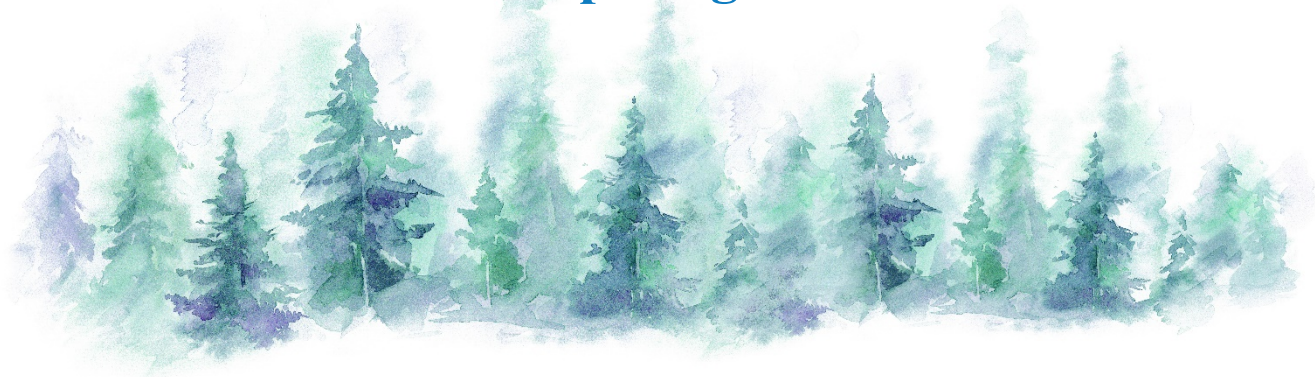




MINNESOTA STATE
BOARD OF INVESTMENT

Non-Retirement Funds

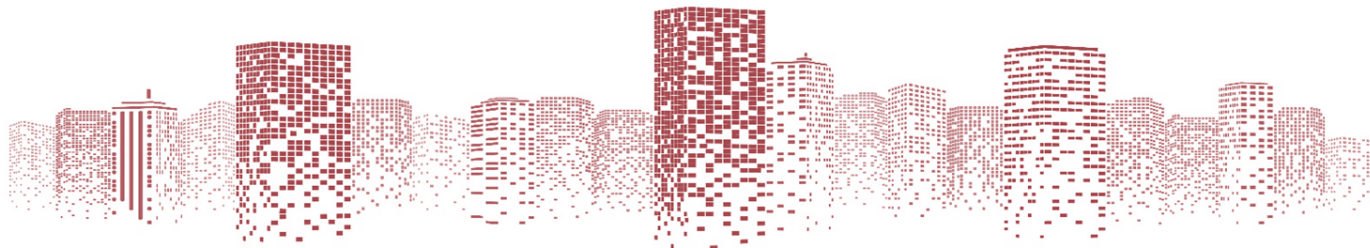
Trusts and Other Participating Entities



Other Postemployment Benefits (OPEB)



Qualifying Governmental Entities



July 1, 2021 Investment Prospectus

Managed by the Minnesota State Board of Investment

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Non-Retirement Funds

Investment Prospectus

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Letter from the SBI Executive Director / Chief Investment Officer



Board Members:

Governor Tim Walz, Chair
State Auditor Julie Blaha
Secretary of State Steve Simon
Attorney General Keith Ellison

Executive Director & Chief Investment Officer:
Mansco Perry III

Minnesota State Board of Investment

60 Empire Drive, Suite 355
St. Paul, MN 55103
Phone: (651) 296-3328
Fax: (651) 296-9572

Email: minn.sbi@state.mn.us

Website: <https://mn.gov/sbi/>

An Equal Opportunity Employer

July 1, 2021

I am pleased to present to you the Non-Retirement Funds Prospectus and Annual Report for Trusts and Other Participating Entities, Other Postemployment Benefits (OPEB), and Qualifying Governmental Entities for the fiscal year ended June 30, 2021. Information presented in this Prospectus provides you with general descriptions, performance, and fees for the investment options offered by the Minnesota State Board of Investment (SBI).

The global equity markets recovered during the fiscal year with the S&P 500 gaining +40.8%. The continued advancement of mass vaccination efforts across the globe has resulted in economic re-opening and provided a dramatic uptick in inflation as consumer demand for goods and services surged and businesses hired back workers at a rapid clip. Within the U.S. bond market, the Bloomberg Barclays U.S. Aggregate declined for the year with a -0.3% return. At its June Federal Open Market Committee (FOMC) meeting FOMC members acknowledged the risks of higher-than-expected inflation and reassured markets that it was prepared to act to taper its asset purchases and, ultimately, to hike rates as warranted by incoming data.

In general, economic and market conditions have a dominant influence on the returns available to any investor. As an investor in the Minnesota Non-Retirement Funds, or any other investment program, you should be prepared for periods in which the returns on financial investments may be low, or even negative. You should be aware that this possibility is much greater for accounts that emphasize relatively risky, higher return assets such as common stocks, than it is for more conservative investments such as money market instruments.

With these considerations in mind, the Minnesota State Board of Investment manages the Non-Retirement Funds to provide competitive long-term returns. I encourage you to carefully review each of the accounts available to you and to choose those options that meet your own investment needs and risk and return objectives.

