

SUBJECT	Ex./Tr./ID	QUOTE
Reasons for termination	Tr. 87:17-88:17 (Mahoney)	<p>Q: Why was Ms. Rodell terminated -- why was her employment terminated?</p> <p>A: <b>What was my reason?</b></p> <p>Q: Yes.</p> <p>A: <b>Okay. So I kind of already said it, but I'll restate it. Hopefully I'm consistent. So my vision is that the fund is a 100-billion-dollar fund by the year 2030. And in order for that to happen, we need to have a very high performing team where the investment officers who do the buys and the sells have a very good relationship, cohesive, work in harmony, collaborative with the executive director so that we don't have attrition issues that could potentially impact returns. I have a vision that the organizations, both the operations organizations and the investment organizations, work really well together as a team. There is all this conflict that is going on there that she hadn't been able to resolve. And then additionally, the relationship with some of the members of the board was in jeopardy. They had lost confidence in her. So I considered all of that in terms of as we move forward and we really continue to grow, is this the right leader to lead us into the future. Then I also considered the history, you know, the historical performance reviews. And that -- that was -- that was the foundation of my vote.</b></p>
	Tr. 82:20-83:1 (Feige)	<p>Q: And how did that impact your view of Ms. Rodell and her performance as executive director, that event?</p> <p>A: <b>That I think for me was another what I would call a bright-line event because it really demonstrated to me her level of discomfort, her level of -- I don't know if it's insecurity or her -- just her lack of desire of directly engaging with the board.</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
<p><b>Reasons for termination (continued)</b></p>	<p>Tr. 21:24-22:11 (Schutt)</p>	<p>Q: And I'm going to go through some of the comments that are in the summary, and that might trigger it. So when you said there was discussion about the disconnect between Rodell and the Board of Trustees, what do you mean by that?</p> <p><b>A: Several trustees were clear in that they didn't feel like we had a good, healthy, open dialogue back and forth between Ms. Rodell and the board and that there was sort of an unnatural and unhealthy tension in that relationship. I guess those are my kind of paraphrased summary of the issue.</b></p> <p>Q: Was that a concern that you had?</p> <p><b>A: Yes, it was.</b></p>
	<p>Tr. 69:19-21 &amp; 70:13-20 (Rieger)</p>	<p>Q: Did you ultimately vote in favor of terminating Ms. Rodell's employment?</p> <p><b>A: I did... But those two events -- one was that she was afforded an opportunity to resign and declined, and second, that it was clear to me that there was -- there was -- there were at least four board members who wanted to make a change, made it clear to me that there was just one path forward for the corporation. It was just untenable to try to continue on with an executive director who had lost the confidence of a majority of the board.</b></p>
	<p>Tr. 69:11-16 (Moran)</p>	<p>Q: Did the board have a general consensus as to the reason for termination that those who were voting in favor of it were agreeing on?</p> <p><b>A: The general -- the general theme was a lack of -- or a loss of confidence. A loss of confidence was kind of what the theme was.</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
<p><b>Reasons for Termination (continued)</b></p>	<p>Tr. 84:2-13 (Moran)</p>	<p>Q: Do you think the executive director should be independent and free from undue political pressure from the governor's office?</p> <p><b>A: Yes.</b></p> <p>Q: Do you think that was true in Ms. Rodell's case?</p> <p><b>A: You know, I think it was. I didn't get any indication that the governor's office was interfering in any of this, but that may or may not be the case. I don't know for sure.</b></p> <p>Q: When you say "interfering in this," you are referring to the termination of Ms. Rodell's employment?</p> <p><b>A: Right.</b></p>
	<p>Tr. 59:1-17 &amp; 60:4-18 (Feige)</p>	<p>Q: Okay. And what was your reaction to seeing that press release?</p> <p><b>A: This is wildly inappropriate. I was absolutely furious because, first of all, this should have been cleared by the board before going out because of the statements that are contained within it. Being a commissioner during this time period, I was in the midst of, within my own department, doing those shutdown plans, making the decision of who and what would be considered essential personnel and essential activities that would continue. And it was at no time in my -- was it ever remotely contemplated that the APFC investment staff and that corporation would not be considered essential. I had no idea where this came from. It had, I think, an adverse impact on the fund because it unnecessarily frightened the public, and I thought it was absolutely out of bounds.</b></p> <p>Q: Did the issuance of that press release play any role in your evaluation of Ms. Rodell at the end of 2021?</p>

