

# SAN BERNARDINO COUNTY EMPLOYEES' RETIREMENT ASSOCIATION

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JULY 13, 2021



BEACH POINT  
CAPITAL MANAGEMENT

1620 26TH STREET, SUITE 6000N, SANTA MONICA, CALIFORNIA 90404 - PHONE: 1-310-996-9700

PLEASE READ IMPORTANT DISCLOSURES CONTAINED HEREIN.

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The outbreak of the novel coronavirus 2019 ("COVID-19") has impacted all global business activities, including Beach Point's investment advisory activities. As COVID-19 continues to spread, the potential impacts, including a global, regional, or other economic recession, are increasingly uncertain and difficult to assess. Beach Point is unable to accurately predict the full impact that COVID-19 will have for an indefinite period of time. More information related to COVID-19 risk is described in Beach Point's Form ADV Part 2A.

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Past performance is no guarantee or predictor of future results and there is no assurance that these or comparable returns will be achieved by any fund or that a fund's investment objective will be achieved. Any investment in any investment product or fund managed by Beach Point involves significant risk, including the risk of loss of your investment.

### important disclosure

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Switzerland Disclosure: the representative in Switzerland is ARM Swiss Representatives SA, Route de Cité-Ouest 2, 1196 Gland, Switzerland. The paying agent in Switzerland is Banque Cantonale de Geneve. The governing documents and the fund's annual financial statements can be obtained free of charge from the representative in Switzerland. The place of performance and jurisdiction is the registered office of the representative in Switzerland with regards to the member interests distributed in and from Switzerland.

See important additional disclosures at the end of the presentation.

## executive summary

Beach Point focuses on generating income and finding value outside of traditional areas, such as opportunities in structured products, dislocated debt, and idiosyncratic credit situations – which offer outsized yield potential in an otherwise tight credit market. Our exposure to higher coupon, lower duration debt helps mitigate rate risk in the current environment.

| Beach Point Select Fund Performance (net)               | QTD  | YTD  | Annualized Since Inception | Cumulative Since Inception |
|---|------|------|----------------------------|----------------------------|
| San Bernardino County Employees' Retirement Association | 1.82 | 7.92 | 10.28                      | 155.51                     |
| High Yield Universe <sup>1</sup>                        | 1.21 | 2.65 | 5.85                       | 72.41                      |

| Performance Measurements                                | Sharpe Ratio | Standard Deviation | Average Monthly Return |
|---|--------------|--------------------|------------------------|
| San Bernardino County Employees' Retirement Association | 1.66         | 5.80               | 0.83                   |
| High Yield Universe <sup>1</sup>                        | 0.91         | 5.73               | 0.49                   |

Inception (November 1, 2011) through May 31, 2021.

Past performance is not indicative of future results.

| Cash Flows        |               |
|-------------------|---------------|
| April 2009        | \$30,000,000  |
| October 2012      | \$20,000,000  |
| October 2013      | \$30,000,000  |
| Total Invested    | \$80,000,000  |
| NAV as of 5/31/21 | \$202,334,679 |

Sources: Beach Point internal research, Barclays Capital, Credit Suisse & eVestment Analytics.

<sup>1</sup>High Yield Universe is based on a 50/50 blend of the Barclays High Yield Index and the Credit Suisse Leveraged Loan Index

On April 1, 2009, SBCERA's initial investment of \$30 million was made into Beach Point Total Return Offshore Fund II Ltd. Effective November 1, 2011, SBCERA transferred their current investment value (~\$39.9 million) into Beach Point Select Fund LP.

See important disclosures attached at the end of this document.

## beach point overview

### Beach Point is an established multi-strategy credit investment manager

#### Assets Under Management

- \$16.6 billion as of May 31, 2021

#### Investment Strategies

- Opportunistic Credit
- High Yield Debt
- Structured Products
- Distressed & Private Credit
- Tactical Situations & Private Equity

#### Team

- 56 Investment Professionals
- 123 Total Employees

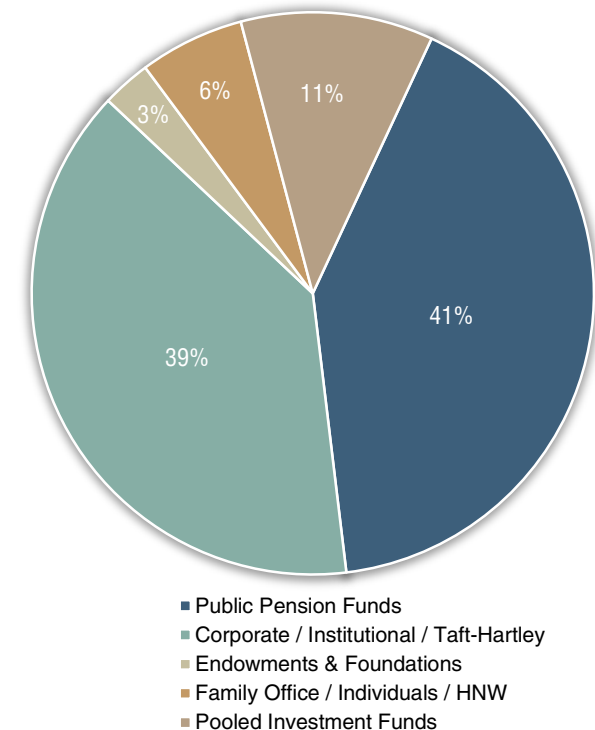
#### Firm

- Founded in 2009
- SEC Registered
- Diversified Institutional Client Base

#### Offices

- Los Angeles
- New York
- Dublin
- London

#### stable and long-term oriented client base<sup>1</sup>



Source: Beach Point internal estimated AUM figures as of 5/31/2021.

The above information is preliminary data based on internal estimates and is not audited.

<sup>1</sup>Beach Point internal estimated AUM figures as of 5/31/2021; includes separate accounts and fund investors.

## investment team

### Consistency & Tenure

56 investment professionals; senior investment team has over 20 years of experience on average; low turnover since inception

### Legal Edge

Significant portion of the investment team is legally trained for superior covenant analysis and extensive structuring expertise

### Deep Experience

Experienced team has the ability to identify attractive opportunities in the middle market having deployed substantial capital in multiple asset classes

