

North Carolina Investment Pool (“NCIP”)
SUPPLEMENT DATED DECEMBER 3, 2025
TO THE
NORTH CAROLINA INVESTMENT POOL INFORMATION STATEMENT
DATED JULY 18, 2025

This Supplement supplies additional information with respect to NCIP and should be read in conjunction with the North Carolina Investment Pool Information Statement dated July 18, 2025. Terms used in this Supplement shall be as defined in the Information Statement.

Effective December 3, 2025, orders can be processed the same Business Day if they are received and accepted by 2:00 p.m. Eastern Time and if NCIP’s Depository Bank receives federal funds by wire prior to the close of business. Wire orders received after 2:00 p.m. Eastern Time are processed on the next Business Day.

References to 1:00 p.m. Eastern Time on pages 7, 9, 10 and 24 of the Information Statement can now be read as references to 2:00 p.m. Eastern Time.

The date of this Supplement is December 3, 2025.

THIS IS A SUPPLEMENT TO THE NCIP INFORMATION STATEMENT DATED JULY 18, 2025. IT PROVIDES ADDITIONAL INFORMATION ABOUT THE POOL. A COMPLETE INFORMATION STATEMENT, INCLUDING ALL SUPPLEMENTS, IS AVAILABLE UPON REQUEST BY CONTACTING A POOL REPRESENTATIVE AT (833) 736-6247.

PLEASE RETAIN THIS SUPPLEMENT FOR FUTURE REFERENCE.



INFORMATION STATEMENT

July 18, 2025

This Information Statement contains important information on the North Carolina Investment Pool.
Please read the Information Statement carefully before you invest.

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Part 1

Key Facts

Part 1 presents key facts about the Pool, including information on costs, policies, and how to place transaction orders. Part 1 is descriptive, not definitive, and is qualified by the information contained in Part 2.

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Part 2

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Terms Used in This Document

Account Application – The form to open a Pool account.

ACH – Automated clearing house is a secure payment transfer system that connects U.S. financial institutions. The ACH network acts as a central clearing facility.

Board of Trustees – The governing body of the Pool.

Business Day – Any Monday through Friday, exclusive of Federal and State of North Carolina holidays, on which both the bond market (as determined by SIFMA) and the Custodian are open for business. The Pool may close early on any Business Day when the bond market closes early. The Pool will not be open for business on Good Friday.

Connect – The Administrator's web-based information and transaction service.

Custodian – Fifth Third Bank is the custodian for the Pool and is the designated bank, agent, or trust company responsible for safeguarding the financial assets of the Pool.

Depository – Wells Fargo Bank N.A. is the depository for the Pool and is the designated bank or agent responsible for providing cash management services for the Pool.

Eastern Time – Eastern time, either daylight or standard depending on the time of year.

FDIC – Federal Deposit Insurance Corporation.

Fitch – Fitch Ratings, Inc.

GASB – Governmental Accounting Standards Board.

Indenture – The Indenture of Trust through which the Pool was created.

Interlocal Agreement – The Agreement to establish a commingled investment pool.

Internal Revenue Code – The Internal Revenue Code of 1986, as amended.

Investment Advisor and Administrator – PFM Asset Management (PFMAM), a division of U.S. Bancorp Asset Management, Inc. (USBAM), is the investment advisor and administrator of the Pool. In its role as Administrator, PFMAM manages, administers, and conducts the general

business activities of the Pool. In its role as Investment Advisor, PFMAM is responsible for the daily management of the investment affairs and research relating to the Pool.

Liquid Portfolio – The NCIP Liquid Portfolio or individual series thereof.

Portfolio(s) – Refers to one or more investment vehicles within the Pool offering Shares.

NAV – The net asset value of Shares.

NRSRO – Nationally recognized statistical rating organization.

NCACC – North Carolina Association of County Commissioners, a Sponsor of the Pool.

NCIP or Pool – North Carolina Investment Pool, a statutory trust and professionally managed commingled investment pool established pursuant to North Carolina General Statute §159-30(c)10.

Participant – A Unit of Local Government or other similarly authorized entity which completes and executes the Account Application and other necessary steps to become parties to the Indenture and invest in the Portfolio(s) of the Pool.

Shareholder – An active investor in the Pool.

Shares – Units representing an equal proportionate share of beneficial interest in the assets of a Portfolio of the Pool.

SIFMA – Securities Industry and Financial Markets Association.

S&P – S&P Global Ratings.

Term Portfolio – The NCIP Term Portfolio or individual series thereof.

Units of Local Government – Any county, city town, special district, or other political subdivision of the State of North Carolina, or any department, agency, or instrumentality thereof, or any political or public corporation of the State of North Carolina.

USBAM – U.S. Bancorp Asset Management, Inc., A U.S. Securities and Exchange Commission (SEC)-registered investment adviser, a direct subsidiary of U.S. Bank National Association (U.S. Bank) and an indirect subsidiary of U.S. Bancorp.

Part 1 – Key Facts

Portfolio Summaries

NCIP Liquid Portfolio

Investment Objective

To earn the highest income consistent with preserving principal and maintaining liquidity, and to maintain a stable \$1.00 NAV.

The NCIP Liquid Portfolio has received a rating of AAAM from S&P Global and AAAMmf from Fitch.

S&P evaluates a number of factors, including credit quality, market price, exposure, and management. Please visit [SPGlobal.com/Ratings](https://www.spglobal.com/ratings) for more information and ratings methodology.

Portfolios with the Fitch AAAMmf rating denote the strongest capacity to achieve the investment objective of preserving principal and providing liquidity through limiting credit, market, and liquidity risk. Please visit [fitchratings.com](https://www.fitchratings.com) for more information and ratings methodology.

Principal Investment Strategies

The NCIP Liquid Portfolio invests exclusively in investments authorized under North Carolina General Statute § 159-30, as amended from time to time. These authorized investments may include the following high quality, short-term money market instruments:

- Obligations of the U.S. Government and obligations guaranteed by the U.S. Government
- Obligations of U.S. Government Agencies and government sponsored enterprises
- State of North Carolina state and municipal obligations
- Commercial paper
- Bankers' acceptances
- Repurchase agreements collateralized by U.S. Government and agency obligations
- Collateralized or FDIC-insured bank deposits or certificates of deposit

For a more complete description of authorized investments and investment restrictions for the Portfolio, see the "Authorized Investments" section in Part 2 of this document.

The Liquid Portfolio is managed to maintain a dollar-weighted average maturity of no more than 60 days and a dollar-weighted average life (final maturity, adjusted for demand features but not interest rate adjustments) of no more than 120 days. In addition, the Liquid Portfolio only buys investments that have either a final or effective maturity (or, for repurchase agreements, a remaining term) of 397 days or less at the time of purchase, (except for variable-rate notes issued by the U.S. Government or its agencies or instrumentalities, which must have remaining maturities of 762 days or less).

The Investment Advisor may adjust the Liquid Portfolio's exposure to interest rate risk, typically seeking to protect against possible rises in interest rates and to preserve yield under certain market conditions.

Main Risks

As with other similar pooled investments, there are several factors that could hurt the Liquid Portfolio's performance, cause Participants to lose money, or cause the Liquid Portfolio's performance to be less than that of other investments.

- **Interest rate risk** – When short-term interest rates fall, the Portfolio's yield is likely to fall. When interest rates rise, especially if the rise is sharp or unexpected, the Pool's share price could fall.
- **Credit risk** – The issuer of a security could fail to pay interest or principal in a timely manner. The credit quality of the Portfolio's holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single investment could cause the Portfolio's share price to fall.
- **Liquidity risk** – The Portfolio's share price could fall during times when there are abnormal levels of redemption requests or markets are illiquid.
- **Management risk** – Performance could be impacted by decisions made by the Investment Advisor, such as choice of investments or timing of buy/sell decisions.

An investment in the Liquid Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Liquid Portfolio seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Liquid Portfolio.

Management

Investment Advisor PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.

Fees and Expenses

These are the fees and expenses Participants will pay when they buy and hold Shares in this Portfolio.

Annual Pool Operating Expenses

Fees and expenses shown are based on the Investment Advisory and Service Agreement between the Board of Trustees and PFMAM which is currently in effect and may be subject to certain fee waivers or reimbursements.

Pool Investment Advisory and Administration fees	0.15%
Other operating expenses	0.03%
Total annual operating expenses	0.18%

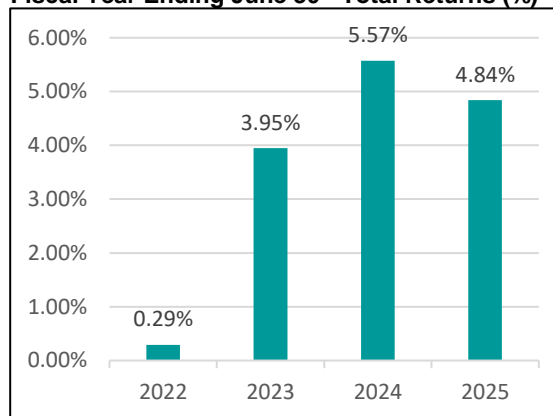
The figures shown above are for the year ending June 30, 2025, and do not reflect fee waivers. The expense ratio of the Pool after fee waivers was 0.14% for the same period.

