authorized to delegate the following responsibilities:

1. ***Investment Management Consultant.*** The Investment Management Consultant may assist the Investment Committee in: establishing investment policy, objectives, and guidelines, including investment time horizon risk tolerance and total return objectives; selecting one or more investment managers; reviewing and evaluating such manager's performance over time; measuring and evaluating investment performance; and other tasks as deemed appropriate.
2. ***Investment Manager***. The Corporation enters into agreements with selected investment managers who provide day-to-day investment management services to the Corporation. Each investment manager will have discretion to purchase, sell or hold the specific securities that will be used to meet the Corporation's investment objectives. Such appointments do not relieve the Committee from the responsibilities of overseeing the investment program.
3. ***Custodian.*** The Custodian will provide full custodian services. It will maintain possession of securities owned by the Corporation, collect dividend and interest payments, and redeem maturing securities, and effect receipt and delivery following purchases and sales. The custodian may also perform regular accounting of assets owned, purchased, or sold, as well as movement of assets into and out of the Corporation accounts. In addition, the custodian will provide monthly documentation of portfolio activity and portfolio value.
4. Additional specialists such as attorneys, auditors, and others may be employed by the Board of Directors, acting on its own or through its Investment Committee, to assist in meeting its responsibilities and obligations to administer Corporation assets prudently.

IV. RESPONSIBILITIES OF THE INVESTMENT MANAGERS

Adherence to Investment guidelines

The investments are to be managed in accordance with the guidelines expressed herein, or expressed by separate written instructions, when deviation is deemed prudent and desirable by the Investment Committee. Written instructions amending this document must be authorized by the Investment Committee of the Board (Committee) and should be communicated through the Chief Investment Officer.

Discretionary Authority

The investment managers are expected to exercise complete investment discretion within the boundaries of the restrictions outlined in this Statement of Investment Policy and Guidelines.

Such discretion includes decisions to buy, hold, or sell equity or fixed-income securities (including cash equivalents) in amounts and proportions reflective of each manager's current investment strategy. However, the Committee is aware that its decision to invest in a commingled account and/or mutual fund may relieve the manager from strict adherence to all elements of the policy.

Realized Gains/Losses

In addition to investment income, fiscal year net realized gains/losses are an important element of the Corporation's budgeting process. Specifically, the Corporation requires that its investment managers communicate, in advance, any intentions to realize fiscal year losses in excess of $250,000.

Communication

The Committee encourages, and the investment managers are responsible for, frequent and open communication with the Committee on all significant matters pertaining to the investment of the Corporation's assets. These communications would generally be addressed to the Chief Investment Officer. In this manner, the managers will advise the Committee of any major changes in investment outlook, investment strategy, asset allocation, portfolio structure, market value of the investments, and other substantive matters affecting the assets under their management. The managers will advise the Committee promptly of any significant changes in the ownership, organization structure, financial condition, or senior personnel of the investment management organization. Audited financial statements of the management organizations are to be furnished annually to the Investment Management Consultant.

All documents, exhibits, and other written material, etc., which will be used during review meetings between the Committee and the investment managers, should be submitted to the Committee or to any investment consultant acting on the Committee’s behalf, at least one week in advance of these meetings. It is expected that these meetings will take place periodically at the Committee's direction.

The Committee recognizes that the Statement of Investment Policy and Guidelines requires periodic re-examination and perhaps revision if it is to continue to serve as a working document to encourage effective investment management. Whenever an investment manager believes that the Statement should be altered, it is the responsibility of the manager to initiate written communication with the Committee through the Chief Investment Officer.

Reporting

The Committee expects the managers to forward, on a timely basis, quarterly reports containing portfolio activity, valuations at market, and quarterly strategy updates.

Compliance with Prudency and Diversification Measures

As a fiduciary, each investment manager is expected to diversify the portfolio to minimize the risk of large losses. The manager is expected to invest the assets with care, skill, prudence, and diligence under the circumstances then prevailing. In this regard, the manager shall invest and manage Corporation funds as a prudent investor would, by considering the purposes, terms and other circumstances of the funds in the Corporation's care and by pursuing an overall investment strategy reasonably suited to the Corporation. Furthermore, the investment manager is expected to acknowledge its intention to comply with the Statement of Investment Policy and Guidelines as it currently exists or as modified by the Committee in the future.

