

**RESOLUTION 16-01 OF THE EXXON VALDEZ OIL SPILL TRUSTEE COUNCIL  
PERTAINING TO THE ASSET ALLOCATION FOR PERIOD  
FEBRUARY 1, 2017 - JANUARY 31, 2018**

The *Exxon Valdez* Oil Spill Trustee Council (Council) is responsible for the management and investment of the *Exxon Valdez* Oil Spill Investment Fund (Investment Fund) maintained by the Alaska Department of Revenue. The Investment Fund is used by the United States and the State of Alaska (Governments) for the purposes of restoring, replacing, enhancing, rehabilitating or acquiring the equivalent of natural resources and services lost or injured as a result of the *Exxon Valdez* Oil Spill.

Public Law 106-113 allows investment of the Investment Fund (Sub-accounts: EVOSTC Research Investment and EVOSTC Habitat Investment) outside the United States Treasury but limits investments to “income-producing asset classes, including debt obligations, equity securities, and other instruments or securities that have been determined by unanimous vote of the Council to have a high degree of reliability and security.”

The investment objective for the Investment Fund, as described in the Investment Policies adopted by the Council on November 19, 2014, is to provide adequate liquidity for ongoing restoration purposes while realizing competitive total rates of return. In order to meet this investment objective, the Council unanimously agreed that Investment Fund monies shall be invested outside the Federal Court Registry under the authority of Public Law 106-113. The Council's asset allocation emphasizes long-term capital appreciation over income generation and is consistent with its total return philosophy. Because the strategic asset allocation may result in periods of negative total return, the primary time period for evaluating total fund returns will be periods five years (20 quarters) and longer. Other time periods may be considered in performance evaluation as deemed appropriate.

The Council has also reviewed Callan Associates Inc.'s 2016-2025 capital market returns and risk assumptions (dated August 18, 2016) and determined the following asset allocation to be consistent with its investment objectives.

THEREFORE, BE IT RESOLVED THAT the Council adopts the following asset allocation for the period encompassing February 1, 2017 through January 31, 2018:

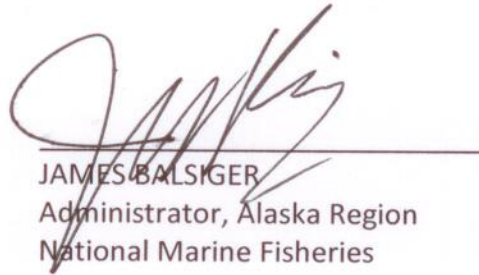
ASSET ALLOCATION

Domestic Equities	40% +/- 7%
International Equities	27% +/- 7%
Domestic Bonds	33% +/- 5%
Cash Equivalents	0% +10%/-0%

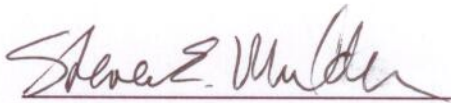
Approved by the Council at its meeting of November 3, 2016 held in Anchorage, Alaska, as affirmed by our signatures affixed below.



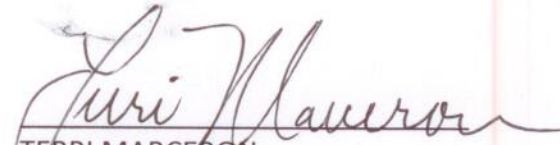
SAM COTTEN  
Commissioner  
Alaska Department of Fish and Game



JAMES BALSIGER  
Administrator, Alaska Region  
National Marine Fisheries



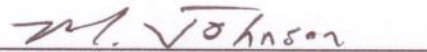
JAHNA LINDEMUTH  
Attorney General  
Alaska Department of Law



TERRI MARCERON  
Forest Supervisor  
Chugach National Forest  
U.S. Department of Agriculture



LARRY HARTIG  
Commissioner  
Alaska Department of Environmental  
Conservation



MICHAEL JOHNSON  
Senior Advisor to the Secretary for  
Alaska Affairs  
Office of the Secretary  
U.S. Department of the Interior