

**GALLIARD COLLECTIVE INVESTMENT TRUST**

**DISCLOSURE MEMORANDUM**

**JANUARY 2, 2024**

THIS OFFERING IS BEING MADE IN RELIANCE UPON AN EXEMPTION FROM REGISTRATION UNDER THE SECURITIES ACT OF 1933, AS AMENDED, FOR AN INTEREST IN A COLLECTIVE INVESTMENT TRUST. NO PUBLIC MARKET WILL DEVELOP FOR THE FUND UNITS OF PARTICIPATION IN THE TRUST. THE FUND UNITS ARE NOT TRANSFERABLE OR REDEEMABLE EXCEPT UPON SATISFACTION OF CERTAIN CONDITIONS DESCRIBED UNDER "WITHDRAWALS FROM THE TRUST."

THE FUND UNITS OF PARTICIPATION OFFERED HEREBY HAVE NOT BEEN REGISTERED WITH OR APPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY SECURITIES REGULATORY AUTHORITY OF ANY STATE, NOR HAS ANY SUCH COMMISSION OR REGULATORY AUTHORITY PASSED UPON THE ACCURACY OR ADEQUACY OF THIS DISCLOSURE MEMORANDUM.

THE TRUST IS NOT REGISTERED AS AN INVESTMENT COMPANY UNDER THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"), IN RELIANCE UPON AN EXEMPTION FROM SUCH REGISTRATION.

PROSPECTIVE INVESTORS ARE NOT TO CONSTRUE THE CONTENTS OF THIS DISCLOSURE MEMORANDUM AS INVESTMENT, TAX, OR LEGAL ADVICE. THIS DISCLOSURE MEMORANDUM, AS WELL AS THE NATURE OF THE INVESTMENT, SHOULD BE REVIEWED BY EACH PROSPECTIVE INVESTOR WITH ITS INVESTMENT ADVISERS, ACCOUNTANTS, OR LEGAL COUNSEL.

NO PERSON IS AUTHORIZED TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATION NOT CONTAINED IN THIS DISCLOSURE MEMORANDUM, AND, IF GIVEN OR MADE, SUCH OTHER INFORMATION OR REPRESENTATION MUST NOT BE RELIED UPON.

THIS DISCLOSURE MEMORANDUM CONTAINS SUMMARIES, BELIEVED TO BE ACCURATE, OF CERTAIN TERMS OF CERTAIN DOCUMENTS RELATING TO THIS OFFERING, INCLUDING THE DECLARATION OF TRUST. FOR COMPLETE INFORMATION CONCERNING THE RIGHTS AND OBLIGATIONS OF THE PARTIES THERETO, REFERENCE IS HEREBY MADE TO THE ACTUAL DOCUMENTS RELATING TO THIS OFFERING, COPIES OF WHICH WILL BE FURNISHED TO PROSPECTIVE INVESTORS, UPON REQUEST, PRIOR TO ACCEPTANCE OF THEIR APPLICATIONS. IN THE EVENT OF ANY INCONSISTENCIES BETWEEN THIS DISCLOSURE MEMORANDUM AND THE DECLARATION OF TRUST, THE PROVISIONS OF THE DECLARATION OF TRUST SHALL BE CONTROLLING. ALL SUCH SUMMARIES ARE QUALIFIED IN THEIR ENTIRETY BY THIS REFERENCE.

THE TRUST FILED A CLAIM OF EXEMPTION FROM REGISTRATION AS A COMMODITY POOL OPERATOR ("CPO") WITH THE UNITED STATES COMMODITY FUTURES TRADING COMMISSION ("CFTC") IN CONNECTION WITH THE APPLICABLE FUND PURSUANT TO CFTC RULE 4.5. UNLIKE A REGISTERED CPO, THE TRUST IS NOT REQUIRED TO DELIVER A DISCLOSURE DOCUMENT AND A CERTIFIED ANNUAL REPORT TO PARTICIPANTS IN THE FUND. THE CFTC DOES NOT PASS UPON THE MERITS OF PARTICIPATING IN A FUND OR UPON THE ADEQUACY OR ACCURACY OF A DISCLOSURE DOCUMENT. CONSEQUENTLY, THE CFTC HAS NOT REVIEWED OR APPROVED THIS OFFERING OR ANY DISCLOSURE MEMORANDUM FOR THE FUND.

## **SECTION 1. INTRODUCTION**

This Disclosure Memorandum provides a brief description of the Galliard Collective Investment Trust (the “Trust”) that SEI Trust Company (the “Trustee”) has established. The Declaration of Trust for the Trust, as established Galliard Collective Investment Trust (the “Declaration of Trust”) has been filed with the Department of Banking & Securities for the Commonwealth of Pennsylvania. In addition, the Internal Revenue Service is expected to approve (within the period of time permitted by applicable law) the tax-exempt status of the Trust.

Except as otherwise set forth herein, all capitalized terms shall have the meaning ascribed to such terms in the Declaration of Trust.

## **SECTION 2. INVESTMENT OBJECTIVE AND POLICIES**

The Trust shall consist of such separate Funds as the Trustee may establish in accordance with the Declaration of Trust (each a “Fund” and collectively, the “Funds”). Each Fund shall be administered and invested separately. A list of the Funds and their respective investment objectives and policies as approved by the board of directors of Trustee (hereinafter “Investment Guidelines”) is attached as Schedule A of the Declaration of Trust, and such Investment Guidelines may be amended from time to time by action of the Trustee. There is no assurance that any Fund will achieve its investment objectives. A brief summary of certain principal risk factors associated with an investment in each Fund is included in the Investment Guidelines of the Fund.