V. RESPONSIBILITIES OF THE TRUSTEE/CUSTODIAN

The Trustee/Custodian is responsible for the safekeeping of Corporation assets, assuring protection from loss, theft or misuse, and timely/reliable auditing of earnings and transactions.

Safekeeping Accounts

Securities purchased should be delivered against payment and held in a custodian safekeeping account in investment accounts segregated from the custodian's own assets. Exceptions shall be: (1) repurchase agreements made with approved banks or dealers (see page 16) for one week or less, and (2) Eurodollar time deposits, for which no instruments are created.

The Custodian annually must furnish to the Corporation's Investment Officer a copy of its "SSAE 16 Report" from its independent auditors.

VI. RESPONSIBILITY OF THE INVESTMENT MANAGEMENT CONSULTANT

The Investment Management Consultant's role is to provide investment advice to the Investment Committee concerning the investment management of Corporation assets. Such advice will be consistent with the investment objectives, policies, guidelines and constraints as established in this statement. Specific responsibilities of the Investment Consultant include:

1. Assisting in the development and periodic review of investment policy and making recommendations to the Committee.

2. Conducting investment manager searches where appropriate and making recommendations as required.

3. Monitoring the performance of the Investment Manager(s) and providing the Committee periodic reports so that it may determine the Corporation's progress toward its investment objectives and adherence to its investment program compliance.

4. Monitoring the total fees, commissions, and other charges paid in rendering investment services to the Corporation, at least annually.

5. Communicating matters of policy, manager research, and manager performance to the Committee and making recommendations where appropriate.

6. Reviewing Corporation investment history, historical capital markets performance and the contents of this investment policy statement with any newly appointed members of the Committee.

7. Providing "due diligence" on investment managers such as any qualitative change to investment management organizations: Examples include changes in portfolio management personnel, ownership structure, investment philosophy, etc.

8. Providing current Statement of Investment Policy and Guidelines to existing, replacement and additional Investment Managers when changes occur.

9. Maintaining timely and appropriate communications with the Chief Financial Officer, Chief Investment Officer and Chairman of the Committee relative to matters of substance regarding:

   A. Changes in investment forecast, investment strategies, or changes in portfolio structure;

   B. Changes in ownership, organization, financial conditions, and key personnel within the investment management organization.

VII. RECOMMENDED POLICY

Historical performance results and future expectations suggest that common stocks will provide higher total investment returns than fixed-income securities over a long-term investment horizon. However, one can expect an increase in portfolio volatility as the allocation percentage to equities is increased.

Each investment manager is instructed to normally remain 95-100% invested in its respective asset classes for which it is retained, with a target of 100%. When an investment manager has received a cash contribution, or has taken significant profits, up to 10% of the account may be temporarily (up to 90 days) invested in cash. Deviations from the policy must have prior approval from the Committee or its named representative. For fixed-income managers, the cash allocation may exceed 5% if strategic in nature. This restriction does not apply to the cash equivalent manager.

VIII. BOARD DESIGNATED FUND

A. Investment Goals

The investment goals of the Fund are to:

- provide for the spending needs of Corporation in excess of operations;
- consistently invest assets in a prudent, high-quality, diversified manner;
- achieve the optimal return possible within the specified risk parameters;
- adhere to the established guidelines.

The Board Designated Fund provides for short-to-intermediate-term spending needs of the Corporation. The Fund's cash flow is generally positive but it needs to maintain some degree of liquidity to meet unexpected needs. The Fund can assume a low-to-moderate risk profile.

B. Asset Allocation

Historical performance results and future expectations suggest that common stocks will provide higher total investment returns than fixed-income securities over a long-term investment horizon. However, one can expect an increase in portfolio volatility as the stock percentage is increased, particularly over the short term.