#### CARL GOLDSMITH<sup>1,2</sup>

Founding Partner, Co-Chief Executive Officer, Co-Chief Investment Officer

#### SCOTT KLEIN<sup>1,2,4</sup>

Founding Partner, Co-Chief Executive Officer, Co-Chief Investment Officer

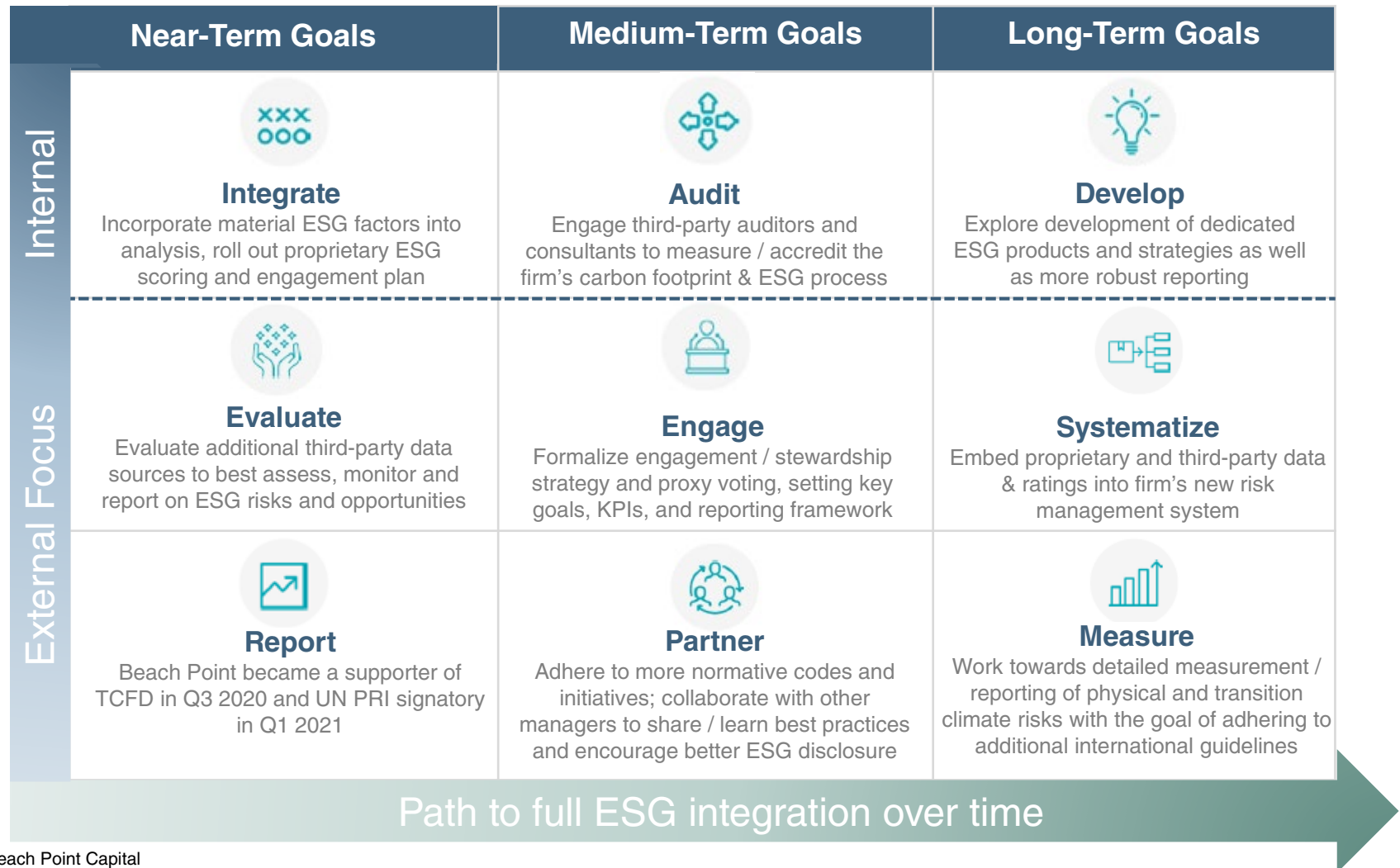
### RESEARCH & TRADING

|   |   |   |   |  |  |  |  |
|---|---|---|---|--|--|--|--|
| <b>ROBERT BERGMANN<sup>4</sup></b><br>Portfolio Manager       | <b>SINJIN BOWRON</b><br>Portfolio Manager                   | <b>KATHY CHOI<sup>1,4</sup></b><br>Portfolio Manager          | <b>MICHAEL HAYNES<sup>4</sup></b><br>Portfolio Manager (NY) | <b>BRIAN HIMOT<sup>2</sup></b><br>Portfolio Manager (NY) | <b>BEN HUNSAKER</b><br>Portfolio Manager                 | <b>ALLAN SCHWEITZER<sup>1,3,4</sup></b><br>Portfolio Manager | <b>KEN WOLFE</b><br>Portfolio Manager          |
| <b>SHANE LANIGAN</b><br>Portfolio Manager (IRL)               | <b>BRIDGET BARTLETT<sup>4</sup></b><br>Portfolio Strategist | <b>ROBERT BERZINS<sup>2</sup></b><br>Portfolio Strategist     | <b>ANDREW CHEN</b><br>Managing Director (NY)                | <b>HUBERT CHU</b><br>Managing Director                   | <b>JOSEPH FABIANI<sup>2,4</sup></b><br>Managing Director | <b>EVAN KLEBE</b><br>Managing Director                       | <b>DANIEL KRUP</b><br>Managing Director (NY)   |
| <b>NIRAJ PATEL</b><br>Managing Director (UK)                  | <b>LAWRENCE SADAKA</b><br>Managing Director                 | <b>PATRICK SHEFFIELD</b><br>Managing Director                 | <b>JARED WORK</b><br>Managing Director                      | <b>WILLIAM LYNCH</b><br>Senior Trader                    | <b>DAVID SEAY</b><br>Senior Trader                       | <b>BORDON LAI</b><br>Principal                               | <b>ALAN CHAO</b><br>Senior Vice President      |
| <b>JENNIFER COUPLAND<sup>2</sup></b><br>Senior Vice President | <b>CONOR D'ALTON</b><br>Senior Vice President               | <b>DANIEL GURVICH</b><br>Senior Vice President (NY)           | <b>ELIZABETH WEGENER</b><br>Senior Vice President           | <b>JENNY ZHAN</b><br>Senior Vice President               | <b>GABRIEL FINEBERG</b><br>Vice President (NY)           | <b>RICHARD HUANG</b><br>Vice President                       | <b>ROLAND JEON</b><br>Vice President           |
| <b>BRYAN KURNOFF</b><br>Vice President                        | <b>JAMIE PARK</b><br>Vice President                         | <b>JORDAN SAUER<sup>2</sup></b><br>Vice President             | <b>CHRISTOPHER SU</b><br>Vice President                     | <b>KHOA TRAN</b><br>Vice President                       | <b>TAHAR BETBOUT</b><br>Trader                           | <b>KYLE PHILIPS</b><br>Trader                                | <b>ANITA CAFFERKEY</b><br>Senior Analyst (IRL) |
| <b>CIARA McGOVERN</b><br>Senior Analyst (IRL)                 | <b>JAKOB NILSSON</b><br>Senior Analyst (UK)                 | <b>NICK PARKINSON</b><br>Senior Analyst (UK)                  | <b>ZOHAIR AZMI</b><br>Analyst                               | <b>LUKE CUMMINGS</b><br>Analyst                          | <b>KEVIN KANG</b><br>Analyst                             | <b>ALLEN KATO</b><br>Analyst                                 | <b>PHILIPPE TREACY</b><br>Analyst (IRL)        |
| <b>WILLIAM BROOKS</b><br>Senior Portfolio Analyst             | <b>KRIS WOODS</b><br>Portfolio Analyst                      | <b>DIANA YOON<sup>2</sup></b><br>Director of Transaction Mgt. | <b>CHRISTOPHER REED<sup>4</sup></b><br>Macro Strategist     | <b>AZITA GUIV</b><br>Trading Assistant                   | <b>ASHISH DASAUR</b><br>Risk Manager                     | <b>DALI CAO</b><br>Risk Analyst                              |  |

<sup>1</sup> Management Committee, <sup>2</sup> Lawyer / Legally Trained, <sup>3</sup> Risk Committee, <sup>4</sup> ESG Committee  
Senior Investment team consists of Co-CIOs, Portfolio Managers, and Portfolio Strategists

## our forward-looking ESG objectives

We have outlined the following core ESG objectives to drive our integration efforts:



Source: Beach Point Capital internal research. For illustrative purposes only.





