RETIREMENT BOARD MEETING
SECOND MONTHLY MEETING
9:00 a.m.
September 11, 2013

Retirement Board Conference Room
The Willows Office Park
1355 Willow Way, Suite 221
Concord, California

THE RETIREMENT BOARD MAY DISCUSS AND TAKE ACTION ON THE FOLLOWING:

1. Pledge of Allegiance.

2. Accept comments from the public.

3. Review of total portfolio performance including:
   a. Consideration of any managers already under review or to be placed under review.
   b. Consideration of any changes in allocations to managers

4. Consider and take possible action on the International Value Equity Semi-Finalist Report.

5. Consider and take possible action on the Small to Mid-cap Private Equity Semi-Finalist Report.

6. Presentation from Paulson & Co, Inc. Real Estate Fund II.

7. Consider and take possible action on staff recommendation regarding Paulson & Co, Inc. Real Estate Fund II.

8. Consider authorizing the attendance of Board and/or staff:

   a. Trustees' Roundtable, CALAPRS, September 13, 2013, San Jose, CA.

9. Miscellaneous
   a. Staff Report
   b. Outside Professionals' Report
   c. Trustees' comments

The Retirement Board will provide reasonable accommodations for persons with disabilities planning to attend Board meetings who contact the Retirement Office at least 24 hours before a meeting.

QUARTERLY REVIEW & PERFORMANCE MEASUREMENT REPORT
for

Contra Costa County Employees' Retirement Association

FOR THE PERIOD ENDING
June 30, 2013

August 23, 2013

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MARKET OVERVIEW

Domestic Equity Markets

Despite concerns about a potential reduction of stimulus by the Federal Reserve, the US stock market rose modestly on improving economic data and steady growth in corporate earnings. For the second quarter of 2013, the S&P 500 index returned 2.9% compared to 10.6% in the first quarter of 2013. Most major domestic equity indices posted gains in the quarter. Small cap stocks posted slightly better returns than large cap stocks with the Russell 2000® Index up 3.1% versus 12.4% in the first quarter.

Seven of the S&P 500 sectors had positive returns during the second quarter while three had negative returns. The Financial sector had the largest gain at 7.3%, followed by Consumer Discretionary at 6.8%, Healthcare 3.8%, Industrials 2.8%, Information Technology 1.7%, Telecommunications Services 1.0% and Consumer Staples at 0.5%. The sectors with negative returns were Utilities -2.7%, Materials -1.8% and Energy -0.4%.

For the quarter, the median Large Cap manager underperformed the S&P 500 index by 0.1% before reduction of fees with a return of 2.8%. The median Mid Cap manager outperformed the S&P Mid Cap Index by 1.3% with a median return of 2.3%, while the Small Cap manager outperformed the Russell 2000 index by 0.6% with a return of 3.7%.

In the quarter, value stocks outperformed growth securities in the large cap area of the market, while growth beat value stocks in small caps. In domestic large capitalization stocks, the Russell 1000® Value Index returned 3.2% compared to the Russell 1000® Growth Index return of 2.1%. In the small cap segment of the market, the Russell 2000® Value Index returned 2.5% while the Russell 2000® Growth Index returned 3.7%.

International Equity Markets

The international equity markets declined on worries about the recession in Europe, the prospect of reduced monetary stimulus, and slowing growth in most emerging markets economies. The MSCI EAFE Index returned -1.0% during the quarter, while emerging markets were down significantly more at -8.1%.

Domestic Bond Markets

The Federal Reserve announced that it would continue its securities purchases (“QE3”) at the current rate of $85 billion per month and keep short term interest rates low until unemployment falls below 6.5%. However, the Fed also stated that it could start reducing its securities purchases later this year. The Barclays Capital Aggregate Bond Index returned -2.3% during the second quarter.

Longer-duration bonds were the worst performing sector in the quarter. The Barclays Long Government/Credit Index returned -6.1%, while the shorter Barclays 1-3 Year Government/ Credit Index returned -0.1%. The Barclays Credit Index returned -3.4% compared to -1.9% for the Barclays Treasury Index. The Barclays Mortgage Index returned -2.0%, while high yield securities as measured by the Merrill Lynch High Yield Master II Index returned -1.4%.

During the second quarter, the median Fixed Income manager outperformed the Barclays Aggregate Index by 0.4% with a return of -1.9%. For the twelve months, ended June 30, 2013, the median Fixed Income manager outperformed the benchmark by 1.5%.

Real Estate

The domestic real estate market, as measured by the NCREIF ODCE Property Index, was up 3.9% for the second quarter of 2013. The FTSE NAREIT Equity Index, which measures the domestic public REIT market, returned -1.6%. Global real estate securities, as measured by the FTSE EPRA/NAREIT Global Developed Markets Index, returned -4.3%.

KEY POINTS

Second Quarter, 2013

- The CCCERA Total Fund returned 0.3% for the second quarter, better than the 0.0% return of the median public fund. CCCERA Total Fund performance has been first quartile over the trailing one- through ten-year periods.
- CCCERA domestic equities returned 2.7% in the quarter, matching the return of the Russell 3000® Index but slightly trailing the 2.8% return of the median equity manager, ranking in the 53rd percentile of equity managers.
- CCCERA international equities returned -2.6% for the quarter, below the MSCI EAFE return of -0.7% but better than the MSCI ACWI ex-USA return of -3.1%, and ranked in the 77th percentile of MSCI ACWI ex-US portfolios.
- CCCERA global equities returned 0.5% in the quarter, above the MSCI ACWI return of -0.4% and ranked in the 47th percentile of global equity managers.
- CCCERA domestic investment grade fixed income returned -1.6% for the quarter, exceeding the Barclays U.S. Universal return of -2.4% and the median core fixed income manager return of -2.4% and ranked in the 7th percentile.
- CCCERA global fixed income returned -3.5%, below the -2.8% return of the Barclays Global Aggregate Index. This return ranked in the 79th percentile of global fixed income managers.
- The inflation hedging investments returned -3.6%, below the 1.3% of the CPI+4% benchmark.
- CCCERA real estate returned 1.6% for the quarter. This return trailed the median real estate manager return of 2.6% but beat the CCCERA real estate benchmark return of 0.4%.
- CCCERA alternative assets returned 3.8% for the quarter, below the target 11.7% return of the S&P 500 + 400 basis points per year.
- The CCCERA opportunistic allocation (entirely Oaktree) returned 5.9% in the second quarter.
- The total equity allocation stood at 47.9% at the end of the quarter, which was higher than the current target weight of 46.6%. Investment grade fixed income was slightly below its target at 22.5% vs. 23.6%, as was High Yield Fixed Income at 4.8% vs. 5.0% and Inflation Hedging Assets at 4.7% vs. 5.0%. Real Estate was also below target at 12.1% vs. 12.5%. Alternative investments were slightly above their target at 6.5% vs. 6.0%.

WATCH LIST

Manager	Since	Reason
Adelante	5/22/2013	Performance
INTECH Large Cap and Global Portfolios	12/12/2012	Personnel Departures
*INVESCO IREF I, II	2/24/2010	Performance
*Nogales Investors	5/28/2008	Performance
*Long Wharf Real Estate Growth Fund II&III	5/23/2012	Performance

*Indicates a closed-end fund

- The Adelante domestic REIT portfolio beat its benchmark in the second quarter with a return of 0.2% compared to -1.4% for the Wilshire REIT Index, and ranked in the 3rd percentile of US REIT portfolios. Over the trailing year, Adelante is below the benchmark (7.6% vs. 8.4%) and ranks in the 62nd percentile. Over the trailing five-, seven-, and ten-year periods, Adelante ranks in the bottom decile.
- The Intech Large Cap portfolio trailed the index during the second quarter (2.3% vs. 2.9%), matches the index over the trailing one- and five-year periods, but is below the index over the trailing three year period. The Intech Global Low-Volatility portfolio trailed the index in the second quarter, with a return of -0.8% vs. -0.4% for the MSCI ACWI, but is ahead of the index over the trailing year (17.1% vs. 16.6%).
- INVESCO Fund I significantly outperformed its benchmark in the second quarter with a return of 10.9% compared to 3.6%, and ranked in the 1st percentile. INVESCO Fund I is in the 1st percentile over the trailing year, and the 3rd percentile over the trailing three-years. INVESCO Fund II performed well during the second quarter with a return of 7.7% compared to 3.6% for the benchmark, and ranked in the 1st percentile. Performance for both INVESCO funds is in the bottom decile for the trailing five-year period.
- Nogales will remain on the Watch List until the fund is completely wound down.
- The Long Wharf Real Estate Funds (formerly Fidelity) were added to the watch list reflecting performance problems dating back some time. Fund II continues to compare poorly against index benchmarks and peers, while Fund III has done well recently.

PERFORMANCE DISCUSSION

CCCERA's total fund second quarter return of 0.3% was better than the median public fund at 0.0%. Performance has been strong against peers through the past four years, particularly over the trailing two- through four-year periods, where performance ranked in top decile. The fund trailed its policy benchmark in the most recent quarter, but has beat the policy benchmark over the trailing one- and three-year periods. CCCERA has out-performed the median over all trailing time periods, and is particularly strong over the trailing ten years, where the fund ranks in the 4th percentile.

The Total Fund Policy Benchmark referred to above was constructed by weighting the various asset class benchmarks by their target allocations.

- From the 3rd quarter of 2009 through the 1st quarter of 2010, the benchmark was 40.6% Russell 3000, 10.4% MSCI EAFE (Gross), 25% Barclays U.S. Aggregate, 3% Bank of America High Yield Master II, 4% Barclays Global Aggregate, 8.4% Dow Jones Wilshire REIT, 3.1% NCREIF, 5% S&P 500 + 4% (Quarter Lag) and 0.5% 91-Day T-Bills.
- From the 2nd quarter of 2010 through the 1st quarter of 2011, the benchmark was 35.6% Russell 3000, 10.4% MSCI EAFE (Gross), 5% MSCI ACWI (Net), 25% Barclays U.S. Aggregate, 3% Bank of America High Yield Master II, 4% Barclays Global Aggregate, 8.4% Dow Jones Wilshire REIT, 3.1% NCREIF, 5% S&P 500 + 4% (Quarter Lag) and 0.5% 91-Day T-Bills.
- From the 2nd quarter of 2011 through the 1st quarter of 2012, the benchmark was 31% Russell 3000, 10.4% MSCI EAFE (Gross), 9.6% MSCI ACWI (Net), 25% Barclays U.S. Aggregate, 3% Bank of America High Yield Master II, 4% Barclays Global Aggregate, 8.4% Dow Jones Wilshire REIT, 3.1% NCREIF, 5% S&P 500 + 4% (Quarter Lag) and 0.5% 91-Day T-Bills.
- Beginning the 2nd quarter of 2012, the benchmark is 27.7% Russell 3000, 10.6% MSCI ACWI ex-USA (Gross), 12.3% MSCI ACWI (Net), 19.6% Barclays U.S. Aggregate, 5% Bank of America High Yield Master II, 4% Barclays Global Aggregate, 13.5% Real Estate Benchmark (40% Wilshire REIT, 50% NCREIF, and 10% FTSE/EPRA NAREIT Developed ex-USA), 6.8% S&P 500 + 4% (Quarter Lag) and 0.5% 91-Day T-Bills.

Domestic Equity

CCCERA total domestic equities returned 2.7% for the quarter, matching the return of the Russell 3000®, but slightly trailed the 2.8% return of the median manager. Please note that WHV was terminated during the second quarter, and the assets were distributed between the PIMCO Stocks+ portfolio and the Intech Large Cap Core portfolio.

Ceredex trailed its index benchmark in the second quarter with a return of 0.3% compared to 2.5% for the Russell 2000 Value Index, and ranked in the 90th percentile. Poor stock selection in the energy and industrials sectors accounted for the bulk of the underperformance in the second quarter. Ceredex matches the index for the trailing year period with a return of 24.8%, and ranks in the 67th percentile of small cap value managers. Delaware trailed the benchmark with a return of 0.3% compared to 2.1% for the Russell 1000 Growth Index. Poor stock selection in the consumer staples and industrials sectors accounted for the bulk of Delaware's underperformance in the second quarter. Delaware is above its index benchmark for the trailing two- through five year-time periods, and ranks very well compared to peers. Emerald Advisors beat its benchmark in the second quarter with a return of 5.5% compared to 3.7% for the benchmark (strong stock selection in the consumer discretionary, consumer staples, and health care sectors accounted for the outperformance). Emerald is ahead of the benchmark over all trailing time periods, and consistently ranks above the median.

The Intech Large Cap Core portfolio slightly trailed it's index in the second quarter with a return of 2.3% compared to 2.9% for the S&P 500, and ranked in the 70th percentile. Intech is very close to its benchmark over all trailing time periods, and is above the median fund over the trailing three- and four-year periods. The PIMCO Stocks Plus portfolio beat the S&P 500 Index in the second quarter with a return of 3.3% vs. 2.9%. This return ranked in the 34th percentile. PIMCO is above the index benchmark over all trailing time periods extending out to ten years, and is above the median large cap core portfolio for all time periods extending out to the trailing seven years.

Robeco Boston Partners beat the Russell 1000 Value benchmark with a return of 5.9% vs. 3.2% in the second quarter (strong security selection and sector allocation decisions in the financials and energy sectors boosted performance). Robeco Boston Partners is above its benchmark for all trailing time periods, and ranks in the top quartile over all trailing time periods.

International Equity

CCCERA international equities returned -2.6% for the quarter, below the MSCI EAFE return of -0.7%, but above the MSCI ACWI ex-USA return of -3.1%, and ranked in the 77th percentile of ACWI ex-US equity portfolios. The William Blair portfolio returned -1.6%, better than the MSCI ACWI ex-US Growth Index return of -3.0%, and ranked in the 57th percentile. Over the trailing year, William Blair returned 18.7% compared to 14.4% for the benchmark, and ranked in the 27th percentile.

The Board voted to terminate the GMO portfolio at the May 22, 2013 Board meeting, and the assets were transferred to a transition account with State Street and invested in a passively managed international equity index fund. Assets will remain in that fund until a replacement manager is found.

Global Equity

CCCERA global equities returned 0.5% in the quarter, better than the MSCI ACWI return of -0.4% and the median global equity return of 0.3%. In the second quarter, Artisan Partners returned 1.0%, above the MSCI ACWI benchmark of -0.4%. The First Eagle portfolio returned -0.5%, slightly below the MSCI ACWI Index return. First Eagle is above the index over the trailing two-years, 7.1% vs. 4.4%.

The Intech Global Low Volatility portfolio slightly trailed the MSCI ACWI with a return of -0.8% vs. -0.4%, and ranked in the 67th percentile. Over the trailing year, the Intech portfolio returned 17.1% compared to 16.6% for the index, and ranked in the 62nd percentile.

The J.P. Morgan portfolio returned 1.0%, better than the -0.4% return of the MSCI ACWI Index, and ranked in the 35th percentile (JP Morgan got a 100 basis point performance boost due to strong stock selection and sector allocation decisions in the financials sector.) Over the trailing year, JP Morgan returned 18.9%, better than the benchmark return of 16.6%, and ranked in the 49th percentile.

Domestic Fixed Income

CCCERA total domestic investment grade fixed income returned -1.6 % for the second quarter, better than the -2.4% return of the Barclays Universal Index and the -2.4% return of the median core fixed income manager. This return ranked in the 7th percentile of US Core Fixed Income managers. Over trailing periods extending out to five years, the domestic fixed income performance ranks in the top decile, and it ranks in the 6th percentile over the trailing ten years.

AFL-CIO returned -2.4% in the quarter, which slightly trailed the Barclays U.S. Aggregate return, and matched the median core fixed income manager. Performance of AFL-CIO is very close to the benchmark over longer periods, and ranks below the median core fixed income manager over most trailing time periods.

Allianz Global returned -0.7%, better than the -1.4% return of the ML High Yield Master II Index and the -1.2% return of the median high yield manager. Allianz outperformed the benchmark and the median for the trailing one-, three-, five- and seven-year periods.

Goldman Sachs returned -2.2%, exceeding the Barclays U.S. Aggregate Index and the median fixed income manager. Performance of the Goldman Sachs portfolio has been very strong, beating the benchmark and the median core fixed income manager over all trailing time periods. The workout portfolio managed by Goldman Sachs returned 2.2%, significantly better than the Barclays Aggregate.

Lord Abbett returned -2.5%, slightly below the -2.3% return of the Barclays U.S. Aggregate and the -2.4% return of the median fixed income manager. Lord Abbett has beat the benchmark over all trailing time periods, and consistently ranks in the top decile of core fixed income managers.

PIMCO Total Return returned -3.2%, trailing the Barclays U.S. Aggregate and the median. PIMCO exceeds the benchmark over all trailing time periods, and consistently ranks in the top quartile of core fixed income managers.

The Torchlight II fund returned 7.5%, significantly above the ML High Yield Master II Index and the high yield fixed income median. The Torchlight Fund III returned 2.6% in the second quarter, also above the Merrill Lynch High Yield Master II Index return of -1.4%, and the high yield fixed income median return of -1.2%. Torchlight IV returned 2.2%, above the ML High Yield Master II Index and the high yield fixed income median. Please note that due to the unique structure of these funds, the high yield benchmark is an imperfect benchmark.

International Fixed Income
Lazard Asset Management returned -3.5% in the second quarter, which trailed the Barclays Global Aggregate return of -2.8% and the median global fixed income manager return of -2.5%, and ranked in the 79th percentile of global fixed income portfolios. Lazard has beat the benchmark for the trailing one- though five-year time periods, but ranks below the median manager.

Inflation Hedge
The inflation hedging portfolios returned a combined -3.6% for the second quarter, below the 1.3% of the CPI+4% per year benchmark. The PIMCO All Asset Fund returned -4.0% for the second quarter, and the Wellington Real Total Return portfolio returned -3.4%. Please note that this asset class will be a mix of public and private investments, as CCCERA committed $75 million to Aether, and $50 million to CommonFund, which will both manage portfolios of private real assets.

Real Estate
The median real estate manager returned 2.6% for the quarter while CCCERA's total real estate returned 1.6%. CCCERA's total real estate ranks in the 17th percentile over the trailing year, the 17th percentile over the trailing five-years, and the 9th percentile over the trailing ten years. For comments on each individual manager in the CCCERA real estate portfolio, please refer to page 101.

Adelante Capital REIT returned 0.2%, above the Wilshire REIT benchmark return of -1.4%, and ranked in the 3rd percentile of US REIT managers. Over the trailing three years, Adelante returned 18.2% vs. 18.5% for the benchmark, and ranked in the 74th percentile of US REIT managers. Adelante added to the watch list at the May 22, 2013 Board meeting due to performance concerns.

The INVESCO International REIT portfolio returned -5.9% compared to -5.8% for the FTSE EPRA/NAREIT Developed ex-USA benchmark, and ranked in the 92nd percentile of EAFE REIT portfolios. INVESCO ranked in the 65th percentile of international REIT portfolios over the trailing year with a return of 19.5% compared to the benchmark return of 18.4%. Over the trailing five years, INVESCO ranked in the 58th percentile with a return of 3.1% compared to the benchmark return of 2.8%.

In the second quarter of 2013, Angelo Gordon returned 4.2%, DLJ RECP II returned 0.3%, DLJ RECP III returned 0.8%, and DLJ RECP IV returned 0.9%. (Due to timing constraints, the DLJ portfolio returns are for the quarter ending March 31, 2013). INVESCO Fund I returned 10.9% and INVESCO Fund II returned 7.7%. Long Wharf Fund II returned 2.4% in the second quarter, and Long Wharf Fund III returned 4.2%. Oaktree REOF V returned 5.0%, the Siguler Guff Distressed Real Estate Opportunities portfolio returned 0.3% and the Willows Office Property returned 1.5%. Please note that the Angelo Gordon, DLJ, and Siguler Guff funds are reported on a one-quarter lag due to financial reporting constraints, while all other portfolios are reported as of the current quarter end.

Alternative Investments
CCCERA total alternative investments returned 3.8% in the second quarter, below the 11.7% return of the S&P + 4% per year benchmark. CCCERA total alternatives beat the benchmark over the trailing seven- and ten-year periods, but shorter periods trail the benchmark. (Please note that due to timing constraints, all alternative portfolio and benchmark returns are for the quarter ending March 31, 2013). For further comments on each individual manager in the CCCERA alternatives portfolio, please refer to page 107.

Adam Street returned 2.1% for the second quarter, the Bay Area Equity Fund returned 23.8%, the Carpenter Bancfund returned 3.1%, Energy Investor Fund I returned 1.6%, EIF Fund II returned 1.3%, EIF III returned 4.7%, EIF IV returned 3.0%, Nogales returned -0.1%, Paladin III returned 1.9%, and Pathway returned 4.3%. Only the Bay Area Equity Fund beat the 11.7% return of the S&P + 4% per year benchmark during the second quarter.

Opportunistic
The opportunistic allocation (entirely Oaktree) returned 5.9% in the second quarter.

Asset Allocation

The CCCERA fund at June 30, 2013 was above target in domestic equity (24.6% vs. 23.7), global equity (12.9% vs. 12.3%), and alternatives (6.5% vs. 6.0%). Cash was also slightly above its target at 0.9% vs. 0.5%. CCCERA was below target in international equity (10.4% vs. 10.6%), US Investment Grade Fixed Income (18.9% vs. 19.6%), global fixed (3.6% vs. 4.0%), high yield (4.8% vs. 5.0%), inflation hedging investments (4.7% vs. 5.0%), real estate (12.1% vs. 12.5%), and opportunistic investments (0.6% vs. 0.8%). Assets earmarked for alternative investments are temporarily invested in U.S. equities.

Private Investment Commitments

CCCERA has committed to various private investment vehicles across multiple asset classes. Within domestic fixed income, CCCERA has committed $85 million to the Torchlight Debt Opportunity Fund II, $85 million to Torchlight Debt Opportunity Fund III, and $60 million to Torchlight Debt Opportunity Fund IV.

Within real estate, commitments include: $15 million to DLJ RECP I; $40 million to DLJ RECP II; $75 million to DLJ III, $100 million to DLJ IV; $50 million to INVESCO I; $85 million INVESCO II; $35 million to INVESCO III; $50 million to Long Wharf II; $75 million to Long Wharf III; $25 million to Long Wharf IV; $50 million to Oaktree Real Estate Opportunities Fund V; $75 million to Siguler Guff; $75 million to LaSalle; and $80 million to Angelo Gordon.

Within private equity: $180 million to Adams Street Partners; $30 million to Adams Street Secondary II; $125 million to Pathway; $30 million to Pathway 2008; $30 million to Energy Investors USPF I; $50 million to USPF II; $65 million to USPF III; $15 million to Nogales; $10 million to Bay Area Equity Fund; $10 million to Bay Area Equity Fund II; $25 million to Paladin III, $30 million to Carpenter Community BancFund, and $40 million to the Adams Street Global Secondary Fund V, which had its first capital call in the first quarter of 2012.

Additionally, CCCERA has recently made commitments to two private real asset managers: $75 million to Aether, and $50 million to CommonFund.

Within the opportunistic allocation, CCCERA made a $40 million commitment to Oaktree Private Investment Fund 2009.

Performance Compared to Investment Performance Objectives
The Statement of Investment Policies and Guidelines specifies investment objectives for each asset class. These goals are meant as targets, and one would not expect them to be achieved by every manager over every period. They do provide justification for focusing on sustained manager under-performance. We show the investment objectives and compliance with the objectives on the following page. We also include compliance with objectives in the manager comments.

Reflecting the Investment Policy, the table below includes performance after fees, as well as the performance gross of (before) fees which has previously been reported.

Summary of Managers Compliance with Investment Performance Objectives
As of June 30, 2013

	Trailing 3 Years			Trailing 5 Years		
DOMESTIC EQUITY	**Gross Return**	**Net Return**	**Rank Target**	**Gross Return**	**Net Return**	**Rank Target**
Ceredex	-	-	-	-	-	-
Delaware	Yes	Yes	Yes	Yes	Yes	Yes
Emerald Advisors	Yes	Yes	Yes	Yes	Yes	Yes
Intech - Large Core	No	No	Yes	No	No	No
PIMCO Stocks Plus	Yes	Yes	Yes	Yes	Yes	Yes
Robeco Boston Partners	Yes	Yes	Yes	Yes	Yes	Yes
Total Domestic Equities	Yes	Yes	Yes	Yes	Yes	Yes
INT'L EQUITY						
International Eq Transition	-	-	-	-	-	-
William Blair	-	-	-	-	-	-
Total Int'l Equities	Yes	Yes	No	No	No	No
GLOBAL EQUITY						
Artisan Partners	-	-	-	-	-	-
First Eagle	-	-	-	-	-	-
Intech Global Low Vol	-	-	-	-	-	-
JP Morgan	Yes	No	No	-	-	-
Total Global Equities	No	No	No	-	-	-
DOMESTIC FIXED INCOME						
AFL-CIO Housing	Yes	No	No	Yes	No	No
Goldman Sachs Core Plus	Yes	Yes	Yes	-	-	-
GSAM Workout	Yes	Yes	Yes	-	-	-
Torchlight II	Yes	Yes	Yes	No	No	No
Torchlight III	No	No	No	-	-	-
Torchlight IV	-	-	-	-	-	-
Lord Abbett	Yes	Yes	Yes	-	-	-
Allianz Global Investors	Yes	Yes	Yes	Yes	No	Yes
PIMCO	Yes	Yes	Yes	Yes	Yes	Yes
Total Domestic Fixed	Yes	Yes	Yes	Yes	Yes	Yes
GLOBAL FIXED INCOME						
Lazard Asset Management	Yes	Yes	No	Yes	No	No

Summary of Managers Compliance with Investment Performance Objectives (cont)
As of June 30, 2013

	Gross Return	Net Return	Rank Target	Gross Return	Net Return	Rank Target
ALTERNATIVE INVESTMENTS						
Adams Street	No	No	-	No	No	-
Bay Area Equity Fund	Yes	Yes	-	Yes	Yes	-
Carpenter Bancfund	No	No	-	No	No	-
Energy Investor Fund	No	No	-	No	No	-
Energy Investor Fund II	No	No	-	No	No	-
Energy Investor Fund III	No	No	-	No	No	-
Nogales	No	No	-	No	No	-
Paladin III	No	No	-	Yes	No	-
Pathway	No	No	-	No	No	-
Total Alternative	No	No	-	No	No	-
REAL ESTATE						
Adelante Capital REIT	No	No	No	No	No	No
Angelo Gordon	-	-	-	-	-	-
DLJ RECP II	No	No	Yes	No	No	No
DLJ RECP III	No	No	No	No	No	No
DLJ RECP IV	No	No	No	No	No	No
Invesco Fund I	Yes	Yes	Yes	No	No	No
Invesco Fund II	Yes	Yes	Yes	No	No	No
Invesco Int'l REIT	Yes	No	Yes	Yes	No	No
Long Wharf II	No	No	No	No	No	No
Long Wharf III	Yes	Yes	Yes	No	No	No
Sigular Guff	-	-	-	-	-	-
Willows Office Property	No	No	No	No	No	No
Total Real Estate	Yes	Yes	Yes	No	No	Yes
CCCERA Total Fund	Yes	Yes	Yes	Yes	Yes	Yes

ASSET ALLOCATION
As of June 30, 2013

EQUITY - DOMESTIC	Market Value	% of Portion	% of Total	Current Target % of Total
Ceredex	$ 184,564,170	6.6 %	3.1 %	3.0 %
Delaware Investments	277,948,057	9.9	4.7	4.5
Emerald	204,842,491	7.3	3.5	3.0
Intech - Large Core	249,493,689	8.9	4.3	4.3
PIMCO Stocks+	230,630,203	8.2	3.9	4.4
Robeco	295,632,757	10.5	5.0	4.5
WHV	23,661	0.0	0.0	0.0
TOTAL DOMESTIC	$ 1,443,135,028	51.4 %	24.6 %	23.7 %
INTERNATIONAL EQUITY				
William Blair	$ 314,895,970	11.2	5.4	5.3 %
International Transition	295,123,538	10.5	5.0	5.3
TOTAL INT'L EQUITY	$ 610,019,508	21.7 %	10.4 %	10.6 %
GLOBAL EQUITY				
Artisan Partners	$ 249,713,792	8.9 %	4.3 %	4.0 %
First Eagle	243,006,906	8.7	4.1	4.0
Intech Global Low Vol	19,744,766	0.7	0.3	0.3
JP Morgan	242,626,212	8.6	4.1	4.0
TOTAL GLOBAL EQUITY	$ 755,091,676	26.9 %	12.9 %	12.3 %
TOTAL EQUITY	$ 2,808,246,212	100.0 %	47.9 %	46.6 %
			Range:	*40 to 55 %*
FIXED INCOME				
AFL-CIO	$ 174,717,685	13.2 %	3.0 %	3.2 %
Goldman Sachs Core Plus	226,297,004	17.1	3.9	3.7
GSAM Workout	8,580,841	0.7	0.1	0.0
Lord Abbett	232,445,896	17.6	0.0	4.2
PIMCO	298,547,157	22.6	5.1	5.0
Torchlight II	75,242,450	5.7	1.3	1.0
Torchlight III	54,983,315	4.2	0.9	1.4
Torchlight IV	36,636,349	2.8	0.6	1.1
TOTAL US FIXED INCOME	$ 1,107,450,697	83.9 %	18.9 %	19.6 %
GLOBAL FIXED				
Lazard Asset Mgmt	$ 212,434,013	16.1 %	3.6 %	4.0 %
TOTAL GLOBAL FIXED	$ 212,434,013	16.1 %	3.6 %	4.0 %
TOTAL INV GRADE FIXED	$ 1,319,884,710	100.0 %	22.5 %	23.6 %
			Range:	*20 to 30 %*
HIGH YIELD				
Allianz Global Investors	$ 282,559,122	100.0 %	4.8 %	5.0 %
TOTAL HIGH YIELD	$ 282,559,122	100.0 %	4.8 %	5.0 %
			Range:	*2 to 9 %*
INFLATION HEDGE				
PIMCO All Asset Fund	$ 94,699,367	34.3	1.6	-
Wellington RTR	181,235,157	65.7	3.1	-
Inflation Hedge Cash	0	0.0	0.0	-
TOTAL INFLATION HEDGE	$ 275,934,524	100.0 %	4.7 %	5.0 %

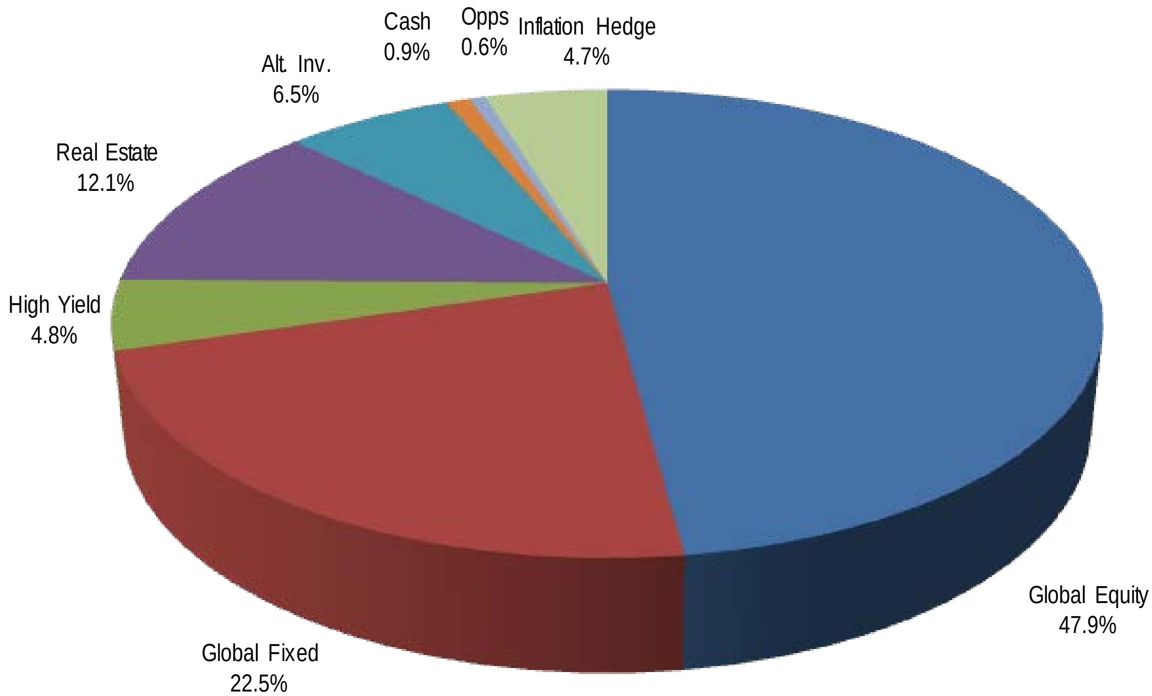
ASSET ALLOCATION
As of June 30, 2013

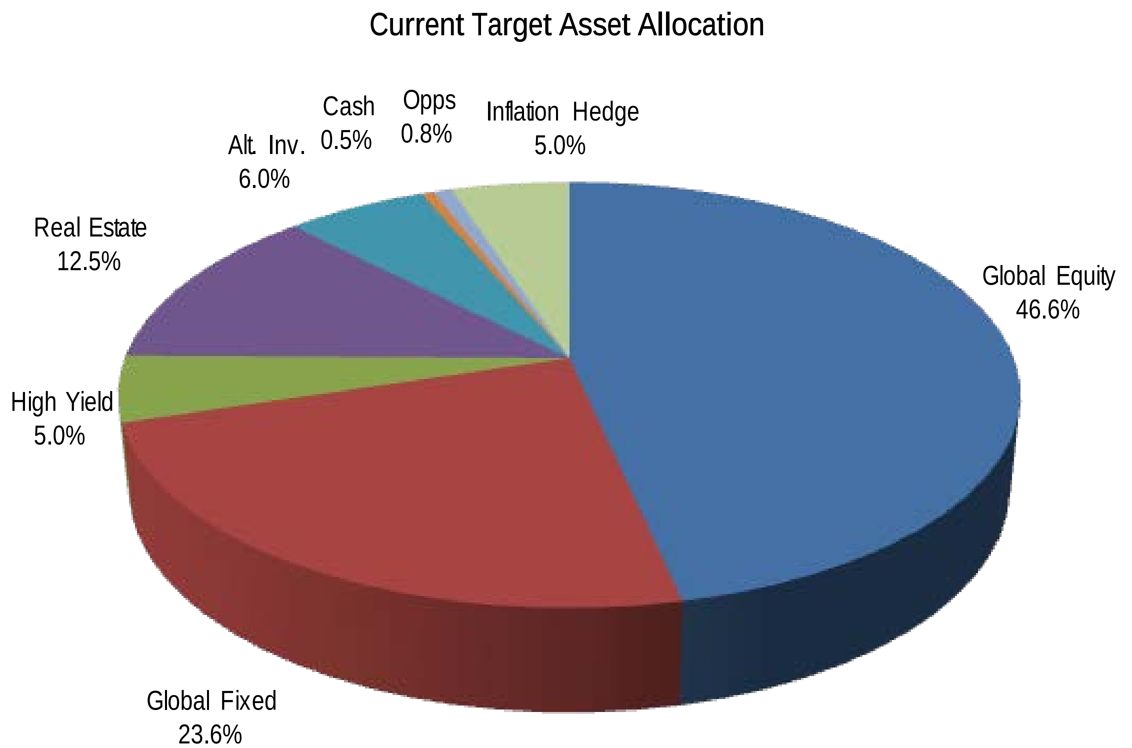
	Market Value	% of Portion	% of Total	Current Target % of Total
REAL ESTATE				
Adelante Capital	$ 225,891,480	32.0 %	3.9 %	3.0 %
Angelo Gordon	31,090,494	4.4	0.5	-
DLJ RECP II	4,075,844	0.6	0.1	-
DLJ RECP III	43,260,456	6.1	0.7	-
DLJ RECP IV	77,702,559	11.0	1.3	-
Long Wharf II	8,072,296	1.1	0.1	-
Long Wharf III	51,705,549	7.3	0.9	-
Hearthstone I	52,865	0.0	0.0	-
Hearthstone II	-36,046	0.0	0.0	-
Invesco Fund I	13,595,851	1.9	0.2	-
Invesco Fund II	39,241,817	5.6	0.7	-
Invesco Fund III	16,190,596	2.3	0.3	-
Invesco International REIT	79,229,666	11.2	1.4	1.5
Oaktree ROF V	55,850,137	7.9	1.0	-
Sigular Guff	52,896,846	7.5	0.9	-
Willows Office Property	8,000,000	1.1	0.1	-
TOTAL REAL ESTATE	$ 706,820,410	100.0 %	12.1 %	12.5 %
			Range:	*10 to 16 %*
ALTERNATIVE INVESTMENTS				
Adams Street Partners	$ 120,096,774	31.7 %	2.0 %	- %
Bay Area Equity Fund	16,236,388	4.3	0.3	-
Carpenter Bancfund	34,266,748	9.1	0.6	-
Energy Investor Fund	1,807,231	0.5	0.0	-
Energy Investor Fund II	39,916,946	10.5	0.7	-
Energy Investor Fund III	49,849,382	13.2	0.9	-
Energy Investor Fund IV	9,211,404	2.4	0.2	-
Nogales	2,762,412	0.7	0.0	-
Paladin III	15,745,107	4.2	0.3	-
Pathway Capital	88,559,070	23.4	1.5	-
TOTAL ALTERNATIVE	$ 378,451,462	100.0 %	6.5 %	6.0 %
			Range:	*5 to 12 %*
OPPORTUNISTIC				
Oaktree PIF 2009	36,075,348	100.0	0.6	0.8
TOTAL OPPORTUNISTIC	$ 36,075,348	100.0 %	0.6 %	0.8 %
CASH				
Custodian Cash	$ 54,841,192	100.0 %	0.9 %	- %
Treasurer's Fixed	0	0.0	0.0	-
TOTAL CASH	$ 54,841,192	100.0 %	0.9 %	0.5 %
			Range:	*0 to 1 %*
TOTAL ASSETS	**$ 5,862,812,980**	**100.0 %**	**100.0 %**	**100.0 %**

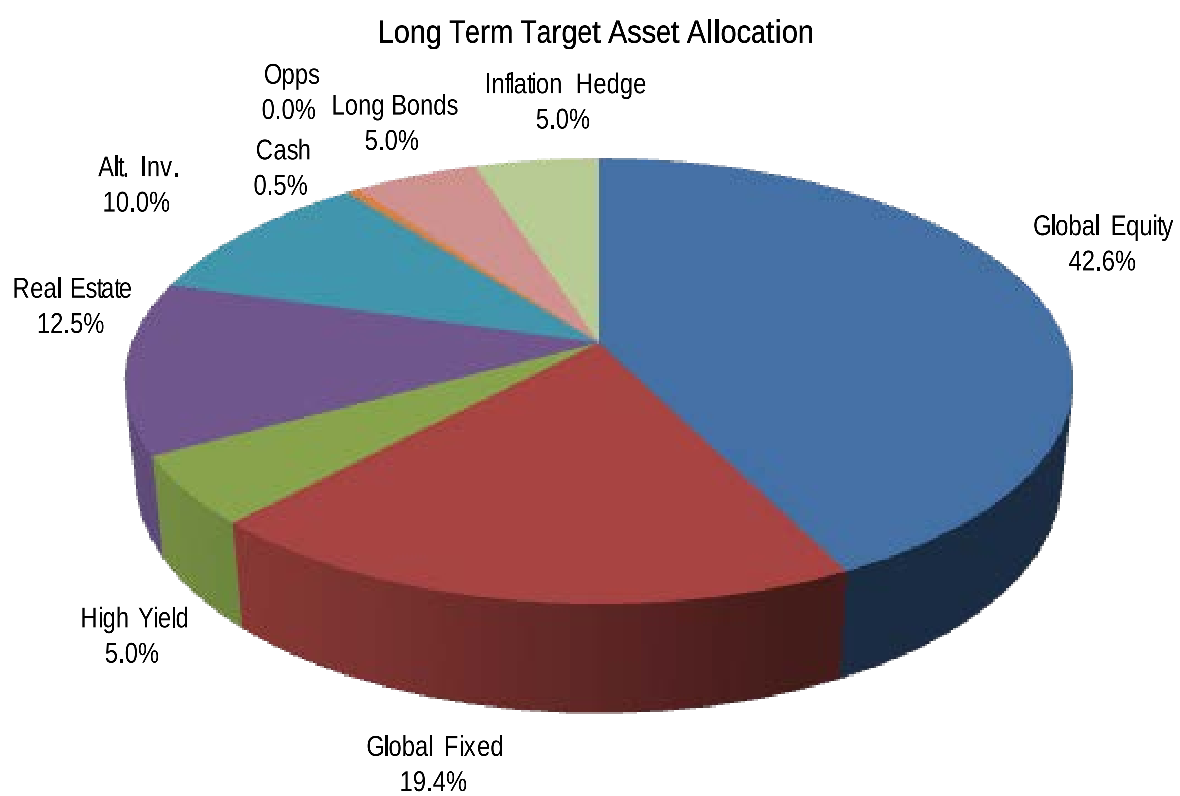
ASSET ALLOCATION

As of June 30, 2013

CCCERA Actual Asset Allocation




Current Target Asset Allocation
Cash 0.5%
Opps 0.8%
Inflation Hedge 5.0%
Alt. Inv. 6.0%
Real Estate 12.5%
Global Equity 46.6%
High Yield 5.0%
Global Fixed 23.6%


Long Term Target Asset Allocation
Opps 0.0%
Long Bonds 5.0%
Inflation Hedge 5.0%
Cash 0.5%
Alt. Inv. 10.0%
Global Equity 42.6%
Real Estate 12.5%
High Yield 5.0%
Global Fixed 19.4%

	Ending June 30, 2013								
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	**0.3%**	**5.5%**	**13.0%**	**7.9%**	**12.9%**	**13.3%**	**6.1%**	**5.9%**	**8.3%**
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*
Policy Benchmark	*0.6%*	*5.5%*	*12.3%*	*8.2%*	*12.7%*	*14.0%*	--	--	--
IF Public DB Gross Rank	*36*	*40*	*25*	*9*	*6*	*6*	*21*	*19*	*4*
IF Public DB Gross Median	*0.0%*	*5.0%*	*11.5%*	*6.4%*	*10.5%*	*11.2%*	*5.3%*	*5.5%*	*6.9%*
Domestic Equity	**2.7%**	**14.0%**	**23.0%**	**12.6%**	**19.6%**	**18.6%**	**8.2%**	**6.3%**	**8.5%**
Russell 3000	*2.7%*	*14.1%*	*21.5%*	*12.3%*	*18.6%*	*17.9%*	*7.2%*	*5.8%*	*7.8%*
eA US All Cap Equity Gross Rank	*53*	*49*	*42*	*30*	*27*	*34*	*40*	*62*	*72*
eA US All Cap Equity Gross Median	*2.8%*	*14.0%*	*21.9%*	*10.7%*	*18.2%*	*17.6%*	*7.7%*	*6.8%*	*9.7%*
Ceredex	0.3%	12.5%	24.8%	--	--	--	--	--	--
Russell 2000 Value	*2.5%*	*14.4%*	*24.8%*	*10.9%*	*17.3%*	*19.2%*	*8.6%*	*4.6%*	*9.3%*
eA US Small Cap Value Equity Gross Rank	*90*	*86*	*67*	--	--	--	--	--	--
eA US Small Cap Value Equity Gross Median	*2.9%*	*15.7%*	*26.9%*	*11.8%*	*19.2%*	*20.6%*	*10.5%*	*7.5%*	*11.7%*
Delaware	0.3%	10.6%	17.1%	14.0%	21.1%	19.2%	9.3%	6.9%	--
Russell 1000 Growth	*2.1%*	*11.8%*	*17.1%*	*11.3%*	*18.7%*	*17.4%*	*7.5%*	*7.0%*	*7.4%*
eA US Large Cap Growth Equity Gross Rank	*88*	*60*	*52*	*8*	*5*	*8*	*11*	*43*	--
eA US Large Cap Growth Equity Gross Median	*2.0%*	*11.2%*	*17.3%*	*9.9%*	*17.7%*	*16.5%*	*6.8%*	*6.7%*	*8.0%*
Emerald Advisors	5.5%	20.4%	27.4%	11.9%	23.6%	23.2%	11.8%	7.4%	10.3%
Russell 2000 Growth	*3.7%*	*17.4%*	*23.7%*	*9.7%*	*20.0%*	*19.5%*	*8.9%*	*6.9%*	*9.6%*
eA US Small Cap Growth Equity Gross Rank	*36*	*26*	*34*	*30*	*21*	*22*	*31*	*56*	*65*
eA US Small Cap Growth Equity Gross Median	*4.6%*	*18.0%*	*25.0%*	*10.4%*	*21.6%*	*21.4%*	*10.1%*	*7.7%*	*10.8%*
Intech Large Cap Core	2.3%	13.3%	20.6%	11.5%	18.1%	17.4%	7.0%	--	--
S&P 500	*2.9%*	*13.8%*	*20.6%*	*12.8%*	*18.5%*	*17.4%*	*7.0%*	*5.7%*	*7.3%*
eA US Large Cap Core Equity Gross Rank	*70*	*55*	*53*	*57*	*47*	*38*	*55*	--	--
eA US Large Cap Core Equity Gross Median	*2.9%*	*13.5%*	*20.8%*	*11.9%*	*17.9%*	*16.8%*	*7.3%*	*6.3%*	*8.3%*
PIMCO Stocks+	2.0%	13.1%	22.0%	14.4%	20.4%	20.9%	8.4%	6.3%	7.6%
S&P 500	*2.9%*	*13.8%*	*20.6%*	*12.8%*	*18.5%*	*17.4%*	*7.0%*	*5.7%*	*7.3%*
eA US Large Cap Core Equity Gross Rank	*78*	*61*	*39*	*10*	*13*	*3*	*23*	*52*	*68*
eA US Large Cap Core Equity Gross Median	*2.9%*	*13.5%*	*20.8%*	*11.9%*	*17.9%*	*16.8%*	*7.3%*	*6.3%*	*8.3%*
Robeco Boston Partners	5.9%	17.8%	29.3%	16.1%	20.3%	18.9%	10.1%	7.6%	10.1%
Russell 1000 Value	*3.2%*	*15.9%*	*25.3%*	*13.6%*	*18.5%*	*18.1%*	*6.7%*	*4.6%*	*7.8%*
eA US Large Cap Value Equity Gross Rank	*9*	*18*	*16*	*6*	*16*	*25*	*13*	*17*	*12*
eA US Large Cap Value Equity Gross Median	*3.8%*	*15.7%*	*24.6%*	*12.7%*	*18.2%*	*17.5%*	*7.5%*	*5.8%*	*8.6%*

Notes: Returns for periods longer than one year are annualized.

