

# Callan

October 21, 2026



MENDOCINO COUNTY EMPLOYEES  
RETIREMENT ASSOCIATION

**Mendocino County Employees'  
Retirement Association**

MCERA Board Education

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Fund Sponsor Consulting

# MCERA Board Education Calendar

FY 2026 – 2027

## ✓ June

Asset Allocation  
by Function

## ✓ July

Closed End and Direct  
Investing Considerations

## ✓ August

Quarterly Investment Update

## ✓ September

Liquidity Management &  
Active Risk Budgeting

## October

Private Equity Education &  
Risk Mitigation Strategies

## November

Actuarial Valuation  
Presentation  
Quarterly Investment Update

## December

Private Credit Education

## January

Capital Market Expectations  
California Retirement  
System Investment  
Experience Review

## February

Investment Philosophy  
Review  
Quarterly Investment Update

## March

Asset Liability Study

## April

Mid Cap Value Strategy  
Update  
Performance Measurement  
Framework

## May

Investment Policy Statement  
Update  
Quarterly Investment Update

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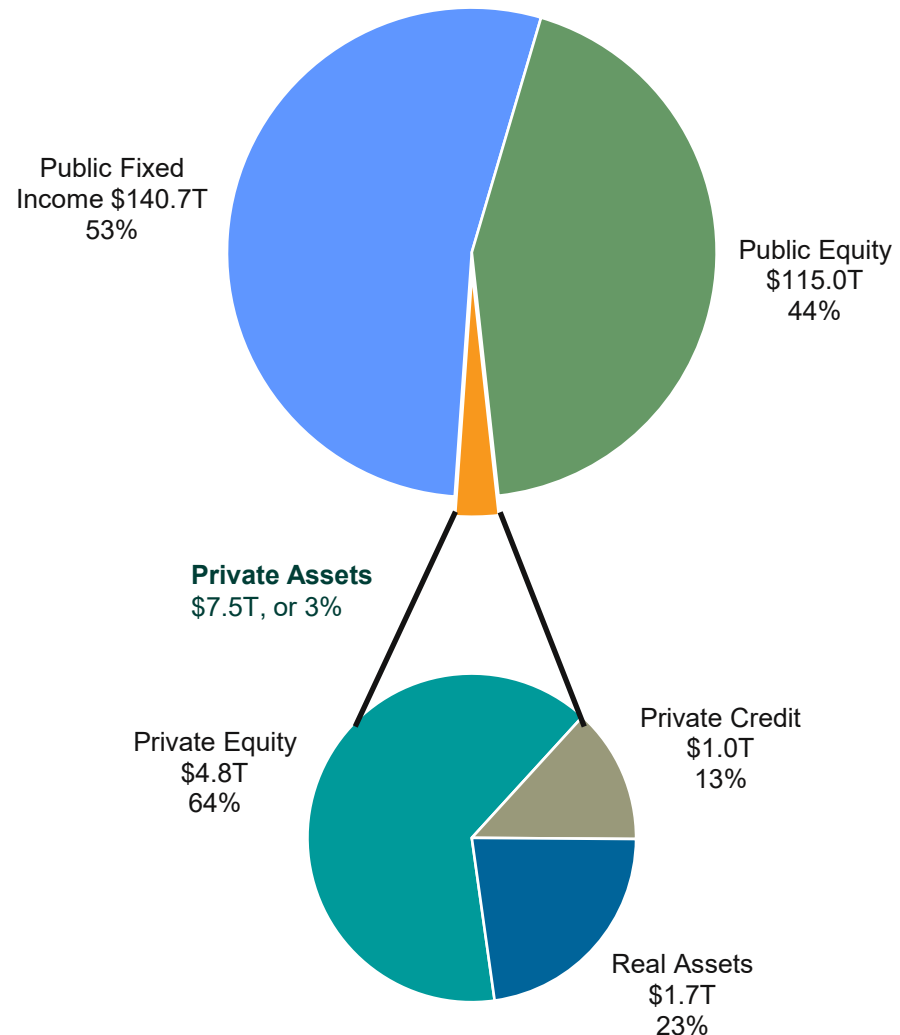
## Private Equity Education

# What Is Private Equity?

**Definition:** investments in private companies that are not listed on a stock exchange

- ▶ Provides a differentiated return stream and diversification in a portfolio with publicly traded securities
- ▶ Addresses a different opportunity set—private companies
- ▶ Primary appeal: potential to outperform publicly traded stocks and bonds
- ▶ Primary drawbacks: illiquidity, program complexity, high return dispersion
- ▶ Often viewed as a separate asset class, private equity is an extension of equity that encompasses ownership stakes in companies but, unlike public equity, engages in private transactions

Public and Private Markets AUM



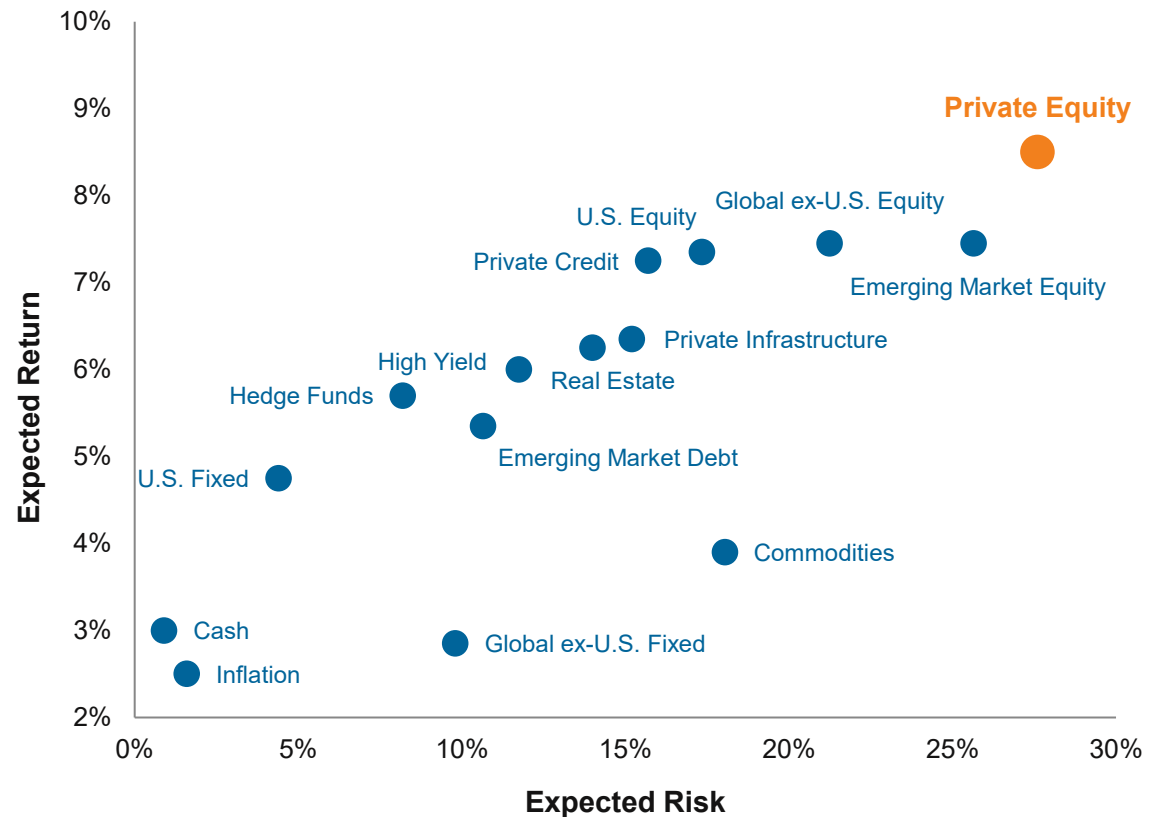
Private Assets AUM = NAV + Uncalled  
Source: SIFMA and PitchBook, as of June 30, 2024