# MARKET UPDATE

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Investment Beyond the Traditional



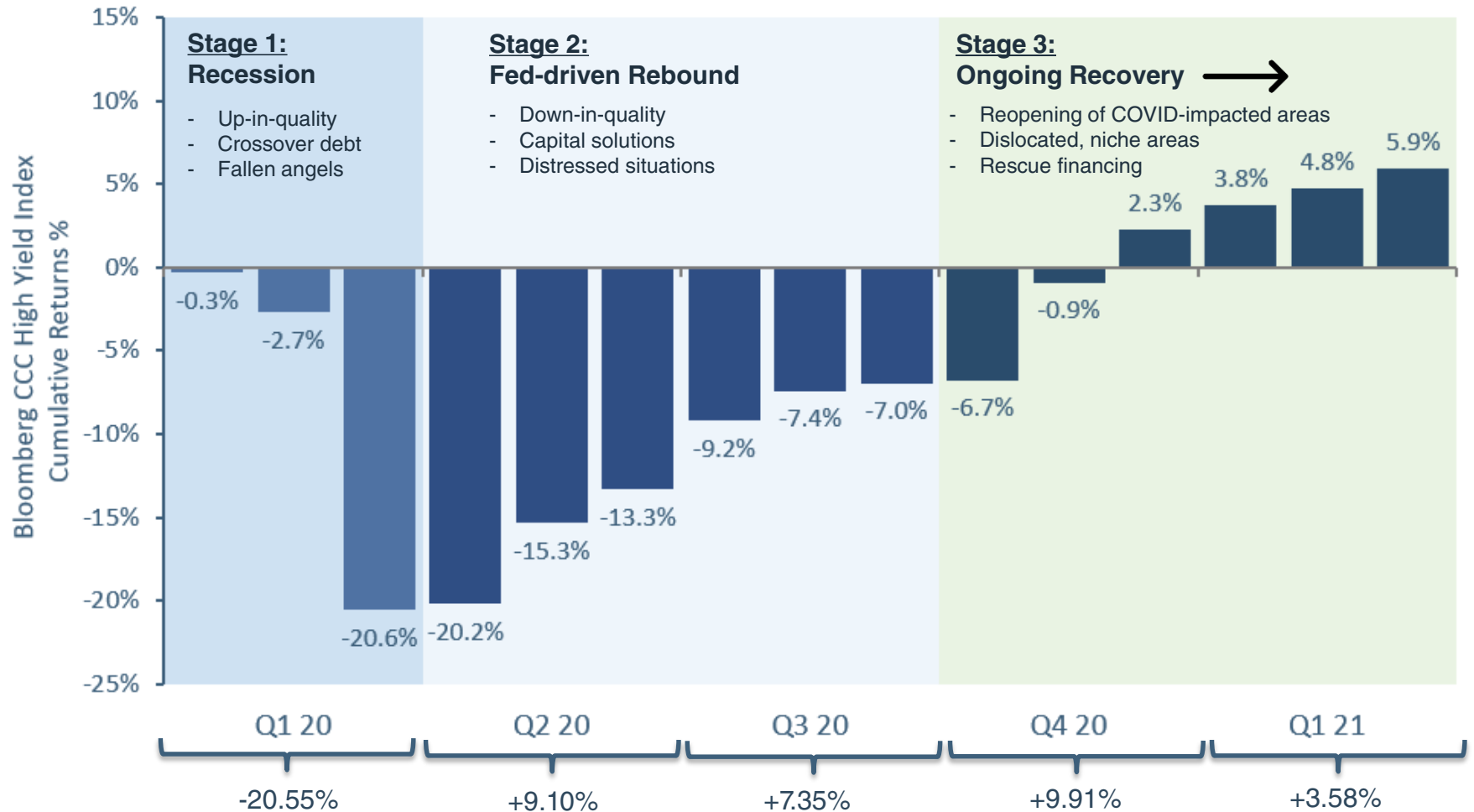
## tantrum without the taper

**Powell “the Fed will continue to provide the economy with the support that it needs for as long as it takes.”**



## opportunity set has shifted

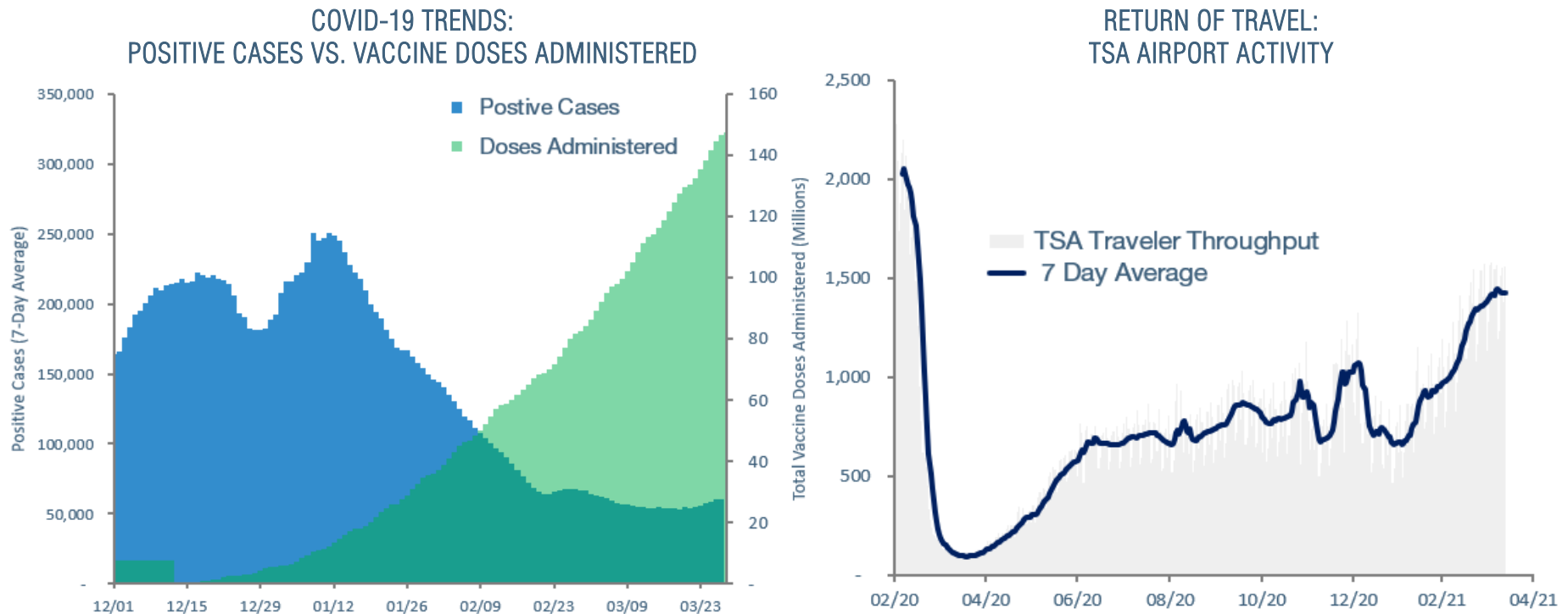
We continue to find opportunities amid the ongoing reopening as well as idiosyncratic situations where we can provide liquidity, lend directly or structure capital solutions for outsized yield



## vaccination rates and economic growth head higher

Economic growth continues to accelerate as vaccination rates climb and economies re-open

The ongoing reopening, together with fiscal stimulus, has not only unleashed pent-up demand, but has contributed to rate and inflation fears as government debt levels build



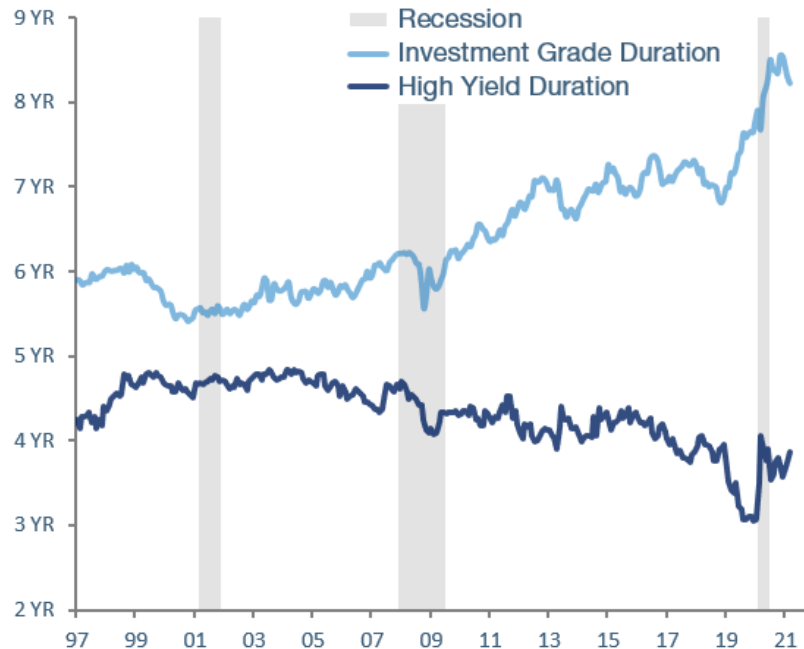
Source: Centers for Disease Control and Prevention, as of 03/29/2021  
Transportation Security Administration, as of 04/11/2021