On behalf of the Board Members, members of the Investment Advisory Council and the SBI staff, I would like to express our gratitude to you for your continued support and participation in the investment funds presented in this Prospectus. If you have any questions regarding the investment policies and procedures presented herein, please contact the Minnesota State Board of Investment at 60 Empire Drive, Suite 355, St. Paul, MN 55103-3555, (651) 296-3328, or via e-mail at minn.sbi@state.mn.us.

Respectfully submitted,

A handwritten signature in black ink, reading "Mansco Perry III". The signature is written in a cursive, flowing style.

Mansco Perry III
Executive Director and Chief Investment Officer
Minnesota State Board of Investment

Non-Retirement Funds

Introduction

The Minnesota State Board of Investment (SBI) has established three Non-Retirement investment options for non-retirement entities authorized to invest with the SBI. All or some of the investment options are available to designated trust funds, local Other Postemployment Benefits (OPEB), Qualifying Governmental Entities, and other state and public sector entities to help facilitate the achievement of its investment objectives. The three investment options are a U.S. equity index fund, a U.S. bond fund, and a money market fund.

Listed below are the non-retirement entities authorized to invest in the SBI's Non-Retirement Funds and the respective pages of this Prospectus that are specific to the designated entity:

- **Trust and Other Participating Entities**

- This Prospectus provides information and procedures to all non-retirement participating entities authorized to invest with the SBI that are not covered by *Minnesota Statutes*, Sections [118A.09](#) or [471.6175](#). These entities generally include designated trusts or funds and other state and public sector entities.
- All Trust and Other Participating Entities authorized to invest with the SBI, please refer to the **procedures on pages 9-10** for information on how to invest in the three investment options that are available.

- **Other Postemployment Benefits (OPEB)**

- This Prospectus provides information and procedures specific to those participating non-retirement entities authorized to invest with the SBI pursuant to the provisions of *Minnesota Statutes*, Section [471.6175](#). These entities are those political subdivisions or other public entities authorized to establish a trust for the payment of postemployment benefits that meet the criteria provided within the statute.
- All OPEBs authorized to invest with the SBI, please refer to the **procedures on page 11** for information on how to invest in the three investment options that are available.

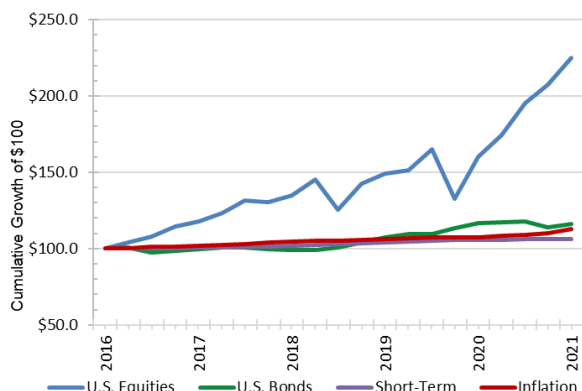
- **Qualifying Governmental Entities**

- This Prospectus provides information and procedures specific to those participating non-retirement entities authorized to invest with the SBI pursuant to the provisions of *Minnesota Statutes*, Section [118A.09](#). These entities are primarily counties and cities who meet the criteria provided within the statute. The statute also authorizes certain self-insurance pools to invest with the SBI as prescribed in the statute.
- All Qualifying Governmental Entities authorized to invest with the SBI, please refer to the **procedures on page 12** for information on how to invest in the Non-Retirement Equity Fund, which is the one investment option available to Qualifying Governmental Entities.

Please ensure that you refer to the appropriate section of this Prospectus for your organization. In some cases, your organization may have more than one type of non-retirement account with the Minnesota State Board of Investment.

The Capital Market Year in Review

Cumulative Growth of \$100 Last Five Fiscal Years Ending June 30



Performance of Capital Markets Last Five Fiscal Years Ending June 30

Asset Class/Benchmark	Fiscal Year Ending				
	2021	2020	2019	2018	2017
U.S. Equities					
S&P 500	40.8%	7.5%	10.4%	14.4%	17.6%
U.S. Bonds					
BB Barclays U.S. Aggregate	-0.3	8.7	7.9	-0.4	-0.3
Short Term Investments					
ICE BofA 3-Month Treasury Bill	0.1	1.6	2.3	1.4	0.5
Inflation Rate					
Consumer Price Index CPI-U	5.3	0.7	1.7	2.8	1.7

Fiscal Year 2021 in Review

Market Summary and Performance

The **U.S. equity** market, as measured by the S&P 500 Index, increased 40.8% for fiscal year ending June 30, 2021. Within the S&P 500, the Financials sector was the highest performing sector with a 61.8% return, while Utilities was the lowest performing sector with a 15.8% return.

The **U.S. bond** market, as measured by the Bloomberg Barclays U.S. Aggregate Bond Index, returned -0.3% for the fiscal year ending June 30, 2021. Within the bond market, corporates and credit in general performed relatively well with a +3.3% return via the Bloomberg Credit sector index, while U.S. Treasuries lagged with a -3.2% return.

Non-Retirement Fund Investment Options Returns

The **Non-Retirement Equity Fund** return tracked its benchmark, the S&P 500 Index, for the year ending June 30, 2021. The five year annualized return ending June 30, 2021 was 17.6%.