# Relationship Between Expected Return and Risk

## Visualizing Callan's 2025–2034 Capital Market Assumptions

Forecasts link expected return to risk

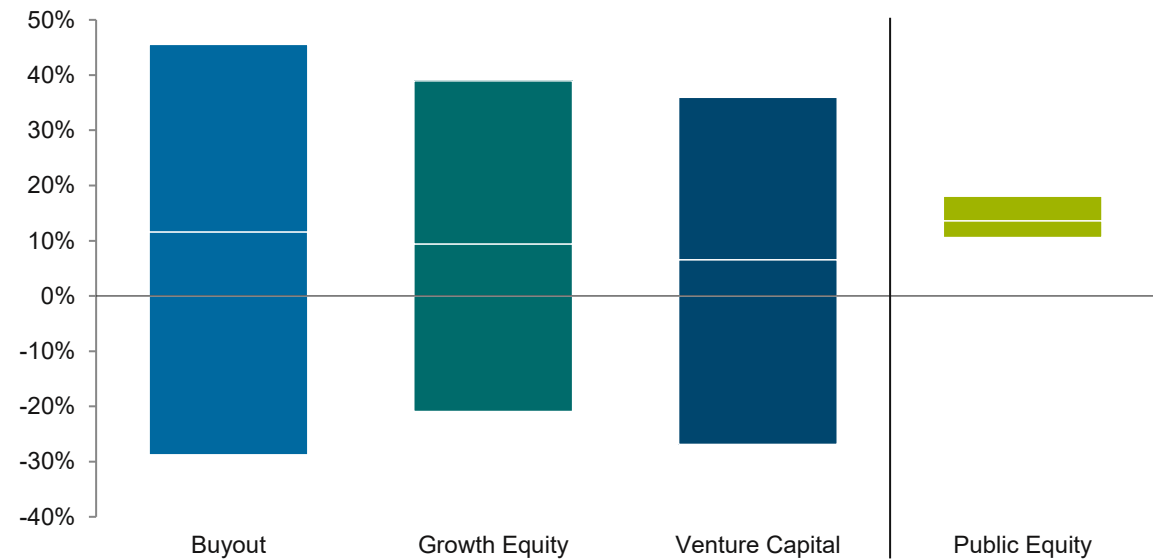
- For example, investors demand a greater return from private equity than public equity as compensation for higher risk
- Private equity expected return of 8.50% is about 115 bps above U.S. Equity – more conservative than most
- Private credit expectations of 7.25% are about 125 bps above HY and 125 bps below private equity
- Callan expects private markets to outperform public market equivalents due to illiquidity and complexity



# Dispersion of Private Equity Returns

- ▶ Although aggregate private equity returns have exceeded the public markets, there is a high level of dispersion in individual fund returns.
- ▶ This dispersion demonstrates the importance of manager selection in the asset class.
- ▶ 67% dispersion between the top private equity funds and the bottom over the last 10 years
- ▶ In contrast, the dispersion in public equity returns is only 7%

Net IRRs by Strategy Type, Last 10 Years ending 09/30/25



Source: LSEG/Cambridge. Public Equity reflects TWRs of Callan's All Cap Broad Public Equity peer group.

# Characteristics of Private Equity

## Illiquidity



### Considerations

- Imperfect and infrequent valuations
- Difficult to “rebalance”—structural hindrances to selling partnership interests
- Unpredictable cash flows—managing liquidity and exposure is challenging

### Merits

- No mark-to-market volatility
- Long-term focus, with emphasis on ROI

## Return



### Considerations

- High return dispersion—manager selection integral to developing a successful program
- No replicable benchmark
- Investing primarily in blind pool funds

### Merits

- Historically higher returns relative to public equities
- Opportunity set unique relative to public equities

## Cost



### Considerations

- High fee structure relative to public equities—management fees and other embedded costs
- Lack of complete fee and expense transparency

### Merits

- Carried interest generated only if return hurdle is met
- Greater, not complete, transparency on fees and expenses
- Lower costs do not equate to higher returns