	Ending June 30, 2013								
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
International Equity	**-2.6%**	**0.1%**	**14.1%**	**-0.1%**	**9.2%**	**8.0%**	**-3.0%**	**0.4%**	**7.6%**
MSCI ACWI ex USA	*-3.1%*	*0.0%*	*13.6%*	*-1.5%*	*8.0%*	*8.6%*	*-0.8%*	*2.2%*	*8.6%*
MSCI EAFE Gross	*-0.7%*	*4.5%*	*19.1%*	*1.6%*	*10.6%*	*9.5%*	*-0.2%*	*1.9%*	*8.2%*
eA All ACWI ex-US Equity Gross Rank	*77*	*88*	*83*	*70*	*78*	*92*	*97*	*97*	*95*
eA All ACWI ex-US Equity Gross Median	*-1.3%*	*2.9%*	*17.0%*	*1.4%*	*11.1%*	*11.4%*	*1.5%*	*3.8%*	*10.4%*
William Blair	-1.6%	3.5%	18.7%	4.3%	--	--	--	--	--
MSCI ACWI ex USA Growth	*-3.0%*	*1.4%*	*14.4%*	*-0.8%*	*8.7%*	*9.4%*	*-1.0%*	*2.7%*	*8.3%*
eA ACWI ex-US Growth Equity Gross Rank	*57*	*36*	*27*	*18*	--	--	--	--	--
eA ACWI ex-US Growth Equity Gross Median	*-1.5%*	*2.9%*	*16.4%*	*1.1%*	*11.2%*	*12.8%*	*1.8%*	*5.2%*	*10.5%*
Global Equity	**0.5%**	**6.9%**	**16.0%**	**3.3%**	**11.2%**	**--**	**--**	**--**	**--**
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
eA All Global Equity Gross Rank	*47*	*60*	*68*	*76*	*80*	--	--	--	--
eA All Global Equity Gross Median	*0.3%*	*7.9%*	*18.6%*	*6.5%*	*14.3%*	*14.0%*	*3.9%*	*4.7%*	*9.6%*
Artisan Partners	1.0%	7.4%	--	--	--	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
eA All Global Equity Gross Rank	*37*	*56*	--	--	--	--	--	--	--
eA All Global Equity Gross Median	*0.3%*	*7.9%*	*18.6%*	*6.5%*	*14.3%*	*14.0%*	*3.9%*	*4.7%*	*9.6%*
First Eagle	-0.5%	5.5%	13.6%	7.1%	--	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
eA All Global Equity Gross Rank	*63*	*70*	*81*	*42*	--	--	--	--	--
eA All Global Equity Gross Median	*0.3%*	*7.9%*	*18.6%*	*6.5%*	*14.3%*	*14.0%*	*3.9%*	*4.7%*	*9.6%*
Intech Global Low Vol	-0.8%	12.6%	17.1%	--	--	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
eA All Global Equity Gross Rank	*67*	*11*	*62*	--	--	--	--	--	--
eA All Global Equity Gross Median	*0.3%*	*7.9%*	*18.6%*	*6.5%*	*14.3%*	*14.0%*	*3.9%*	*4.7%*	*9.6%*
JP Morgan Global Opportunities	1.0%	7.4%	18.9%	5.2%	12.6%	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
eA All Global Equity Gross Rank	*35*	*57*	*49*	*65*	*73*	--	--	--	--
eA All Global Equity Gross Median	*0.3%*	*7.9%*	*18.6%*	*6.5%*	*14.3%*	*14.0%*	*3.9%*	*4.7%*	*9.6%*

Cumulative Performance Statistics

Before Fees

	Ending June 30, 2013								
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
US Investment Grade Fixed Income	**-1.6%**	**-0.6%**	**3.5%**	**6.1%**	**6.7%**	**9.1%**	**7.3%**	**6.8%**	**5.9%**
Barclays U.S. Universal	*-2.4%*	*-2.3%*	*0.2%*	*3.7%*	*4.1%*	*5.7%*	*5.5%*	*5.8%*	*4.8%*
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
eA US Core Fixed Inc Gross Rank	*7*	*5*	*3*	*3*	*2*	*2*	*8*	*17*	*6*
eA US Core Fixed Inc Gross Median	*-2.4%*	*-2.3%*	*0.3%*	*4.1%*	*4.3%*	*6.0%*	*6.1%*	*6.2%*	*5.0%*
AFL-CIO	-2.4%	-2.4%	-0.6%	3.6%	4.0%	5.0%	5.6%	6.0%	4.9%
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
eA US Core Fixed Inc Gross Rank	*44*	*61*	*86*	*76*	*68*	*84*	*73*	*63*	*60*
eA US Core Fixed Inc Gross Median	*-2.4%*	*-2.3%*	*0.3%*	*4.1%*	*4.3%*	*6.0%*	*6.1%*	*6.2%*	*5.0%*
Goldman Sachs Core Plus	-2.2%	-2.0%	1.5%	5.2%	5.1%	6.4%	--	--	--
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
eA US Core Fixed Inc Gross Rank	*30*	*31*	*16*	*9*	*19*	*38*	*--*	*--*	*--*
eA US Core Fixed Inc Gross Median	*-2.4%*	*-2.3%*	*0.3%*	*4.1%*	*4.3%*	*6.0%*	*6.1%*	*6.2%*	*5.0%*
GSAM Workout Portfolio	2.2%	9.1%	22.7%	12.2%	12.5%	19.0%	--	--	--
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
eA US Core Fixed Inc Gross Rank	*1*	*1*	*1*	*1*	*1*	*1*	*--*	*--*	*--*
eA US Core Fixed Inc Gross Median	*-2.4%*	*-2.3%*	*0.3%*	*4.1%*	*4.3%*	*6.0%*	*6.1%*	*6.2%*	*5.0%*
Lord Abbett	-2.5%	-1.9%	2.2%	5.6%	5.8%	7.7%	--	--	--
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
eA US Core Fixed Inc Gross Rank	*64*	*28*	*10*	*7*	*8*	*12*	*--*	*--*	*--*
eA US Core Fixed Inc Gross Median	*-2.4%*	*-2.3%*	*0.3%*	*4.1%*	*4.3%*	*6.0%*	*6.1%*	*6.2%*	*5.0%*
PIMCO Total Return	-3.2%	-2.4%	1.4%	4.0%	4.6%	7.2%	7.1%	7.1%	5.9%
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
eA US Core Fixed Inc Gross Rank	*96*	*59*	*20*	*54*	*36*	*16*	*13*	*10*	*6*
eA US Core Fixed Inc Gross Median	*-2.4%*	*-2.3%*	*0.3%*	*4.1%*	*4.3%*	*6.0%*	*6.1%*	*6.2%*	*5.0%*
Torchlight II	7.5%	16.4%	30.4%	22.5%	29.2%	31.8%	7.0%	--	--
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
eA US High Yield Fixed Inc Gross Rank	*1*	*1*	*1*	*1*	*1*	*1*	*97*	*--*	*--*
eA US High Yield Fixed Inc Gross Median	*-1.2%*	*1.7%*	*9.5%*	*8.4%*	*10.8%*	*14.2%*	*10.2%*	*8.8%*	*8.9%*
Torchlight III	2.6%	2.7%	8.9%	9.4%	8.7%	14.2%	--	--	--
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
eA US High Yield Fixed Inc Gross Rank	*1*	*20*	*63*	*19*	*92*	*48*	*--*	*--*	*--*
eA US High Yield Fixed Inc Gross Median	*-1.2%*	*1.7%*	*9.5%*	*8.4%*	*10.8%*	*14.2%*	*10.2%*	*8.8%*	*8.9%*
Torchlight IV	2.2%	4.2%	5.3%	--	--	--	--	--	--
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
eA US High Yield Fixed Inc Gross Rank	*1*	*8*	*95*	*--*	*--*	*--*	*--*	*--*	*--*
eA US High Yield Fixed Inc Gross Median	*-1.2%*	*1.7%*	*9.5%*	*8.4%*	*10.8%*	*14.2%*	*10.2%*	*8.8%*	*8.9%*
High Yield									
Allianz Global Investors	-0.7%	2.7%	10.2%	9.0%	11.4%	14.2%	11.1%	9.5%	8.9%
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
eA US High Yield Fixed Inc Gross Rank	*21*	*20*	*37*	*30*	*30*	*49*	*25*	*23*	*48*
eA US High Yield Fixed Inc Gross Median	*-1.2%*	*1.7%*	*9.5%*	*8.4%*	*10.8%*	*14.2%*	*10.2%*	*8.8%*	*8.9%*

	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
					Ending June 30, 2013				
Global Fixed Income	**-3.5%**	**-5.8%**	**-2.0%**	**0.6%**	**4.7%**	**5.6%**	**4.0%**	**4.6%**	**4.3%**
Barclays Global Aggregate	*-2.8%*	*-4.8%*	*-2.2%*	*0.2%*	*3.6%*	*3.9%*	*3.7%*	*5.1%*	*4.8%*
eA All Global Fixed Inc Gross Rank	*79*	*83*	*80*	*74*	*60*	*58*	*73*	*87*	*96*
eA All Global Fixed Inc Gross Median	*-2.5%*	*-3.2%*	*2.1%*	*3.0%*	*5.2%*	*6.1%*	*5.1%*	*6.0%*	*5.7%*
Lazard	-3.5%	-5.8%	-2.0%	0.6%	4.7%	5.6%	4.0%	--	--
Barclays Global Aggregate	*-2.8%*	*-4.8%*	*-2.2%*	*0.2%*	*3.6%*	*3.9%*	*3.7%*	*5.1%*	*4.8%*
eA All Global Fixed Inc Gross Rank	*79*	*83*	*80*	*74*	*60*	*58*	*73*	*--*	*--*
eA All Global Fixed Inc Gross Median	*-2.5%*	*-3.2%*	*2.1%*	*3.0%*	*5.2%*	*6.1%*	*5.1%*	*6.0%*	*5.7%*
Inflation Hedge	**-3.6%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*
PIMCO All Asset Fund	-4.0%	--	--	--	--	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*
Wellington Real Total Return	-3.4%	--	--	--	--	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*
Real Estate	**1.6%**	**6.8%**	**13.7%**	**12.1%**	**17.4%**	**18.6%**	**1.9%**	**2.9%**	**9.7%**
Real Estate Benchmark	*0.4%*	*5.2%*	*10.8%*	*11.8%*	*15.1%*	*14.3%*	*5.4%*	*6.5%*	*10.1%*
NCREIF (ODCE) Index	*3.9%*	*6.7%*	*12.2%*	*12.3%*	*15.0%*	*9.3%*	*-0.1%*	*3.4%*	*6.9%*
NCREIF Property Index	*2.9%*	*5.5%*	*10.7%*	*11.4%*	*13.1%*	*9.3%*	*2.8%*	*5.6%*	*8.6%*
IF All DB Real Estate Gross Rank	*65*	*17*	*17*	*33*	*13*	*7*	*17*	*45*	*9*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
Adelante	0.2%	5.5%	7.6%	10.8%	18.2%	26.1%	5.7%	3.3%	10.8%
Wilshire REIT	*-1.4%*	*5.9%*	*8.4%*	*10.8%*	*18.5%*	*26.8%*	*7.2%*	*4.3%*	*10.8%*
eA US REIT Gross Rank	*3*	*39*	*62*	*51*	*74*	*79*	*98*	*98*	*97*
eA US REIT Gross Median	*-0.9%*	*5.3%*	*8.1%*	*10.8%*	*18.6%*	*26.7%*	*8.8%*	*6.0%*	*12.4%*
Angelo, Gordon & Co	4.2%	17.6%	24.1%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
IF All DB Real Estate Gross Rank	*9*	*1*	*1*	*--*	*--*	*--*	*--*	*--*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
DLJ Real Estate II	0.3%	9.8%	12.8%	16.0%	16.4%	5.7%	-3.2%	5.0%	14.3%
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
IF All DB Real Estate Gross Rank	*70*	*1*	*22*	*1*	*27*	*91*	*90*	*7*	*1*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
DLJ Real Estate III	0.8%	8.5%	13.7%	10.3%	7.9%	-1.0%	-2.8%	2.9%	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
IF All DB Real Estate Gross Rank	*68*	*1*	*17*	*61*	*96*	*97*	*90*	*45*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
DLJ Real Estate IV	0.9%	5.1%	13.3%	10.5%	14.4%	10.9%	-12.1%	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
IF All DB Real Estate Gross Rank	*66*	*50*	*20*	*58*	*51*	*17*	*99*	*--*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*

	Ending June 30, 2013								
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
INVESCO Intl REIT	-5.9%	-1.8%	19.5%	6.5%	14.5%	12.5%	3.1%	--	--
FTSE EPRA/NAREIT Dev. ex-US	*-5.8%*	*-1.2%*	*18.4%*	*5.9%*	*14.1%*	*13.2%*	*2.8%*	*2.6%*	*11.6%*
eA EAFE REIT Gross Rank	*92*	*83*	*65*	*30*	*47*	*77*	*58*	*--*	*--*
eA EAFE REIT Gross Median	*-5.0%*	*-0.6%*	*20.9%*	*6.2%*	*14.5%*	*12.8%*	*3.3%*	*3.3%*	*12.1%*
INVESCO Fund I	10.9%	4.6%	15.7%	13.6%	21.0%	9.6%	-4.9%	-0.1%	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
IF All DB Real Estate Gross Rank	*1*	*65*	*3*	*15*	*1*	*35*	*95*	*96*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
INVESCO Fund II	7.7%	13.4%	23.8%	26.5%	40.7%	18.8%	-26.5%	--	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
IF All DB Real Estate Gross Rank	*1*	*1*	*1*	*1*	*1*	*7*	*99*	*--*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
Long Wharf Fund II	2.4%	4.9%	4.2%	5.9%	7.8%	3.9%	-13.8%	-9.3%	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
IF All DB Real Estate Gross Rank	*55*	*62*	*96*	*96*	*96*	*93*	*99*	*99*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
Long Wharf Fund III	4.2%	8.0%	16.6%	17.6%	20.0%	3.6%	-10.8%	--	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
IF All DB Real Estate Gross Rank	*9*	*3*	*2*	*1*	*1*	*94*	*98*	*--*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
Oaktree REOF V	5.4%	10.2%	19.0%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
IF All DB Real Estate Gross Rank	*1*	*1*	*1*	*--*	*--*	*--*	*--*	*--*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
Siguler Guff Distressed RE Opportunities	0.3%	7.8%	9.6%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
IF All DB Real Estate Gross Rank	*70*	*8*	*57*	*--*	*--*	*--*	*--*	*--*	*--*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*
Willows Office Property	1.5%	4.0%	5.6%	6.0%	-15.3%	-10.6%	-7.8%	0.2%	0.6%
NCREIF Property Index	*2.9%*	*5.5%*	*10.7%*	*11.4%*	*13.1%*	*9.3%*	*2.8%*	*5.6%*	*8.6%*
IF All DB Real Estate Gross Rank	*65*	*72*	*95*	*95*	*99*	*99*	*97*	*95*	*99*
IF All DB Real Estate Gross Median	*2.6%*	*5.1%*	*10.3%*	*11.0%*	*14.4%*	*8.9%*	*-0.4%*	*2.7%*	*6.2%*

Cumulative Performance Statistics

Before Fees

					Ending June 30, 2013				
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Alternatives	**3.8%**	**6.0%**	**8.8%**	**9.6%**	**11.5%**	**11.4%**	**7.4%**	**11.1%**	**13.5%**
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Adams Street	**2.1%**	**5.1%**	**8.7%**	**10.3%**	**14.7%**	**16.2%**	**7.2%**	**10.6%**	**12.4%**
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Adams Street Partners	1.8%	5.0%	6.9%	9.3%	13.8%	15.2%	6.9%	9.6%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Adams Street Partners II	3.2%	6.3%	16.6%	19.1%	28.7%	47.5%	--	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Brinson - Venture Capital	2.5%	3.0%	4.2%	4.5%	8.8%	11.2%	3.0%	7.6%	10.3%
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Bay Area Equity Fund	23.8%	25.1%	26.6%	43.4%	45.9%	35.1%	28.0%	31.5%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Carpenter Bancfund	3.1%	9.2%	14.9%	16.5%	12.6%	7.8%	3.1%	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund	1.6%	1.5%	4.3%	-4.4%	-11.2%	-4.5%	9.4%	28.3%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund II	1.3%	-5.6%	-3.0%	1.0%	1.3%	1.7%	2.3%	8.5%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund III	4.7%	7.1%	8.4%	15.3%	11.5%	7.6%	8.8%	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund IV	3.0%	-1.5%	-0.3%	--	--	--	--	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Nogales	-0.1%	15.4%	20.7%	15.8%	15.2%	13.9%	-17.1%	-19.7%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Paladin III	1.9%	8.7%	10.0%	16.4%	15.0%	15.2%	11.8%	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Pathway	4.3%	8.0%	9.9%	8.4%	13.1%	15.3%	6.1%	11.8%	15.0%
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Opportunistic	**5.9%**	**10.4%**	**14.6%**	**6.5%**	**8.8%**	**--**	**--**	**--**	**--**
Oaktree PIF 2009	5.9%	10.4%	14.6%	7.3%	11.8%	--	--	--	--

	Gross of Fees		Net of Fees				
	Fund Level IRR	CCCERA IRR	Fund Level IRR	CCCERA IRR		Current Assets	Inception
FIXED INCOME							
Torchlight II	**-4.0%**	**-3.6%**	**-5.7%**	**-5.3%**	**$**	**75,242,450**	**07/01/06**
Torchlight III	**12.9%**	**12.5%**	**10.1%**	**9.7%**	**$**	**54,983,315**	**12/12/08**
Torchlight IV	**6.1%**	**6.2%**	**3.0%**	**3.3%**	**$**	**36,636,349**	**08/01/12**
Oaktree PIF 2009	***n/a***	**11.3%**	***n/a***	**10.9%**	**$**	**36,075,348**	**02/18/10**
REAL ESTATE							
Angelo Gordon Realty Fund VIII	**18.4%**	**23.4%**	**12.1%**	**16.6%**	**$**	**31,090,494**	**01/23/12**
DLJ RECP II	**26.3%**	**25.8%**	**23.2%**	**17.8%**	**$**	**4,075,844**	**09/24/99**
DLJ RECP III	**0.8%**	**0.4%**	**-0.9%**	**-1.1%**	**$**	**43,260,456**	**06/23/05**
DLJ RECP IV	**3.3%**	**3.7%**	**0.7%**	**1.2%**	**$**	**77,702,559**	**02/11/08**
Long Wharf Fund II	**-8.1%**	**-8.2%**	**-9.2%**	**-9.3%**	**$**	**8,072,296**	**03/10/04**
Long Wharf Fund III	**3.5%**	**3.7%**	**1.1%**	**1.1%**	**$**	**51,705,549**	**03/30/07**
Hearthstone I	***n/a***	***n/a***	***n/a***	**3.8%**	**$**	**88,729**	**06/15/95**
Hearthstone II	***n/a***	***n/a***	***n/a***	**26.7%**	**$**	**(29,912)**	**06/17/98**
Invesco Real Estate I	**2.0%**	**2.0%**	**0.8%**	**0.8%**	**$**	**13,595,851**	**02/01/05**
Invesco Real Estate II	**6.9%**	**6.7%**	**6.1%**	**5.9%**	**$**	**39,241,817**	**11/26/07**
Invesco Real Estate III	***n/a***	***n/a***	***n/a***	***n/a***	**$**	**16,190,596**	**06/30/13**
Oaktree REOF V	***n/a***	**15.7%**	***n/a***	**13.1%**	**$**	**55,850,137**	**12/31/11**
Siguler Guff	***n/a***	**10.4%**	**6.4%**	**9.0%**	**$**	**52,896,846**	**01/25/12**
ALTERNATIVE INVESTMENTS							
Adams Street Partners *(combined)*	***n/a***	**13.7%**	***n/a***	**10.6%**	**$**	**120,096,774**	**03/18/96**
Bay Area Equity Fund	**27.3%**	**27.9%**	**18.8%**	**19.2%**	**$**	**16,236,388**	**06/14/04**
Bay Area Equity Fund II*	**1.9%**	**1.7%**	**-8.3%**	**-7.4%**	**(included above)**		**12/07/09**
Carpenter Bancfund	**10.6%**	**10.4%**	**8.1%**	**7.8%**	**$**	**34,266,748**	**01/31/08**
EIF US Power Fund I	**33.7%**	**34.9%**	**28.7%**	**28.5%**	**$**	**1,807,231**	**11/26/03**
EIF US Power Fund II	**6.9%**	**6.1%**	**3.7%**	**2.9%**	**$**	**39,916,946**	**08/16/05**
EIF US Power Fund III	**5.5%**	**5.4%**	**2.0%**	**2.0%**	**$**	**49,849,382**	**05/30/07**
EIF US Power Fund IV	**5.7%**	**5.6%**	**-12.4%**	**-13.8%**	**$**	**9,211,404**	**11/28/11**
Nogales	**-6.0%**	**-6.6%**	**-11.7%**	**-12.0%**	**$**	**2,762,412**	**02/15/04**
Paladin	**4.1%**	**4.3%**	**4.1%**	**4.3%**	**$**	**15,745,107**	**11/30/07**
Pathway *(combined)*	**13.5%**	**9.2%**	**6.0%**	**7.6%**	**$**	**88,559,070**	**11/09/98**
Benchmark [3]	10.1%	***n/a***	***n/a***	***n/a***			
Benchmark [4]	1.3%	***n/a***	***n/a***	***n/a***			

Benchmarks:

Pathway

Benchmark [3] Venture Economics Buyout Pooled IRR - 1999-2010 as of 03/31/13

	Ending June 30, 2013								
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Total Fund	**0.2%**	**5.2%**	**12.4%**	**7.3%**	**12.2%**	**12.7%**	**5.4%**	**5.3%**	**7.7%**
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*
Policy Benchmark	*0.6%*	*5.5%*	*12.3%*	*8.2%*	*12.7%*	*14.0%*	--	--	--
Domestic Equity	**2.6%**	**13.8%**	**22.5%**	**12.2%**	**19.2%**	**18.2%**	**7.8%**	**5.9%**	**8.1%**
Russell 3000	*2.7%*	*14.1%*	*21.5%*	*12.3%*	*18.6%*	*17.9%*	*7.2%*	*5.8%*	*7.8%*
Ceredex	0.2%	12.1%	24.1%	--	--	--	--	--	--
Russell 2000 Value	*2.5%*	*14.4%*	*24.8%*	*10.9%*	*17.3%*	*19.2%*	*8.6%*	*4.6%*	*9.3%*
Delaware	0.2%	10.3%	16.6%	13.5%	20.6%	18.7%	8.8%	6.4%	--
Russell 1000 Growth	*2.1%*	*11.8%*	*17.1%*	*11.3%*	*18.7%*	*17.4%*	*7.5%*	*7.0%*	*7.4%*
Emerald Advisors	5.3%	20.0%	26.7%	11.2%	22.8%	22.5%	11.1%	6.7%	9.7%
Russell 2000 Growth	*3.7%*	*17.4%*	*23.7%*	*9.7%*	*20.0%*	*19.5%*	*8.9%*	*6.9%*	*9.6%*
Intech Large Cap Core	2.2%	13.1%	20.1%	11.0%	17.7%	17.0%	6.7%	--	--
S&P 500	*2.9%*	*13.8%*	*20.6%*	*12.8%*	*18.5%*	*17.4%*	*7.0%*	*5.7%*	*7.3%*
PIMCO Stocks+	1.9%	12.9%	21.6%	14.0%	20.1%	20.5%	8.1%	5.9%	7.3%
S&P 500	*2.9%*	*13.8%*	*20.6%*	*12.8%*	*18.5%*	*17.4%*	*7.0%*	*5.7%*	*7.3%*
Robeco Boston Partners	5.8%	17.6%	28.9%	15.8%	19.9%	18.5%	9.8%	7.2%	9.8%
Russell 1000 Value	*3.2%*	*15.9%*	*25.3%*	*13.6%*	*18.5%*	*18.1%*	*6.7%*	*4.6%*	*7.8%*
International Equity	**-2.7%**	**-0.2%**	**13.6%**	**-0.6%**	**8.6%**	**7.5%**	**-3.5%**	**-0.1%**	**7.1%**
MSCI ACWI ex USA	*-3.1%*	*0.0%*	*13.6%*	*-1.5%*	*8.0%*	*8.6%*	*-0.8%*	*2.2%*	*8.6%*
MSCI EAFE Gross	*-0.7%*	*4.5%*	*19.1%*	*1.6%*	*10.6%*	*9.5%*	*-0.2%*	*1.9%*	*8.2%*
William Blair	-1.7%	3.3%	18.2%	3.8%	--	--	--	--	--
MSCI ACWI ex USA Growth	*-3.0%*	*1.4%*	*14.4%*	*-0.8%*	*8.7%*	*9.4%*	*-1.0%*	*2.7%*	*8.3%*
Global Equity	**0.3%**	**6.6%**	**15.4%**	**2.7%**	**10.6%**	**--**	**--**	**--**	**--**
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
Artisan Partners	0.8%	7.0%	--	--	--	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
First Eagle	-0.7%	5.1%	12.8%	6.3%	--	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
Intech Global Low Vol	-0.9%	12.4%	16.7%	--	--	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*
JP Morgan Global Opportunities	0.9%	7.1%	18.4%	4.7%	12.1%	--	--	--	--
MSCI ACWI	*-0.4%*	*6.1%*	*16.6%*	*4.4%*	*12.4%*	*12.2%*	*2.3%*	*3.5%*	*7.6%*

Notes: Returns for periods longer than one year are annualized.

	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
					Ending June 30, 2013				
US Investment Grade Fixed Income	**-1.7%**	**-0.8%**	**3.1%**	**5.7%**	**6.3%**	**8.5%**	**6.8%**	**6.3%**	**5.5%**
Barclays U.S. Universal	*-2.4%*	*-2.3%*	*0.2%*	*3.7%*	*4.1%*	*5.7%*	*5.5%*	*5.8%*	*4.8%*
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
AFL-CIO	-2.5%	-2.6%	-1.1%	3.2%	3.5%	4.6%	5.2%	5.6%	4.5%
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
Goldman Sachs Core Plus	-2.3%	-2.0%	1.4%	5.0%	4.8%	6.1%	--	--	--
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
GSAM Workout Portfolio	2.2%	9.0%	22.5%	12.1%	12.4%	18.9%	--	--	--
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
Lord Abbett	-2.5%	-2.0%	2.0%	5.4%	5.6%	7.5%	--	--	--
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
PIMCO Total Return	-3.2%	-2.5%	1.1%	3.7%	4.3%	6.9%	6.8%	6.8%	5.6%
Barclays Aggregate	*-2.3%*	*-2.4%*	*-0.7%*	*3.3%*	*3.5%*	*5.0%*	*5.2%*	*5.6%*	*4.5%*
Torchlight II	7.3%	15.9%	29.2%	21.1%	27.3%	28.7%	4.1%	--	--
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
Torchlight III	2.3%	1.9%	7.2%	7.7%	6.3%	9.6%	--	--	--
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
Torchlight IV	1.7%	2.8%	2.0%	--	--	--	--	--	--
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
High Yield									
Allianz Global Investors	-0.8%	2.5%	9.8%	8.6%	10.9%	13.7%	10.6%	9.1%	8.4%
ML HY Master II	*-1.4%*	*1.5%*	*9.6%*	*8.0%*	*10.4%*	*14.5%*	*10.6%*	*8.9%*	*8.8%*
Global Fixed Income	**-3.5%**	**-6.0%**	**-2.3%**	**0.3%**	**4.4%**	**5.3%**	**3.7%**	**4.4%**	**4.0%**
Barclays Global Aggregate	*-2.8%*	*-4.8%*	*-2.2%*	*0.2%*	*3.6%*	*3.9%*	*3.7%*	*5.1%*	*4.8%*
Lazard	-3.5%	-6.0%	-2.3%	0.3%	4.4%	5.3%	3.7%	--	--
Barclays Global Aggregate	*-2.8%*	*-4.8%*	*-2.2%*	*0.2%*	*3.6%*	*3.9%*	*3.7%*	*5.1%*	*4.8%*
Inflation Hedge	**-3.7%**	**--**	**--**	**--**	**--**	**--**	**--**	**--**	**--**
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*
PIMCO All Asset Fund	-4.2%	--	--	--	--	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*
Wellington Real Total Return	-3.5%	--	--	--	--	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*5.6%*	*6.3%*	*6.0%*	*5.3%*	*6.1%*	*6.5%*

	Ending June 30, 2013								
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Real Estate	**1.3%**	**6.2%**	**12.6%**	**11.0%**	**16.3%**	**17.5%**	**1.0%**	**1.9%**	**8.7%**
Real Estate Benchmark	*0.4%*	*5.2%*	*10.8%*	*11.8%*	*15.1%*	*14.3%*	*5.4%*	*6.5%*	*10.1%*
NCREIF (ODCE) Index	*3.9%*	*6.7%*	*12.2%*	*12.3%*	*15.0%*	*9.3%*	*-0.1%*	*3.4%*	*6.9%*
NCREIF Property Index	*2.9%*	*5.5%*	*10.7%*	*11.4%*	*13.1%*	*9.3%*	*2.8%*	*5.6%*	*8.6%*
Adelante	0.0%	5.3%	7.1%	10.2%	17.6%	25.5%	5.2%	2.8%	10.3%
Wilshire REIT	*-1.4%*	*5.9%*	*8.4%*	*10.8%*	*18.5%*	*26.8%*	*7.2%*	*4.3%*	*10.8%*
Angelo, Gordon & Co	2.9%	14.8%	18.9%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
DLJ Real Estate II	0.1%	9.2%	11.6%	14.5%	14.7%	4.1%	-4.6%	3.8%	12.8%
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
DLJ Real Estate III	0.5%	7.8%	12.3%	9.3%	6.5%	-2.3%	-3.8%	1.9%	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
DLJ Real Estate IV	0.6%	4.6%	12.0%	8.6%	12.1%	9.3%	-13.2%	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
INVESCO Intl REIT	-6.0%	-2.2%	18.8%	5.8%	13.8%	11.7%	2.5%	--	--
FTSE EPRA/NAREIT Dev. ex-US	*-5.8%*	*-1.2%*	*18.4%*	*5.9%*	*14.1%*	*13.2%*	*2.8%*	*2.6%*	*11.6%*
INVESCO Fund I	10.8%	4.3%	14.8%	12.6%	19.8%	8.3%	-6.0%	-1.5%	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
INVESCO Fund II	7.5%	13.1%	23.2%	25.7%	39.4%	16.9%	-28.1%	--	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
Long Wharf Fund II	2.4%	4.9%	3.7%	5.1%	6.7%	2.5%	-15.0%	-10.2%	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
Long Wharf Fund III	3.9%	7.3%	15.1%	16.0%	17.4%	-1.8%	-15.4%	--	--
NCREIF Property Index + 300 bps	*3.6%*	*7.1%*	*14.0%*	*14.7%*	*16.5%*	*12.5%*	*5.9%*	*8.8%*	*11.8%*
Oaktree REOF V	5.1%	9.5%	17.4%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
Siguler Guff Distressed RE Opportunities	0.0%	7.2%	7.9%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*4.1%*	*8.1%*	*16.3%*	*16.9%*	*18.8%*	*14.7%*	*8.0%*	*10.9%*	*14.0%*
Willows Office Property	1.5%	4.0%	5.6%	6.0%	-15.3%	-10.6%	-7.8%	0.2%	0.6%
NCREIF Property Index	*2.9%*	*5.5%*	*10.7%*	*11.4%*	*13.1%*	*9.3%*	*2.8%*	*5.6%*	*8.6%*

Cumulative Performance Statistics

After Fees

	Ending June 30, 2013								
	3 Mo	YTD	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Alternatives	**3.3%**	**4.9%**	**6.6%**	**7.3%**	**9.0%**	**8.7%**	**4.6%**	**8.4%**	**10.5%**
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Adams Street	**1.7%**	**4.1%**	**6.9%**	**8.5%**	**12.5%**	**13.8%**	**5.1%**	**8.5%**	**10.1%**
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Adams Street Partners	1.3%	4.0%	4.7%	7.1%	11.1%	12.2%	4.0%	6.1%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Adams Street Partners II	2.9%	5.7%	15.4%	17.8%	26.7%	45.3%	--	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Brinson - Venture Capital	2.3%	2.6%	3.3%	3.5%	7.7%	10.1%	2.2%	6.8%	9.1%
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Bay Area Equity Fund	23.1%	23.4%	22.9%	39.2%	41.3%	31.2%	24.4%	26.9%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Carpenter Bancfund	3.3%	9.0%	13.8%	16.6%	13.8%	9.9%	10.6%	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund	1.4%	1.1%	3.2%	-5.6%	-12.8%	-6.5%	6.6%	23.7%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund II	0.7%	-6.6%	-5.0%	-0.9%	-0.8%	-0.4%	0.2%	5.7%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund III	4.3%	6.2%	6.4%	12.9%	8.5%	4.5%	5.4%	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Energy Investor Fund IV	0.2%	-6.8%	-11.0%	--	--	--	--	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Nogales	-0.1%	15.4%	20.7%	15.8%	17.7%	17.3%	-1.5%	-7.9%	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Paladin III	1.0%	6.8%	6.0%	12.1%	10.3%	10.3%	6.1%	--	--
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Pathway	3.8%	7.1%	8.0%	6.5%	11.1%	13.0%	3.9%	9.6%	12.6%
S&P500 + 4% QTR Lag	*11.7%*	*12.4%*	*18.6%*	*15.7%*	*17.2%*	*25.8%*	*10.1%*	*9.2%*	*12.9%*
Opportunistic	**5.9%**	**10.4%**	**14.6%**	**6.5%**	**8.4%**	**--**	**--**	**--**	**--**
Oaktree PIF 2009	5.9%	10.4%	14.6%	7.3%	10.3%	--	--	--	--

	YTD	2012	2011	2010	2009	2008	2007
Total Fund	**5.5%**	**14.3%**	**2.7%**	**14.0%**	**21.9%**	**-26.5%**	**7.3%**
CPI+400 bps	*3.7%*	*5.5%*	*7.1%*	*5.6%*	*6.9%*	*4.2%*	*8.3%*
Policy Benchmark	*5.5%*	*14.6%*	*2.8%*	*14.1%*	--	--	--
IF Public DB Gross Rank	*40*	*5*	*16*	*28*	*30*	*72*	*77*
IF Public DB Gross Median	*5.0%*	*11.9%*	*0.8%*	*13.0%*	*17.9%*	*-21.6%*	*8.4%*
Domestic Equity	**14.0%**	**18.2%**	**1.1%**	**17.8%**	**30.8%**	**-37.5%**	**6.5%**
Russell 3000	*14.1%*	*16.4%*	*1.0%*	*16.9%*	*28.3%*	*-37.3%*	*5.1%*
eA US All Cap Equity Gross Rank	*49*	*24*	*34*	*52*	*50*	*52*	*63*
eA US All Cap Equity Gross Median	*14.0%*	*15.0%*	*-1.0%*	*17.8%*	*30.5%*	*-37.0%*	*10.0%*
Ceredex	12.5%	19.0%	--	--	--	--	--
Russell 2000 Value	*14.4%*	*18.1%*	*-5.5%*	*24.5%*	*20.6%*	*-28.9%*	*-9.8%*
eA US Small Cap Value Equity Gross Rank	*86*	*38*	--	--	--	--	--
eA US Small Cap Value Equity Gross Median	*15.7%*	*16.9%*	*-3.3%*	*26.9%*	*32.0%*	*-32.3%*	*-2.9%*
Delaware	10.6%	16.9%	8.9%	14.7%	43.9%	-42.5%	13.6%
Russell 1000 Growth	*11.8%*	*15.3%*	*2.6%*	*16.7%*	*37.2%*	*-38.4%*	*11.8%*
eA US Large Cap Growth Equity Gross Rank	*60*	*37*	*3*	*63*	*13*	*82*	*52*
eA US Large Cap Growth Equity Gross Median	*11.2%*	*15.7%*	*-0.3%*	*16.1%*	*34.0%*	*-38.4%*	*13.8%*
Emerald Advisors	20.4%	18.5%	-0.6%	30.5%	33.2%	-36.5%	3.2%
Russell 2000 Growth	*17.4%*	*14.6%*	*-2.9%*	*29.1%*	*34.5%*	*-38.5%*	*7.0%*
eA US Small Cap Growth Equity Gross Rank	*26*	*22*	*42*	*36*	*64*	*20*	*82*
eA US Small Cap Growth Equity Gross Median	*18.0%*	*14.3%*	*-1.5%*	*28.6%*	*36.5%*	*-41.5%*	*11.0%*
Intech Large Cap Core	13.3%	15.3%	3.6%	15.0%	24.6%	-36.2%	6.9%
S&P 500	*13.8%*	*16.0%*	*2.1%*	*15.1%*	*26.5%*	*-37.0%*	*5.5%*
eA US Large Cap Core Equity Gross Rank	*55*	*54*	*25*	*39*	*62*	*55*	*56*
eA US Large Cap Core Equity Gross Median	*13.5%*	*15.4%*	*1.3%*	*14.4%*	*26.3%*	*-35.4%*	*7.7%*
PIMCO Stocks+	13.1%	20.6%	2.3%	19.2%	37.3%	-43.7%	5.0%
S&P 500	*13.8%*	*16.0%*	*2.1%*	*15.1%*	*26.5%*	*-37.0%*	*5.5%*
eA US Large Cap Core Equity Gross Rank	*61*	*4*	*36*	*7*	*7*	*99*	*75*
eA US Large Cap Core Equity Gross Median	*13.5%*	*15.4%*	*1.3%*	*14.4%*	*26.3%*	*-35.4%*	*7.7%*
Robeco Boston Partners	17.8%	21.6%	0.9%	13.4%	27.3%	-33.2%	4.3%
Russell 1000 Value	*15.9%*	*17.5%*	*0.4%*	*15.5%*	*19.7%*	*-36.8%*	*-0.2%*
eA US Large Cap Value Equity Gross Rank	*18*	*5*	*46*	*68*	*33*	*32*	*50*
eA US Large Cap Value Equity Gross Median	*15.7%*	*15.7%*	*0.5%*	*14.3%*	*24.3%*	*-35.1%*	*4.2%*

	YTD	2012	2011	2010	2009	2008	2007
International Equity	**0.1%**	**18.5%**	**-11.5%**	**8.3%**	**23.3%**	**-44.1%**	**15.3%**
MSCI ACWI ex USA	*0.0%*	*16.8%*	*-13.7%*	*11.2%*	*41.4%*	*-45.5%*	*16.7%*
MSCI EAFE Gross	*4.5%*	*17.9%*	*-11.7%*	*8.2%*	*32.5%*	*-43.1%*	*11.6%*
eA All ACWI ex-US Equity Gross Rank	*88*	*63*	*43*	*89*	*98*	*46*	*69*
eA All ACWI ex-US Equity Gross Median	*2.9%*	*19.5%*	*-12.4%*	*14.8%*	*40.2%*	*-44.7%*	*17.6%*
William Blair	3.5%	24.3%	-13.2%	--	--	--	--
MSCI ACWI ex USA Growth	*1.4%*	*16.7%*	*-14.2%*	*14.5%*	*38.7%*	*-45.6%*	*21.0%*
eA ACWI ex-US Growth Equity Gross Rank	*36*	*6*	*55*	*--*	*--*	*--*	*--*
eA ACWI ex-US Growth Equity Gross Median	*2.9%*	*19.3%*	*-12.6%*	*16.7%*	*45.5%*	*-47.3%*	*22.3%*
Global Equity	**6.9%**	**11.1%**	**-5.6%**	**--**	**--**	**--**	**--**
MSCI ACWI	*6.1%*	*16.1%*	*-7.3%*	*12.7%*	*34.6%*	*-42.2%*	*11.7%*
eA All Global Equity Gross Rank	*60*	*90*	*40*	*--*	*--*	*--*	*--*
eA All Global Equity Gross Median	*7.9%*	*17.2%*	*-7.0%*	*14.3%*	*33.3%*	*-41.3%*	*11.6%*
Artisan Partners	7.4%	--	--	--	--	--	--
MSCI ACWI	*6.1%*	*16.1%*	*-7.3%*	*12.7%*	*34.6%*	*-42.2%*	*11.7%*
eA All Global Equity Gross Rank	*56*	*--*	*--*	*--*	*--*	*--*	*--*
eA All Global Equity Gross Median	*7.9%*	*17.2%*	*-7.0%*	*14.3%*	*33.3%*	*-41.3%*	*11.6%*
First Eagle	5.5%	13.9%	--	--	--	--	--
MSCI ACWI	*6.1%*	*16.1%*	*-7.3%*	*12.7%*	*34.6%*	*-42.2%*	*11.7%*
eA All Global Equity Gross Rank	*70*	*78*	*--*	*--*	*--*	*--*	*--*
eA All Global Equity Gross Median	*7.9%*	*17.2%*	*-7.0%*	*14.3%*	*33.3%*	*-41.3%*	*11.6%*
Intech Global Low Vol	12.6%	--	--	--	--	--	--
MSCI ACWI	*6.1%*	*16.1%*	*-7.3%*	*12.7%*	*34.6%*	*-42.2%*	*11.7%*
eA All Global Equity Gross Rank	*11*	*--*	*--*	*--*	*--*	*--*	*--*
eA All Global Equity Gross Median	*7.9%*	*17.2%*	*-7.0%*	*14.3%*	*33.3%*	*-41.3%*	*11.6%*
JP Morgan Global Opportunities	7.4%	19.2%	-9.0%	--	--	--	--
MSCI ACWI	*6.1%*	*16.1%*	*-7.3%*	*12.7%*	*34.6%*	*-42.2%*	*11.7%*
eA All Global Equity Gross Rank	*57*	*32*	*63*	*--*	*--*	*--*	*--*
eA All Global Equity Gross Median	*7.9%*	*17.2%*	*-7.0%*	*14.3%*	*33.3%*	*-41.3%*	*11.6%*

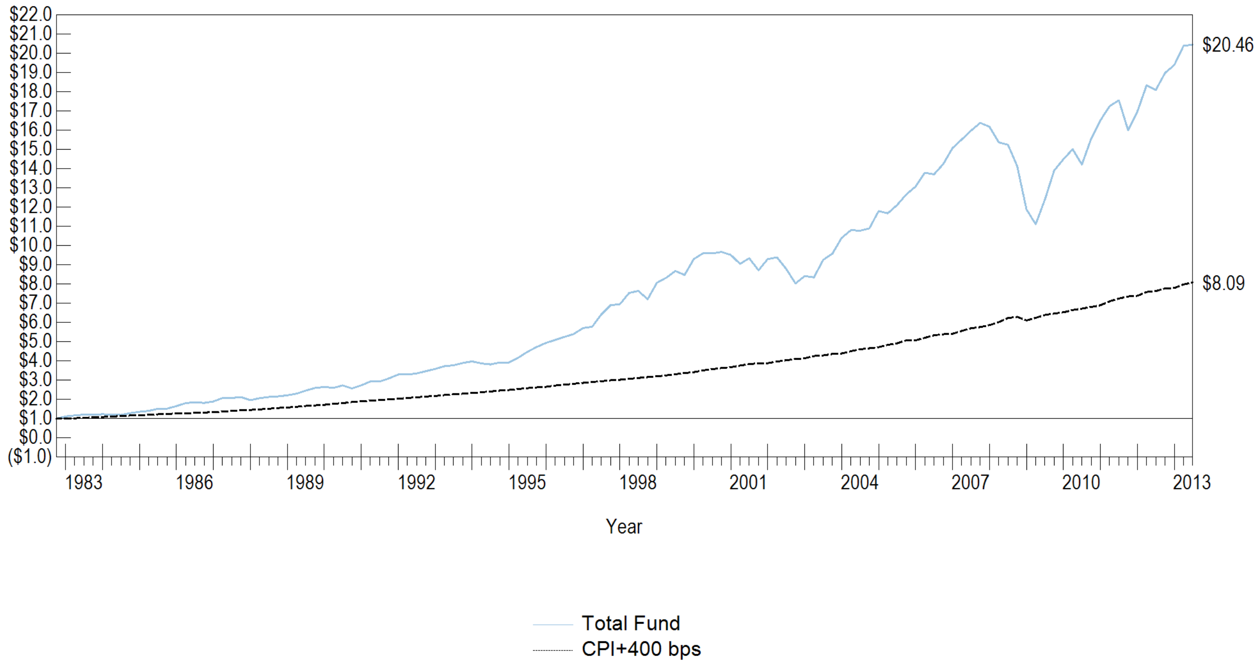
	YTD	2012	2011	2010	2009	2008	2007
US Investment Grade Fixed Income	**-0.6%**	**9.7%**	**7.2%**	**10.6%**	**17.8%**	**-8.1%**	**5.8%**
Barclays U.S. Universal	*-2.3%*	*5.5%*	*7.4%*	*7.2%*	*8.6%*	*2.4%*	*6.5%*
Barclays Aggregate	*-2.4%*	*4.2%*	*7.8%*	*6.5%*	*5.9%*	*5.2%*	*7.0%*
eA US Core Fixed Inc Gross Rank	*5*	*5*	*71*	*4*	*6*	*96*	*83*
eA US Core Fixed Inc Gross Median	*-2.3%*	*5.9%*	*7.7%*	*7.3%*	*8.9%*	*4.1%*	*6.9%*
AFL-CIO	-2.4%	4.7%	8.3%	6.6%	6.6%	5.7%	7.1%
Barclays Aggregate	*-2.4%*	*4.2%*	*7.8%*	*6.5%*	*5.9%*	*5.2%*	*7.0%*
eA US Core Fixed Inc Gross Rank	*61*	*80*	*23*	*75*	*76*	*32*	*39*
eA US Core Fixed Inc Gross Median	*-2.3%*	*5.9%*	*7.7%*	*7.3%*	*8.9%*	*4.1%*	*6.9%*
Goldman Sachs Core Plus	-2.0%	7.9%	7.6%	7.6%	9.8%	--	--
Barclays Aggregate	*-2.4%*	*4.2%*	*7.8%*	*6.5%*	*5.9%*	*5.2%*	*7.0%*
eA US Core Fixed Inc Gross Rank	*31*	*13*	*55*	*39*	*43*	--	--
eA US Core Fixed Inc Gross Median	*-2.3%*	*5.9%*	*7.7%*	*7.3%*	*8.9%*	*4.1%*	*6.9%*
GSAM Workout Portfolio	9.1%	19.0%	1.0%	24.4%	35.1%	--	--
Barclays Aggregate	*-2.4%*	*4.2%*	*7.8%*	*6.5%*	*5.9%*	*5.2%*	*7.0%*
eA US Core Fixed Inc Gross Rank	*1*	*1*	*99*	*1*	*1*	--	--
eA US Core Fixed Inc Gross Median	*-2.3%*	*5.9%*	*7.7%*	*7.3%*	*8.9%*	*4.1%*	*6.9%*
Lord Abbett	-1.9%	8.6%	8.2%	8.5%	15.6%	--	--
Barclays Aggregate	*-2.4%*	*4.2%*	*7.8%*	*6.5%*	*5.9%*	*5.2%*	*7.0%*
eA US Core Fixed Inc Gross Rank	*28*	*8*	*27*	*15*	*9*	--	--
eA US Core Fixed Inc Gross Median	*-2.3%*	*5.9%*	*7.7%*	*7.3%*	*8.9%*	*4.1%*	*6.9%*
PIMCO Total Return	-2.4%	8.5%	5.0%	9.3%	16.4%	0.0%	8.4%
Barclays Aggregate	*-2.4%*	*4.2%*	*7.8%*	*6.5%*	*5.9%*	*5.2%*	*7.0%*
eA US Core Fixed Inc Gross Rank	*59*	*8*	*97*	*8*	*7*	*74*	*3*
eA US Core Fixed Inc Gross Median	*-2.3%*	*5.9%*	*7.7%*	*7.3%*	*8.9%*	*4.1%*	*6.9%*
Torchlight II	16.4%	24.5%	24.0%	41.9%	16.4%	-64.9%	-6.6%
ML HY Master II	*1.5%*	*15.6%*	*4.4%*	*15.2%*	*57.5%*	*-26.2%*	*2.1%*
eA US High Yield Fixed Inc Gross Rank	*1*	*1*	*1*	*1*	*99*	*99*	*99*
eA US High Yield Fixed Inc Gross Median	*1.7%*	*15.5%*	*4.9%*	*14.9%*	*45.0%*	*-21.2%*	*3.5%*
Torchlight III	2.7%	15.9%	4.2%	12.0%	45.2%	--	--
ML HY Master II	*1.5%*	*15.6%*	*4.4%*	*15.2%*	*57.5%*	*-26.2%*	*2.1%*
eA US High Yield Fixed Inc Gross Rank	*20*	*43*	*64*	*91*	*50*	--	--
eA US High Yield Fixed Inc Gross Median	*1.7%*	*15.5%*	*4.9%*	*14.9%*	*45.0%*	*-21.2%*	*3.5%*
Torchlight IV	4.2%	--	--	--	--	--	--
ML HY Master II	*1.5%*	*15.6%*	*4.4%*	*15.2%*	*57.5%*	*-26.2%*	*2.1%*
eA US High Yield Fixed Inc Gross Rank	*8*	--	--	--	--	--	--
eA US High Yield Fixed Inc Gross Median	*1.7%*	*15.5%*	*4.9%*	*14.9%*	*45.0%*	*-21.2%*	*3.5%*
High Yield							
Allianz Global Investors	2.7%	14.1%	6.4%	15.2%	47.1%	-20.0%	3.6%
ML HY Master II	*1.5%*	*15.6%*	*4.4%*	*15.2%*	*57.5%*	*-26.2%*	*2.1%*
eA US High Yield Fixed Inc Gross Rank	*20*	*73*	*21*	*42*	*44*	*44*	*46*
eA US High Yield Fixed Inc Gross Median	*1.7%*	*15.5%*	*4.9%*	*14.9%*	*45.0%*	*-21.2%*	*3.5%*

	YTD	2012	2011	2010	2009	2008	2007
Global Fixed Income	**-5.8%**	**6.7%**	**5.6%**	**8.8%**	**11.3%**	**-0.4%**	**3.1%**
Barclays Global Aggregate	*-4.8%*	*4.3%*	*5.6%*	*5.5%*	*6.9%*	*4.8%*	*9.5%*
eA All Global Fixed Inc Gross Rank	*83*	*68*	*40*	*32*	*47*	*60*	*92*
eA All Global Fixed Inc Gross Median	*-3.2%*	*9.5%*	*5.0%*	*7.3%*	*10.6%*	*1.4%*	*8.7%*
Lazard	-5.8%	6.7%	5.6%	8.8%	11.3%	-0.4%	--
Barclays Global Aggregate	*-4.8%*	*4.3%*	*5.6%*	*5.5%*	*6.9%*	*4.8%*	*9.5%*
eA All Global Fixed Inc Gross Rank	*83*	*68*	*40*	*32*	*47*	*60*	*--*
eA All Global Fixed Inc Gross Median	*-3.2%*	*9.5%*	*5.0%*	*7.3%*	*10.6%*	*1.4%*	*8.7%*
Inflation Hedge	**--**	**--**	**--**	**--**	**--**	**--**	**--**
CPI+400 bps	*3.7%*	*5.5%*	*7.1%*	*5.6%*	*6.9%*	*4.2%*	*8.3%*
PIMCO All Asset Fund	--	--	--	--	--	--	--
CPI+400 bps	*3.7%*	*5.5%*	*7.1%*	*5.6%*	*6.9%*	*4.2%*	*8.3%*
Wellington Real Total Return	--	--	--	--	--	--	--
CPI+400 bps	*3.7%*	*5.5%*	*7.1%*	*5.6%*	*6.9%*	*4.2%*	*8.3%*
Real Estate	**6.8%**	**16.7%**	**10.4%**	**21.0%**	**-0.5%**	**-34.2%**	**-3.4%**
Real Estate Benchmark	*5.2%*	*13.6%*	*13.6%*	*17.5%*	*-4.3%*	*-14.1%*	*6.4%*
NCREIF (ODCE) Index	*6.7%*	*10.9%*	*16.0%*	*16.4%*	*-29.8%*	*-10.0%*	*16.0%*
NCREIF Property Index	*5.5%*	*10.5%*	*14.3%*	*13.1%*	*-16.9%*	*-6.5%*	*15.8%*
IF All DB Real Estate Gross Rank	*17*	*14*	*82*	*7*	*8*	*98*	*98*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
Adelante	5.5%	17.7%	9.2%	31.2%	29.3%	-44.8%	-16.9%
Wilshire REIT	*5.9%*	*17.6%*	*9.2%*	*28.6%*	*28.6%*	*-39.2%*	*-17.6%*
eA US REIT Gross Rank	*39*	*62*	*62*	*18*	*62*	*93*	*73*
eA US REIT Gross Median	*5.3%*	*17.9%*	*10.1%*	*29.3%*	*31.4%*	*-37.6%*	*-15.4%*
Angelo, Gordon & Co	17.6%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*8.1%*	*16.1%*	*19.9%*	*18.7%*	*-12.6%*	*-1.7%*	*21.6%*
IF All DB Real Estate Gross Rank	*1*	*--*	*--*	*--*	*--*	*--*	*--*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
DLJ Real Estate II	9.8%	13.5%	11.4%	-7.2%	-30.5%	4.0%	34.8%
NCREIF Property Index + 500 bps	*8.1%*	*16.1%*	*19.9%*	*18.7%*	*-12.6%*	*-1.7%*	*21.6%*
IF All DB Real Estate Gross Rank	*1*	*17*	*80*	*98*	*71*	*3*	*1*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
DLJ Real Estate III	8.5%	10.9%	0.3%	-15.0%	-15.4%	1.7%	30.5%
NCREIF Property Index + 500 bps	*8.1%*	*16.1%*	*19.9%*	*18.7%*	*-12.6%*	*-1.7%*	*21.6%*
IF All DB Real Estate Gross Rank	*1*	*47*	*95*	*99*	*11*	*3*	*1*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
DLJ Real Estate IV	5.1%	9.1%	23.5%	-12.5%	-53.5%	--	--
NCREIF Property Index + 500 bps	*8.1%*	*16.1%*	*19.9%*	*18.7%*	*-12.6%*	*-1.7%*	*21.6%*
IF All DB Real Estate Gross Rank	*50*	*68*	*3*	*98*	*99*	*--*	*--*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
INVESCO Intl REIT	-1.8%	42.3%	-16.5%	14.6%	39.6%	--	--
FTSE EPRA/NAREIT Dev. ex-US	*-1.2%*	*38.5%*	*-15.3%*	*16.0%*	*44.5%*	*-52.0%*	*-0.9%*
eA EAFE REIT Gross Rank	*83*	*19*	*55*	*64*	*47*	*--*	*--*
eA EAFE REIT Gross Median	*-0.6%*	*40.5%*	*-16.3%*	*15.1%*	*39.0%*	*-49.4%*	*-2.5%*