For more complete information on expenses of the pool and fee waivers, see “Expenses of the Pool.”

Past Performance

All performance figures shown here assume that dividends were reinvested. Figures shown are for the most recent audited fiscal years. For current yield information, call (833) 736-6247. Past performance may not indicate future results.

Fiscal Year Ending June 30th Total Returns (%)



Purchase and Sale of Liquid Portfolio Shares

Minimum Initial Investment — No minimum.

Minimum Account Balance — No minimum.

Minimum Holding Period — One day.

You can place orders to buy or sell Shares by wire or ACH.

For more complete information on buying and selling Shares, see “Buying Shares” and “Redeeming Shares.” For information on the potential tax consequences of investing in the Pool, see “Tax Information.”

NCIP Term Portfolio

Investment Objective

To provide an investment subject to pre-set redemptions occurring from 60 days to one year from the date of investment, and that will produce the highest earnings consistent with maintaining the safety of principal at maturity and meeting the redemption schedule. The NCIP Term Portfolio seeks to assure the return of principal on the planned maturity date, although the principal value may fluctuate prior to that date and therefore may be greater or less than \$1.00 a share. There may be a penalty for early redemption, and the NAV prior to a pre-set redemption may be less than \$1.00 per share.

The NCIP Term Portfolio has received a rating of AAAf from Fitch. Portfolios with the Fitch AAAf rating denote the strongest capacity to achieve the investment objective of preserving principal and providing liquidity through limiting credit, market, and liquidity risk. Please visit [fitchratings.com](https://www.fitchratings.com) for more information and ratings methodology.

Principal Investment Strategies

The NCIP Term Portfolio invests exclusively in investments authorized under North Carolina General Statute § 159-30, as amended from time to time. These authorized investments may include the following high quality short-term money market instruments:

- Obligations of the U.S. Government and obligations guaranteed by the U.S. Government
- Obligations of U.S. Government Agencies and government sponsored enterprises
- State of North Carolina state and municipal obligations
- Commercial paper
- Bankers' acceptances
- Repurchase agreements collateralized by U.S. Government and agency obligations
- Collateralized or FDIC-insured bank deposits or certificates of deposit

For a more complete description of authorized investments and investment restrictions for the Portfolio, see the "Authorized Investments" section in Part 2 of this document.

The securities will be valued using market values to determine the fair value of the Portfolio for external

GAAP financial reporting in accordance with GASB Statement No. 31. Annual financial statements issued for the Portfolio will include a statement of net position and statement of net position and statement of changes in net position.

Main Risks

As with other similar pooled investments, there are several factors that could hurt the NCIP Term Portfolio's performance, cause Participants to lose money, or cause the NCIP Term Portfolio's performance to be less than that of other investments.

- **Credit risk** – The issuer of a security could fail to pay interest or principal in a timely manner. The credit quality of the Portfolio's holdings could change rapidly in certain markets, and the default or decline in credit quality of even a single investment could cause the Pool's share price to fall.
- **Early redemption risk** – Early redemption penalties charged to a Shareholder by the Portfolio could reduce or eliminate investment gains and could mean that the amount that Shareholder receives back is less than the initial investment.
- **Management risk** – Performance could be hurt by decisions made by the Investment Advisor, such as choice of investments or timing of buy/sell decisions.
- **Diversification risk** – The Investment Advisor seeks to diversify each Term Portfolio series by issuer as allowed by the permitted investments of the Pool. The amount of assets in each series may impact the ability to diversify the Term Portfolio. The smaller the amount of assets in a series, the greater the risk that the Term Portfolio may have a higher concentration of assets by issuer. The Term Portfolio may be less diversified at the beginning and the end of a series.

An investment in the Term Portfolio is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. Although the Portfolio seeks to preserve the value of your investment at \$1.00 per share, it is possible to lose money by investing in the Portfolio.

Past Performance

The performance of each individual series of the Portfolio and of each Shareholder's individual investment therein may vary. Past performance may not indicate future results.

Management

Investment Advisor — PFM Asset Management, a division of U.S. Bancorp Asset Management, Inc.

Fees and Expenses

These are the fees and expenses Participants will pay when they buy and hold Shares in the NCIP Term Portfolio.

Annual Portfolio Operating Expenses

(Fees and expenses shown may be subject to certain fee waivers)

Investment Advisory and Administration fees	0.15%
Other operating expenses	0.02%
Maximum total annual operating expenses	0.17%

The NCIP Term Portfolio may charge significant fees/penalties for any redemptions prior to the agreed upon redemption date. As these charges are based on protecting the interests of other Portfolio Shareholders, the actual amount of the fees cannot be stated in advance.

For more complete information on expenses of the pool and fee waivers, see "Expenses of the Pool."

Purchase and Sale of NCIP Term Portfolio Shares

Minimum Investment — \$1,000,000.

Minimum Term — 60 days. Early redemption fee/penalty may apply

Maximum Term — One year.

Placing Orders

Prior to placing any order, contact NCIP's toll-free number to discuss the amount and term of your investment and to get information on the projected yield. Once your investment has been approved, you can place orders to buy Term shares by redeeming available Liquid Portfolio shares. Any additional funds needed to cover the purchase of shares may be sent to the Shareholder's Liquid Portfolio account via separate wire or ACH transfer.

All transactions for purchases in an NCIP Term series are dependent upon funds being available in the Shareholder's Liquid Portfolio account from which the transaction originated at the time of placing the order.

To arrange or place orders, contact us at:

Online: www.investncip.com

Phone: 833-736-6247 (833-736-NCIP)

Orders will be processed the same day or for settlement the next business day if funds are available in the Shareholder's Liquid Portfolio account by 1:00 p.m. Eastern Time. Otherwise, they are processed on the next Business Day so long as funds are made available in the Shareholder's Pool account.

For more complete information on buying and redeeming shares, see "Buying Shares—NCIP Term Portfolio" and "Redeeming Shares—NCIP Term Portfolio." For information on the potential tax consequences of investing in the Pool, see "Tax Information."

Investing

Opening an Account

Eligible Participants

A Participant in the Pool must be a Unit of Local Government that has completed the New Participant Application and taken other necessary steps to open an account before investing in the Pool.

Portfolio Account Opening Process

To open an account:

- For an initial account only, complete the New Participant Application Form.
- Complete an Account Application.
- Complete the Contact Record Form.
- Complete the Contact and Permissions Form that includes each person from the participating entity who will interact with the account.
- Provide a completed IRS W-9 form.

Complete a separate Account Application for each account, signed by an authorized representative.

To obtain account forms, call 833-736-NCIP, e-mail CONTACT_NCIP@pfmam.com or visit www.investncip.com to download them.

Secure Email is available. Or mail or fax account documents to:

North Carolina Investment Pool
P.O. Box 11813
Harrisburg, PA 17108
Fax: 888-535-0120

Buying Shares – NCIP Liquid Portfolio

Once a Participant's application has been received and accepted by the Investment Advisor, an investment in the Pool can be made using one of the methods in the table below. Funds used to purchase investments must be in U.S. dollars and must be drawn on a U.S. financial institution or a U.S. branch of a foreign bank.

The Pool will charge overdraft fees to a Participant when a wire is not received on the expected settlement date, or when an ACH transfer is refused. The Investment Advisor may refuse or limit the size of an investment in its sole discretion.

All investments must meet the terms described in the "Portfolio Summary" section in Part I of this Information Statement.

Method	Instructions	Additional information
Wire (same-day settlement)	<ul style="list-style-type: none"> Initiate the transaction online at www.investncip.com or by calling the Investment Advisor at (833) 736-NCIP before 1:00 p.m. Eastern Time. Provide the following information: <ul style="list-style-type: none"> Participant's account name and account number Amount being wired Name of bank sending wire Instruct your bank to initiate the wire on the same day to the Pool's Depository Bank. Detailed instructions can be obtained on the Internet at www.investncip.com or by calling the Investment Advisor at (833) 736-NCIP. 	<ul style="list-style-type: none"> The Pool does not charge fees for receiving wires. However, the sending bank may charge for wiring funds. To reduce potential bank fees, a Participant may use ACH transfer, which is described below. Important: A Participant must initiate an Internet transaction or notify the Investment Advisor by telephone of a purchase before 1:00 p.m. Eastern Time, and a Federal Reserve wire or bank wire convertible to federal funds on a same-day basis must be received that day by the Depository if the investment is to begin earning income that day. It is your responsibility as a Participant to ensure that immediately available funds are received by the Pool on the expected settlement date. The Pool reserves the right to charge a fee for funds not received on the settlement date.
ACH transfer (settles next Business Day)	<ul style="list-style-type: none"> Before making your first transfer, call the Investment Advisor at (833) 736-NCIP and register for ACH transfers. A Participant may initiate an online transaction at www.investncip.com or by calling the Investment Advisor at (833) 736-NCIP prior to 4:00 p.m. Eastern Time and giving instructions for the movement of funds from its financial institution to its designated Pool account. 	<ul style="list-style-type: none"> Funds will transfer overnight and begin earning income the next Business Day. When using ACH to purchase Shares, the Investment Advisor will instruct the Depository to withdraw funds from the Participant's designated bank account. Before initiating an ACH, the Participant must provide instructions designating the bank from which funds will be withdrawn. Adding or updating banking instructions must be conducted by an authorized person. A Participant must notify the Investment Advisor of any changes to the specified banking instructions. The Pool reserves the right to charge a fee for funds not received on settlement date, including non-receipt due to a Participant's bank account having an ACH filter or ACH block.
Online	<ul style="list-style-type: none"> Before making your first online transaction, submit a Contact Record Form, which may be obtained either by calling the Investment Advisor at (833) 736-NCIP or by visiting www.investncip.com. Use Connect to place wire or ACH orders with the Investment Advisor. When buying shares by wire, instruct your bank to initiate the wire on the same day to the Pool's Depository Bank. Detailed instructions can be obtained at www.investncip.com or by calling the Investment Advisor at (833) 736-NCIP. 	