It is believed that the most significant decision to affect the overall volatility of results is that which controls the split among various asset classes, particularly the equity versus fixed-income ratio.

Consequently, the Committee has decided to control this ratio by setting up long-term asset allocation targets. The assets are viewed as having a short-to-intermediate time horizon with moderate liquidity needs. The Committee's goal is to maximize returns over the long term and has, therefore, taken a low-to-moderate investment posture which holds a modicum of equity holdings.

Based on the investment goals and risk tolerances stated in this document, the following asset mix targets and ranges are considered appropriate:

Portfolio Section	Target	Range
Equity	30%	15 – 35%
Fixed Income	65%	55 – 75%
Short-Term Investments	5%	0 – 10%

C. Return Requirements - Trailing Three-Year Time Horizon

Investment objectives are intended to provide quantifiable benchmarks to measure and evaluate portfolio return and risk. The following objectives apply to the Board Designated Fund. Performance relative to the investment objectives will be measured over a three-year time period. All returns are measured net of investment management fees.

- Relative to appropriate indexes:

Section	Index	Expectation
Total Fund	Target Index*	Exceed

- Relative to other professionally managed accounts:

Section	Peer Universe	Expectation
Total Fund	Core Fixed Income	Top 50%

* An index constructed from the S&P 500, ML 1-3 Year Gov't, ML 1-3 Year G/C and 91- day T-Bill Indices in the same allocation as the target asset mix.

IX. FUNDED DEPRECIATION

A. Investment Goals

The investment goals of the Fund are to:

- provide for the capital spending needs of the Corporation in excess of operations;
- consistently invest assets in a prudent, high-quality, diversified, manner;
- achieve the optimal return possible within the specified risk parameters;
- adhere to the established guidelines.

The Funded Depreciation Fund provides for intermediate- to long-term spending needs of the Corporation. The Fund's cash flow is generally positive, but it needs to maintain some degree of liquidity to meet unexpected needs. The Fund can assume a low-to-moderate risk profile.

It is the intention of the Committee that appropriate external investment funds/managers be employed to invest the assets. The external investment managers will be responsible for the investment and reinvestment of principal and income assets and are expected to exercise reasonable investment discretion within the bounds of the guidelines delineated by the Committee.

B. Asset Allocation

Historical performance results and future expectations suggest that common stocks will provide higher total investment returns than fixed-income securities over a long-term investment horizon. However, one can expect an increase in portfolio volatility as the stock percentage is increased, particularly over the short term.

It is believed that the most significant decision to affect the overall volatility of results is that which controls the split among various asset classes, particularly the equity versus fixed-income ratio. Consequently, the Committee has decided to control this ratio by setting up long-term asset allocation targets. The assets are viewed as having a long-term time horizon with moderate liquidity needs. The Committee's goal is to maximize returns over the long term and has, therefore, taken a conservative investment posture that includes equity holdings, but favors fixed-income holdings.

Based on the investment goals and risk tolerances stated in this document, the following asset mix targets and ranges are considered appropriate:

Portfolio Section	Target	Range
Equity	30%	15 – 35%
Fixed Income	65%	55 – 75%
Short-Term Investments	5%	0 – 10%

C. Return Requirements - Trailing Three-Year Time Horizon

Investment objectives are intended to provide quantifiable benchmarks to measure and evaluate portfolio return and risk. The following objectives apply to the Funded Depreciation Fund. Performance relative to the investment objectives will be measured over a three-year time period. All returns are measured net of investment management fees.

- Relative to appropriate indexes:

Section	Index	Expectation
Total Fund	Target Index*	Exceed

- Relative to other professionally managed accounts:

Section	Peer Universe	Expectation
Total Fund	Core Fixed Income	Top 50%

* An index constructed from the S&P 500, ML 1-3 Year G/C and 91-day T-Bill Indices in the same allocation as the target asset mix.