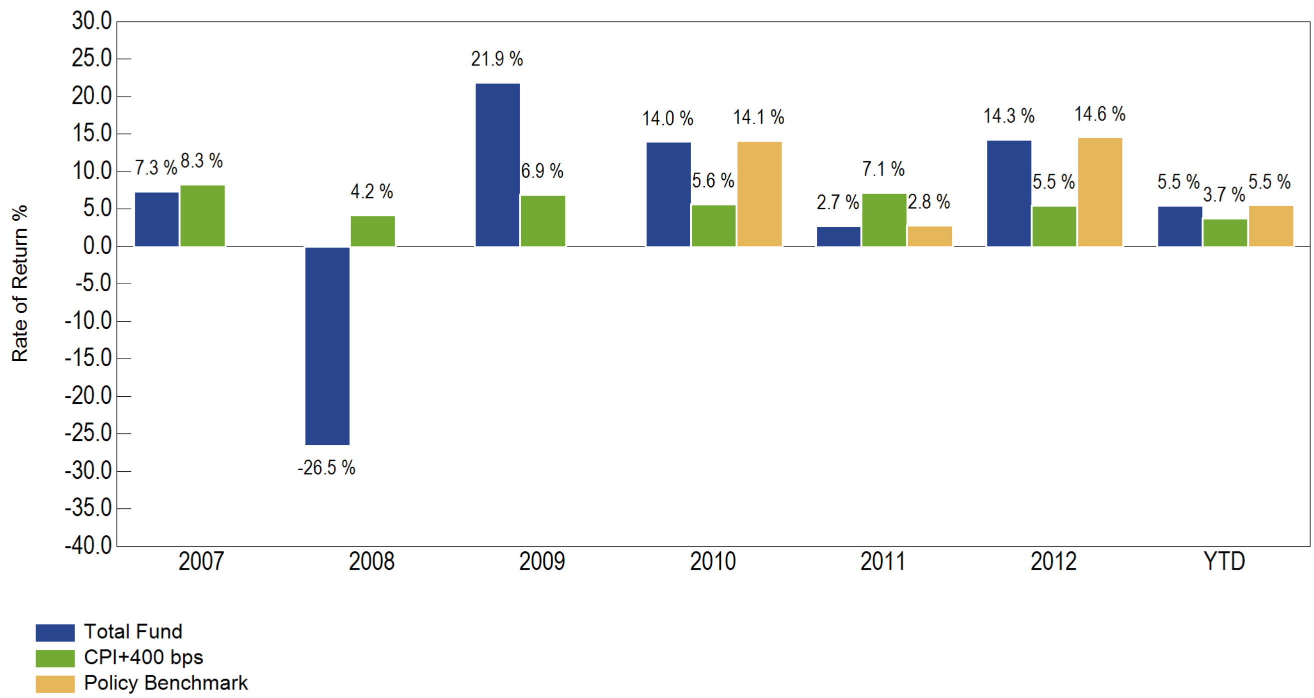
	YTD	2012	2011	2010	2009	2008	2007
INVESCO Fund I	4.6%	15.0%	28.3%	32.8%	-49.2%	-23.2%	10.4%
NCREIF Property Index + 300 bps	*7.1%*	*13.8%*	*17.7%*	*16.5%*	*-14.3%*	*-3.6%*	*19.3%*
IF All DB Real Estate Gross Rank	*65*	*16*	*2*	*1*	*99*	*95*	*88*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
INVESCO Fund II	13.4%	16.4%	34.9%	96.4%	-72.8%	-81.3%	--
NCREIF Property Index + 300 bps	*7.1%*	*13.8%*	*17.7%*	*16.5%*	*-14.3%*	*-3.6%*	*19.3%*
IF All DB Real Estate Gross Rank	*1*	*15*	*1*	*1*	*99*	*99*	*--*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
Long Wharf Fund II	4.9%	2.3%	11.8%	10.0%	-40.0%	-41.9%	5.0%
NCREIF Property Index + 300 bps	*7.1%*	*13.8%*	*17.7%*	*16.5%*	*-14.3%*	*-3.6%*	*19.3%*
IF All DB Real Estate Gross Rank	*62*	*97*	*79*	*85*	*96*	*99*	*95*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
Long Wharf Fund III	8.0%	11.9%	19.6%	49.5%	-71.2%	-10.7%	--
NCREIF Property Index + 300 bps	*7.1%*	*13.8%*	*17.7%*	*16.5%*	*-14.3%*	*-3.6%*	*19.3%*
IF All DB Real Estate Gross Rank	*3*	*35*	*10*	*1*	*99*	*71*	*--*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
Oaktree REOF V	10.2%	12.5%	--	--	--	--	--
NCREIF Property Index + 500 bps	*8.1%*	*16.1%*	*19.9%*	*18.7%*	*-12.6%*	*-1.7%*	*21.6%*
IF All DB Real Estate Gross Rank	*1*	*26*	*--*	*--*	*--*	*--*	*--*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
Siguler Guff Distressed RE Opportunities	7.8%	--	--	--	--	--	--
NCREIF Property Index + 500 bps	*8.1%*	*16.1%*	*19.9%*	*18.7%*	*-12.6%*	*-1.7%*	*21.6%*
IF All DB Real Estate Gross Rank	*8*	*--*	*--*	*--*	*--*	*--*	*--*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*
Willows Office Property	4.0%	6.3%	6.1%	-46.7%	4.9%	3.7%	44.5%
NCREIF Property Index	*5.5%*	*10.5%*	*14.3%*	*13.1%*	*-16.9%*	*-6.5%*	*15.8%*
IF All DB Real Estate Gross Rank	*72*	*85*	*92*	*99*	*5*	*3*	*1*
IF All DB Real Estate Gross Median	*5.1%*	*10.7%*	*14.6%*	*15.1%*	*-29.5%*	*-9.0%*	*15.4%*

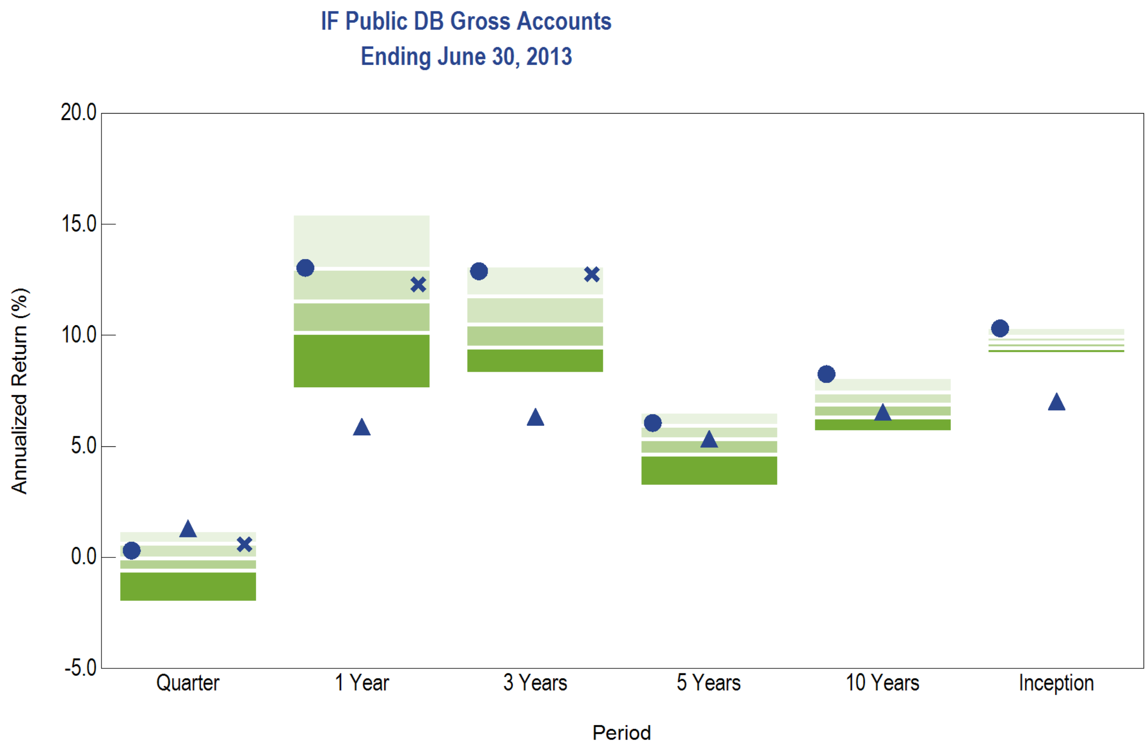
	YTD	2012	2011	2010	2009	2008	2007
Alternatives	**6.0%**	**10.9%**	**12.6%**	**10.5%**	**-0.9%**	**2.9%**	**28.0%**
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Adams Street	**5.1%**	**13.5%**	**18.0%**	**16.3%**	**-6.9%**	**-4.9%**	**27.9%**
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Adams Street Partners	5.0%	12.0%	17.0%	15.5%	-5.5%	-3.0%	21.4%
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Adams Street Partners II	6.3%	22.3%	44.8%	44.1%	--	--	--
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Brinson - Venture Capital	3.0%	8.4%	8.3%	14.8%	-9.9%	-6.1%	30.2%
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Bay Area Equity Fund	25.1%	15.3%	67.4%	42.6%	0.2%	24.4%	63.6%
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Carpenter Bancfund	9.2%	22.4%	4.4%	-1.8%	-10.2%	--	--
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Energy Investor Fund	1.5%	-8.2%	-16.1%	10.5%	90.3%	220.5%	2.2%
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Energy Investor Fund II	-5.6%	0.1%	7.2%	4.1%	0.4%	19.7%	12.5%
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Energy Investor Fund III	7.1%	8.4%	21.3%	-6.1%	10.6%	112.2%	--
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Energy Investor Fund IV	-1.5%	2.6%	--	--	--	--	--
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Nogales	15.4%	8.1%	7.4%	20.8%	-75.4%	-54.8%	18.5%
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Paladin III	8.7%	4.4%	27.0%	9.9%	10.0%	-10.8%	--
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Pathway	8.0%	11.8%	12.8%	15.8%	-9.0%	-6.6%	50.4%
S&P500 + 4% QTR Lag	*12.4%*	*35.4%*	*5.2%*	*14.5%*	*-3.1%*	*-18.8%*	*21.1%*
Opportunistic	**10.4%**	**13.6%**	**-6.6%**	**13.6%**	**--**	**--**	**--**
Oaktree PIF 2009	10.4%	12.8%	4.6%	--	--	--	--

Cumulative Value of $1
(Gross of Fees)



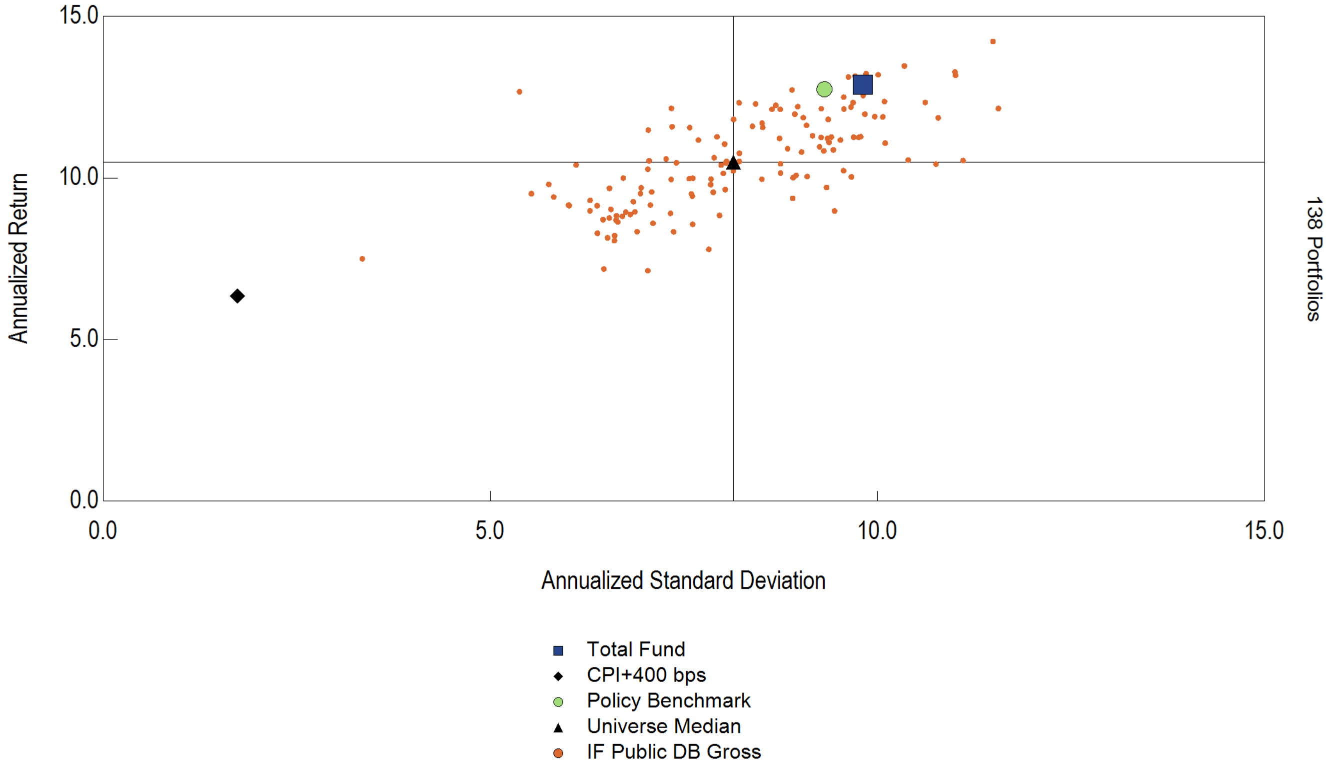
Return Summary
Ending June 30, 2013





	Return (Rank)											
5th Percentile	1.2		15.5		13.1		6.6		8.1		10.4	
25th Percentile	0.6		13.0		11.8		6.0		7.5		10.0	
Median	0.0		11.5		10.5		5.3		6.9		9.7	
75th Percentile	-0.6		10.1		9.5		4.6		6.3		9.4	
95th Percentile	-2.0		7.6		8.3		3.2		5.7		9.2	
# of Portfolios	166		161		138		129		110		7	
● Total Fund	0.3	(36)	13.0	(25)	12.9	(6)	6.1	(21)	8.3	(4)	10.3	(8)
▲ CPI+400 bps	1.3	(4)	5.9	(99)	6.3	(99)	5.3	(49)	6.5	(66)	7.0	(99)
✕ Policy Benchmark	0.6	(26)	12.3	(36)	12.7	(6)	--	(--)	--	(--)	--	(--)

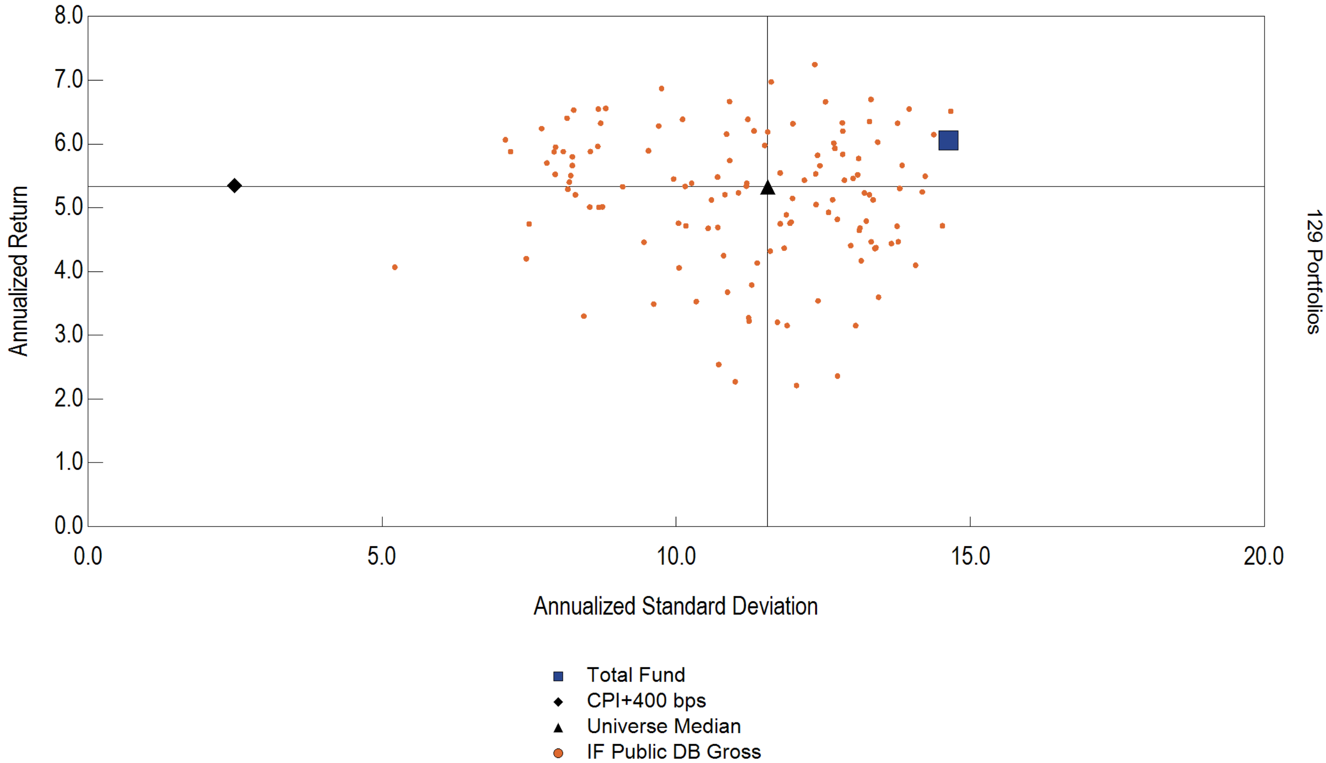
Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2013



Risk vs. Return for 3 Years Ending June 30, 2013

Rank within IF Public DB Gross (USD) (peer)	Annualized Return	Standard Deviation
Total Fund	12.9%	9.8%
CPI+400 bps	6.3%	1.7%
Policy Benchmark	12.7%	9.3%
Median for this Universe	10.5%	8.1%

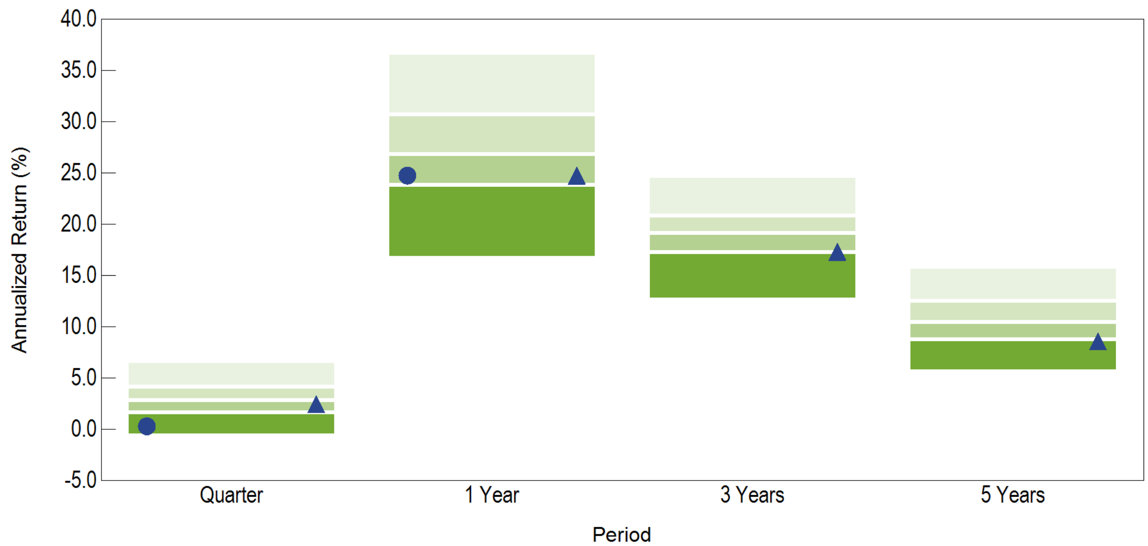
Annualized Return vs. Annualized Standard Deviation
5 Years Ending June 30, 2013



Risk vs. Return for 5 Years Ending June 30, 2013

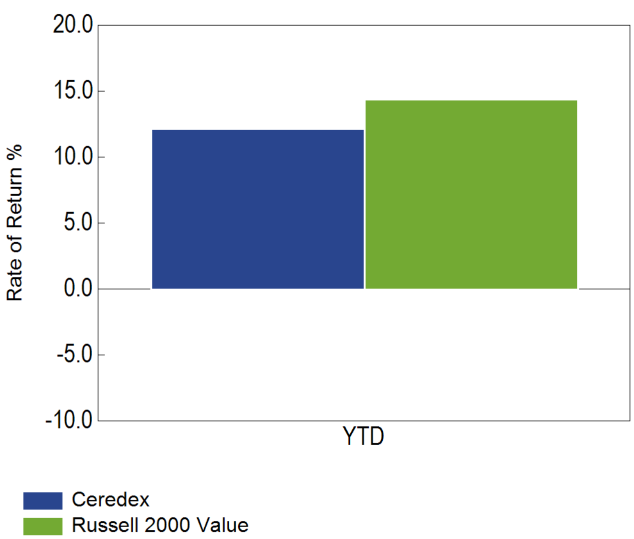
Rank within IF Public DB Gross (USD) (peer)	Annualized Return	Standard Deviation
Total Fund	6.1%	14.6%
CPI+400 bps	5.3%	2.5%
Median for this Universe	5.3%	11.6%

eA US Small Cap Value Equity Gross Accounts
Ending June 30, 2013

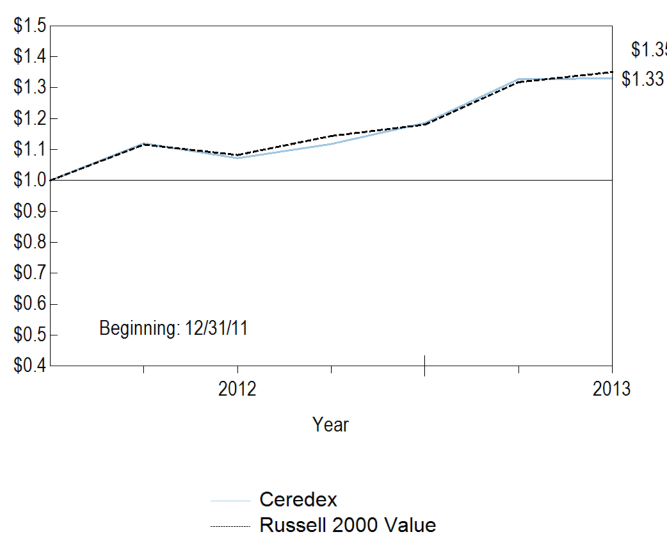


	Return (Rank)							
5th Percentile	6.6		36.7		24.7		15.9	
25th Percentile	4.2		30.8		20.9		12.6	
Median	2.9		26.9		19.2		10.5	
75th Percentile	1.7		23.9		17.4		8.9	
95th Percentile	-0.5		16.8		12.7		5.7	
# of Portfolios	190		190		186		175	
● **Ceredex**	0.3	(90)	24.8	(67)	--	(--)	--	(--)
▲ **Russell 2000 Value**	2.5	(61)	24.8	(67)	17.3	(76)	8.6	(79)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



Ceredex

$184.6 Million and 3.1% of Fund

Characteristics

	Portfolio	Russell 2000 Value
Number of Holdings	90	1,392
Weighted Avg. Market Cap. ($B)	2.17	1.36
Median Market Cap. ($B)	1.87	0.52
Price To Earnings	21.22	17.82
Price To Book	2.64	1.67
Price To Sales	1.53	1.83
Return on Equity (%)	13.68	8.15
Yield (%)	1.95	1.63
Beta		1.00
R-Squared		1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	6.58	6.11
Materials	5.27	5.05
Industrials	25.98	12.33
Consumer Discretionary	21.14	13.18
Consumer Staples	4.32	2.78
Health Care	4.35	4.51
Financials	23.52	37.55
Information Technology	6.97	12.06
Telecommunications	0.00	0.52
Utilities	0.65	5.91
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. ($B)	2.17	1.36
Median Market Cap. ($B)	1.87	0.52
Large Cap. (%)	0.00	0.00
Medium/Large Cap. (%)	0.00	0.00
Medium Cap. (%)	0.00	0.00
Medium/Small Cap. (%)	43.41	10.21
Small Cap. (%)	56.59	89.79

Top Holdings

SMITH (AO)	3.86%
HSN	3.41%
GUESS	3.39%
STANCORP FINL.GP.	3.09%
HCC INSURANCE HDG.	2.93%
CASH AM.INTL.	2.72%
SOTHEBY'S	2.71%
PROGRESSIVE WASTE SLTN.	2.60%
LENNOX INTL.	2.45%
INTERFACE	2.45%

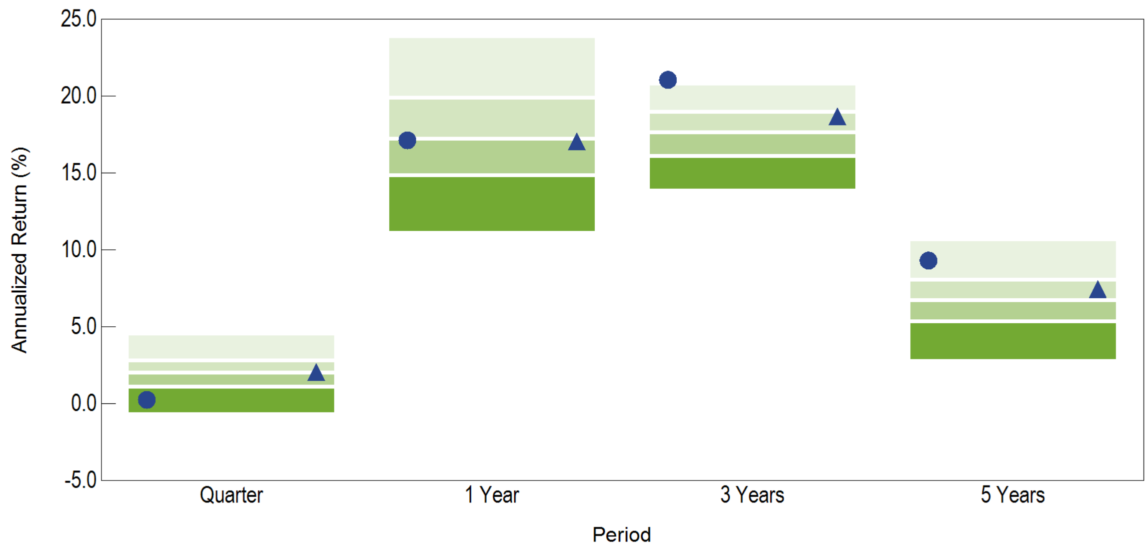
Best Performers

	Return %
NUTRISYSTEM (NTRI)	41.72%
THOR INDUSTRIES (THO)	34.85%
BOOZ ALLEN HAMILTN.HLDG. (BAH)	30.04%
GUESS (GES)	26.78%
MEREDITH (MDP)	25.91%
BUCKEYE TECHNOLOGIES (BKI)	23.97%
OXFORD INDS. (OXM)	17.89%
HORACE MANN EDUCATORS (HMN)	17.86%
BLACK BOX (BBOX)	16.51%
GREAT LAKES DREDGE & DOCK (GLDD)	16.20%

Worst Performers

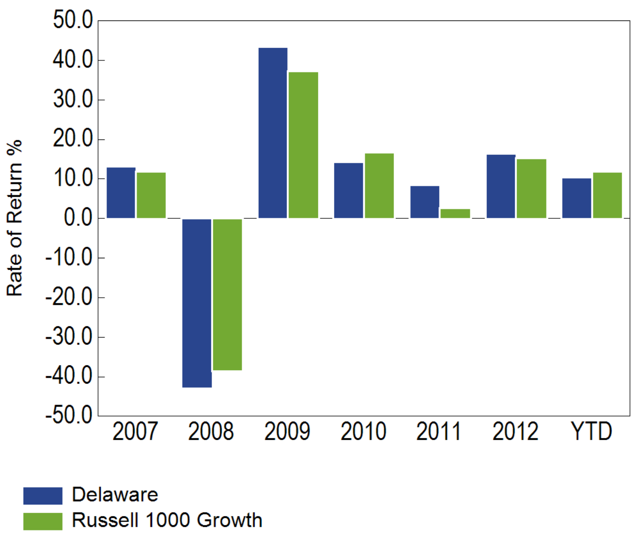
	Return %
CARBO CERAMICS (CRR)	-25.67%
GLOBE SPY.METALS (GSM)	-21.52%
KNOLL (KNL)	-20.97%
TITAN INTL.ILLINOIS (TWI)	-19.95%
PATTERSON UTI EN. (PTEN)	-18.61%
GRUPO AEROPORTUARIO DEL SURESTE ADR 1:10 (ASR)	-16.34%
CAMPUS CREST COMMUNITIES (CCG)	-15.75%
SCHULMAN A (SHLM)	-14.35%
LANDAUER (LDR)	-13.39%
CASH AM.INTL. (CSH)	-13.29%

eA US Large Cap Growth Equity Gross Accounts
Ending June 30, 2013

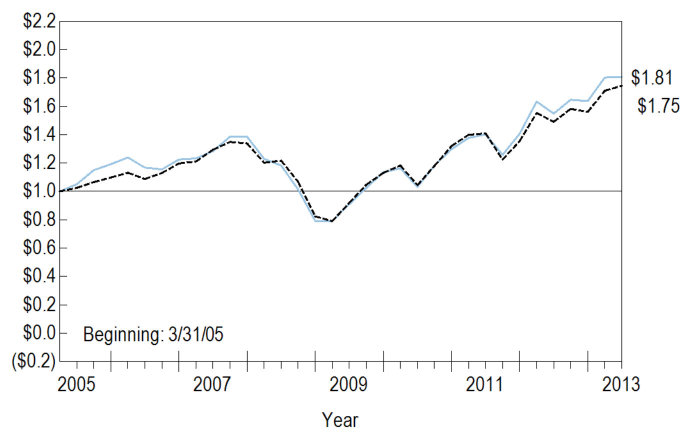


	Return (Rank)							
5th Percentile	4.6		23.9		20.8		10.7	
25th Percentile	2.9		19.9		19.0		8.1	
Median	2.0		17.3		17.7		6.8	
75th Percentile	1.1		14.9		16.1		5.4	
95th Percentile	-0.7		11.2		13.9		2.8	
# of Portfolios	268		268		263		251	
● **Delaware**	0.3	(88)	17.1	(52)	21.1	(5)	9.3	(11)
▲ **Russell 1000 Growth**	2.1	(49)	17.1	(53)	18.7	(32)	7.5	(38)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



Delaware

$277.9 Million and 4.7% of Fund

Characteristics

	Portfolio	Russell 1000 Growth
Number of Holdings	31	575
Weighted Avg. Market Cap. ($B)	58.31	89.97
Median Market Cap. ($B)	30.58	7.11
Price To Earnings	29.85	21.61
Price To Book	4.96	5.06
Price To Sales	4.83	3.02
Return on Equity (%)	20.77	23.91
Yield (%)	0.97	1.79
Beta	0.97	1.00
R-Squared	0.97	1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	10.48	4.08
Materials	2.25	3.85
Industrials	0.00	13.05
Consumer Discretionary	14.98	17.68
Consumer Staples	4.18	12.61
Health Care	12.28	13.12
Financials	9.53	4.85
Information Technology	39.73	28.22
Telecommunications	5.12	2.35
Utilities	0.00	0.19
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. ($B)	58.31	89.97
Median Market Cap. ($B)	30.58	7.11
Large Cap. (%)	20.87	44.79
Medium/Large Cap. (%)	52.60	27.59
Medium Cap. (%)	24.35	19.63
Medium/Small Cap. (%)	1.55	7.51
Small Cap. (%)	0.64	0.49

Top Holdings

VISA 'A'	6.28%
EOG RES.	5.44%
MASTERCARD	5.21%
CROWN CASTLE INTL.	5.12%
ADOBE SYSTEMS	4.90%
KINDER MORGAN	4.83%
QUALCOMM	4.60%
LIBERTY INTACT.'A'	4.42%
CELGENE	4.23%
PRICELINE.COM	4.18%

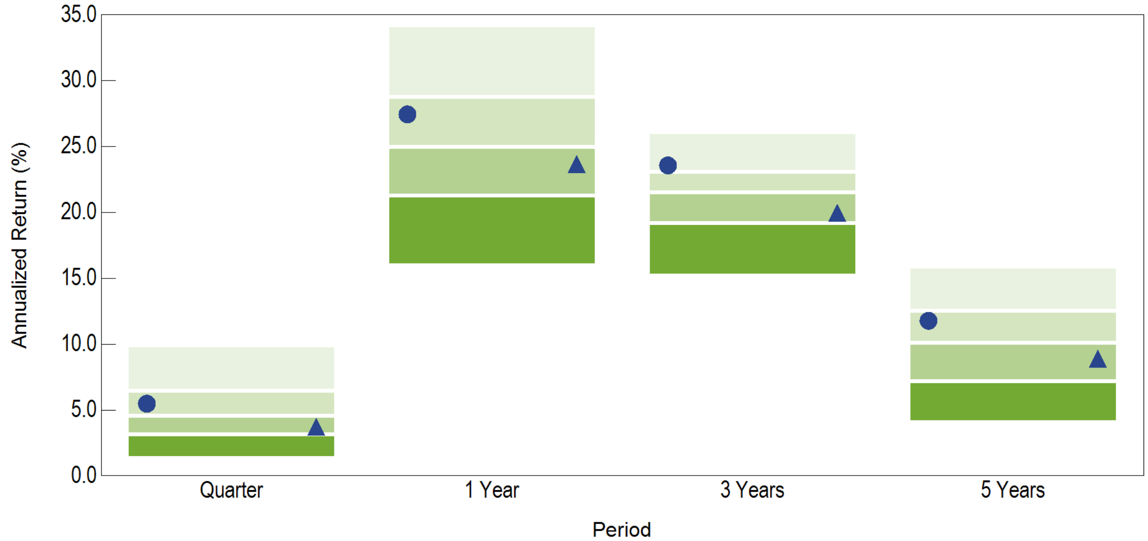
Best Performers

	Return %
CME GROUP (CME)	24.48%
PRICELINE.COM (PCLN)	20.13%
GOOGLE 'A' (GOOG)	10.85%
INTERCONTINENTAL EX. (ICE)	9.01%
NIKE 'B' (NKE)	8.28%
VISA 'A' (V)	7.80%
LIBERTY INTACT.'A' (LINTA)	7.67%
MASTERCARD (MA)	6.29%
SALLY BEAUTY HOLDINGS (SBH)	5.85%
ADOBE SYSTEMS (ADBE)	4.70%

Worst Performers

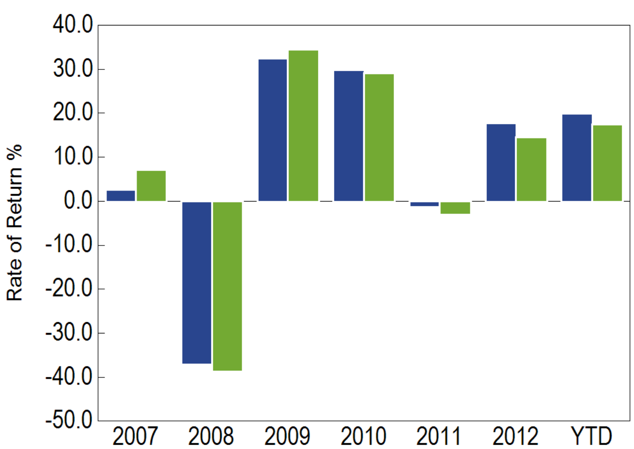
	Return %
ALLERGAN (AGN)	-24.50%
VERIFONE SYSTEMS (PAY)	-18.71%
TERADATA (TDC)	-14.15%
APPLE (AAPL)	-9.82%
QUALCOMM (QCOM)	-8.23%
INTUIT (INTU)	-6.79%
WALGREEN (WAG)	-6.78%
VERISIGN (VRSN)	-5.52%
SYNGENTA SPN.ADR 5:1 (SYT)	-4.75%
CATERPILLAR (CAT)	-4.54%

eA US Small Cap Growth Equity Gross Accounts
Ending June 30, 2013

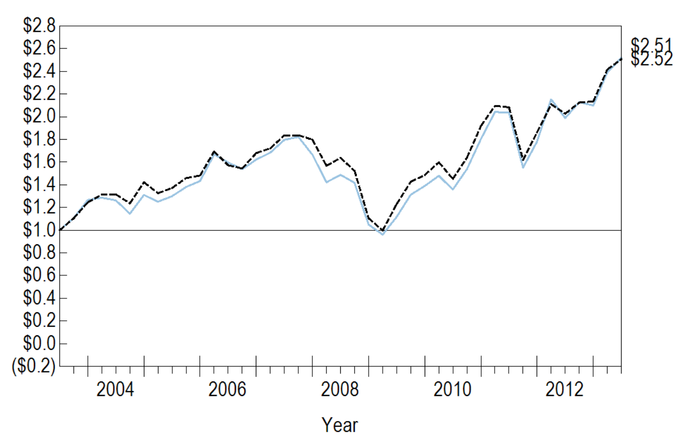


	Return (Rank)							
5th Percentile	9.9		34.2		26.1		15.9	
25th Percentile	6.5		28.8		23.1		12.6	
Median	4.6		25.0		21.6		10.1	
75th Percentile	3.2		21.3		19.2		7.2	
95th Percentile	1.4		16.0		15.2		4.1	
# of Portfolios	157		157		153		142	
● Emerald Advisors	5.5	(36)	27.4	(34)	23.6	(21)	11.8	(31)
▲ Russell 2000 Growth	3.7	(66)	23.7	(57)	20.0	(69)	8.9	(62)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



Emerald Advisors

$204.8 Million and 3.5% of Fund

Characteristics

	Portfolio	Russell 2000 Growth
Number of Holdings	121	1,101
Weighted Avg. Market Cap. ($B)	1.63	1.82
Median Market Cap. ($B)	1.21	0.72
Price To Earnings	24.41	24.93
Price To Book	4.64	4.13
Price To Sales	3.39	2.69
Return on Equity (%)	16.39	16.22
Yield (%)	0.26	0.46
Beta	1.12	1.00
R-Squared	0.96	1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	6.25	5.35
Materials	0.44	4.61
Industrials	13.94	17.64
Consumer Discretionary	22.69	16.43
Consumer Staples	1.81	4.83
Health Care	25.28	21.02
Financials	11.28	7.67
Information Technology	16.54	21.33
Telecommunications	0.92	0.83
Utilities	0.00	0.30
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. ($B)	1.63	1.82
Median Market Cap. ($B)	1.21	0.72
Large Cap. (%)	0.00	0.00
Medium/Large Cap. (%)	0.00	0.00
Medium Cap. (%)	0.00	0.00
Medium/Small Cap. (%)	21.28	28.23
Small Cap. (%)	78.72	71.77

Top Holdings

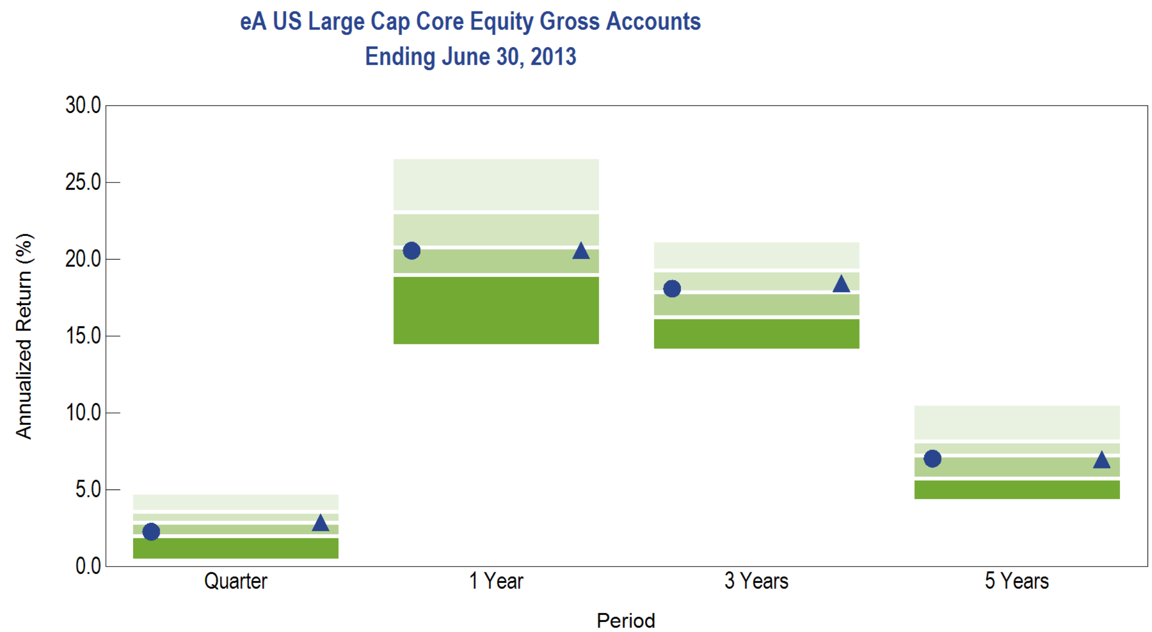
MWI VETERINARY SUPP.	2.94%
STATE STREET BANK + TRUST CO SHORT TERM INVESTMENT FUND	2.65%
SPIRIT AIRLINES	2.15%
TREX COMPANY	2.14%
SINCLAIR BROADCAST 'A'	1.95%
MIDDLEBY	1.83%
ACADIA HEALTHCARE CO.	1.82%
BANK OF THE OZARKS	1.81%
MULTIMEDIA GAMES HLDCO.	1.74%
NPS PHARMACEUTICALS	1.72%

Best Performers

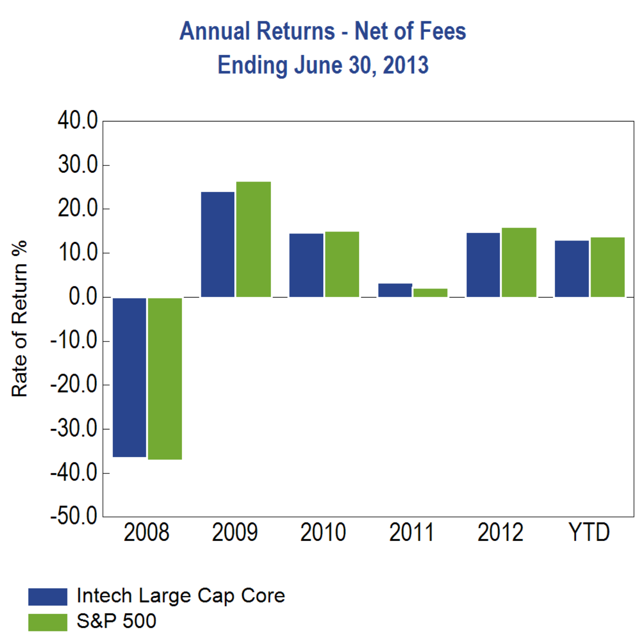
	Return %
GLOBAL GEOPHYSICAL SVS. (GGS)	92.65%
AEGERION PHARMS. (AEGR)	57.02%
NPS PHARMACEUTICALS (NPSP)	48.06%
SINCLAIR BROADCAST 'A' (SBGI)	45.55%
EXACTTARGET (ET)	44.91%
VERASTEM (VSTM)	44.28%
EXACT SCIS. (EXAS)	41.94%
BRIGHTCOVE (BCOV)	41.06%
TILE SHOP HOLDINGS (TTS)	37.84%
FEMALE HEALTH (FHCO)	37.42%

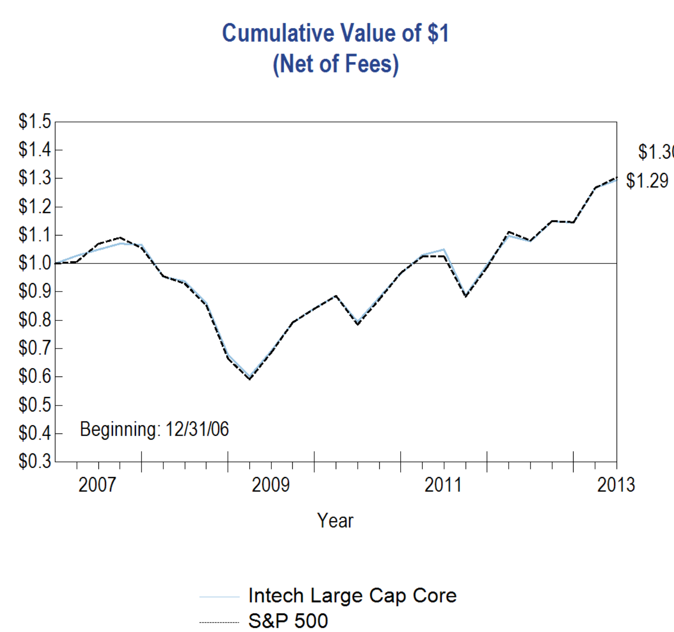
Worst Performers

	Return %
INFINITY PHARMACEUTICALS (INFI)	-66.59%
UNI-PIXEL (UNXL)	-52.17%
ARUBA NETWORKS (ARUN)	-37.91%
HEALTH IN.INNVNS.CL.A (HIIQ)	-30.29%
MISTRAS GROUP (MG)	-27.39%
DELEK US HOLDINGS (DK)	-26.75%
FORTINET (FTNT)	-26.10%
SYNAGEVA BIOPHARMA (GEVA)	-23.56%
FARO TECHS. (FARO)	-22.06%
CARDINAL FINL. (CFNL)	-19.16%



	Return (Rank)							
5th Percentile	4.8		26.6		21.2		10.6	
25th Percentile	3.6		23.1		19.3		8.2	
Median	2.9		20.8		17.9		7.3	
75th Percentile	2.0		19.0		16.3		5.7	
95th Percentile	0.4		14.4		14.1		4.3	
# of Portfolios	253		253		249		238	
● Intech Large Cap Core	2.3	(70)	20.6	(53)	18.1	(47)	7.0	(55)
▲ S&P 500	2.9	(49)	20.6	(53)	18.5	(41)	7.0	(56)





Intech Large Cap Core

$249.5 Million and 4.3% of Fund

Characteristics

	Portfolio	S&P 500
Number of Holdings	244	500
Weighted Avg. Market Cap. ($B)	67.24	102.69
Median Market Cap. ($B)	18.22	14.56
Price To Earnings	19.54	18.90
Price To Book	3.38	3.39
Price To Sales	2.24	2.13
Return on Equity (%)	18.92	18.36
Yield (%)	1.99	2.18
Beta	0.99	1.00
R-Squared	0.98	1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	12.69	10.53
Materials	4.25	3.27
Industrials	6.33	10.16
Consumer Discretionary	19.98	12.21
Consumer Staples	9.98	10.49
Health Care	12.04	12.72
Financials	14.68	16.66
Information Technology	9.04	17.79
Telecommunications	4.61	2.84
Utilities	6.07	3.31
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. ($B)	67.24	102.69
Median Market Cap. ($B)	18.22	14.56
Large Cap. (%)	28.45	46.26
Medium/Large Cap. (%)	37.84	32.69
Medium Cap. (%)	28.56	18.45
Medium/Small Cap. (%)	5.15	2.58
Small Cap. (%)	0.00	0.01

Top Holdings

EXXON MOBIL	2.89%
HOME DEPOT	2.84%
VISA 'A'	2.23%
COMCAST 'A'	2.04%
PHILLIPS 66	1.99%
ELI LILLY	1.96%
TIME WARNER CABLE	1.79%
AMGEN	1.78%
MARATHON PETROLEUM	1.76%
GOOGLE 'A'	1.74%

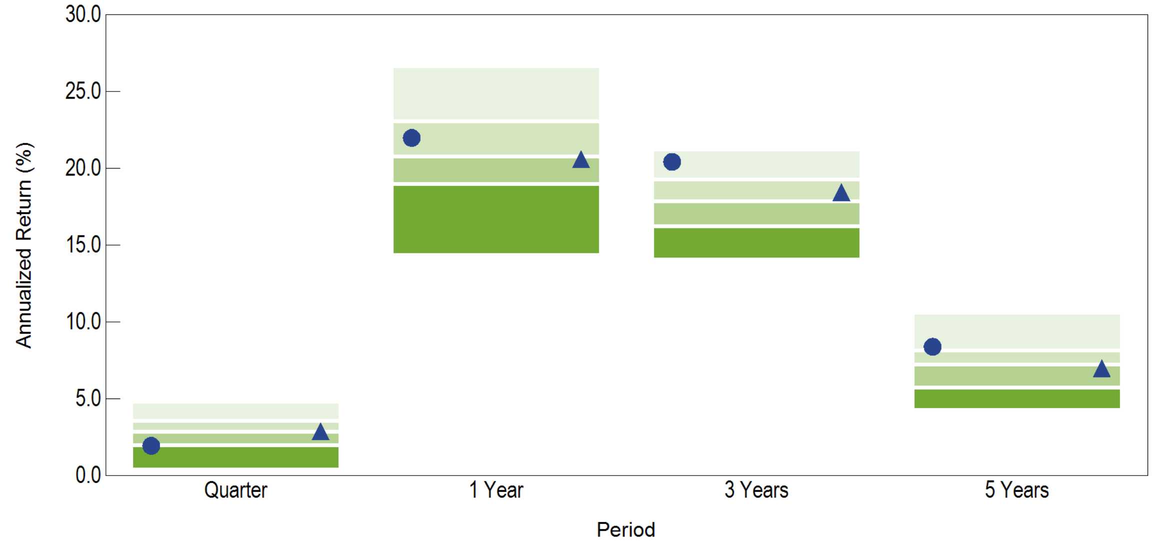
Best Performers

	Return %
FIRST SOLAR (FSLR)	66.21%
GAMESTOP 'A' (GME)	51.51%
ACTAVIS (ACT)	37.03%
SEAGATE TECH. (STX)	23.79%
MICROSOFT (MSFT)	21.59%
GOODYEAR TIRE & RUB. (GT)	21.37%
HARTFORD FINL.SVS.GP. (HIG)	20.23%
NORTHROP GRUMMAN (NOC)	18.93%
FORD MOTOR (F)	18.52%
GAP (GPS)	18.36%

Worst Performers

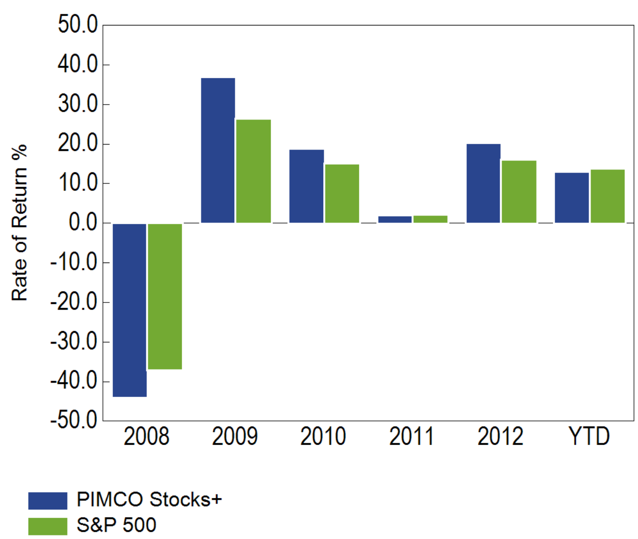
	Return %
IRON MNT. (IRM)	-25.98%
MARATHON PETROLEUM (MPC)	-20.34%
ADT (ADT)	-18.34%
EDWARDS LIFESCIENCES (EW)	-18.21%
VALERO ENERGY (VLO)	-15.93%
PHILLIPS 66 (PSX)	-15.39%
LENNAR 'A' (LEN)	-13.03%
ELI LILLY (LLY)	-12.75%
ONEOK (OKE)	-12.73%
D R HORTON (DHI)	-12.43%

eA US Large Cap Core Equity Gross Accounts
Ending June 30, 2013

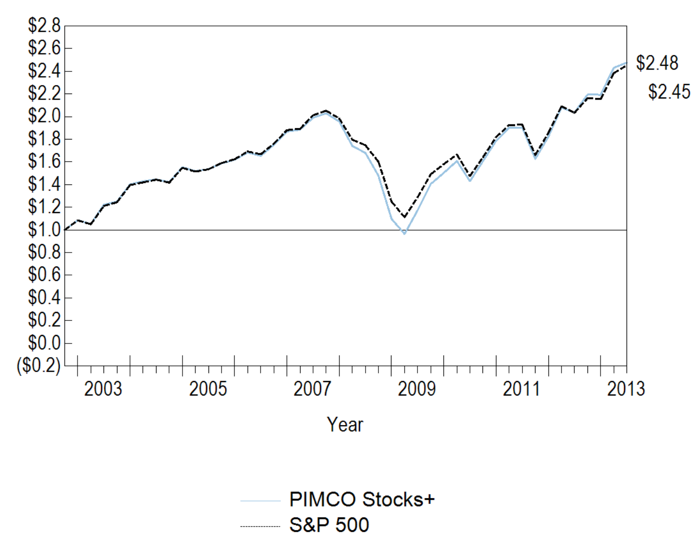


	Return (Rank)							
5th Percentile	4.8		26.6		21.2		10.6	
25th Percentile	3.6		23.1		19.3		8.2	
Median	2.9		20.8		17.9		7.3	
75th Percentile	2.0		19.0		16.3		5.7	
95th Percentile	0.4		14.4		14.1		4.3	
# of Portfolios	253		253		249		238	
● PIMCO Stocks+	2.0	(78)	22.0	(39)	20.4	(13)	8.4	(23)
▲ S&P 500	2.9	(49)	20.6	(53)	18.5	(41)	7.0	(56)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)

