

FREQUENTLY ASKED QUESTIONS

CASH MANAGEMENT SOLUTIONS DESIGNED FOR SPECIAL DISTRICTS

GENERAL

01 What is California CLASS?

California CLASS is a pooled investment option that was created via a joint exercise of powers agreement by and among California public agencies. California CLASS provides California public agencies with a convenient method for investing in high-quality, short- to medium-term securities carefully selected with the goal of optimizing interest earnings while prioritizing safety and liquidity.

02 Does California CLASS meet the California Debt and Investment Advisory Commission's (CDIAC) guidelines for prudent investing?

Yes, California CLASS is designed to meet the investment guidelines set by CDIAC. Additionally, California CLASS is a joint exercise of powers entity authorized under California Government Code, Section 6509.7. Here are a few important items to note:

- California CLASS retains an Investment Advisor, Public Trust Advisors, LLC, that is registered with the Securities Exchange Commission.
- As of December 2023, the California CLASS Prime Fund has surpassed \$920 million* in assets under management.
- Public Trust Advisors, LLC possesses more than five years of experience investing in instruments authorized by Section 53601 of California Government Code.

03 Can California CLASS assist my district with diversification requirements?

Investing in California CLASS can help to diversify your agency's cash not only because it's an additional holding but also because California CLASS is comprised of hundreds of different California Government Code-permitted investments.

The portfolio's investments are professionally managed, vetted,

and monitored by an internal credit research and portfolio management team. In addition, the California CLASS Prime Fund is monitored by S&P Global Ratings on a weekly basis. The consolidated depth and breadth of the California CLASS portfolio can be difficult for many public agencies to create and manage on their own because of the time and costs involved in doing so.

04 How could participating in California CLASS improve my public agency's ability to manage its cash?

California CLASS is designed to assist your public agency in managing your cash easily and efficiently, saving you time and enabling you to focus on your agency's other important initiatives. Manage your investments in an easy-to-use transaction portal by utilizing these features:

- Schedule transactions in advance
- Create on-demand statements for each account your public agency needs
- Self-create subaccounts when the need arises i.e. payroll, tax time, bond proceeds, special projects, etc.

05 What other public agencies participate in California CLASS?

To obtain a current listing of California CLASS Participants, please reach out to one of our dedicated investment services professionals; they can be contacted at www.californiaclass.com/relationship-team.

06 What are the California CLASS Yields?

To obtain current yield information, please visit www.californiaclass.com/rates.

*Data unaudited and as of December 31, 2023. Source: Public Trust Advisors, LLC.

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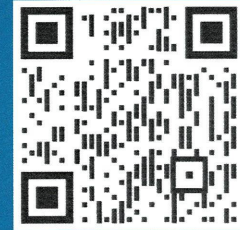


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FREQUENTLY ASKED QUESTIONS CASH MANAGEMENT SOLUTIONS DESIGNED FOR PUBLIC AGENCIES

07 How is California CLASS different from LAIF?

California CLASS Prime and Enhanced Cash are managed to a \$1.00 stable Net Asset Value (NAV) and a \$10.00 transactional share price, respectively. LAIF is managed differently in that it does not strive to maintain a stable NAV nor attempt to approximate a share price. Other differences include:

- Both California CLASS portfolios are rated by a nationally recognized statistical ratings organization (S&P Global Ratings and Fitch Ratings)
- Portfolio securities are marked-to-market daily
- Dividends accrue daily and pay monthly
- Portfolio characteristics are posted daily to the website

For these reasons, California CLASS could make sense for your agency as a complement to LAIF or any of its other cash holdings.

08 What kind of service can our public agency expect from the California CLASS team?

When you call California CLASS, you are connected to our dedicated Client Service team. Our Client Service professionals can answer any questions and fulfill any requests related to the administration of your agency's California CLASS account.