Redeeming Shares – NCIP Liquid Portfolio

A Participant may redeem all or any portion of the funds in its Liquid Portfolio account at any time by redeeming Shares. Shares will be redeemed at the NAV per share next determined after receipt of a request for redemption in proper form.

The NAV determination is made at the conclusion of each Business Day. Funds may be redeemed in any of the ways shown below.

Method	Instructions	Additional information
Wire (same-day settlement)	<ul style="list-style-type: none"> Initiate the transaction online at www.investncip.com or call the Investment Advisor at (833) 736-NCIP on any Business Day to request a redemption and the transfer of proceeds. If your request is received before 1:00 p.m. Eastern Time, funds will be wired on that same day. Requests received after 1:00 p.m. Eastern Time will be processed on the following Business Day. 	<ul style="list-style-type: none"> Funds may be transferred from the Liquid Portfolio by wire only according to the banking instructions provided by an authorized person of the Participant. A Participant must notify the Investment Advisor of any changes to the specified banking instructions. Wire requests will not be honored if there is an insufficient Share balance to pay the wire.
ACH transfer (settles next Business Day)	<ul style="list-style-type: none"> Before making your first transfer, call the Investment Advisor at (833) 736-NCIP and register for ACH transfers. Initiate the transaction on the Internet at www.investncip.com or by calling the Investment Advisor at (833) 736-NCIP before 4:00 p.m. Eastern Time and giving instructions for the movement of funds to its financial institution from its designated Pool account. 	<ul style="list-style-type: none"> Funds will transfer overnight and be available the next Business Day. Funds will remain invested in the Participant's designated Liquid Portfolio account until the day they are transferred. Funds may be transferred from the Liquid Portfolio by ACH to the financial institution designated by an authorized person of the Participant. A Participant must notify the Investment Advisor of any changes to the specified banking instructions. The Pool reserves the right to charge a fee for ACH redemptions that cannot be honored due to insufficient funds or other valid reasons.
Online	<ul style="list-style-type: none"> Before making your first online transaction, submit a Contact Record Form, which may be obtained either by calling the Investment Advisor at (833) 736-NCIP or by visiting www.investncip.com. Use Connect to place wire or ACH orders with the Investment Advisor. Connect and multi-factor authentication is required for all Connect access sessions. Connect can be accessed through the Pool's website by selecting "Account Access." Instructions on how to setup Connect access can be received by contacting the Investment Advisor at (833) 736-NCIP. 	

Buying Shares – NCIP Term Portfolio

Once your application to open an NCIP Term Portfolio account has been accepted, you may invest in the NCIP Term Portfolio either by authorizing the Investment Advisor to invest funds in a NCIP Term Portfolio account or by reinvesting a matured NCIP Term Portfolio investment in a new Term investment. Prior to placing any order, contact the Investment Advisor to discuss the amount and term of your

investment and to get information on the projected yield. Each investment will be given its own projected yield. Yields may vary according to the size, term of the investment, and the rates available at the time of investment.

The Investment Advisor may refuse or limit the size of an investment in its sole discretion.

Redeeming Shares – NCIP Term Portfolio

Shares may be redeemed in any of the ways shown below.

Type of Redemption	Instructions	Additional information
Maturity	<ul style="list-style-type: none"> No action required. Maturity redemption value will be reinvested in NCIP Liquid Portfolio shares at maturity date. 	<ul style="list-style-type: none"> Redemption value per share will equal the purchase price plus dividends (at the projected yield) minus expenses, and any losses incurred by the series (not counting those resulting from premature redemptions).
Premature Redemption <i>Redemption prior to maturity date</i>	<ul style="list-style-type: none"> Send a letter to the Investment Advisor requesting redemption prior to maturity date. Alternatively, you can notify the Investment Advisor by calling (833) 736-NCIP and following up with written confirmation of your instructions. Up to seven days after we receive your request, redemption proceeds will be transferred to purchase NCIP Liquid Portfolio shares. 	<ul style="list-style-type: none"> Premature redemption amounts must be for the entire investment or, for partial redemptions, must be in increments of \$100,000. Redemption value per share will equal the purchase price plus dividends earned to date minus any expenses, and losses incurred by the series and any premature redemption penalty.
Planned Early Redemption <i>Redemption prior to a series' termination date</i>	<ul style="list-style-type: none"> At the time an order for shares is placed, Participants may submit a request for redemption on a Planned Early Redemption Date prior to the termination date for the series without the imposition of a penalty. Redemption value will be reinvested in NCIP Liquid Portfolio shares on the planned early redemption date. 	<ul style="list-style-type: none"> The redemption value per share for shares being redeemed on a planned early redemption date is equal to the original purchase price for such shares plus dividends thereon, less expenses and such shares' allocation of any losses incurred by the series (other than losses resulting from Premature Redemption of shares of the series).

Policies Concerning Redemptions

Suspending Redemptions

The Trustees can suspend the right of redemption or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of a Portfolio's securities or determination of its NAV not reasonably practical.

Other Redemption Policies

The Pool may redeem Shares owned by a Participant to reimburse the Pool for any failure by that Participant to make full payment for Shares purchased by the Participant.

Redemption payments may be made in whole or in part in securities or other property of the Pool. Participants receiving any such securities or other property on redemption will bear any costs of sale.

Additional Account Features

The Pool offers certain additional account features at no extra charge, including:

- **Statements** – Confirmations of each purchase to and redemption from a Pool account will be made available online at www.investncip.com within two days of the transaction. A statement of each account will be provided online at www.investncip.com or mailed to specific statement recipients each month. This statement will show the dividend paid and the account balance as of the statement date. The statement will also show total dividends paid during the calendar or fiscal year.
- **Information Services** – Toll-free telephone service (833) 736-NCIP is available to provide Participants with information including current yields, up-to-date account information and transaction history, and to receive instructions for the investment or withdrawal of funds.
- **Website** – Account information and information regarding the Pool can be found at www.investncip.com. Participants can initiate transactions for the Liquid Portfolio or access account information using Connect. Unique usernames and passwords are assigned to each individual accessing Connect and multi-factor authentication is required for all Connect access sessions. Connect can be accessed through the Pool's website by selecting "Account Access." Instructions on how to setup Connect access can be received by contacting the Investment Advisor at (833) 736-NCIP.

- **Information on Pool Holdings** – The Pool discloses details of Liquid Portfolio holdings to Participants within eight business days of each month end.

Tax and Legal Information

We suggest that you check with your tax advisor or counsel before investing in the Pool. Relevant considerations include:

- Section 115(1) of the Internal Revenue Code, which provides that the gross income of a state or political subdivision does not include income derived from the exercise of any essential government function.
- Section 148 of the Internal Revenue Code (and related regulations) covering arbitrage rebate requirements and limitations, which may apply to anyone investing tax-exempt or tax-credit bond proceeds. States and municipalities may be required to pay the U.S. Treasury a portion of earnings they derive from the investment of tax-advantaged bond proceeds.

Use of Amortized Cost

The Board of Trustees has determined, in consultation with the Investment Advisor, that the Liquid Portfolio will be managed in accordance with GASB 79 requirements, as applicable, for the use of the amortized cost method of valuing its investment portfolio.

Financial Highlights

The Pool's financial statements are audited by Ernst & Young LLP and are included in the Pool's Annual Report for the Pool's most recent fiscal year-end. The Pool's most recent Annual Report is available online at www.investncip.com or upon request.

Part 2 – Information Statement Addendum

General Information

Overview - The North Carolina Investment Pool

History

NCIP is a commingled local government investment pool established to invest excess funds of its Participants in various short-term investments, in accordance with North Carolina General Statutes § 159-30. NCIP is duly authorized under North Carolina General Statutes § 159-30(c)(10) and was created by an interlocal agreement entered into in accordance with North Carolina General Statutes §§ 160A-461 through 464. NCIP has been established as a statutory trust for the benefit of the local governments and governed by a board of trustees (the “Trustees”) comprised of representatives of those Units of Local Government who have become Participants. The Liquid and Term Portfolios have been established under the Indenture to pool and invest funds of Participants to take advantage of economies of scale and to increase investment options for excess funds of the Participants. A current list of the NCIP Board of Trustees is available at www.investncip.com.