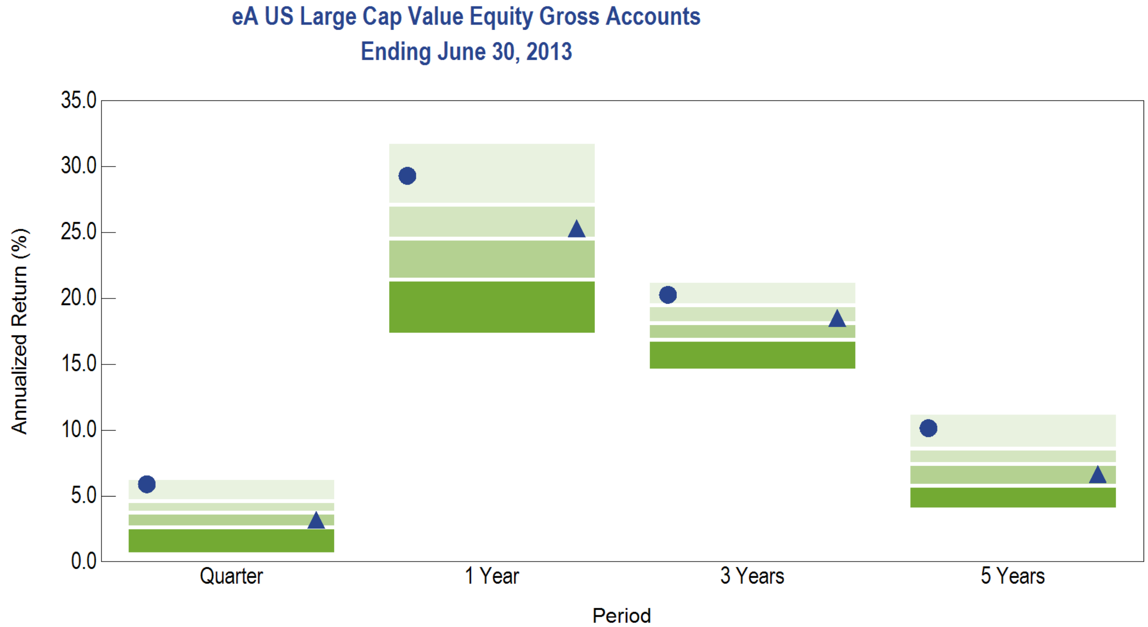


Characteristics

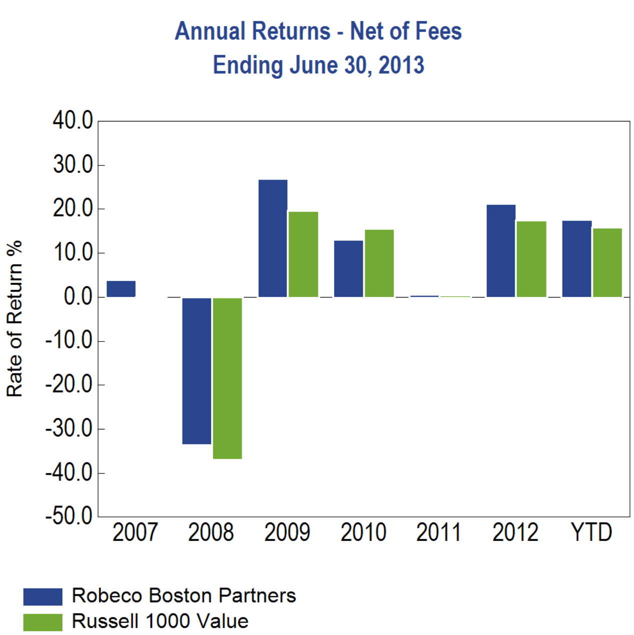
	Portfolio	S&P 500
Number of Holdings	193	500
Weighted Avg. Market Cap. ($B)		102.69
Median Market Cap. ($B)		14.56
Price To Earnings		18.90
Price To Book		3.39
Price To Sales		2.13
Return on Equity (%)		18.36
Yield (%)		2.18
Beta	1.05	1.00
R-Squared	0.99	1.00
ASSET ALLOCATION		
Number of Holdings	151	500
US Equity	0.03	0.00
Non-US Equity	0.00	0.00
US Fixed Income	55.07	0.00
Non-US Fixed Income	7.00	0.00
Cash	33.68	0.00
Alternatives	0.00	0.00
Real Estate	0.00	0.00
Other	4.23	0.00

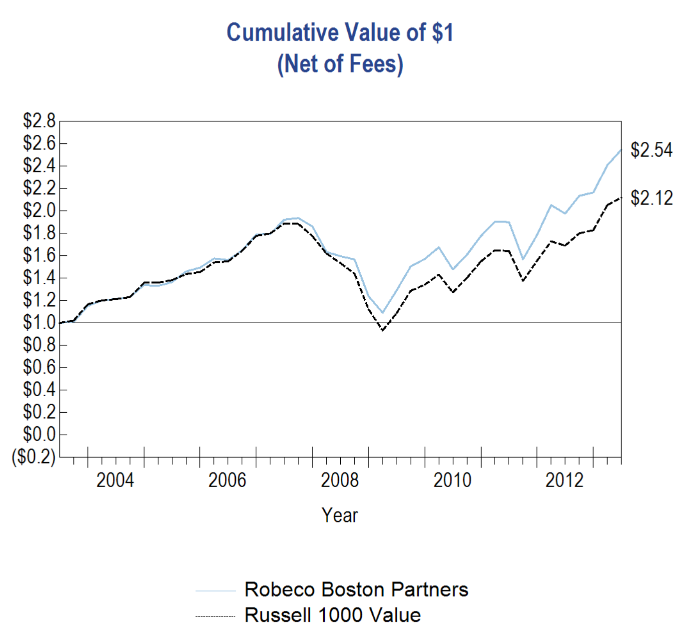
Top Holdings

BARCLAYS CAPITAL REPO		12.05%
SALOMON REPO	5807	9.63%
COMMIT TO PUR GNMA SF MTG 4.500% 07/15/2039 DD 07/01/09		9.20%
J P MORGAN TERM REPO		5.33%
TORONTO DOMINION GRAND CAYMAN REPO		4.90%
MORGAN STANLEY REPO 9W08		4.81%
BWU003KG4 IRS USD R V 03MLIBOR SWUV03KG6 CCPVANILLA		4.47%
DEUTSCHE BANK REPON		4.08%
SWU036QU7 IRS BRL R F 8.44000 NDFPREDISWAP		3.02%
UST 1.875 02/28/14		2.65%



	Return (Rank)							
5th Percentile	6.4		31.9		21.3		11.3	
25th Percentile	4.6		27.2		19.5		8.6	
Median	3.8		24.6		18.2		7.5	
75th Percentile	2.6		21.5		16.9		5.8	
95th Percentile	0.6		17.3		14.6		4.0	
# of Portfolios	298		298		291		282	
● **Robeco Boston Partners**	5.9	(9)	29.3	(16)	20.3	(16)	10.1	(13)
▲ **Russell 1000 Value**	3.2	(62)	25.3	(43)	18.5	(42)	6.7	(63)





Characteristics

	Portfolio	Russell 1000 Value
Number of Holdings	89	696
Weighted Avg. Market Cap. ($B)	93.08	93.50
Median Market Cap. ($B)	23.36	5.62
Price To Earnings	17.07	17.23
Price To Book	2.30	2.06
Price To Sales	1.63	1.65
Return on Equity (%)	15.06	13.13
Yield (%)	1.88	2.36
Beta	1.07	1.00
R-Squared	0.97	1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	13.56	15.25
Materials	1.82	3.32
Industrials	6.75	9.01
Consumer Discretionary	12.03	8.64
Consumer Staples	2.06	7.13
Health Care	19.43	11.75
Financials	29.65	28.65
Information Technology	10.62	6.96
Telecommunications	0.00	2.99
Utilities	1.33	6.28
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. ($B)	93.08	93.50
Median Market Cap. ($B)	23.36	5.62
Large Cap. (%)	45.40	40.89
Medium/Large Cap. (%)	30.26	28.59
Medium Cap. (%)	16.54	18.65
Medium/Small Cap. (%)	7.80	10.39
Small Cap. (%)	0.00	1.48

Top Holdings

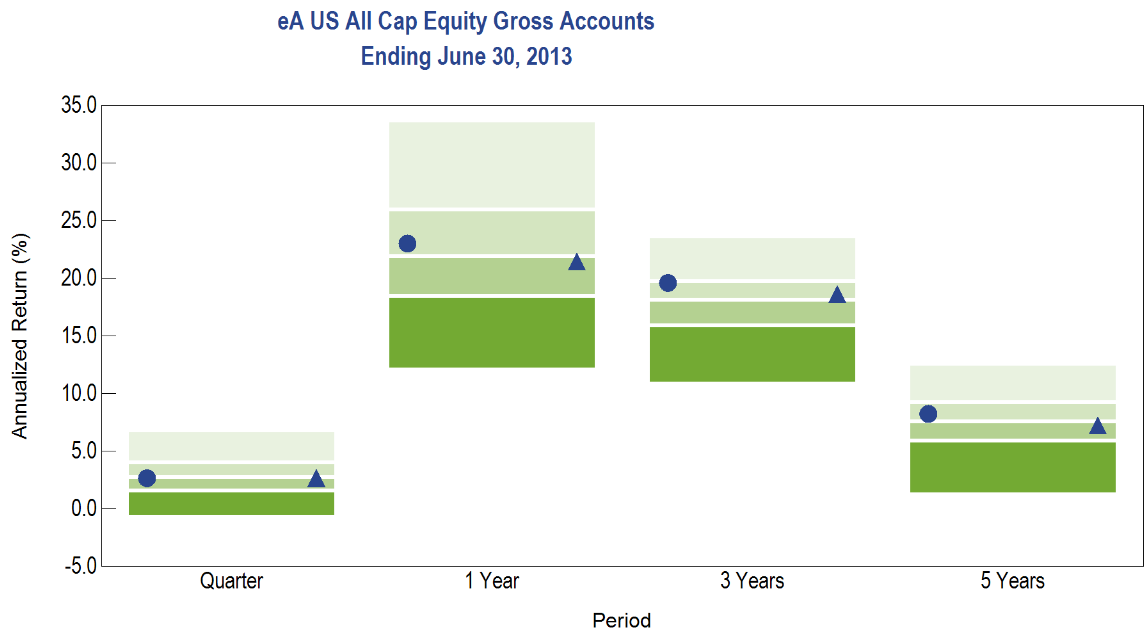
BERKSHIRE HATHAWAY 'B'	4.07%
WELLS FARGO & CO	3.73%
EXXON MOBIL	3.35%
PFIZER	3.34%
JP MORGAN CHASE & CO.	3.29%
CITIGROUP	3.29%
STATE STREET BANK + TRUST CO SHORT TERM INVESTMENT FUND	3.08%
OCCIDENTAL PTL.	2.69%
JOHNSON & JOHNSON	2.64%
CISCO SYSTEMS	2.43%

Best Performers

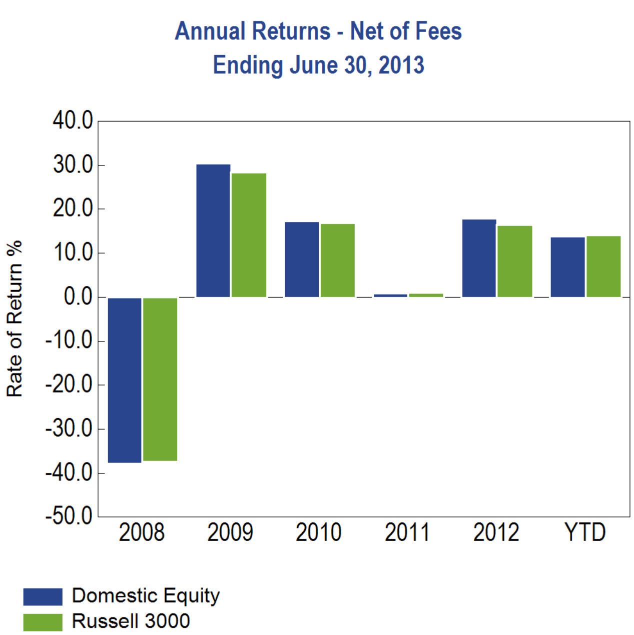
	Return %
ELECTRONIC ARTS (EA)	29.89%
SEAGATE TECH. (STX)	23.79%
HUMANA (HUM)	22.49%
MICROSOFT (MSFT)	21.59%
METLIFE (MET)	21.17%
CHARLES SCHWAB (SCHW)	20.43%
STAPLES (SPLS)	19.16%
TIME WARNER CABLE (TWC)	17.89%
OMNICARE (OCR)	17.52%
CISCO SYSTEMS (CSCO)	17.40%

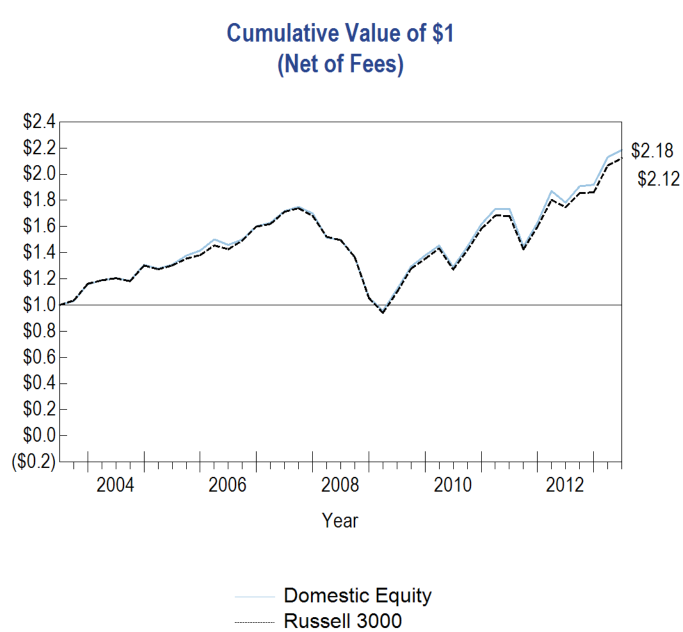
Worst Performers

	Return %
PHILLIPS 66 (PSX)	-15.39%
APPLE (AAPL)	-9.82%
SYMANTEC (SYMC)	-8.30%
AMER.ELEC.PWR. (AEP)	-7.02%
COVIDIEN (COV)	-7.02%
CAMERON INTERNATIONAL (CAM)	-6.20%
ORACLE (ORCL)	-5.01%
EBAY (EBAY)	-4.61%
TRAVELERS COS. (TRV)	-4.49%
AES (AES)	-4.33%



	Return (Rank)							
5th Percentile	6.8		33.7		23.6		12.5	
25th Percentile	4.1		26.0		19.8		9.3	
Median	2.8		21.9		18.2		7.7	
75th Percentile	1.6		18.5		16.0		6.0	
95th Percentile	-0.6		12.1		10.9		1.3	
# of Portfolios	247		247		240		223	
● **Domestic Equity**	2.7	(53)	23.0	(42)	19.6	(27)	8.2	(40)
▲ **Russell 3000**	2.7	(53)	21.5	(52)	18.6	(41)	7.2	(56)





Characteristics

	Portfolio	Russell 3000
Number of Holdings	706	2,923
Weighted Avg. Market Cap. ($B)	50.44	84.79
Median Market Cap. ($B)	8.72	1.21
Price To Earnings	22.23	19.71
Price To Book	3.54	3.19
Price To Sales	2.76	2.26
Return on Equity (%)	17.20	17.26
Yield (%)	1.43	2.01
Beta	1.09	1.00
R-Squared	1.00	1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	8.70	9.58
Materials	2.27	3.67
Industrials	7.76	11.25
Consumer Discretionary	14.69	13.11
Consumer Staples	3.75	9.29
Health Care	12.54	12.42
Financials	15.13	17.70
Information Technology	14.59	17.10
Telecommunications	1.91	2.53
Utilities	1.40	3.35
COMPANY SIZE DISTRIBUTION		
Weighted Ave. Market Cap. ($B)	50.44	84.79
Median Market Cap. ($B)	8.72	1.21
Large Cap. (%)	21.66	39.43
Medium/Large Cap. (%)	27.25	25.92
Medium Cap. (%)	15.53	17.63
Medium/Small Cap. (%)	13.53	9.79
Small Cap. (%)	22.04	7.23

Top Holdings

BARCLAYS CAPITAL REPO		1.92%
STATE STREET BANK + TRUST CO SHORT TERM INVESTMENT FUND		1.86%
VISA 'A'		1.59%
SALOMON REPO	5807	1.53%
COMMIT TO PUR GNMA SF MTG 4.500% 07/15/2039 DD 07/01/09		1.47%
EOG RES.		1.28%
CROWN CASTLE INTL.		1.24%
EXXON MOBIL		1.18%
GOOGLE 'A'		1.08%
QUALCOMM		1.03%

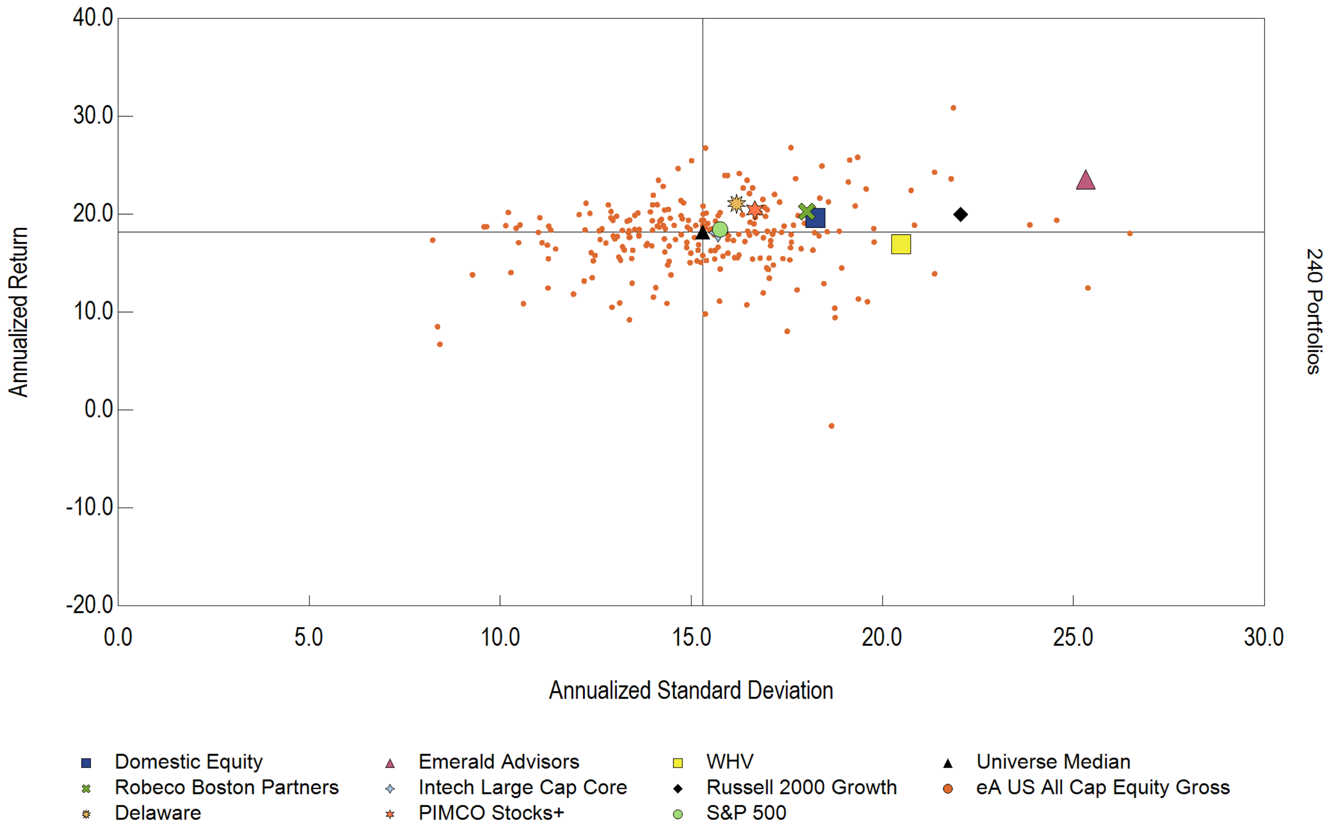
Best Performers

	Return %
GLOBAL GEOPHYSICAL SVS. (GGS)	92.65%
FIRST SOLAR (FSLR)	66.21%
AEGERION PHARMS. (AEGR)	57.02%
GAMESTOP 'A' (GME)	51.51%
NPS PHARMACEUTICALS (NPSP)	48.06%
SINCLAIR BROADCAST 'A' (SBGI)	45.55%
EXACTTARGET (ET)	44.91%
VERASTEM (VSTM)	44.28%
EXACT SCIS. (EXAS)	41.94%
NUTRISYSTEM (NTRI)	41.72%

Worst Performers

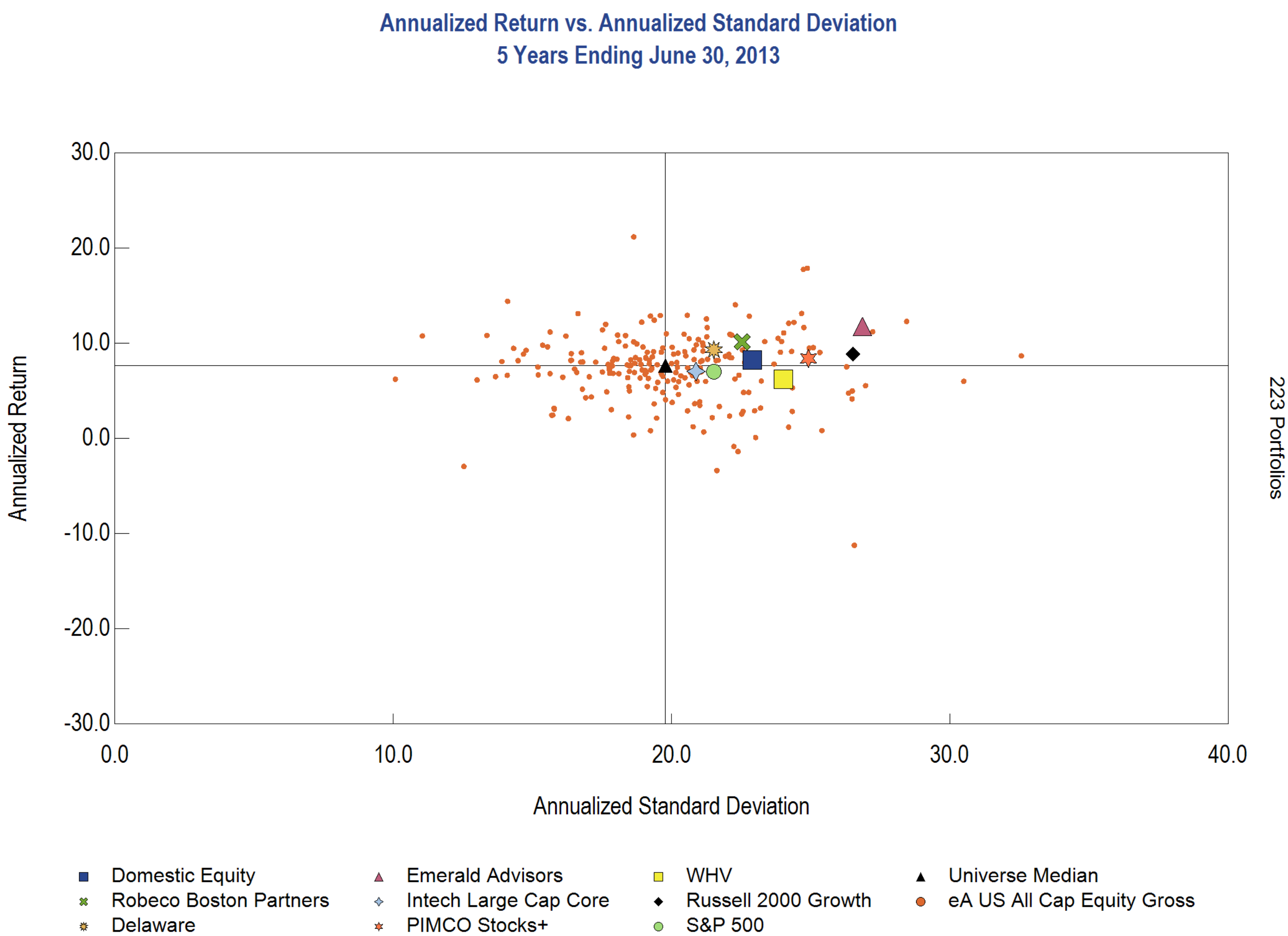
	Return %
INFINITY PHARMACEUTICALS (INFI)	-66.59%
UNI-PIXEL (UNXL)	-52.17%
ARUBA NETWORKS (ARUN)	-37.91%
HEALTH IN.INNVNS.CL.A (HIIQ)	-30.29%
MISTRAS GROUP (MG)	-27.39%
DELEK US HOLDINGS (DK)	-26.75%
FORTINET (FTNT)	-26.10%
IRON MNT. (IRM)	-25.98%
CARBO CERAMICS (CRR)	-25.67%
ALLERGAN (AGN)	-24.50%

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2013



Risk vs. Return for 3 Years Ending June 30, 2013

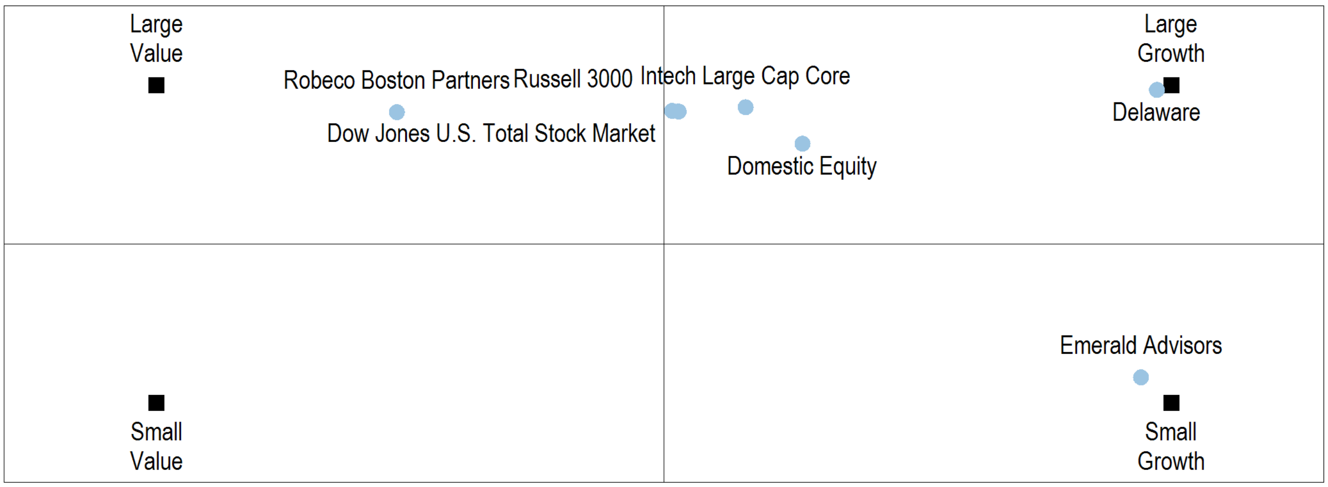
Rank within eA US All Cap Equity Gross (USD) (manager)	Annualized Return	Standard Deviation
Domestic Equity	19.6%	18.2%
Robeco Boston Partners	20.3%	18.0%
Delaware	21.1%	16.2%
Emerald Advisors	23.6%	25.3%
Intech Large Cap Core	18.1%	15.7%
PIMCO Stocks+	20.4%	16.7%
WHV	16.9%	20.5%
Russell 2000 Growth	20.0%	22.0%
S&P 500	18.5%	15.8%
Median for this Universe	18.2%	15.3%



Risk vs. Return for 5 Years Ending June 30, 2013

Rank within eA US All Cap Equity Gross (USD) (manager)	Annualized Return	Standard Deviation
Domestic Equity	8.2%	22.9%
Robeco Boston Partners	10.1%	22.5%
Delaware	9.3%	21.5%
Emerald Advisors	11.8%	26.9%
Intech Large Cap Core	7.0%	20.9%
PIMCO Stocks+	8.4%	24.9%
WHV	6.2%	24.0%
Russell 2000 Growth	8.9%	26.5%
S&P 500	7.0%	21.5%
Median for this Universe	7.7%	19.8%

U.S. Effective Style Map
6 Years 3 Months Ending June 30, 2013



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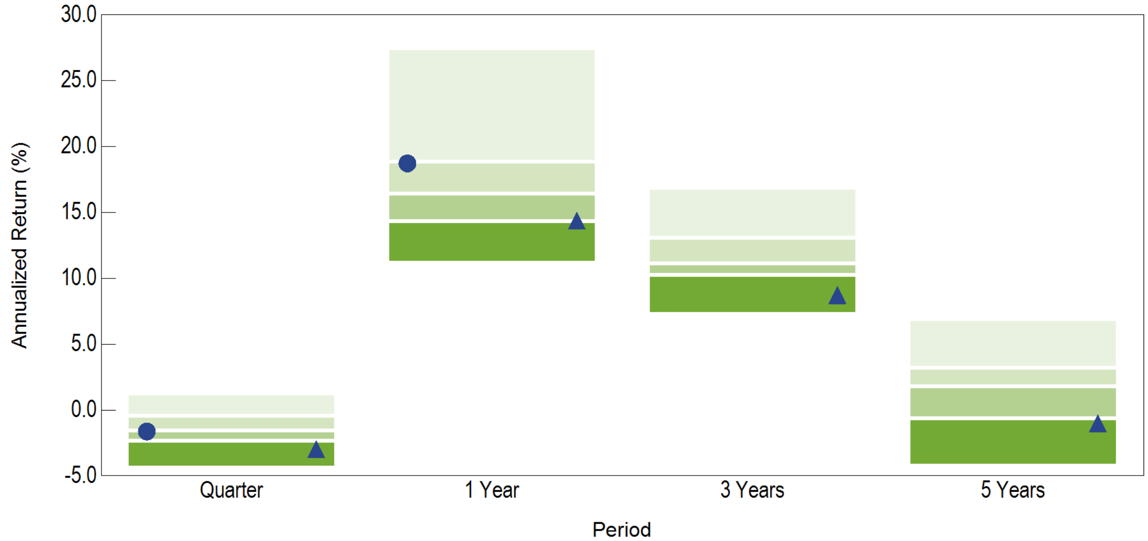
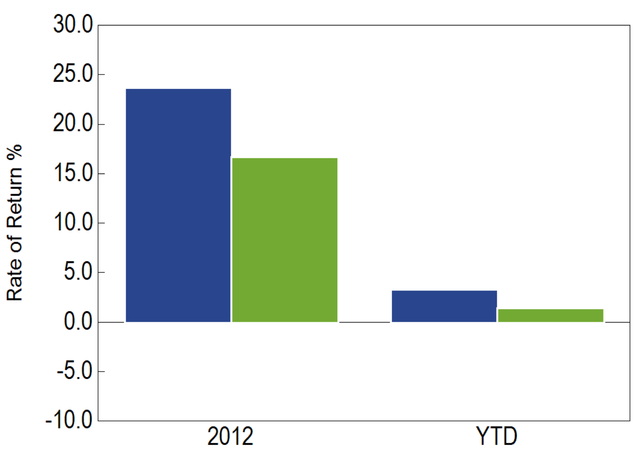
eA ACWI ex-US Growth Equity Gross Accounts
Ending June 30, 2013

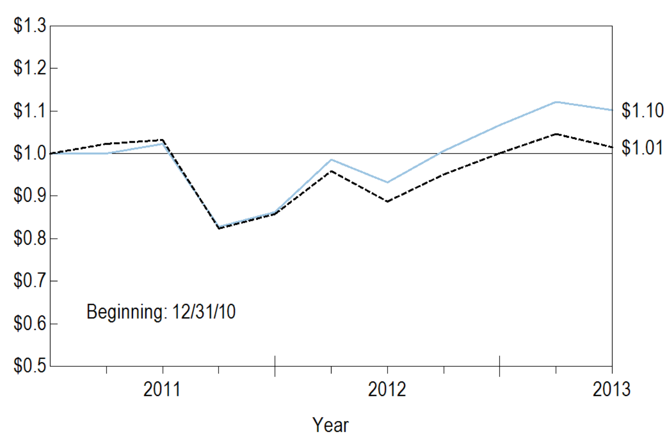


	Return (Rank)							
5th Percentile	1.3		27.5		16.8		6.9	
25th Percentile	-0.4		18.9		13.1		3.3	
Median	-1.5		16.4		11.2		1.8	
75th Percentile	-2.3		14.4		10.3		-0.6	
95th Percentile	-4.3		11.2		7.3		-4.2	
# of Portfolios	47		47		45		41	
● **William Blair**	-1.6	(57)	18.7	(27)	--	(--)	--	(--)
▲ **MSCI ACWI ex USA Growth**	-3.0	(88)	14.4	(76)	8.7	(88)	-1.0	(82)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



Characteristics

	Portfolio	MSCI ACWI ex USA Growth Gross
Number of Holdings	207	1,031
Weighted Avg. Market Cap. ($B)	31.44	48.34
Median Market Cap. ($B)	4.29	6.51
Price To Earnings	17.83	20.44
Price To Book	3.99	3.23
Price To Sales	2.57	2.29
Return on Equity (%)	25.28	18.93
Yield (%)	2.52	2.25
Beta		1.00
R-Squared		1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.03	5.49
Materials	4.04	7.75
Industrials	16.99	12.88
Consumer Discretionary	17.25	14.03
Consumer Staples	7.00	18.17
Health Care	9.40	11.25
Financials	26.82	16.39
Information Technology	9.05	9.05
Telecommunications	5.41	3.34
Utilities	0.00	1.65

Top Holdings

SUMITOMO MITSUI FINL.GP.	2.39%
ROCHE HOLDING	2.11%
PRUDENTIAL	1.93%
FUJI HEAVY INDS.	1.88%
UNILEVER CERTS.	1.66%
BMW	1.60%
TAIWAN SEMICON.SPN.ADR 1:5	1.59%
AXA	1.58%
GLENCORE XSTRATA	1.52%
ORIX	1.51%

Country Allocation

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Totals		
Developed	82.2%	77.9%
Emerging*	17.8%	22.1%
Top 10 Largest Countries		
United Kingdom	26.4%	13.9%
Japan	17.0%	16.0%
Germany	5.7%	5.1%
Switzerland	5.6%	10.4%
France	5.1%	6.0%
China*	5.0%	4.0%
Norway	3.6%	0.1%
Hong Kong	3.0%	2.2%
Canada	2.9%	7.2%
Australia	2.7%	5.6%
Total-Top 10 Largest Countries	**77.0%**	**70.4%**

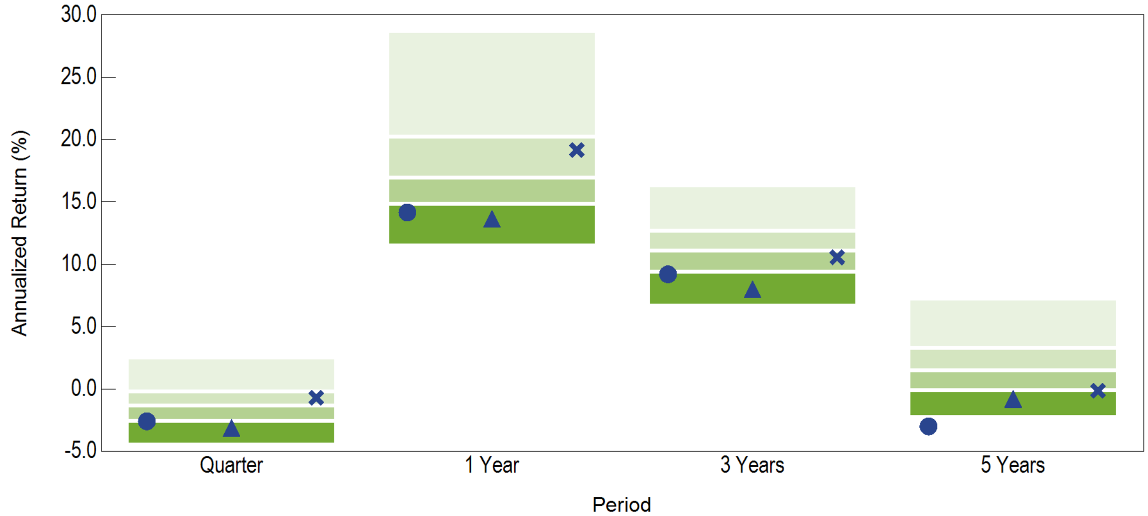
Best Performers

	Return %
BEC WORLD FB (Q:BEWF)	103.01%
OCADO GROUP (UKIR:OCDO)	88.58%
FUJI HEAVY INDS. (J:FJ@N)	58.40%
GREAT WALL MOTOR CO.'H' (K:GWA)	29.86%
ALIOR BANK (PO:ALR)	25.73%
KELLER (UKIR:KLR)	23.72%
RYANAIR SPN.ADR 1:5 (RYAAY)	23.34%
WUXI PHARMATECH (CAYMAN) ADR 1:8 (WX)	22.24%
UNITED ARROWS (J:UNAR)	21.27%
GS HOME SHOPPING (KO:LHS)	20.13%

Worst Performers

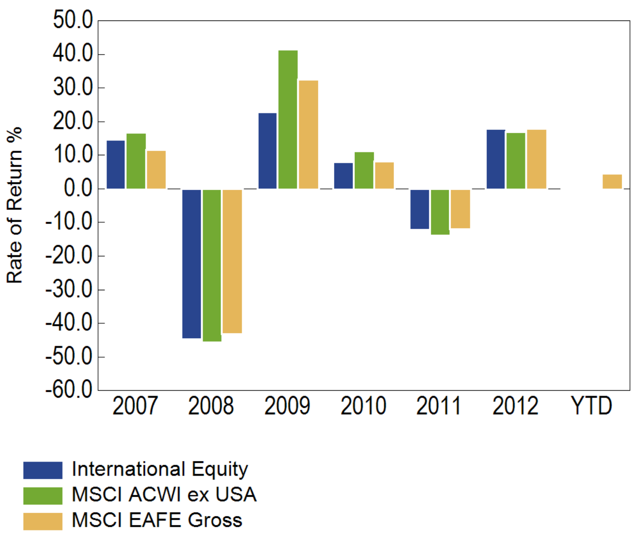
	Return %
AUSTRIAMICROSYSTEMS (S:AMS)	-33.49%
SABESP ON (BR:SAB)	-32.70%
ALAM SUTERA REALTY (ID:ALS)	-30.12%
OBEROI REALTY (IN:OOI)	-29.77%
GMEXICO 'B' (MX:GME)	-28.37%
ASUSTEK COMPUTER (TW:ASU)	-28.00%
OXFORD INSTRUMENTS (UKIR:OXFD)	-27.03%
ANDRITZ (O:AND)	-23.75%
RPS GROUP (UKIR:RPS)	-23.57%
VALID ON (BR:BNK)	-22.91%

eA All ACWI ex-US Equity Gross Accounts
Ending June 30, 2013

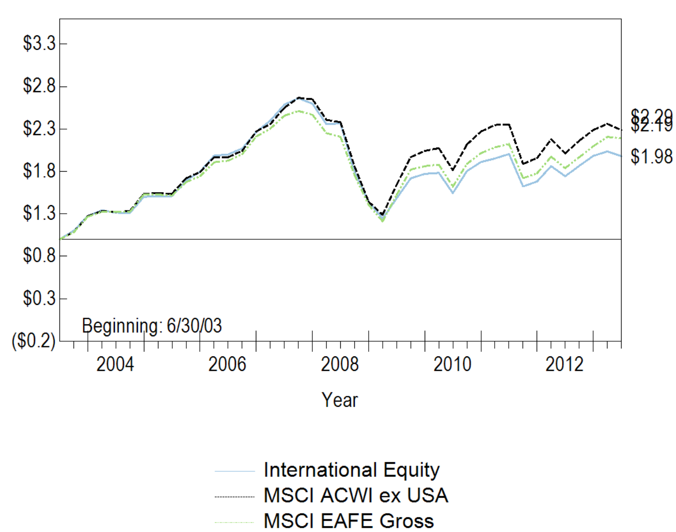


	Quarter Return (Rank)		1 Year		3 Years		5 Years	
5th Percentile	2.5		28.7		16.3		7.2	
25th Percentile	-0.2		20.3		12.7		3.3	
Median	-1.3		17.0		11.1		1.5	
75th Percentile	-2.5		14.9		9.4		-0.1	
95th Percentile	-4.4		11.5		6.7		-2.2	
# of Portfolios	173		173		161		143	
● **International Equity**	-2.6	(77)	14.1	(83)	9.2	(78)	-3.0	(97)
▲ **MSCI ACWI ex USA**	-3.1	(85)	13.6	(87)	8.0	(88)	-0.8	(85)
× **MSCI EAFE Gross**	-0.7	(35)	19.1	(31)	10.6	(61)	-0.2	(77)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



International Equity

$610.0 Million and 10.4% of Fund

Characteristics

	Portfolio	MSCI ACWI ex USA Gross
Number of Holdings	207	1,823
Weighted Avg. Market Cap. ($B)	31.44	48.02
Median Market Cap. ($B)	4.29	6.13
Price To Earnings	17.83	17.09
Price To Book	3.99	2.20
Price To Sales	2.57	1.83
Return on Equity (%)	25.28	15.05
Yield (%)	2.52	3.07
Beta	0.96	1.00
R-Squared	0.99	1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.03	9.33
Materials	4.04	8.63
Industrials	16.99	10.74
Consumer Discretionary	17.25	10.49
Consumer Staples	7.00	10.68
Health Care	9.40	7.98
Financials	26.82	26.42
Information Technology	9.05	6.57
Telecommunications	5.41	5.62
Utilities	0.00	3.53

Top Holdings

SUMITOMO MITSUI FINL.GP.	2.39%
ROCHE HOLDING	2.11%
PRUDENTIAL	1.93%
FUJI HEAVY INDS.	1.88%
UNILEVER CERTS.	1.66%
BMW	1.60%
TAIWAN SEMICON.SPN.ADR 1:5	1.59%
AXA	1.58%
GLENCORE XSTRATA	1.52%
ORIX	1.51%

Country Allocation

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Totals		
Developed	82.2%	78.0%
Emerging*	17.8%	22.0%
Top 10 Largest Countries		
United Kingdom	26.4%	15.3%
Japan	17.0%	16.0%
Germany	5.7%	6.1%
Switzerland	5.6%	6.5%
France	5.1%	6.7%
China*	5.0%	4.0%
Norway	3.6%	0.6%
Hong Kong	3.0%	2.1%
Canada	2.9%	7.2%
Australia	2.7%	5.7%
Total-Top 10 Largest Countries	**77.0%**	**70.3%**

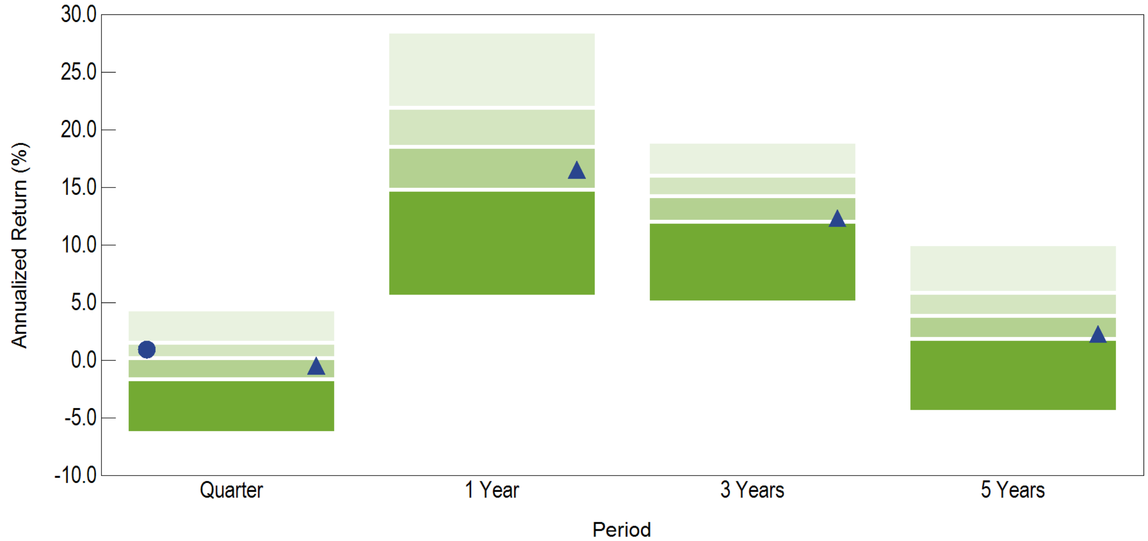
Best Performers

	Return %
BEC WORLD FB (Q:BEWF)	103.01%
OCADO GROUP (UKIR:OCDO)	88.58%
FUJI HEAVY INDS. (J:FJ@N)	58.40%
FROMAGERIES BEL (F:FB@F)	40.15%
DARTY (UKIR:DRTY)	34.73%
HASEKO (J:AQ@N)	33.17%
MAZDA MOTOR (J:KO@N)	31.70%
TAISEI (J:TC@N)	31.19%
FIAT (I:F)	30.98%
GREAT WALL MOTOR CO.'H' (K:GWA)	29.86%

Worst Performers

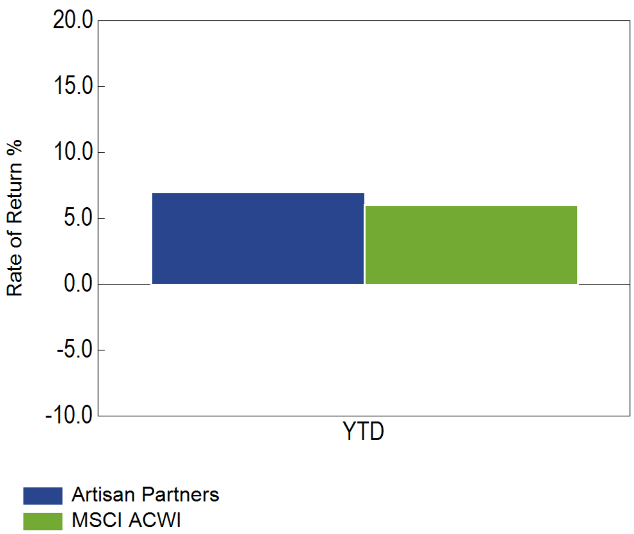
	Return %
FIRST GROUP (UKIR:FGP)	-41.24%
AUSTRIAMICROSYSTEMS (S:AMS)	-33.49%
SABESP ON (BR:SAB)	-32.70%
ALAM SUTERA REALTY (ID:ALS)	-30.12%
OBEROI REALTY (IN:OOI)	-29.77%
TOHO ZINC (J:GC@N)	-28.83%
GMEXICO 'B' (MX:GME)	-28.37%
ASUSTEK COMPUTER (TW:ASU)	-28.00%
DENA (J:DENA)	-27.84%
OXFORD INSTRUMENTS (UKIR:OXFD)	-27.03%

eA All Global Equity Gross Accounts
Ending June 30, 2013

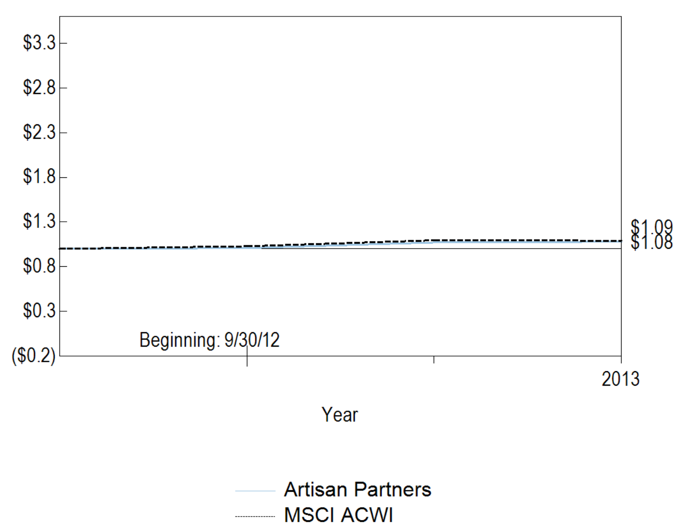


	Return (Rank)							
5th Percentile	4.4		28.5		18.9		10.1	
25th Percentile	1.6		22.0		16.1		5.9	
Median	0.3		18.6		14.3		3.9	
75th Percentile	-1.6		14.9		12.1		1.9	
95th Percentile	-6.3		5.6		5.1		-4.4	
# of Portfolios	490		490		459		391	
● Artisan Partners	1.0	(37)	--	(--)	--	(--)	--	(--)
▲ MSCI ACWI	-0.4	(63)	16.6	(66)	12.4	(74)	2.3	(73)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



Characteristics

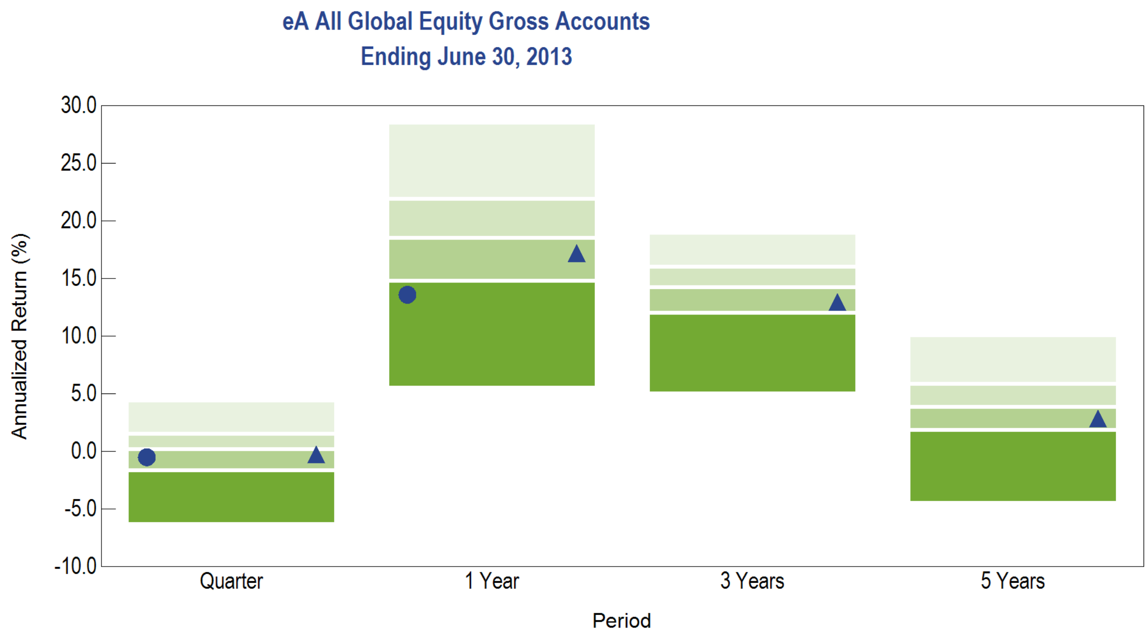
	Portfolio	MSCI ACWI Gross
Number of Holdings	46	2,424
Weighted Avg. Market Cap. ($B)	52.72	72.30
Median Market Cap. ($B)	17.14	7.55
Price To Earnings	29.53	18.07
Price To Book	5.35	2.72
Price To Sales	5.02	2.04
Return on Equity (%)	17.14	16.50
Yield (%)	0.99	2.62
Beta		1.00
R-Squared		1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.41	9.92
Materials	4.00	6.04
Industrials	11.15	10.44
Consumer Discretionary	11.78	11.54
Consumer Staples	3.79	10.48
Health Care	19.33	10.22
Financials	14.12	21.57
Information Technology	30.12	12.11
Telecommunications	0.00	4.27
Utilities	0.00	3.41