Performance Ending 6/30/21	1 Yr.
Non-Retirement Equity Fund	40.8%
S&P 500	40.8%

The **Non-Retirement Bond Fund** outperformed its benchmark, the Bloomberg Barclays U.S. Aggregate Bond Index for the year ending June 30, 2021. The five year annualized return ending June 30, 2021 was 3.6%.

Performance Ending 6/30/21	1 Yr.
Non-Retirement Bond Fund	1.20%
Bloomberg Barclays U.S. Aggregate	-0.30%

The **Non-Retirement Money Market Fund** outperformed its benchmark for the year ending June 30, 2021. The five year annualized return ending June 30, 2021 was 1.2%

Performance Ending 6/30/21	1 Yr.
Non-Retirement Money Market Fund	0.1%
iMoneyNet Money Fund Average All Taxable	0.0%

Special Note Regarding Your Individual Account Performance

The actual performance of your investments in the Non-Retirement Funds may be somewhat higher or lower than the reported fund performance due to the timing of contributions and withdrawals within your account. Note that performance calculations may also differ due to rounding.

Non-Retirement Funds

Overview

Investment Platform

The Minnesota State Board of Investment (SBI) established the Non-Retirement Funds to provide certain Minnesota public sector entities the opportunity to invest in a U.S. equity fund, a U.S. bond fund, or a money market fund to facilitate the achievement of its investment objectives. The funds are available to those non-retirement entities that are authorized to invest in these asset classes with the SBI. Currently, all or some of these options are available to designated trust funds, local Other Postemployment Benefits (OPEB), Qualifying Governmental Entities, and other state and public sector entities. Participants may allocate their investments among one or more funds that are appropriate for their needs and are within the rules and eligibility established for the participating entity.

Investment Options

There are a total of three investment options and each one offers different advantages and risks. Investment options for the Non-Retirement Funds are explained in more detail on pages 5-7. As of June 30, 2021, participating plans invested a total of \$4.9 billion with these Funds.

Investment Options	Assets as of 6/30/2021
Non-Retirement Equity Fund	\$ 3,236,416,125
Non-Retirement Bond Fund	\$ 1,564,709,781
Non-Retirement Money Market Fund	\$ 97,134,643
Total Non-Retirement Fund Assets	\$ 4,898,260,549

Pricing of the Non-Retirement Fund

Share values in each non-retirement fund are priced on a daily basis. Contributions, withdrawals or transfers of any funds may occur on any business day during the month.

Asset Allocation

Each of the Non Retirement investment funds are managed to a public market asset class target. The investment objectives for each fund is specific to the asset group to which it invests. The variety of options have been designed to give the participating entity flexibility to use one or more funds in designing an investment portfolio that reflects the participating entity's personal investment needs and objectives.

It is not the intent of the SBI to advise entities regarding their choice among funds unless required in statute. This information is provided solely as an aid in selecting the most appropriate types of investments for an entities particular circumstances.

Selection of Investment Options

Guidelines vary among entities with regard to allowable investment funds. Each participating entity will need to contact their trust/account administrator for more specific information.

Securities Owned by the Fund

A listing is not provided in this Prospectus due to the large number of holdings owned in each of the funds. Please contact the SBI if you would like a complete list of holdings or you can access the list on the [SBI's website](#).

Account and/or Administrative Fee Inquires

Any questions about your account should be directed to the appropriate trust/account administrator or reporting agency identified on the **page 8**. Your trust/account administrator or reporting agency has the authority to deduct a fee for administrative expenses after fund share values have been calculated. Participating entities should contact their trust/account administrator or reporting agency for more information regarding trust/account administrative expenses.

Investment Options/Risk Spectrum

	<u>Fund Name</u>	<u>Asset Type</u>	<u>Management Approach</u>
Higher Risk	Non-Retirement Equity Fund	U.S. equities	Passive management
	Non-Retirement Bond Fund	Fixed Income	Active management
Lower Risk	Non-Retirement Money Market Fund	Short-term securities	Active management

Over the long run, higher-risk assets are expected to provide higher investment returns than lower-risk assets. However, there is no guarantee that any investment will not suffer a loss of principal.

Investment Option – Non-Retirement Equity Fund

The **Non-Retirement Equity Fund** market value as of June 30, 2021 is over \$3.2 billion in assets. The objective of the fund is to generate returns that track the returns of the S&P 500 Index. The fund invests in 500 large-cap stocks and is designed to replicate the returns produced by the S&P 500. The S&P 500 is a stock market index that reflects U.S. large-cap stocks. The fund is **invested in U.S. equities**.

Entities Authorized to Invest

- Trusts and Other Participating Entities
- Other Postemployment Benefits (OPEB)
- Qualifying Governmental Entities

Objectives

This option will be attractive to you if you believe that, over time, stocks will provide higher returns than other investments. You should note, however, that the Non-Retirement Equity Fund is passively managed. This means that no attempt is made to identify specific stocks that will perform better than others. Instead, the fund is designed to perform in line with the U.S. large-cap stocks.

The returns from the fund will rise and fall directly with movement in the stock market. As with all options that use common stocks, you must be willing to accept returns that vary widely in the short-term. In the long-term, the fund should average higher returns than you could obtain by placing your contributions in a fixed income or money market type fund.

