



Supplemental Retirement Board of Trustees

BNY Mellon Custodian Contract

May 28, 2020



North Carolina
Total Retirement Plans
401k | 457 | 403b



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Background on BNY Mellon as SRP's Custodian

- Custodian for NC 401(k)/NC 457 Plans since January 1, 2016
- Excludes NC Stable Value Fund
- Selected pursuant to an RFP as part of unbundling
- Contract term: Five years (through December 31, 2020)

Background on BNY Mellon as SRP's Custodian

Core Services

- Custody of separate account assets
- Daily NAV for investment options
- Trade processing and quarterly rebalancing
- Coordination with recordkeeper (e.g., participant flows, transmission of NAVs) and investment managers

Additional Services

- Reporting: Accounting, performance, reconciliation
- Foreign market account opening and tax filing
- Foreign exchange

Current Issues

- Contract renewal
 - SRP has three, one-year renewal options
 - Recommendation from staff at the August meeting
- Amendment regarding enhanced performance guarantees