VACo/VML VIRGINIA INVESTMENT POOL (VIP)

INFORMATIONAL STATEMENT

January 30, 2026

VML/VACo Finance

The VACo/VML Virginia Investment Pool is a governmental trust established through the joint exercise of powers of its Participants. VIP is administered by VML/VACo Finance, 8 E. Canal Steet, Richmond, VA 23219

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MEMBERS OF THE BOARD OF TRUSTEES 2025-2026

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Introduction

The Informational Statement is designed to set forth the policies and procedures governing the Virginia Association of Counties ("VACo") / Virginia Municipal League ("VML") Virginia Investment Pool. This document summarizes the information that each prospective participant should be aware of prior to investing in the Virginia Investment Pool. In the event there are any inconsistencies between the Informational Statement and the Trust Agreement, the Trust Agreement shall prevail.

The Virginia Investment Pool Trust Fund (the "Trust" or "VIP") is an Internal Revenue Code Section 115 governmental trust fund created under the Joint Exercise of Powers statute of the Commonwealth of Virginia to provide political subdivisions with an investment vehicle to pool their funds and to invest such funds into two or more investment portfolios under the direction and daily supervision of a professional fund manager. The Trust was established and created by the City of Chesapeake, Virginia and the City of Roanoke, Virginia (the "Founding Participants") and operates under the Trust Agreement as amended September 23, 2016.

The Trust is governed by a Board of Trustees, which has 14 members. Twelve of the members are voting members who are Treasurers and Chief Investment Officers of Participating Political Subdivisions ("Participants"). The remaining two members are non-voting *ex officio* members and include the Executive Directors of VACo and VML. All voting members of the Board of Trustees, except for the two Founding Participants, will be elected by and from among the Treasurers and Chief Investment Officers (or their designees) of Participants. Trustees are organized into three classes, with each class elected on a rotating basis. At least two seats are required to be filled by Treasurers and/or Chief Investment Officers of localities with populations of 75,000 or less. Under the Trust Agreement, the Founding Participants are automatically entitled to representation on the Board of Trustees until the Annual Meeting to be held in FY 2021. Beginning in FY 2021, all voting members of the Board of Trustees will be elected at the Annual Meeting of the Participating Political Subdivisions.

The Virginia Local Government Finance Corporation, a 501(c)(4) corporation serving as program administrator for VML/VACo Finance, is the Administrator to the Trust. Public Trust Advisors, LLC serves as Investment Manager, Fund Accountant, and Transfer Agent for the Trust.

Pursuant to the Trust Agreement, the Board of Trustees shall have the power to conduct the affairs of the Trust including, but not limited to, the authority to invest in, reinvest in, purchase or otherwise acquire, own, hold, pledge, sell, assign, transfer, exchange, distribute, lend or otherwise deal in or dispose of investments, as provided for in the Investment Policy and as set forth by this Informational Statement. The Trust shall hold legal title to all funds, investments, and assets of the Trust on behalf of the Participating Political Subdivisions.

Eligibility

Participation in the Trust is limited to political subdivisions of the Commonwealth of Virginia. Political subdivisions in the Commonwealth of Virginia include, but are not limited to, counties, cities, towns, authorities, and other governmental entities. Each prospective Participant must become a party to the Trust and agree to abide by the terms and conditions as set forth in the Trust Agreement. Prior to investing in the Trust, each prospective Participant should receive and review a copy of the Trust Agreement and Investment Policy.

Opening and Funding an Account

To become a Participant of VIP, political subdivisions that do not have an elected treasurer must approve by ordinance or resolution the entity's participation in the Virginia Investment Pool Trust Fund and provide the Treasurer or Chief Investment Officer with the appropriate authority to execute the Trust Joinder Agreement. Elected Treasurers are authorized by the Code of Virginia to execute the Trust Joinder agreement and invest in VIP without the political subdivision's governing body passing an ordinance.

Each prospective Participant must submit a completed Participant Trust Registration Form, Trust Joinder Agreement, and a certified copy of the ordinance/resolution passed by the governing body (if required) to the Administrator at the following address:

VML/VACo Finance
Attn: Investment Operations Analyst
8 E. Canal Street
Richmond, VA 23219
info@valocalfinance.org
FAX: (804) 783-2286

If a local government has a written investment policy, it should provide a copy along with the enrollment forms described above.

The Participant Trust Registration Form, Trust Joinder Agreement, and ordinance or resolution (if required) will be reviewed and, once found to be in proper order, an account will be opened. There is no limit to the number of accounts that may be opened by a Participant. Copies of the VIP Trust Registration Form, model ordinance/resolution, Trust Agreement, and Trust Joinder Agreement are available upon request.

Contributions to VIP, including new accounts, may be made by electronic transfer through Automated Clearing House Network (ACH) or federal wire. All contributions should be entered into the VIP PARTICIPANT PORTAL system in order to provide notice to the investment manager.

Reports to the Participants

Each Participant will receive a monthly statement of its account(s) showing the current balance and monthly activity. On a quarterly basis, Participants will receive a report from the Program Administrator detailing current and historical performance of the Trust. Annually, each Participant will be provided an audited Consolidated Annual Financial Report.

Liability and Indemnification

In accordance with the Trust Agreement, no Participant shall be subject to any personal liability whatsoever to any person in connection to the Trust property or the acts, obligations, or affairs of the Trust. No Trustee, officer, employee, or agent of the Trust shall be subject to any personal liability whatsoever to any person in connection to the Trust property or the affairs of the Trust, except that arising from bad faith, willful misfeasance, gross negligence, or reckless disregard of their duty to such person; and all such persons shall look solely to the Trust property for satisfaction of claims of any nature arising in connection to the affairs of the Trust. The Trust shall indemnify and hold each Participant harmless from and against all claims and liabilities arising from the actions of the Trust to which such Participant may become subject by reason of its being or having been a Participant of the Trust and shall reimburse such Participant(s) for all legal and other expenses reasonably incurred by it in connection with any such claim or liability. Please see the Trust Agreement for additional liability limitations and indemnification.