Investment Management

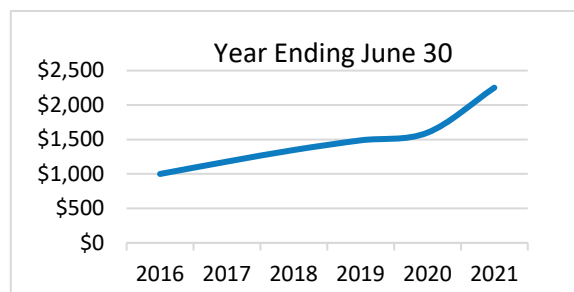
The Non-Retirement Equity Fund is managed by Mellon Corporation.

Valuation

You own shares in the fund, much like you would in a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any dividend income is reinvested in the fund at the time it is earned. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to just under \$2,252.



The table below displays the fund's returns for the last five fiscal years. The annualized (annual compounded) return during this five year period was 17.6%.

Fiscal Year Ending June 30		
Year	Share Value	Return(%)
2017	\$51.37	17.9
2018	57.60	14.3
2019	62.31	10.4
2020	65.66	7.5
2021	91.01	40.8

Fund Expenses

The rate of return for this fund is calculated after investment management fees are paid but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.004%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.01% or approximately \$0.10 per \$1,000 invested.

Fund Statistics and Top Equity Holdings

Risk Return Statistics as of June 30, 2021		
	3 Yrs.	5 Yrs.
Portfolio Return (%)	18.7	17.6
Benchmark ¹ Return (%)	18.7	17.6
Excess Return (%)	0.0	0.0
Portfolio Standard Deviation ²	18.5	15.0
Benchmark ¹ Standard Deviation ²	18.5	15.0
¹ Benchmark is the S&P 500.		
² Standard deviation is a measure of portfolio's rates of return volatility.		

Top 5 Holdings	
Security Name	Portfolio Weight
Apple Inc.	5.9%
Microsoft Corp.	5.6%
Amazon.com Inc.	4.1%
Facebook Inc. Class A	2.3%
Alphabet Inc. Class A	2.0%

Investment Option – Non-Retirement Bond Fund

The **Non-Retirement Bond Fund** market value as of June 30, 2021 was just under \$1.6 billion in assets. The objective of this fund is to invest in fixed income securities (bonds) to generate returns from interest income and capital appreciation.

Interest income and capital appreciation (increases in the market value of the assets) are the sources of returns for the fund. The fund invests the large majority of its assets in high quality government, corporate bonds and mortgage securities that have intermediate to long-term maturities, usually 3 to 20 years. The manager of the fund also may attempt to earn returns by anticipating changes in interest rates and adjusting bond holdings accordingly.

The fund is invested entirely in fixed income securities. No stocks are held in the fund. Cash reserves may fluctuate over time depending on the investment managers economic forecast.

Entities Authorized to Invest

- Trusts and Other Participating Entities
- Other Postemployment Benefits (OPEB)

Objectives

The Non-Retirement Bond Fund is a moderately conservative investment option. It will be attractive if you want an investment option that avoids common stocks, but you also want the potential for greater returns than you can obtain from money market type funds. Bonds serve as an important diversifier as well, helping to manage portfolio risk.

The returns from the fund generally will move in the opposite direction of interest rate changes. You must be willing to assume some risk with your investment, because the fund could report losses in periods when interest rates are rising or during periods of economic stress.

Investment Management

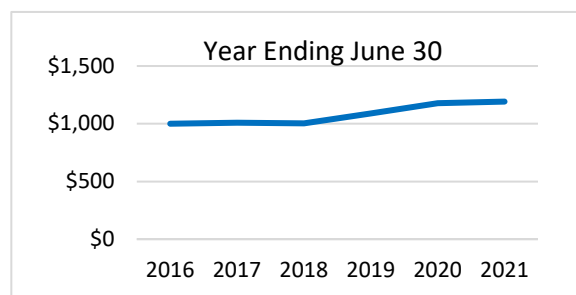
The Non-Retirement Bond Fund is managed by Prudential Global Investment Management.

Valuation

You own shares in the fund, much like you would in a mutual fund. The share value is determined daily and is based on the market value of the entire fund. Any interest earnings are reinvested at the time they are received. Your investment returns are measured by changes in the share value and reflect all realized and unrealized gains (or losses) generated by the fund.

Investment Performance

The graph below shows how \$1,000 invested in the fund on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to \$1,191.



The table below displays the fund's actual share values and returns for the last five fiscal years. The five year annualized return for fiscal year ended June 30, 2021 was 3.6%.

Fiscal Year Ending June 30		
Year	Share Value	Return(%)
2017	\$1,106.95	0.8
2018	1,070.74	-0.4
2019	1,124.30	8.4
2020	1,180.17	8.2
2021	1,164.56	1.2

Fund Expenses

The rate of return for this fund is calculated after investment management fees are deducted but before administrative fees. As of June 30, 2021, the annual investment management fee was 0.10%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.10% or \$1.02 per \$1,000 invested.

Characteristics and Sector Weights

Characteristics as of June 30, 2021		
Characteristics	Bond Fund	BBG Barclays U.S. Agg
Effective Duration (yrs) ¹	6.8	6.7
Coupon Rate ²	3.1	2.7
Effective Yield ³	1.7	1.5
Average Quality Rating ⁴	Aa3	Aa2

¹The avg % change in the portfolio return given a 1% shift in yield curve.
²The avg coupon rate of all bonds in portfolio weighted by mkt value.
³The annual internal rate of return on the bonds if held to maturity-- assumes compounded reinvestment of coupon using coupon rate.
⁴Moody's credit rating for all bonds in portfolio weighted by mkt value.