X. GENERAL DEPOSITORY & DEPOSITORY TEMPORARY HOLDINGS

A. Investment Goals

The investment goals of the Fund are to:

- provide the necessary funds and liquidity for operating expenses of the Corporation;
- assure that safety of principal is paramount;
- consistently invest assets in a prudent, diversified, risk-averse manner;
- achieve the acceptable return possible within the specified risk parameters;
- transfer excess liquidity assets as determined by management to the Board Designated Fund;
- adhere to the established guidelines.

It is the intention of the Committee that appropriate external investment funds/managers be employed to invest the liquidity assets. The external investment managers will be responsible for the investment and reinvestment of principal and income assets and are expected to exercise reasonable investment discretion within the bounds of the guidelines delineated by the Committee. The Fund will assume a very conservative risk profile.

B. Asset Allocation

Given the nature of the Funds' goals, there can be no volatility of results. Consequently, the Committee has decided to control volatility by setting up long-term asset allocation targets. The assets are viewed as having a short time horizon with high liquidity needs. The Committee's goal is to minimize risk which favors cash equivalent investments.

Based on the investment goals and risk tolerances stated in this document, the following asset mix targets and ranges are considered appropriate:

Portfolio Section	Target	Range
Equity	0%	N/A
Fixed Income	0%	N/A
Short-Term Investments	100%	N/A

C. Return Requirements - Trailing Three-Year Time Horizon

Investment objectives are intended to provide quantifiable benchmarks to measure and evaluate portfolio return and risk. The following objectives apply to the General Depository Fund. Performance relative to the investment objectives will be measured over a three-year time period. All returns are measured net of investment management fees.

- Relative to appropriate indexes:

Section	Index	Expectation
Total Fund	Target Index*	Exceed

- Relative to other professionally managed accounts:

Section	Peer Universe	Expectation
Total Fund	Ultra Short	Top 60%

* An index constructed from the 30-day T-Bill Index.

XI. DEBT SERVICE and DEBT SERVICE RESERVE FUNDS – 2004 SERIES and 2011 SERIES

A. Investment Goals

The investment goals of the Fund are to:

- provide for the funding for debt service coverage;
- consistently invest assets in a prudent, high-quality, diversified manner;
- achieve the optimal return possible within the specified risk parameters;
- adhere to the established guidelines.

The Debt Service Reserve Fund is used to satisfy necessary interest payments. The required funds must be available for disbursement on the May 1 and November 1 payment dates for the 2004 Series Funds; and on the First of Each Month for the 2011 Series Funds. Any shortfall would need to come from operations. The Fund can assume a low-to-moderate risk profile. The Debt Service Reserve Fund is held in contingency by the Trustee to offset principal and/or interest payments, if needed.

B. Asset Allocation

Historical performance results and future expectations suggest that common stocks will provide higher total investment returns than fixed-income securities over a long-term investment horizon. However, one can expect an increase in portfolio volatility as the stock percentage is increased, particularly over the short term.

It is believed that the most significant decision to affect the overall volatility of results is that which controls the split among various asset classes, particularly the equity versus fixed-income ratio.

Consequently, the Committee has decided to control this ratio by setting up long-term asset allocation targets. The assets are viewed as having a short-to-intermediate time horizon with moderate liquidity needs. The Committee's goal is to maximize returns over the long term and has, therefore, taken a low-to-moderate investment posture which holds a modicum of equity holdings.

Based on the investment goals and risk tolerances stated in this document, the following asset mix targets and ranges are considered appropriate:

Portfolio Section	**Target**	**Range**
Equity	20%	10 – 20%
Fixed Income	75%	70 – 80%
Short-Term Investments	5%	0 – 10%

C. Return Requirements - Trailing Three-Year Time Horizon

Investment objectives are intended to provide quantifiable benchmarks to measure and evaluate portfolio return and risk. The following objectives apply to the Debt Service Reserve Fund. Performance relative to the investment objectives will be measured over a three-year time period. All returns are measured net of investment management fees.

- Relative to appropriate indexes:

Section	Index	Expectation
Total Fund	Target Index*	Exceed

- Relative to other professionally managed accounts:

Section	Peer Universe	Expectation
Total Fund	Core Fixed Income	Top 50%

* An index constructed from the S&P 500, ML 1-3 Year Gov't, ML 1-3 Year G/C and 91- day T-Bill Indices in the same allocation as the target asset mix.