Administrator

The Board of Trustees has entered into an agreement with the Virginia Local Government Finance Corporation (i.e., VML/VACo Finance) to serve as Administrator of the Trust's operations. The Administrator is responsible for servicing Participants' accounts, maintaining a register of Participants, maintaining a set of books and accounting records of the Trust, determining eligibility and approving Trust Joinder Agreements in accordance with the Trust Agreement, supervising and coordinating the activities of any investment advisor or manager, custodian, investment consultant, transfer agent, paying agent, accountant, auditor, attorney or other agent or service provider rendering services to the Trust, and performing any other related administrative duties. The Administrator is also responsible for assisting prospective Participants and maintaining this Informational Statement.

Currently, the Virginia Local Government Finance Corporation acts as Administrator for two governmental trusts: the VACo/VML Virginia Investment Pool and the VACo/VML Pooled OPEB Trust.

Investment Manager, Fund Accountant, and Transfer Agent

Public Trust Advisors, LLC ("Public Trust") serves as investment manager, fund accountant, and transfer agent to the Trust. Under the terms of the contract, Public Trust manages the portfolios and directs the acquisition and disposition of the Trust's investments in accordance with the guidelines established by the Trustees. Public Trust is a fixed income only asset manager catering specifically to state and local government funds.

Public Trust will maintain a record of the shares of beneficial interest owned by Participants and will provide fund accounting services for the Trust, to include calculation of the net asset value of the portfolios. Public Trust will produce on a monthly basis statements for each Participant that show activity during the month, the total number of units held by the Participant, the net asset value, and the total market value of the Participant's investment in the VIP Portfolios. The monthly Participant statements will also include performance results specific to each Participant's VIP holdings. Public Trust is also responsible for calculating performance results for the portfolios.

Custodian

Principal Trust Company serves as custodian bank for the Trust. The Custodian is responsible for holding all funds and securities in a separate account in the name of the Trust, collecting all income and principal due the Trust from securities held, and properly accepting for delivery and/or delivering securities in accordance with the contract between the Trust and the Custodian ("Custody Agreement"). JPMorgan Chase provides Treasury accounts for the Trust and accepts contributions from, and distributes redemptions to, VIP Participants.

Legal Counsel

Estes Law & Consulting, Midlothian, Virginia, serves as Legal Counsel to the Virginia Local Government Finance Corporation and all of the programs it administers, including VIP.

Notices

Participants shall be entitled to notice of changes to the Trust Agreement within 15 days of adoption of such amendment. If a Treasurer or Chief Investment Officer objects to such amendment, the Treasurer or Chief Investment Officer shall have ninety (90) days to provide written notice of their objection and intent to terminate participation in the Trust, such notice to be delivered by registered mail to the Administrator. If such notice is given, the amendment shall not apply to such Participating Political Subdivision for a period of up to 180 days pending termination of its participation in the Trust.

Accounting Policies

The Trust follows generally accepted accounting principles (G.A.A.P.) and industry practices for external investment pools as established by the Governmental Accounting Standards Board.

Terminating participation in the Trust

A Participating Political Subdivision must provide written notice of its intent to terminate its participation in the Trust signed by the appropriate official and delivered to the Administrator. Upon receipt of the notice, the Participant's assets will be redeemed at the net asset value per share as determined at the Portfolio's next valuation date, subject to the rules for Redemptions. In the event the amount to be redeemed equals more than ten (10) percent of the Portfolio's net asset value, the additional rules for such redemptions will apply (See "Redemptions").

Additional Information

For additional information, please direct inquiries to the program administrator during regular business hours as follows:

VML/VACo Finance
Attn: Client Relations/Investment Services
8 E. Canal Street
Richmond, VA 23219
Phone: (804) 648-0635
Fax: (804) 783-2286
info@valocalfinance.org

You may also access additional information through the Virginia Investment Pool website: virginiainvestmentpool.org.

VIP 1-3 Year High Quality Bond Fund

Investment Objectives

The VIP 1-3 Year High Quality Bond Fund (the "1-3 Year Fund") is designed to provide a pooled investment alternative to those Participants that have excess funds and that have an investment horizon greater than that of money market instruments, typically one year or longer. The investment objectives are to: 1) exceed the return of the Bank of America Merrill Lynch One- to Three-year Corporate & Government Index over three-year periods; and 2) preserve capital. VIP will generally invest in securities with greater potential returns and risk than those offered by money market type instruments.

Additionally, VIP enables local governments and other political subdivisions to invest on a joint basis in order to achieve the following benefits:

1. Diversification of investments – The Portfolio is composed of a number of investment types with the goal of reducing overall investment risk.
2. Large number of holdings – The Portfolio includes a large number of individual securities in order to limit each Participant's exposure to any single investment.
3. Semi-monthly liquidity – Although the Portfolio will be invested in securities with an average term of 1-3 years, the fund will be structured with sufficient liquidity for Participants to access their funds on a semi-monthly basis (see "Redemptions" for further detail).
4. Active oversight – VIP offers four layers of active oversight: 1) a professional investment manager; 2) a Board of Trustees composed of Treasurers and Chief Investment Officers; 3) a full-time program administrator; and, 4) regular reporting to Participants. In addition, a nationally recognized rating agency monitors fund operations and performance and periodically publishes its analysis of VIP's credit quality and volatility.
5. Cost sharing – Participants are able to share costs and take advantage of fee breakpoints available only to larger scale investment portfolios.