## Complexity



### Considerations

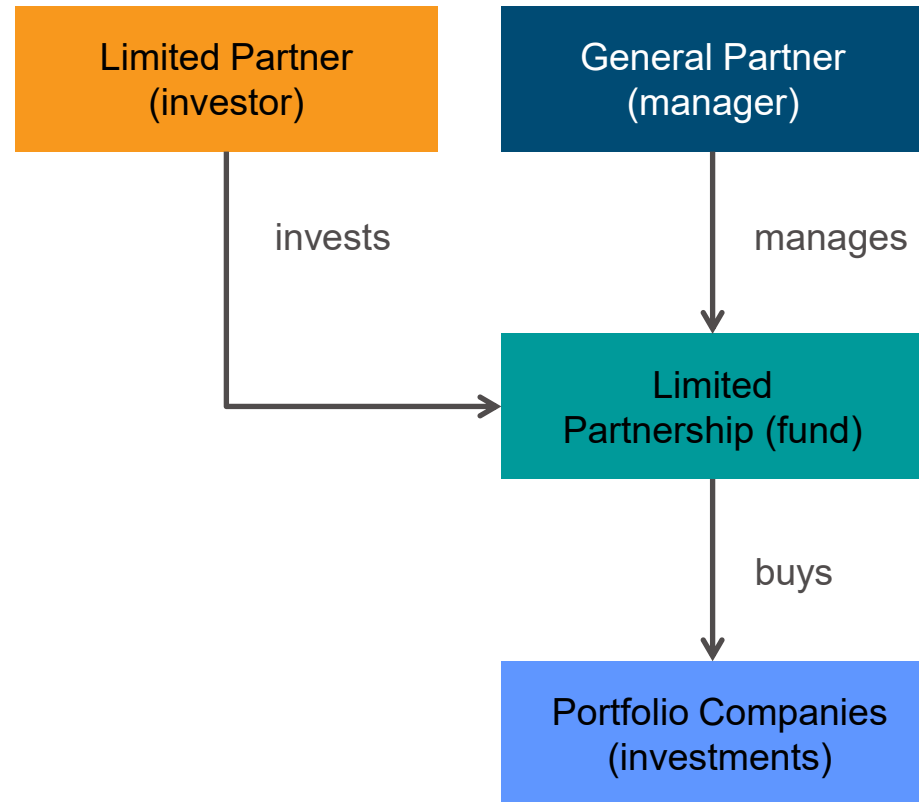
- Successful execution requires a long-term plan and collaboration of board and staff
- Requires depth and breadth of staff for execution
- Access to quality general partners may be limited
- Distinct agreements

### Merits

- A structured program, a well-defined process and strategy, an experienced staff, and a supportive board can achieve targeted returns.

# How to Invest in Private Equity

- ▶ Private equity is accessed through a limited partnership vehicle in which the manager is the general partner (GP) and the investor is the limited partner (LP).
- ▶ GPs raise distinct pools of capital every 3–4 years and LPs commit capital to those funds. The vehicles are typically known as Fund I, Fund II, Fund III, etc.
- ▶ Over time the GP draws down LP commitments and makes 10–30 investments into portfolio companies. The LP receives a capital call once the GP is ready to invest in a new company.
- ▶ After holding the companies for 3–5+ years, the GP exits through a sale or IPO. Once all portfolio companies are exited, the partnership liquidates. Therefore, LPs continually invest in new partnerships as older ones expire.

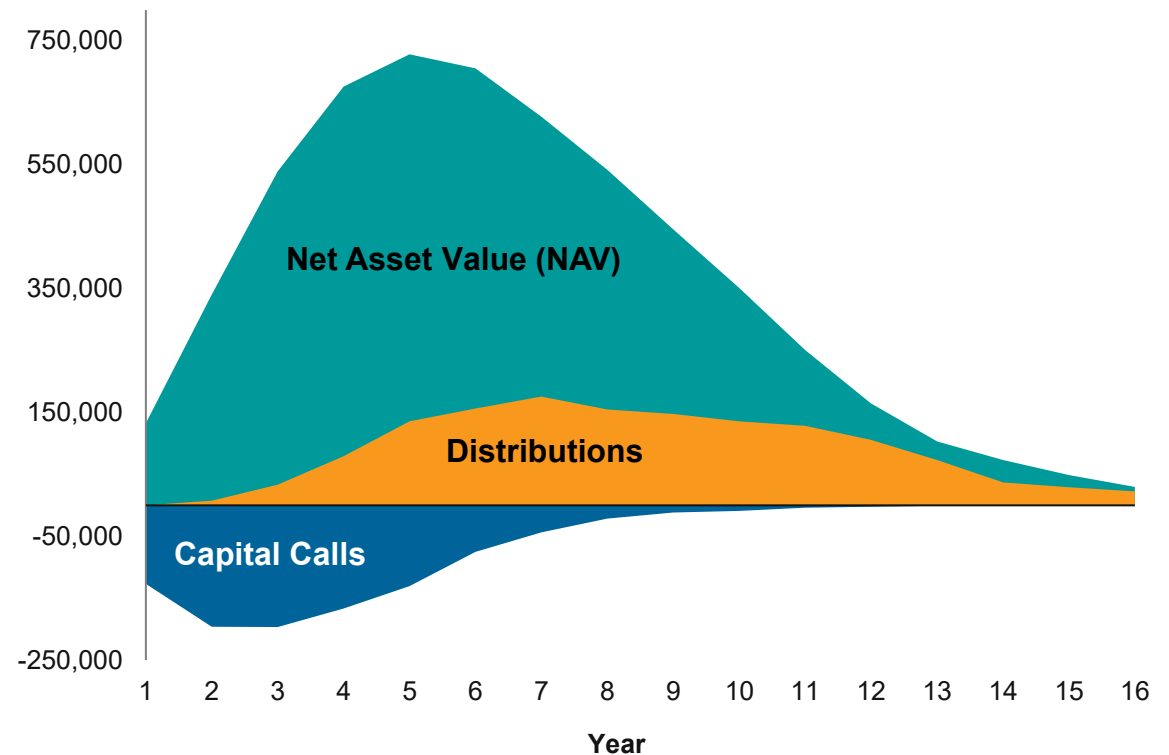


# Timeline of a Private Equity Fund

## A finite life

- ▶ The net asset value (NAV) builds as capital is called from LPs and invested.
- ▶ The NAV then declines as investments are sold (realized) and capital and earnings are distributed back to LPs.
- ▶ Funds can sometimes have an extended tail of holdings past the original end of the fund term if they are unable to sell the few remaining portfolio companies