Top 5 Sector Weights		
Sector	Bond Fund	BBG Barclays U.S. Agg
Investment Grade Corporates	32%	26%
U.S. Government	23%	38%
Mortgages	20%	27%
CMBS	16%	2%
Municipals	2%	1%

Investment Option – Non-Retirement Money Market Fund

The return in the **Non-Retirement Money Market Fund** is based on the interest income produced by the fund's investments. The objective of the fund is to provide safety of principal by investing in high-quality, short-term instruments. As of June 30, 2021, the market value of the fund is approximately \$97 million.

Unlike the funds described earlier, the Non-Retirement Money Market Fund does not own stocks or long-term bonds. The fund is **invested in short-term, high-quality money market instruments**.

Entities Authorized to Invest

- Trusts and Other Participating Entities
- Other Postemployment Benefits (OPEB)

Objectives

The Non-Retirement Money Market Fund is a conservative investment option. You would choose the fund if you want to maintain the value of your original investment while earning competitive short-term interest rates. The returns from the fund will vary much less than investments that include stocks or bonds and should closely follow the rise and fall in short-term interest rates.

While a Non-Retirement Money Market Fund's objective generally includes the preservation of capital, it is possible to lose money by investing in the fund.

Investment Management

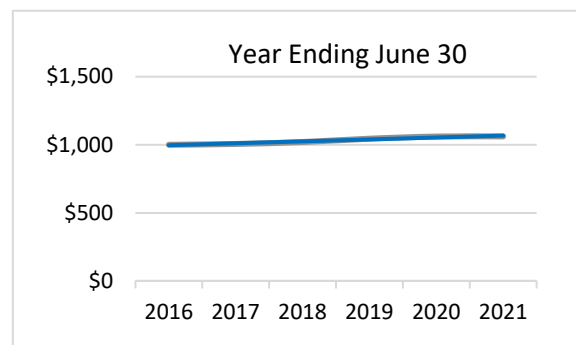
The Non-Retirement Money Market Fund is managed by State Street Global Advisors, the organization that provides short-term investment management for a substantial portion of the SBI's cash reserves.

Valuation

The share value for the Non-Retirement Money Market Fund is uniformly priced at \$1.00 per share. There is no assurance that the portfolio will be able to maintain a stable net asset value of \$1.00 per share. Interest earnings are credited on a daily basis by purchasing additional shares on your behalf. The credited interest rate changes only modestly from day to day and reflects the yield available for all investments in the fund.

Investment Performance

The graph below shows how \$1,000 invested on June 30, 2016 has grown. Cumulatively, \$1,000 would have grown to \$1,061.



The table below displays the fund's actual returns for the last five years. The annualized (annual compounded) return during this five year period was 1.2%.

Fiscal Year Ending June 30	
Year	Return (%)
2017	0.6
2018	1.4
2019	2.4
2020	1.5
2021	0.1

Fund Expenses

The rate of return for this fund is calculated after investment manager fees but before administrative fees are deducted. As of June 30, 2021, the annual investment management fee was 0.02%. With the 0.006% administrative fee the annual total fund expense for FY21 was 0.02% or \$0.23 per \$1,000 invested.

Characteristics and Sector Weights

Portfolio Characteristics as of June 30, 2021	
Annual Effective Yield	0.08%
Weighted Average Maturity (in days)	45.7

Top Sector Weights	
Sectors	Weight
Government Related	43.7%
Asset Backed Commercial Paper	19.8%
Repurchase Agreements	17.2%
Commercial Paper	12.4%
Certificate of Deposit	7.0%

Investing in the Non-Retirement Funds

Trusts and Other Participating Entities

If you are a Trust / Other Participating Entity that is authorized to invest with the State Board of Investment, please refer to the **procedures on page 9-10** for information on how to invest in the Non-Retirement Funds.

Account Administrator
Respective State Agency

Reporting Agency
Minnesota State Board of Investment (SBI)
<http://mn.gov/sbi>
60 Empire Drive, Suite 355
St. Paul, MN 55103-3555
(651) 296-3328

Investment Options Available to Trusts/Other Participating Entities

- Non-Retirement Equity Fund
- Non-Retirement Bond Fund
- Non-Retirement Money Market Fund

Other Postemployment Benefits (OPEB)

If you are an OPEB that is authorized to invest with the State Board of Investment, please refer to the **procedures on page 11** for information on how to invest in the Non-Retirement Funds.

Trust Administrator
Public Employees Retirement Association (PERA)
www.mnpera.org
60 Empire Drive, Suite 200
St. Paul, MN 55103-2088
(651) 296-7460

Reporting Agency
Minnesota State Board of Investment (SBI)
<http://mn.gov/sbi>
60 Empire Drive, Suite 355
St. Paul, MN 55103-3555
(651) 296-3328

Investment Options Available to OPEBs

- Non-Retirement Equity Fund
- Non-Retirement Bond Fund
- Non-Retirement Money Market Fund

Qualifying Governmental Entities

If you are a Qualifying Governmental Entity that is authorized to invest with the State Board of Investment, please refer to the **procedures on page 12** for information on how to invest in the Non-Retirement Equity Fund.