Due to the fact that the 1-3 Year Fund will invest in securities with an average maturity of approximately 1-3 years, increases in interest rates could cause declines in the net asset value of the Portfolio. Therefore, the 1-3 Year Fund may be an inappropriate investment for funds required to meet immediate needs, and should therefore be used in conjunction with a money market fund or overnight investment fund, such as the VIP Stable NAV Liquidity Pool. In order to emphasize the longer-term nature of the 1-3 Year Fund and to provide a disincentive to utilize it as a money market fund alternative, the 1-3 Year Fund will only be open twice a month to accept contributions or remit redemptions (please see "Contributions" and "Redemptions" in the VIP 1-3 Year High Quality Bond Fund section).

Investment Risks

Because the 1-3 Year Fund invests in fixed income securities, each Participating Political Subdivision will be exposed to five types of risk associated with investing in fixed income securities: 1) Interest rate risk, which is the potential for fluctuations in bond prices due to changes in interest rates; 2) Reinvestment risk, which is the potential for a decline in the 1-3 Year Fund's income due to falling market interest rates; 3) Credit risk, which is the possibility that a bond issuer will fail to make timely payment of either interest or principal to the 1-3 Year Fund; 4) Prepayment risk (for Collateralized Mortgage Obligations ("CMOs") or call risk (for some agency and corporate bonds), which is the likelihood that, during periods of falling interest rates, securities with high stated interest rates will be prepaid or called prior to maturity, requiring the 1-3 Year Fund to invest the proceeds at generally lower interest rates; 5) Liquidity risk, which is the possibility that the liquidity of the market for a security may decline thereby (i) making it more difficult to dispose of the security promptly; (ii) presenting difficulties in valuation of the security; and (iii) causing the security to experience greater price volatility.

The 1-3 Year Fund is subject to interest rate, credit and liquidity risk, which may cause a loss of principal. The market value of the securities in which the 1-3 Year Fund invests will fluctuate in value as interest rates, credit and liquidity conditions change, which will affect the 1-3 Year Fund's net asset value and each Participant's net asset value per share. Modified duration is used as a measure to estimate a security's and/or portfolio's interest rate or price volatility due to changes in interest rates; that is, how much a security and/or portfolio is expected to increase or decrease in value for a given change in interest rates. Typically, the higher the modified duration of a security and/or portfolio, the greater its interest rate risk or price volatility. As an example, if interest rates were to increase uniformly by one hundred basis points, or one percentage point, the market value of a bond with a modified duration of 1.5 years would decrease by approximately 1.5 percent, all other factors remaining constant. The 1-3 Year Fund is expected to maintain a modified duration in a range of 1 to 2 years, thereby limiting the adverse effect of interest rate changes on the 1-3 Year Fund's market value. The calculation of modified duration involves a subjective judgment regarding prepayment risk or call risk associated with certain securities in the 1-3 Year Fund. Consequently, it may not be possible to calculate modified duration precisely in all circumstances. Additionally, the modified duration of the 1-3 Year Fund may change even if the composition of the 1-3 Year Fund does not change.

Shares of the 1-3 Year Fund are neither insured nor guaranteed by the U.S. Government or any agency thereof, including the FDIC.

Rating & Compliance Monitoring

The Trust will seek to maintain a bond fund rating on the 1-3 Year High Quality Bond Fund of "AA+f/S1" or better from Standard and Poor's ("S&P"), or an equivalent rating from Fitch Ratings ("Fitch"). Both S&P and Fitch are nationally recognized statistical rating organization (NRSRO) serving investors, regulators and issuers.

By definition, funds having an "AAf" bond fund credit rating are composed of portfolio holdings that provide "very strong" protection against losses from credit defaults. Ratings are based on an evaluation of several factors, including credit quality, maturity, and diversification of assets within the portfolio, management strength, and operational capabilities. Standard and Poor's bond fund credit ratings are expressed on a scale of "AAAf" through "CCCf".

Funds having a "S1" bond fund volatility rating from S&P are considered to have a low sensitivity to changing market conditions, comparable to a portfolio composed of U.S. Government securities maturing within one to three years. For comparison, a fund having a "S2" volatility rating is considered to have a low to moderate sensitivity to changing market conditions, and compares to a portfolio composed of U.S. Government securities maturing within three to seven years. A fund volatility rating is based on an analysis of a fund's investment strategy and portfolio-level risk and covers such factors as interest-rate risk, credit risk, liquidity, diversification or concentration, leverage and other factors. Bond fund volatility ratings are expressed on a scale of "S1" (lowest sensitivity) to "S6" (highest sensitivity). Participants should understand that the VIP 1-3 Year Fund's net asset value will fluctuate, and they could experience a loss in value especially over short time horizons.

Ratings are not a recommendation to buy, sell or hold any security or fund. Rating agencies do not comment on adequacy of the market price paid for any security or fund, or the suitability of any security or fund for any investor. Bond fund ratings are based on information provided to the NRSRO by sources deemed to be reliable; however, the NRSRO does not verify the accuracy of this information. Ratings may be changed, withdrawn, or suspended in the event of changes in, or the unavailability of, information or for other reasons.

There can be no assurances that the 1-3 Year Fund will maintain an "AA+f/S1" rating.

Investment Policies & Procedures

In addition to the creditworthiness of an issuer, certain standards of "adequacy" and "appropriateness" are measured when purchasing investments. For example, diversification reduces overall portfolio risks while attaining market average rates of return. The investments of the VIP 1-3 Year High Quality Bond Fund comply with all requirements of the Investment of Public Funds Act of the Code of Virginia. The composition of the portfolio is designed to maintain an "AAf" rating from Standard & Poor's or equivalent from Fitch Ratings. The full investment policy is included as an attachment to this document.