Annual Cash Flows of a \$1 Million Commitment



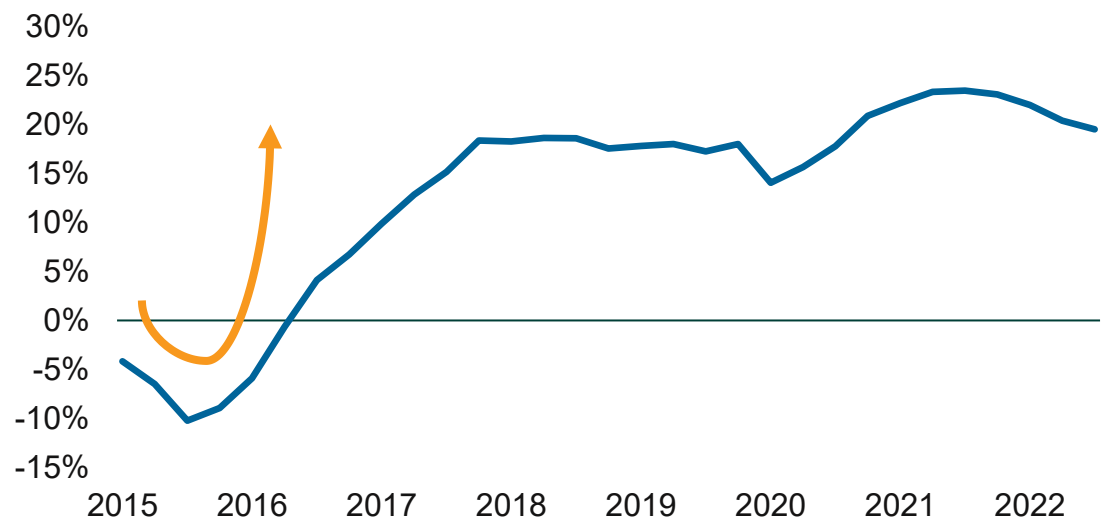
Source: Callan using Refinitiv/Cambridge Private Equity benchmark cash flows

# Private Equity's J-Curve Effect

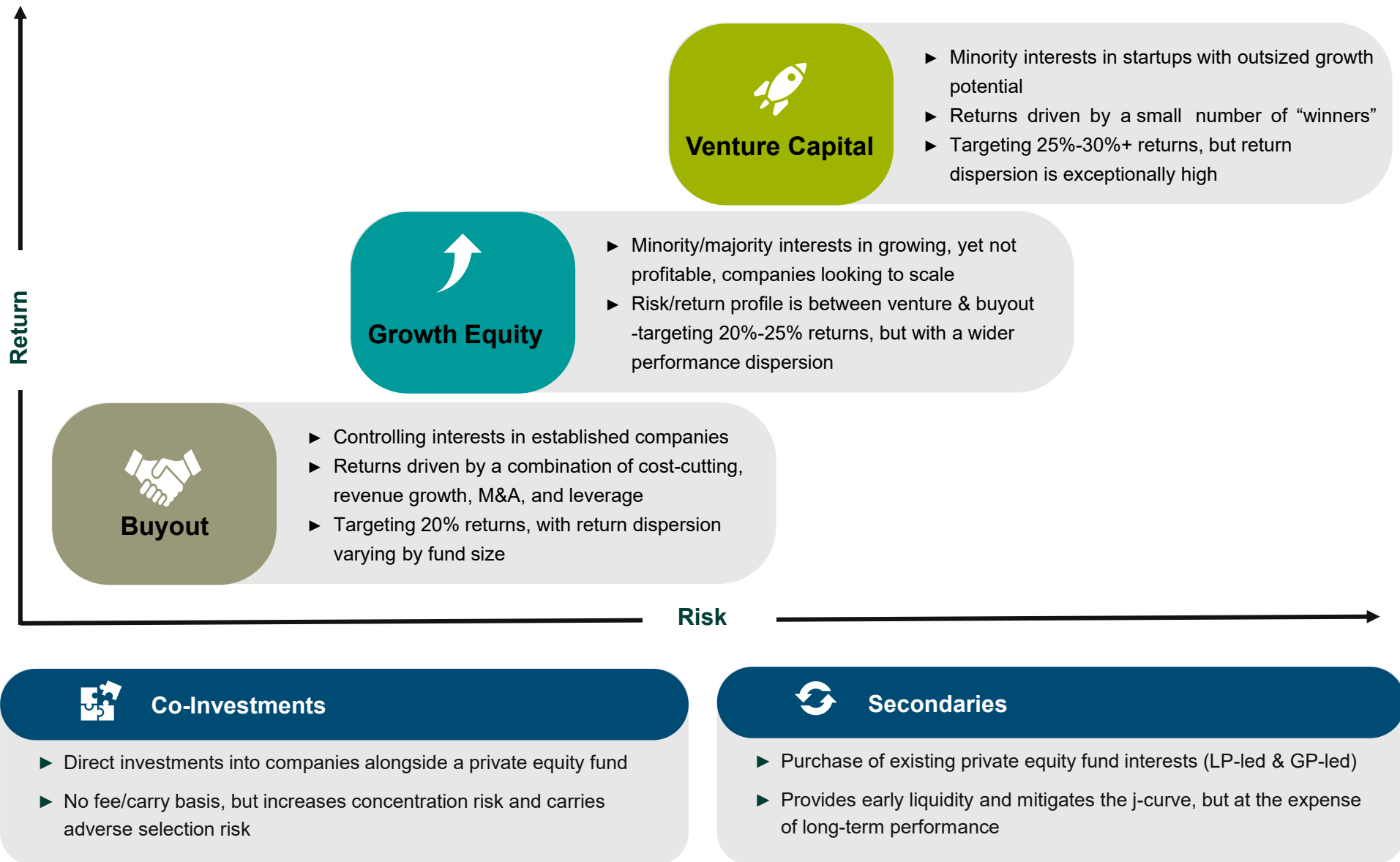
## Managing Through the J-Curve

- Returns are temporarily negative in the early years of a private equity fund's life, as the portfolio is invested and management fees are paid
- The IRR calculation is highly sensitive to cash flows early in the calculation period, so the first few years of a private equity fund are not considered meaningful
- A fund isn't considered "mature" until Year 4
- The initial negative returns are, hopefully, offset by higher returns over the long term
- Given the long-term nature of the asset class, it takes time for managers to generate value in their portfolio companies