Organization and Purpose

The Pool provides Participants comprehensive investment management and accounting services.

The Pool seeks to provide Participants with the following features:

Preservation of Principal – Investments in the Portfolios are made only in securities in accordance with North Carolina General Statutes § 159-30, and in accordance with policies designed to preserve capital. While the Liquid Portfolio seeks to maintain a stable NAV of \$1.00 per Share and the Term Portfolio seeks to maintain \$1.00 upon planned maturity date, it is possible to lose money investing in the Pool. **An investment in the Portfolios is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency.**

Liquidity – Investments in the Liquid Portfolio may be made, and Participants may withdraw funds from the Liquid Portfolio on any Business Day. Term Portfolio investments are structured to provide liquidity on the predetermined maturity date.

Income – The Liquid Portfolio seeks to earn a competitive rate of income consistent with preserving principal and maintaining liquidity. The Term Portfolio seeks to produce the highest earnings consistent with maintaining safety of principal at maturity and meeting the redemption schedule of Shareholders.

Convenience – The Pool offers the option of investing by electronic funds transfer. Participants that invest the proceeds of debt issues in the Pool do not have to schedule investment maturities to meet project draw schedules. Participants can use Connect to check account balances and activity, and to initiate transactions.

Professional Management – Investments in the Portfolios are managed by investment professionals who are experienced in managing local government investment pools and who follow both general economic and current market conditions affecting interest rates.

Diversification – The Shares of the Liquid Portfolio and Term Portfolio represent beneficial interests in a diversified portfolio of high-quality instruments approved for investment by the Board of Trustees.

Accounting, Safekeeping and Separate Accounts – Through its service providers the Pool offers bookkeeping and safekeeping associated with the ownership of securities accounts for each Participant’s funds to facilitate a Participant’s compliance with governmental accounting and auditing requirements. For the proceeds of debt issues, the Pool provides arbitrage rebate calculation services through its service provider.

Additional Pool Programs – From time to time the Investment Advisor may, at the request or with the approval of the Board of Trustees, make other services or programs available to Investors of the Pool. Investors are advised that separate portfolios are separate from the investment programs encompassed by the Pool, and the Board of Trustees of the Pool takes no responsibility for such services or programs. The parties offering such separate portfolios are solely responsible for them, and questions regarding any such Additional Program should be directed to the party offering it. The interests held under any Additional Program are in the name of the respective Participant and are not part of the assets of any Series of the Pool.

A Pool Participant can also enter into a separate agreement with the Investment Advisor to manage a separate

portfolio that is not part of the Pool. These separate portfolios allow a Unit of Local Government to invest its funds in a segregated account (not within the Pool) for a term that is potentially longer than the average maturity of the Liquid Portfolio or Term Portfolio. Separate portfolios may use the NCIP Liquid Portfolio as the sweep or liquidity vehicle for the separate portfolio.

For further information or assistance, call toll free (833) 736-NCIP or e-mail CONTACT_NCIP@pfmam.com.

The Indenture

Each Participant receives a copy of the Indenture; all general descriptions of its terms contained in this Information Statement are subject to the specific language of the Indenture itself. The Indenture permits the Trustees to issue an unlimited number of shares of beneficial interest in the Pool, from such series and classes as the Trustees from time to time may create and establish. Various Portfolios may be designed to meet the specific investment objectives and needs of Participants.

Participants of a statutory trust may, under certain circumstances, be held personally liable for the obligations of the Portfolios. Therefore, the Indenture contains an express disclaimer of Participant liability to any third party for acts or obligations of the Portfolios.

The Indenture further provides that the Trustees will not be subject to personal liability to third parties in connection with Pool property or the affairs of the Pool, but nothing in the Indenture protects a Trustee against any liability to which he or she would otherwise be subject by reason of willful misconduct, bad faith, gross negligence, or reckless disregard of the duties involved in the conduct of office, or the failure to act in good faith in the reasonable belief that the action was in the best interests of the Pool.

Amendment and Termination of the Indenture

The Indenture may be amended by the affirmative vote of the holders of not less than a majority of the shares. The Trustees may also amend the Indenture by a two-thirds vote of the Trustees, and without the vote or consent of Participants, to establish additional series or portfolios, to make changes which the Trustees in good faith deem necessary or convenient for the administration and operation of the Portfolios, or if the Trustees deem it necessary to conform the Indenture to the requirements of applicable laws or regulations, but the Trustees shall not be liable for failing to do so.

No amendment may be made which would change any rights with respect to any shares of beneficial interest by reducing the amount payable thereon upon liquidation of the Portfolios or by diminishing or eliminating any voting rights pertaining thereto, except with the vote or consent of the holders of two-thirds of the shares outstanding and entitled to vote. Furthermore, no amendment may be made which would cause any of the investment restrictions contained in the Indenture to be less restrictive without the affirmative vote of a majority of the Participants. Finally, no amendment may be made which would change (i) the limitations on personal liability of Participants and Trustees, or (ii) the prohibition of assessments upon Participants, except with the vote or consent of the holders of two-thirds of the shares outstanding and entitled to vote.

The Indenture may be terminated by the vote of a majority of the authorized Trustees, subject to the approval of Participants holding at least a majority of the shares outstanding. Upon the termination of the Trust and after paying or adequately providing for the payment of all liabilities, and upon receipt of such releases, indemnities, and refunding agreements as they deem necessary for their protection, the Trustees may distribute the remaining Pool property, in cash or in kind or partly in each, among the Participants according to their respective proportionate allocation of shares.

Operating Policies

The Pool has developed operating policies pertaining to purchases, redemptions, wire and other electronic transactions. These operating policies are available to all Participants and may be amended from time to time. These policies have been developed for the protection of the Pool and its Participants. The policies are integral to the operation of the Pool and are binding on the Participants.

Service Providers

Investment Advisor and Administrator – PFMAM, a division of USBAM, an investment advisory firm with an office at 213 Market Street, Harrisburg, PA 17101, is the Pool's Investment Advisor and Administrator. The daily management of the investment affairs and research relating to the Pool is conducted by or under the supervision of PFMAM. USBAM is an investment advisor registered with the U.S. Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended. USBAM is a direct subsidiary of U.S. Bank National Association and an indirect subsidiary of U.S. Bancorp.

Advisory Services – PFMAM, as the Investment Advisor, manages the investment of the assets of the Pool, including the placement of orders for the purchase and sale of investments, pursuant to the Advisory Agreement. The Investment Advisor obtains and evaluates such information and advice relating to the economy and the securities markets as it considers necessary or useful to manage continuously the assets of the Pool in a manner consistent with the Pool's investment objectives and policies. The Investment Advisor also administers and maintains the Pool's website which provides access to Connect. The Investment Advisory Services Agreement will remain in effect until the specified termination date, unless terminated sooner, and may not be assigned by the Investment Advisor without the consent of the Board of Trustees. The Advisory Agreement may be terminated by the Investment Advisor, at any time and without penalty, upon at least two hundred seventy (270) days' prior written notice to the Trust, and unless terminated, shall be in force until midnight on March 21, 2028. The Advisory Agreement may be terminated by the Board of Trustees as to any or all Portfolios on not more than 120 days', nor less than 60 days' notice to the Investment Advisor.

Investment Transactions – The Investment Advisor is responsible for decisions to buy and sell securities for the Pool, and arranges for the execution of security transactions on behalf of the Pool. Purchases of securities are made from dealers, underwriters and issuers. Sales prior to maturity are made to dealers and other persons. Money market instruments bought from dealers are generally traded on a "net" basis, with dealers acting as principal for their own accounts without a stated commission, although the price of the instrument usually includes a profit to the dealer. Thus, the Pool does not normally incur any brokerage commission expense on such transactions. Securities purchased in underwritten offerings include a fixed amount of compensation to the underwriter, generally referred to as the underwriter's commission or discount. When securities are purchased or sold directly from or to an issuer, no commissions or discounts are paid.

The policy of the Pool regarding purchases and sales of securities is that primary consideration will be given to obtaining the most favorable price and efficient execution of transactions. In seeking to implement this policy, the Investment Advisor will effect transactions with those dealers whom the Investment Advisor believes provide the most favorable price and efficient execution. If the Investment Advisor believes such price and execution can be obtained from more than one dealer, it may give consideration to placing portfolio transactions with those dealers who also furnish research and other services to the Pool. Such services may include, but are not limited to, any one or more of the following: information as to the availability of securities for purchase or sale; statistical or factual information or opinions pertaining to investments; wire services; and appraisals or evaluations of portfolio securities. The services received by the Investment Advisor from dealers may be of benefit to it in the management of accounts of some or all of its other clients and may not in all cases benefit the Pool directly. While such services are useful and important in supplementing its own research and facilities, the Investment Advisor believes the value of such services is not determinable and does not significantly reduce its expenses. The Pool does not reduce the management fee paid to PFMAM by any amount that may be attributable to the value of such services.