Contributions

Participants may open a VIP account and make a deposit at any time. Deposits may be made via ACH or federal wire. All deposits to VIP initially go into the Stable NAV Liquidity Pool, which serves both as a liquidity pool and as a sweep account for the 1-3 Year High Quality Bond Fund. Designated deposits will be transferred from the Stable NAV Liquidity Pool into the 1-3 Year High Quality Bond Fund following the next semi-monthly Portfolio Valuation.

Contributions will be credited on the first business day following the next semi-monthly Portfolio Valuation date (please see "Portfolio Valuations" in the VIP 1-3 Year High Quality Bond Fund section) provided that they are received on or prior to the day of a Portfolio Valuation.

When making contributions of five (5) million dollars or more, participants are requested to enter the transaction in VIP PARTICIPANT PORTAL at least three days prior to the valuation of the 1-3 Year Fund.

Dividends

At each semimonthly Portfolio Valuation date income shall be distributed on a pro rata basis to each participant. Any income remaining after payment of the program administration fees shall be reinvested via purchase of additional shares of the Trust. Capital gains will not be distributed, but shall instead be incorporated in the calculation of the 1-3 Year Fund's net asset value (NAV).

Redemptions

The VIP High Quality Bond Fund will be open twice per month to make redemptions to Participants. Redemptions will be made on the first business day following a Portfolio Valuation date (see "Portfolio Valuations" in the VIP 1-3 Year High Quality Bond Fund section). The minimum redemption amount is ten thousand (10,000) dollars. Whenever an account balance is to be fully liquidated, payment for redemption will be made to the Participant in two installments: 1) a "partial distribution" of no more than 90% of the balance to be wired on the first business day following the Portfolio Valuation date and 2) the Participant's "remaining balance" to be redeemed after the period's Net Asset Value is determined and all reports/statements have been received and verified by the Administrator and any accrued fees have been deducted from the Participant's account.

Participant redemption requests must be entered into VIP PARTICIPANT PORTAL at least five business days prior to a Portfolio Valuation date of the 1-3 Year Fund. Redemptions will be disbursed on the next business day following the Portfolio Valuation via ACH or federal wire to the financial institution specified on the Participant Trust Registration Form.

A Participant requiring a single redemption of more than five (5) million dollars is requested to schedule its redemption at least 60 days in advance whenever possible.

In the unlikely event that a Participant requests a redemption of more than ten (10) percent of the 1-3 Year Fund's net asset value without providing the requested 60 days' notice, the redemption may, in certain circumstances, be executed over time. If, in the opinion of the Board of Trustees in consultation with the Administrator, the 1-3 Year Fund's net asset value would be adversely affected by honoring such a redemption request in full, the Administrator may limit the Participant's initial redemption to ten (10) percent of the 1-3 Year Fund's net asset value. At times when the Board of Trustees is unavailable to make a timely determination in this regard, the Administrator may so limit such redemptions from the 1-3 Year Fund, but only with the concurrence of both the Chairman and Vice Chairman. In the event that the Administrator does invoke a limitation on a Participant's redemption request, the Administrator will redeem sufficient shares of beneficial interest such as to pay the Participant the ten (10) percent of the 1-3 Year Fund's net asset value each time the 1-3 Year Fund is open to make redemptions until such time as the redemption request is honored in full. The Trust may declare a suspension of the right of redemption or postpone the date of payment or redemption for the whole or part of any period (i) during which the New York Stock Exchange is closed other than customary weekend and holiday closings, (ii) during which trading on the New York Stock Exchange is restricted, or (iii) during which an emergency exists as a result of which disposal by the Trust of securities owned by it is not reasonably practicable, or it is not reasonably practicable for the Trust to fairly determine the value of its net assets.

Portfolio Valuations & Total Return Calculations

The net asset value of the 1-3 Year Fund will be determined twice per month: on the fifteenth of the month, unless such is not a business day, and the last business day of the month. If the fifteenth is not a business day, the net asset value will be determined as of the preceding business day. The net asset value of the 1-3 Year Fund is determined by calculating the fair market value of all securities and assets held by the 1-3 Year Fund, including accrued interest and amounts owed to the 1-3 Year Fund for securities sold or principal and income not collected as of the Portfolio Valuation date, less any liabilities of the 1-3 Year Fund. The value of each Participant's account is determined by dividing the net asset value of the 1-3 Year Fund by the total number of shares of beneficial interest, multiplied by the number of shares owned by the Participant.

Prices for securities held in the 1-3 Year Fund shall be valued at the most recent bid price or yield equivalent as obtained from one or more market makers for such securities, except that any securities designated as money market securities may be valued using the amortized cost method based upon the 1-3 Year Fund's acquisition of the security. All other securities and assets will be valued at the fair market value determined in good faith by the Board of Trustees or such other party designated by the Trustees. Market makers are to include any independent third party that the Administrator or the Trust may contract with to provide prices. Independent third parties may include the Custodian or any nationally recognized provider of security prices and other financial information.

No less frequently than quarterly, the Trust will report the 1-3 Year Fund's average annual compounded returns. The 1-3 Year Fund's average annual compounded rate of return refers to the rate of return which, if applied to an initial investment in the 1-3 Year Fund at the beginning of a stated period and compounded over the period, would result in the redeemable value of the investment at the end of the stated period. The following formula describes the calculation of an average annual compounded rate of return:

$P(1+T)^n = ERV$, where
P = a hypothetical initial investment of $1,000
T = average annual compounded rate of return
n = number of years
ERV = ending redeemable value

The 1-3 Year Fund will also report its total return on a quarterly basis. Total return is determined by (i) assuming a hypothetical investment at the beginning of a period, (ii) calculating the ending value of the investment at the end of the stated period, (iii) subtracting the amount of the hypothetical original investment from the ending value of the investment, and (iv) dividing the remainder so obtained by the amount of the original investment. The calculated amount is then expressed as a percentage by multiplying by 100.