Net IRR Example, showing J-Curve Effect



# Private Equity Strategy Types



# Private Equity Investment Challenges

|                                                   |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|---------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Illiquidity</b>                                | Capital locked up for 10-15+ years<br>Secondary market a liquidity option, but assets are sold at a discount                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Implementation</b>                             | Manager selection critical as mistakes are long-lasting and cannot be easily liquidated                                                                                                                                                                                                                                                                                                                                                                                            |
| <b>Fees</b>                                       | Management Fee (1.25%-2.5%) + Carried Interest (20% of profits) + Additional Partnership Expenses                                                                                                                                                                                                                                                                                                                                                                                  |
| <b>Performance Calculation &amp; Benchmarking</b> | Reliance on internal rate of return (IRR) and multiples of invested capital (e.g., total value / paid-in capital, or TVPI), rather than time-weighted returns (TWR) used for public equity<br>Data often lagged, creating a timing issue for reporting<br>No perfect benchmark exists; investors use a variety of methodologies (e.g., Russell 3000 + 2%). Performance data is only available in a small number of private equity databases, making peer group rankings difficult. |
| <b>J-Curve Effect</b>                             | Negative returns in the fund's early years as the portfolio is invested and developed<br>These are eventually offset by potentially outsized investment gains in the latter years                                                                                                                                                                                                                                                                                                  |
| <b>Program Complexity</b>                         | Investors cannot rebalance a private equity portfolio to move it closer to target<br>Requires annual commitment pacing to ensure investors meet and maintain private equity targets                                                                                                                                                                                                                                                                                                |

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## **Risk Mitigation Strategies**

## Pension Risk Offset Strategies

Risk mitigating strategies generally refer to investments intended to reduce total portfolio risk and provide diversification from growth-oriented assets, particularly equities.

**Goal:** Reduce losses during periods of equity market stress

**Opportunity cost:** Lower expected return (equity risk premium) over a full market cycle

Risk mitigation can take different forms depending on the intended objective/protection sought:

### Sharp Equity Selloff

**Investment Hedge Examples:**  
Long Treasuries, explicit / option-based protection

**Potential Benefit:** Reduced peak-to-trough drawdowns

### Prolonged Market Dislocation

**Investment Hedge Examples:**  
Systematic trend following, global macro hedge funds

**Potential Benefit:** Improved returns during prolonged bear markets

### Overall Volatility

**Investment Hedge Examples:**  
Market neutral hedge funds, alternative risk premia

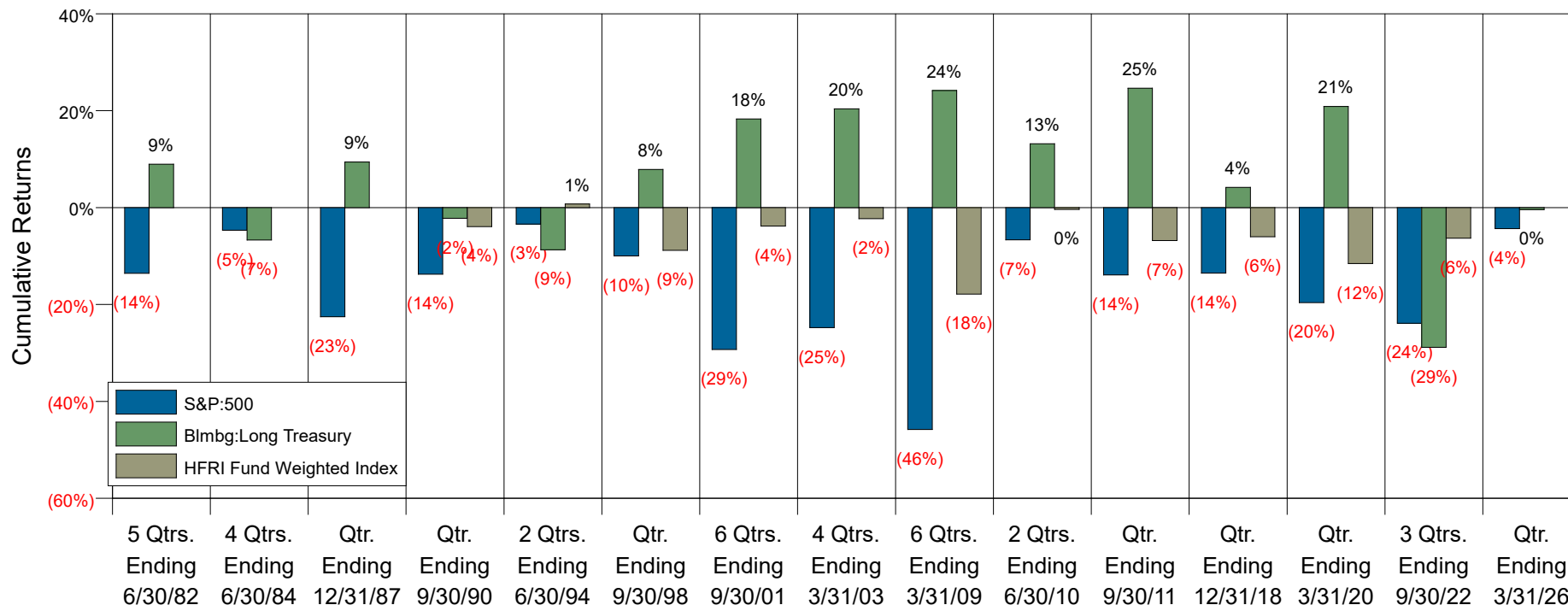
**Potential Benefit:** May smooth portfolio returns across different market environments

# Return Expectations & Declining Equity Environments

## 10 Year Forward Looking Return Expectations

| Asset Class       | Projected Return   |       | Projected Risk     |
|-------------------|--------------------|-------|--------------------|
|                   | 10-Year Geometric* | Real  | Standard Deviation |
| Broad U.S. Equity | 7.35%              | 4.85% | 17.35%             |
| Long Government   | 5.00%              | 2.50% | 13.80%             |
| Hedge Funds       | 5.70%              | 3.20% | 8.20%              |

## Historical Declining Equity Environments



\*Geometric returns are derived from arithmetic returns and the associated risk (standard deviation).

## Pension Risk Offset Strategies

No single strategy provides protection in every market environment.

| Market Environment                          | Long Treasuries                                 | Trend Following / Global Macro                                 | Diversifying Hedge Funds                                                   |
|---------------------------------------------|-------------------------------------------------|----------------------------------------------------------------|----------------------------------------------------------------------------|
| Sharp growth-driven selloff / falling rates | ✓✓                                              | ✓                                                              | ✓                                                                          |
| Prolonged / trending equity decline         | ✓                                               | ✓✓                                                             | ✓                                                                          |
| Inflation / rising rates                    | —                                               | ✓                                                              | ✓                                                                          |
| Strong equity market                        | Opportunity cost                                | May lag                                                        | May lag                                                                    |
| Liquidity                                   | High                                            | Generally high                                                 | Varies                                                                     |
| Key Limitations                             | Inflation and rising rates can pressure returns | Can struggle when markets reverse quickly or lack clear trends | Implementation risk (manager selection); fees and complexity can be higher |

# MCERA's Existing Fixed Income Allocation Plays a Risk Mitigation Role

MCERA currently targets 21% to Core U.S. Fixed Income

**21%**

**Core U.S.  
Fixed Income**

**4.75%Expected  
Return**

**4.45%Expected  
Risk**

## DIVERSIFICATION

Low expected correlation to MCERA's equity allocations.