Administrative Services – PFMAM also provides the following administrative services to the Pool in accordance with the Investment Advisory Service Agreement:

- **Customer Service** – Operation of an Internet website and a toll-free telephone facility to be used exclusively by Participants or by Public Entities in the State of North Carolina that are interested in investing in the Pool.
- **Administration and Marketing** – Maintenance of the books and records of the Pool, including Participant account records; supervision, under the general direction of the Board of Trustees, of all administrative aspects of operations; periodic updating and preparation of the Information Statement; preparation of tax returns, financial statements and reports for the Pool; supervision and coordination of the activities of the Custodian; determination of dividends and net asset value of the Pool in accordance with the policies of the Pool; provision of office space, equipment and personnel to administer the Pool; printing and distribution of the Information Statement; preparation and distribution of other explanatory and promotional materials, and provision of technical assistance and guidance to Public Entities considering use of the Pool as an investment vehicle.
- **Participant Account Reports** – Preparation and provision to Participant of confirmation of each Participant investment and redemption transaction, and of monthly statements summarizing transactions, earnings, and

assets of each Participant account.

Distributor – Shares of the Pool are distributed by USBAM's affiliate, U.S. Bancorp Investments, Inc. (USBI), member Financial Industry Regulatory Authority ("FINRA") (www.finra.org) and Securities Investor Protection Corporation (SIPC) (www.sipc.org) and subject to the rules of the Municipal Securities Rulemaking Board.

Custodian Fifth Third Bank, NA – The Custodian holds all securities of the Pool, except that certain securities owned by the Pool and subject to repurchase agreements may be held by other custodians agreed to by the Investment Advisor on the Pool's behalf, and the other parties to the repurchase agreements. The Custodian does not participate in determining the investment policies of the Pool or in investment decisions. The Pool may not invest funds with, nor buy or sell any securities through, any affiliated service provider.

Depository Wells Fargo Bank, NA – The Pool's demand deposit accounts are maintained with, and all banking transactions (including wires and ACH) for Participants are processed through, the Depository Bank. Cash received from Participants who are buying Portfolio Shares or cash payable to Participants who have redeemed Shares may be held by the Depository Bank on a same-day basis.

Auditor – Ernst & Young LLP is the auditor for the Pool. The financial statements of the Pool will be audited annually.

Legal Counsel – Parker Poe Adams & Bernstein LLP.

Sponsor – The Pool has entered into a sponsoring agreement with the North Carolina Association of County Commissioners ("NCACC"). The NCACC provides consulting services and, when requested, assists the Pool in the preparation and dissemination of information prepared by the Pool.

Expenses of the Portfolios

The Pool has entered into arrangements for investment management, custodial, accounting, legal and audit services. All costs and expenses associated with the management of the Pool are processed and paid by the Investment Advisor. All expenses related to operation of the Pool are paid from the income of the Pool (see "Daily Income and Dividends of the Pool").

PFMAM is paid an annual fee in monthly installments based on the following percentages of the average daily net assets:

NCIP Liquid Portfolio	
Average Daily Net Assets	Annual Rate
First \$1 billion	0.15%
Next \$1 billion	0.13%
Next \$1 billion	0.12%
Over \$3 billion	0.10%

NCIP Term Portfolio	
Average Daily Net Assets	Fee
All Assets	Up to 0.15%

Sponsor Fees – Effective July 1, 2025, the NCIP Liquid Portfolio pays the Sponsor an annual sponsor fee of 0.01% of the average daily net assets of NCACC member counties invested in the Liquid Portfolio subject to an annual maximum as determined by the Pool and NCACC.

PFMAM and the Sponsor, may, but shall not be obligated to, reduce a portion of their fees to assist the Pool in an attempt to maintain a positive yield. In the event that PFMAM elects to initiate a fee reduction, such fee reduction shall be applicable to the computation of the NAV of the Liquid Portfolio on any day in which a fee reduction is applied. At any time after a fee reduction has been terminated, PFMAM may elect to have the amount of its accumulated reduced fees restored in whole or in part under the conditions described its Fee Deferral and Operating Expense Reimbursement Agreement with the Pool by way of a payment of fees in excess of the rate it was entitled to, prior to any fee reduction, all as set forth in the agreement. PFMAM may, but shall not be obligated to, reimburse certain operating expenses of the Pool, other than PFMAM's fee, to limit these expenses of the Pool.

Tax Matters

Pursuant to Section 115(1) of the Internal Revenue Code, federal gross income does not include income derived from the exercise of any essential governmental function that accrues to a state or any political subdivision of a state.

Arbitrage Rebate – The Internal Revenue Code generally requires issuers of tax-exempt obligations to rebate to the federal government their arbitrage profits derived from investment of gross proceeds in nonpurpose obligations. Various exceptions from the rebate requirements are available, and each Participant should consult with its bond counsel to determine whether and to what extent appropriate exceptions might be available. The investment by Participants of gross proceeds of debt issues in the Pool will be an investment in a nonpurpose obligation and will be taken into account in determining any rebate liability.

Treatment of Administrative Costs of the Pool – U.S. Treasury Regulations Title 26 Section 1.148-5 limits the ability for the expenses of an external commingled fund, like the Pool, to be treated as qualified administrative costs within the arbitrage rebate and yield restriction liability calculations. The limitations apply to an external commingled fund in which an individual Participant owns more than 10% of the beneficial interest of the fund. From time to time, the Pool may contain one or more Participants that individually own more than 10% of the beneficial interest of the fund. Therefore, Participants should consider the use of the gross yields of the Pool in all arbitrage rebate and yield restriction liability calculations.

The foregoing summary of federal income tax matters affecting Participants in the Pool does not purport to be complete. Participants should consult their bond counsel for advice as to the application of federal income tax law to their particular investment in the Pool.

Arbitrage Rebate Compliance

To further the objective of providing Participants with simplified arbitrage rebate compliance for proceeds of tax-exempt borrowings, the Pool has adopted the following recommended set of practices. The Investment Advisor strongly recommends that they be followed to minimize the Participant's rebate compliance costs.

- 1) A Participant should invest all the proceeds of a debt issue subject to arbitrage rebate in the Pool in the Liquid Portfolio on the same day as they are received by the Participant. This will enable the Participant to track the investment and expenditure of these funds.
- 2) A Participant should identify all the proceeds of a debt issue subject to the same yield at the time of initial investment. A separate account should be established for each fund or group of funds having a different yield by completing an Account Application. The Investment Advisor will provide advice on the number and type of accounts that will be needed to provide a clear audit trail.
- 3) Federal tax law requires issuers of tax-exempt obligations either to make certain rebate payments to the Federal government or to meet certain expenditure guidelines. If the Participant expects to meet one of the expenditure exceptions, it should notify the Investment Advisor when making its initial investment so the Investment Advisor can provide information regarding the expenditure of the proceeds of an issue.
- 4) If the Participant expects to make rebate payments, it should note that Federal tax law requires issuers of tax-exempt obligations to meet certain rebate payment requirements at least every five years. However, a Participant may need to account for its rebate liability on an annual basis. The Investment Advisor can provide

assistance with the preparation of rebate calculations, if requested. There will be a separate charge for each rebate calculation report (see Part 2 - Rebate Calculation Services for the Proceeds of Debt Issues).

- 5) If the Participant is eligible and has elected to pay a penalty in lieu of making rebate payments, it is the Participant's responsibility to notify the Investment Advisor of this fact and provide the requested bond documents.
- 6) It is recommended that Participants not draw down the entire proceeds of a debt issue account before providing for any rebate requirement or penalty payment.

If any Participant and any parties related to the Participant own more than 10% of the Shares of the Pool, such ownership may adversely affect the rebate liability of all Participants (see "Tax Matters").

Documentation of Market Price – The Investment Advisor will follow certain procedures to document that investments are purchased at a "market price" in accordance with requirements of the Internal Revenue Code and related rulings and regulations. These procedures include obtaining three bids or offers for all securities transactions on the secondary market, documenting transaction prices using independent pricing services, and following practices to avoid making "prohibited payments" or receiving "imputed receipts" (as these terms are used in the applicable U.S. Treasury regulations) that improperly reduce the yield on investments.

Rebate Exception Services for the Proceeds of Debt Issues

Upon initial investment of the proceeds of a debt issue, a Participant should inform PFMAM by means of the Account Application if it expects to qualify for an exception to the arbitrage rebate requirement and whether an election to pay a penalty in lieu of rebate was made under the two-year spending exception. If PFMAM has been so informed, 30 days before any expenditure test date related to such an exception from the rebate requirements, the Investment Advisor will provide, at no cost, a notice to the Participant that tracks the cumulative percentage of proceeds of a debt issue drawn from funds invested in the Portfolios from any debt issue whose proceeds are then invested in the Portfolios, and compares the cumulative percentage of funds drawn to the requirements of the exception to assist the Participant in determining its eligibility for such exception. Thirty days after any expenditure test date, the Investment Advisor will provide, at no cost, a report (a "rebate exceptions compliance report") to such Participant showing the cumulative percentage of the proceeds of a debt issue (including investment income) actually drawn and calculating the penalty, if any, due to the Internal Revenue Service if actual amounts drawn do not meet the expenditure test. Such Exception Compliance Report will assume that all draws from the Portfolios represent expenditures of bond proceeds by the Participant that occurred on or before the dates of the draws.