# mitigate inflation risk with floating-rate and lower rated exposures

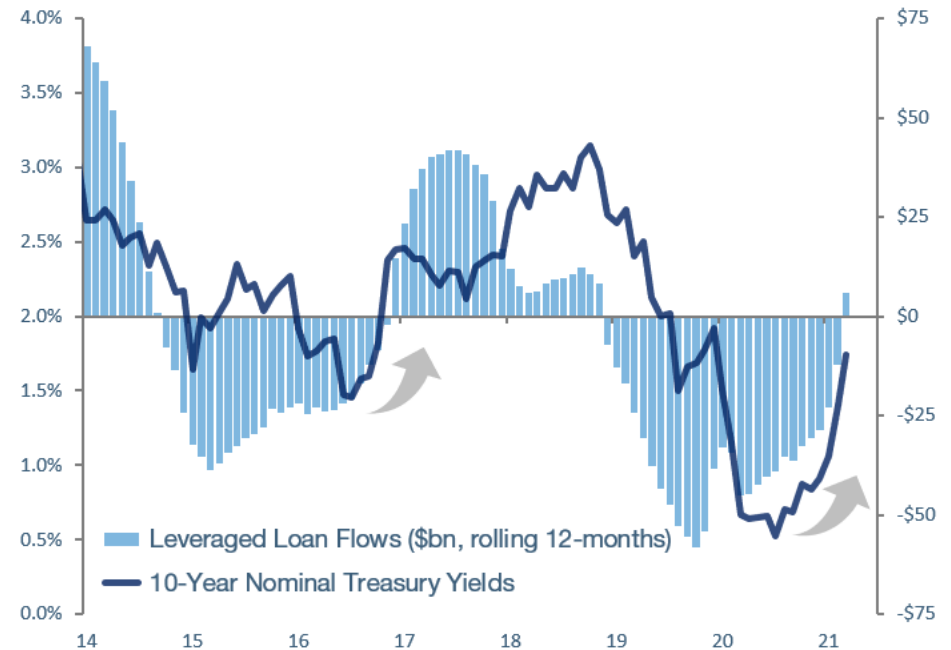
**Lower durations and higher coupons of leveraged loan and high yield provide buffers not available to traditional high-quality interest rate-sensitive bonds**

As the risk of inflation and rising rates increased, loan ETFs and mutual funds experienced two consecutive quarters of inflows totaling +\$16.8 billion after eight quarters of outflows of -\$91.6 billion

DURATION SENSITIVITY



RIISING YIELD SUPPORT LOAN FUND FLOWS



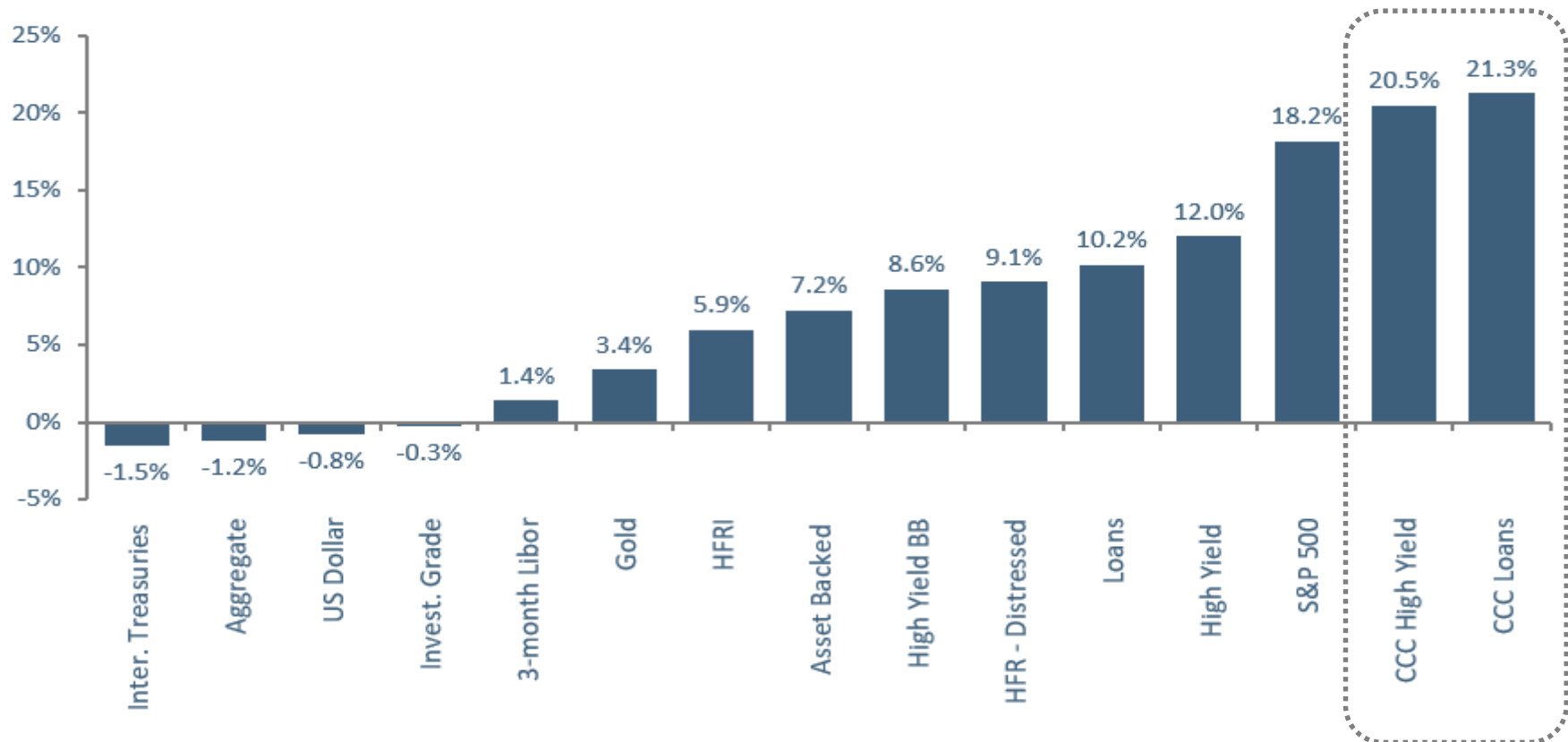
Sources: Bloomberg, as of 03/31/2021  
JPMorgan Research, as of 03/31/2021  
Recession bars estimate last recession ended 06/30/2020



## resilience of lower-rated debt in rising rate environments

On average, CCCs have outperformed in periods when 10-Year Treasury yield rose over 100 basis points

These periods have typically occurred during an improving macro backdrop, which tends to reduce credit risk and accelerate the pull-to-par for CCC names



Reference periods and corresponding rise in 10-Year UST yield in basis points (bps) include [09/1998-08/1999: +155bps], [05/2003-08/2003: +109bps], [06/2005-06/2006: +122bps], [08/2010-03/2011: +100bps], [04/2013-12/2013: +136bps], [07/2016-01/2017: +100bps], and [07/2020 - 03/2021: +119bps]. The average rise in the month end 10-Year UST yield during these periods was +126bps.