## **SECTION 3. ELIGIBLE PARTICIPANTS**

The Trust is exempt from federal income taxation and from registration with the Securities and Exchange Commission. In order to preserve these exemptions, the Trust may only accept assets of “Eligible Plans,” which include the following:

(A) defined contribution plans qualified under Section 401(a) of the Internal Revenue Code of 1986, as amended (the “Code”), and the related trusts of which are exempt from tax under Section 501(a) of the Code, including church plans excluded from the definition of an investment company under the Investment Company Act;

(B) governmental plans as defined in Section 414(d) and eligible governmental plans as defined in Section 457(b) of the Code that provide retirement income benefits and that expressly and irrevocably provide in its governing documents that it is impossible for any part of the corpus or income of the plan to be used for, or diverted to, purposes other than for the exclusive benefit of its plan participants and their beneficiaries;

(C) retirement income accounts under Section 403(b)(9) of the Code that are excluded from the definition of an investment company under Section 3(c)(14) of the Investment Company Act;

(D) plans described in Section 1022(i)(1) of the Employee Retirement Income Security Act of 1974, as amended (“ERISA”), that are qualified under Section 1081.01 of the Puerto Rico Internal Revenue Code of 2011 as amended from time to time, including without limitation Section 1081.01(a)(2);

(E) any other pension plans, trusts or other entities whose investment in the Trust would not jeopardize the Trust’s tax exemption under Section 501(a) of the Code, its treatment as a “group trust”, as defined in Rev. Rul. 81-100 or its exemption from the registration requirements of the federal and state securities laws, all as the Trustee in its discretion determines;

(F) other collective investment funds that limit participation to assets of entities identified in this Section 3 and that are intended to be tax-exempt under group trusts under Rev. Rul. 81-100, including any such trust that the Trustee maintains;

(G) separate accounts of insurance companies, the assets of which are insulated from the claims of the insurance company's general creditors, that limit participation to assets of entities described in Section 3(a) 3and that are excluded from the definition of investment company under Section 3(c)(14) of the 1940 Act; and

Notwithstanding the foregoing, an Eligible Plan does not include a plan that only covers self-employed individuals or any defined benefit plan other than defined benefit plans invested in the (successor) trust on or prior to January 15, 2006.

If at any time the Trustee determines in its discretion that a Participating Plan has ceased to qualify as an Eligible Plan, the Trustee shall have the authority to cause such Participating Plan to withdraw from the Trust in accordance with the provisions of the Declaration of Trust.

#### **SECTION 4. ADMISSION TO THE TRUST**

Admission to the Trust is governed by the terms of the Declaration of Trust. In accordance with the terms of the Declaration of Trust, an Eligible Plan will not be admitted to the Trust until it has appointed the Trustee as investment manager as to the assets of the Eligible Plan to be invested in the Trust and has filed with the Trustee an Application in the form the Trustee has prescribed and the Trustee has confirmed that the Eligible Plan satisfies the eligibility criteria and its Application has been approved. In making its determination, the Trustee may, but is not required to, rely in whole or in part upon representation of one or more fiduciaries of the Eligible Plan.

An Eligible Plan may obtain an Application from an authorized representative of the Trustee or from the Investment Adviser. Once an Eligible Plan has completed the Application and all other required documentation, and the Trustee has approved the Application, the Eligible Plan or its designated representative will be notified that an account has been established and will be given contribution instructions.

An Eligible Plan will be admitted upon receipt of its initial contribution on any business day after the Trustee accepts its Application. Payment of contributions must be made by federal funds or other form of payment acceptable to the Trustee. At its discretion, the Trustee may accept securities or other assets on an in-kind basis in connection with an Eligible Plan's investment in the Trust, pursuant to specific procedures the Trustee adopts. An Eligible Plan that has been admitted may, in the discretion of the Trustee, make additional contributions on subsequent business days.

#### **SECTION 5. WITHDRAWALS FROM THE TRUST**

Withdrawals from Non-Stable Value Funds. Withdrawals may be requested with respect to a given Fund as of any day that such Fund is open for business. The "Withdrawal Date" for any withdrawal request is the Valuation Date (as defined below) on which the net asset value for such withdrawal request is determined. Any Participating Plan (or plan participant or beneficiary, where permitted or party authorized to act on behalf of the Participating Plan), that desires to withdraw partially or totally from participation in a Fund (each a Withdrawing Unit Holder) shall deliver a request of withdrawal to the Trustee specifying the Withdrawal Date and the dollar amount to be withdrawn or the number of Fund Units to be redeemed. The request must be made electronically or in writing, in such manner as the Trustee prescribes. The Trustee shall be fully protected in following the instructions of the Withdrawing Unit Holder as to the amounts and proportions of the assets of any withdrawals to be obtained from any Fund. The Trustee may delay any withdrawals until the circumstances giving rise to such delay cease to exist, and the Trustee shall notify the affected Participating Plans of such delay, and the anticipated termination of such delay, promptly.

Subject to the limitations set forth herein, a Withdrawing Unit Holder shall receive an amount equal to the value of the number of Fund Units withdrawn determined on the Trustee's records as of the applicable Withdrawal Date from the applicable Fund, in cash or in kind, or partly in cash and partly in kind, as the Trustee determines in its discretion to be fair to the Withdrawing Unit Holder and the Participating Plans remaining in such Fund. For the avoidance of doubt, the Trustee may, in its sole discretion and solely to

the extent permitted by applicable law, satisfy a request for withdrawal with an in kind distribution on the same Withdrawal Date for any Non-Stable Value Fund that other withdrawals are paid in cash or partially in cash and partially in kind. The Trustee will pay a withdrawal as soon as practicable following the applicable Withdrawal Date, provided however, that the Trustee may delay payment in accordance Section 4.05 of the Declaration of Trust. The Withdrawing Unit Holder shall not receive any interest or other income for the period between the applicable Withdrawal Dates and the actual date of payment.