XII. ALLOWABLE INVESTMENTS

A. Fixed Income and Cash Equivalents

1. Instruments and Credit Quality

a. Instruments issued and fully guaranteed by the U.S. Government or any of its agencies and instrumentalities.

b. Instruments issued by domestic corporations, including corporate notes and floating rate notes, must be rated “Baa”/“BBB” or better at time of purchase by Moody's Investor Service or Standard and Poor's. Asset-backed securities and collateralized mortgage obligations must be rated “Aaa”/“AAA” by the rating agencies. If the domestic corporation has a senior debt rating of "Baa" or better, the issuer's commercial paper rating and/or CD rating must be one of “A1”, “P1”, or “F1”. If the issuer does not have a senior debt rating, the issuer's commercial paper rating and/or CD rating must be any two of “A1", “P1", “F1" or have a letter of credit drawn on the issuer, meeting the above guidelines.

c. Obligations of domestic banks, including banker's acceptances, certificates of deposit, time deposits, notes, and other debt instruments.

d. Instruments of countries or foreign corporations rated at least “Aa”/"AA" by appropriate rating organization. Instruments issued by the U.S. agency of a foreign corporation are also permitted, subject to the same quality constraints. Instruments referred to in this section cannot comprise more than 20% of the total combined portfolio, at market.

e. The following types of Euro issues: banker's acceptances, time deposits, bonds, and floating rate notes of any issue rated “Aa”/“AA” or better by Standard and Poor's or Moody's.

f. Yankee securities are subject to the quality constraints outlined in section “d” above.

g. Securities resold under SEC Rule 144A subject to the quality constraints outlined in section “b” above.

h. Repurchase Agreements are permitted with such government dealers who have and maintain a minimum equity value of $50 million, as the investment manager shall, in its discretion, determine from time to time. Repurchase Agreements shall be subject to: 102% initial market value collateralization of the loaned amount, collateral market value is priced daily and always maintained above 100% of the loaned amount, and physical custody must be taken by the custodial bank in the form of direct obligations of the United States Government.

i. Total portfolio--this guideline is intended to give the investment manager sufficient latitude to periodically take advantage of bond-quality yield spreads. The average cost-weighted quality shall be no less than 3.0 based on the following scale:

U.S. Government and Agencies	5.0
Aaa Bonds	4.0
Aa Bonds	3.0
A Bonds	2.0
Baa Bonds	1.0

2. Maturity

   a. Cash Equivalent Manager

      The weighted average maturity of the fund is at the discretion of the investment manager, however, no instrument may have a maturity greater than eighteen months. Issues with maturities greater than six months may not exceed 25% of the value of the portfolio:

      (1) Floating rate issues may have a longer maturity if the interest adjustment is based on an instrument with an effective maturity of less than six months.

      (2) A putable bond may be utilized if the put can be exercised within six months.

      (3) An asset-backed security, collateralized-mortgage obligation, or similar instrument, is permitted if the average life is projected to be less than six months. Issues of this type should be limited to an amount consistent with normal liquidity requirements, but should not exceed 25% of the value of the portfolio.

   b. Short-Term Fixed Income Manager

      The portfolio's maximum duration should be less than 120% of the Merrill 1-3 Treasury Index, and no instrument with a maturity greater than 5 years is permissible, except that:

      (1) Floating rate issues may have a longer maturity if the interest adjustment is based on an instrument with a maturity of less than 5 years.

      (2) A putable bond may be utilized if the put can be exercised within 5 years.

      (3) An asset-backed security, collateralized-mortgage obligation, or similar instrument, is permitted if the average life is projected to be less than three years at the date of purchase and subsequently less than five years. Issues of this type should be limited to an amount consistent with normal liquidity requirements, but should not exceed 15% of the value of the portfolio.

   c. Long-Term Fixed-Income Manager

      The portfolio's maximum duration should be less than 135% of the ML (7-10 yrs.) Gov't./Corp. Index.