All such performance information for the 1-3 Year Fund will be based on historical performance and should not be considered to be indicative of the 1-3 Year Fund's future performance.

Fees & Expenses

Each Participant account is assessed a fee on a monthly basis in arrears for the costs of administering the Trust. The fee is inclusive of all costs of program administration other than direct investment-related expenses, including client education, audit and reporting, legal services, accounting, credit rating, board expenses, and insurance. The program administration fee is applied on a sliding scale based upon the net asset value of each Participant's investment in the 1-3 Year Bond Fund during the preceding month.

The sliding scale administration fee is as follows:

Participant Net Asset Value	Administrative Fee*
Up to $25 million	0.11%
$25 million up to $50 million	0.09%
$50 million and above	0.07%

Discounted rate for combined portfolios (1-3 Year Fund & Liquidity Pool) of $150 million and above: 0.02%. The $150 million threshold must be met for prior 90 consecutive days.

*As each break-point is reached, the lowest corresponding administration fee is applied to the entire balance of the Participant.

Direct investment-related expenses, including fees for investment management and custodial services, are deducted from investment assets directly rather than from Participant accounts. The fee for investment management and custodial services is tiered and based on the net asset value of total assets in the 1-3 Year Bond Fund. The fee tiers are as follows:

1-3 Year Bond Fund Total Net Asset Value	Investment-related Fee
First $150 million	7 basis points (0.07%)
Next $100 million	6 basis points (0.06%)
Amounts in Excess of $250 million	5 basis points (0.05%)

For Fiscal Years 2022 and 2023, the investment-related expenses were approximately 0.06% (6 basis points).

VIP Stable NAV Liquidity Pool

Investment Objectives

The objectives of the VIP Stable NAV Liquidity Pool (the "Liquidity Pool") are to provide Participants with an investment alternative featuring a stable net asset value that emphasizes safety, liquidity, and a competitive rate of return.

Safety

The Liquidity Pool seeks to achieve the objective of safety by purchasing short-term, high-quality investments, permissible as investments for public funds under the Virginia Investment Public of Funds Act. A primary aspect of the safety objective is to maintain a stable portfolio net asset value through careful management of investment quality and maturity.

Liquidity

Liquidity is a key element of the Liquidity Pool. The Liquidity Pool's portfolio maturity and duration parameters are established to provide for the liquidity needs of the Participants since they may deposit or withdraw funds on any business day up to the amount of their balances on deposit (including accrued interest and/or capital gains realized thereon).

All funds are fully invested each night, and securities which constitute the Liquidity Pool's investments, and/or securities which are subject to repurchase agreement, are fully delivered to the Custodian to be held for the exclusive benefit of the Participants until maturity or sale. In the case of repurchase agreement transactions, securities subject to repurchase must equal in current market value at least 102% of the amount of the investment. Such collateral is marked-to-market daily, with a deficiency make-up provision enforced, if necessary.

In addition, the use of only the highest quality investments, with a maximum maturity of two years or less, assures the added benefit of underlying asset marketability. The net result of these liquidity features is that Participant cash is available in the amount necessary when needed.

Competitive Return

A competitive portfolio yield is sought by utilizing the skills of the investment manager's seasoned professional portfolio managers and credit researchers. Through this process the Trust seeks to promote maximization of account performance in a dynamic market environment, while avoiding unnecessary risk or portfolio timing problems. By investing together, Participants can take advantage of possible economies of scale relative to transaction and clearance costs, custody arrangements, and valuation costs.

In addition, overall portfolio performance should be enhanced as a result of the effect of differences in cash flow cycles from one Participant to another, allowing slightly longer average investment maturities than would be the case if Participants invested alone, thereby increasing aggregate portfolio yields.

Investment Risks

Because the Liquidity Pool invests in fixed income securities, each Participating Political Subdivision will be exposed to five types of risk associated with investing in fixed income securities: 1) Interest rate risk, which is the potential for fluctuations in bond prices due to changes in interest rates; 2) Reinvestment risk, which is the potential for a decline in the Liquidity Pool's income due to falling market interest rates; 3) Credit risk, which is the possibility that a bond issuer will fail to make timely payment of either interest or principal to the Liquidity Pool; 4) Prepayment risk (for Collateralized Mortgage Obligations ("CMOs") or call risk (for some agency and corporate bonds), which is the likelihood that, during periods of falling interest rates, securities with high stated interest rates will be prepaid or called prior to maturity, requiring the Liquidity Pool to invest the proceeds at generally lower interest rates; and, 5) Liquidity risk, which is the possibility that the liquidity of the market for a security may decline thereby (i) making it more difficult to dispose of the security promptly; (ii) presenting difficulties in valuation of the security; and (iii) causing the security to experience greater price volatility.

The VIP Stable NAV Liquidity Pool is also subject to stable net asset value risk. Although the investment manager attempts to manage the Trust such that it maintains a stable Net Asset Value (NAV) of $1. 00 per share, there is no guarantee that it will be able to do so. The VIP Stable NAV Liquidity Pool is not registered under the Investment Company Act of 1940 nor is it regulated by the Securities and Exchange Commission. Shares of the VIP Stable NAV Liquidity Pool are neither insured nor guaranteed by the U.S. Government or by any agency of the U.S. Government, including the FDIC.