#### Withdrawals from Stable Value Funds.

Benefit Responsive Withdrawals. A Participating Plan in a Stable Value Fund may request that assets be withdrawn from a Fund to fund Qualifying Participant-Directed Withdrawals. A “Qualifying Participant-Directed Withdrawal” shall mean a Participant-Initiated Withdrawal from a Defined Contribution Plan resulting from the participant’s death, disability, retirement, termination from employment, divorce, hardship or other permitted or mandatory in-service withdrawal, or for the issuance of a participant loan, if such benefits are to be paid from the Defined Contribution Plan’s assets funding the benefit, or

For the purpose of transferring assets to an Competing Investment Option made available for participant-directed investments within the applicable Participating Plan, the plan’s terms or administrative procedures must prohibit direct transfers from the Fund to a Competing Investment Option and requires that assets transferred from the Fund to a non-Competing Investment Option remaining invested in non-Competing Investment Options for a period of at least 90 days before further transfer to a Competing Investment Option.

A “Participant-Initiated Withdrawal” shall mean a withdrawal initiated by an individual participant or beneficiary of a Defined Contribution Plan but only if: (A) the withdrawal is not otherwise the result of a change in law applicable to Participating Plans or the Trust or (B) the delivery of a communication that is designed to induce or influence, or induces or influences, a participant not to invest in the Fund or to transfer assets from the Fund (other than Permitted Communications). A “Permitted Communication” is a communication to a Defined Contribution Plan participant or beneficiary required to satisfy Section 404(c) of ERISA or law applicable to the Trust, the Trustee, a Participating Plan or a Defined Contribution Plan or to maintain the qualification status of a Participating Plan or providing solely factual information regarding the plan’s investment options or a discussion of general asset allocation principles.

A “Competing Investment Option” means (a) any investment fund that seeks to maintain 80% or more of the assets in investment grade U.S. fixed income securities that have a: (i) stated benchmark duration of less than two years, or (ii) long-term objective of maintaining a duration of less than two years, or (iii) long-term target duration less than two years; (b) has a guaranteed rate of return; (c) the principal amount of which is guaranteed to an individual participant or beneficiary of a Defined Contribution Plan; or (d) any investment option, fund or product which the Trustee, in its sole discretion and with written notice to the Participating Plan, determines may pose a competitive risk to the Fund.

The amount withdrawn as a Qualifying Participant-Directed Withdrawal shall be equal to the value, determined as of the preceding business day, of the Fund Units (as defined in Section 3.04 of the Declaration of Trust) being withdrawn. The Trustee will use reasonable efforts to pay Qualifying Participant-Directed Withdrawals in cash by the next business day following receipt of proper notice; provided that, sufficient evidence supporting such withdrawal is timely submitted to the Trustee upon the Trustee’s request when required; and further provided that the Trustee can delay for up to 30 days any Qualifying Participant-Directed Withdrawal in order to maintain liquidity for the Trust or if the Trustee determines that immediate withdrawal may have an adverse impact on the Trust, and the Trustee may suspend withdrawals as provided in Section 3.03(g) of the Declaration of Trust.

Plan-Level Withdrawals. A Participating Plan may request a partial or total withdrawal from the Fund (a “Plan-Level Withdrawal”) at any time by written notice to the Trustee of such withdrawal pursuant to procedures adopted by the Trustee. After the Trustee has acknowledged receipt of such written notice, the Trustee shall provide the Participating Plan written notice that such request shall be fulfilled in accordance with the applicable methodology described in this Section 3.03(b) of the Declaration of Trust depending upon the value of the Fund’s portfolio (taking into account any adverse market value adjustment as applies to such withdrawal under the Fund’s Investment Contracts as defined in Section 3.04 of the Declaration of Trust, if any), as outlined in the following sub-section.

Deferred Book Value Plan Withdrawal. Upon proper notice to the Trustee, a Participating Plan that invests in a Stable Value Fund may receive a deferred Plan withdrawal (“Deferred Book Value Plan Withdrawal”) from the Trust of all or part of the Participating Plan’s Fund Units. Subject to Section 3.03(g) of the Declaration of Trust, the Trustee shall act in good faith to make the Deferred Book Value Plan Withdrawal by the first business day that is twelve (12) months after the Trustee’s receipt of a proper request for a Deferred Book Value Plan Withdrawal (“Deferred Payment Date”) or the Trustee may accelerate the payment date of a Deferred Book Value Plan Withdrawal, upon notice to the Participating Plan, if in the Trustee’s sole discretion an earlier withdrawal is consistent with its fiduciary obligations to the Trust and permitted by the Trust’s Investment Contracts (such payment, an “Accelerated Payment”). Deferred Book Value Plan Withdrawals will be made from the Participating Plan’s interest in the Trust and reduce the Participating Plan’s Fund Units.