Top Holdings

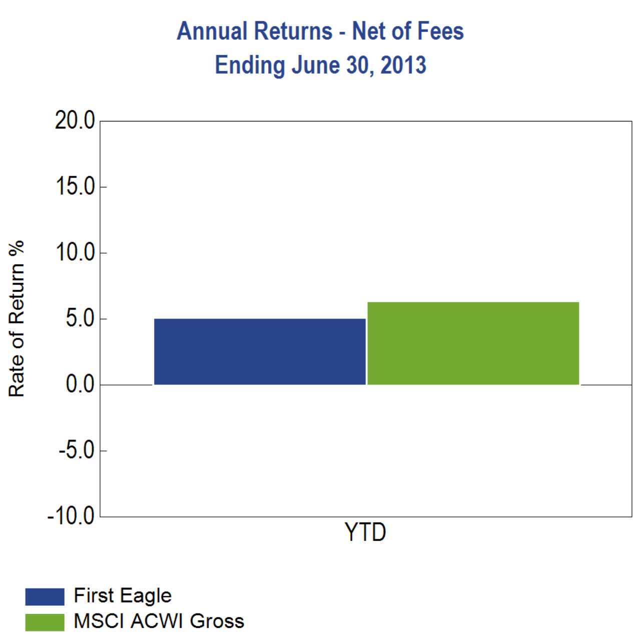
GOOGLE 'A'	6.51%
EBAY	5.65%
REGENERON PHARMS.	5.63%
HEXAGON 'B'	4.73%
DISCOVER FINANCIAL SVS.	4.46%
IHS 'A'	4.33%
SANOFI	4.24%
CITIGROUP	4.06%
GILEAD SCIENCES	3.37%
MONSANTO	3.07%

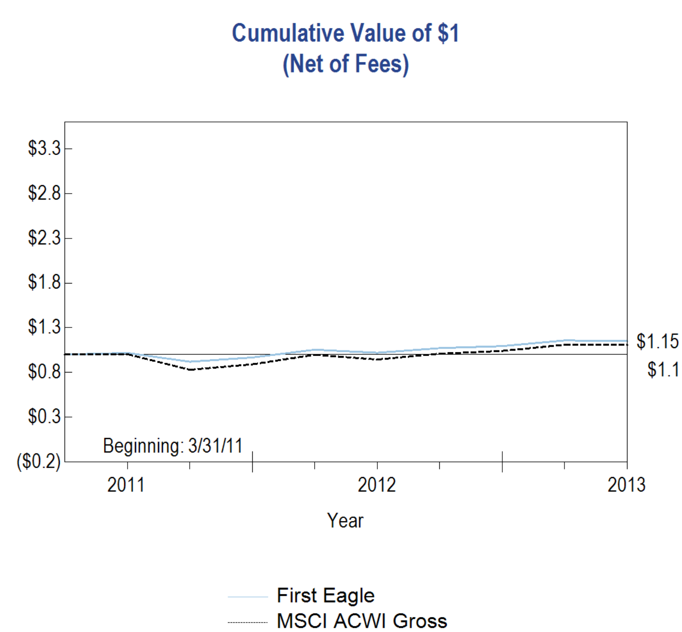
Country Allocation

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Totals		
Developed	89.7%	88.7%
Emerging*	10.3%	11.3%
Top 10 Largest Countries		
United States	54.6%	48.6%
United Kingdom	7.9%	7.9%
France	6.6%	3.5%
Sweden	5.8%	1.1%
Japan	5.0%	8.2%
Brazil*	3.9%	1.3%
Germany	3.4%	3.1%
Canada	2.3%	3.7%
China*	2.2%	2.1%
Taiwan*	1.6%	1.3%
Total-Top 10 Largest Countries	**93.2%**	**80.8%**



	Return (Rank)							
5th Percentile	4.4		28.5		18.9		10.1	
25th Percentile	1.6		22.0		16.1		5.9	
Median	0.3		18.6		14.3		3.9	
75th Percentile	-1.6		14.9		12.1		1.9	
95th Percentile	-6.3		5.6		5.1		-4.4	
# of Portfolios	490		490		459		391	
● **First Eagle**	-0.5	(63)	13.6	(81)	--	(--)	--	(--)
▲ **MSCI ACWI Gross**	-0.2	(59)	17.2	(61)	13.0	(69)	2.9	(66)





First Eagle

$243.0 Million and 4.1% of Fund

Characteristics

	Portfolio	MSCI ACWI Gross
Number of Holdings	141	2,424
Weighted Avg. Market Cap. ($B)	45.11	72.30
Median Market Cap. ($B)	12.50	7.55
Price To Earnings	19.62	18.07
Price To Book	2.49	2.72
Price To Sales	2.25	2.04
Return on Equity (%)	14.56	16.50
Yield (%)	2.68	2.62
Beta		1.00
R-Squared		1.00
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	5.79	9.92
Materials	10.02	6.04
Industrials	11.94	10.44
Consumer Discretionary	7.93	11.54
Consumer Staples	6.90	10.48
Health Care	4.45	10.22
Financials	14.90	21.57
Information Technology	12.85	12.11
Telecommunications	1.32	4.27
Utilities	2.28	3.41

Top Holdings

STATE STREET BANK + TRUST CO SHORT TERM INVESTMENT FUND	17.56%
GOLD COMMODITY IN OUNCES GOLD COMMODITY IN OUNCES	3.65%
CISCO SYSTEMS	1.93%
COMCAST SPECIAL 'A'	1.77%
MICROSOFT	1.76%
SECOM	1.72%
SYSCO	1.54%
INTEL	1.44%
KEYENCE	1.42%
AMERICAN EXPRESS	1.41%

Country Allocation

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Totals		
Developed	78.1%	88.7%
Emerging*	4.0%	11.3%
Cash	17.8%	
Top 10 Largest Countries		
United States	40.7%	48.6%
Cash	17.8%	0.0%
Japan	15.1%	8.2%
France	5.9%	3.5%
Canada	4.7%	3.7%
United Kingdom	3.0%	7.9%
Germany	2.1%	3.1%
Switzerland	1.7%	3.3%
Mexico*	1.5%	0.6%
Belgium	1.0%	0.4%
Total-Top 10 Largest Countries	**93.5%**	**79.4%**

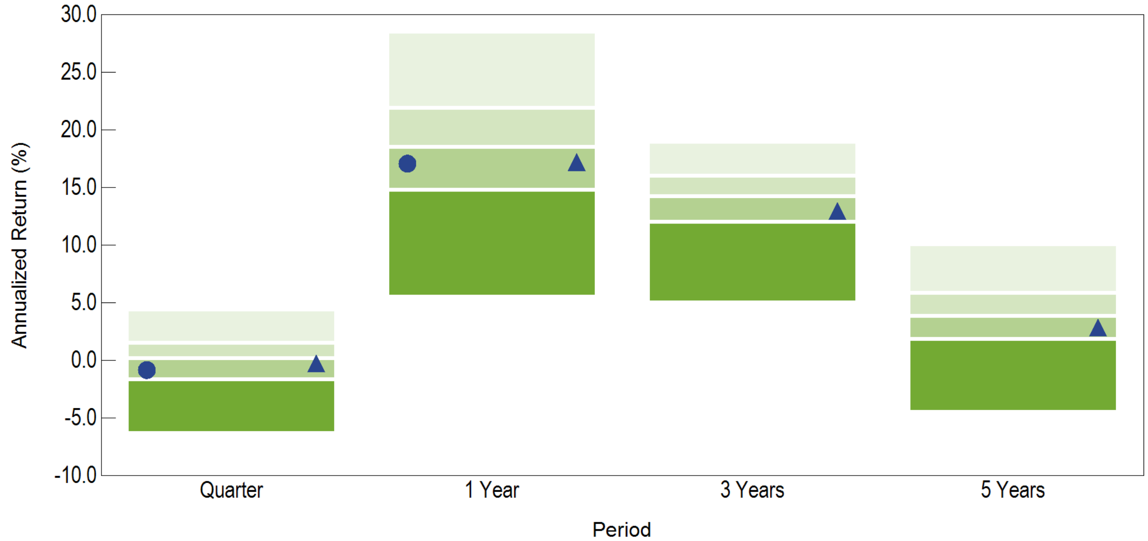
Best Performers

	Return %
NOMURA RESEARCH INST. (J:NMRS)	26.54%
KDDI (J:DDIC)	26.20%
WELLPOINT (WLP)	24.18%
MICROSOFT (MSFT)	21.59%
NORTHROP GRUMMAN (NOC)	18.93%
CISCO SYSTEMS (CSCO)	17.40%
ARIAKE JAPAN (J:ARIK)	17.31%
DAIMLER (D:DAI)	16.11%
MS&AD INSURANCE GP.HDG. (J:MSAD)	15.54%
ITALMOBILIARE (I:ITM)	14.24%

Worst Performers

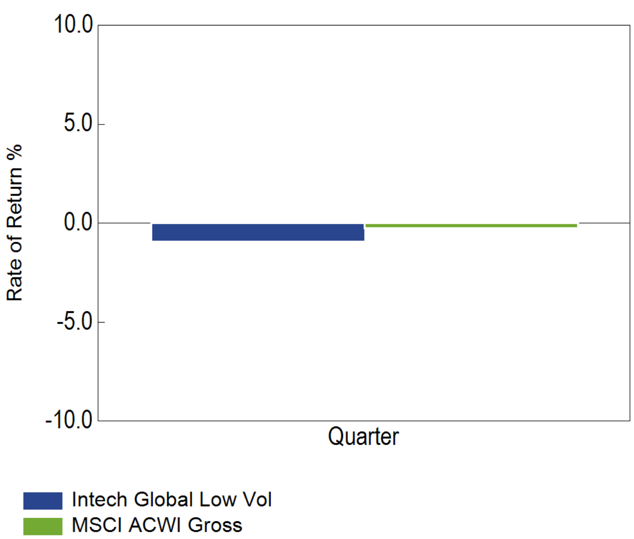
	Return %
NEWCREST MINING (A:NCMX)	-56.78%
SIBANYE GOLD ADR 1:4 (SBGL)	-47.96%
HARMONY GD.MNG.CO.ADR 1:1 (HMY)	-40.56%
PE&OLES (MX:PA2)	-35.52%
FRESNILLO (UKIR:FRES)	-33.35%
AGNICO-EAGLE MNS. (NYS) (AEM)	-32.43%
GOLD FIELDS SPN.ADR 1:1 (GFI)	-32.26%
NEWMONT MINING (NEM)	-27.77%
GOLDCORP NEW (NYS) (GG)	-26.07%
ANGLO AMERICAN (UKIR:AAL)	-25.26%

eA All Global Equity Gross Accounts
Ending June 30, 2013

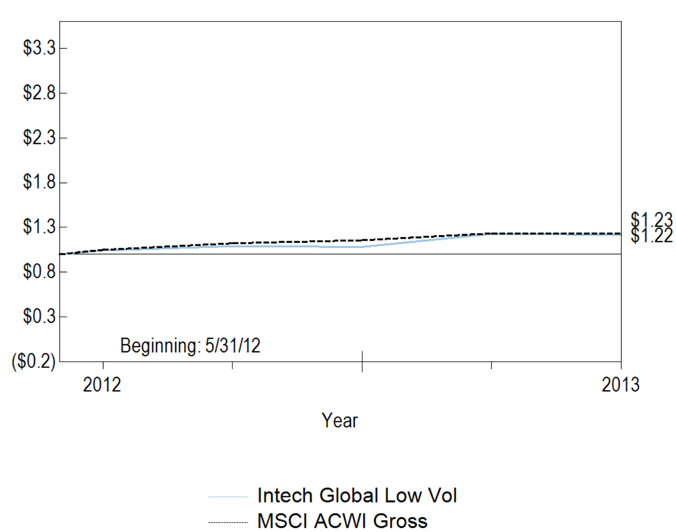


	Return (Rank)							
5th Percentile	4.4		28.5		18.9		10.1	
25th Percentile	1.6		22.0		16.1		5.9	
Median	0.3		18.6		14.3		3.9	
75th Percentile	-1.6		14.9		12.1		1.9	
95th Percentile	-6.3		5.6		5.1		-4.4	
# of Portfolios	490		490		459		391	
● **Intech Global Low Vol**	-0.8	(67)	17.1	(62)	--	(--)	--	(--)
▲ **MSCI ACWI Gross**	-0.2	(59)	17.2	(61)	13.0	(69)	2.9	(66)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



Intech Global Low Vol

$19.7 Million and 0.3% of Fund

Characteristics

	Portfolio	MSCI ACWI Gross
Number of Holdings	540	2,424
Weighted Avg. Market Cap. ($B)	28.91	72.30
Median Market Cap. ($B)	10.35	7.55
Price To Earnings	21.45	18.07
Price To Book	3.39	2.72
Price To Sales	2.60	2.04
Return on Equity (%)	18.39	16.50
Yield (%)	2.66	2.62
Beta (holdings; global)	0.69	1.04
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	4.44	9.92
Materials	4.34	6.04
Industrials	12.91	10.44
Consumer Discretionary	15.26	11.54
Consumer Staples	19.70	10.48
Health Care	8.37	10.22
Financials	14.18	21.57
Information Technology	4.52	12.11
Telecommunications	3.22	4.27
Utilities	12.02	3.41

Top Holdings

GENERAL MILLS	3.20%
KINDER MORGAN	2.15%
CLP HOLDINGS	2.09%
TOKYO GAS	1.62%
DUKE ENERGY	1.51%
LOWE'S COMPANIES	1.47%
SHERWIN-WILLIAMS	1.34%
AUTOZONE	1.29%
HOME DEPOT	1.26%
WAL MART STORES	1.24%

Country Allocation

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Totals		
Developed	99.0%	88.7%
Cash	1.0%	
Top 10 Largest Countries		
United States	53.1%	48.6%
Japan	21.5%	8.2%
Hong Kong	7.7%	1.1%
Australia	2.9%	2.9%
United Kingdom	2.7%	7.9%
Canada	2.5%	3.7%
Spain	1.7%	1.0%
Singapore	1.4%	0.6%
Cash	1.0%	0.0%
France	0.6%	3.5%
Total-Top 10 Largest Countries	**95.3%**	**77.5%**

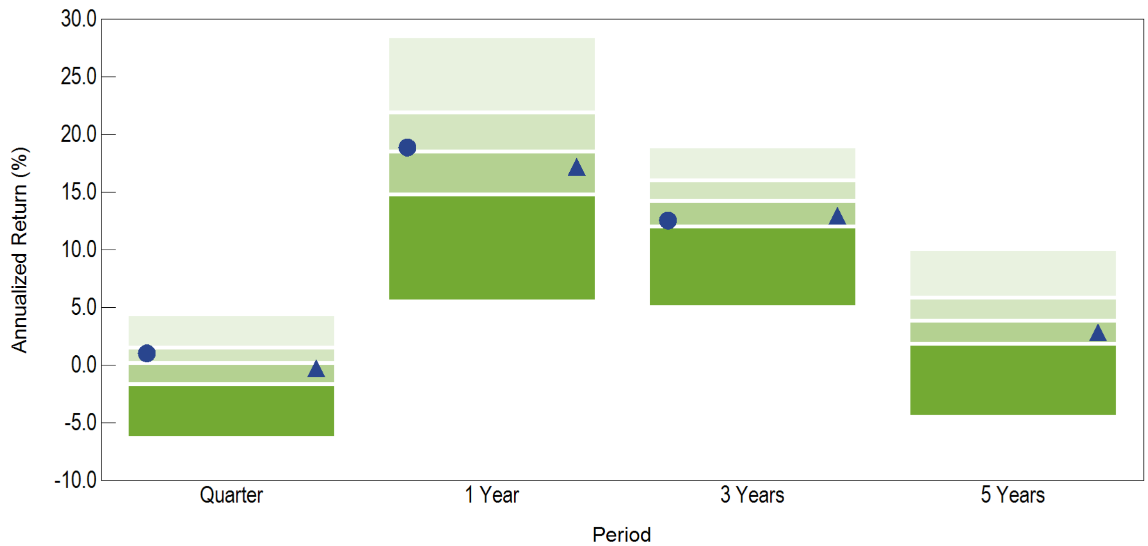
Best Performers

	Return %
TOKYO ELECTRIC POWER (J:TE@N)	90.41%
FUJI HEAVY INDS. (J:FJ@N)	58.40%
GAMESTOP 'A' (GME)	51.51%
VERTEX PHARMS. (VRTX)	45.64%
KYUSHU ELEC.POWER (J:UY@N)	44.93%
ILLUMINA (ILMN)	38.64%
KANSAI ELECTRIC PWR. (J:KE@N)	38.61%
ACTAVIS (ACT)	37.03%
TAISEI (J:TC@N)	31.19%
HULIC (J:HULI)	30.63%

Worst Performers

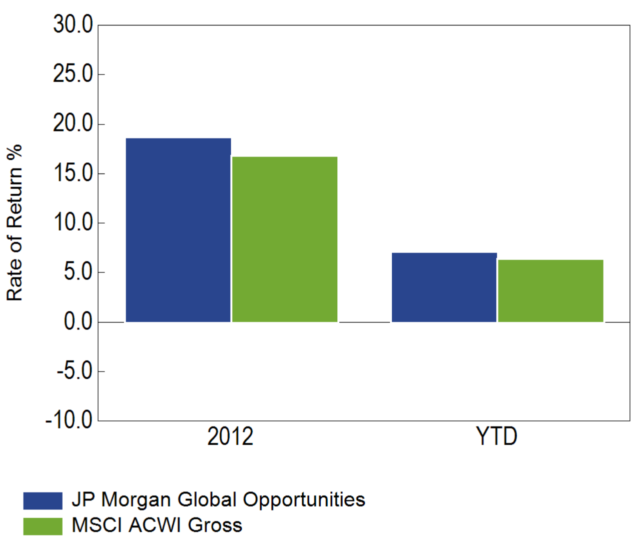
	Return %
NOMURA RLST.OFFICE FD. (J:NREF)	-40.55%
YAMANA GOLD (C:YRI)	-37.81%
SILVER WHEATON (C:SLW)	-37.25%
ELDORADO GOLD (C:ELD)	-35.44%
FRESNILLO (UKIR:FRES)	-33.35%
AGNICO-EAGLE MNS. (NYS) (AEM)	-32.43%
DAINIPPON SUMIT.PHARMA (J:DPPH)	-29.30%
LEND LEASE GROUP (A:LLCX)	-28.12%
DENA (J:DENA)	-27.84%
NEWMONT MINING (NEM)	-27.77%

eA All Global Equity Gross Accounts
Ending June 30, 2013

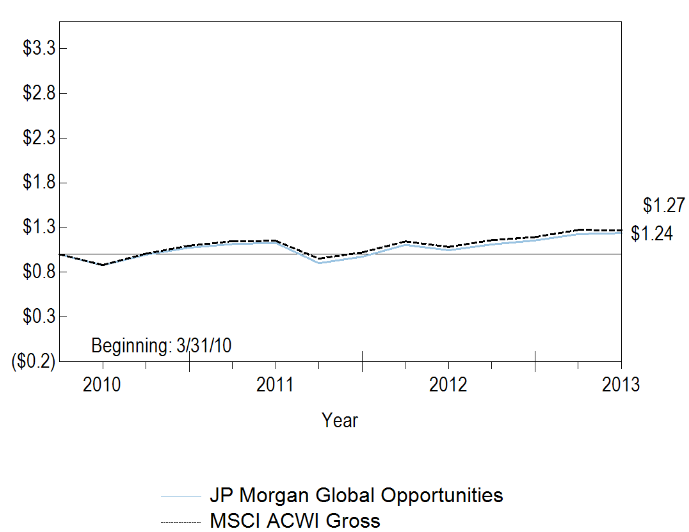


	Return (Rank)							
5th Percentile	4.4		28.5		18.9		10.1	
25th Percentile	1.6		22.0		16.1		5.9	
Median	0.3		18.6		14.3		3.9	
75th Percentile	-1.6		14.9		12.1		1.9	
95th Percentile	-6.3		5.6		5.1		-4.4	
# of Portfolios	490		490		459		391	
● **JP Morgan Global Opportunities**	1.0	(35)	18.9	(49)	12.6	(73)	--	(--)
▲ **MSCI ACWI Gross**	-0.2	(59)	17.2	(61)	13.0	(69)	2.9	(66)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



JP Morgan Global Opportunities

$242.6 Million and 4.1% of Fund

Characteristics

	Portfolio	MSCI ACWI Gross
Number of Holdings	114	2,424
Weighted Avg. Market Cap. ($B)	71.30	72.30
Median Market Cap. ($B)	36.97	7.55
Price To Earnings	20.36	18.07
Price To Book	2.87	2.72
Price To Sales	2.21	2.04
Return on Equity (%)	16.70	16.50
Yield (%)	2.19	2.62
Beta (holdings; global)	1.19	1.04
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	8.62	9.92
Materials	5.96	6.04
Industrials	10.70	10.44
Consumer Discretionary	16.77	11.54
Consumer Staples	6.84	10.48
Health Care	13.07	10.22
Financials	20.73	21.57
Information Technology	14.32	12.11
Telecommunications	2.19	4.27
Utilities	0.78	3.41

Top Holdings

GOOGLE 'A'	2.07%
BANK OF AMERICA	1.83%
UNITED TECHNOLOGIES	1.69%
BG GROUP	1.65%
CITIGROUP	1.63%
MICROSOFT	1.62%
HOME DEPOT	1.52%
JOHNSON & JOHNSON	1.48%
HSBC HDG. (ORD $0.50)	1.45%
JAPAN TOBACCO	1.44%

Country Allocation

	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Totals		
Developed	90.5%	88.7%
Emerging*	9.5%	11.3%
Top 10 Largest Countries		
United States	47.7%	48.6%
United Kingdom	13.4%	7.9%
Japan	8.5%	8.2%
France	5.1%	3.5%
Germany	4.5%	3.1%
China*	4.3%	2.1%
Korea*	2.5%	1.6%
Switzerland	2.4%	3.3%
Hong Kong	2.4%	1.1%
Netherlands	2.1%	0.9%
Total-Top 10 Largest Countries	**92.8%**	**80.3%**

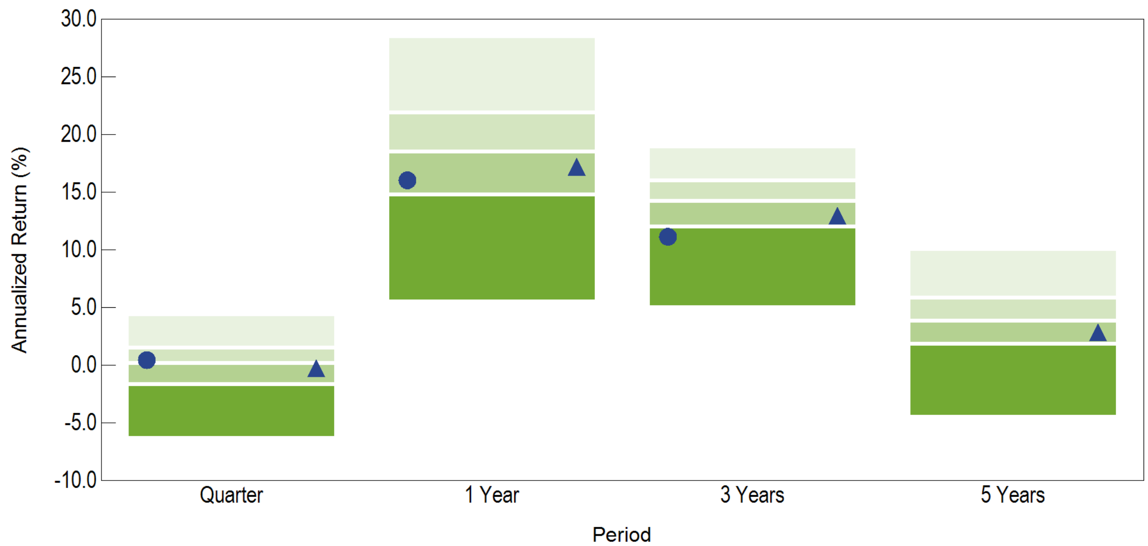
Best Performers

	Return %
VERTEX PHARMS. (VRTX)	45.64%
SOFTBANK (J:SFTB)	26.27%
HUMANA (HUM)	22.49%
MICROSOFT (MSFT)	21.59%
METLIFE (MET)	21.17%
GENERAL MOTORS (GM)	19.73%
ASML HOLDING (H:ASML)	18.05%
CISCO SYSTEMS (CSCO)	17.40%
MITSUBISHI ELECTRIC (J:UM@N)	16.15%
V F (VFC)	15.63%

Worst Performers

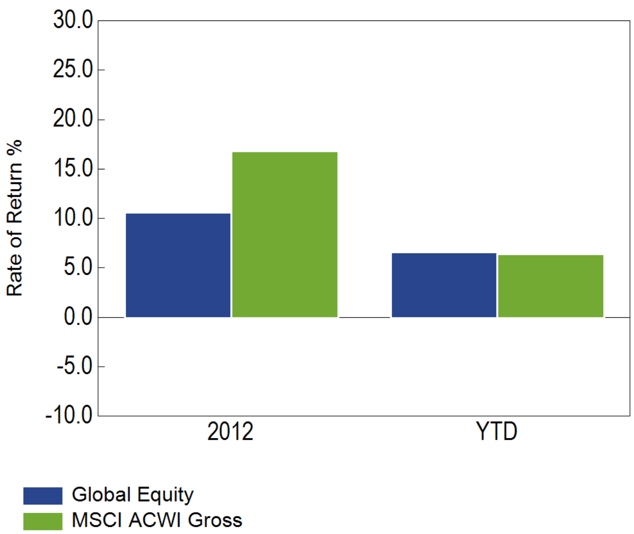
	Return %
CHINA SHENHUA EN.CO.'H' (K:CSHE)	-25.51%
ALLERGAN (AGN)	-24.50%
FIRST QUANTUM MRLS. (C:FM)	-21.75%
COGNIZANT TECH.SLTN.'A' (CTSH)	-18.25%
BELLE INTERNATIONAL HDG. (K:BIHL)	-16.60%
PETROBRAS PN (BR:POB)	-16.45%
KUNLUN ENERGY (K:PARG)	-15.24%
SAMSUNG ELECTRONICS (KO:SGL)	-14.38%
HYUNDAI MOBIS (KO:HAC)	-13.51%
RIO TINTO (UKIR:RIO)	-13.13%

eA All Global Equity Gross Accounts
Ending June 30, 2013

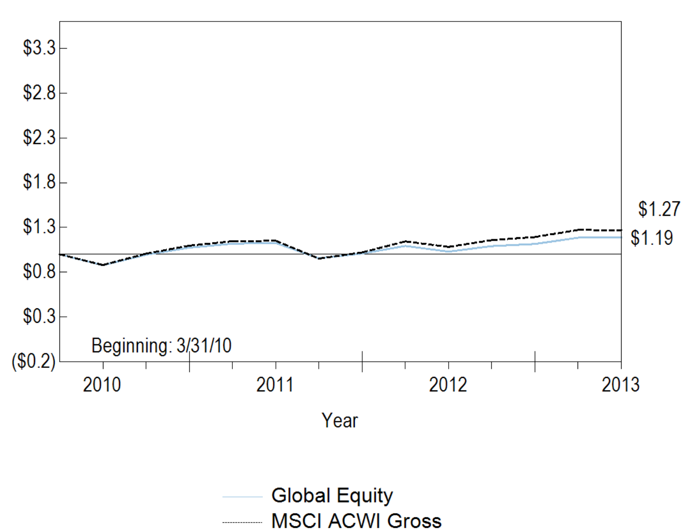


	Return (Rank)							
5th Percentile	4.4		28.5		18.9		10.1	
25th Percentile	1.6		22.0		16.1		5.9	
Median	0.3		18.6		14.3		3.9	
75th Percentile	-1.6		14.9		12.1		1.9	
95th Percentile	-6.3		5.6		5.1		-4.4	
# of Portfolios	490		490		459		391	
● **Global Equity**	0.5	(47)	16.0	(68)	11.2	(80)	--	(--)
▲ **MSCI ACWI Gross**	-0.2	(59)	17.2	(61)	13.0	(69)	2.9	(66)

Annual Returns - Net of Fees
Ending June 30, 2013



Cumulative Value of $1
(Net of Fees)



Global Equity

$755.1 Million and 12.9% of Fund

Characteristics

	Portfolio	MSCI ACWI Gross
Number of Holdings	757	2,424
Weighted Avg. Market Cap. ($B)	56.43	72.30
Median Market Cap. ($B)	12.77	7.55
Price To Earnings	23.35	18.07
Price To Book	3.74	2.72
Price To Sales	3.16	2.04
Return on Equity (%)	16.31	16.50
Yield (%)	1.91	2.62
Beta (holdings; global)	1.10	1.04
INDUSTRY SECTOR DISTRIBUTION (% Equity)		
Energy	6.21	9.92
Materials	6.58	6.04
Industrials	11.31	10.44
Consumer Discretionary	12.23	11.54
Consumer Staples	6.19	10.48
Health Care	12.24	10.22
Financials	16.50	21.57
Information Technology	18.82	12.11
Telecommunications	1.21	4.27
Utilities	1.30	3.41

Top Holdings

STATE STREET BANK + TRUST CO SHORT TERM INVESTMENT FUND	5.67%
GOOGLE 'A'	3.04%
SANOFI	2.12%
EBAY	1.87%
CITIGROUP	1.86%
REGENERON PHARMS.	1.86%
HEXAGON 'B'	1.57%
DISCOVER FINANCIAL SVS.	1.47%
IHS 'A'	1.43%
BIOGEN IDEC	1.26%

Country Allocation

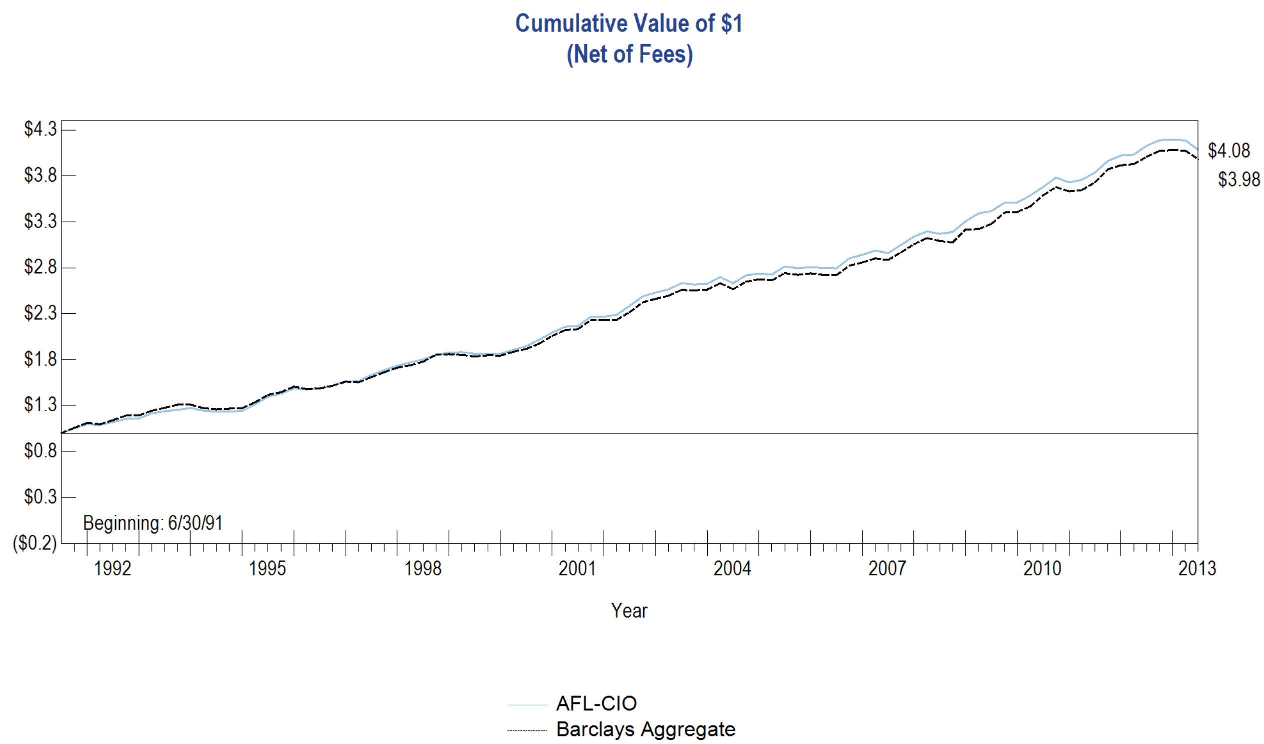
	Manager Ending Allocation (USD)	Index Ending Allocation (USD)
Totals		
Developed	86.5%	88.7%
Emerging*	7.7%	11.3%
Cash	5.8%	
Top 10 Largest Countries		
United States	47.9%	48.6%
Japan	9.8%	8.2%
United Kingdom	7.9%	7.9%
Cash	5.8%	0.0%
France	5.7%	3.5%
Germany	3.3%	3.1%
Canada	2.5%	3.7%
Sweden	2.4%	1.1%
China*	2.1%	2.1%
Brazil*	1.5%	1.3%
Total-Top 10 Largest Countries	**88.9%**	**79.5%**

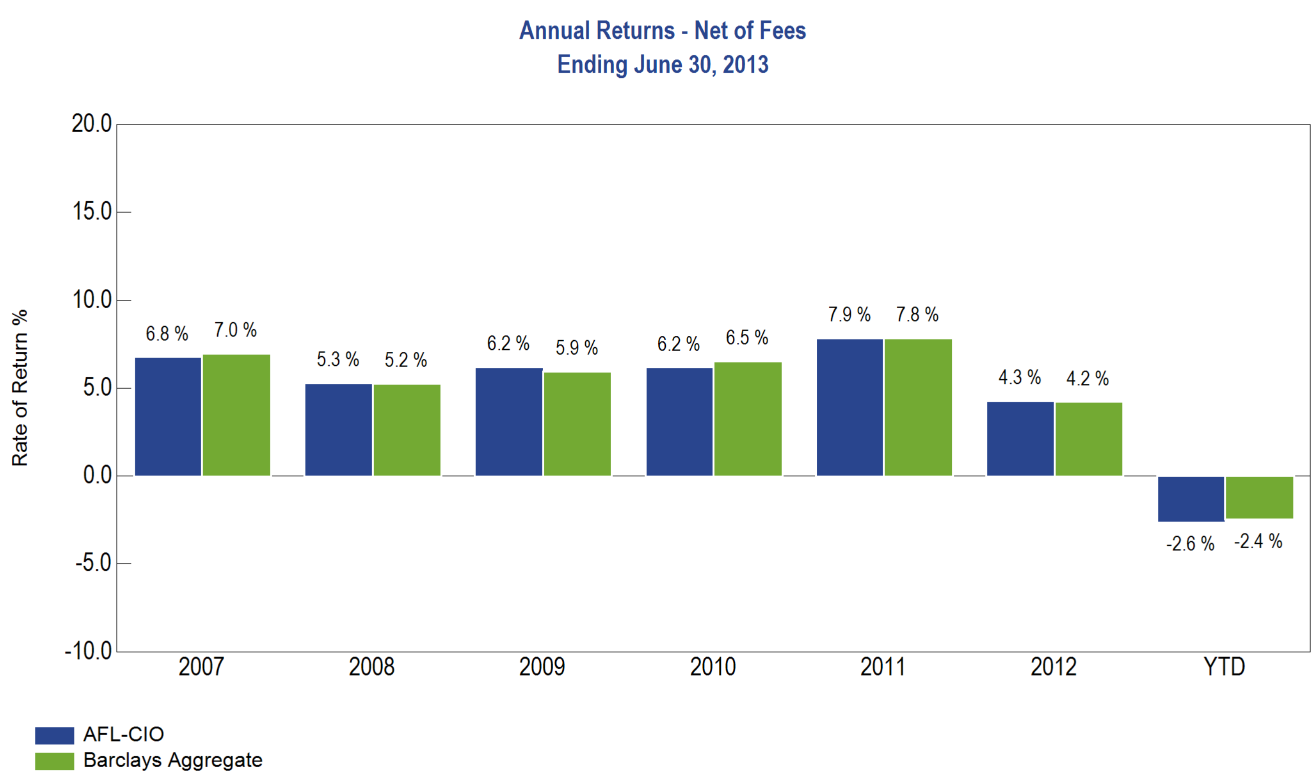
Best Performers

	Return %
TOKYO ELECTRIC POWER (J:TE@N)	90.41%
FUJI HEAVY INDS. (J:FJ@N)	58.40%
GAMESTOP 'A' (GME)	51.51%
MERITOR (MTOR)	49.05%
VERTEX PHARMS. (VRTX)	45.64%
KYUSHU ELEC.POWER (J:UY@N)	44.93%
ILLUMINA (ILMN)	38.64%
KANSAI ELECTRIC PWR. (J:KE@N)	38.61%
ACTAVIS (ACT)	37.03%
TAISEI (J:TC@N)	31.19%

Worst Performers

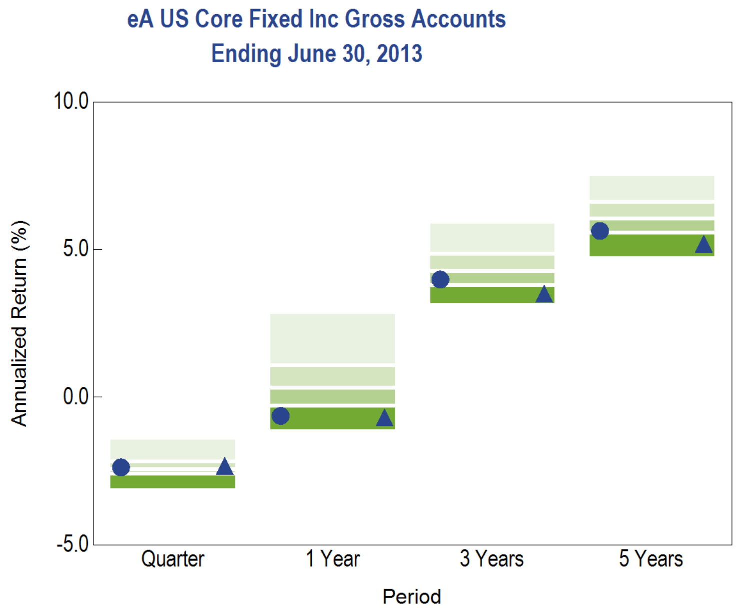
	Return %
NEWCREST MINING (A:NCMX)	-56.78%
SIBANYE GOLD ADR 1:4 (SBGL)	-47.96%
HARMONY GD.MNG.CO.ADR 1:1 (HMY)	-40.56%
NOMURA RLST.OFFICE FD. (J:NREF)	-40.55%
YAMANA GOLD (C:YRI)	-37.81%
SILVER WHEATON (C:SLW)	-37.25%
PE&OLES (MX:PA2)	-35.52%
ELDORADO GOLD (C:ELD)	-35.44%
FRESNILLO (UKIR:FRES)	-33.35%
AGNICO-EAGLE MNS. (NYS) (AEM)	-32.43%


Cumulative Value of $1
(Net of Fees)
$4.3
$3.8
$3.3
$2.8
$2.3
$1.8
$1.3
$0.8
$0.3
($0.2)
Beginning: 6/30/91
$4.08
$3.98
1992
1995
1998
2001
2004
2007
2010
2013
Year
AFL-CIO
Barclays Aggregate


Annual Returns - Net of Fees
Ending June 30, 2013
Rate of Return %
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
6.8 %
7.0 %
5.3 %
5.2 %
6.2 %
5.9 %
6.2 %
6.5 %
7.9 %
7.8 %
4.3 %
4.2 %
-2.6 %
-2.4 %
2007
2008
2009
2010
2011
2012
YTD
AFL-CIO
Barclays Aggregate

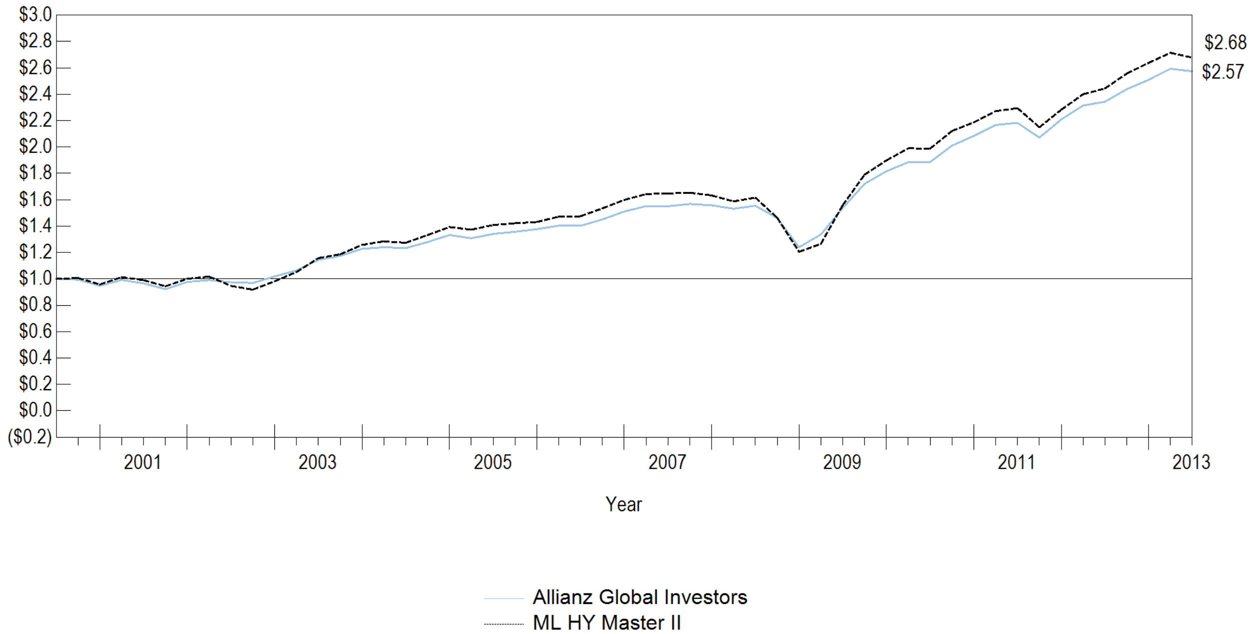
Portfolio Characteristics	AFL CIO	Barclays Aggregate
Mkt Value ($Mil)	174.7	n/a
Yield to Maturity (%)	3.8 %	2.4 %
Duration (yrs)	5.1	5.5
Avg. Quality	AGY	AA1\AA2

Sectors	AFL CIO	Barclays Aggregate
Treasury/Agency	8 %	37 %
Single-Family MBS	24	40
Multi-Family MBS	64	0
Corporates	0	21
High Yield	0	0
ABS/CMBS	2	2
Other	0	0
Cash	3	0

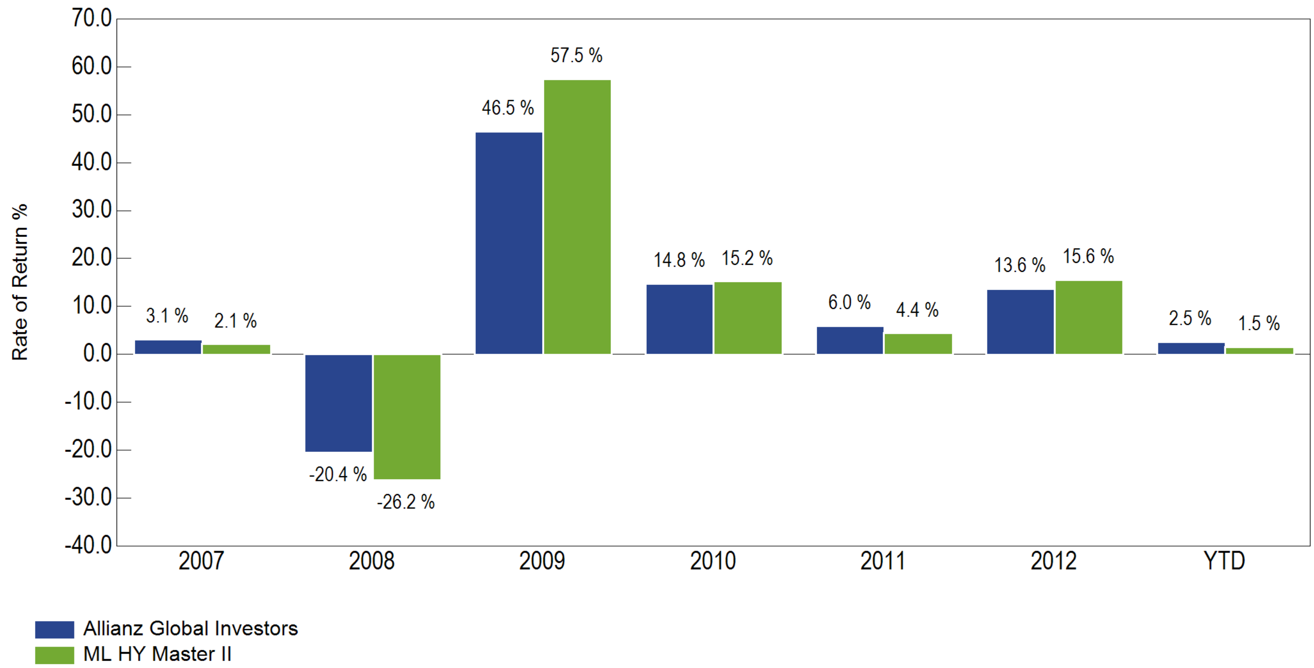


	Return (Rank)							
5th Percentile	-1.4		2.9		5.9		7.5	
25th Percentile	-2.2		1.1		4.9		6.6	
Median	-2.4		0.3		4.3		6.1	
75th Percentile	-2.6		-0.3		3.8		5.6	
95th Percentile	-3.1		-1.1		3.1		4.7	
# of Portfolios	213		213		210		205	
● AFL-CIO	-2.4	(44)	-0.6	(86)	4.0	(68)	5.6	(73)
▲ Barclays Aggregate	-2.3	(38)	-0.7	(87)	3.5	(88)	5.2	(90)

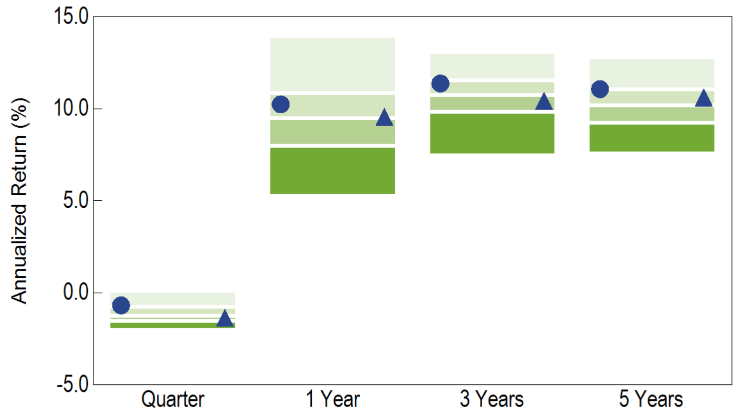
Cumulative Value of $1
(Net of Fees)



Annual Returns - Net of Fees
Ending June 30, 2013



eA US High Yield Fixed Inc Gross Accounts
Ending June 30, 2013

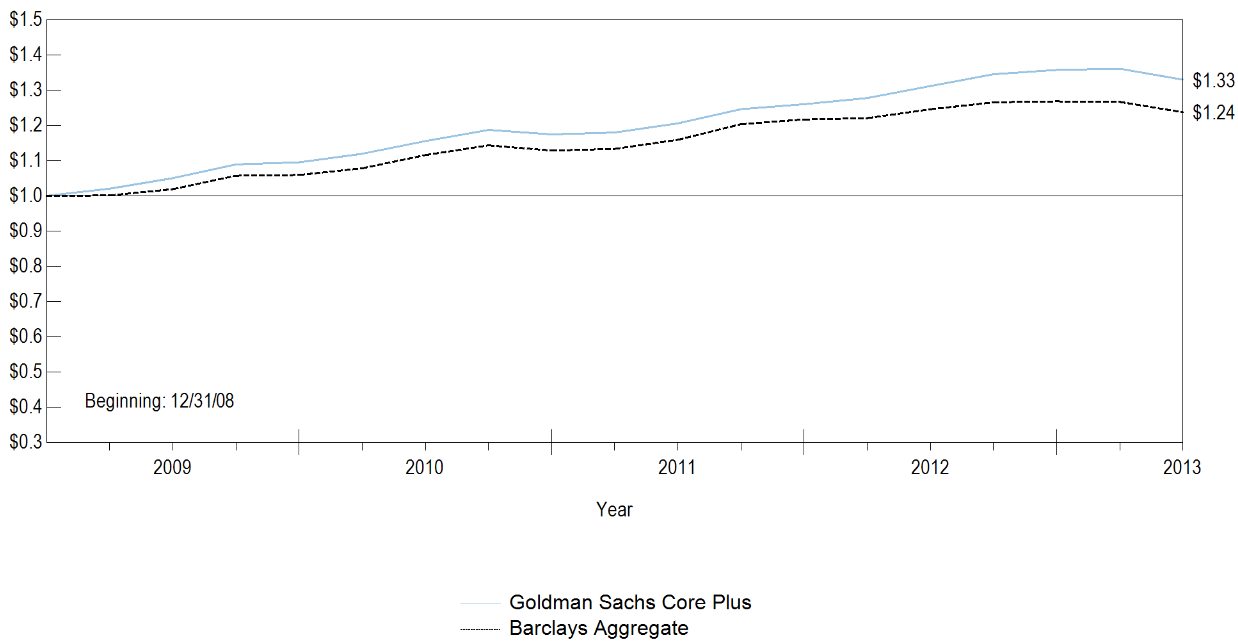


Return (Rank)	Quarter		1 Year		3 Years		5 Years	
5th Percentile	0.1		14.0		13.1		12.8	
25th Percentile	-0.7		10.9		11.6		11.1	
Median	-1.2		9.5		10.8		10.2	
75th Percentile	-1.5		8.0		9.9		9.3	
95th Percentile	-2.0		5.3		7.5		7.6	
# of Portfolios	121		121		110		104	
● Allianz Global Investors	-0.7	(21)	10.2	(37)	11.4	(30)	11.1	(25)
▲ ML HY Master II	-1.4	(63)	9.6	(50)	10.4	(65)	10.6	(41)