Account Administrator
Public Employees Retirement Association (PERA)
www.mnpera.org
60 Empire Drive, Suite 200
St. Paul, MN 55103-2088
(651) 296-7460

Reporting Agency
Minnesota State Board of Investment (SBI)
<https://mn.gov/sbi>
60 Empire Drive, Suite 355
St. Paul, MN 55103-3555
(651) 296-3328

Investment Option Available to Qualifying Governmental Entities

- Non-Retirement Equity Fund

Trusts and Other Participating Entities¹

Procedures

Trusts/Other Participating Entities, who wish to invest in the Non-Retirement Funds, need to follow their individual statute in determining the amount invested in any eligible fund(s). (See *Minnesota Statutes*, specific to your Trust or Entity)

How To Open A Plan Account With The SBI

When purchasing shares in the Fund for the first time, the entity must complete the **Trusts and Other Participating Entities Contact Form**, the **Trusts Wire Instructions Form** and return them to the SBI. (All the forms referenced in this procedure can be downloaded from the [SBI website](#) or by contacting the SBI via telephone or e-mail.)

- The **Contact Form** provides the SBI with the permanent address of the Plan and the name, telephone number and email of the contact person for the Plan.

Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the contact person at the email address provided.

SBI will email credentials and instructions about activating and using the access and transaction website within five business days of receiving the Contact Form.

- The **Wire Instructions Form** provides the SBI with the name of the financial institution and wire instructions that will be used for all withdrawals.

All withdrawals from the account will be sent to the named financial institution via the wire instructions provided. The SBI cannot issue checks for any withdrawals.

The wire instruction form must be notarized before returning to SBI.

Investment Option

Non-Retirement Equity Fund
Non-Retirement Bond Fund
Non-Retirement Money Market Fund

Your investment in the Funds should be viewed as a long-term investment. Investments carry a risk of loss, and the participating entity is responsible for determining its risk tolerance and investing accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your trust account with the SBI is not intended for maintaining operating or short-term funds.

Investments with the State Board of Investment are subject to the policies and procedures established by the State Board of Investment.

Contribution, Withdrawal And Transfer Procedures

An entity may contribute, withdraw or transfer funds on any business day of the month using one of two methods:

- **Mail/Email**

Complete the **Transaction Form**.

- The form instructs the SBI what transaction to perform, the Fund(s) involved, the dollar amount of the transaction and whether a check or wire transfer will be used.
- **The contact person for your entity must sign the form and send it to the SBI before 2:00 PM CST five-business day prior to having the funds wired (no same day trades are allowed).**

- **Online**

Enter your Trades online.

- If you wish to use this method, you must first have completed and sent to the SBI the Contact Form and the Wire Instructions Form.
- Once the forms are received and approved, the SBI will instruct you on access to the system. **This could take up to five business days to process.**

If an online trade is for one million dollars or greater, you must notify the SBI prior to entering the trade (for internal control purposes).

Trusts and Other Participating Entities¹ (Cont.)

Contributions	
<p>Contributions via Wire Transfer</p> <p>Contributions must be made via wire and all participating entities must give the SBI four business days advance notice for contributions:</p> <ul style="list-style-type: none"> If you instruct the SBI to process a contribution that was wired to the SBI's custodian bank, you must notify the SBI on the Transaction Form of the exact date the wire contribution will be sent from the Entity's financial institution to the SBI's custodian (State Street Bank) using the wire instructions below. If you process an online contribution using website access, you must make the contribution via wire transfer using the wire instructions provided. 	<p>Wire Instructions To State Street Bank</p> <p>State Street/Boston/Public Funds for the State of Minnesota Credit GP31 Credit DDA #59845743 ATTN: Matthew Terlaje ABA #0110 000 28 Corporate Headquarters One Heritage Drive 3rd Floor N Quincy, MA 02171</p>
Withdrawals	
<ul style="list-style-type: none"> The SBI will return withdrawn amounts to the entity only by means of a wire transfer. Withdrawals will be sent to the financial institution via your entity's wire instructions on file with the SBI. The SBI will need a minimum of four business days' notice for any withdrawals. 	
Fees	
<p>Administrative Fees</p> <p>Administrative fees are deducted by the SBI on a quarterly basis using the order below.</p> <p>First: Non-Retirement Money Market Fund Second: Non-Retirement Equity Fund Third: Non-Retirement Bond Fund</p> <p>The current SBI administrative fee is 0.006%, which is approximately \$0.06 per \$1,000.</p>	<p>Investment Management Fees</p> <p>There are no "front-end" or "back-end" fees charged on contributions, withdrawals or transfers. Investment Management Fees are paid out of the Fund on a quarterly basis and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.</p> <p>Please refer to pages 5-7 of this Prospectus for investment management fee information for each of the Funds.</p>
Reporting	
<ul style="list-style-type: none"> Monthly reports, statement notifications, and other correspondence from the SBI will be mailed and/or emailed to the contact person on file with the SBI. Monthly reports display current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month. All transactions use the daily share value established for each Fund. Online access to your Plan's account status is available and includes downloadable current balances, transactions and past statements. 	
To Change Contact Person / Financial Institution	To Contact The SBI:
<p>Submit a newly completed Contact Form to update a contact on file, or Wire Instructions Form to change banking information. Allow five business days for processing.</p>	<p>Minnesota State Board of Investment 60 Empire Drive, Suite 355 St. Paul, MN 55103-3555 TEL (651) 296-3328 FAX (651) 296-9572 Shirley Baribeau: shirley.baribeau@state.mn.us and SBI Accounting Team: acctg.sbi@state.mn.us</p>

¹Excluding the following trusts as they follow procedures per state statute: Permanent School, Environmental, Lifetime Fish & Wildlife, Closed Landfill, Emergency Medical Service, Water and Soil Conservation Easement Stewardship, Mitigation Easement Stewardship, Natural Resources Conservation, and Metropolitan Landfill Contingency Action Trust.