In the event that a Participating Plan requests, at least forty-five (45) days prior to Deferred Payment Date, that the Trustee delay the payment of a Deferred Book Value Plan Withdrawal for a period of up to six months, pursuant to procedures adopted by the Trustee, the Trustee may delay such payment for up to six months or, in the case of an Accelerated Payment, the Trustee may defer the payment date to a later date that is on or before the Deferred Payment Date (without regard to any prior notice to accelerate the Deferred Payment Date), if the Trustee determines, in good faith, that such delay is consistent with its fiduciary obligations to the Trust. If a Deferred Book Value Plan Withdrawal has not occurred by the date that is six months from and after such Deferred Withdrawal Payment Date or Accelerated Payment date and such failure is due to the Participating Plan’s declining to accept such payment, the Participating Plan shall be deemed to have rescinded its original request for a Deferred Book Value Plan Withdrawal.

The Deferred Book Value Plan Withdrawal does not apply to Non-Deferral Fund as so designated on Schedule B (“Non-Deferred Book Value Plan Withdrawal”).

A Deferred Book Value Plan Withdrawal or a Non-Deferred Book Value Plan Withdrawal made to a Participating Plan, or party authorized to act on behalf of the Participating Plan, shall be made in cash or ratably in kind, or partly in cash and partly in kind, provided that all distributions as of any one valuation date shall be made on the same basis (including, but not limited to, as an in kind distribution of beneficial interests in a liquidating account or dedicated account, each as described in Section 4.09 of the Declaration of Trust), as the Trustee determines in its discretion to be in the best interest of the Fund and the Trust. The Trustee may, in its sole discretion make a withdrawal to a Participating Plan as an in kind distribution on the same day that other withdrawals pursuant to the same or any other subsection of Section 3.03 of the Declaration of Trust are paid in cash or partially in cash and partially in kind; provided that all withdrawals shall be made in accordance with applicable law. Any expenses or charges related to an in kind Plan-Level Withdrawal will be a charge against that Participating Plan’s Plan-Level Withdrawal unless otherwise paid by or on behalf of the Participating Plan.

Additional Withdrawal Requirements – Stable Value Funds. Each withdrawal from the Fund of a Participating Plan’s withdrawal must meet the terms of the Declaration of Trust. The Trustee, in its sole discretion, may require evidence or a certification from a fiduciary of a Participating Plan or its sponsor to confirm that a withdrawal requested or previously made meets the withdrawal criteria as described in this Section 3.03 of the Declaration of Trust and to confirm that the Participating

Plan and the applicable Defined Contribution Plan was administered in accordance with this Declaration of Trust and the Participating Plan's and applicable Defined Contribution Plan's terms (i.e., plan document, the investment options or other investment products made available under the Defined Contribution Plan, the withdrawal methodology for the investment option which includes the Fund, etc.) in effect as of the date of the Participating Plan's investment in the Trust, including as represented in the Participating Plan's Application to the Trust (or amended with the Trustee's written consent).

Requests for Withdrawal – Stable Value Funds. A request for withdrawal by any Participating Plan shall be made pursuant to procedures established by the Trustee. Prior to any withdrawal request for a Plan-Level Withdrawal, the Participating Plan or its authorized person must provide written notice to the Trustee of such withdrawal pursuant to procedures adopted by the Trustee receipt of which must be acknowledged by the Trustee to be effective. Withdrawal requests will be made electronically or in writing, in such manner as the Trustee prescribes. A withdrawal shall be made either directly to the Participating Plan, by wire in accordance with wire instructions provided by the Participating Plan in the Application (as the same may be amended by proper notice to the Trustee), or to the extent the Trustee in its sole discretion permits, through NSCC or other trade delivery mechanisms.

Until the actual withdrawal date of a Participating Plan's Fund Units, the Participating Plan shall remain an investor in the Fund to the extent of such Fund Units and its remaining investment, and shall bear the full investment risk of its investment.

The Trustee shall be fully protected in following the instructions of a withdrawing Participating Plan.

Rescinding a Request for Withdrawal. A Participating Plan may rescind a request for a withdrawal only upon proper written notice to the Trustee and only to the extent consented to by the Trustee, which consent the Trustee may withhold in its sole discretion.

Discretionary Withdrawal. Notwithstanding the foregoing, the Trustee may, in its sole discretion, permit additional withdrawals or waive any of the conditions attendant upon any withdrawals if it determines, in good faith, that such withdrawal or waiver is consistent with its fiduciary obligations to the Trust. Any expenses or charges related to such withdrawal will be a charge against that Participating Plan's withdrawal unless otherwise paid by or on behalf of the Participating Plan.

Suspension of Withdrawals. Notwithstanding any other provision herein, the Trustee may delay any withdrawals until a later date if the aggregate value of withdrawals from all Participating Plans and participants and beneficiaries therein requesting withdrawals exceed the amount of uncommitted cash and the liquid investments available on the withdrawal date, or if the Trustee otherwise determines, in its sole discretion that to delay such withdrawal is in the best interests of the Fund or Trust. The Trustee shall use reasonable efforts to make any withdrawal delayed pursuant to this Section 3.03(g) without unreasonable delay subject to its obligations to act in the best interests of the Fund or Trust. In accordance with Section 4.05, the Trustee may also delay payment for any reason it determines is beyond its control such as the disruption of facilities to make purchases and sales of securities and other assets, illiquid markets, illiquid securities, or the suspension of trading of securities.