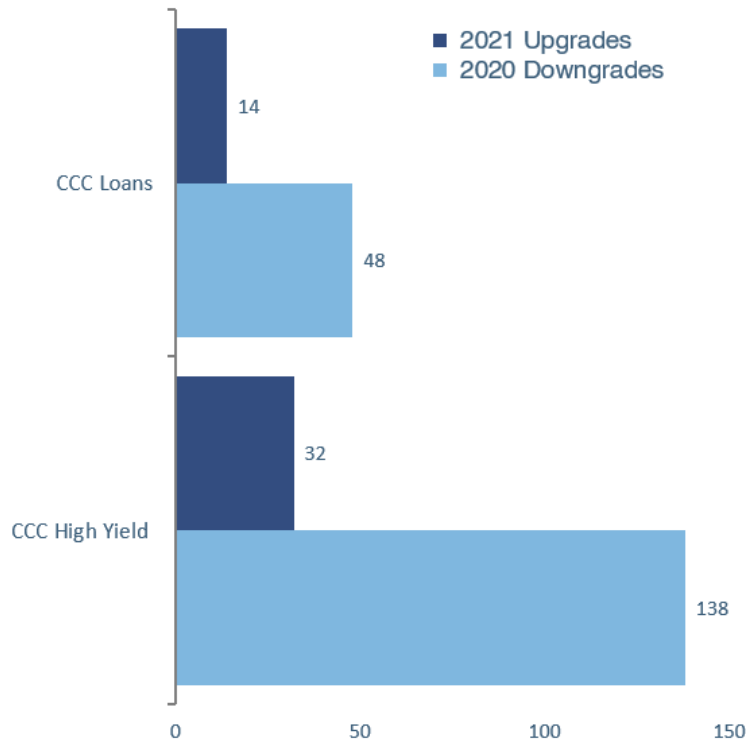
Sources: Bloomberg Intermediate Treasury Index, Bloomberg Aggregate Bond Index, Bloomberg 3-month Libor Index, HFRI Fund Weighted Composite Index, HFRI Fixed Income-Asset Backed Index, Bloomberg High Yield Index, HFRI Distressed/Restructuring Index, Credit Suisse Leveraged Loan Index, S&P 500 Index.

## today's CCCs are tomorrow's BBs

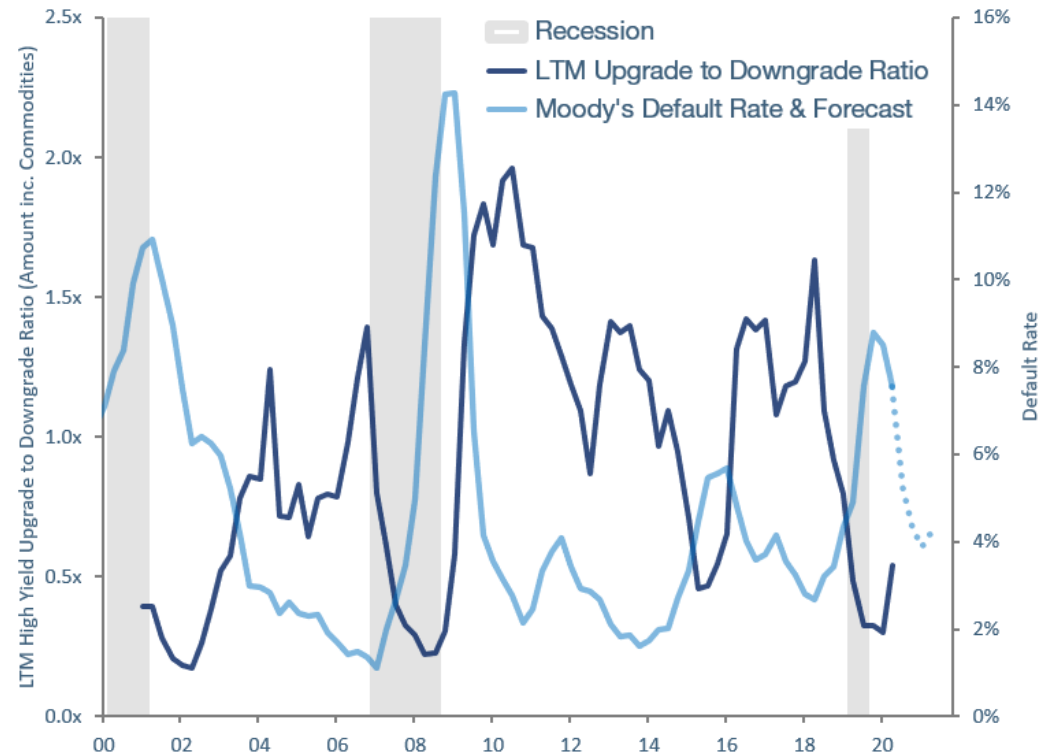
Upgrades exceeded downgrades across bond and loans in March for the third consecutive month

In 2020, 186 CCC-rated loan and high yield bond issuers were downgraded. As default risks have materially declined, many of today's CCC are likely upgrade candidates

CCC DOWNGRADES AND UPGRADES



HIGH YIELD UP/DOWN RATIO VS. DEFAULT OUTLOOK



Sources: JPMorgan Research, as of 03/31/2021

Moody's Research, as of 03/31/2021

Recession bars estimate last recession ended 06/30/2020

## main sources of value ahead

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**We continue to find opportunities in reopening / recovery-themed trades as well as idiosyncratic situations where we can provide liquidity, lend directly or structure capital solutions for outsized yield**



### **Rebound of COVID-centric sectors**

Source opportunities in companies heavily impacted by COVID-19 where investors are not fully appreciating recovery potential (e.g., travel and transportation service companies)



### **Rescue financings**

Create value by providing flexible capital solutions



### **Private credit**

Unlock complexity premiums across businesses / assets



# PORTFOLIO OVERVIEW

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Investment Beyond the Traditional



## strategy overview

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### Beach Point Select Fund

As of May 31, 2021

**Primary Mission: Event-driven credit fund that places an emphasis on off-the-run and complex investments. The Fund employs a flexible approach, with an income orientation and a focus on protecting capital through market cycles.**

#### Investment Mandate

- Event-driven credit fund
- Focus on less followed names for better value
- Invests in distressed debt, catalyst-driven high yield, structured products, privates, and special situations/equities

#### Investment Attributes

- 10.4% yield on performing credit<sup>1</sup>
- North American and European focus
- Concentrated portfolio for enhanced alpha generation
- Greater upside potential from stressed / distressed / structured products / privates

#### Benefits

- Low beta – we own 1 of 100 names in the HY CDX<sup>2</sup>
- Highly idiosyncratic investments can translate to lower market correlation
- Attractive fund size

Source: Beach Point internal estimates

<sup>1</sup> Yield is calculated for the fixed income performing part of the portfolio excluding cash, and is the addition of (i) the weighted average of a swap-adjusted 3-year maturity of each floating rate bank debt investment and (ii) the weighted average yield to worst of each bond and fixed rate bank debt investment in the Beach Point Select Fund LP. portfolio (69% of NAV).

<sup>2</sup> The HY CDX is composed of liquid North American entities with high yield credit ratings that trade in the CDS market. Number of securities includes only long positions.

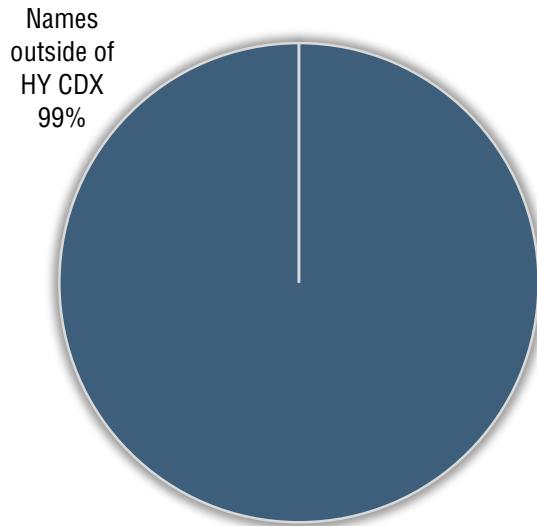
Current and past Fund attributes are not necessarily indicative of future attributes.