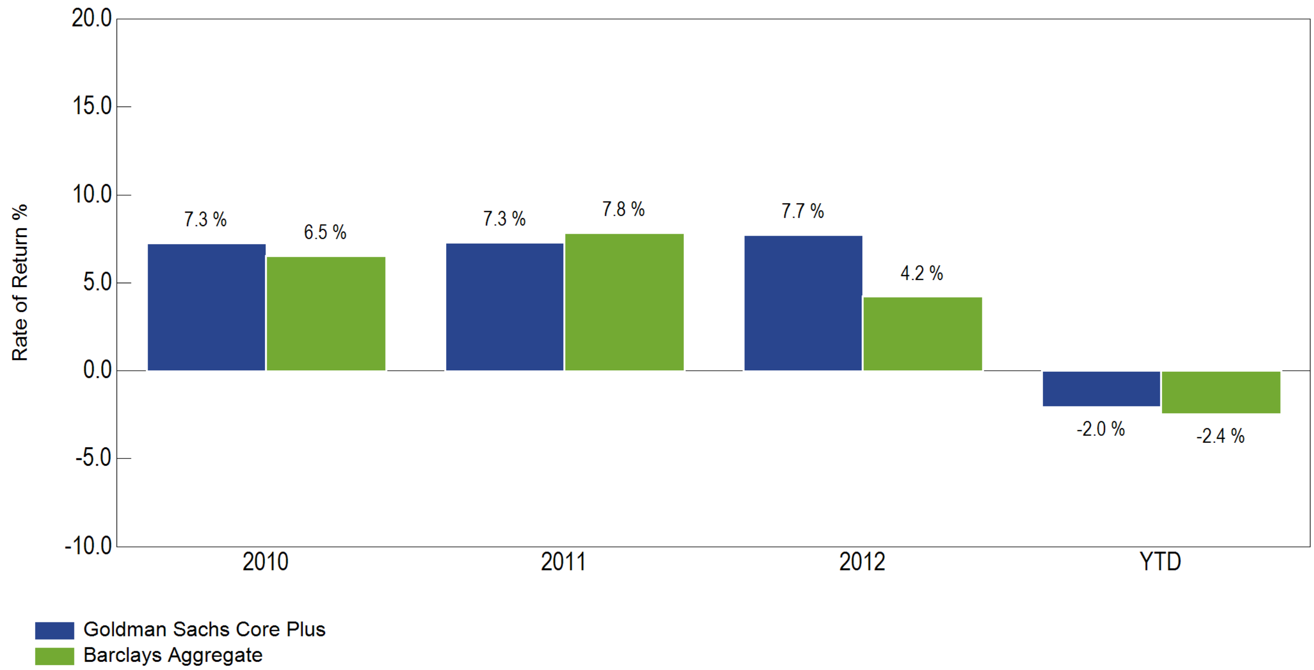
Portfolio Characteristics	Allianz Global	ML High Yield II
Mkt Value ($Mil)	282.6	n/a
Yield to Maturity (%)	7.2 %	6.6 %
Duration (yrs)	4.0	4.6
Avg. Quality	B1	B1

Quality Distribution	Allianz Global	ML High Yield II
A	0	0 %
BBB	0	0
BB	20	0
Less Than BB	78	100
Not Rated	0	0
Cash	2	0

Cumulative Value of $1
(Net of Fees)

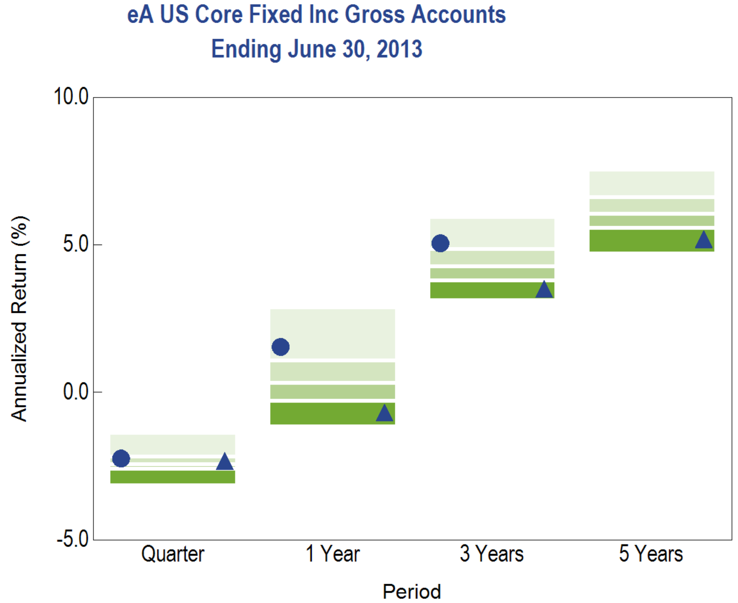


Annual Returns - Net of Fees
Ending June 30, 2013



Goldman Sachs Core Plus

$226.3 Million and 3.9% of Fund

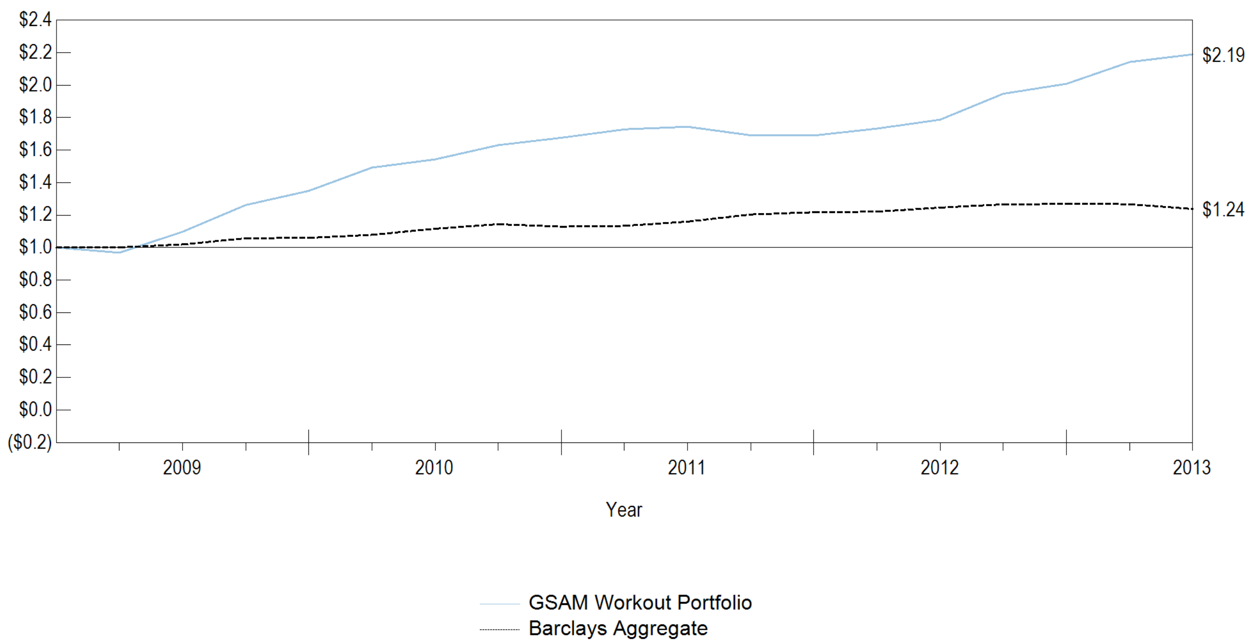


Return (Rank)	Quarter		1 Year		3 Years		5 Years	
5th Percentile	-1.4		2.9		5.9		7.5	
25th Percentile	-2.2		1.1		4.9		6.6	
Median	-2.4		0.3		4.3		6.1	
75th Percentile	-2.6		-0.3		3.8		5.6	
95th Percentile	-3.1		-1.1		3.1		4.7	
# of Portfolios	213		213		210		205	
● Goldman Sachs Core Plus	-2.2	(30)	1.5	(16)	5.1	(19)	--	(--)
▲ Barclays Aggregate	-2.3	(38)	-0.7	(87)	3.5	(88)	5.2	(90)

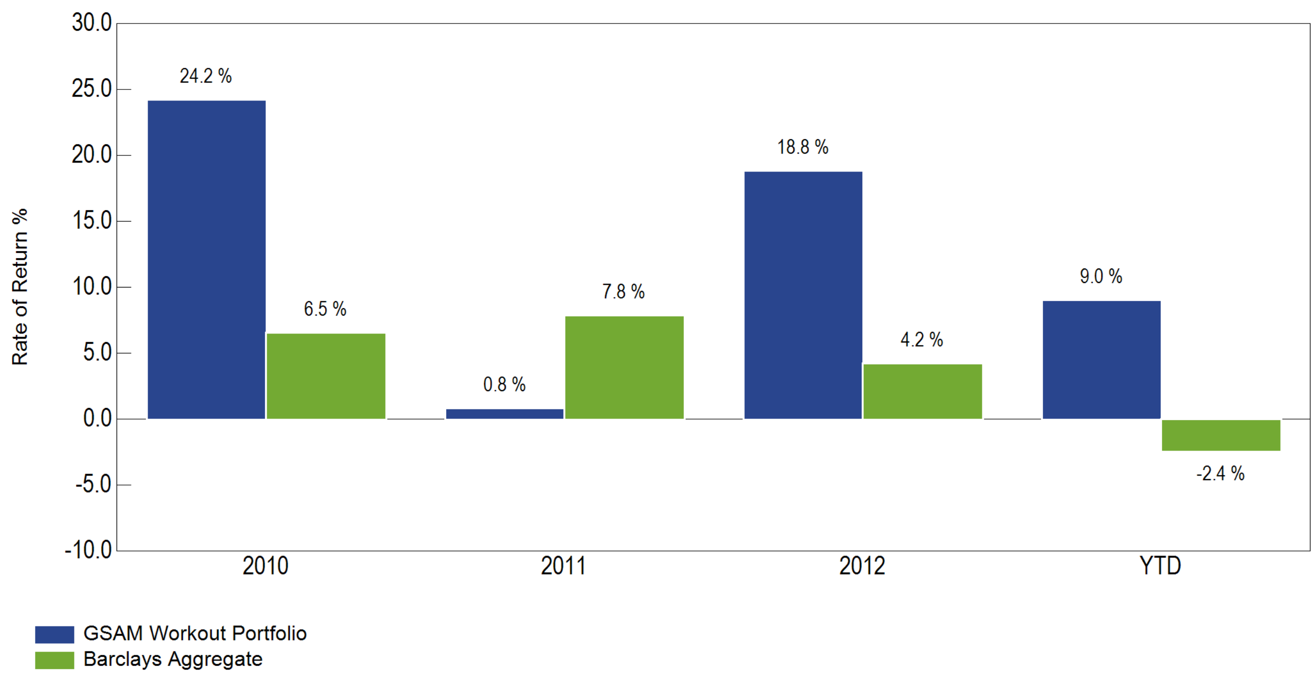
Portfolio Characteristics	Goldman Sachs	Barclays Aggregate
Mkt Value ($Mil)	226.3	n/a
Yield to Maturity (%)	2.3 %	2.4 %
Duration (yrs)	5.0	5.5
Avg. Quality	AA-	AA1\AA2

Sectors	Goldman Sachs	Barclays Aggregate
Treasury/Agency	27 %	37 %
Mortgages	32	40
Corporates	18	21
High Yield	3	0
Asset-Backed	6	2
CMBS	2	0
International	0	0
Emerging Markets	2	0
Other	1	0
Cash	8	0

Cumulative Value of $1
(Net of Fees)



Annual Returns - Net of Fees
Ending June 30, 2013



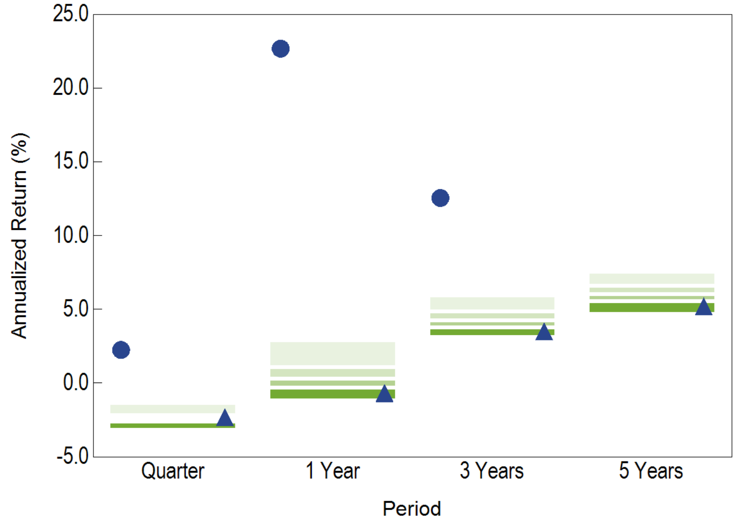
GSAM Workout Portfolio

$8.6 Million and 0.1% of Fund

Portfolio Characteristics	Workout (GSAM)	Barclays Aggregate
Mkt Value ($Mil)	8.6	n/a
Yield to Maturity (%)	2.5 %	2.4 %
Duration (yrs)	0.1	5.5
Avg. Quality	A-	AA1\AA2

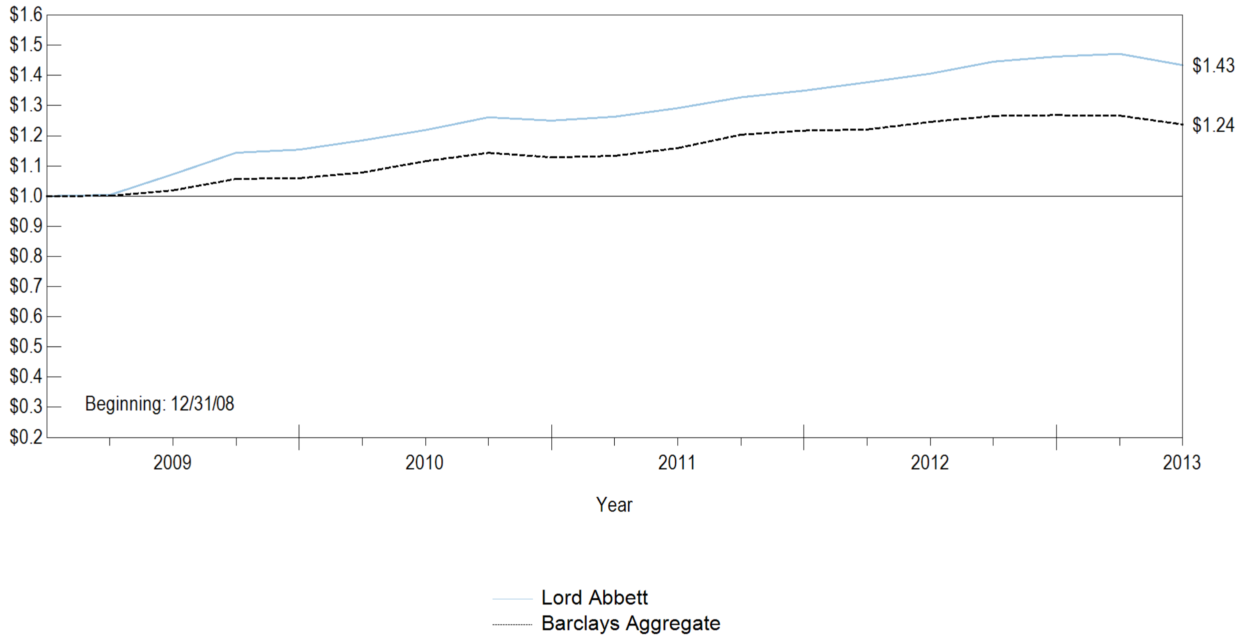
Sectors	Workout (GSAM)	Barclays Aggregate
Treasury/Agency	0 %	37 %
Mortgages	64	40
Corporates	0	21
High Yield	0	0
Asset-Backed	0	2
CMBS	0	0
International	0	0
Emerging Markets	0	0
Other	12	0
Cash	24	0

eA US Core Fixed Inc Gross Accounts
Ending June 30, 2013

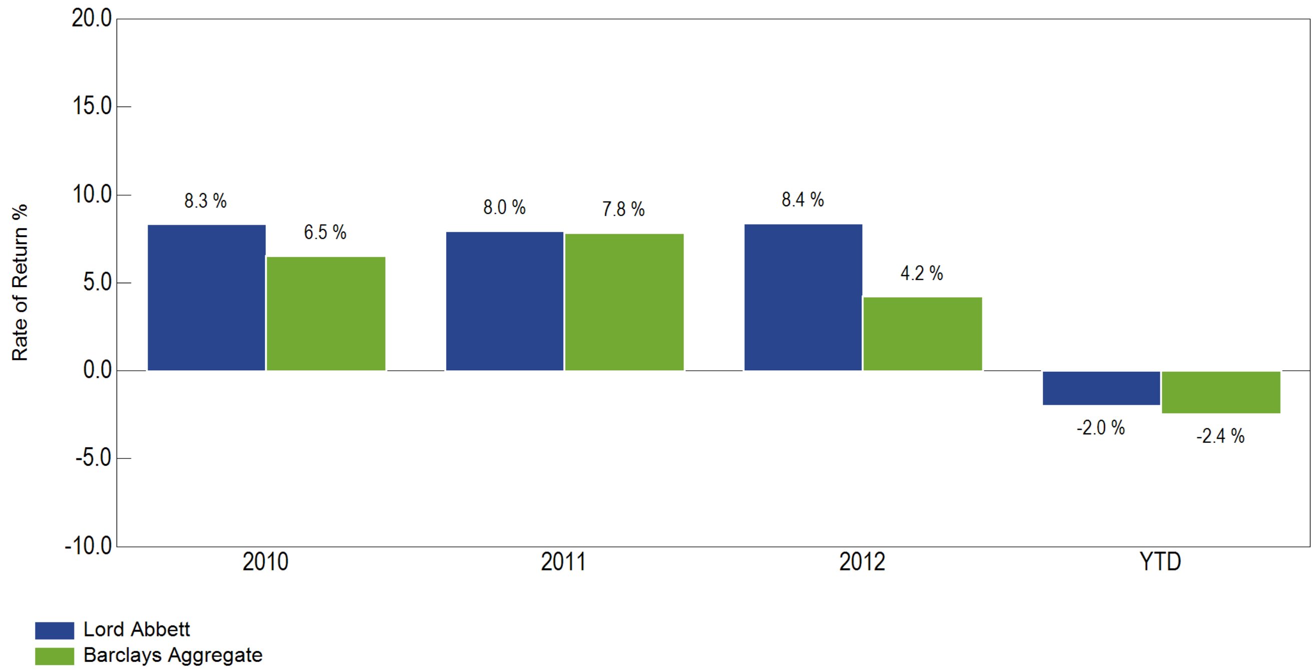


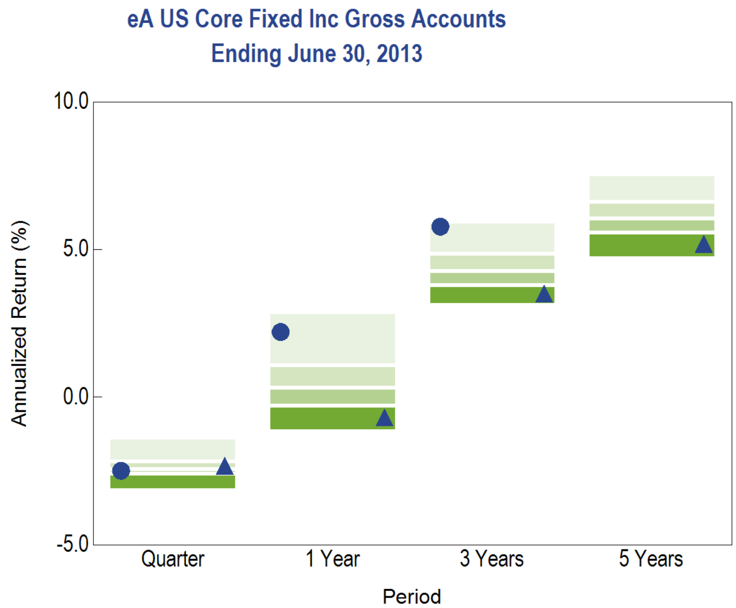
Return (Rank)	Quarter		1 Year		3 Years		5 Years	
5th Percentile	-1.4		2.9		5.9		7.5	
25th Percentile	-2.2		1.1		4.9		6.6	
Median	-2.4		0.3		4.3		6.1	
75th Percentile	-2.6		-0.3		3.8		5.6	
95th Percentile	-3.1		-1.1		3.1		4.7	
# of Portfolios	213		213		210		205	
● GSAM Workout Portfolio	2.2	(1)	22.7	(1)	12.5	(1)	--	(--)
▲ Barclays Aggregate	-2.3	(38)	-0.7	(87)	3.5	(88)	5.2	(90)

Cumulative Value of $1
(Net of Fees)



Annual Returns - Net of Fees
Ending June 30, 2013



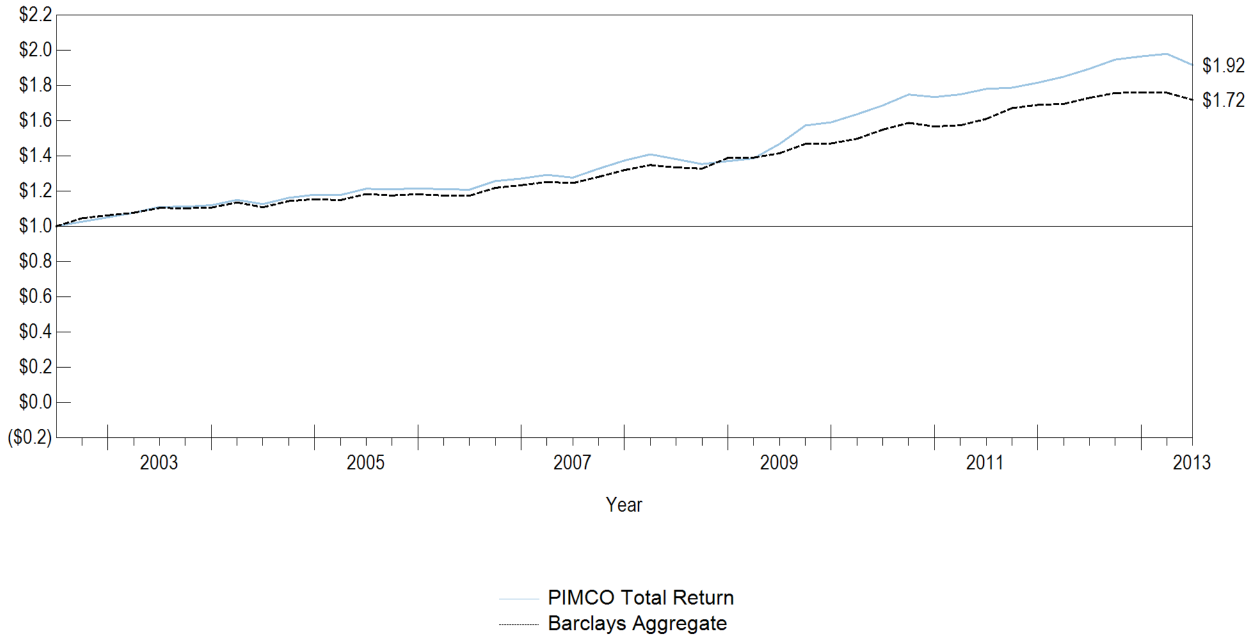


	Return (Rank)							
5th Percentile	-1.4		2.9		5.9		7.5	
25th Percentile	-2.2		1.1		4.9		6.6	
Median	-2.4		0.3		4.3		6.1	
75th Percentile	-2.6		-0.3		3.8		5.6	
95th Percentile	-3.1		-1.1		3.1		4.7	
# of Portfolios	213		213		210		205	
● **Lord Abbett**	-2.5	(64)	2.2	(10)	5.8	(8)	--	(--)
▲ **Barclays Aggregate**	-2.3	(38)	-0.7	(87)	3.5	(88)	5.2	(90)

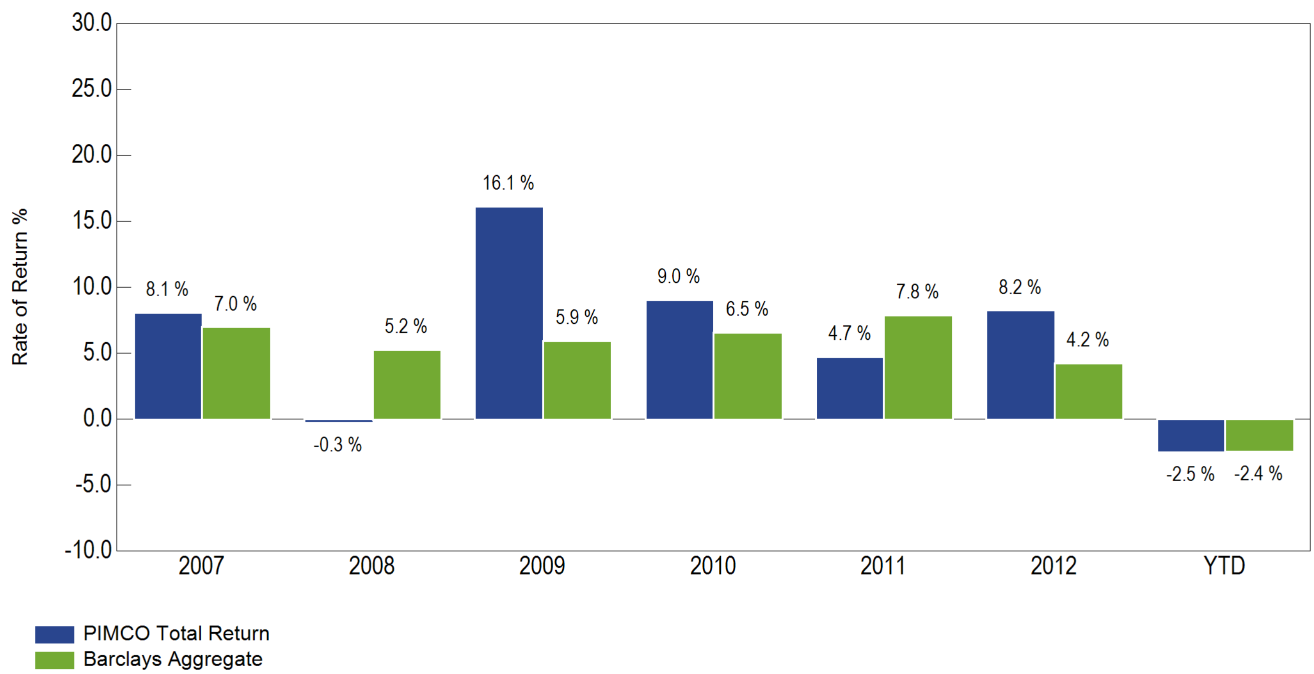
Portfolio Characteristics	**Lord Abbett**	**Barclays Aggregate**
Mkt Value ($Mil)	232.4	n/a
Yield to Maturity (%)	3.3 %	2.4 %
Duration (yrs)	5.2	5.5
Avg. Quality	A	AA1\AA2

Sectors	**Lord Abbett**	**Barclays Aggregate**
Treasury/Agency	32 %	37 %
Mortgages	26	40
Corporates	37	21
High Yield	0	0
Asset-Backed	0	2
CMBS	0	0
International	2	0
Emerging Markets	0	0
Other	17	0
Cash	-15	0

Cumulative Value of $1 (Net of Fees)



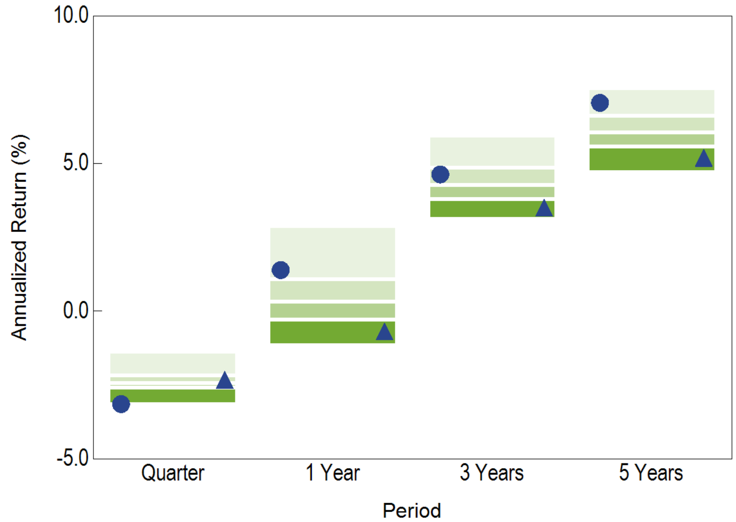
Annual Returns - Net of Fees Ending June 30, 2013



PIMCO Total Return

$298.5 Million and 5.1% of Fund

eA US Core Fixed Inc Gross Accounts
Ending June 30, 2013

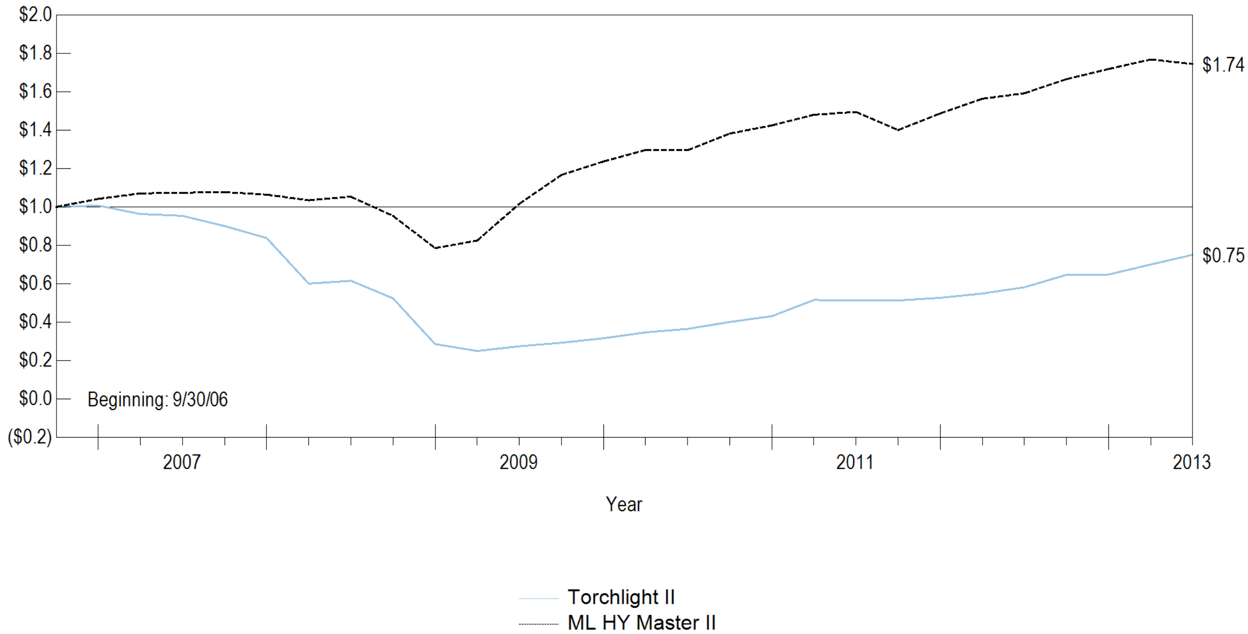


	Return (Rank)							
5th Percentile	-1.4		2.9		5.9		7.5	
25th Percentile	-2.2		1.1		4.9		6.6	
Median	-2.4		0.3		4.3		6.1	
75th Percentile	-2.6		-0.3		3.8		5.6	
95th Percentile	-3.1		-1.1		3.1		4.7	
# of Portfolios	213		213		210		205	
● PIMCO Total Return	-3.2	(96)	1.4	(20)	4.6	(36)	7.1	(13)
▲ Barclays Aggregate	-2.3	(38)	-0.7	(87)	3.5	(88)	5.2	(90)

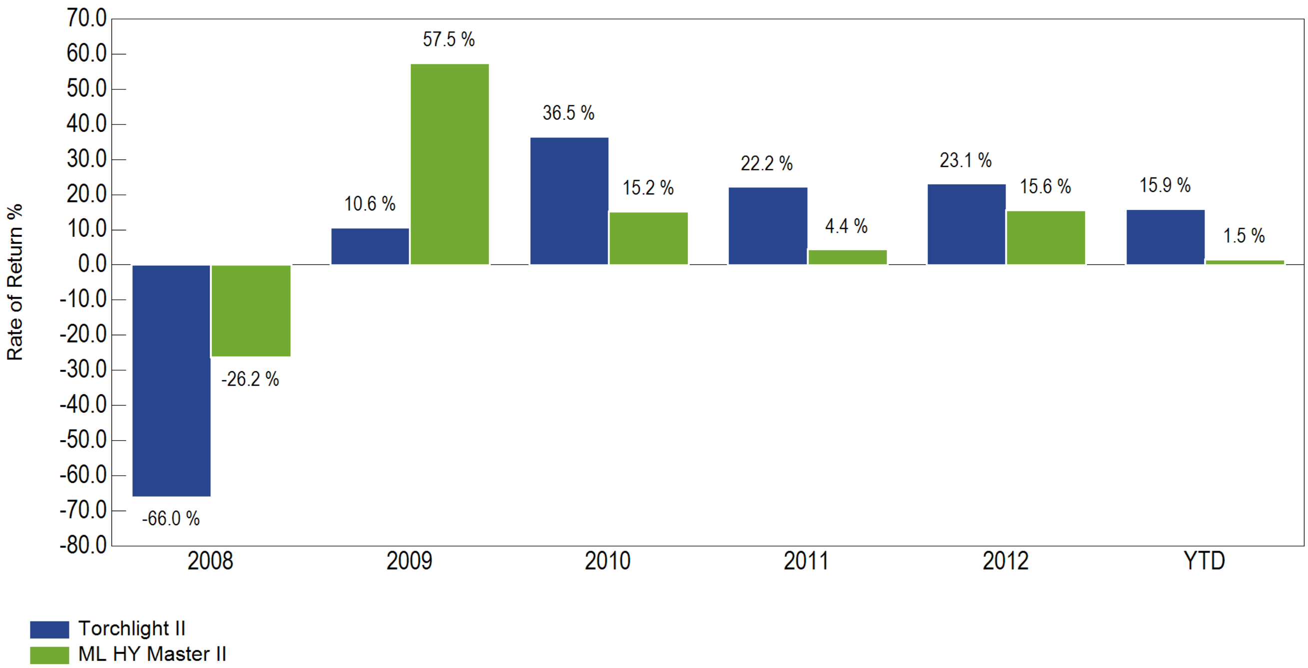
Portfolio Characteristics	PIMCO	Barclays Aggregate
Mkt Value ($Mil)	298.5	n/a
Yield to Maturity (%)	3.3 %	2.4 %
Duration (yrs)	5.5	5.5
Avg. Quality	AA	AA1\AA2

Sectors	PIMCO	Barclays Aggregate
Treasury/Agency	29 %	37 %
Mortgages	33	40
Corporates	17	21
High Yield	0	0
Asset-Backed	0	2
CMBS	0	0
International	12	0
Emerging Markets	0	0
Other	1	0
Cash	8	0

Cumulative Value of $1
(Net of Fees)



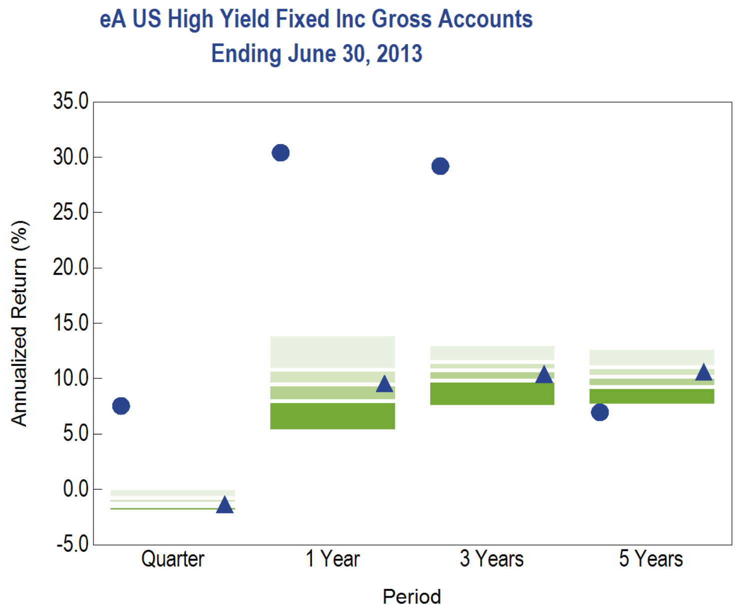
Annual Returns - Net of Fees
Ending June 30, 2013



Torchlight II

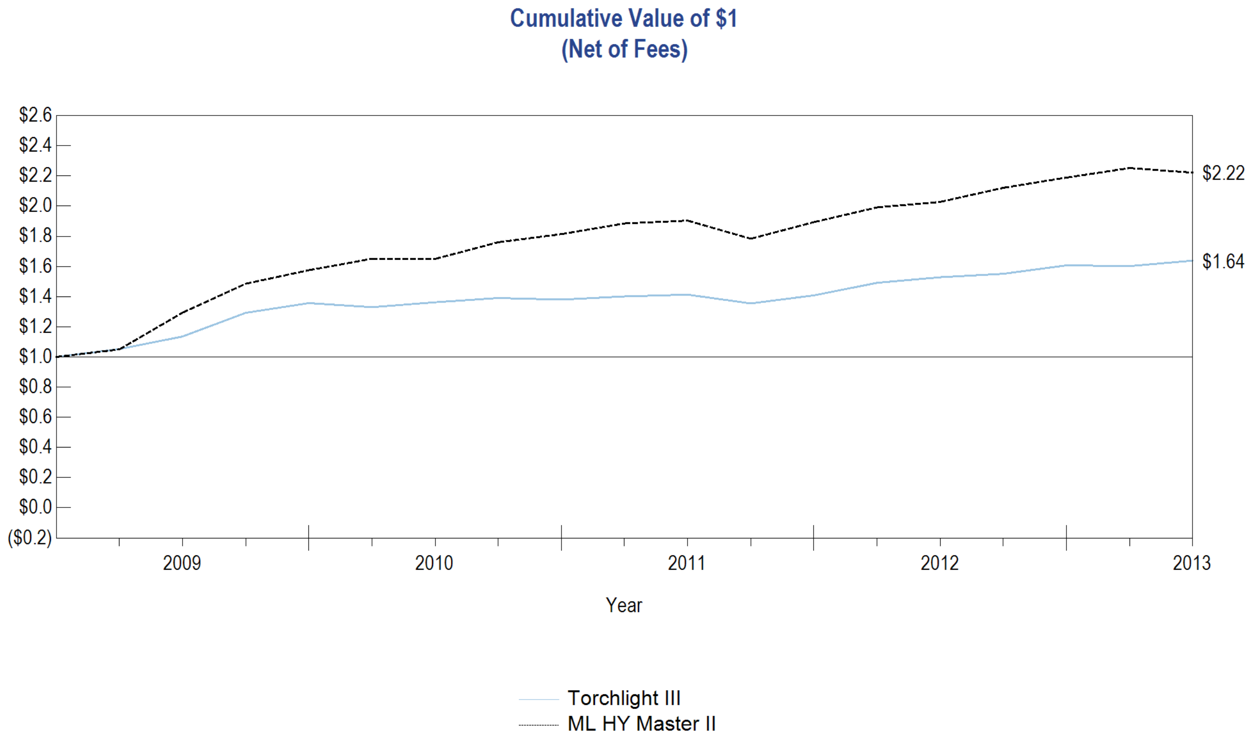
$75.2 Million and 1.3% of Fund

Portfolio Characteristics	Torchlight II	ML High Yield II
Mkt Value ($Mil)	75.2	n/a
Yield to Maturity (%)	5.9 %	6.6 %
Duration (yrs)	4.7	4.6
Avg. Quality	BB	B1

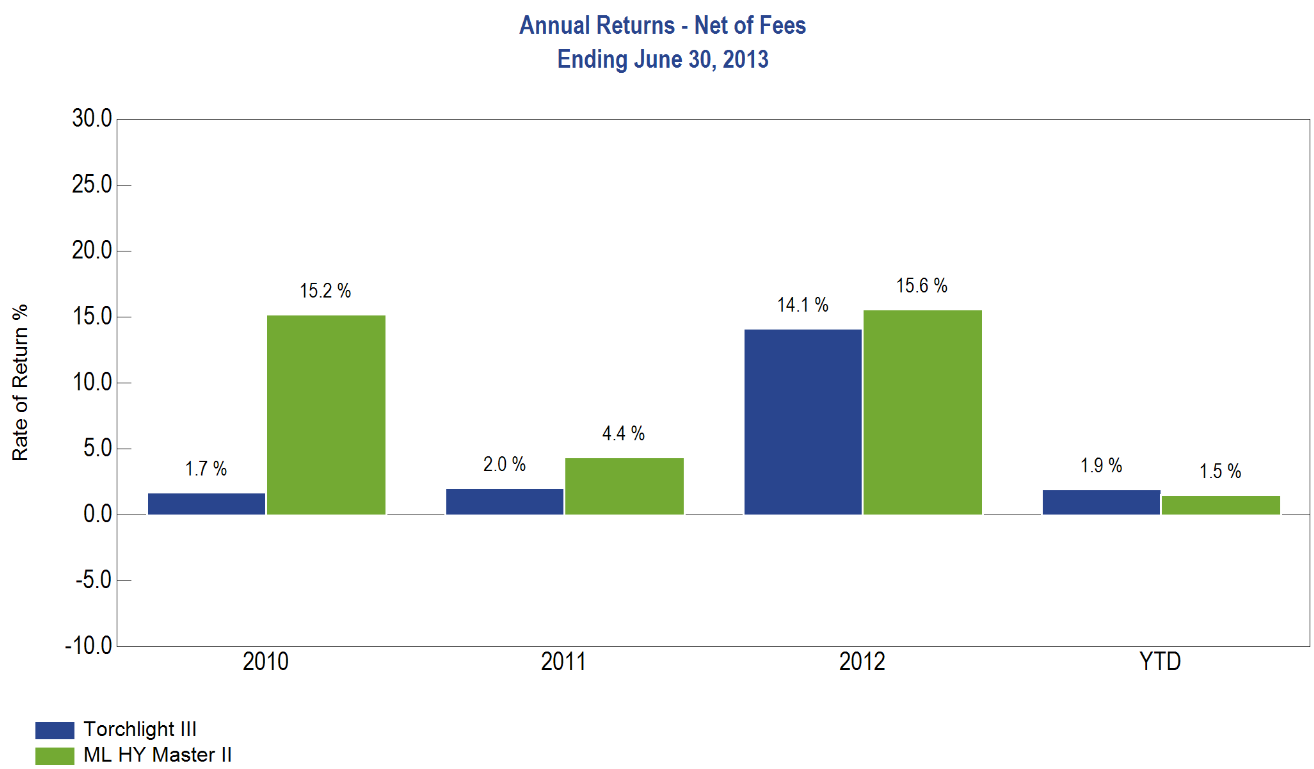


	Return (Rank)							
5th Percentile	0.1		14.0		13.1		12.8	
25th Percentile	-0.7		10.9		11.6		11.1	
Median	-1.2		9.5		10.8		10.2	
75th Percentile	-1.5		8.0		9.9		9.3	
95th Percentile	-2.0		5.3		7.5		7.6	
# of Portfolios	121		121		110		104	
● Torchlight II	7.5	(1)	30.4	(1)	29.2	(1)	7.0	(97)
▲ ML HY Master II	-1.4	(63)	9.6	(50)	10.4	(65)	10.6	(41)

Quality Distribution	Torchlight II	ML High Yield II
AAA	12 %	0 %
AA	9	0
A	3	0
BBB	22	0
BB	4	0
Less thn BB	8	100
Other	29	0
Cash	14	0
Total High Yield	12	
Total Inv Grade	45.0	100.0



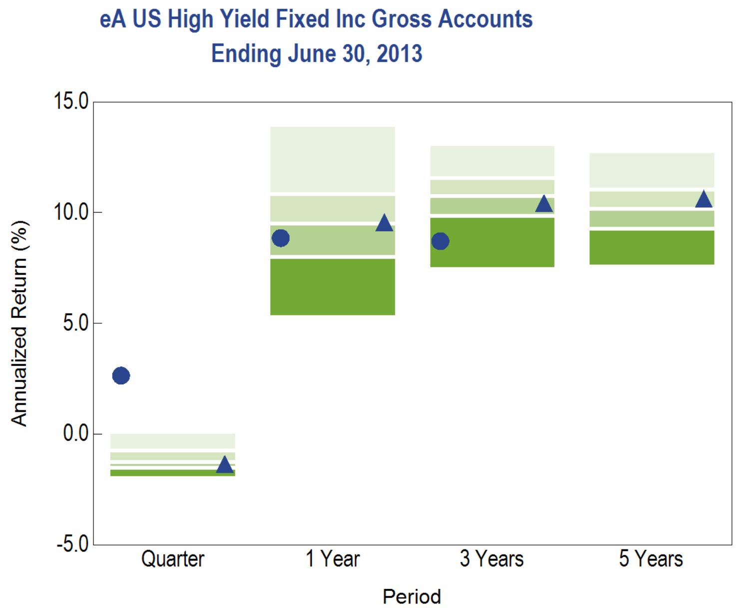
Cumulative Value of $1
(Net of Fees)
$2.6
$2.4
$2.2
$2.0
$1.8
$1.6
$1.4
$1.2
$1.0
$0.8
$0.6
$0.4
$0.2
$0.0
($0.2)
$2.22
$1.64
2009
2010
2011
2012
2013
Year
Torchlight III
ML HY Master II



Annual Returns - Net of Fees
Ending June 30, 2013
Rate of Return %
30.0
25.0
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
1.7 %
15.2 %
2.0 %
4.4 %
14.1 %
15.6 %
1.9 %
1.5 %
2010
2011
2012
YTD
Torchlight III
ML HY Master II

Torchlight III

$55.0 Million and 0.9% of Fund

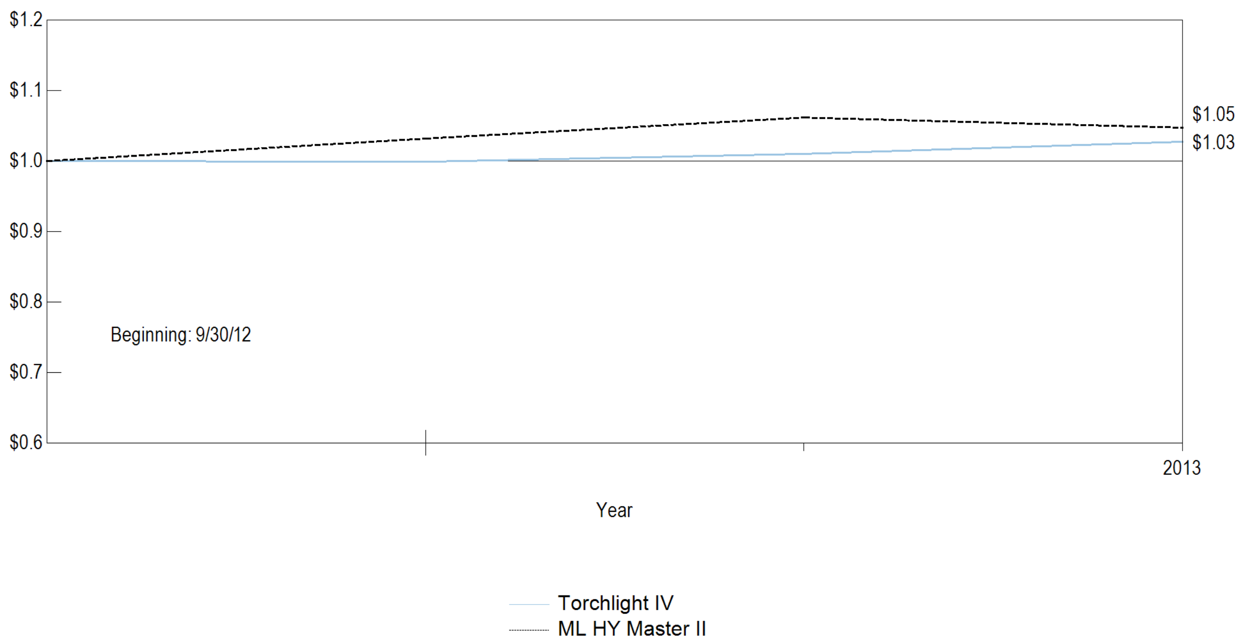


	Return (Rank)							
5th Percentile	0.1		14.0		13.1		12.8	
25th Percentile	-0.7		10.9		11.6		11.1	
Median	-1.2		9.5		10.8		10.2	
75th Percentile	-1.5		8.0		9.9		9.3	
95th Percentile	-2.0		5.3		7.5		7.6	
# of Portfolios	121		121		110		104	
● Torchlight III	2.6	(1)	8.9	(63)	8.7	(92)	--	(--)
▲ ML HY Master II	-1.4	(63)	9.6	(50)	10.4	(65)	10.6	(41)

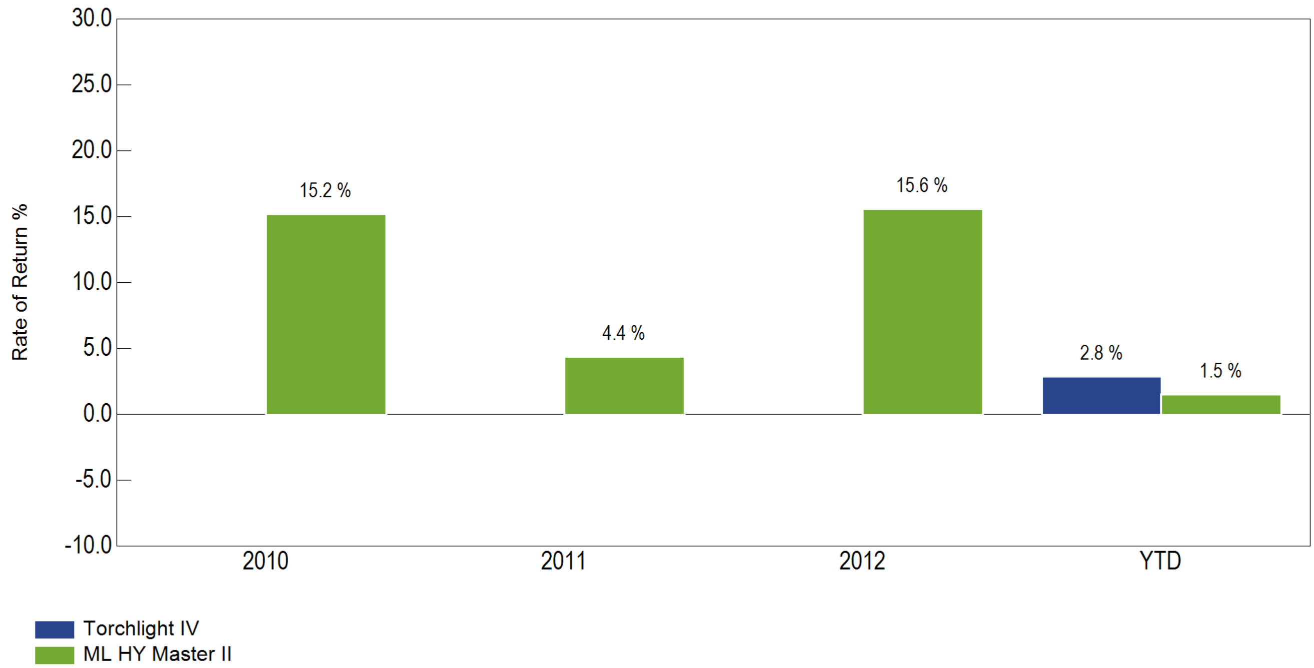
Portfolio Characteristics	Torchlight III	ML High Yield II
Mkt Value ($Mil)	54.9	n/a
Yield to Maturity (%)	14.7 %	6.6 %
Duration (yrs)	4.0	4.6
Avg. Quality	B	B1

Quality Distribution	Torchlight III	ML High Yield II
AAA	3 %	0 %
AA	0	0
A	0	0
BBB	14	0
BB	12	0
Less than BB	43	100
Other	23	0
Cash	6	0

Cumulative Value of $1 (Net of Fees)