Compulsory Withdrawals. Following the receipt of a notice (or if the Trustee otherwise becomes aware) that a Participating Plan is no longer an Eligible Plan, the Trustee shall take all steps necessary to distribute to such Participating Plan, as soon as practicable, its entire interest in the Fund, other than any interest the Participating Plan may have in a liquidating account, as described in Section 4.09 of the Declaration of Trust. If a Participating Plan fails to comply with the terms of this Declaration of Trust and the terms and conditions upon which it was admitted to the Trust, or if the Participating Plan becomes aware of facts that may cause the Participating Plan to fail to satisfy such requirements, such Participating Plan shall promptly (and in every event within 5 business days) notify the Trustee of such fact. Following the receipt of notice (or if the Trustee

otherwise becomes aware) that a Participating Plan has failed to comply with terms of this Declaration of Trust and the terms and conditions upon which it was admitted to the Trust, the Trustee may, at any time, distribute to such Participating Plan all or part of its interest in the Fund. The Trustee shall have the right to withdraw from the Trust the assets of a Participating Plan as of any day that the Trust is open for business if the Trustee, in its sole discretion, determines that such Participating Plan is no longer an Eligible Plan, or is in any way not in compliance with the conditions and terms upon which it was admitted to the Trust, or if such withdrawal is necessary to preserve the Trust's legal or tax status. If a Participating Plan's interest is withdrawn from the Trust pursuant to this Section 3.03(h) of the Declaration of Trust (a "Compulsory Withdrawal"), the amount withdrawn shall be subject to reduction by any applicable Withdrawal Reduction. For purposes of this Section 3.03(h) of the Declaration of Trust, the term Withdrawal Reduction shall also include the amount, if any, necessary to offset portfolio transaction and market impact costs arising out of such Compulsory Withdrawal. Compulsory Withdrawals will be made from the Participating Plan's interest in the Fund and reduce the Participating Plan's Fund Units. Any Withdrawal Reduction applicable to such withdrawal shall be a charge against the Participating Plan's withdrawal. The amount withdrawn as a Compulsory Withdrawal shall be equal to the sum of (A) the value, determined as of the preceding business day, of the Fund Units withdrawn, minus (B) the Withdrawal Reduction applicable to such Fund Units, if any.

In the absence of proper direction from the withdrawing Participating Plan, the Trustee may in its sole discretion move the assets of the withdrawing Participating Plan to a general trust account that the Trustee or its affiliate establishes, and shall be entitled to charge fees for services against the Participating Plan's assets held in such general trust account in accordance with the Trustee's (or the affiliate's, as applicable) then current schedule of fees for such services.

Except as required by law, the Trustee shall have no liability for any amount by which the assets of any Participating Plan so distributed in accordance with any of the withdrawal provisions of this Section 3.03 have a value lower than as determined pursuant to Section 3.04 of the Declaration of Trust.

The Trustee shall have the right to withdraw from the Trust the assets of a Participating Plan as of any day that the Trust is open for business if the Trustee, in its sole discretion, determines that such Participating Plan is no longer an Eligible Plan, or is in any way not in compliance with the conditions and terms upon which it was admitted to the Trust, or if such withdrawal is necessary to preserve the Trust's legal or tax status.

## **SECTION 6. FUND UNITS; VALUATION**

### **(A) Fund Units**

The beneficial ownership of a Fund shall be represented by Fund Units of such Fund ("each a Fund Units"), each of which shall be of equal value to every other Fund Unit of the same class (if applicable) within such Fund and each of which shall represent an undivided proportionate interest in all assets of such Fund. Each Fund Unit shall be entitled to the allocated proportional share of all income, profits, losses and applicable expenses of such Fund or, if applicable, class. No Fund Unit shall have any preference or priority over any other Fund Unit of the same class for a given Fund. Fund Units may be issued in fractional amounts as necessary or appropriate. The Trustee will not issue certificates evidencing Fund Units.

The Trustee may establish more than one class of Units with differing fee and/or expense liabilities or obligations.

### **(B) Valuation**

The Trustee shall establish initial value of each Unit prior to the admission of the first Eligible Plan to the Trust. Thereafter, the Trustee shall value such Units as of the close of business each day that the Trustee

is open for business. Each Unit of a particular class of the Trust is equal in value to each other Unit within that same class of the Trust. The Trust expects that the value of each Unit will fluctuate daily. Units will be valued daily each day that the Trustee is open for business ("Valuation Date"). The value of each Unit is determined by adding the value of all the Trust assets, subtracting all accrued expenses and liabilities, and dividing by the number of Units outstanding. Unit values of different classes of Units may vary to reflect different fees, expenses or liabilities applicable to each class of Units. Regardless of the foregoing, each Unit will have a proportionate interest in the Trust assets.

## **SECTION 7. BOOKS AND RECORDS; AUDITS AND REPORTS**

### **(A) Books and Records**

The Trustee shall maintain or cause a third party affiliate to maintain such books and records as it, in its sole discretion, deems necessary or appropriate in connection with the proper administration of the affairs of the Funds and Trust, including records of the beneficial ownership of Fund Units (at the Participating Plan, but not at the individual participant level) and of all deposits and distributions in respect of such Fund Units.

### **(B) Audit and Reports**

The Trust's fiscal year ends December 31<sup>st</sup> of each year. The Trust is audited on an annual basis. Promptly after the close of each fiscal year, the Trustee shall obtain an audit of the Trust by an independent auditor responsible only to the Board of Directors of the Trustee. The Trustee shall cause an annual financial report to be prepared, based upon the annual audit. If required by applicable law, the Trustee shall cause a copy of the annual financial report (or a notice of its availability) to be sent to the person or persons entitled to receive such on behalf of each Participating Plan. Except to the extent ERISA requires, the Trustee shall not be subject to any liability to any person for any transactions disclosed in any annual financial report, and shall be released from any obligation to make any further accounting with respect to such fiscal year, unless (A) a Participating Plan files with the Trustee, within ninety days after the annual financial report is provided (or notice of the availability thereof), a written statement alleging breach of fiduciary duty with regard to a particular transaction occurring during the fiscal year covered by such annual financial report and (B) a court determines that such liability exists and no appeal is made from such determination.