0.1 correlation to both Broad U.S. Equity and Global ex-U.S. Equity

## DOWNSIDE PROTECTION

High-quality bonds may provide ballast during growth-driven equity selloffs.

Can help offset some of the portfolio's equity-driven volatility

## LIQUIDITY / REBALANCING

Liquid assets can provide a source of capital when risk assets decline.

Supports rebalancing without relying on sales of illiquid assets

## LIMITATION

Fixed income will not diversify every type of market shock.

Inflation and rising rates can pressure both stocks and bonds

## Some Peer Systems Include “Risk Mitigation Strategies”

Approaches vary considerably in both size and structure

|            |                                                                                                                                        |                                                                                                                                                                                                |                                                                                                                                                          |                                                                                                                                                                                              |  |
|------------|----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
|            | More targeted                                                                                                                          |                                                                                                                                                                                                |                                                                                                                                                          | Broader diversification                                                                                                                                                                      |  |
|            | San Joaquin                                                                                                                            | Merced                                                                                                                                                                                         | Stanislaus                                                                                                                                               | Sacramento                                                                                                                                                                                   |  |
| Allocation | 10%                                                                                                                                    | 5%                                                                                                                                                                                             | 19%                                                                                                                                                      | 25%                                                                                                                                                                                          |  |
| Approach   | Crisis Risk Offset                                                                                                                     | Hedge Funds                                                                                                                                                                                    | Risk-Diversifying Sub-Portfolio                                                                                                                          | Diversifying                                                                                                                                                                                 |  |
| Strategies | <ul style="list-style-type: none"> <li>Long Treasuries</li> <li>Systematic trend following</li> <li>Alternative risk premia</li> </ul> | <ul style="list-style-type: none"> <li>Market neutral</li> <li>Event driven</li> <li>Credit / distressed</li> <li>Equity long / short</li> <li>Global macro</li> <li>Multi-strategy</li> </ul> | <ul style="list-style-type: none"> <li>7–10 year Treasuries</li> <li>Short-duration TIPS</li> <li>Risk parity</li> <li>Liquid absolute return</li> </ul> | <ul style="list-style-type: none"> <li>7% Hedge Funds</li> <li>16% Fixed Income<sup>1</sup></li> </ul> <p><sup>1</sup> Fixed income composed of 75% Aggregate / 25% U.S. Treasury Index.</p> |  |

# Risk Mitigation Comes With Trade-Offs

Potential benefits and considerations of risk mitigation

| Potential Benefit | Portfolio Role                                                                            | Trade-off               | Consideration                                                                                                               |
|-------------------|-------------------------------------------------------------------------------------------|-------------------------|-----------------------------------------------------------------------------------------------------------------------------|
| DIVERSIFY         | Reduce reliance on equity risk and introduce different sources of return.                 | OPPORTUNITY COST        | May lag equities significantly during strong markets; lower expected returns than public equities over a full market cycle. |
| PROTECT           | Potentially limit losses or generate improved returns during periods of market stress.    | INCONSISTENT PROTECTION | No strategy works in every downturn; results vary by approach and market environment.                                       |
| REBALANCE         | Potential source of liquidity to rebalance into growth assets following a market decline. | COST / COMPLEXITY       | Some approaches can be expensive, complex, or experience extended periods of weak performance.                              |

## KEY QUESTIONS :

Does MCERA need greater protection from equity-driven risk—and what are you willing to give up for that protection?

Allocation size matters: How much are you willing to allocate and what constitutes a meaningful allocation?

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**Appendix**

## Peer Group

We compiled a peer group of California public pension plans with \$1–10 billion in assets to examine how similarly sized systems have implemented their private equity programs. Given their comparable regulatory environment, governance structure, and scale, these plans provide a useful benchmark for evaluating implementation models, staffing approaches, and use of external partners.

### CERL Plans ('37 Act County Systems)

| Official Plan Name                                   | AUM (\$)      | PE Allocation (%) |
|------------------------------------------------------|---------------|-------------------|
| Imperial County Employees' Retirement System         | 1,380,440,548 | 5%                |
| Merced County Employees' Retirement Association      | 1,442,293,376 | 15%               |
| Tulare County Employees' Retirement Association      | 2,347,140,411 | 9%                |
| Stanislaus County Employees' Retirement Association  | 3,315,231,858 | 5%                |
| Marin County Employees' Retirement Association       | 3,654,589,979 | 8%                |
| Sonoma County Employees' Retirement Association      | 4,274,326,000 | 0%                |
| San Joaquin County Employees' Retirement Association | 5,244,428,788 | 16%^              |
| Santa Barbara County Employees' Retirement System    | 5,002,423,218 | 10%               |
| Kern County Employees' Retirement Association        | 6,891,788,108 | 5%                |
| San Mateo County Employees' Retirement Association   | 7,141,375,017 | 7%                |
| Fresno County Employees' Retirement Association      | 7,852,637,940 | 8%                |
| Ventura County Employees' Retirement Association     | 9,915,882,466 | 18%               |

^ Aggressive Growth Allocation includes Opportunistic Real Estate

## Fund of Fund Use

The table below maps each peer plan's current private equity implementation model across three broad categories: fund of funds, hybrid, and direct. These categories reflect how each plan accesses private equity managers — whether through a pooled vehicle managed by an intermediary, through a combination of approaches, or through general partners.

| Official Plan Name                                   | Implementation Model | FoF Usage |
|------------------------------------------------------|----------------------|-----------|
| Imperial County Employees' Retirement System         | Fund of Funds        | Y         |
| Merced County Employees' Retirement Association      | Primary              | Y         |
| Tulare County Employees' Retirement Association      | Hybrid               | Y         |
| Stanislaus County Employees' Retirement Association  | Primary              | N         |
| Marin County Employees' Retirement Association       | Fund of Funds        | Y         |
| Sonoma County Employees' Retirement Association      | N/A                  | N/A       |
| San Joaquin County Employees' Retirement Association | Hybrid               | Y         |
| Santa Barbara County Employees' Retirement System    | Primary              | N         |
| Kern County Employees' Retirement Association        | Primary              | N         |
| San Mateo County Employees' Retirement Association   | Primary              | N         |
| Fresno County Employees' Retirement Association      | Primary              | Y         |
| Ventura County Employees' Retirement Association     | Primary              | Y         |