Rating & Compliance Monitoring

The Trust will seek to maintain an "AAAm" from Standard & Poor's Ratings Services for the VIP Stable NAV Liquidity

Pool. Standard & Poor's fund ratings are based on analysis of credit quality, market price exposure, and management. According to Standard & Poor's rating criteria, the 'AAAm' rating signifies excellent safety of invested principal and a superior capacity to maintain a $1.00 per share net asset value. However, it should be understood that the rating is neither a "market" rating nor a recommendation to buy, hold or sell the securities.

Ratings may be changed, withdrawn, or suspended in the event of changes in, or the unavailability of, information or for other reasons.

There can be no assurances that the Liquidity Pool will maintain an "AAAm" rating.

Investment Policies & Procedures

In addition to the creditworthiness of an issuer, certain standards of "adequacy" and "appropriateness" are measured when purchasing investments. For example, diversification reduces overall portfolio risks while attaining market average rates of return. The investments of the VIP Stable NAV Liquidity Pool comply with all requirements of the Investment of Public Funds Act of the Code of Virginia. The portfolio is designed to maintain a rating of "AAAm" from Standard & Poor's. The full investment policy is included as an attachment to this document.

Contributions & Redemptions

The VIP Stable NAV Liquidity Pool is open for contributions and redemptions each business day. Contributions and redemptions may be made by electronic transfer through Automated Clearing House Network (ACH) or federal wire.

Contributions received by 2:00 p.m. ET will be credited to the Participant that day and invested along with the other funds in the portfolio. Contributions received after 2:00 p.m. ET will be credited on the next business day.

Requests for redemptions will be honored on a same-day basis if received prior to 2:00 p.m. ET. In order to receive redemptions via wire transfer or ACH participants must pre-establish wire instructions.

Fees & Expenses

Participant fees for the VIP Stable NAV Liquidity Pool are assessed daily. The annual fee charged to each Participant may not exceed 12 basis points (0.12%) of the Participant's account balance in the VIP Stable NAV Liquidity Pool. To ensure consistent performance in comparison with industry benchmarks, fee waivers may be implemented at the discretion of the Administrator. The actual annual fee assessed daily for the two years ended March 31, 2025, has averaged 7.8 bps (0.078%). The fee charged to Participants is inclusive of all costs including program administration, investment management, custodial services, and fund accounting & reporting. <u>Quoted rates for the Liquidity Pool on the VIP website and in all literature provided to current and prospective participants are net of fees.</u>

VIP Fixed Term Series II Portfolios

Investment Objectives

The Trust has established an unlimited number of fixed term portfolios designated as Fixed Term Series II Portfolios, each a "FT Portfolio" or "Fixed Term Portfolio." Each FT Portfolio is authorized by the Board of Directors. The Fixed Term Series II Portfolios are also known as "Fixed Term Portfolios." Each Fixed Term Portfolio is a portfolio of Permitted Investments and will have a portfolio-specific final maturity termination date. Each FT Portfolio has a maximum maturity term for the overall portfolio of two years, and a Participant may invest in any FT Portfolio with a minimum investment period of ninety (90) days and a maximum investment term of one (1) year. Each Fixed Term Portfolio offers a fixed rate and seeks to preserve capital, provide liquidity at scheduled participant redemption dates and provide a competitive rate of return by investing in Permitted Investments. Each FT Portfolio seeks to return all invested principal at a Planned Redemption Date (as defined hereafter) or upon final maturity termination of the applicable FT Portfolio. It is anticipated that after the launch of the initial FT Portfolio, multiple FT Portfolios will be in existence with maturity dates in successive periods.

Fixed Term Portfolios allow Participants to invest for a term of between ninety (90) days and one (1) year. Fixed Term Portfolios allow Participants to invest in shares of Fixed Term Portfolios on certain pre-determined dates and to select a scheduled redemption date within the overall term of the applicable FT Portfolio (hereinafter "Planned Redemption Date"), with a projected net dividend rate specific to the date of investment and the Planned Redemption Date. A projected dividend rate is determined when the shares are purchased, and the dividend is declared and paid on the redemption date. Each FT Portfolio consists of Permitted Investments authorized by the *Code of Virginia* for political subdivisions within the state. Permitted Investments include obligations of the U.S. government and its agencies and instrumentalities, municipal securities, corporate debt obligations, commercial paper, bankers' acceptance, negotiable certificates of deposit, insured or collateralized certificates of deposit, interest-bearing time deposits, open-end mutual funds, and repurchase agreements. The investment strategy of the Fixed Term Portfolio is to match as closely as possible the cash flows required to meet the Planned Redemption Date of each Participant, including the projected dividend, with the cash flows from the portfolio.

All Participants of the Trust are eligible to participate in any FT Portfolio. Each Participant determines whether to participate in a FT Portfolio and makes its own independent investment decision. While the FT Portfolio seeks to assure the return of principal on the Planned Redemption Date, the principal value of the FT Portfolio may fluctuate prior to that date, with the value being greater or less than $1.00 per share to be paid upon final maturity. FT Portfolios are designed for Participants who will not need access to their investment prior to the Planned Redemption Date. FT Portfolios are intended to be held until the Planned Redemption Date and any withdrawal from Fixed Term Portfolios at any time other than on a Planned Redemption Date or the final maturity date of the portfolio will likely result in a substantial early redemption penalty, which may reduce or eliminate income and may reduce principal. A Participant's withdrawal prior to this Planned Redemption Date will require seven-days' notice of redemption and may be made for up to the full initial investment amount of the Fixed Term Portfolio investment plus accrued dividends, or for any amount of at least $100,000 or in $1,000 increments thereafter. Fees may be imposed and netted from the distribution amount for a withdrawal prior to the Planned Redemption Date in order to recoup any associated penalties, charges, losses or other costs associated with the early redemption. This could result in a partial or full loss of investment gains, or result in a loss of the principal amount of the investment. Each FT Portfolio is separate and distinct from any other FT Portfolio or any other portfolio of the Trust, and therefore, if a FT Portfolio were to realize a loss, it would not impact any other FT Portfolio or any other portfolio of the Trust.