# portfolio characteristics

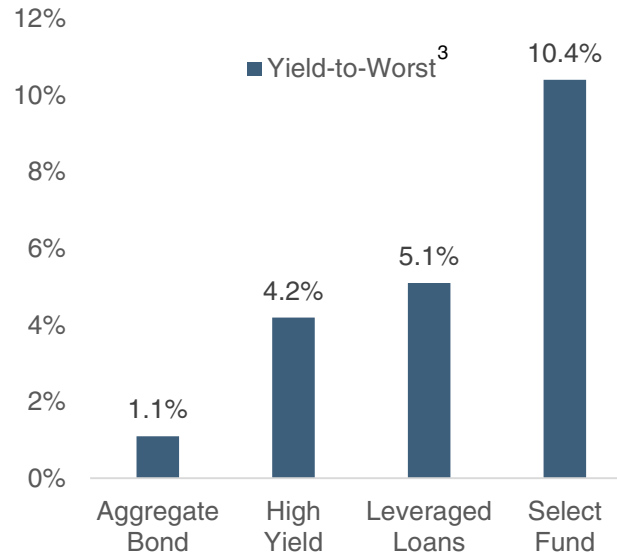
## Beach Point Select Fund

As of May 31, 2021

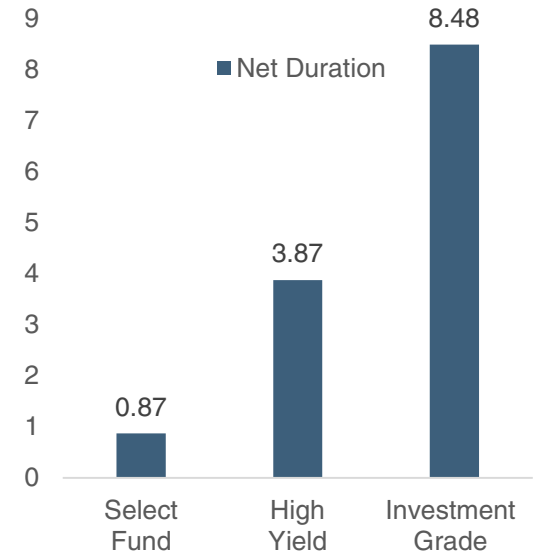
### INDEX: 1 NAME IN HY CDX<sup>1</sup>



### YIELD: WIDER YIELD VS. MARKET<sup>2</sup>



### DURATION: LOWER VS. MARKET<sup>4</sup>



Source: Beach Point Capital internal research. Values may not sum due to rounding.

Past strategy allocations are not necessarily indicative of future allocations. Percentages are estimated at month-end and subject to change.

The above allocation breakdown includes only long positions and is based on percentage of capital invested at month-end.

<sup>1</sup>The HY CDX is composed of liquid North American entities with high yield credit ratings that trade in the CDS market. Number of securities includes only long positions.

<sup>2</sup> Bloomberg Barclays Aggregate Bond Index, Bloomberg Barclays High Yield Index, and Credit Suisse Leveraged Loan Index as of 5/31/2021.

<sup>3</sup>Yield is calculated for the fixed income performing part of the portfolio excluding cash, and is the addition of (i) the weighted average of a swap-adjusted 3-year maturity of each floating rate bank debt investment and (ii) the weighted average yield to worst of each bond and fixed rate bank debt investment in the Beach Point Select Fund LP portfolio (69% of NAV).

<sup>4</sup> Barclays U.S. Corporate High Yield Index and Barclays U.S. Corporate Investment Grade Index data as of 5/31/2021.

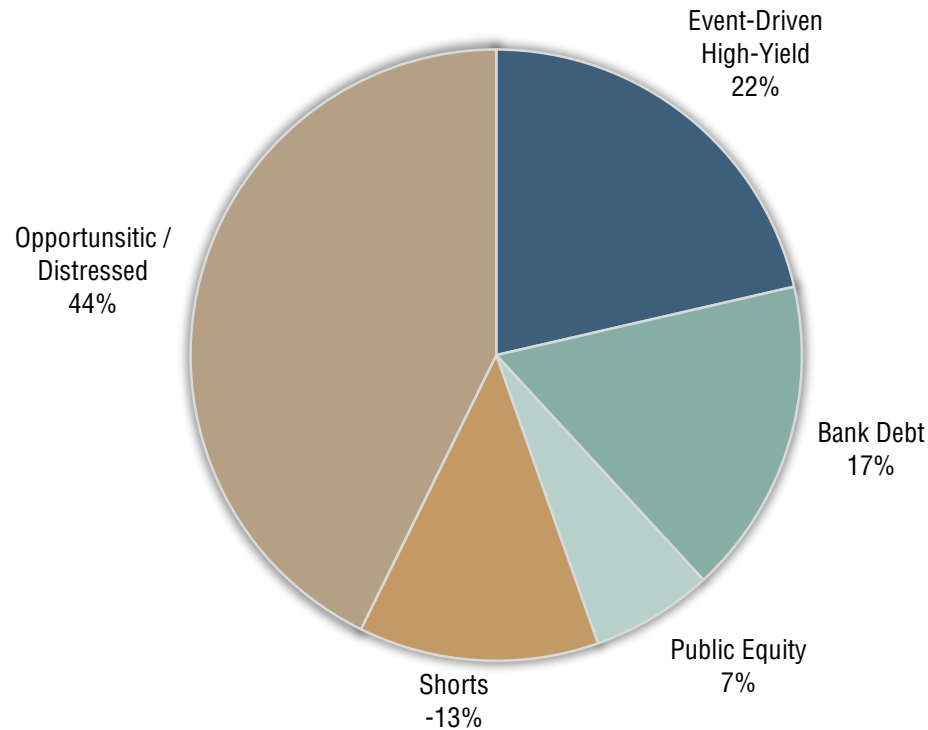
Net duration is the adjusted duration net of IR/bond shorts.

## fund allocations

### Beach Point Select Fund

As of May 31, 2021

**The fund has the flexibility to capitalize on changing credit markets and can move up and down the capital structure and across sectors for new opportunities.**



Source: Beach Point Capital internal research.

Past strategy allocations are not necessarily indicative of future allocations. Percentages are estimated at month-end and subject to change. The shorts category includes short exposure related to treasury hedges and other foreign currency hedges.

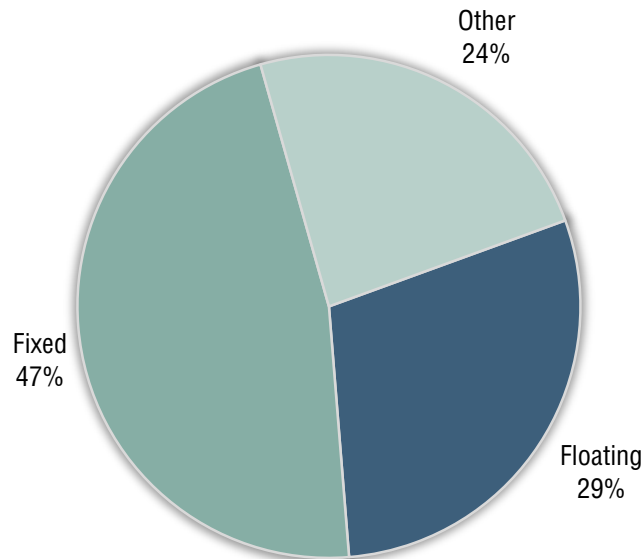
Past issuer allocations are not necessarily indicative of future allocations. Percentages are estimated NAV at month-end and subject to change. The shorts category includes short exposure related to treasury hedges and other foreign currency hedges.

## floating vs. fixed and geography

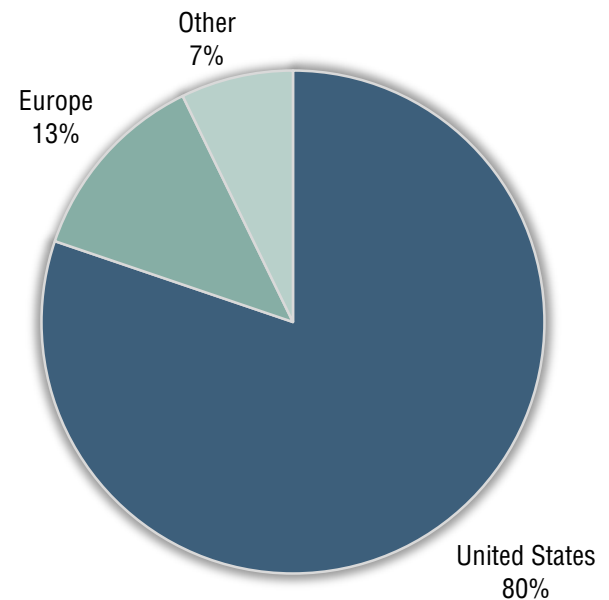
### Beach Point Select Fund

As of May 31, 2021

FLOATING VS FIXED



GEOGRAPHY



Source: Beach Point Capital internal research.