Rebate Calculation Estimates for the Proceeds of Debt Issues

PFMAM will provide estimates and formal reports of rebate liabilities as described below. Upon request, PFMAM will provide, at no cost, an estimated interim rebate calculation report (an "Interim Estimate") to a Participant whose bonds are subject to rebate. The Interim Estimate is only an estimate of the Participant's rebate liability for the purpose of giving the Participant assistance in its planning and financial reporting. The Interim Estimate will summarize all of the following:

- The allowable investment yield.
- Portfolio investment activities for the relevant period.
- A calculation of the estimated rebate liability at the end of the report period using the methodology prescribed by the applicable U.S. Treasury regulations.

When an account for the proceeds of a debt issue is opened, PFMAM will request certain information from a Participant, including information necessary to permit scheduling of the estimated rebate calculation report or estimated spending exception report. The Investment Advisor will require additional information from a Participant, including copies of the official statement, non-arbitrage or tax certificate, debt issue resolution and similar documents, before the first such reports can be prepared.

For each bond issue for which a Participant notifies the Investment Advisor by means of the Account Application that it is subject to rebate, as long as proceeds are invested in the Portfolios the Investment Advisor will provide a formal rebate calculation report (a "Formal Report") within 30 days after the fifth bond-year anniversary and each succeeding fifth bond year, and within 30 days after the date on which the last bond of an issue is discharged unless the Participant requests that a Formal Report be furnished for different computation dates. Participants may request

a Formal Report at any other time or at a more frequent interval than every five years. The Formal Report will normally consist of a statement of cash flows and certain calculations of yields and earnings prepared by the Investment Advisor.

If all the bonds have been discharged as a result of a refunding, it is the responsibility of the Participant to provide timely notice to the Investment Advisor that such event has occurred and supply the Investment Advisor with any information required to complete the final Arbitrage Report.

A Participant could be liable for rebate payments in addition to the amount identified in the Formal Report if, among other things, there are changes in the Regulations, if the date of the Formal Report does not correspond with a Computation Date (as defined in the Regulations), if payment of the amount is not made within 60 days of a Computation Date, or if the yield on the related tax-exempt, tax-credit, or taxable obligations changes.

It is advisable that a Participant not redeem all of its funds prior to completion of rebate estimates and a Formal Report, and that redemptions be made within the time frame described above in order to track all earnings accurately and to assist the Participant in fulfilling its rebate obligation. Participants may request an exception from these rules, but such an exception may result in the Participant having to fulfill its rebate obligation from other source of funds, and may make it impossible for the Investment Advisor to prepare a complete and accurate Formal Report.

Yield Restriction Calculation Estimates for the Proceeds of Debt Issues

The Investment Advisor will notify the Participant if any unspent funds invested in the Portfolio have become yield restricted as a result of the end of an applicable temporary period. This notification will also include a discussion of options available to the Participant to comply with the yield restriction requirements. The Participant should consult with its bond counsel prior to determining how it intends to comply with the yield restriction requirements. If bond counsel determines that the Participant is eligible to make yield reduction payments and the Participant selects this option, the Investment Advisor will provide, at no cost, estimated yield reduction payment reports upon request. This report is only an estimate for the purpose of assisting the Participant in its planning and financial reporting. The estimate report will summarize all of the following:

- The allowable investment yield.
- Portfolio investment activities for the relevant period.
- A calculation of the estimated yield reduction payment liability at the end of the report period using the methodology prescribed by the applicable U.S. Treasury regulations.

For each bond issue for which a Participant notifies the Investment Advisor that it has decided to make yield reduction payments, if necessary, to comply with yield restriction as long as the yield restricted proceeds are invested in the Portfolio, the Investment Advisor will provide a formal yield reduction payment report within 30 days after the fifth bond year anniversary and each succeeding fifth bond year, and within 30 days after the date on which the last bond of an issue is discharged unless the Participant requests that a formal yield reduction payment report be furnished for different computation dates. Participants may request a formal yield reduction payment report at any other time or at a more frequent interval than every five years. The formal yield reduction payment report will normally consist of a statement of cash flows and certain calculations of yields and earnings prepared by the Investment Advisor.

It is the Participant's responsibility to notify the Investment Advisor if the bonds have been refunded and/or discharged as the result of a refunding. The Participant should check with its bond counsel to make this determination and to identify if there are any transferred proceeds of the refunding bonds that should be yield restricted.

Rebate Calculation Expenses – There will be a separate charge for each formal rebate calculation or yield reduction payment report. The fee for a formal rebate calculation or yield reduction payment report prepared by the Investment Advisor will be billed separately to the Participant at the following rates for debt issues, the proceeds of which are invested exclusively through the Portfolios from their date of issuance until the date of calculation of the formal rebate calculation report:

- Each formal rebate calculation or yield reduction payment report, per debt issue: \$3,250

There will be additional charges for refundings requiring allocations of transferred proceeds and for other

calculations involving more extensive services. For proceeds of tax-exempt debt issues invested outside the Portfolios, due to differences of elapsed time since the issuance of the debt, types of investments, volume and type of transactions, number of funds, and condition and availability of records, the Investment Advisor cannot charge a standard fee. However, at the request of the Participant, the Investment Advisor will provide an estimated cost based on the Participant's specific circumstances. In addition to the rebate calculation services offered by the Investment Advisor, Participants also have the option of contracting directly with another service provider for rebate calculation services. If another service provider is used, the scope of the services provided and the fees charged are entirely the responsibility of the Participant and its service provider.

Information Common to All Portfolios

Permitted Investments

The Investment Advisor will invest available cash exclusively in authorized investments under the North Carolina General Statutes § 159-30(c), as amended from time to time:

- 1) Obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States.
- 2) Obligations of the Federal Financing Bank, the Federal Farm Credit Bank, the Bank for Cooperatives, the Federal Intermediate Credit Bank, the Federal Land Banks, the Federal Home Loan Banks, the Federal Home Loan Mortgage Corporation, Fannie Mae, the Government National Mortgage Association, the Federal Housing Administration, the Farmers Home Administration, the United States Postal Service.
- 3) Obligations of the State of North Carolina.
- 4) Bonds and notes of any North Carolina local government or public authority, subject to such restrictions as the secretary may impose.
- 5) Savings certificates issued by any savings and loan association organized under the laws of the State of North Carolina or by any federal savings and loan association having its principal office in North Carolina; provided that any principal amount of such certificate in excess of the amount insured by the federal government or any agency thereof, or by a mutual deposit guaranty association authorized by the Commissioner of Banks of the Department of Commerce of the State of North Carolina, be fully collateralized.
- 6) Prime quality commercial paper bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligation.
- 7) Bills of exchange or time drafts drawn on and accepted by a commercial bank and eligible for use as collateral by member banks in borrowing from a federal reserve bank, provided that the accepting bank or its holding company is either (i) incorporated in the State of North Carolina or (ii) has outstanding publicly held obligations bearing the highest rating of at least one nationally recognized rating service and not bearing a rating below the highest by any nationally recognized rating service which rates the particular obligations.
- 8) Participating shares in a mutual fund for local government investment; provided that the investments of the fund are limited to those qualifying for investment under this subsection (c) and that said fund is certified by the Local Government Commission.
- 9) Evidences of ownership of, or fractional undivided interests in, future interest and principal payments on either direct obligations of the United States government or obligations the principal of and the interest on which are guaranteed by the United States, which obligations are held by a bank or trust company organized and existing under the laws of the United States or any state in the capacity of custodian.
- 10) Repurchase agreements with respect to either direct obligations of the United States or obligations the principal of and the interest on which are guaranteed by the United States if entered into with a broker or dealer, as defined by the Securities Exchange Act of 1934, which is a dealer recognized as a primary dealer by a Federal Reserve Bank, or any commercial bank, trust company or national banking association, the deposits of which are insured by the Federal Deposit Insurance Corporation or any successor thereof if:
 - a. Such obligations that are subject to such repurchase agreement are delivered (in physical or in book entry form) to the local government or public authority, or any financial institution serving either as trustee for the local government or public authority or as fiscal agent for the local government or public authority or are supported by a safekeeping receipt issued by a depository satisfactory to the local government or public authority, provided that such repurchase agreement must provide that the value of the underlying obligations shall be maintained at a current market value, calculated at least daily, of not less than 100% of the repurchase price, and, provided further, that the financial institution serving either as trustee or as fiscal agent for the local government or public authority holding the obligations subject to the repurchase agreement hereunder or the depository issuing the safekeeping receipt shall not be the provider of the repurchase agreement;
 - b. A valid and perfected first security interest in the obligations which are the subject of such

repurchase agreement has been granted to the local government or public authority or its assignee or book entry procedures, conforming, to the extent practicable, with federal regulations and satisfactory to the local government or public authority have been established for the benefit of the local government or public authority or its assignee;

- c. Such securities are free and clear of any adverse third-party claims; and
- d. Such repurchase agreement is in a form satisfactory to the local government or public authority.

Any rating requirement described under “Authorized Investments” will be applied at the time of purchase.