### **(C) Separate Sub-Funds**

Each Fund shall constitute a separate sub-trust of the Trust and the Trustee shall hold, manage, administer, invest, distribute, account for, and otherwise deal with the assets of each Fund separately in such capacity. However, no Fund shall be interpreted or construed as establishing a single trust for legal, regulatory, reporting, disclosure or other purposes, other than to establish separate obligations and liabilities for each of the Funds, as more fully explained below.

No Fund shall be answerable for any obligation assumed or expense, liability, or loss incurred, caused, or created by or on behalf of any other Fund. Accordingly, all persons extending credit to, contracting with, or having any claim of any type against any Fund (including, without limitation, contract, tort, and statutory claims) shall look only to the assets of such Fund, and not to the assets of any other Fund, for payment under such credit, contract, or claim. No Participating Plan, participant, beneficiary, fiduciary, employee, or agent of such Participating Plan, the Trustee or any affiliate, officer, director, shareholder, partner, employee, or agent of the Trustee shall be liable personally for any obligation of any Fund. Every note, bond, contract, instrument, certificate, or undertaking and every other act or thing whatsoever executed or done by or on behalf of any Fund shall be conclusively deemed to have been executed or done only by or for such Fund, and no Fund shall be answerable for any obligation assumed or liability incurred by another Fund.



## **SECTION 8. AMENDMENT AND TERMINATION**

### **(A) Amendment**

Under the terms of the Declaration of Trust, the Trustee may amend or restate the Declaration of Trust at any time by action of its Board of Directors. The Trustee will give notice of such amendment to each Participating Plan unless the Trustee, in its sole discretion, determines that such amendment is immaterial or ministerial in nature. All amendments and restatements shall take effect on the date of approval thereof by the Board of Directors of the Trustee or on such later date as the Board of Directors specifies, provided that any amendment made to conform the provisions of the Declaration of Trust to any applicable law, regulation or rule shall take effect as of the effective date of or as of such date as such law, regulation or rule prescribes.

### **(B) Termination**

The Trustee may terminate the Trust by resolution of its Board of Directors or a committee of the Board of Directors authorized to take such action. The Trustee will provide written notice of such termination to all Participating Plans, and after the date set forth in such notice no further contributions to or withdrawals from the Trust shall be permitted. Upon termination, or as promptly thereafter as is reasonably feasible, the Trustee will distribute, in cash or in-kind as the Trustee in its sole discretion determines, the net assets of the Trust to the Participating Plans in proportion to the number of Fund Units each such Participating Plan holds. The Trustee will not be liable for any amount by which assets so distributed have a value lower than that determined on any Valuation Date as long as it acted in good faith and with due care.

## **SECTION 9. NOTICES AND DIRECTIONS**

Any direction or notice required by the Declaration of Trust shall be deemed effective upon receipt, and shall be in writing and (a) delivered personally, (b) sent by commercial overnight courier with written verification of receipt, or (c) sent by certified or registered U.S. mail, postage prepaid and return receipt requested, to the party to be notified, at the address for such party set forth below. Notices to the Trustee shall be sent to the attention of: General Counsel, SEI Trust Company, One Freedom Valley Drive, Oaks, Pennsylvania 19456, with a copy, given in the manner prescribed above, to the attention of the Collective Investment Trust Team. Notices to a Participating Plan shall be sent to the address stated in its Application.

## **SECTION 10. MANAGEMENT OF THE TRUST**

### **(A) Trustee**

The Trustee is a trust company organized under the laws of the Commonwealth of Pennsylvania. The Trustee is a wholly owned subsidiary of SEI Investments Company. SEI (NASDAQ:SEIC) is a leading global provider of outsourced asset management, investment processing and investment operations solutions.

In its capacity as trustee, the Trustee is responsible for the overall management of the Trust, including the investment management and custody of the Trust's assets, retention of investment advisers to assist the Trustee in managing the Trust's assets, and Trust administration. The Trustee may retain and consult with such registered investment advisers or other consultants, including, but not limited to, any affiliate of the Trustee, as the Trustee, in its sole discretion, may deem advisable to assist it in carrying out its responsibilities to the Trust. Oversight responsibility for the Trust resides with the Trustee's Board of Directors.

Under the Declaration of Trust, the Trustee is obligated to act in good faith and with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person would use in an enterprise of a like character and with like aims. This standard of care is intended to be co-extensive with and not in addition to the fiduciary duties and standard of care applicable to the Trustee under ERISA. Whenever the

Trustee may exercise any power or do any act or thing, such power, act or thing, when exercised in good faith and with reasonable care, will be absolute and unconditional and will be binding upon each Participating Plan and other affected parties.

The Declaration of Trust imposes certain limitations on the liability of the Trustee to the Trust and its participants. Under the Declaration of Trust, no mistake made in good faith and in the exercise of due care in connection with the administration of the Trust will violate the Trustee's duties if, promptly after the discovery of the mistake, the Trustee takes whatever action may be practicable in the circumstances to remedy the mistake. Additionally, except as otherwise provided by applicable law, the Trustee shall not be liable by reason of the exchange, purchase, retention, or sale of any investment, or for any loss in connection therewith, except to the extent such loss shall have been caused by its own breach of fiduciary duty.