SUBJECT	Ex./Tr./ID	QUOTE
<p><b>Reasons For Termination (Continued)</b></p>		<p><b>A: Yes.</b></p> <p>Q: What role did it play?</p> <p><b>A: It was a significant marker, in my mind, that she did not believe she was accountable to the board. She didn't understand when her actions crossed over into something where she should be communicating with her board and getting feedback from her board. And this, in my mind, also cast doubt for me on her judgment. What was the motivation to this? What is the end game in this? And for an organization that is -- that works very hard in a very political world to be apolitical, this is about as political as it gets. And so it was definitely a red flag marker for me.</b></p>
	<p>Tr. 68:8-69:8 (Richards)</p>	<p>Q: Going into the executive session in 2021, had you come to a decision over -- or sorry. Were you leaning one way or another in regards to terminating Ms. Rodell's employment?</p> <p><b>A: Yes. I was leaning towards I thought termination was appropriate.</b></p> <p>Q: And why were you leaning in that direction?</p> <p><b>A: For the same reasons and all the discussions we had been having for the last four years with her. It was the -- the behavior that I had witnessed over the years and was seeing again in almost a worse way in some ways this year than I had seen in the past was, you know, a continued tough relationship with the investment staff, and I was having concerns that that was going to make the people that are responsible for performance and the top-level folks, that it was going to result in the CIO again leaving and some of the other top-level folks. That was one. The other was some of the behavior in September at the Kodiak meeting and the work session before was pretty far out there, to the point that I just didn't see Ms. Rodell taking advantage of the opportunity to build a trusting relationship</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
		<p><b>with all the board members. She had been given that opportunity year after year, and she pretty aggressively chose an approach that was not a trust-building approach.</b></p>
<p><b>Reasons for termination (Continued)</b></p>	<p>Tr. 37:14-35:7 (Feige)</p>	<p>Q Sure. So I think you were testifying that in your view Ms. Rodell was kind of increasing the – the length of the presentations or the technicality of the presentations to reduce the amount of time that she would have to have in open discussions with the board. And I guess my general question is why do you think she didn't want to have those open discussions with the board?</p> <p><b>A: Thank you. I do think that -- that it was due to the tension that she had just with the board broadly. I don't think it was necessarily directed at any one individual or pair of individuals. There was -- there was a resistance to engage in - - in that kind of fulsome discussion that is very -- that's very useful and helpful during those meetings. There was a resistance to that. And we began to see, again, the -- you know, the more technical board packets and more rigidity. And when questions would get asked, there was a turn to either the strategic plan or to one of the resolutions. You never got a real answer. You just got pointed to a policy.</b></p>
	<p>Tr. 89:11-17 (Moran)</p>	<p>Q: So it sounds like you disagree with the ultimate decision to terminate Ms. Rodell's employment.</p> <p><b>A: Yes.</b></p> <p>Q: Do you have any concerns over the manner in which that decision was reached?</p> <p><b>A: No. I think the -- I think the trustees did what they thought was the right thing to do.</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
Reasons for termination (continued)	Tr. 49:17-25 (Mahoney)	<p>Q: So what about the 360-degree survey review; how did that impact your evaluation?</p> <p><b>A: I was really concerned about the conflict and the stress that I sensed from the 360 review from the investment staff. And the investment -- I mean, everybody at the Permanent Fund is extremely important. Everybody contributes. But it was really important to me that the investment staff, you know, have a really collaborative, cohesive working relationship with the executive director.</b></p>