*\*Implementation model classifications reflect the predominant approach to private equity manager access at each plan.*

*Source: Pitchbook*

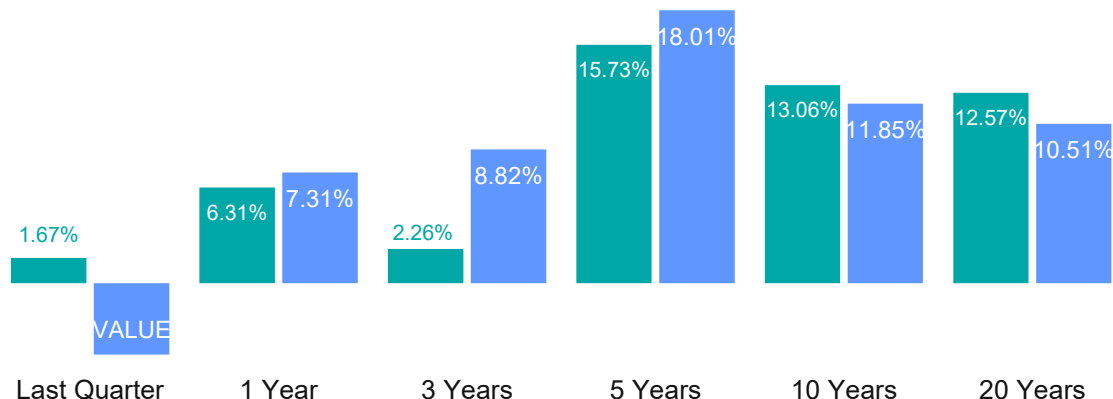
# Private Equity Trends

## Performance

- For the first time in six quarters, private equity outperformed public equity.
- Because private holdings are valued internally by managers, private equity returns are less prone to dramatic rises and falls.
- Private equity tends to underperform when public equity rises quickly, and it likewise does not drop as sharply when public equity drops.
- Over the 10-year and 20-year time horizons, private equity has outperformed by 1%-2%

## Net IRRs as of 3/31/25

■ Private Equity ■ Russell 3000 PME



## Net IRRs by Strategy as of 3/31/25

| Strategy                    | Last Quarter | 1 Year      | 3 Years     | 5 Years      | 10 Years     | 20 Years     |
|-----------------------------|--------------|-------------|-------------|--------------|--------------|--------------|
| Venture Capital             | 2.0%         | 4.8%        | -4.6%       | 15.1%        | 13.3%        | 12.2%        |
| Growth Equity               | 1.6%         | 7.8%        | 0.5%        | 14.8%        | 13.1%        | 13.2%        |
| Buyouts                     | 1.8%         | 6.7%        | 5.1%        | 17.0%        | 14.0%        | 13.2%        |
| Mezzanine                   | 2.1%         | 8.4%        | 8.0%        | 12.7%        | 10.7%        | 11.1%        |
| Credit Opportunities        | 1.3%         | 8.1%        | 6.9%        | 11.5%        | 7.9%         | 9.0%         |
| Control-Oriented Distressed | -0.2%        | 0.4%        | 2.2%        | 15.7%        | 10.3%        | 10.4%        |
| <b>Private Equity</b>       | <b>1.7%</b>  | <b>6.3%</b> | <b>2.3%</b> | <b>15.7%</b> | <b>13.0%</b> | <b>12.6%</b> |

Source: LSEG/Cambridge. PME: Public Market Equivalent

# Private Equity Trends

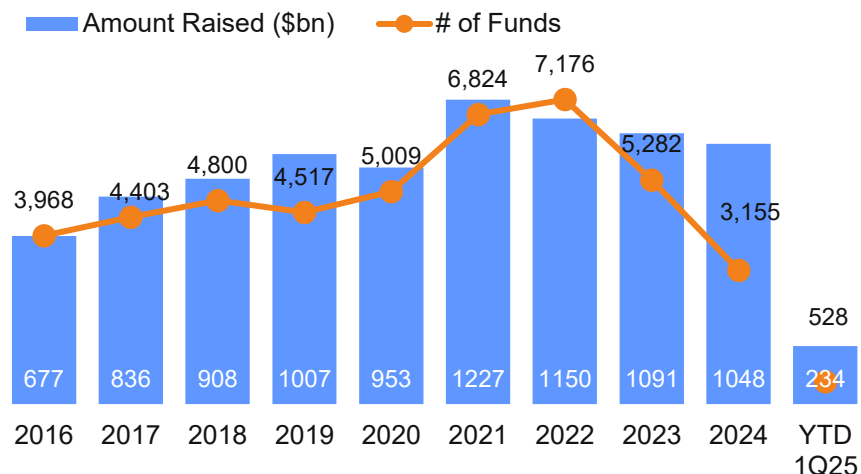
## Fundraising

- With the distribution drought of the last three years, 1Q25 fundraising continues at the same depressed levels of the prior year.
- While fundraising volume remains in line with recent quarters, capital has become ever more concentrated in the largest funds (e.g., Blackstone's flagship fund closed at \$21 billion this quarter).
- LPs continue to be selective with commitments, with limited capital available to put back into the asset class.

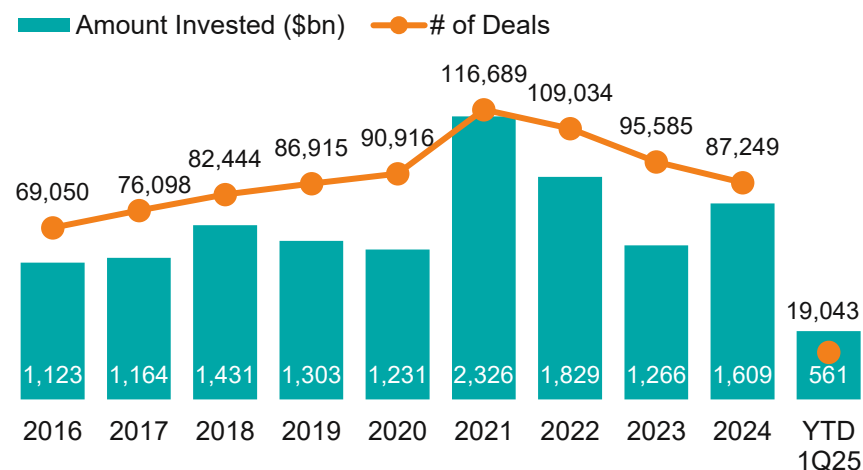
## Deal Activity

- 1Q25 deal volume continued the momentum gained in 4Q24, buoyed by expectations for more favorable market conditions under the new administration. This momentum was soon stifled in 2Q25 following Liberation Day and its resulting tariff fluctuations and macroeconomic uncertainty.
- From a longer-term perspective, overall deal activity is still above pre-pandemic levels by about a third, reflecting the broader growth of the asset class..