3. Diversification

   a. The manager will maintain prudent diversification across instruments, market sectors, industries, and specific issuers.

   b. Except for issues guaranteed directly or indirectly by the U.S. Government, the combined holdings of securities from one issuer shall not constitute more than 5% of the fund. All letters of credit shall be part of the invested amount of the guarantor for purposes of the 5% rule.

B. Equities

1. Instruments and Credit Quality

a. The managers will be invested in high-quality common stocks. Convertible bonds, convertible preferred stocks, preferred stocks and non-voting stocks are permitted if the risk/return characteristics are favorable versus the underlying common equity. American Depository Receipts are permitted. Specific constraints include the avoidance of restricted issues, which have limited marketability, excluding SEC Rule 144A securities.

b. There are no qualitative guidelines suggested with regard to domestic equity ratings, rankings, etc., except that prudent standards should be utilized by the investment managers. Convertible bonds will be considered as equity investments and must be rated "Baa"/"BBB" or better by both Moody's and Standard & Poor’s.

2. Diversification

The investment managers should diversify the equity portfolio in an attempt to minimize the impact of substantial loss in any specific industry or issue. Therefore, no more than the greater of 20% of the total portfolio or two times the appropriate equity market weighting may be invested in any one economic sector as defined by Standard & Poor’s for domestic equities or as defined by MSCI for international equities, valued at market. In addition, no more than 5% of the total portfolio may be invested in any one company, valued at cost, and no more than 10% valued at market.

XIII. PROHIBITED INVESTMENTS

The following categories of securities are not considered appropriate:

Interest only and principal only portions of collateralized mortgage obligations, or similar securities,
Private placements,
Margin trading,
Options and futures, except for hedging purposes

XIV. PERFORMANCE EXPECTATIONS

Investment objectives are intended to provide quantifiable benchmarks against which the progress toward long-range investment goals can be measured. The objectives are measured net of fees over a trailing three-year time horizon. In the case where three years of data does not exist, composite returns of an investment management organization will be used to determine compliance. On an individual investment firm basis, if two of the three objectives are not met, the Committee may consider replacing such firm.

A. Growth Equity Manager - - American Funds Growth Fund

Relative to appropriate indices:

Section	Index	Objective
Total	Russell 1000 Growth	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	Large Cap Growth Equity	Top 50%

B. Value Equity Manager - - Franklin Income Fund

Relative to appropriate index:

Section	Index	Objective
Total Fund	Core Index	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	Flexible Portfolio	Top 50%

C. Mid-Cap Core Equity Manager - - Fidelity Low Priced Stock Fund

Relative to appropriate index:

Section	Index	Objective
Total	Russell Mid-Cap Value	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	MidCap Value Equity	Top 50%

D. Mid-Cap Value Equity Manager - - CRM Small/Mid-Cap Value Fund

Relative to appropriate index:

Section	Index	Objective
Total Fund	Russell 2500 Value	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	SMID-Cap Value Equity	Top 50%

E. Global Core Equity Manager - - American Funds Capital Fund

Relative to appropriate index:

Section	Index	Objective
Total Fund	Global Allocation	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	World Allocation	Top 50%

F. Global Fixed Income Manger - - Franklin Templeton Global Bond Plus

Relative to appropriate index:

Section	Index	Objective
Total Fund	Citigroup World Government Bond	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	Global Unhedged Fixed Income	Top 50%

G. Short-Term Fixed Manager - - Dwight Asset Management

Relative to appropriate index:

Section	Index	Objective
Total Fund	ML (1-3) G/C	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	Short Term Fixed Income	Top 50%

Risk tolerance:

Section	Index	Objective
Total Fund	ML (1-3) G/C	Exceed

H. Cash Equivalent Manager

Relative to appropriate index:

Section	Index	Objective
Total Fund	30-day T-Bill index	Exceed

Relative to other professionally managed accounts:

Section	Peer Universe	Objective
Total Fund	Taxable Money Market	Top 50%

XV. PRIMARY CONTACTS

Erie County Medical Center Corporation

Chief Financial Officer and Chief Investment Officer
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