At the final maturity termination date of any FT Portfolio, any excess net income of the FT Portfolio may be distributed in the form of a supplemental dividend only to shares of that Portfolio that are outstanding on the final termination date of the Portfolio, and the excess net income will be allocated on a *pro rata* basis to all shares of such Portfolio then outstanding.

Fixed Term Portfolio Summary

Portfolio Maturity	Up to Two (2) Years
Minimum Investment Period	90 Days
Maximum Investment Period	One (1) Year [397 days]
Minimum Investment	$250,000 (in $1,000 increments in excess thereafter)

Redemption value at Planned Redemption Date	Redemption values per share equals the purchase price plus dividends earned to date, reduced by any losses incurred by the Portfolio, if any.
Redemption value in the event of Withdrawal Prior to Planned Redemption Date	Redemption values per share equals the purchase price plus dividends earned to date, reduced by any losses incurred by the Portfolio, if any, and any early redemption fees required to recoup any associated penalties, charges or other costs associated with the early redemption

No assurance can be given that the Trust will achieve its investment objectives or that any benefits described in this information statement will result from the investment of monies in the Trust.

Investment Risks

Participants should specifically consider the following risks before deciding to invest in the Fixed Term Portfolios. The following summary does not purport to be comprehensive or definitive of all risk factors. Investing involves risks including the possible loss of principal.

Interest Rate Risk

The prices of the fixed-income securities in the Fixed Term Portfolios will rise and fall in response to changes in the interest rates paid by similar securities. Generally, when interest rates rise, prices of fixed-income securities fall. However, market factors, such as demand for particular fixed-income securities, may cause the price of certain fixed-income securities to fall while the price of other securities rise or remain unchanged. Interest rate changes have a greater effect on the price of fixed-income securities with longer maturities. The Investment Manager will seek to manage this risk by purchasing securities that match the cash flow needs of Participants and align with their Planned Redemption Date.

Credit Risk

Credit risk is the possibility that an issuer of a fixed-income security held in the Fixed Term Portfolios will default on the security by failing to pay interest or principal when due. If an issuer defaults, Participants in the Fixed Term Portfolio may incur losses. The Investment Manager will seek to manage this risk by purchasing high-quality securities as determined by one or more Nationally Recognized Statistical Ratings Organizations and/or the Investment Manager’s credit research team.

Investment Not Insured or Guaranteed

An investment in the Fixed Term Portfolios is neither insured nor guaranteed by the Federal Deposit Insurance Corporation (FDIC) or any other government agency.

Liquidity Risk

The Trust is subject to liquidity risk due to a number of factors - the size of a bond's market, the frequency of trades, the ease of valuation, and/or issue size - that may impact the Investment Manager’s ability to sell investments in a timely fashion or at or near fair value in order to fulfill a Participant's redemption request. Fixed Term Portfolios are intended to be maintained for the full duration of the applicable term.

Market Risk

Market risk is the risk that the value of securities owned goes up or down, sometimes rapidly and/or unpredictably, due to factors affecting securities markets generally or within particular industries.

Issuer Risk

The risk that the value of a security declines for a reason directly related to the issuer such as management performance, financial leverage, or reduced demand for the issuer's goods or services.

Default Risk

The risk that a bond issuer (or counterparty) will default by failing to repay principal and interest in a timely manner.

Concentration Risk

Any fund that concentrates in a particular segment of the market or invests in a limited number of investments will generally be more volatile than a fund that invests more broadly. Any market price movements, regulatory or technological changes, or economic conditions affecting banks or financial institutions may have a significant impact on a Fixed Term Portfolio's performance.

Counterparty Risk

The Fixed Term Portfolios are exposed to the risk that third parties that owe it money, securities or other assets will not perform their obligations. These parties may default on their obligations to a Portfolio due to bankruptcy, lack of liquidity, operational failure, or other reasons. This risk arises, for example, when entering into guaranteed investment contracts under which insurance company counterparties have obligations to periodically make payments to a Portfolio. Given the limited number of holdings, which may be one holding, this risk is increased for the Fixed Term Portfolios.

Risk in NAV Fluctuations Prior to Planned Redemption

Fixed Term Portfolios are variable net asset value vehicles. Each FT Portfolio will be marked to market daily. The NAV per Share of a FT Portfolio may be affected by general changes in interest rates resulting in increases or decreases in the value of the securities held by a FT Portfolio. The market value of such securities will vary inversely to changes in prevailing interest rates. Accordingly, investors could experience a loss. While each FT Portfolio seeks to return all invested principal to Participants on each Planned Redemption Date or upon final maturity, the value of a Share of a FT Portfolio may fluctuate prior to those dates, with the value being greater or less than $1.00 per Share.

Redemption Risk

Redemptions by a holder of a Fixed Term Portfolio that allows an early redemption may have a significant adverse effect on the Fixed Term Portfolio's ability to maintain a stable $1.00 per share price. An investor who redeems prior to maturity of a Fixed Term Portfolio may realize a loss on their investment, including being subject to a penalty in an amount necessary to recoup the penalty charges, losses and other costs attributable to the early redemption. Certain assets in a Fixed Term Portfolio may not allow for an early redemption and must be held until maturity.