	Tr. 46:23-47:9 (Moran)	<p>Q: When you say it was "twisted around that way," what do you mean?</p> <p><b>A: Well, it was ultimately used as that she was -- that it was some kind of ulterior motive or that she had some objective behind the scenes that she wasn't discussing to get that in there. But I had discussed it with her before, and I think she was sincere that she really wanted to arrive at a solution to a problem.</b></p> <p>Q: When you had discussed it with her, was that when you were still chair?</p> <p><b>A: Yes, and she put it on the agenda, so I discussed the agenda with her.</b></p>
	Tr. 28:22-23 & 29:8-19 & 30:3-11 (Richards)	<p>Q: I guess I said "manage." What do you mean by "managing the information coming to the board"?</p> <p><b>A: Compensation. It's just at the last board meeting in September, you know, the way that the information was presented for peer reviewing salaries I thought was making a case as opposed to, you know, more artful discussion of the subject matter. Same thing with the budgeting. Often -- not all the time, but often --this year is a good example -- she offered a proposal of 15 people, which was so -- this is 15 new hires, you know, within an organization of less than 60 people. So she was offering to increase the staff by 25 percent, which was just unreasonable. You know, it was obviously just presented as a negotiation point to try to negotiate down.</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
<p>Reasons for termination (continued)</p>		<p><b>A: I felt she presented the information in a way that made the Anchorage office look bad. Rather than trying to solve a problem around cost of leasing and some other things, she kind of went out of her way to make it look a little more expensive and throw a little cold water on it. You know, put in a bunch of expenses for high-lease units when you could have just rented space in the Atwood for pretty cheap, things like that.</b></p>
<p>Testimony related to the use surveys</p>	<p>Tr. 17:3-23 (Mahoney)</p>	<p>Q: So in 2021 why was a consultant, third-party consultant, not used to facilitate that evaluation of Ms. Rodell's performance?</p> <p><b>A: I thought about it and concluded that we didn't need the consultant because we were going to essentially use the same survey questions that she had developed. I am very familiar with SurveyMonkey you know, as a tool because we have deployed it at the Department of Revenue several times with over 450 people potentially using the survey. Additionally, I am just a person who is focused on saving money, and so, you know, I believe that if -- you know, if I compiled the survey, we could save a little bit of money. Granted, it's not a lot. But more importantly, my goal was to try to establish a standardized annual process for these performance reviews such that it would be like clockwork every year. You know, we would reevaluate the questions. They are very simple to update or change in SurveyMonkey. Distribute, and then the software tool compiles the results and the graphs. And it's easy.</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
<p>Testimony related to the use surveys (continued)</p>	<p>Tr. 18:15-19:4 (Mahoney)</p>	<p>Q: Was there -- do you recall -- what was your rationale between -- behind expanding the kind of reach of the survey to 100 percent of the employees at least having the opportunity to take it?</p> <p><b>A: Sure. You know, the more responses that you have in a survey, the more accurate it could be. And plus with the power of the software compiling all the results, to me it was -- didn't matter if we had 21 responses or 40 responses because of the way that the software compiles the data. And plus, as I had mentioned before, we have successfully run these surveys in the Department of Revenue with hundreds of people and, you know, we just get really good results. So I believe that the more the feedback, the better we would be able to evaluate.</b></p>
	<p>Tr. 22:5-13 (Mahoney)</p>	<p>Q Did you have any concerns over using the 360-degree survey? Did you, like, well, this is -- it's good for what it's worth, but you have these X concerns about that type of process?</p> <p><b>A I didn't have concerns about it, but I also recognize that these type of surveys represent one data point of many that you -- or we, the trustees, would use to evaluate Angela's performance. It's not the sole thing. It's a reference.</b></p>