Annual Returns - Net of Fees Ending June 30, 2013

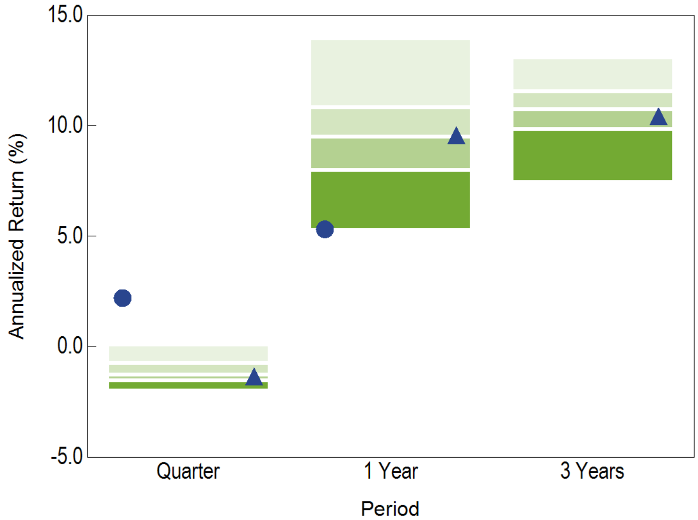


$36.6 Million and 0.6% of Fund

Portfolio Characteristics	Torchlight IV	ML High Yield II
Mkt Value ($Mil)	36.6	n/a
Yield to Maturity (%)	15.8 %	6.6 %
Duration (yrs)	3.2	4.6
Avg. Quality	B-	B1

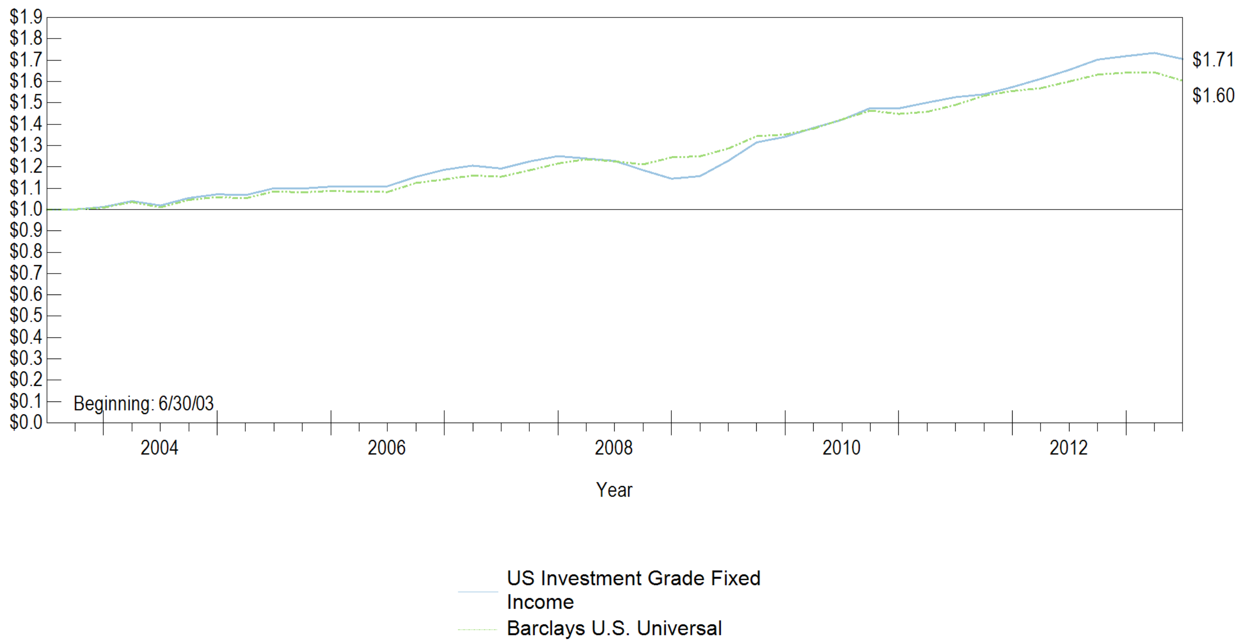
Quality Distribution	Torchlight IV	ML High Yield II
AAA	0 %	0 %
AA	4	0
A	0	0
BBB	0	0
BB	0	0
Less than BB	11	100
Other	81	0
Cash	5	0

eA US High Yield Fixed Inc Gross Accounts
Ending June 30, 2013

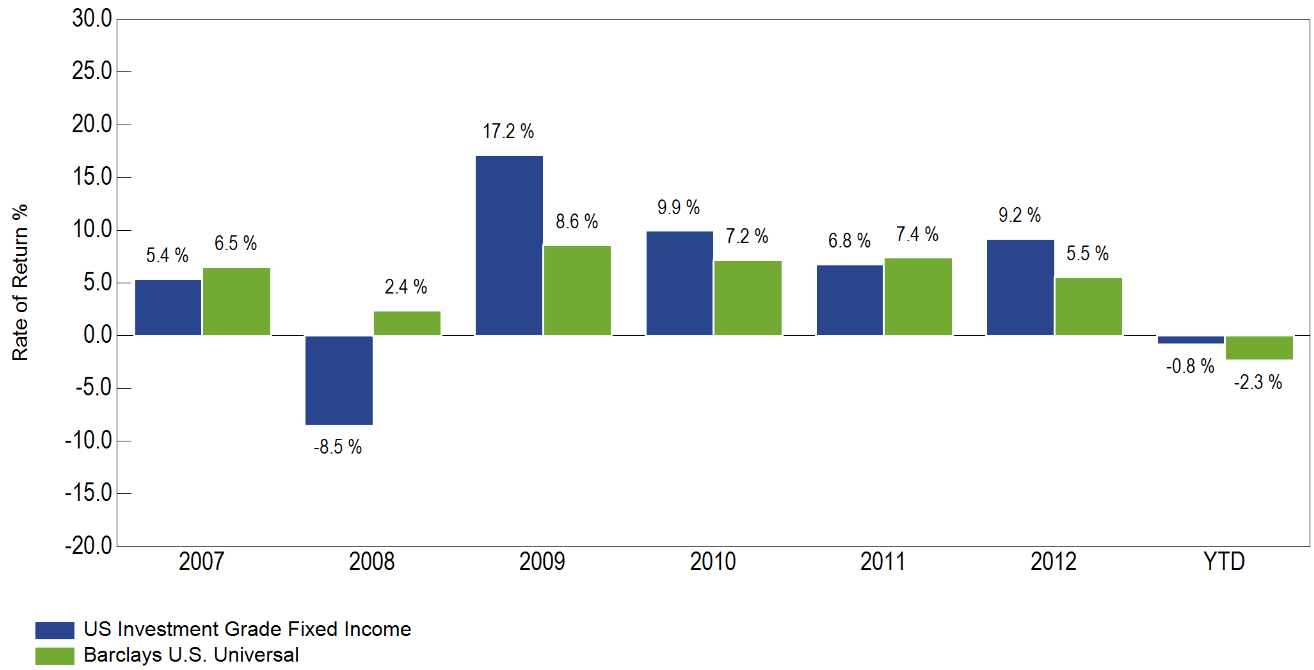


	Return (Rank)					
5th Percentile	0.1		14.0		13.1	
25th Percentile	-0.7		10.9		11.6	
Median	-1.2		9.5		10.8	
75th Percentile	-1.5		8.0		9.9	
95th Percentile	-2.0		5.3		7.5	
# of Portfolios	121		121		110	
● Torchlight IV	2.2	(1)	5.3	(95)	--	(--)
▲ ML HY Master II	-1.4	(63)	9.6	(50)	10.4	(65)

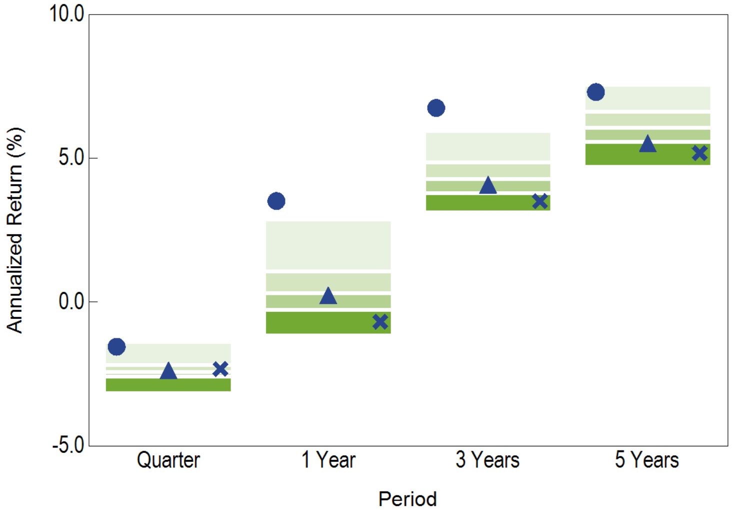
Cumulative Value of $1
(Net of Fees)



Annual Returns - Net of Fees
Ending June 30, 2013



eA US Core Fixed Inc Gross Accounts
Ending June 30, 2013

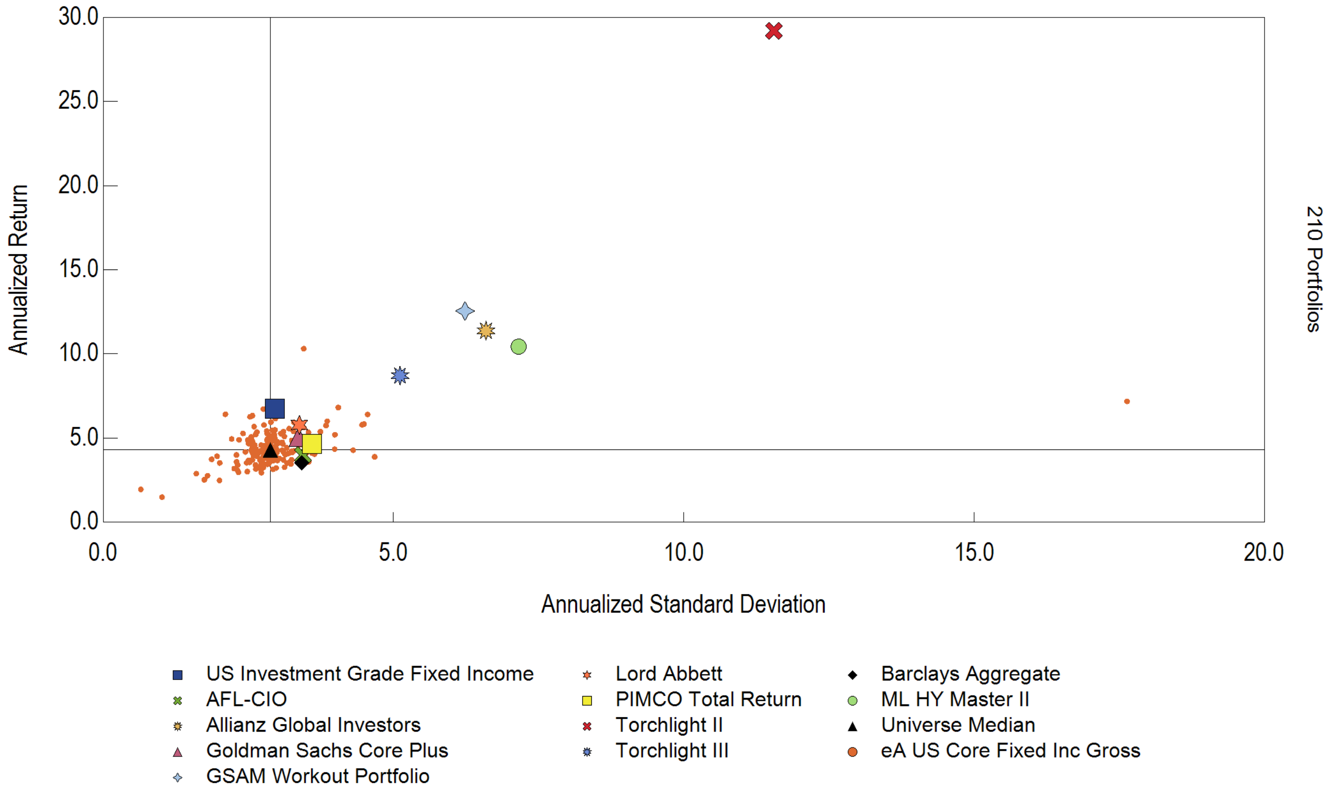


	Return (Rank)							
5th Percentile	-1.4		2.9		5.9		7.5	
25th Percentile	-2.2		1.1		4.9		6.6	
Median	-2.4		0.3		4.3		6.1	
75th Percentile	-2.6		-0.3		3.8		5.6	
95th Percentile	-3.1		-1.1		3.1		4.7	
# of Portfolios	213		213		210		205	
● US Investment Grade Fixed Income	-1.6	(7)	3.5	(3)	6.7	(2)	7.3	(8)
▲ Barclays U.S. Universal	-2.4	(43)	0.2	(56)	4.1	(62)	5.5	(80)
× Barclays Aggregate	-2.3	(38)	-0.7	(87)	3.5	(88)	5.2	(90)

Portfolio Characteristics	Total Fixed	Barclays Universal
Mkt Value ($Mil)	1,389.8	n/a
Yield to Maturity (%)	4.9 %	2.8 %
Duration (yrs)	4.8	5.4
Avg. Quality	AA	N\A

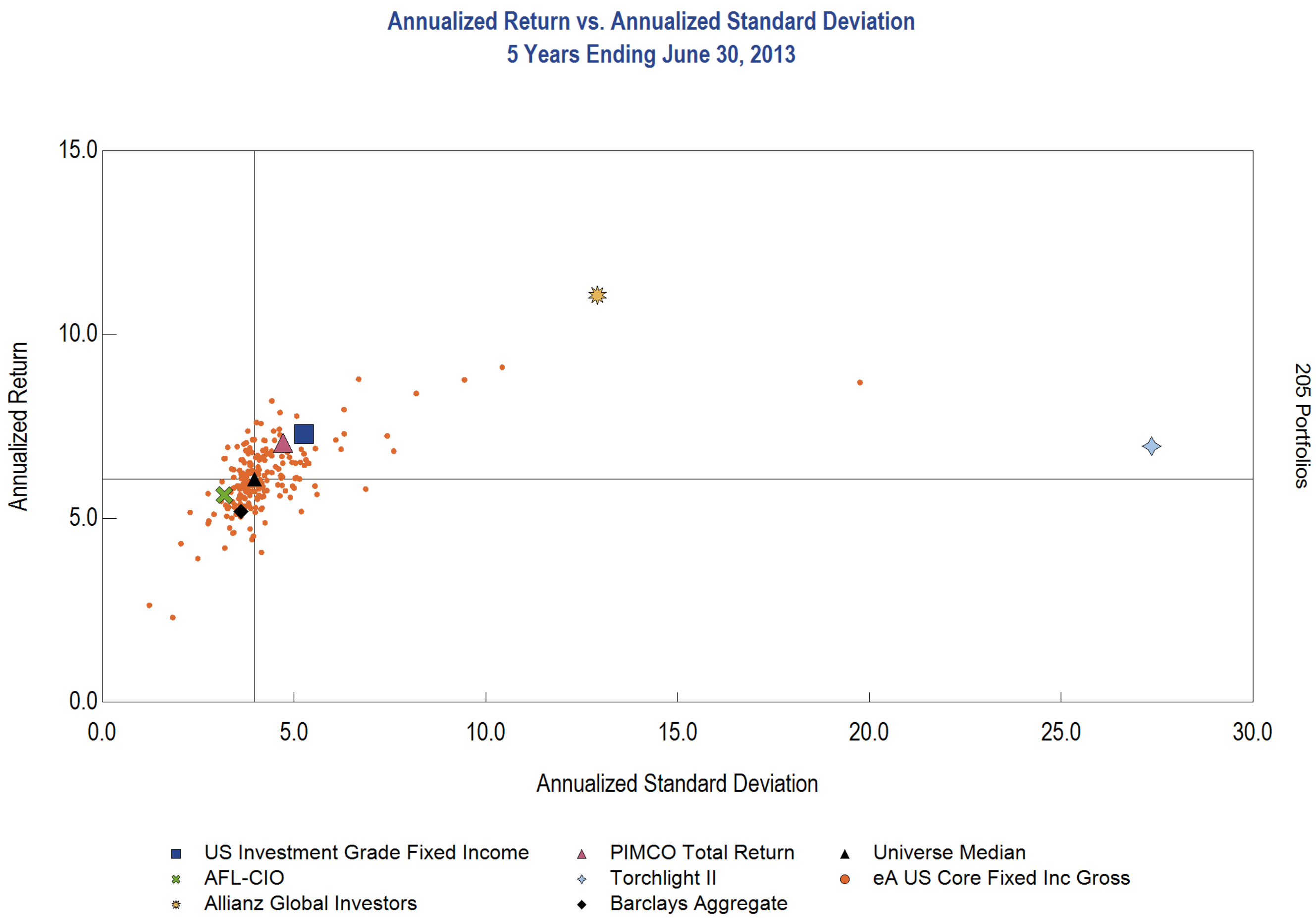
Sectors	Total Fixed	Barclays Universal
Treasury/Agency	17 %	31 %
Mortgages	28	38
Corporates	13	29
High Yield	24	0
Asset-Backed	1	3
CMBS	7	0
International	3	0
Emerging Markets	1	0
Other	3	0
Cash	2	0

Annualized Return vs. Annualized Standard Deviation
3 Years Ending June 30, 2013



Risk vs. Return for 3 Years Ending June 30, 2013

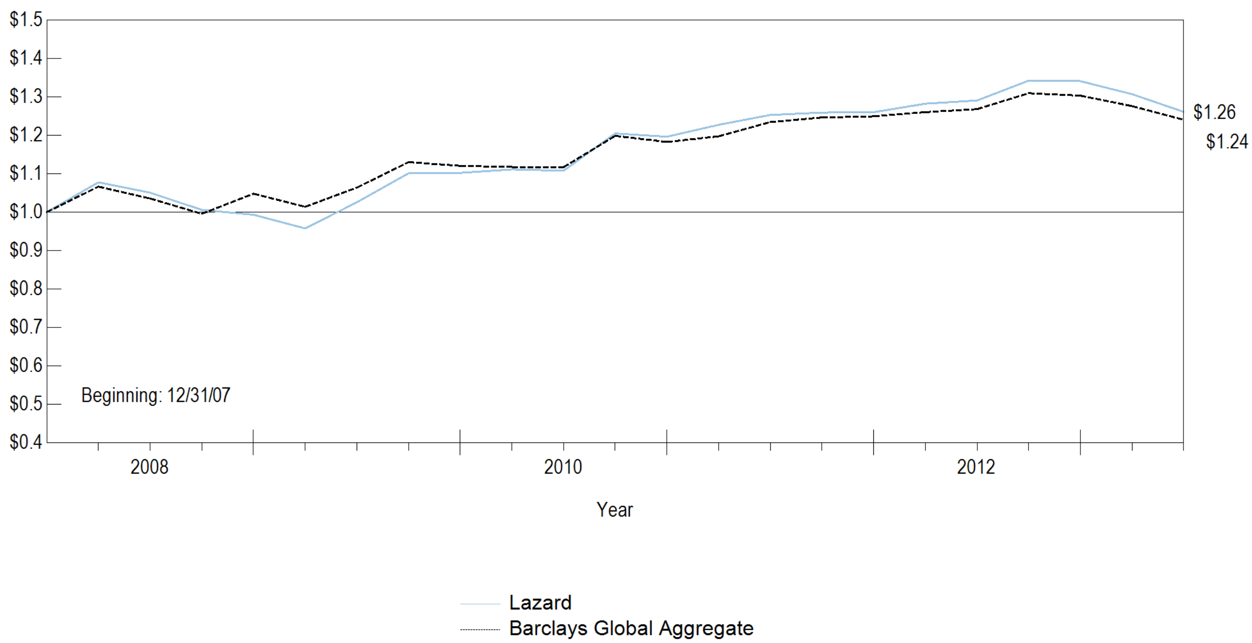
Rank within eA US Core Fixed Inc Gross (USD) (manager)	Annualized Return	Standard Deviation
US Investment Grade Fixed Income	6.7%	3.0%
AFL-CIO	4.0%	3.4%
Allianz Global Investors	11.4%	6.6%
Goldman Sachs Core Plus	5.1%	3.4%
GSAM Workout Portfolio	12.5%	6.2%
Lord Abbett	5.8%	3.4%
PIMCO Total Return	4.6%	3.6%
Torchlight II	29.2%	11.6%
Torchlight III	8.7%	5.1%
Barclays Aggregate	3.5%	3.4%
ML HY Master II	10.4%	7.2%
Median for this Universe	4.3%	2.9%



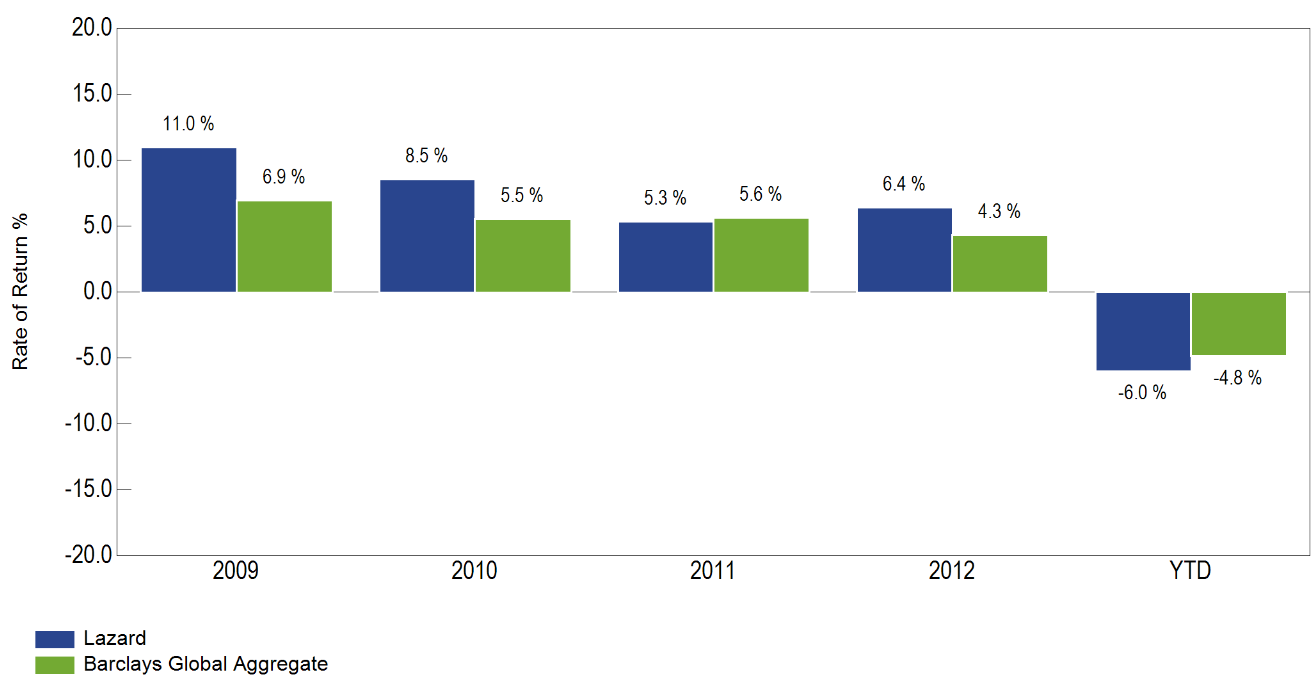
Risk vs. Return for 5 Years Ending June 30, 2013

Rank within eA US Core Fixed Inc Gross (USD) (manager)	**Annualized Return**	**Standard Deviation**
US Investment Grade Fixed Income	7.3%	5.3%
AFL-CIO	5.6%	3.2%
Allianz Global Investors	11.1%	12.9%
PIMCO Total Return	7.1%	4.7%
Torchlight II	7.0%	27.4%
Barclays Aggregate	5.2%	3.6%
ML HY Master II	10.6%	16.5%
Median for this Universe	6.1%	4.0%

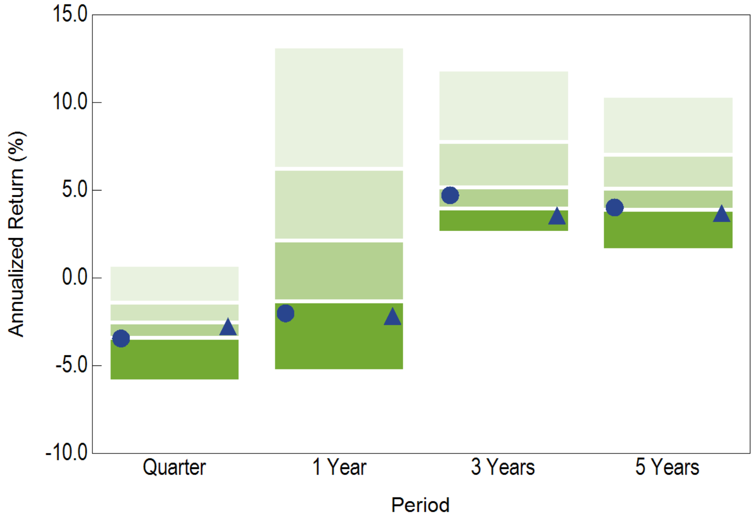
Cumulative Value of $1
(Net of Fees)



Annual Returns - Net of Fees
Ending June 30, 2013



eA All Global Fixed Inc Gross Accounts
Ending June 30, 2013

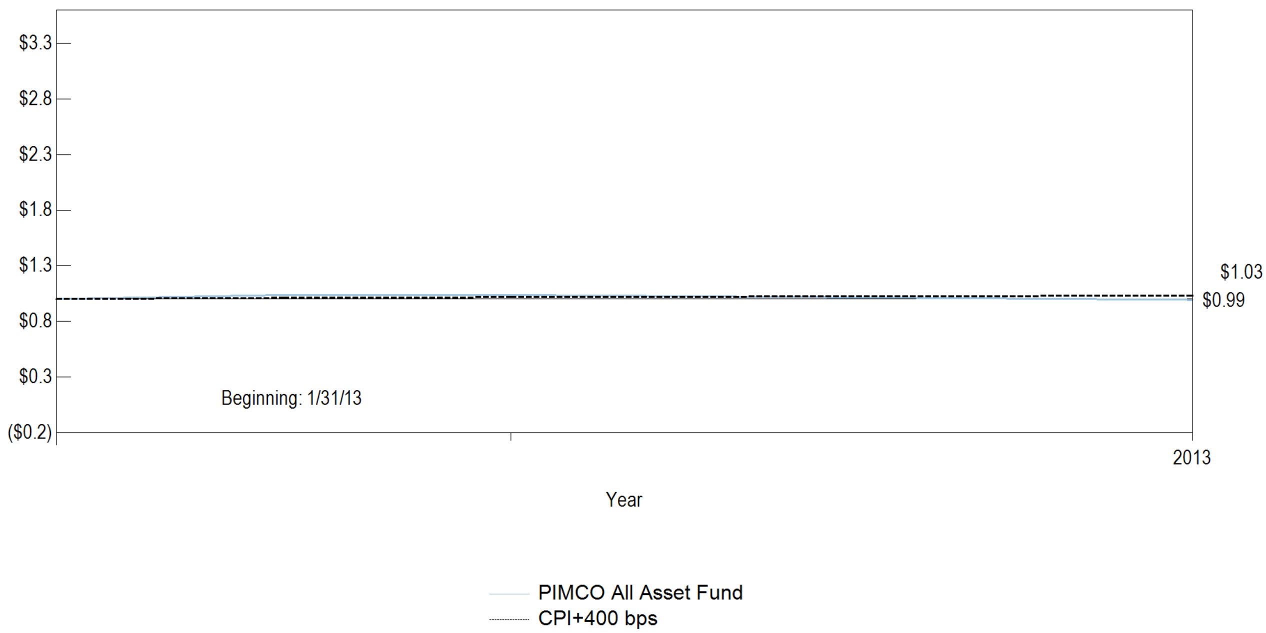


	Return (Rank)							
5th Percentile	0.7		13.2		11.8		10.4	
25th Percentile	-1.4		6.2		7.8		7.0	
Median	-2.5		2.1		5.2		5.1	
75th Percentile	-3.4		-1.3		4.0		3.9	
95th Percentile	-5.9		-5.3		2.6		1.6	
# of Portfolios	195		195		177		155	
● Lazard	-3.5	(79)	-2.0	(80)	4.7	(60)	4.0	(73)
▲ Barclays Global Aggregate	-2.8	(57)	-2.2	(82)	3.6	(84)	3.7	(78)

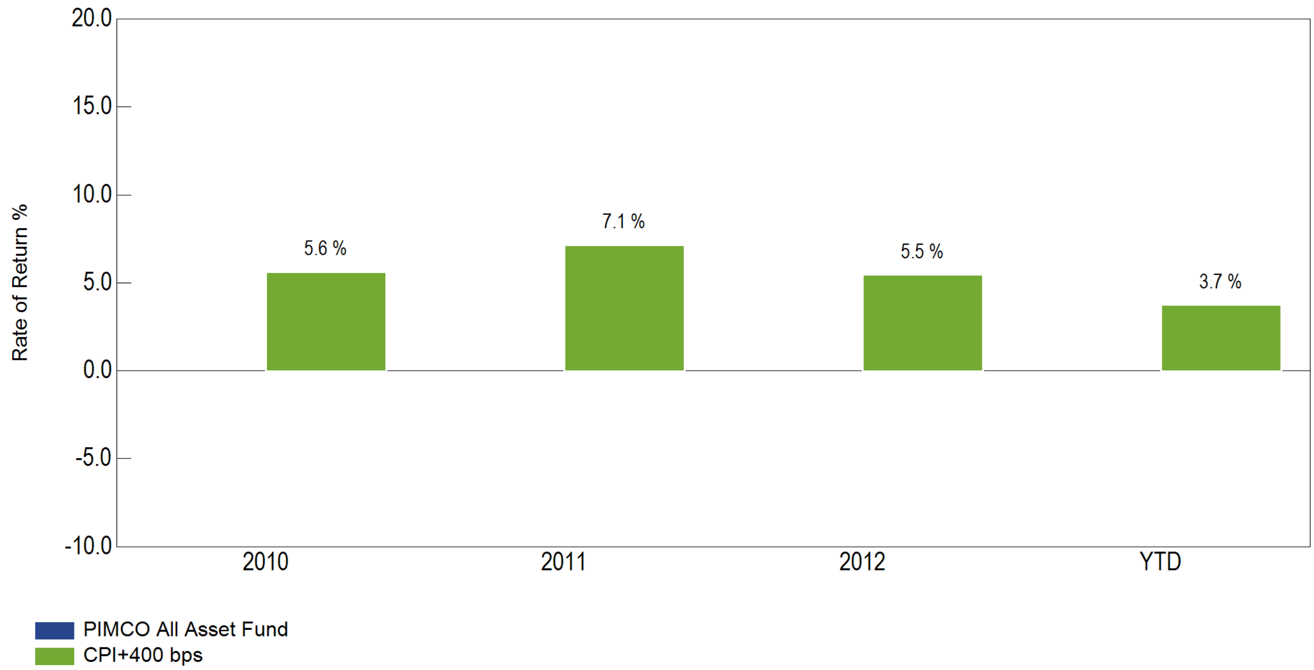
Portfolio Characteristics	Lazard Asset Mgmt	Barclays Global Aggregate
Mkt Value ($Mil)	212.4	n/a
Yield to Maturity (%)	3.5 %	2.1 %
Duration (yrs)	5.2	6.2
Avg. Quality	AA-	N/A

Sectors	Lazard Asset Mgmt	Barclays Global Aggregate
Government/Sovereign	36 %	54 %
Agency/Supranational	23	0
Sovereign External Debt	0	0
Corporate	23	17
High Yield	6	0
Emerging Markets	13	0
Mortgage	0	30
Other	0	0

Cumulative Value of $1
(Net of Fees)



Annual Returns - Net of Fees
Ending June 30, 2013



PIMCO All Asset Fund

$94.7 Million and 1.6% of Fund

	Ending June 30, 2013				
	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs
PIMCO All Asset Fund	-4.0%	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*6.3%*	*5.3%*

Top Holdings as of 03/31/2013

PIMCO INCOME INSTL	9.97%
PIMCO EM FDMTL INDEXPLUS AR STRAT INSTL	8.89%
PIMCO EMERGING LOCAL BOND INSTL	6.99%
PIMCO EMERGING MARKETS CURRENCY INSTL	6.59%
PIMCO FLOATING INCOME INSTL	6.22%
PIMCO HIGH YIELD INSTL	5.99%
PIMCO UNCONSTRAINED BOND INST	5.32%
PIMCO INTL FDMTL IDXPLUS AR STRAT INSTL	5.11%
PIMCO DIVERSIFIED INC INSTL	4.05%
PIMCO HIGH YIELD SPECTRUM INSTL	3.72%

Top Countries as of 03/31/2013

United States	47.82%
Cayman Islands	2.31%
Luxembourg	2.14%
United Kingdom	2.07%
Brazil	1.84%
Canada	1.68%
South Africa	1.58%
Netherlands	1.51%
Mexico	1.45%
Ireland	0.93%

Portfolio Fund Information as of 03/31/2013

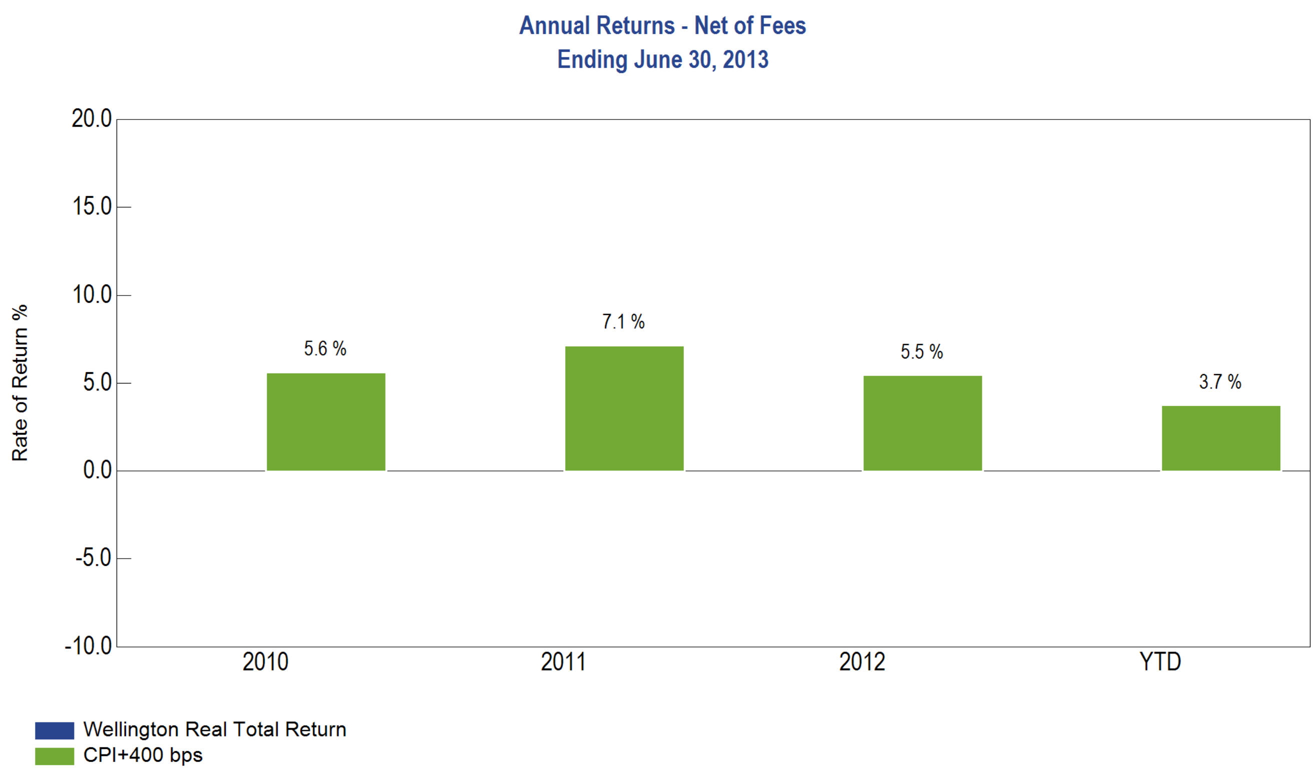
Ticker	PAAIX
Morningstar Category	World Allocation
Average Market Cap ($mm)	18,396.04
Net Assets ($mm)	25,677.09
% Assets in Top 10 Holdings	62.84
Total Number of Holdings	45
Manager Name	Robert D. Arnott
Manager Tenure	11
Expense Ratio	0.90%
Closed to New Investors	No

Description:

The investment seeks maximum real return, consistent with preservation of real capital and prudent investment management.

The fund normally invests substantially all of its assets in Institutional Class or Class M shares of any funds of the Trust or PIMCO Equity Series, an affiliated open-end investment company, except other funds of funds, or shares of any actively-managed funds of the PIMCO ETF Trust, an affiliated investment company. The fund's investment in a particular Underlying PIMCO Fund normally will not exceed 50% of its total assets. It is non-diversified.

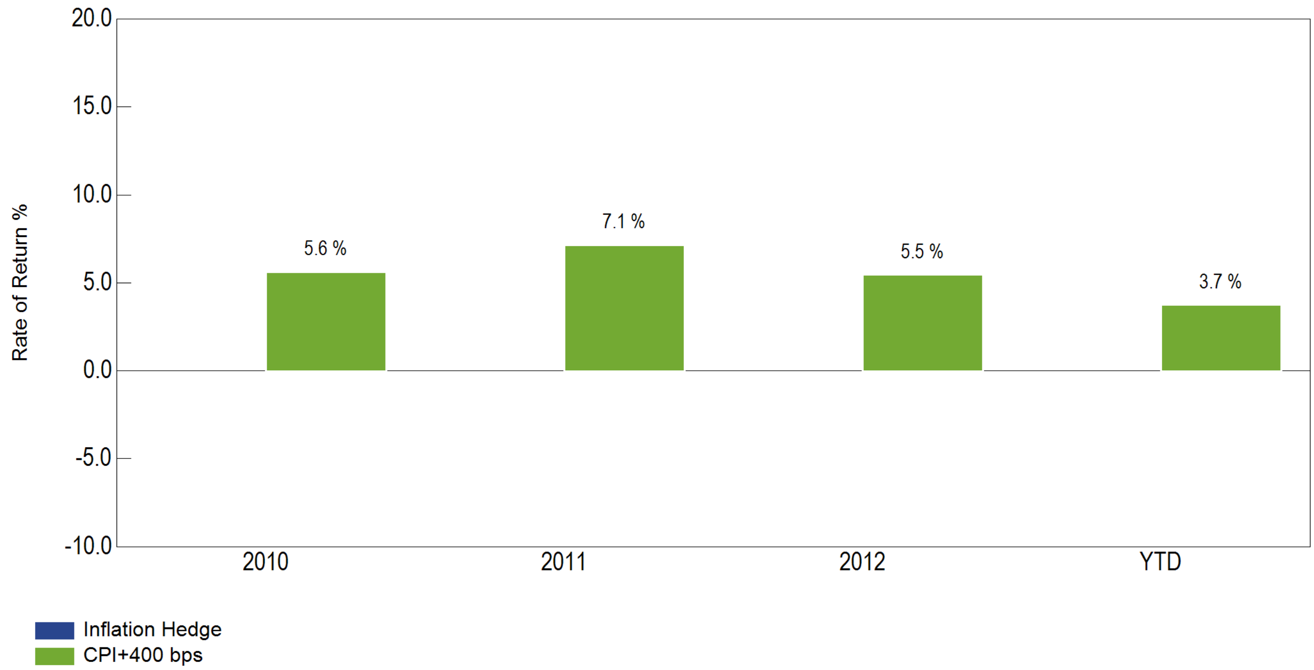

Cumulative Value of $1
(Net of Fees)
$3.3
$2.8
$2.3
$1.8
$1.3
$0.8
$0.3
($0.2)
$1.03
$0.97
Beginning: 1/31/13
2013
Year
Wellington Real Total Return
CPI+400 bps


Annual Returns - Net of Fees
Ending June 30, 2013
20.0
15.0
10.0
5.0
0.0
-5.0
-10.0
Rate of Return %
5.6 %
7.1 %
5.5 %
3.7 %
2010
2011
2012
YTD
Wellington Real Total Return
CPI+400 bps

	Ending June 30, 2013				
	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs
Wellington Real Total Return	-3.4%	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*6.3%*	*5.3%*

Cumulative Value of $1
(Net of Fees)

Annual Returns - Net of Fees
Ending June 30, 2013

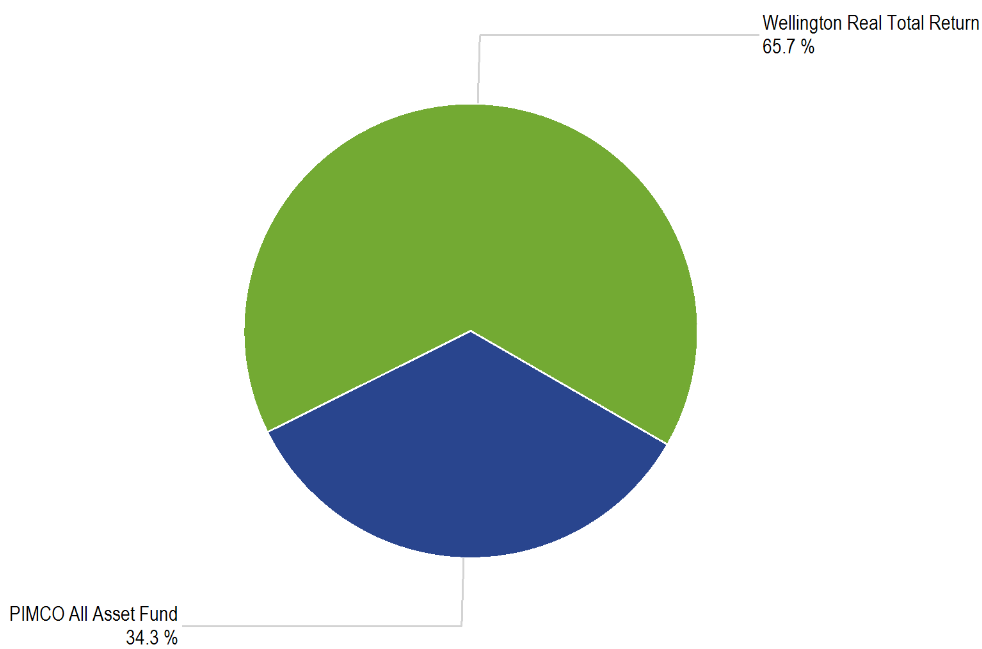


Total Inflation Hedge

$275.9 Million and 4.7% of Fund

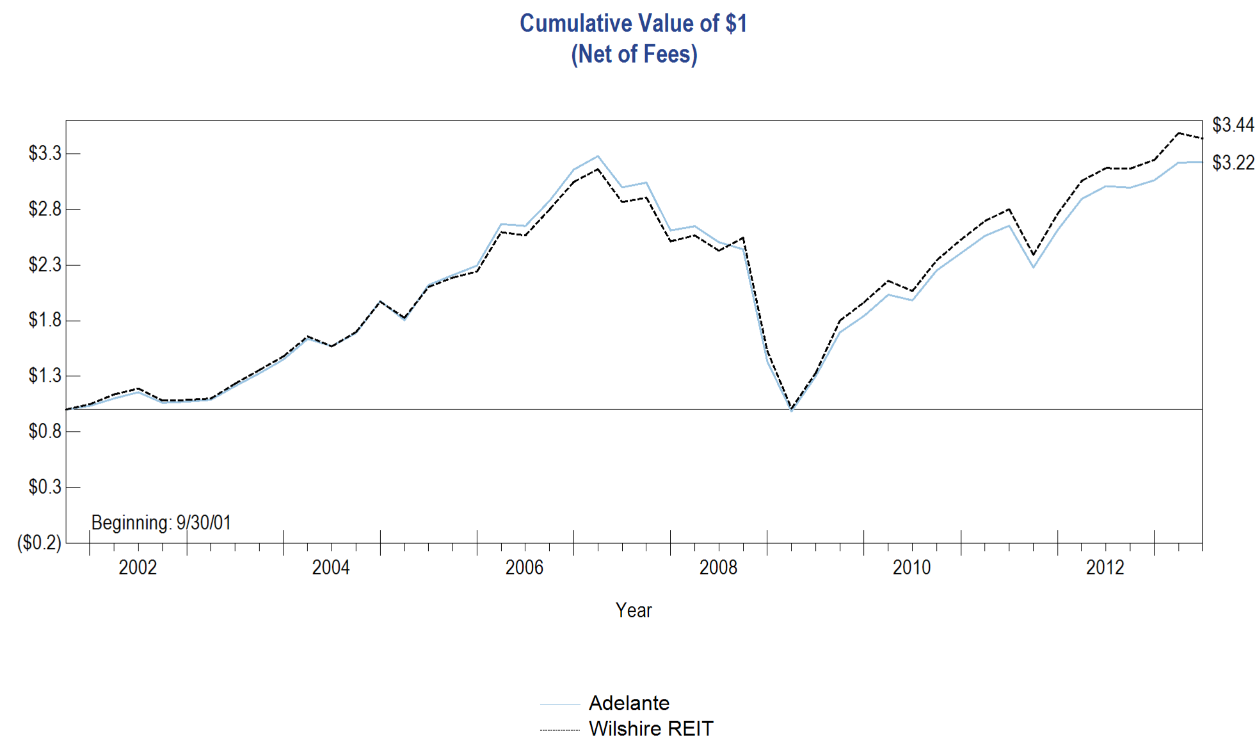
	Ending June 30, 2013				
	3 Mo	YTD	1 Yr	3 Yrs	5 Yrs
Inflation Hedge	**-3.7%**	**--**	**--**	**--**	**--**
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*6.3%*	*5.3%*
PIMCO All Asset Fund	-4.2%	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*6.3%*	*5.3%*
Wellington Real Total Return	-3.5%	--	--	--	--
CPI+400 bps	*1.3%*	*3.7%*	*5.9%*	*6.3%*	*5.3%*

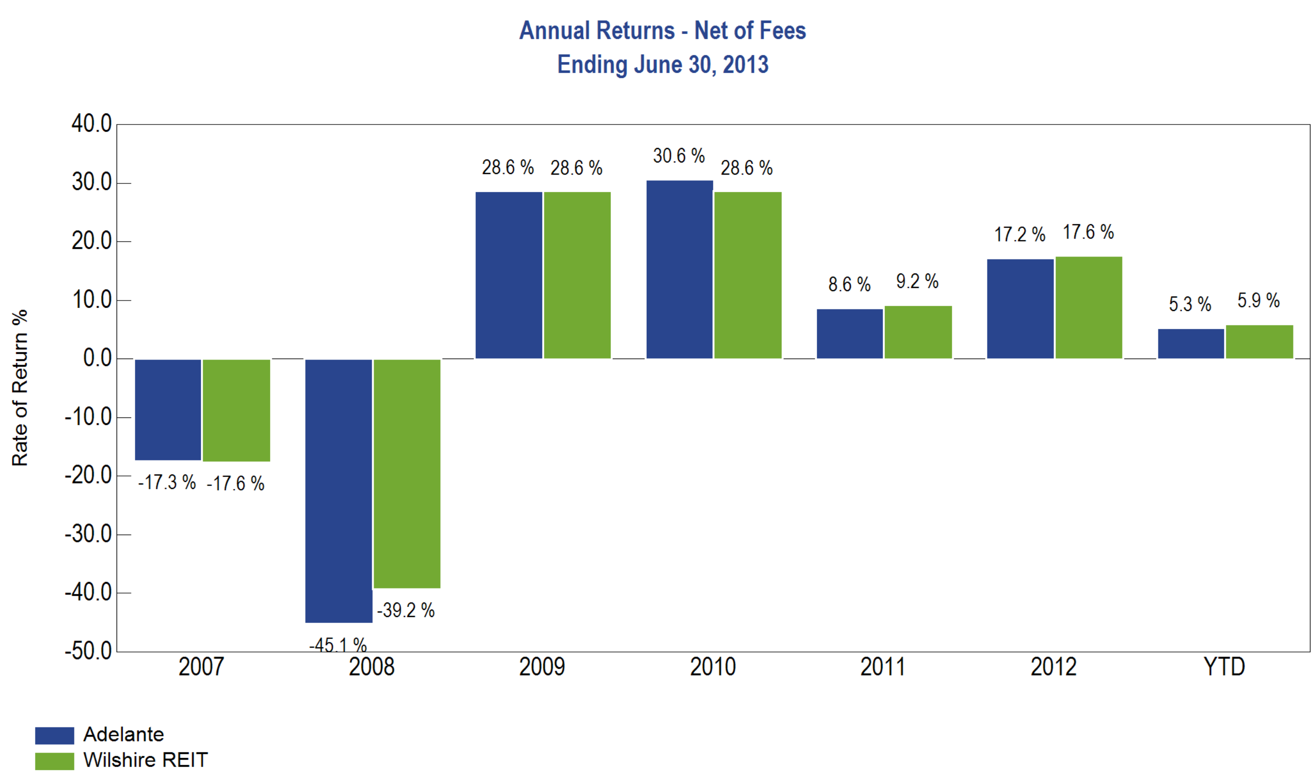
Current Mix of Inflation Hedging Investments



Adelante

$225.9 Million and 3.9% of Fund

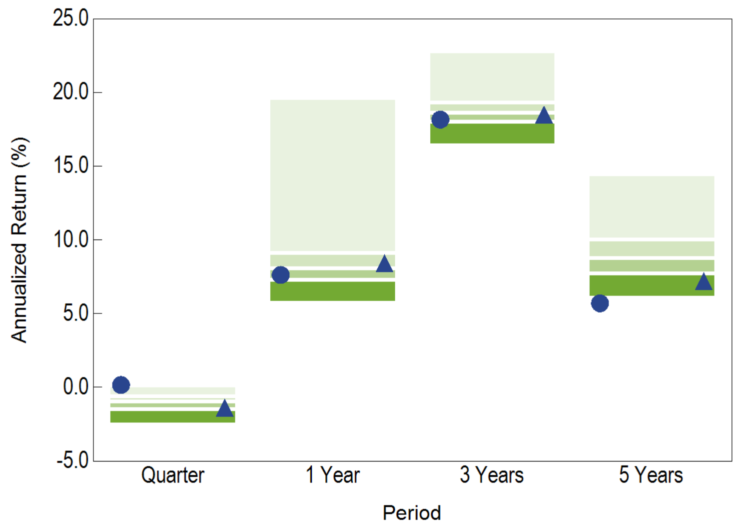




Adelante

$225.9 Million and 3.9% of Fund

eA US REIT Gross Accounts
Ending June 30, 2013

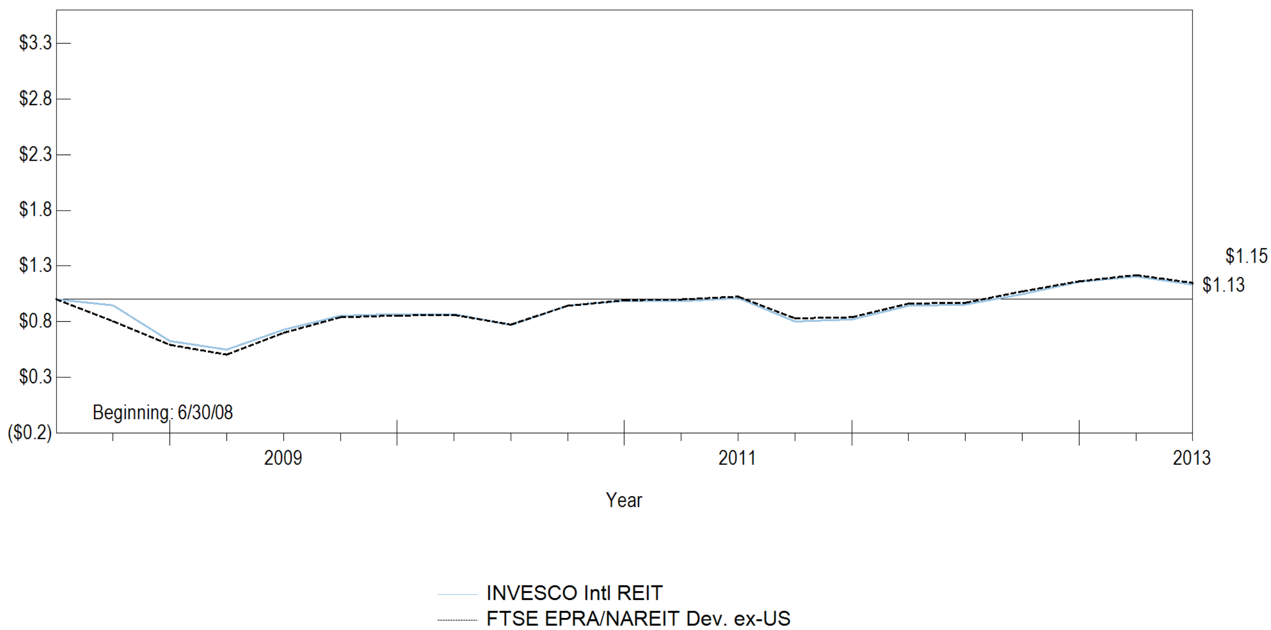


	Return (Rank)							
5th Percentile	0.1		19.6		22.8		14.4	
25th Percentile	-0.6		9.1		19.3		10.0	
Median	-0.9		8.1		18.6		8.8	
75th Percentile	-1.5		7.3		18.0		7.7	
95th Percentile	-2.5		5.7		16.4		6.1	
# of Portfolios	44		44		44		42	
● Adelante	0.2	(3)	7.6	(62)	18.2	(74)	5.7	(98)
▲ Wilshire REIT	-1.4	(74)	8.4	(42)	18.5	(60)	7.2	(85)

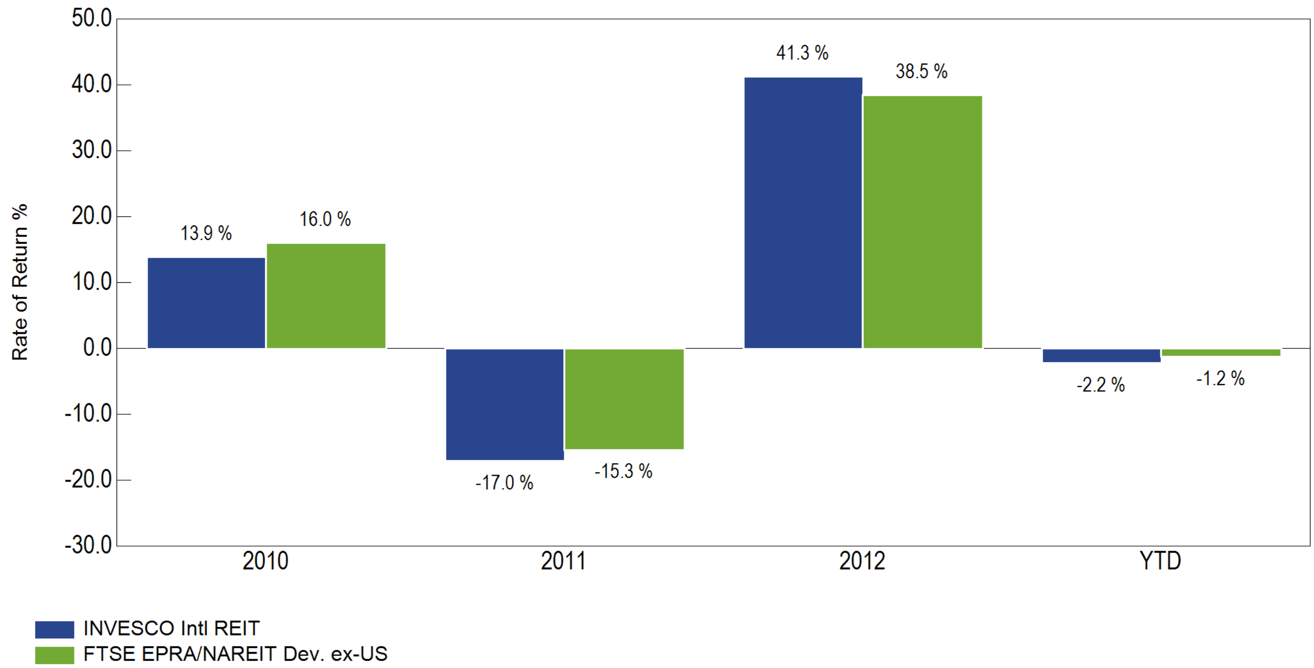
Characteristics

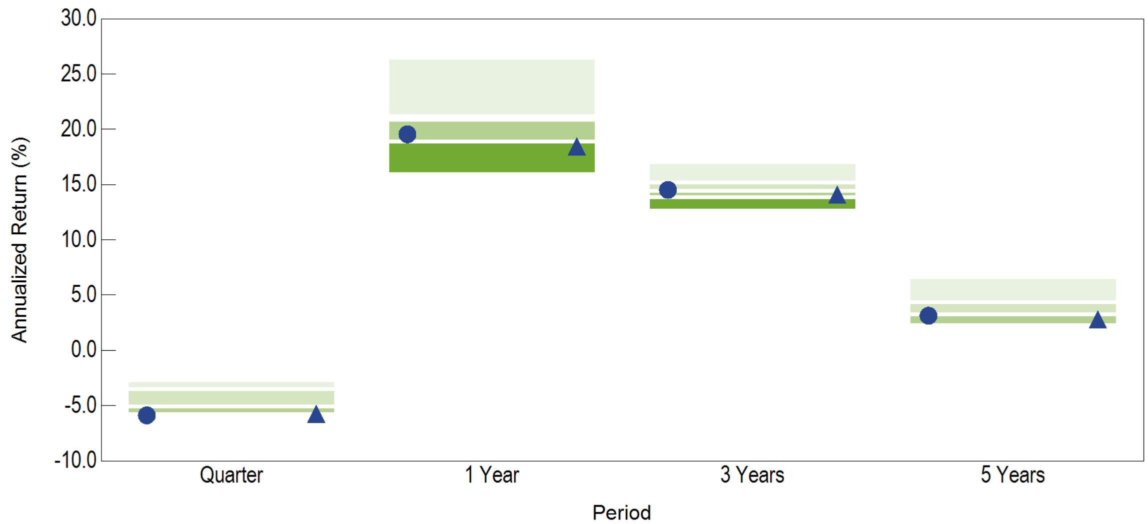
	Portfolio
Number of Holdings	38
Weighted Avg. Market Cap. ($B)	16.75
Median Market Cap. ($B)	4.32
Price To Earnings	44.33
Price To Book	3.47
Price To Sales	7.95
Return on Equity (%)	8.60
Yield (%)	3.10
Beta (holdings; global)	1.51
ASSET ALLOCATION	
Number of Holdings	38
US Equity	98.65
Non-US Equity	0.00
US Fixed Income	0.00
Non-US Fixed Income	0.00
Cash	1.35
Alternatives	0.00
Real Estate	0.00
Other	0.00

Cumulative Value of $1
(Net of Fees)



Annual Returns - Net of Fees
Ending June 30, 2013





	Return (Rank)							
5th Percentile	-2.7		26.4		17.0		6.6	
25th Percentile	-3.5		21.3		15.2		4.4	
Median	-5.0		20.9		14.5		3.3	
75th Percentile	-5.7		18.9		13.9		2.3	
95th Percentile	-6.0		16.0		12.7		2.0	
# of Portfolios	11		11		11		10	
● **INVESCO Intl REIT**	-5.9	(92)	19.5	(65)	14.5	(47)	3.1	(58)
▲ **FTSE EPRA/NAREIT Dev. ex-US**	-5.8	(81)	18.4	(84)	14.1	(67)	2.8	(62)

MANAGER COMMENTS – REAL ESTATE

For all but the Adelante and INVESCO REIT portfolios please see the Internal Rate of Return table on page 20.