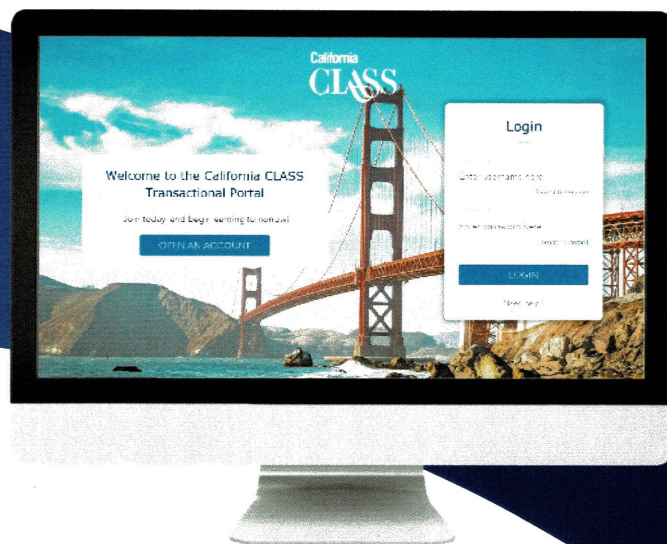
Additionally, California CLASS is serviced by several investment advisers who are available to present to your Board and meet with stakeholders about participating in the Joint Powers Authority investment pool.

09 Are the California CLASS portfolios rated?

The California CLASS Prime portfolio is rated 'AAAm' by S&P Global Ratings Services, the highest rating assigned to principal stability government investment pools. A 'AAAm' rating by S&P Global Ratings is obtained after S&P evaluates a number of factors including credit quality, market price exposure, and management. Ratings are subject to change and do not remove credit risk. For a full description on rating methodology, please visit www.spglobal.com.

The California CLASS Enhanced Cash portfolio is rated 'AAAf/S1' by FitchRatings. The 'AAAf' rating is Fitch's opinion on the overall credit profile within a fixed-income fund/portfo-

Data unaudited. This material is not a recommendation to buy, sell, implement, or change any securities or investment strategy, function, or process. Any financial and/or investment decision should be made only after considerable research, consideration, and involvement with an experienced professional engaged for the specific purpose. Investment involves risk, including the possible loss of principal. No assurance can be given that the performance objectives of a given strategy will be achieved. California CLASS is not a bank. An investment in California CLASS is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the California CLASS Prime Fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. Please review the California CLASS Information Statement(s) before investing. For risks associated with investing in both a prime-style and enhanced cash-style local government investment pool, please visit <https://californiaclass.com/rates-disclaimer/>. Past performance is no guarantee of future results. Any financial and/or investment decision may incur losses.



lio and indicates the highest underlying credit quality of the pool's investments. The 'S1' volatility rating is Fitch's opinion on the relative sensitivity of a portfolio's total return and/or net asset value to assumed changes in credit spreads and interest rates. The 'S1' volatility rating indicates that the fund possesses a low sensitivity to market risks. For a full description of rating methodology, please visit www.fitchratings.com. Ratings are subject to change and do not remove credit risk.

10 Is there a maximum or minimum investment requirement for either California CLASS portfolio?

No, there is no maximum or minimum investment requirement for the California CLASS Prime Fund or California CLASS Enhanced Cash.

11 What reporting features does the California CLASS Transaction Portal offer?

Reporting features available in the California CLASS Online Transaction Portal include access to monthly statements, transaction confirmations, and details highlighting past, present, and future-dated transactions. It is also possible to run on-demand reports for custom time frames and download the monthly holdings reports.

12 What functions can the California CLASS Online Transaction Portal perform?

The California CLASS Online Transaction Portal allows Participants to make contributions, withdrawals, and transfers between subaccounts; Participants may also transfer funds to other California CLASS Participants. Users can take advantage of the ability to request transactions up to one year in advance. The portal also allows for dual approval of transactions for those who have submitted the Dual Authorization Form.