<p>Attributing fund performance to Ms. Rodell's performance</p>	<p>Tr. 27:22-28:21 (Mahoney)</p>	<p>Q: How much weight did that give -- was that -- in your mind, how much weight would you give that towards your evaluation of Ms. Rodell?</p> <p><b>A: We talked about -- we talked about -- if you look at the document, the summary document for the performance review, the very first five bullets on it, if I recall, were all of the good things that Angela did for the organization. And we talked about it. We talked about the exceptional returns. But the thing to remember and the thing that you need to think about is the returns are delivered by 51 people working at the Permanent Fund Corporation, not one person. The executive director doesn't singlehandedly deliver performance. There is a group of investors. They are the ones that are making the buy/sell transaction decisions. They are the ones that are selecting the private equity investments, the managers.</b></p>



SUBJECT	Ex./Tr./ID	QUOTE
		<p><b>I mean, there are so many components associated with delivering returns. It's a team. It's a whole team that makes that happen. And so she was a part of that team, no doubt, but she was also not allowed to be involved in the investment decisions. And that was a decision that had been made.</b></p>
<p><b>Attributing fund performance to Ms. Rodell's performance (continued)</b></p>	<p>Tr. 73:8-15 (Rieger)</p>	<p>Q: Do you find that the financial performance of APFC was relevant to your evaluation of Ms. Rodell's performance?</p> <p><b>A: Not -- relevant if it was a situation where it would be relevant, but I think we -- our -- our outperformance was -- was really a team effort. And you know, there were a lot of people who kind of deserved the pat on the back for doing the return that we did. It wasn't, you know, any one person's doing. It was -- I mean, it would be a very complicated thing to even dissect and say what were all ingredients. But it was a lot of stuff, not least of which was the private equity portfolio which just had a phenomenal year.</b></p>
	<p>Tr. 439:4-11 (Moran)</p>	<p>Q: How much weight do you think would be an appropriate amount to put on the fund's overall performance or performance in respect to particular benchmarks when it comes to evaluating kind of an executive director?</p> <p><b>A: What kind of weight? Just off the top of my head, I'd say about 85 percent.</b></p>
	<p>Tr. 42:19-43:2 (Richards)</p>	<p>Q: You mean the financial performance of the fund wouldn't be addressed by the trustees in their evaluation?</p> <p><b>A: I shouldn't say that. I think Bill Moran would tend to say every year, well, the fund is doing good so that reflects well. So I would say that outside of Mr. Moran, I don't think anybody viewed -- I don't think she was directly correlated enough to returns that it was viewed as a particularly important factor in terms of her individual evaluation.</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
<p><b>The utility of Governance Committee pre-meetings related to Executive Director performance evaluations</b></p>	<p>Tr. 18:6-20 (Rieger)</p>	<p>Q: I guess my question is, do you recall there being kind of a deliberate decision, all right, we are going to skip the Governance Committee steps. We are going to do everything at the board level. Or the process kind of evolved, it just evolved organically into something else?</p> <p><b>A: I remember, you know, to the best of my knowledge, the thought process was that the -- even -- the idea of having a meeting and then another meeting just for the sake of adhering to the letter of the -- of the policy was -- was not going to add anything. So the idea of having a meeting and then having the exact same people do it again with -- you know, with a different label hanging on the meeting didn't seem to add anything other than just complicate matters.</b></p>
<p><b>Political Statements by APFC</b></p>	<p>Tr. 67:8-69:9 (Rieger)</p>	<p>Q: Do you recall that press release being brought up during the 2021 executive session?</p> <p><b>A: I don't recall specifically it being brought up, but I can -- again, in retrospect, I can see how this might have been the kind of thing that someone was worrying about.</b></p> <p>Q: And why is that?</p> <p><b>A: The -- the whole -- the whole idea of a government shutdown has a lot of, you know, political charge to it. And so anything that has a political charge, I like to see the Permanent Fund stay out of. And I think that's part of -- part of our job is to stay out of the fray.</b></p> <p>Q: Why do you think that's important?</p> <p><b>A: You know, I guess it's a vision -- it's a vision for the fund where we -- we -- we need the confidence of everyday Alaskans that we are doing a good job, and we</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