The Trustee may consult legal counsel with respect to the construction and meaning of the Declaration of Trust or concerning its duties, obligations, powers and rights thereunder, and the Trustee will not be liable or responsible for any action taken or omitted by it in good faith pursuant to the opinion of such legal counsel to the extent permissible under ERISA. Further, to the extent applicable law and regulations permit, the Trustee shall be fully protected in relying in good faith upon communications or reports from accountants, administrators, attorneys, brokers and broker-dealers, custodians and sub-custodians, depositories, investment advisers, including investment advisers that are affiliates of the Trustee, independent valuation agents, pricing agents, proxy voting agents, and other entities who provide services for or otherwise do business with the Trust, including affiliates of the Trustee or the adviser.

The Declaration of Trust provides that, to the fullest extent permitted by applicable law, the Trustee will be indemnified out of the assets of the Trust for any damages and expenses it may incur by reason of any action taken or omitted to be taken in good faith and in the exercise of due care, including the reasonable expenses of defending any action brought with respect to any action so taken or omitted. Under the Declaration of Trust, the Trustee is not liable or responsible for any act or omission on the part of any other fiduciary of any Participating Plan, except as applicable law otherwise requires.

(B) Investment Adviser

To assist with the management of the Trust, the Trustee has retained, or otherwise approved the retention of, the services of Galliard Capital Management LLC, an investment adviser registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940. Galliard Capital Management LLC's principal place of business is located at 800 LaSalle Avenue, Suite 1400, Minneapolis, Minnesota 55402. The Trustee nevertheless retains and will exercise complete, final and full authority and power to maintain the Trust and manage Trust assets at all times.

(C) Expenses and Fees

The Trustee shall be entitled to reasonable compensation for its services as Trustee in accordance with its Schedule of Fees and to reimbursement for any actual and reasonable expenses incurred on behalf of the Trust. The Trustee will charge each Participating Plan a fee based upon the Trustee's prevailing fees, calculated daily and deducted from income accrued on Fund Units held for the Participating Plans the Trustee maintains. The total direct expenses are described in greater detail in [Appendix A](#). The fees will be paid monthly from the income distribution on the Fund Units or, if the income is insufficient, by redeeming Fund Units held for the Participating Plans in the clearing accounts.

The Trust will reimburse the Trustee for any reasonable and actual expenses it incurs on behalf of the Trust. Such expenses include but are not limited to the costs of hiring a registered investment adviser or other consultant, commissions and costs relating to holding, purchasing and selling Trust assets, reasonable attorneys' fees and litigation costs, pricing fees, and taxes imposed on the Trust assets, including income taxes and transfer taxes. Such expenses shall be reimbursed as they occur. The Trustee shall pay the costs of establishing and reorganizing a Fund.

In the event the Trust purchases shares of mutual funds or other collective investment trusts that the Trustee, any investment adviser or any of their respective affiliates operates with respect to which the Trustee, the investment adviser or any such affiliate may receive additional compensation, the Trustee will comply, as necessary, with the terms of an applicable United States Department of Labor prohibited transaction exemption. In the event that the Trust purchases shares of a mutual fund or other collective investment trusts that are not operated by the Trustee, an investment adviser or any of their respective affiliates, the Trust shall bear the operating expenses of any such mutual fund and/or collective investment trust.

(D) Sub-Custodian

The Bank of New York Mellon shall act as subcustodian for certain cash and securities of the Trust.

## **SECTION 11. THE TRUST'S TAX STATUS**

The Trust will seek a favorable determination from the Internal Revenue Service that the Trust constitutes a group trust under Rev. Rul. 81-100, as modified, is exempt from federal income taxation under Section 501(a) of the Code and that its qualification under Rev. Rul. 81-100, as modified and its exempt status under Section 501(a) of the Code is not adversely affected by the inclusion in the Trust of funds attributable to eligible governmental plans.

## **SECTION 12. ERISA CONSIDERATIONS**

**The following discussion is, of necessity, general and limited to regulations and rulings in effect as of the date hereof and does not constitute legal advice. Therefore, prospective investors considering an investment in a Fund should consult with their own counsel and advisers with respect to the ERISA and Code considerations of an Eligible Plan's investment in a Fund.**

(A) Fiduciary Considerations

ERISA and the Code impose certain duties on persons who are fiduciaries of benefit plans ("Benefit Plans"). ERISA and the Code also prohibit certain transactions involving the assets of a Benefit Plan and its fiduciaries or other "party in interest" or "disqualified person" (collectively, a "party in interest"). Under these rules, any person who exercises any discretionary authority or control over the management or disposition of the assets of a Benefit Plan, or renders investment advice for a fee, directly or indirectly, is a fiduciary with respect to the Benefit Plan.

When considering an acquisition of Fund Units using Benefit Plan assets, a Benefit Plan fiduciary should determine, among other factors: (i) whether the investment is in accordance with the documents and instruments governing the Benefit Plan; (ii) whether the investment satisfies the diversification requirements of ERISA, if applicable; and (iii) whether the investment is prudent. The Trustee has acknowledged that it is a fiduciary with respect to the assets of any investing Benefit Plan invested in the Trust. A Benefit Plan fiduciary should not purchase Fund Units if it determines that such acquisition would result in any prohibited transaction under ERISA or the Code, unless an exemption applies to the purchase. The Benefit Plan fiduciary must make a determination that the compensation of the Trustee and Investment Adviser is reasonable in relation to the services provided prior to the Benefit Plan's investment in the Trust.