## Annual Fundraising



## Annual Deal Activity



Source: PitchBook

# Private Equity Fees

This chart shows sample private equity fees using a \$10 million commitment where the fund returns a 1.63x gross multiple of invested capital at the end of 15 years. Over this time period, the LP has paid \$1.5 million in management fees and nearly \$1 million in carried interest. Total fees charged averages 1.87% annually (as % of commitment).

Sample Private Equity Fees



# Benchmarking Best Practices

## Three benchmark methodologies

### Absolute Return

- ▶ Investor chooses a minimum absolute return hurdle (e.g., 10%) for a fund or program to be deemed successful
- ▶ Should be measured over the full life of the fund
- ▶ May vary by strategy type (buyout vs. venture capital)

### Peer Group Comparison

- ▶ Commonly used benchmarks include Refinitiv/Cambridge and Burgiss
- ▶ Partnerships classified by vintage year, strategy, industry sector, and geography
- ▶ Allows “apples -to-apples” comparison, yet significant flaws and biases still exist

### Public Markets Index + Premium

- ▶ Can be either a broad public benchmark (typically S&P 500, Russell 2000, or MSCI) or industry-specific (S&P Health Care)
- ▶ Most investors apply a spread (typically 200–300 bps) to reflect the expected illiquidity return premium
- ▶ Index can be used to create a PME (public market equivalent) benchmark to reflect opportunity cost vs. public markets

**Benchmark comparisons should be made on a “net-net” basis (net of all fees, expenses, and carried interest)**

## Private Markets Investment Return Metrics

|                                                 |                                                                                                                                                                                                                                                                                              |
|-------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| % Paid-In                                       | <b>Paid-In Capital</b> divided by <b>Committed Capital</b>                                                                                                                                                                                                                                   |
| <b>Total Value to Paid-In Capital</b> (TVPI)    | <b>Total Value</b> divided by since inception <b>Paid-In Capital</b>                                                                                                                                                                                                                         |
| <b>Distributions to Paid-In Capital</b> (DPI)   | <b>Distributions</b> divided by since inception <b>Paid-In Capital</b> , also referred to as the “realization multiple”                                                                                                                                                                      |
| <b>Residual Value to Paid-In Capital</b> (RVPI) | <b>Residual Value</b> divided by since inception <b>Paid-In Capital</b>                                                                                                                                                                                                                      |
| Internal Rate of Return (IRR)                   | The implied discount rate or effective compounded rate of return that equates the present value of cash outflows ( <b>Paid-In Capital</b> ) with the present value of cash inflows ( <b>Distributions</b> )                                                                                  |
| Public Market Equivalent (PME)                  | The performance of a public market index expressed in terms of an IRR, using the same cash flows and timing as those of the composite over the same time period. A PME can be used as a benchmark by comparing the IRR of a private markets composite with the PME of a public market index. |

## Return, Risk and Correlation

| Asset Class             | MCERA Target Weight | 2026 Expected Return* | 2026 Expected Risk |
|-------------------------|---------------------|-----------------------|--------------------|
| <b>Equities</b>         |                     |                       |                    |
| Broad US Equity         | 37%                 | 7.35%                 | 17.35%             |
| Global ex-US Equity     | 25%                 | 7.45%                 | 21.25%             |
| <b>Fixed Income</b>     |                     |                       |                    |
| Core US Fixed           | 21%                 | 4.75%                 | 4.45%              |
| <b>Alternatives</b>     |                     |                       |                    |
| Core Real Estate        | 11%                 | 6.25%                 | 14.00%             |
| Private Infrastructure  | 6%                  | 6.35%                 | 15.25%             |
| <b>MCERA Total Fund</b> |                     | 7.10%                 | 12.40%             |

| Asset Class Correlations |                 |                     |               |                  |               |
|--------------------------|-----------------|---------------------|---------------|------------------|---------------|
| Broad US Equity          | 1.0             |                     |               |                  |               |
| Global ex-US Equity      | 0.8             | 1.0                 |               |                  |               |
| Core US Fixed            | 0.1             | 0.1                 | 1.0           |                  |               |
| Core Real Estate         | 0.4             | 0.3                 | 0.2           | 1.0              |               |
| Private Infrastructure   | 0.5             | 0.5                 | 0.2           | 0.7              | 1.0           |
|                          | Broad US Equity | Global ex-US Equity | Core US Fixed | Core Real Estate | Private Infra |

\*Geometric returns are derived from arithmetic returns and the associated risk (standard deviation).

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Callan does not provide holdings-level monitoring for client portfolios and does not evaluate the appropriateness, risk or characteristics of individual holdings in client portfolios.

Callan's performance measurement service may report on illiquid asset classes, including, but not limited to, private real estate, private equity, private credit, hedge funds and infrastructure. The final valuation reports, which Callan receives from third parties, for of these types of asset classes may not be available at the time a Callan performance report is issued. As a result, the estimated returns and market values reported for these illiquid asset classes, as well as for any composites including these illiquid asset classes, including any total fund composite prepared, may not reflect final data, and therefore may be subject to revision in future quarters.

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## Important Disclosures (continued)

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Past performance is no guarantee of future results. Investing involves risk, including possible loss of principal.

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# About Callan

Callan was founded as an employee-owned investment consulting firm in 1973. Ever since, we have empowered institutional investors with creative, customized investment solutions backed by proprietary research, exclusive data, and ongoing education. Today, Callan provides advisory services to institutional investor clients with more than \$4 trillion in total assets, which makes it among the largest independently owned investment consulting firms in the U.S. Callan uses a client-focused consulting model to serve pension and defined contribution plan sponsors, endowments, foundations, independent investment advisers, investment managers, and other asset owners. Callan has six offices throughout the U.S. For more information, please visit [www.callan.com](http://www.callan.com).



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