		<p>actually have to do a good job, as well as have that confidence. And any time when, you know, we weighed in on something, whether it's a – where it's a skirmish, that's – that's risky. It's not helpful because it's –it can lead to—it can just lead to speculation that you are not just minding your – minding your business on managing the fund, so I don't know if that's a very good answer, but you know, think twice before you weighed into anything that's charged.</p>
<p><b>Whether the Trustees discussed the political implications of Ms. Rodell's termination</b></p>	<p>Tr. 75:6-11 (Moran)</p>	<p>Q: Did the trustees discuss how this action would impact the fund in the view of the legislature?</p> <p><b>A: No.</b></p> <p>Q: What about the governor or the executive branch?</p> <p><b>A: You know, the political implications really weren't discussed in executive session that I recall.</b></p>
<p><b>The role of Commissioner Trustees</b></p>	<p>Tr. 7:20-8:6 (Richards)</p>	<p>Q: Did you ever perceive a conflict between your status as a commissioner and your role as a trustee?</p> <p><b>A: No. Again, just because I think as a trustee you understand and it's made pretty clear to you that you are bound as a fiduciary to make your best interests -- make, you know, decisions and take actions what is in the best interest of the fund when you are acting as a trustee.</b></p> <p>Q: Did you ever find it difficult to kind of divorce yourself from acting as a trustee as opposed to acting as a commissioner?</p> <p><b>A: No.</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
<p><b>Ms. Rodell's reaction to her termination</b></p>	<p>Tr. 83:21-84:6 (Mahoney)</p>	<p>Q: Did she have anything to say during the executive session?</p> <p>A: <b>Yes.</b></p> <p>Q: What did she say?</p> <p>A: <b>This is awful. She said that we were making a big mistake because no one would ever be able to do the job that she did and manage the fund as she did. She told us that there would be political ramifications for our decision. She told us that she was going to hold each one of us individually accountable. It was very unprofessional.</b></p>
	<p>Tr. 103:2-8 (Mahoney)</p>	<p>Q: I mean, sitting here today, do you think the outcome was still the correct decision?</p> <p>A: <b>Yes, especially her closing words.</b></p> <p>Q: Oh, after you -- after she was told that she was being terminated, her reaction to that?</p> <p>A: <b>Yeah. I think all the trustees were very taken aback at that, and it probably validated their decisions.</b></p>
	<p>Tr. 97:16-98:5 &amp; 98:13-23 (Feige)</p>	<p>Q: So what was Ms. Rodell's reaction or response to Chair Richards telling her what the board's direction was going to be?</p> <p>A: <b>She said okay. And when he said, you know, we will extend you the courtesy -- professional courtesy of being able to resign, and she said, nope, and then proceeded to launch into one of the most vitriolic diatribes I have ever heard as a professional. Clearly she was embarrassed and her feelings were hurt, but she</b></p>

SUBJECT	Ex./Tr./ID	QUOTE
		<p>immediately went to, I knew you were going to do this. You will all have to wear this decision. You don't know the political firestorm you will -- you have created for yourself, or something to that effect, and then good luck replacing me. I knew I had made the absolute right decision...And for someone not only to -- to refuse the courtesy of being able to resign when you are a CEO and then, you know, turning around and -- and having, you know, the eruption that she had, that communicates to me that that's an individual that doesn't believe that they have anything they need to improve. They don't have shortcomings. They are blind to where they need to improve their own skill sets. And as a fiduciary of the trust, we can't -- we can't have that at the helm. We just can't. So I was -- I was very firmly rooted that I had made the right decision.</p>
<p><b>Ms. Rodell's reaction to her termination (continued)</b></p>	<p>Tr. 102:23-103:8 (Richards)</p>	<p>Q: And how did Ms. Rodell respond to that?</p> <p><b>A: Not well.</b></p> <p>Q: What did she do?</p> <p><b>A: So she first indicated that she thought that this was going to happen and she should have made us have this discussion in open session, and then she said something to the effect of, you don't know the political storm that you have created for yourself and the consequences. I took it as you are going to reap the whirlwind sort of deal. She made it very clear that she planned to politicize this, and she did.</b></p>