

**Public Employees' Retirement Board  
December 11, 2014**

**Topic: 457(b) Deferred Compensation Plan  
PIMCO – Total Return Bond Fund**

Based on a recommendation from Buck Consultants, EIAC supports placing the PIMCO Total Return Bond Fund on probation.

**Rationale:** Bill Gross' sudden departure from PIMCO on September 26, 2014 raised concerns regarding PIMCO's management structure. Based on the Board's investment policy statement, probation is appropriate. EIAC and Buck Consultants will continue to monitor PIMCO's new management structure. Buck Consultants will be presenting potential replacement candidates to EIAC at the January 15, 2015 meeting.

**Board Motion:**

I move:

accept EIAC's recommendation to place the PIMCO Total Return Bond Fund on probation.

Or

Board pleasure

\_\_\_\_\_  
Moved by

\_\_\_\_\_  
Seconded by

\_\_\_\_\_  
Vote