Past strategy allocations are not necessarily indicative of future allocations. Percentages are estimated at month-end and subject to change. The above allocation breakdown includes only long positions and is based on percentage of capital invested at month-end.

Values may not sum due to rounding.



## performance table

## San Bernardino Employees' Retirement Association (net)

Inception (November 1, 2011) through May 31, 2021

|                   | JAN   | FEB   | MAR    | APR  | MAY   | JUN   | JUL   | AUG   | SEP   | OCT   | NOV   | DEC   | BEACH<br>POINT | HIGH<br>YIELD<br>UNIVERSE <sup>1</sup> |
|-------------------|-------|-------|--------|------|-------|-------|-------|-------|-------|-------|-------|-------|----------------|--|
| <b>2011*</b>      | --    | --    | --     | --   | --    | --    | --    | --    | --    | --    | -0.82 | 0.94  | <b>0.12</b>    | 0.29                                   |
| <b>2012</b>       | 2.39  | 2.71  | 1.24   | 1.04 | -0.21 | 1.27  | 1.51  | 1.68  | 1.82  | 1.46  | 1.08  | 1.62  | <b>19.05</b>   | 12.59                                  |
| <b>2013</b>       | 2.24  | 1.03  | 1.35   | 1.78 | 1.91  | -0.50 | 2.02  | 0.74  | 1.07  | 1.59  | 1.32  | 1.60  | <b>17.36</b>   | 6.81                                   |
| <b>2014</b>       | 0.46  | 2.12  | 0.27   | 1.03 | 0.74  | 0.98  | -0.35 | 0.27  | -0.18 | -0.09 | 0.25  | -2.07 | <b>3.42</b>    | 2.27                                   |
| <b>2015</b>       | 0.11  | 1.91  | 1.60   | 1.76 | 1.24  | -0.93 | 0.14  | -0.24 | -0.53 | 1.82  | -1.24 | -2.16 | <b>3.44</b>    | -2.42                                  |
| <b>2016</b>       | -1.49 | 0.07  | 3.85   | 1.88 | 1.39  | 0.63  | 2.17  | 1.69  | 1.30  | 0.97  | 0.60  | 1.95  | <b>15.98</b>   | 13.47                                  |
| <b>2017</b>       | 1.86  | 0.47  | 0.11   | 0.47 | 0.75  | 0.71  | 0.80  | 0.47  | 0.79  | 0.28  | 0.51  | 0.98  | <b>8.51</b>    | 5.87                                   |
| <b>2018</b>       | 1.56  | -0.09 | -0.34  | 0.85 | 0.57  | 0.58  | 0.80  | 0.61  | 0.38  | -0.86 | -0.87 | -2.30 | <b>0.84</b>    | -0.48                                  |
| <b>2019</b>       | 2.29  | 1.42  | 0.68   | 1.60 | -0.10 | 1.51  | 0.80  | -0.03 | 0.76  | -0.24 | 1.19  | 2.38  | <b>12.93</b>   | 11.22                                  |
| <b>2020</b>       | 0.67  | -2.02 | -11.58 | 1.76 | 4.36  | 2.58  | 2.43  | 3.26  | 1.23  | 1.19  | 4.49  | 2.64  | <b>10.39</b>   | 4.94                                   |
| <b>2021</b>       | 2.09  | 2.01  | 1.78   | 1.27 | 0.55  |       |       |       |       |       |       |       | <b>7.92</b>    | 2.65                                   |
| <b>Annualized</b> |       |       |        |      |       |       |       |       |       |       |       |       | <b>10.28</b>   | 5.85                                   |

Past performance is not indicative of future results.

Sources: Beach Point Capital internal research, Barclays Capital, Credit Suisse and eVestment Analytics.

\*Returns shown for the partial year are not annualized.

<sup>1</sup>High Yield Universe is based on a 50/50 blend of the Barclays High Yield Index and the Credit Suisse Leveraged Loan Index

See important disclosures attached at the end of this document.



# APPENDIX

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## Investment Beyond the Traditional

# organizational chart – investment team

| CARL GOLDSMITH <sup>1,2</sup>                           |   | FOUNDING PARTNERS<br>CO-CHIEF EXECUTIVE OFFICERS<br>CO-CHIEF INVESTMENT OFFICERS |   |  |  | SCOTT KLEIN <sup>1,2,4</sup>                           |   |
|---|---|--|---|--|--|--|---|
| RESEARCH AND TRADING                                    |   |  |   |  |  |  |   |
| ROBERT BERGMANN <sup>4</sup><br>Portfolio Manager       | SINJIN BOWRON<br>Portfolio Manager                    | KATHY CHOI <sup>1,4</sup><br>Portfolio Manager                                   | MICHAEL HAYNES <sup>4</sup><br>Portfolio Manager (NY) | BRIAN HIMOT <sup>2</sup><br>Portfolio Manager (NY) | BEN HUNSAKER<br>Portfolio Manager                  | ALLAN SCHWEITZER <sup>1,3,4</sup><br>Portfolio Manager | KEN WOLFE<br>Portfolio Manager          |
| SHANE LANIGAN<br>Portfolio Manager (IRL)                | BRIDGET BARTLETT <sup>4</sup><br>Portfolio Strategist | ROBERT BERZINS <sup>2</sup><br>Portfolio Strategist                              | ANDREW CHEN<br>Managing Director (NY)                 | HUBERT CHU<br>Managing Director                    | JOSEPH FABIANI <sup>2,4</sup><br>Managing Director | EVAN KLEBE<br>Managing Director                        | DANIEL KRUP<br>Managing Director (NY)   |
| NIRAJ PATEL<br>Managing Director (UK)                   | LAWRENCE SADAKA<br>Managing Director                  | PATRICK SHEFFIELD<br>Managing Director   | JARED WORK<br>Managing Director                       | WILLIAM LYNCH<br>Senior Trader                     | DAVID SEAY<br>Senior Trader                        | BORDON LAI<br>Principal                                | ALAN CHAO<br>Senior Vice President      |
| JENNIFER COUPLAND <sup>2</sup><br>Senior Vice President | CONNER D'ALTON<br>Senior Vice President               | DANIEL GURVICH<br>Senior Vice President (NY)                                     | ELIZABETH WEGENER<br>Senior Vice President            | JENNY ZHAN<br>Senior Vice President                | GABRIEL FINEBERG<br>Vice President (NY)            | RICHARD HUANG<br>Vice President                        | ROLAND JEON<br>Vice President           |
| BRYAN KURNOFF<br>Vice President                         | JAMIE PARK<br>Vice President                          | JORDAN SAUER <sup>2</sup><br>Vice President                                      | CHRISTOPHER SU<br>Vice President                      | KHOA TRAN<br>Vice President                        | TAHAR BETBOUT<br>Trader                            | KYLE PHILLIPS<br>Trader                                | ANITA CAFFERKEY<br>Senior Analyst (IRL) |
| CIARA MCGOVERN<br>Senior Analyst (IRL)                  | JAKOB NILSSON<br>Senior Analyst (UK)                  | NICK PARKINSON<br>Senior Analyst (UK)  | ZOHAIR AZMI<br>Analyst                                | LUKE CUMMINGS<br>Analyst                           | KEVIN KANG<br>Analyst                              | ALLEN KATO<br>Analyst                                  | PHILIPPE TREACY<br>Analyst (IRL)        |
| WILLIAM BROOKS<br>Senior Portfolio Analyst              | KRIS WOODS<br>Portfolio Analyst                       | DIANA YOON <sup>2</sup><br>Director of Transaction Mgt.                          | CHRISTOPHER REED <sup>4</sup><br>Macro Strategist     | AZITA GUIV<br>Trading Assistant                    | ASHISH DASAUR<br>Risk Manager                      | DALI CAO<br>Risk Analyst                               |   |