Policies Applicable to Participant Accounts

Each Fixed Term Portfolio is a portfolio of Permitted Investments and will have a Portfolio-specific final maturity termination date. Each Fixed Term Portfolio has a maximum maturity term for the overall Portfolio of two years, and a Participant may invest in any Fixed Term Portfolio with a minimum investment period of ninety (90) days and a maximum investment term of one (1) year. Fixed Term Portfolios allow participants to invest in shares of a Fixed Term Portfolio on certain pre-determined dates and to select a scheduled redemption date within the overall term of the applicable Fixed Term Portfolio (hereinafter "Planned Redemption Date"), with a projected net dividend rate specific to the date of investment and the Planned Redemption Date.

The investment strategy of the Fixed Term Portfolio is to match as closely as possible the cash flows required to meet the Planned Redemption Date of each Participant, including the projected dividend, with the cash flows from the portfolio. Each Fixed Term Portfolio is separate and distinct from any other Fixed Term Portfolio or any other portfolio of the Program, and if a Fixed Term Portfolio were to realize a loss, it would not impact any other Fixed Term Portfolio or any other portfolio of the Program.

Rating & Compliance Monitoring

The Trust will seek to maintain an "AAAf" from Standard & Poor's Ratings Services, or equivalent from Fitch Ratings, for the Fixed Term Portfolios. Standard & Poor's fund ratings are based on analysis of credit quality, market price exposure, and management. According to Standard & Poor's rating criteria, the 'AAAf' rating signifies excellent safety of invested principal and a superior capacity to maintain a $1.00 per share net asset value. However, it should be understood that the rating is neither a "market" rating nor a recommendation to buy, hold or sell an investment in a Fixed Term Portfolio.

Ratings may be changed, withdrawn, replaced, or suspended in the event of changes in, or the unavailability of, information or for other reasons.

There can be no assurances that the Fixed Term Portfolios will maintain an "AAAf" rating.

Investment Policies & Procedures

In addition to the creditworthiness of an issuer, certain standards of "adequacy" and "appropriateness" are measured when purchasing investments. For example, diversification reduces overall portfolio risks while attaining market average rates of return. The investments of the VIP Fixed Term Portfolio comply with all requirements of the Investment of Public Funds Act of the Code of Virginia. The portfolio is designed to maintain a rating of "AAAf" from Standard & Poor's, or equivalent from Fitch Ratings. The full investment policy is included as an attachment to this document.

Contributions & Redemptions

Contributions: Participants who have a VIP Stable NAV Liquidity Pool account and who wish to invest in a Fixed Term Portfolio may do so by depositing funds to their Stable NAV Liquidity Pool account to buy shares in the Fixed Term Portfolio of their choice.

Subject to availability, participants may invest in Fixed Term Portfolios using the Participant Portal at virginiainvestmentpool.org. When the Participant Portal is unavailable, contact VIP staff at vip@valocalfinance.org to facilitate providing verbal instructions to the Investment Manager.

Redemptions: When a particular Fixed Term Portfolio matures or in the event of a redemption, the Participant's funds in that Portfolio will then be transferred back to the Participant's VIP Stable NAV Liquidity Pool account.

To redeem prior to maturity, the investor must provide seven days' advance notice to the Investment Manager and such investor requesting an early redemption may be subject to a penalty and other losses as described herein. Contact the Investment Manager at (855) 249-8588.

Investments in Fixed Term Portfolios are intended to be held until the Planned Redemption Date and any withdrawal from a Fixed Term Portfolio at any time other than on a Planned Redemption Date or the final maturity date of the Portfolio will likely result in a substantial early redemption penalty to the investor requesting an early redemption such that other Participants' investment in that series specific Portfolio would not be impacted. Such costs of an early redemption, if any, will be netted from the amount redeemed and may therefore reduce or eliminate income and may reduce principal that such investor requesting an early redemption may have otherwise received.

Portfolio Valuation

The net asset value (or NAV) of each outstanding Fixed Term Portfolio is determined daily by the Investment Manager. Other than at maturity, upon a redemption or at the fiscal year-end, portfolio securities are generally valued using the amortized cost method. This method involves valuing each investment at cost on the date of purchase and assuming a constant amortization to maturity of any discount or premium. Amortized cost valuation provides certainty in valuation but may result in valuations that are higher or lower than the market price of a particular portfolio security.

At maturity, upon redemption and at fiscal year-end, each Fixed Term Portfolio will be marked to market and such valuation will be used for determining distributions to investors and valuation for financial statement presentation. It is expected that the market value of a Fixed Term Portfolio at maturity will approximate the amortized cost of the portfolio. A Fixed Term Portfolio may experience a loss or gain if the mark-to-market value deviates from the Fixed Term Portfolio's amortized cost. For Fixed Term Portfolios with longer maturities, there exists a greater likelihood that the amortized cost of a portfolio may deviate from the market value within the duration of the Fixed Term Portfolio.

Fees & Expenses

Each Fixed Term Portfolio pays an investment management and administrative fee not to exceed 18 basis points annualized. All fees, including the investment management and administrative fee, shall be computed and accrued daily as an expense of the Fixed Term Portfolio.

Appendices – *available upon request*

A. Participant Trust Registration
B. Model Ordinance (for localities)
C. Model Resolution (for other political subdivisions)
D. Trust Joinder Agreement (for political subdivisions without an elected treasurer)
E. Trust Joinder Agreement (for elected treasurers)
F. VIP 1-3 Year High Quality Bond Fund Investment Policy Statement
G. VIP Stable NAV Liquidity Pool Investment Policy Statement
H. VIP Fixed Term Series II Portfolios Investment Policy Statement