Other Postemployment Benefits (OPEB)

Procedures

OPEBs that are authorized to invest in the Non-Retirement Funds must follow the appropriate individual statute in determining the amount invested in any eligible fund(s). (See *Minnesota Statutes*, Section [471.6175](#).)

How To Open A Plan Account With The SBI

All OPEBs will need to contact Public Employees Retirement Association (PERA) to open an account. PERA will then forward the trust account information to SBI. Once the trust account is setup, the SBI will send your account's credentials and instructions for accessing and using the Plan website. The website will give the participating entity online access to your account's current balance, posted/pending transactions, and statements. Each participating entity must maintain an OPEB Administrative Account Agreement with PERA in order to invest through the SBI.

Investment Option

Investment Options

Non-Retirement Equity Fund

Non-Retirement Bond Fund

Non-Retirement Money Market Fund

Investments with the State Board of Investment are subject to the policies and procedures established by the State Board of Investment

Your investment in the Funds should be viewed as a long-term investment. Investments carry a risk of loss, and the participating entity is responsible for determining its risk tolerance and investing accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your trust account with the SBI is not intended for maintaining operating or short-term funds.

Contribution, Withdrawal And Transfer Procedures

All contributions, withdrawals, and transfers must be requested through PERA, the trust administrator. PERA requires five-business days' notice for all transactions. Please contact PERA for the required forms. Once a trade has been entered, it cannot be cancelled.

Fees

Administrative Fees

Administrative fees are deducted by the SBI on a quarterly basis using the order below.

- First: Non-Retirement Money Market Fund
- Second: Non-Retirement Equity Fund
- Third: Non-Retirement Bond Fund

The trust administrator charges \$500 per plan per year, and the current SBI administrative fee is 0.006%, which approximates \$0.06 per \$1,000 annually.

Investment Management Fees

There are no "front-end" or "back-end" fees charged on contributions, withdrawals or transfers. Investment Management Fees are paid out of the Fund on a quarterly basis and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.

Please refer to pages 5-7 of this Prospectus for investment management fee information for each of the Funds.

Reporting

- Monthly reports, statement notifications, and other correspondence from the SBI will be emailed to the contact person on file with the SBI.
- Monthly reports display current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month.
- Online access to your Plan's account status is available and includes downloadable current balances, transactions and past statements.

PERA Contact Information

Public Employees Retirement Association
60 Empire Drive, Suite 200
St. Paul, MN 55103-2088
TEL (651) 201-2648
FAX (651) 297-2547
David Andrews: david.andrews@mnpera.org

SBI Contact Information

Minnesota State Board of Investment
60 Empire Drive, Suite 355
St. Paul, MN 55103-3555
TEL (651) 296-3328
FAX (651) 296-9572
Shirley Baribeau: shirley.baribeau@state.mn.us and
SBI Accounting Team: acctg.sbi@state.mn.us

Qualifying Governmental Entities

Procedures

Qualifying Governmental Entities authorized to invest in the Non-Retirement Equity Fund must follow the appropriate statute in determining the amount invested in the eligible fund. (See *Minnesota Statutes*, Section [118A.09](#).)

How To Open A Plan Account With The SBI

All Qualifying Governmental Entities will need to contact Public Employees Retirement Association (PERA) to open an account. PERA will then forward the account information to SBI. Once the account is setup, the SBI will send your account's credentials and instructions for accessing and using the Account website. The website will give the governmental entity online access to your account's current balance, posted/pending transactions, and statements. Each entity must maintain a Long-Term Equity Investment Account Agreement with PERA in order to invest through the SBI.

Investment Option

Investment Option

Non-Retirement Equity Fund

Investments with the State Board of Investment are subject to the policies and procedures established by the State Board of Investment

Your investment in the Non-Retirement Equity Fund should be viewed as a long-term investment. Equity investments carry a risk of loss, and all Qualifying Governmental Entities are responsible for determining their risk tolerance for equities and investing accordingly. Funds needed for operations or short-term obligations should be kept at your local financial institution in an appropriate account; your account with the SBI is not intended for maintaining operating or short-term funds.

The SBI's Executive Director reserves the right to suspend or close an account, or restrict withdrawals or transfers from an account, if the Executive Director determines that excessive trading has occurred with respect to the account, or that such action is appropriate under the circumstances.

Contribution, Withdrawal And Transfer Procedures

All contributions, withdrawals, and transfers must be requested through PERA, the trust administrator. PERA requires five-business days' notice for all transactions. Please contact PERA for the required forms. Once a trade has been entered, it cannot be cancelled.

Fees

Administrative Fees

Administrative Fees that will appear on your statement are deducted annually by the account administrator, PERA, and quarterly by the SBI at the account level, not at the investment option level.

The account administrator charges a one-time fee of \$2,500 when the account is opened and \$500 per plan per year; and the current SBI administrative fee is 0.006%, which approximates to \$0.06 per \$1,000 annually.