Because the assets of the Fund will be treated as including "plan assets" under 29 C.F.R. § 2510.3-101 and section 3(42) of ERISA, (i) the fiduciary standards of ERISA will extend to investments made by the Fund and (ii) certain transactions in which the Fund might seek to engage could constitute "prohibited transactions" under ERISA and the Code. If a prohibited transaction were to occur for which no exemption is available, any party participating in the prohibited transaction could be required to restore to the Benefit Plan any profit realized on the transaction and reimburse the Benefit Plan for any losses suffered by the Benefit Plan as a result of the transaction, and could be subject to excise tax penalties. Furthermore, the Fund itself will be treated as a Benefit Plan investor and thus the Fund may be precluded from making

certain investments (or be required to modify the investments of the Fund) even if such investments might otherwise be desirable for the Fund.

(B) Government Plans

Governmental plans, as defined in Section 3(32) of ERISA, are not subject to Title I of ERISA or Section 4975 of the Code, but may be subject to state and other laws that impose restrictions on the investments and management of the assets of such plans. Fiduciaries of governmental plans, in consultation with their advisers, should consider the impact of their respective pension laws and regulations on investments in the Fund, as well as the considerations discussed above to the extent applicable.

**DISCLOSURE MEMORANDUM  
APPENDIX A  
SEI TRUST COMPANY  
GALLIARD COLLECTIVE INVESTMENT TRUST  
SCHEDULE OF FEES**

**EFFECTIVE JANUARY 2, 2024**

**I. This Disclosure Memorandum applies to the following Funds:**

Galliard Managed Income Fund MC

\*The Fund is wholly invested in the Galliard Managed Income Fund Core

**II. Fees**

(a) Tiered Fee Funds: Participating Plans in the Fund listed in this subsection (a) shall pay a fee (the "Maximum Trustee Fee" at the following annual rates based on the value of each Fund listed in this subsection (a):

<b>Fund Name</b>	<b>Fund Assets</b>	<b>Maximum Trustee Fee</b>
Galliard Managed Income Fund MC <sup>1</sup>	First \$300 million	0.150%
	Next \$200 million	0.130%
	Assets over \$500 million	0.100%

<sup>1</sup> The Galliard Managed Income Fund MC is only available to Mercer's consulting clients.

Note: To the extent that the combination of fees payable to the Trustee, Adviser or Sub-Adviser are less than the Maximum Trustee Fee, the participating plans will bear only the reasonable actual and incurred expenses

The Maximum Trustee Fee for the Galliard Managed Income Fund MC will be accrued daily at a rate not to exceed the annual rate set forth above and will be paid monthly/quarterly, as applicable, in arrears from the assets of the applicable Fund. The Maximum Trustee Fee will cover (i) the normal operating fees and expenses of the Fund (as described under "Fund Operating Costs" below); (ii) compensation to the Trustee for the fiduciary services provided by the Trustee; and (iii) compensation to the Adviser or Sub-Adviser for the investment advisory and administrative services provided by the Adviser or Sub-Adviser.

(b) To the extent a Participating Plan's initial investment is into a specific unit class, all subsequent investments by such Participating Plan into the same Fund shall also be into the same unit class.

Solely for purposes of determining eligibility for any unit class, Trustee shall aggregate the assets of all Participating Plans invested in the Trust are sponsored by entities that form part of a common/controlled group of corporations, as that term is defined in Section 414 of the Internal Revenue Code of 1986, as amended (the "Code"). Trustee shall require the Participating Plans to provide evidence of controlled group status, as Trustee may reasonably determine in its sole discretion.

Administrative Fees, if applicable, are paid from each Fund to the Participating Plans' service provider who provides the Participating Plan with certain services related to the Fund that may include trading units of the Funds as directed by the Participating Plan. The Administrative Fees are accrued daily and paid from the assets of the Fund in addition to the other Fund fees.

**III. Fund Operating Costs**

The reasonable and necessary incurred operating fees and expenses of each Fund ("Fund Operating

Costs”) will be paid from the Trustee Fee, Maximum Trustee Fee, or from the assets of the Fund, as applicable. The Fund Operating Costs include, but may not be limited to, the following:

- Custody fees;
- Annual audit-related expenses;
- Tax filing fees;
- NSCC fees for Trust transactions via the NSCC systems;
- Security pricing fees;
- Transfer agency manual trading, out-of-pocket and custom reporting services fees;
- Directly-charged intermediary retirement platform fees;
- Expenses related to the preparation of the Trust’s annual Form 5500 report;
- Rating, data and security identifier fees;
- SSAE 18 / SOC 1 costs; and
- Website hosting and maintenance fees.

The Fund’s proportionate share of Fund Operating Costs of the Galliard Managed Income Fund Core will also be paid out of the Trustee Fee.

As set forth in the Declaration of Trust, the Trustee may incur certain additional expenses that are to be paid/reimbursed directly by a Fund, rather than out of the Trustee Fee, such as taxes and government fees, brokerage fees, commissions and other transaction expenses, costs of borrowing money, including interest expenses, securities lending expenses and extraordinary expenses. For more information regarding the actual Operating Expenses for the Fund, please see the most recent annual audit for the Fund.

Please see the Fund’s Section 408(b)(2) fee disclosure for further information about the Fund’s fees.

The Galliard Managed Income Fund MC shall be subject to Funds Operating Costs for transfer agency transactions at an annual asset based fee of 0.1125 basis points assessed on the monthly average market value of the Fund listed above.

#### **IV. Investment Contract Fees**

Investment Contract fees for Security Backed Investment Contracts and Separate Account GICs are paid from the Galliard Managed Income Fund Core. Investment Contract fee will vary over time depending on various factors, but as of the date of this Disclosure Memorandum, the weighted average Investment Contract fee is 14.4 basis points.