Investment Restrictions

The Trustees have adopted the following investment restrictions and fundamental investment policies. These cannot be changed without approval of the Participants holding a majority of the outstanding shares of each Portfolio or series within a Portfolio to be affected by the change. The Trust will not:

- 1) Make any investment other than investments authorized by the Indenture, which constitute Permitted Investments and which are consistent with the investment policies and procedures set forth in the Information Statement and which are described therein, as the same shall may be amended from time to time.
- 2) Make loans, provided that the Pool may make Permitted Investments (which may include securities lending).
- 3) Borrow money or incur indebtedness except as a temporary measure to facilitate redemption requests which might otherwise require unscheduled dispositions of portfolio investments, and only as and to the extent permitted by law.
- 4) Hold or provide for the custody of any Pool assets in a manner not authorized by law.
- 5) Make an investment in any security with a final or effective maturity (or, for repurchase agreements, a remaining term) of 397 days or more.

Information Specific to the NCIP Liquid Portfolio

The NCIP Liquid Portfolio is organized and operated in a manner and in accordance with investment objectives and policies intended to:

- Preserve principal.
- Provide liquidity so that Participants may have ready access to their pooled funds.
- Provide as competitive a level of current income as is consistent with preserving principal and maintaining liquidity.
- Place investments, document investment transactions, and account for all funds in a manner that is in accordance with the arbitrage rebate provisions of the Internal Revenue Code and applicable regulations, rulings and procedures for the proceeds of tax-exempt debt issues.

There can be no assurance that the investment objectives of the NCIP Liquid Portfolio will be achieved.

Investment Restrictions

The Trustees have adopted the following additional investment restrictions and fundamental investment policies specific to the NCIP Liquid Portfolio. These cannot be changed without approval of the Participants holding a majority of the outstanding shares of each Portfolio or series within a Portfolio to be affected by the change. The NCIP Liquid Portfolio will not:

- 1) The Liquid Portfolio may not invest more than 5% of net assets in the following illiquid investments (illiquid investments are securities that cannot be sold or disposed of in the ordinary course of business at approximately the value ascribed to it by the Liquid Portfolio), measured in aggregate. Illiquid investments include:
 - a. Restricted investments (those that, for legal reasons, cannot be freely sold).
 - b. Fixed time deposits with a maturity of more than seven days that are subject to early withdrawal

penalties.

- c. Any repurchase agreement maturing in more than seven days and not terminable at approximately the carrying value in the Liquid Portfolio before that time.
- d. Other investments that are not readily marketable at approximately the carrying value in the Liquid Portfolio.

If the 5% limitation on investing in illiquid securities is adhered to at the time of investment, but later increases beyond 5% resulting from a change in the values of the Portfolio's securities or total assets, the Liquid Portfolio shall then bring the percentage of illiquid investments back into conformity as soon as practicably possible. NCIP believes that these liquidity requirements are reasonable and appropriate to assure that the securities in which the Liquid Portfolio invests are sufficiently liquid to meet reasonably foreseeable redemptions of shares.

Diversification Requirements

The Liquid Portfolio will limit investments in credit instruments to not more than 5% of the book value (at the time of purchase) of the total portfolio with any one issuer. Obligations issued and guaranteed as to principal and interest by the Government of the United States, its agencies or instrumentalities, any securities that are subject to repurchase agreements, and Federal Home Loan Bank letter of credit backed deposits are not subject to the 5% issuer limitation.

Liquidity Requirements

The Liquid Portfolio will not acquire any security other than: cash; direct obligations of the U.S. Government; or securities that will mature or are subject to a demand feature which is exercisable and payable within one Business Day (collectively, "Daily Liquid Assets") if, immediately after acquisition, the Portfolio would have invested less than 10% of its total assets in Daily Liquid Assets.

The Liquid Portfolio will not acquire any security other than: cash; direct obligations of the U.S. Government; government securities that are issued by a person controlled or supervised by and acting as an instrumentality of the Government of the United States pursuant to authority granted by Congress of the United States that are issued at a discount to the principal amount to be repaid at maturity and have a remaining maturity of 60 days or less; or securities that will mature or are subject to a demand feature which is exercisable and payable within five Business Days (collectively, "Weekly Liquid Assets") if, immediately after acquisition, the NCIP Liquid Portfolio would have invested less than 30% of its total assets in Weekly Liquid Assets.

The Pool is not registered as an investment company under the Investment Company Act of 1940 (15 U.S.C. Sec. 80a-1 et seq.) and, accordingly, is not subject to the provisions of the Investment Company Act of 1940 and the rules and regulations promulgated thereunder including rules relating to registered money market mutual funds.

Since the yield on the NCIP Liquid Portfolio may fluctuate daily, Participants should consult with their counsel or financial advisor as to the appropriateness of investing proceeds of tax-exempt bonds in the Liquid Portfolio in the event that covenants with bondholders or provisions of the Internal Revenue Code restrict the yield on investment of the bond proceeds.

The authorizing statute, charter, or bylaws of a Unit of Local Government or the trust indenture or ordinance or resolution under which the debt obligations of a Unit of Local Government are issued or its funds are invested, may contain investment restrictions which prohibit or otherwise limit investment in one or more of the above-described investments. Accordingly, the Unit of Local Government should consult with their legal counsel or financial advisor regarding the legality of investing bond proceeds in the Pool prior to participating in the Pool or investing in the Shares issued by the Pool.

Information Specific to the NCIP Liquid Portfolio

Rating Agency Information

The NCIP Liquid Portfolio has received a rating of AAAm from S&P Global and AAAmf from Fitch. S&P evaluates a number of factors, including credit quality, market price, exposure, and management. Please visit [SPGlobal.com/Ratings](https://www.spglobal.com/Ratings) for more information and ratings methodology. Portfolios with the Fitch AAAmf rating denote the strongest capacity to achieve the investment objective of preserving principal and providing liquidity through limiting credit, market, and liquidity risk. Please visit [fitchratings.com](https://www.fitchratings.com) for more information and ratings methodology.

Daily Income and Dividends of the Liquid Portfolio

As of 1:00 p.m. Eastern Time each Business Day, the daily net income (as defined below) of the Liquid Portfolio is determined and declared as a dividend to Participants of record as of the close of business on that day. Shares purchased as of 1:00 p.m. Eastern Time begin earning income dividends on the date of purchase. Shares redeemed as of 1:00 p.m. Eastern Time each day do not earn income for that day. Earnings for Saturdays, Sundays and holidays are declared on the previous Business Day, except for month end.

For the purpose of calculating dividends, net income of the Pool consists of interest earned, plus any discount ratably amortized to the date of maturity plus or minus all realized gains and losses on the sale of securities prior to maturity, less ratable amortization of any premium and all accrued expenses of the Pool, including the fees payable to the Investment Advisor (see "Expenses of the Pool").

Valuation of the Liquid Portfolio Shares

The Investment Advisor, on behalf of the Liquid Portfolio, determines the NAV of Shares of the Liquid Portfolio as of 1:00 p.m. Eastern Time on each Business Day. The NAV per Share of the Liquid Portfolio I is computed by dividing the total value of the securities and other assets of the Liquid Portfolio, less any liabilities, by the total number of outstanding Shares of the Liquid Portfolio. Liabilities include all accrued expenses and fees of the Pool, including fees of the Investment Advisor, which are accrued daily (see "Expenses of the Portfolio").

For the purposes of calculating the NAV per Share of the Liquid Portfolio, investments held by the Liquid Portfolio will be valued at original cost, plus or minus any amortized discount or premium.

The result of this calculation will be a per Share value which is rounded to the nearest penny. Accordingly, the price at which Liquid Portfolio Shares are sold or redeemed will not reflect unrealized gains or losses on Liquid Portfolio securities which amount to less than \$0.005 per Share. The Liquid Portfolio will endeavor to minimize the amount of such gains or losses. However, if unrealized gains or losses were to exceed \$0.005 per Share, the amortized cost method of verification would not be used, and the NAV per Share of the Liquid Portfolio would change from \$1.00.

It is a fundamental policy of the Liquid Portfolio to maintain a NAV of \$1.00 per Share, but for the reasons discussed here, there can be no assurance that the NAV of the Liquid Portfolio's Shares will not vary from \$1.00 per Share. The market value basis NAV per Share for a Pool may be affected by general changes in interest rates resulting in increases or decreases in the value of securities held by the Liquid Portfolio. The market value of such securities will tend to vary inversely to changes in prevailing interest rates. Thus, if interest rates rise after a security is purchased, such a security, if sold, might be sold at a price less than its amortized cost. Similarly, if interest rates decline, such a security, if sold, might be sold at a price greater than its amortized cost. If a security is held to maturity, no loss or gain is normally realized as a result of these price fluctuations; however, redemptions by Participants could require the sale of Pool securities prior to maturity.