Investment Management Fees

There are no "front-end" or "back-end" fees charged on contributions, withdrawals or transfers. Investment Management Fees are paid out of the Fund on a quarterly basis and the daily share value is net of these fees. These deductions will vary from Fund to Fund and from year to year depending on the actual investment management costs incurred.

Please refer to page 5 of this Prospectus for investment management fee information for each of the Non-Retirement Equity Fund.

Reporting

- Monthly reports, statement notifications, and other correspondence from the SBI will be emailed to the contact person on file with the SBI.
- Monthly reports display current balances, performance, administrative fees (if applicable for the month), and any transactions that may have occurred during the month.
- Online access to your Plan's account status is available and includes downloadable current balances, transactions and past statements.

PERA Contact Information

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TEL (651) 201-2648
FAX (651) 297-2547
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SBI Contact Information

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Shirley Baribeau: shirley.baribeau@state.mn.us and
SBI Accounting Team: acctg.sbi@state.mn.us

About the State Board of Investment

Board Members

The Minnesota State Board of Investment (SBI), in conjunction with SBI staff and the Investment Advisory Council (IAC), establishes investment policies for all funds under its control. These investment policies are tailored to the particular needs of each fund and specify investment objectives, risk tolerance, asset allocation, investment management structure and specific performance standards. The Board's membership is specified in the Minnesota Constitution and is composed of the officers listed below. The Board's duties, powers, and investment authority are contained in *Minnesota Statutes*, [Chapter 11A](#)

Governor
Tim Walz

State Auditor
Julie Blaha

Secretary of State
Steve Simon

Attorney General
Keith Ellison

Investment Advisory Council

The Legislature has established an Investment Advisory Council to advise the Board and its staff on investment related matters.

Gary Martin, Chair	Chief Investment Officer	Macalester College
Kim Faust, Vice Chair	Vice President and Treasurer	Fairview Health Services
Denise Anderson	Governor's Appointee	Active Employee Representative
Doug Anderson	Executive Director	Public Employees Retirement Association
Ellen Brownell	Director of Investments	Saint Paul & Minnesota Foundation
Dennis Duerst	President, 3M Investment Mgmt. Corp, <i>Retired</i>	3M Company
Jim Schowalter	Commissioner	Minnesota Management and Budget
Susanna Gibbons	Managing Director, Carlson Funds Enterprise	Carlson School of Management, UMN
Morris Goodwin, Jr.	Sr. Vice President and CFO	American Public Media Group
Peggy Ingison	Governor's Appointee	Retiree Member Representative
Erin Leonard	Executive Director	Minnesota State Retirement System
Dan McConnell	Business Manager	Building & Construction Trades/Council of Mpls.
Nancy Orr	Chief Investment Officer	Fiduciary Counselling, Inc.
Carol Peterfeso	Chief Treasury and Investment Officer	University of St. Thomas
Martha Severson Rush	Governor's Appointee	Active Employee Representative
Jay Stoffel	Executive Director	Teachers Retirement Association
Shawn Wischmeier	Chief Investment Officer	Margaret A. Cargill Philanthropies
Malcolm W. McDonald (Emeritus)	Director & Corporate Secretary, <i>Retired</i>	Space Center, Inc.

Executive Director and SBI Staff

To carry out its mission, the SBI retains an executive director, an internal investment staff, and external investment managers to execute its policies.

Executive Staff

Mansco Perry III
Executive Director and Chief Investment Officer

Charlene Olson
Executive Assistant and Head of Office Services

Andy Christensen
Assistant Executive Director, Investment Strategy and Administration

Erol Sonderegger
Assistant Executive Director, Portfolio Management and Risk Analysis

Directors

Patricia Ammann
Director, Investment Services and Operations

Paul T. Anderson
Director, Financial Services and Operations

Andrew Krech
Director, Private Markets and Asset Allocation

John Mulé
Director, Legal, Legislative Policy and Shareholder Services

IT Services Staff

Todd Lauf
Information Technology Manager

Investment Staff

Nathan Blumenshine, *Investment Officer*
Cassandra Boll, *Senior Investment Officer*
Tammy Brusehaver, *Investment Officer*
Dan Covich, *Investment Officer*
Stephanie Gleeson, *Investment Officer*
Aaron D. Griga, *Senior Investment Officer*
Steven P. Kuettel, *Investment Officer*
S. Emily Pechacek, *Investment Officer*
Jonathan Stacy, *Senior Investment Officer*
Jeffrey Weber, *Investment Officer*

Financial Services Staff

Kailee Anderson, *Accounting Officer, Intermediate*
Shirley Baribeau, *Controller*
Stephanie Bui, *Account Clerk, Senior*
William J. Nicol, *Investment Accounting Specialist*
Narmada Ramaswami, *Accounting Officer, Principal*
Iryna Shafir, *Compliance Analyst*

Office Services Staff

Melissa Mader, *Office Admin. Specialist, Senior*
Kelly Nordstrom, *Office Admin. Specialist, Intermediate*

As of September 1, 2021

**The Non-Retirement Funds are managed by
the Minnesota State Board of Investment**



Board Members:

Governor Tim Walz
State Auditor Julie Blaha
Secretary of State Steve Simon
Attorney General Keith Ellison

Executive Director and Chief Investment Officer:

Mansco Perry III