



FIREFIGHTERS' PENSION INVESTMENT FUND  
1919 S. HIGHLAND AVE. • BUILDING A, SUITE 237 • LOMBARD, IL 60148

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## CALCULATION OF NET ASSET VALUE AND ALLOCATION OF COST RULE

Adopted on June 18, 2021

### Section 1. Definitions.

- A. "Net Asset Value" is the value of each Pension Fund's assets minus the value of each Pension Fund's share of FPIF liabilities.
- B. "Pension Fund" means a pension fund established pursuant to Article 4 of the Illinois Pension Code.

### Section 2. Calculation of Net Asset Value.

FPIF shall determine a Net Asset Value ("NAV") for each Pension Fund as follows:

(A) The initial Net Asset Value and for each Pension Fund will be determined based on the assets transferred from the Pension Fund to FPIF on its Transfer Date.

(B) Each month following the initial determination of Net Asset Value for each Pension Fund, the Net Asset Value of each Pension Fund will be determined based on the Pension Fund's percentage ownership of the total FPIF Investment portfolio. Each Pension Fund's percentage of the total FPIF Investment Portfolio will be calculated each month based on the ending Net Asset Value from the prior month adjusted for additional cash contributions, asset transfers and withdrawals by the Pension Fund to the total FPIF portfolio on a time weighted basis. The Income and Expense activity for the month will then be allocated to each Pension Fund based on their time weighted ownership percentage for the month.

### Section 3. Transition Costs

FPIF operating expenses incurred prior to the conclusion of the statutory transition period will be paid with funds obtained from drawdowns on a loan agreement entered into between FPIF and the Illinois Finance Authority (IFA). After the conclusion of the statutory transition period the total amount of the loan outstanding with the IFA will be paid back using funds from the total consolidated FPIF investment portfolio and this repayment will be allocated to the individual Pension Funds in a manner consistent with Section 2 of this Rule.