The Investment Advisor, and the Board of Trustees will periodically monitor, as they deem appropriate and at such intervals as are reasonable in light of current market conditions, the relationship between the amortized cost value per Share and a NAV per Share based upon available indications of market value. In the event that the difference between the amortized cost basis NAV per Share and market value basis NAV per Share exceeds 1/2 of 1%, the Investment Advisor, the Board of Trustees will consider what, if any, corrective action should be taken to minimize any material dilution or other unfair results which might arise from differences between the two. This action may include the reduction of the number of outstanding Shares by having each Participant proportionately contribute Shares to the Pool's capital, suspension or rescission of dividends, declaration of a special capital distribution, sales of Pool securities prior to maturity to reduce the average maturity or to realize capital gains or losses, transfers of Pool securities to a separate account, or redemptions of Shares in kind in an effort to maintain the net asset value at

\$1.00 per Share. If the number of outstanding Shares is reduced in order to maintain a constant NAV of \$1.00 per Share, Participants will contribute proportionately to the Pool's capital the number of Shares that represents the difference between the amortized cost valuation and market valuation of the Liquid Portfolio. Each Participant will be deemed to have agreed to such contribution by its investment in the Liquid Portfolio.

To minimize the possible adverse effects of changes in interest rates and to help maintain a stable NAV of \$1.00 per Share, the Liquid Portfolio will maintain a dollar-weighted average portfolio maturity of not more than 60 days, a dollar-weighted average life (final maturity, adjusted for demand features but not interest rate adjustments) of no more than 120 days and will not purchase any security with a remaining maturity of more than 397 days, and will only invest in securities determined by the Investment Advisor to be of high-quality with minimal credit risk.

Yield Information

Current yield information for the Liquid Portfolio may, from time to time, be quoted in reports, literature and advertisements published by the Pool. The current yield of the Pool, which is also known as the current annualized yield or the current seven-day yield, represents the net change, exclusive of capital changes and income other than investment income, in the value of a hypothetical account with a value of one Share (normally \$1.00 per share) over a seven-day base period expressed as a percentage of the value of one Share at the beginning of the seven-day period. This resulting net change in account value is then annualized by multiplying it by 365/7.

The Liquid Portfolio may also quote a current effective yield from time to time. The current effective yield represents the current yield compounded to assume reinvestment of dividends. The current effective yield is computed by adding one to the net change in account value (exclusive of capital changes and income other than investment income) over a seven-day base period, raising the sum to a power of 365/7, and subtracting one from the result. The current effective yield will normally be slightly higher than the current yield because of the compounding effect of the assumed reinvestment.

The Pool also may publish a "monthly distribution yield" on each Participant month-end account statement or provide it to Participants upon request. The monthly distribution yield represents the net change in the value of a hypothetical account with a value of one Share (normally \$1.00 per Share) resulting from all dividends declared during a month by the Pool expressed as a percentage of the value of one Share at the beginning of the month. This resulting net change is then annualized by multiplying it by 365 and dividing it by the number of calendar days in the month.

At the request of the Board of Trustees, or Participants, the Liquid Portfolio may also quote the current yield of the Liquid Portfolio from time to time on bases other than seven days for the information of its Participants.

The yields quoted by the Liquid Portfolio or any of its representatives should not be considered a representation of the yield of the Liquid Portfolio in the future, since the yield is not fixed. Actual yields will depend on the type, quality, yield and maturities of securities held by the Liquid Portfolio, changes in interest rates, market conditions and other factors.

Information Specific to the NCIP Term Portfolio

Rating Agency Information

The NCIP Term Portfolio will be managed to ensure that it will meet all the necessary requirements to maintain a AAAf rating or equivalent by Fitch. The ratings reflect Fitch's review of the Term program's investment and credit guidelines, the portfolio's credit quality and diversification, as well as the capabilities of PFMAM as investment Advisor. The Fitch AAAf rating indicates the highest underlying credit quality (or lowest vulnerability to default). However, it should be understood that these ratings are not "market" ratings nor a recommendation to buy, hold or sell the securities. For a full description on rating methodology visit www.fitchratings.com.

Maturity

The NCIP Term Portfolio is a fixed-term investment portfolio of the Pool with a maturity of up to one year, depending on the termination date of any particular series within the NCIP Term Portfolio.

Dividends

Dividends on shares in the series constituting the NCIP Term Portfolio shall be paid on the termination date of the series, except for dividends on shares redeemed pursuant to a planned early redemption or a premature redemption before the termination date, which will be paid when such dividends on shares in the series are redeemed. For the purpose of calculating dividends for any series, net income shall consist of interest earned, plus any discount ratably amortized to the date of maturity, plus or minus all realized gains and losses on the sale of securities prior to maturity, less ratable amortization of any premium and all accrued expenses of that series.

Dividends on shares of the series of the NCIP Term Portfolio which are declared and paid are equal to the projected yield for such shares to the redemption date, less any losses affecting projected yield attributable to such shares (other than losses resulting from premature redemptions of shares of the series). Dividends on shares of the series of the NCIP Term Portfolio declared and paid on a premature redemption date are equal to the projected yield for such shares to the premature redemption date, less any losses affecting projected yield attributable to such shares and less a premature redemption penalty, if any. Investors may be charged a premature redemption penalty equal to (i) all penalty charges, losses, banking fees and other costs (including, without limitation, interest paid on funds borrowed to pay the redemption) associated with amending, terminating, selling or otherwise affecting any of the investments in the series and (ii) an amount sufficient to maintain the projected yield on the remaining shares to the stated termination date for the series or to the Planned Early Redemption Date, as the case may be, less any losses affecting projected yield attributable to such shares.

Any excess net income of a series of a NCIP Term Portfolio on the termination date will be distributed as an additional dividend to the shares of the series that were issued over the life of the series and the excess net income will be allocated on a pro rata basis based on the average shares outstanding during that time period. Investments may be distributed to Participants in any series in lieu of cash whenever the Trust determines that such distribution would be in the best interest of Participants of the NCIP Term Portfolio.

Valuation of Shares

The redemption value per share for a series of the Portfolio will be determined as of the close of business on the day when redemptions are made and upon termination of the series. The redemption value per share on the termination date of a series is equal to the original purchase price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series (other than losses resulting from Premature Redemptions of shares of the series). The redemption value per share for shares being redeemed on a Premature Redemption Date is equal to the original price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series, less a Premature Redemption penalty, if any.

The redemption value per share for shares being redeemed on a Planned Early Redemption Date is equal to the original purchase price for such share, plus dividends thereon, at the projected yield less such share's allocation of any losses incurred by the series (other than losses resulting from Premature Redemptions of shares of the series). The Premature Redemption penalty will be calculated by the Investment Advisor and will be equal to (i) all penalty charges, losses and other costs (including, without limitation, interest paid on funds borrowed to pay the redemption) associated with amending, terminating, selling or otherwise affecting any of the investments in the

series in order to pay the Premature Redemption plus (ii) an amount sufficient to maintain the projected yield on the remaining shares to the stated termination date for the series or to the Planned Early Redemption Date, as the case may be, less any losses affecting projected yield attributable to such shares. Thus, a Premature Redemption of shares may result in a penalty which could reduce the return and the principal value of the investment in amounts not ascertainable at the time the shares are issued. The redemption value per share could be lower than the purchase price of the share, and the return could be lower than the projected yield quoted at the time of issuance of the share.

Each NCIP Term Portfolio series provides for a fixed-rate, fixed-term investment by Participants, but the market value of the underlying assets will, prior to their maturity, tend to fluctuate inversely with the direction of interest rates. It is the intent of the Portfolio to manage each of its series in a manner that produces a share price of at least \$1.00 on the termination date for the Participant that redeems on said date.

Service Providers

Investment Advisor and Administrator

PFM Asset Management, a
division of USBAM

213 Market Street
Harrisburg, PA 17101-2141

Distributor

U.S. Bancorp Investments, Inc.
(USBI)

213 Market Street
Harrisburg, PA 17101-2141

Sponsor

North Carolina Association of County
Commissioners
323 West Jones Street, Suite 500
Raleigh, NC 27603

Custodian

Fifth Third Bank
38 Fountain Square Plaza MD#
109000
Cincinnati, OH 45263

Depository

Wells Fargo Bank N.A.
Government Banking Meetinghouse Business
Center
2240 Butler Pike
Plymouth Meeting, PA 19462

Legal Counsel

Parker Poe Adams & Bernstein, LLP 620
South Tryon Street
Suite 800
Charlotte, NC 28202

Independent Auditors

Ernst & Young LLP
2005 Market Street
Suite 700
Philadelphia, PA 19103-7095

For More Information

We send each Participant annual reports containing independently audited financial statements for the Portfolios. We also provide monthly account summaries, which describe dividends declared and shares purchased through dividend reinvestment. Other individual account information is available upon request. To buy or sell shares of a Portfolio, make additional investments, receive free copies of this document or the Portfolios' reports, or for general inquiries, please contact us:

By telephone: (833) 736-6247 / (833) 736- NCIP

By e-mail: CONTACT_NCIP@pfmam.com

By mail or fax:

North Carolina Investment Pool
P.O. Box 11813
Harrisburg, PA 17108
Fax: (888) 535-0120

On our website: www.investncip.com

This information statement provides detailed information about the Pool and its policies. Please read it carefully and retain it for future reference. For further information or assistance in investing, please call the toll-free number above or visit the Pool's website.