<sup>1</sup> Management Committee, <sup>2</sup> Lawyer/Legally Trained, <sup>3</sup> Risk Committee, <sup>4</sup> ESG Committee

# organizational chart – infrastructure

| OPERATIONS / DEVELOPMENT /<br>INFORMATION SECURITY / TECHNOLOGY |  |  |   | COMPLIANCE   | ACCOUNTING / TAX / VALUATION                              |  |  |                                       |
|---|--|--|---|--|---|--|--|---------------------------------------|
| DARSHAN DESAI <sup>1,3,4</sup><br>Chief Operating Officer       |  |  |   | DAVID ROSENBLUM <sup>1,2,3,4</sup><br>Chief Compliance Officer<br>Deputy General Counsel | THOMAS BOYACK <sup>1,2,3</sup><br>Chief Financial Officer |  |  |                                       |
| OPERATIONS  | SOFTWARE<br>DEVELOPMENT                    | CYBERSECURITY &<br>INFORMATION TECHNOLOGY        |   | COMPLIANCE &<br>REGULATORY   | FUND<br>ACCOUNTING  | TAX  | VALUATION                              | CORPORATE<br>ACCOUNTING               |
| JONATHAN CANNON<br>Director of Operations                       | SEAN SEDRULEY<br>Senior Data Manager       | HUGH JUHN<br>Director of<br>Information Security | KRITSANA KEOPUNNA<br>Director of Technology | KHOA LE <sup>2</sup><br>VP - Regulatory Compliance<br>& Counsel                          | CHRISTIE LUDVIGSON<br>VP - Accounting                     | TERESA SUN <sup>2,3</sup><br>Managing Director - Tax | ANTHONY PARK<br>Director of Valuation  | MARK SPALDING<br>Corporate Controller |
| ITHRAN OLIVACCE<br>VP, Operations Manager                       | MAKSIM GARBUZOV<br>Senior Programmer       |  | ERIC ANDRADE<br>Systems Administrator       | CAROLINA REESER<br>Senior Compliance Officer   | ADRIAN ESTRADA-GONZALEZ<br>Fund Controller                | LAILA ROBERTS<br>Director - Tax Compliance           | MELISSA MANALANG<br>Accounting Manager | ACCOUNTING STAFF<br>(2 employees)     |
| ABRAHAM YAO<br>VP, Operations Manager                           | MONICA VOINEA<br>Senior Developer          |  | TYLER DeBURN<br>IT Administrator            | ALANA FLEDDERJOHN<br>Compliance Manager  | ACCOUNTING STAFF<br>(5 employees)                         | MATTHEW PHILLIPSON<br>Associate Tax Manager          |  |                                       |
| ANDREW SUSSMAN<br>VP, Business<br>Operations Manager (NY)       | ALEXANDRA FIOT<br>Senior Software Engineer |  |   | JOSEPH STIKELEATHER<br>Compliance Associate  |   |  |  |                                       |
| OPERATIONS STAFF<br>(7 employees)                               |  |  |   |  |   |  |  |                                       |

<sup>1</sup> Management Committee, <sup>2</sup> Lawyer/Legally Trained, <sup>3</sup> Risk Committee, <sup>4</sup> ESG Committee



# organizational chart – infrastructure

| MARKETING / INVESTOR RELATIONS                       |   |  | LEGAL / HUMAN RESOURCES / ADMIN  |   |
|--|---|--|--|---|
| JOHN QUINTANAR <sup>1,3,4</sup><br>Managing Director |   |  | LAWRENCE GOLDMAN <sup>1,2,4</sup><br>Chief Administrative Officer<br>General Counsel |   |
| MARKETING  |   | INVESTOR RELATIONS                       | LEGAL  | HUMAN RESOURCES & ADMINISTRATION                  |
| JOEL KARSCH<br>Senior Director (NY)                  | MIKE CARTER<br>Director                           | PAUL BERBERIAN<br>Director               | KEVIN PARKER <sup>2</sup><br>Associate General Counsel                               | JESSICA FILIPOVICH<br>Director of Human Resources |
| IAN GRIFFITHS<br>Director (UK)                       | SAMANTHA LEVENSTEIN <sup>2</sup><br>Director (NY) | LARISSA CHAPIN<br>Director               | JEFFREY STEINER <sup>2</sup><br>Corporate Counsel                                    | SUPPORT STAFF<br>(9 Employees)                    |
| JAMES MALONEY<br>Director                            | ANTJE MEYER <sup>4</sup><br>Director (UK)         | EMILY GIOVANNIELLO<br>Associate Director |  |   |
| LADONNA NEUHAUS<br>Director of Insurance Strategy    |   | KAITLIN LEARD<br>Associate               |  |   |

<sup>1</sup> Management Committee, <sup>2</sup> Lawyer/Legally Trained, <sup>3</sup> Risk Committee, <sup>4</sup> ESG Committee

### important disclosure

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The net fund performance set forth herein is for the San Bernardino County Employees' Retirement System. Performance is net of all expenses, the management fees and incentive allocations. Performance includes the reinvestment of dividends and other earnings. Performance includes the reinvestment of dividends and other earnings. Certain factors, such as the treatment of loss carry forwards and subscription and redemption dates, may cause performance to vary from investor to investor.

Past performance is no guarantee or predictor of future results and there is no assurance that these or comparable returns will be achieved by any fund or that a fund's investment objective will be achieved. Any investment in any investment product or fund managed by Beach Point involves significant risk, including the risk of loss of your investment.

Results are preliminary estimates and unaudited. Firm-wide assets consist of the estimated AUM of funds and accounts managed by the Beach Point. Performance attribution, other attribution figures, asset figures, leverage figures and exposure figures set forth herein are calculated on a gross basis, are estimates based on Beach Point's internal research, subjective determinations and categorization of investments and should not be relied upon.

Certain indices presented herein are unmanaged indices. Comparisons made between these unmanaged indices and a fund are of limited value and no representation is made that a fund will hold comparable securities or will have a risk profile similar to any index. When presented, the High Yield Universe Index is a blend of 50% Barclays U.S. Corporate High Yield Universe Index and 50% Credit Suisse Leveraged Loan ("CS Loan") Index. Indices are included to show general market trends for the periods indicated and are not, nor should they be interpreted to be, absolute benchmarks to compare to an investor's performance.

#### Exposure by Strategy and Attribution by Strategy sections

- Certain event-driven and bank debt positions and other instruments are grouped in the Opportunistic/Distressed category, such as instruments that are non-performing, stressed but performing, privates and instruments offering higher return potential.
- Event-Driven High-Yield category (both long and short) includes instruments that may be outside of traditional high-yield, including, but not limited to, foreign corporates, financials and other event-driven credit.
- Bank Debt category refers to performing bank debt.
- Information contained herein may include interest rate hedges and/or foreign currency hedges.

#### Largest Holdings and Concentration sections

- Certain positions such as sovereign shorts from different countries may be grouped together, and a single position may be comprised of more than one security or instrument where such securities or instruments provide exposure to the same issuer or type of issuer (number of positions includes only positions of > 0.25% of capital).

Geography and Lien Status sections include only long positions and are based on a percentage of capital invested at month-end.

Largest Sectors section is only long exposure of the top sectors.

## important disclosure

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Credit Rating section includes only long positions and is based on a percentage of capital invested at month end and does not include investments where a rating does not apply (e.g., equity securities, cash and cash equivalents).

### Yield section

- Portfolio Yield is calculated for the fixed income performing part of the portfolio excluding cash, and is the addition of (i) the weighted average of a swap-adjusted 3-year maturity of each floating rate bank debt investment and (ii) the weighted average yield to worst of each bond and fixed rate bank debt investment.