Adelante Capital Management
$225,891,479

Adelante Capital Management returned 0.0% for the second quarter, above the -1.4% return of the Wilshire REIT Index. For the past year, Adelante returned 7.1%, below the REIT index return of 8.4% and ranked in the 82nd percentile.

Security selection within the Apartment, Office, Healthcare and Industrial Mixed sectors drove the outperformance along with sector allocations to Apartment (overweight) and Local Retail (underweight). Stock selection within the Lodging sector was a drag on performance.

As of June 30, 2013, the portfolio consisted of 35 public REITs. Office properties comprised 9.8% of the underlying portfolio, apartments made up 19.6%, retail represented 23.6%, industrial was 10.0%, 4.9% was diversified/specialty , storage represented 7.1%, healthcare accounted for 11.9%, hotels accounted for 8.0%, and Triple-Net Lease 0.9%.

Angelo Gordon Realty Fund VIII
$31,090,494

Angelo Gordon Realty Fund VIII returned 2.9% in the second quarter. (Performance lags by one quarter due to financial reporting constraints.) The AG Realty Fund VIII was funded in January 23, 2012 with an initial investment of $18.4 million. The Fund held investments in 33 real estate transactions totaling $403 million on a net cash basis and $489 million on a fair market value GAAP basis.

DLJ Real Estate Capital Partners II
$4,075,844

DLJ Real Estate Capital Partners II (RECP II) reported a return of 0.1% in the second quarter of 2013. (Performance lags by one quarter due to financial reporting constraints.) Over the one-year period, RECP II has returned 11.6%. CCCERA has a 3.4% ownership interest in RECP II.

As of March 31, 2013, the portfolio consisted of 12.0% in retail, hotels accounted for 51.1%, land development made up 18.6%, and residential properties accounted for 5.9%, 0.3% was made up of office properties and 11.9% in securities.. The properties were diversified geographically with 76.0% domestic and 24.0% international.

The RECP II Fund has delivered strong results and is substantially realized. The Fund invested $1.0 billion and has distributed $2.0 billion to date. The remaining investments represent approximately $120 million in book value. DLJ expects to exit the remaining few investments and close the fund in an orderly manner over the next 12-18 months.

DLJ Real Estate Capital Partners III
$43,260,456

DLJ Real Estate Capital Partners III (RECP III) reported a return of 0.5% in the second quarter of 2013. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, RECP III returned 12.3%. CCCERA has a 6.7% ownership interest in RECP III.

As of March 31, 203 the portfolio consisted of 27.9% hotel properties, 20.2% industrial, 45.0% mixed-use development, 2.1% apartments, 1.5% retail, 3.3% vacation home development and others. The properties were diversified globally with 70.3% international and 29.7% domestic.

The Fund completed 47 investments in U.S, Europe, and Asia corresponding in $1.3 billion in invested equity. Despite being impacted by the global financial crisis, RECP III performance has benefitted from strong early realizations, with aggregate proceeds totaling $734 million including 30 fully realized transactions with net profits of $115 million. The book value of the remaining portfolio is $629 million. The largest investments in the remaining portfolio are well positioned to recover additional value over time. DLJ expects the overall fund's proceeds to invested equity multiple to be approximately 1.3x.

DLJ Real Estate Capital Partners IV
$77,702,559

DLJ Real Estate Capital Partners IV (RECP IV) returned 0.6% in the second quarter of 2013. (Performance lags by one quarter due to financial reporting constraints). Over the past year, the fund has returned 12.0%. CCCERA has a 9.2% ownership interest in RECP IV.

As of March 31, 2013 the portfolio consisted of 10.2% office properties, 5.2% senior and mezzanine loans, 24.0% mixed use development, 10.5% land, 8.6% private securities, 10.9% hotel properties, 3.3% industrial, 21.2% apartments and 6.1% others. The properties were diversified globally with 35.9% international and 64.1% domestic.

To date, the Fund has acquired 38 investments, investing approximately $1.16 billion of equity. Realized proceeds to date are $363 million and book value of the portfolio is approximately $858 million. The RECP IV investment pipeline is very active with a particular focus in opportunities in New York, Washington DC, Los Angeles. DLJ expects overall proceeds to invested equity multiple to be approximately 1.7x.

Hearthstone I
$52,865

Hearthstone II
$-36,046

As of June 30, 2013, Contra Costa County Employee's Retirement Association's commitment to HMSHP and MSII were nearly liquidated. The remaining balances represent residual accrued income positions. The MS1 and MS2 funds are expected to close out at the end of 2014 and 2022 respectively.

Invesco Real Estate Fund I
$13,595,851

Invesco Real Estate Fund I ("IREF") reported a first quarter total return of 10.8%. Over the past year, Invesco Real Estate Fund I returned 14.8%. CCCERA has a 15.6% interest in the Real Estate Fund I.

As of the second quarter of 2013, the portfolio consisted of one remaining investment. It is projected that as of Q3 2013, the Fund debt will be completely retired.

Invesco Real Estate Fund II
$39,241,817

Invesco Real Estate Fund II returned 7.5% in the second quarter. Over the past year, the fund has returned 23.2%. CCCERA has an 18.8% ownership stake in the fund.

IREF II had two and half years remaining to the fund maturity in December 2015 with seven remaining assets. 40% of investor's original equity commitments were distributed during the quarter as a result of completed sales of 100-104 5th Avenue, The Brill Building in New York City and the Arnada Pointe apartments in Vancouver, Washington.

The Fund's investments are distributed nationwide with 29% in the West, 6% in the Midwest, 49% in the East and 16% in the south. The portfolio is weighted by gross asset value by property type with 56% multi-family, 25% office, 10% industrial and 6% retail and 3% high yield debt.

Invesco Real Estate Fund III
$16,190,596

Invesco Real Estate Fund III had a final close on June 30, 2013. Contra Costa was one of two new investors committed to the fund. Invesco Real Estate Fund II was funded with an initial contribution of $14.2 million with a total capital commitment of $35 million. CCCERA has a 9.8% interest in the Real Estate Fund III.

Invesco International REIT
$79,229,666

The Invesco International REIT portfolio returned -6.1% in the second quarter of 2013. This return trailed the FTSE EPRA/NAREIT Developed ex-US benchmark return of -5.8%. Over the past year, the portfolio outperformed the benchmark with a return of 18.8% compared to the FTST EPRA/NARIET Developed ex-US Benchmark return of 18.4%.

Long Wharf US Growth Fund II
$8,072,295

Long Wharf Fund II (formerly Fidelity Fund II) returned 2.4% for the second quarter of 2013. For the one-year period, the fund had a total return of 3.7%.

During the quarter the fund distributed $35 million to investors, which consisted principally of proceeds from the realization of the Santa Monica Office building, Quest Apartments, the Canyon Rock land parcel, as well as condominium unit sales at the Columbian. Going into the second half of the year, FREG II has nine remaining investments.

The portfolio consists of 23% apartment properties, 22% for sale housing, 2% senior housing, 7% retail, 3% office, 17% student housing, 7% hotel and 19% in others. The properties were diversified regionally with 21% in the Pacific, 24% in the Southeast, 14% in the Mountain region, 7% in the Southwest, 11% in the East North Central, 5% in the Northeast and 18% in the Mideast.

Long Wharf US Growth Fund III
$51,705,548

Long Wharf (formerly Fidelity) US Growth Fund III reported a return of 7.3% for the second quarter of 2013. Over the past year, the Fund has returned 15.1%.

Eleven different holdings distributed income to the fund during the quarter, with the largest contributors being the MacKenzie Place Portfolio in Fort Collins, Colorado and the Atlanta Gateway Hotels in College Park, Georgia. Nine of the fund's investments were marked up in value during the quarter, with most of these values moves reflecting continued leasing progress and operational momentum.

Committed capital consists of 16% retail, 31% office, 13% apartments, 8% industrial, 12% hotels, 3% senior housing and 8% entitled land, and 9% in student housing.

Oaktree Real Estate Opportunities Fund V
$55,850,137

The Oaktree Real Estate Opportunities Fund V was funded in December 2011 with an initial investment of $43.0 million. The fund returned 5.1% in the second quarter ended June 30, 2013. Over the past year, the Fund has returned 17.4%.

The primary objective of the Fund is to achieve superior risk-adjusted returns without subjecting principal to undue risk of loss primarily through investments in real estate and real estate related debt, companies, securities and other assets on a global basis, with an emphasis on investments in the U.S.

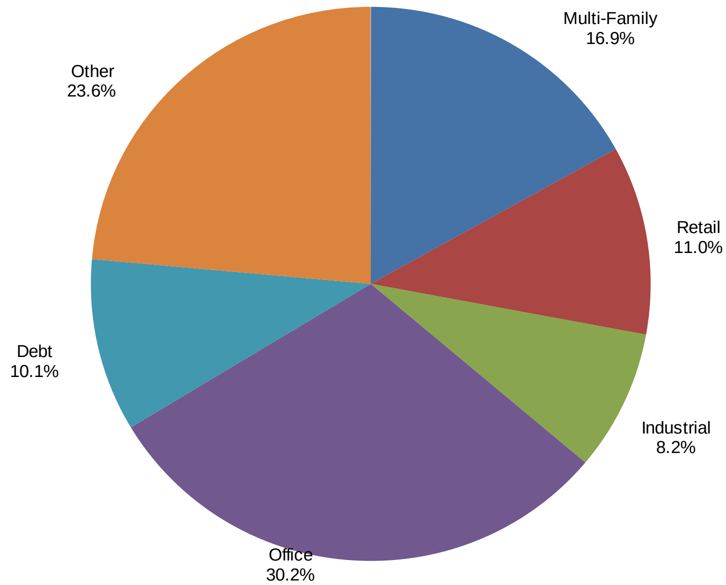
Siguler Guff Distressed Real Estate Opportunities Fund
$52,896,846

The Siguler Guff Distressed Real Estate Opportunities fund was funded in January 2012 with an initial investment of $21.0 million with a total capital commitment of $75.0 million. The fund returned 0.0% in the second quarter ended June 30, 2013. (Performance lags by one quarter due to financial reporting constraints).

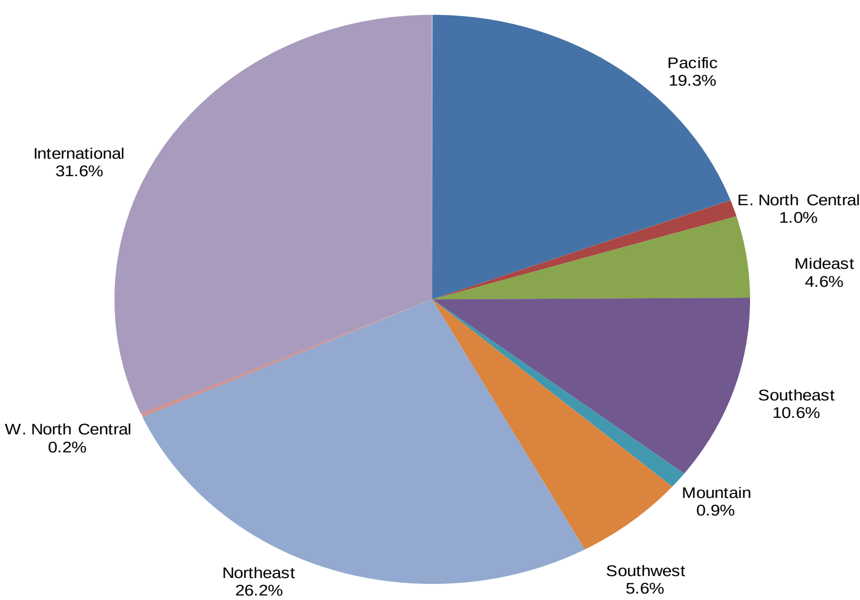
MANAGER COMMENTS – REAL ESTATE

Total Real Estate Diversification

Diversification by Property Type



Diversification by Geographic Region



MANAGER COMMENTS - ALTERNATIVE INVESTMENTS

Please see the Internal Rate of Return table on page 20 for performance for the alternative portfolios.

Adams Street Partners
$120,096,774

Adams Street had a first quarter gross return of 2.1% for CCCERA's investments. (Performance lags by one quarter due to financial reporting constraints, which is typical for this type of investment vehicle.) For the one-year period, Adams Street returned 8.7%. The portfolio continues in acquisition mode.

The Brinson (older) portfolio ($14,210,415) is comprised of 36.4% venture capital funds, 9.0% special situations, 7.9% in mezzanine funds, 4.3% in restructuring/distressed debt and 42.4% in buyout funds. The Adams Street program ($73,712,303) was allocated 39.3% to venture capital, 9.0% special situations, 2.1% mezzanine debt, 1.4% restructuring/distressed debt and 48.2% buyouts. The dedicated secondary allocation ($30,306,168) was allocated 44.9% to venture capital, 3.3% special situations and 51.8/% to buyouts. The Adams Street Program Fund 5 ($1,867,888) was funded with a commitment of $40 million and an initial contribution of $2,280,000.

Bay Area Equity Fund
$16,236,388

Bay Area Equity Fund had a first quarter gross return of 23.8% (Performance lags by one quarter due to financial reporting constraints). For the one-year period, Bay Area Equity Fund has returned 26.6%. CCCERA has a 10.5% ownership interest in the BAEF Fund I and 6.6% in BAEF II.

The Bay Area Equity Fund I has 18 investments in private companies in the 10 county Bay Area, all of which are located in or near low- to middle-income neighborhoods. Currently, the Fund has invested $75.0 million. Total current value to date is $212 million. Bay Area Equity Fund II had 14 investments in private companies. Nine investments are in the clean technology sector, three investments in consumer sector and the final two investments are in information technology sector. The total capital commitment for Bay Equity Fund II is $150.8 million. Currently, the Fund has invested $71.0 million.

Carpenter Community BancFund
$34,266,748

Carpenter had a first quarter gross return of 3.1%. (Performance lags by one quarter due to financial reporting constraints). Over the past year, Carpenter has returned 14.9%.

The Carpenter BancFund has eight investments. They are BankUnited, Bridge Capital Investment Holdings, CGB Asset Management, Manhattan Bancorp, MBSF holdings, Mission Community Bancorp, and Pacific Mercantile Bancorp. Total capital of the Fund's portfolio banks currently equaled totaled $424 million. On a consolidated basis, the Fund believes it is well positioned for future growth both organically and through opportunistic acquisitions.

Energy Investors - US Power Fund I
$1,807,231

The Energy Investors Fund Group (EIF) had a second quarter gross return for this fund, which is in liquidation mode, of 1.6%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, EIF had a total return of 4.3%. CCCERA has a 9.6% ownership interest in Fund I.

The Fund engaged in discussions with Gas Natural Inc. to renegotiate the terms that restricted the sale by the Fund of its Gas Natural Inc. stock. The Fund began selling its Gas Natural Inc. stock upon the expiration of the SEC imposed holding period in late March 2013. The Fund is presently formulating a stock disposition strategy with the goal of maximizing value.

Energy Investors - US Power Fund II
$39,916,946

Energy Investors fund II had a second quarter gross return of 1.3% for US Power Fund II. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund returned -3.0%. CCCERA has a 19.7% ownership interest in USPF-II.

The Fund’s fair value is at $198.6million, an increase of approximately $3.5 million in the first quarter of 2013. This net $3.5 million increase relates to the Burney project. Burney successfully closed on a term loan and letter of credit in March.

Energy Investors - US Power Fund III
$49,849,382

The EIF USPF III fund had a second quarter gross return of 4.7%. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund has returned 8.4%. CCCERA has a 6.9% ownership interest in USPF-III.

The Fund’s portfolio generated $22.2 million of cash flow in the quarter, more than twice the budgeted $10.4 million. The Fund used the cash flow primarily for short term working capital needs and, as a result did not make cash distribution. In the quarter, the Fund’s investments at fair value increased by a net $58.5 million in the first quarter, a $31.8 million fair value increased from Astoria II project and $26.7 million of incremental investments in six existing projects, primarily Newark Energy $14.8 million and Pio Pico $10.6 million.

Energy Investors – US Power Fund IV
$9,211,404

The EIF USPF IV had a second quarter gross return of 3.0%. (Performance lags by one quarter due to financial reporting constraints). Over the past year, the fund has returned -0.3%. CCCERA has a 6.8% ownership interest in USPF-III.

The fund distributed $9.4 million to its investors in the first quarter of 2013, of which $6.8 million represents operating income received from the Fund’s Calypso, $1.6 from Allegheny and $1.0 million from EIF

Renewable Holdings investments. The Fund's portfolio at fair value increased by $55.1 million, from $461.7 million to $516.8 million.

Nogales Investors Fund I
$2,762,412

The Nogales Investors Fund I had a gross return of -0.1% in the quarter ended June 30, 2013. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, Nogales has returned 20.7%. CCCERA has commitments of $15 million, which is 15.2% of the fund.

Oaktree Private Investment Fund 2009
$36,075,348

The Oaktree PIF 2009 Fund was funded on February 18, 2010 with a commitment of $40.0 million and an initial investment of $7.0 million. The Oaktree PIF 2009 Fund had a gross return of 5.9% in the second quarter ended June 30, 2013. (Performance lags by one quarter due to financial reporting constraints.)

The limited partners have committed total capital of $138,100,000, of which $120,155,692 (or 87.0% of committed capital) has been drawn as of June 30, 2013.The capital commitments that the Fund makes to the underlying Funds will be allocated 60% to Opps VII, 30% to PF V and 10% to Mezz III.

Paladin Fund III
$15,745,107

Paladin Fund III returned 1.9% for the quarter ended June 30, 2013. (Performance lags by one quarter due to financial reporting constraints.) Over the past year, the fund has returned 10.0%.

The Fund reported $66.3 million of Partners' Capital. The $66.3 million of assets consisted of the Fund's investments in Adapx, Unitrends, Quantalife, Luminus Devices, BA-Insight, Damballa, CypberCore Holding, Fixmo, NewLANS, Rebel Partners East, WiSpry, Modius, Digital Bridge Communications, Renewable Energy Products, Phishme, 10x Technologies, Endgame Systems, Paladin Biodiesel I, Vital Renewable Energy Products (VREC), Paladin Ethanol Acquisition, BuildingIQ, Racemi and Royalty Pharma.

Pathway Private Equity Fund
$88,559,070

The combined Pathway Private Equity Fund (PPEF), Pathway Private Equity Fund 2008 (PPEF 2008) and Pathway Private Equity Fund Investors 6 had a combined second quarter return of 4.3%. (Performance lags by one quarter due to financial reporting constraints.) For the one-year period, Pathway returned 9.9%.

The Fund's contain a mixture of acquisition-related, venture capital, and other special equity investments. As of June 30, 2013, CCCERA has committed $225 million to four separate equity funds of funds, including $70 million commitment to Pathway Private Fund Investors 7 LP made in the second quarter of 2013.

DEFINITIONS

Alpha – Alpha is a measure of value added after adjusting for risk. Beta is the measure of risk used in the calculation of alpha, so the accuracy of alpha is dependent on the accuracy of beta. Alpha is the difference between the manager's return and what one would expect the manager to return after adjusting for the amount of risk taken. Mathematically, Alpha = Portfolio Return - Risk Free Rate - Beta * (Market Return - Risk Free Rate); $\alpha = r_p - r_f - ß(r_m - r_f)$. A positive alpha is an indication of value added.

Asset Backed Security (ABS) – A fixed income security which has specifically pledged collateral such as car loans, credit card receivables, lease loans, etc.

Average Capitalization – Average capitalization is the sum of the capitalization of each stock in the portfolio divided by the number of stocks in the portfolio.

Barbell – A barbell yield curve strategy is a portfolio made up of long term and short term bonds with nothing (or very little) in between. This strategy performs well during periods when the yield curve flattens.

Beta – Beta is a measure of risk for domestic equities. The market has a beta of 1. A manager with a beta above 1 exhibits more risk than the market, while a manager with a beta below 1 is less risky than the market.

Bullet – A bullet yield curve strategy focuses on the intermediate area of the yield curve. This strategy performs well during periods when the yield curve steepens.

Collateralized Mortgage Obligation (CMO) – A CMO is a security backed by a pool of pass through securities and/or mortgages. Since CMOs derive their cash flow from the underlying mortgage collateral, they are referred to as derivatives. CMOs are structured so there are several classes of bondholders with varying stated maturities and varying certainty of the timing of cash flows.

Consumer Price Index – The Consumer Price Index is an indicator of the general level of prices. It attempts to compare the cost of purchasing a market basket of goods purchased by a typical consumer during a specific period with the cost of purchasing the same market basket of goods during an earlier period.

Coupon – The coupon rate is the annual coupon (i.e. interest) payment value divided by the par value of the bond.

Diversifiable Risk – Diversifiable risk – also known as specific risk, non-market risk and residual risk – is the risk of a portfolio that can be diversified away.

Duration – Duration is a weighted average maturity, expressed in years. All coupon and principal payments are weighted by the present value term for the expected time of payment. Duration is a measure of sensitivity to changes in interest rates with a longer duration indicating a greater sensitivity to changes in interest rates.

Dividend Yield – Dividend yield is calculated on common stock holdings, and is the ratio of the last twelve months dividend payments as a percentage of the most recent quarter-ending stock market value.

Growth Sector – Growth sectors are referred to in the Portfolio Profile Report (PPR) in our quarterly reports. The market is divided into five growth sectors based on the forecast of the fifth year growth rate in earnings per share. The PPR reports what portion of a manager's (or the composite's) portfolio is invested in stocks in each growth sector.

Interest Only Strip (IO) – An IO is a type of CMO that gets its cash flows from interest payments only. IOS benefit from a slowing in prepayments (i.e. interest rates rise) and under-perform in an accelerating prepayment environment (i.e. interest rates decline). IOS can be very volatile, but can offset volatility in the overall portfolio.

Market Capitalization - Market capitalization is a company's market value, or closing price times the number of shares outstanding.

Maturity – The maturity for an individual bond is calculated as the number of years until principal is paid. For a portfolio of bonds, the maturity is a weighted average maturity, where the weighting factors are the individual security's percentage of the total portfolio.

Median Manager – The median manager is the manager with the middle return when returns are ranked from high to low. Half of the managers will have a higher return and half will have a lower return.

Mortgage Pass Through – A mortgage pass through is a security which “passes through” to the holder the interest and principal payments on a group of mortgages.

Percentile Rank – A manager's rank signifies the percentage of managers in the universe performing better than the manager. For example, a manager with a rank of 10 means that only 10% of managers had returns greater than the managers over the period of measurement. Likewise, a rank of 50 (i.e. the median manager) indicates that 50% of managers in the universe did better and 50% did worse.

Planned Amortization Class (PAC) – A PAC is a type of CMO with the cash flows set up to be fairly certain. PACS appeal to investors who want more certain cash flow payments from a mortgage security than provided by the underlying collateral.

Price/Book Value – The price/book value for an individual common stock is the stock's price divided by book value per share. Book value per share is the company's common stockholder’s equity divided by the number of common shares outstanding.

Price/Earnings Ratio (P/E) – The P/E ratio of a common stock's price divided by earnings per share. The ratio is used as a valuation technique employed by investment managers.

Principal Only Strip (PO) – A PO is a type of CMO that gets its cash flows from principal payments only. POS are sold at a discount and perform well if prepayments come in faster than expected (i.e. interest rates decrease) and extend and perform poorly if prepayments come in slower than expected (i.e. interest rates rise).

Quality – Quality relates to the credit risk of a bond (i.e. the issuer's ability to pay). Quality is most relevant for corporate bonds. Several rating organizations publish ratings of bonds including Moody's and Standard & Poor's. AAA is the highest quality rating, followed by AA+, AA, AA-, A+, A, A- and then BBB+, BBB, BBB-, BB+, BB, BB-, etc. Bonds rated above BBB- are said to be of investment grade.

R^2 (R Squared) – R^2 is a measure of how well a manager moves with the market. If a manager's performance closely tracks that of the market, the R^2 will be close to 1. Broadly diversified managers have an R^2 of 0.90 or greater, while the R^2 of un-diversified managers will be lower.

Return On Equity – The return on equity for a common stock is the annual net income divided by total common stockholders' equity.

Standard Deviation – Standard deviation is the degree of variability of a time series, such as quarterly returns, relative to the average. Standard deviation measures the volatility of the time series.

Weighted Capitalization – Weighted capitalization is the sum of the capitalization of each stock in the portfolio weighted by its percentage of the portfolio.

Yield to Maturity – The yield to maturity is the discount rate that equates the present value of cash flows (coupons and principal) to the market price taking into account the time value of money.

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International Value Equity Manager Search
Semi-Finalist Report

For

Contra Costa County
Employees' Retirement Association

September 11, 2013

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(415) 403-1333

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Search Overview

On May 22, 2013, the Board terminated GMO as the manager of the international value equity portfolio after a period of prolonged underperformance. At that meeting, the Board authorized a search to find a replacement manager. Assets that have been in the GMO product are being held in a passively managed index offered by State Street Bank until a replacement manager is selected.

In order to identify candidates, Milliman conducted a number of screens of the eVestment manager database and identified the firms that are best suited to manage an international value equity mandate for CCCERA. We ultimately identified 13 firms as reasonable candidates, and issued comprehensive questionnaires to that group on June 12, 2013.

Manager Search Process

It was Milliman's intention to cast a wide net at the outset of this search to identify all reasonable candidates. The screens we used to identify candidate firms from the eVestment Alliance Database are shown below:

• Product classified as international value equity	Firms: 116	Products: 157
• Product assets of at least $500 million	Firms: 63	Products: 86
• 3Yr Performance above the ACWI ex-US Value Index	Firms: 50	Products: 69
• 5Yr Performance above the ACWI ex-US Value Index	Firms: 43	Products: 55
• 5Yr Information Ratio above asset class median	Firms: 27	Products: 31

Within the final screened group of 31 products, there were five products focused exclusively on international small cap, five closed products, and one product that as a part of the investment process excluded emerging markets. These eleven products were removed from consideration.

We then reviewed the offerings of firms that had several products, and selected the best performing, and most relevant ones. This eliminated two products from Lazard Asset Management that were focused on developed markets instead of developed plus emerging markets. Analysis of managers' characteristics as included in eVestment enabled us to eliminate five more products before issuing RFPs to the final list of thirteen candidates.

The 13 firms that received RFPs were:

	Firm	Product Name
1	Allianz Global Investors	NFJ International Value
2	Altrinsic Global Advisors	International Equity
3	First Eagle Investment Management	International Value Equity
4	Harris Associates	International
5	Lazard Investment Management	International Equity Plus (ACWI ex-US)
6	LSV Asset Management	International Large Cap Value Equity
7	Manulife Asset Management	International Value
8	MFS Investment Management	International Value Equity
9	Northern Cross	EAFE Equity
10	Polaris Capital Management	International Equity
11	Pyrford International	International Equity
12	Schroders Investment Management	QEP Global (ex-US) Value
13	Thomas White International	International Equity

We distributed questionnaires to this group of 13 candidates on June 12, 2013. Two firms chose not to participate in the search. Harris Associates chose not to respond because its product has reached capacity and First Eagle because it felt its product had too much overlap with the Global Equity product it already manages for CCCERA. Responses were received on July 15, 2013. Milliman reviewed all 11 responses and held conference calls with candidates for which we had questions. Six firms were ultimately selected as semi-finalist candidates:

	Firm	Product
1	Allianz Global Investors	NFJ International Value
2	Lazard Investment Management	International Equity Plus (ACWI ex-US)
3	Manulife Asset Management	International Value
4	MFS Investment Management	International Value Equity
5	Pyrford International	International Equity
6	Schroders Investment Management	QEP Global (ex-US) Value

The firms that were eliminated and the reason each was dropped are outlined below:

	Firm	Reason for Exclusion
1	Altrinsic Global Investors	Inconsistent performance on a rolling basis
2	LSV Asset Management	Weaker of the two quantative managers on the list
3	Northern Cross	Structural/decision making process issues, not comfortable with succession plan of senior members
4	Polaris Capital Management	Key employee risk, with small asset base
5	Thomas White International	Key employee risk, concentrated ownership structure

We will be prepared to discuss the semi-finalist candidates in detail at the September 11, 2013 meeting and to answer any questions at that time.

The following pages outline the pros and cons, product characteristics and the investment process characteristics of each strategy. We display the cumulative and annual historical performance for each of the semi-finalist managers as of June 30, 2013 compared to the MSCI All Country World Index ex-US Value. (All performance data is stated on a gross of fees basis.) We provide risk characteristics for each manager versus the index over the past three and five years and risk-reward analyses over the trailing three, five, seven and ten-year periods. Returns-based style analyses for each of the six managers under consideration are included. Next we included summaries of each firm's questionnaire response. Finally, we include a number of historic rolling measures: returns, standard deviation, downside and upside capture.

Pros and Cons

Firm	Pros	Cons
Allianz Global Advisors	• Product Emerging Markets weight of 19.5% as of June 30,2013 • Very strong growth in product assets, over $6 billion in new product assets in the past five years • Large, experienced product team with 6 portfolio managers (dual role as analysts) • Fundamental, bottom up stock selection with extensive due diligence • Very low turnover in portfolio holdings • Team approach mitigates key person risk, much more process driven • High conviction of 40-60 stocks	• Poor year to date performance • The firm is owned by an investment holding company that has other boutique investment firms as subsidiaries • Investable universe consists of all stocks in the Bloomberg ADR universe but will overweight EM, up to a maximum of 50% of the portfolio
Lazard Asset Management	• Recent, large account gains • Most of the outperformance for the 13 year record has been generated in the past two years. • Fundamental stock pickers, with focus on franchise characteristics • The fund outperformed the MSCI ACWI ex-US benchmark during the financial crisis in 2008 • No employees have left the firm in the past five years • Portfolio size of 60-80 stocks • Product market cap allocation is well spread through the market cap spectrum	• Significantly higher tracking error than peers • May be reaching capacity in product with $7-8 billion assets under management
Manulife Asset Management	• Own by Manulife Financial Corporation, one of the world's leading financial services group • Lead PM has long experience • Total assets under management grew from $94 billion 12/2008 to $248 billion now. This product grew from $33 million in 12/2008 to $880	• Only 6 accounts • Low emerging markets weight of 3.6%, the historical average has been 3-8% • Somewhat high investment employee turnover

	million in 06/2013.The largest client portfolio size is $389 million • Highest information ratio of candidate firms over the trailing three year period • Stock selection based on quality of management strength and financials	
MFS Investment Management	• Product has grown from assets of $998 million to $14,831 billion over the last 5 years • Only 1 account lost in the last 5 years • The global equity strategy is led by 3 portfolio managers with an average of 20 years of experience, and an equity research platform of 62 investment professionals. • Low investment turnover during the past 3 years suggests a longer-term investment horizon. • Style bias towards both quality and value • Bottom up thematic approach • Focus on downside protection • Impressive and consistent outperformance	• $14.8 billion in asset under management ($10 billion is in a mutual fund) • Have had litigation issues – late trading, now settled • Percentage of the portfolio invested in emerging market is 3.3% • Only available through Collective Investment Trust Vehicle that is monthly valued, therefore cash flows can only occur on a monthly basis • Prefers to use the MSCI EAFE Value Index as a performance benchmark, not ACWI ex-US Value Index
Pryford International	• Low beta strategy, good downside protection • Product assets have grown substantially in the last three years, with over $700 million in new assets in 1st half of 2013 • Product assets of $3.1 billion make up a meaningful portion of the firm's $8.8 billion asset under management, this would indicate that this product is a very high priority for the firm • Product team consists of 9 portfolio managers • Country allocations are based upon a forward (5 year) estimate of country	• Prefers MSCI EAFE Index as benchmark • Has hard time keeping up in rising markets (less than 100% upside market capture over the trailing three years) • Historically low allocation to EM (6.5%-7.7%), capped at 20% • Focus on large cap, but currently 25% of portfolio is mid cap or smaller, and there are no hard allocation bands based on capitalization size

	level earnings per share (EPS) growth which is then related to the country' market valuation as evidenced by the average dividend yield • Fees of 43 basis points for separate account, or 60 basis points for a commingled fund (includes custody charges, custody at State Street Bank & Trust)	
Schroders Investment Management	• Second highest 3yr information ratio of candidate firms • Quantitative, fundamental bottom up approach that delivers a large portfolio of over 500 stocks (there is no maximum number of stocks, average number is 753, current number is 1460) • Process aims to blend facets of value and quality investing • Not index constrained, able to go anywhere but the US, across the entire cap spectrum • Fee for $300 million account is 55bps for separate account, 53bps for a commingled fund (would be seed investor, estimated annual operating expenses of 15bps, for a total fee of 68bps) • No hard cap on capitalization weightings, can invest any portion of the portfolio at any cap level	• Upper limit of emerging markets weight is 20% • Smaller product with only $497 million in assets, but the International Value strategy is one of a group of strategies totaling $35 billion that is managed by the same team and investment process • The team is organized across three key functions: the portfolio implementation team is based in London and is responsible for the day-to-day management of client portfolios, as the research team is located in both London and Sydney and its members are responsible for researching new investment strategies and enhancing existing models. The product management team is located in London and key international offices oversee all aspects of client service and marketing

Product Comparison

Firm	Product Assets 6/30/13 ($MM)	Team Size (PM/ Analysts)	Expected Number of Holdings	Turnover Rate Range	Fee (bp) for $300 MM acct
Allianz	$8,646	6*	40-60	30-50%	57 (SA)
Lazard	$6,352	5*	60-80	30-50%	58 (SA)
Manulife	$879.9	3/3	100-130	20-40%	50 (SA)
MFS	$16,515	4*	80-100	30-40%	59 (CIT)
Pryford	$3,139	9*	60-95	15-40%	43 (SA) 60 (CF)
Schroders	$497.6	2/2	500+	101-200%	55 (SA) 53 (CF)

* Also act as analyst

MM	Millions
PM	Portfolio Managers
bp	Basis points – hundredths of 1%
SA	Separate account
CF	Commingled Fund
CIT	Collective Investment Trust

Process Comparison

Firm	Currency Hedging	Emerging Markets Limit	Style Bias
Allianz	• Not used	• Up to 50%	• Value
Lazard	• Not used	• Up to 10 %	• Value
Manulife	• Not used	• Up to 10%	• Value
MFS	• Not used	• Up to 15%	• Value
Pyrford	• Will hedge defensively	• Up to 20%	• Value
Schroders	• Will hedge to reduce currency exposure	• Up to 20%	• Value

Performance of Semi-Finalist Managers
International Value Equity Search
Performance through June 30, 2013

Firm	MRQ	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Allianz	-4.49	13.71	2.23	10.43	11.49	0.38	5.78	13.30
Lazard	-2.12	15.40	3.07	11.29	11.34	2.80	4.28	9.94
Manulife	-1.97	14.43	0.65	9.70	10.99	2.68	3.15	9.24
MFS	4.28	24.27	10.81	16.67	15.12	6.29	6.88	12.83
Pyrford	0.82	18.46	6.35	13.40	12.86	4.59	6.12	10.23
Schroders	-2.97	16.43	0.93	10.82	12.43	4.08	---	---
MSCI ACWI ex-US Value	-2.98	13.51	-1.55	7.84	8.31	-0.04	2.20	9.50

Note: Periods greater than 1 year are annualized

Active Returns vs. MSCI All Country World Index
Performance through June 30, 2013

Firm	MRQ	1 Yr	2 Yrs	3 Yrs	4 Yrs	5 Yrs	7 Yrs	10 Yrs
Allianz	-1.51	0.20	3.78	2.59	3.18	0.42	3.58	3.80
Lazard	0.86	1.89	4.62	3.45	3.03	2.84	2.08	0.44
Manulife	1.01	0.92	2.20	1.86	2.68	2.72	0.95	-0.26
MFS	7.26	10.76	12.36	8.83	6.81	6.33	4.68	3.33
Pyrford	3.80	4.95	7.90	5.56	4.55	4.63	3.92	0.73
Schroders	0.01	2.92	2.48	2.98	4.12	4.12	---	---

Note: Periods greater than 1 year are annualized

Performance of Semi-Finalist Managers (cont.)
Annual Performance
Year to Date Ending June 30, 2013

Firm	YTD	2012	2011	2010	2009	2008	2006	2007
Allianz	-0.68	22.05	-9.97	11.72	43.01	-44.28	28.89	32.39
Lazard	1.17	21.43	-9.01	11.35	33.68	-38.94	14.28	25.49
Manulife	1.18	18.81	-10.56	16.51	40.49	-42.86	7.79	27.44
MFS	13.11	17.26	-0.65	10.60	26.48	-30.85	8.76	30.24
Pyrford	5.40	17.19	-1.77	9.51	31.54	-32.91	10.13	27.95
Schroders	1.42	20.02	-11.39	18.17	55.94	-44.93	11.90	---
MSCI ACWI ex-US Value	-1.10	17.68	-12.71	8.40	45.14	-45.10	12.87	30.41

Annual Performance Active Returns vs. MSCI All Country World Index
Year to Date Ending June 30, 2013

Firm	YTD	2012	2011	2010	2009	2008	2006	2007
Allianz	0.42	4.37	2.74	3.32	-2.13	0.82	16.02	1.98
Lazard	2.27	3.75	3.70	2.95	-11.46	6.16	1.41	-4.92
Manulife	2.28	1.13	2.15	8.11	-4.65	2.24	-5.08	-2.97
MFS	14.21	-0.42	12.06	2.20	-18.66	14.25	-4.11	-0.17
Pyrford	6.50	-0.49	10.94	1.11	-13.60	12.19	-2.74	-2.46
Schroders	2.52	2.34	1.32	9.77	10.80	0.17	-0.97	---

Risk Analysis of Semi-Finalist Managers

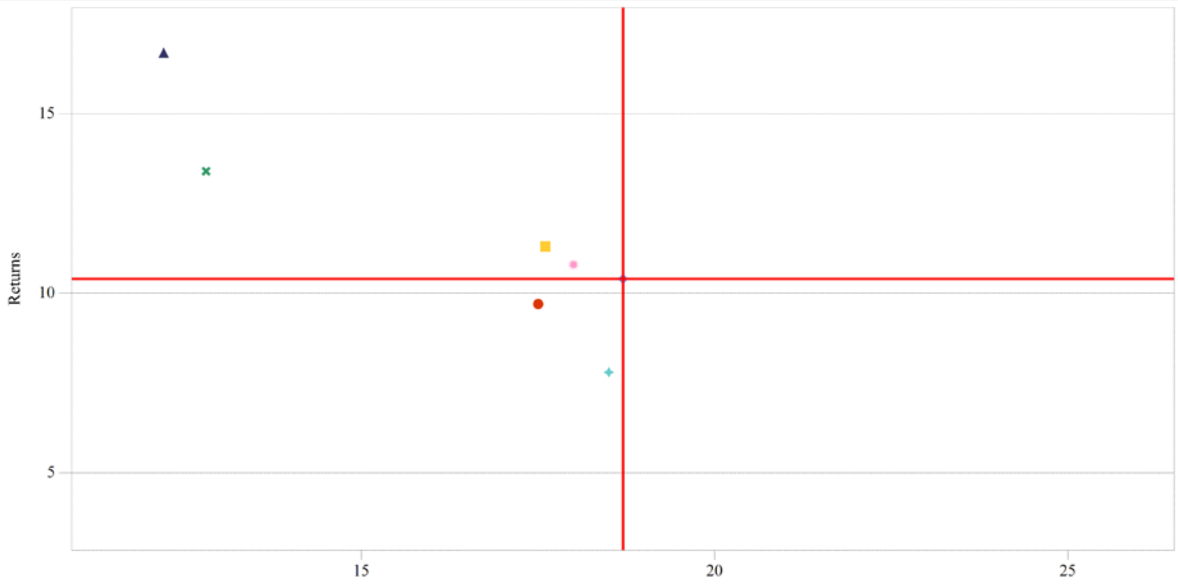
Performance Statistics
Annualized Three Years
Periods Ending June 30, 2013

Firm	Excess	Std Dev	Trk Err	Info	Sharpe	Alpha	Beta	R-Sqr
Allianz	2.59	18.71	3.04	0.85	0.55	2.49	1.00	0.97
Lazard	3.45	17.60	3.30	1.05	0.64	3.66	0.94	0.97
Manulife	1.86	17.46	1.78	1.04	0.55	2.12	0.94	0.99
MFS	8.83	12.23	8.76	1.01	1.36	11.25	0.61	0.84
Pyrford	5.55	12.76	6.42	0.86	1.04	7.46	0.68	0.96
Schroders	2.98	18.03	2.41	1.24	0.60	3.02	0.97	0.98
MSCI ACWI ex-US Value	0.00	18.46	0.00	---	0.42	0.00	1.00	1.00

Performance Statistics
Annualized Five Years
Periods Ending June 30, 2013

Firm	Excess	Std Dev	Trk Err	Info	Sharpe	Alpha	Beta	R-Sqr
Allianz	0.42	27.14	4.92	0.09	0.01	0.52	0.96	0.97
Lazard	2.84	23.86	5.79	0.49	0.11	2.43	0.84	0.97
Manulife	2.72	25.87	3.63	0.75	0.09	2.51	0.92	0.99
MFS	6.33	21.33	9.64	0.66	0.28	5.74	0.73	0.92
Pyrford	4.64	20.44	8.51	0.54	0.21	3.93	0.72	0.97
Schroders	4.12	28.63	3.27	1.26	0.13	4.17	1.02	0.99
MSCI ACWI ex-US Value	0.00	27.95	0.00	---	-0.01	0.00	1.00	1.00

Risk – Return Analysis
3 Years ending June 30, 2013



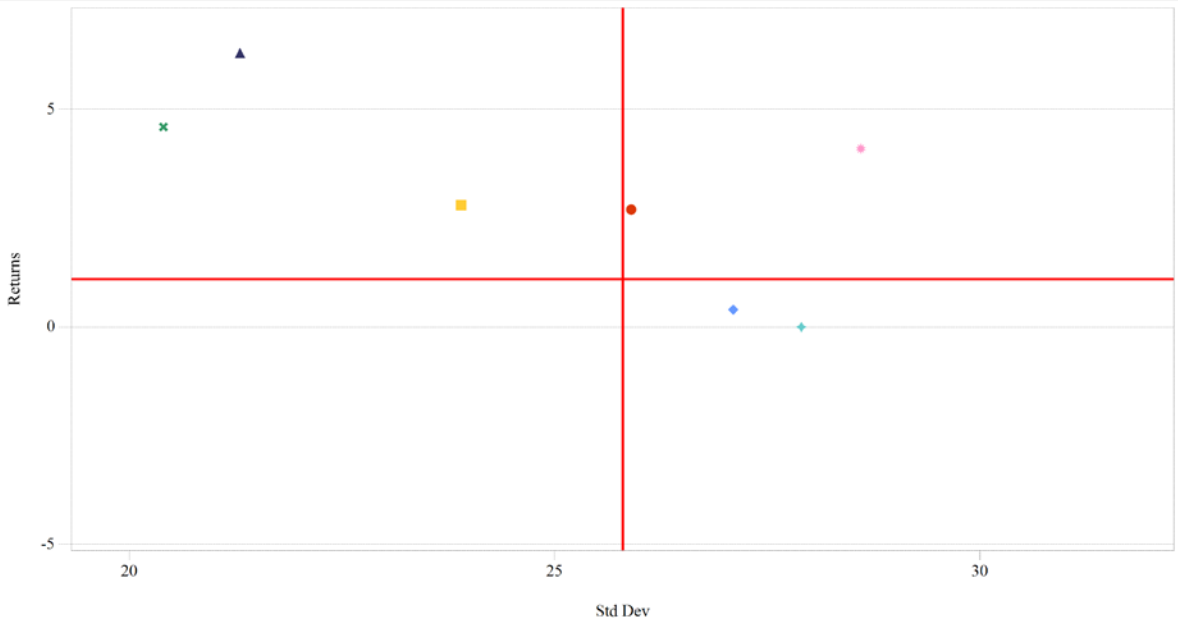
Universe: eVestment ACWI ex-US Value Equity

As Of: June 30, 2013
3 Years

	Returns	Std Dev
Allianz Global Investors U.S. LLC	10.4	18.7
Lazard Asset Management LLC	11.3	17.6
Manulife Asset Management	9.7	17.5
MFS Investment Management	16.7	12.2
Pyrford International Ltd	13.4	12.8
Schroder Investment Management	10.8	18.0
MSCI Index	7.8	18.5
Universe Median	10.4	18.7

Results displayed in US Dollar (USD)

Risk – Return Analysis
5 Years ending June 30, 2013



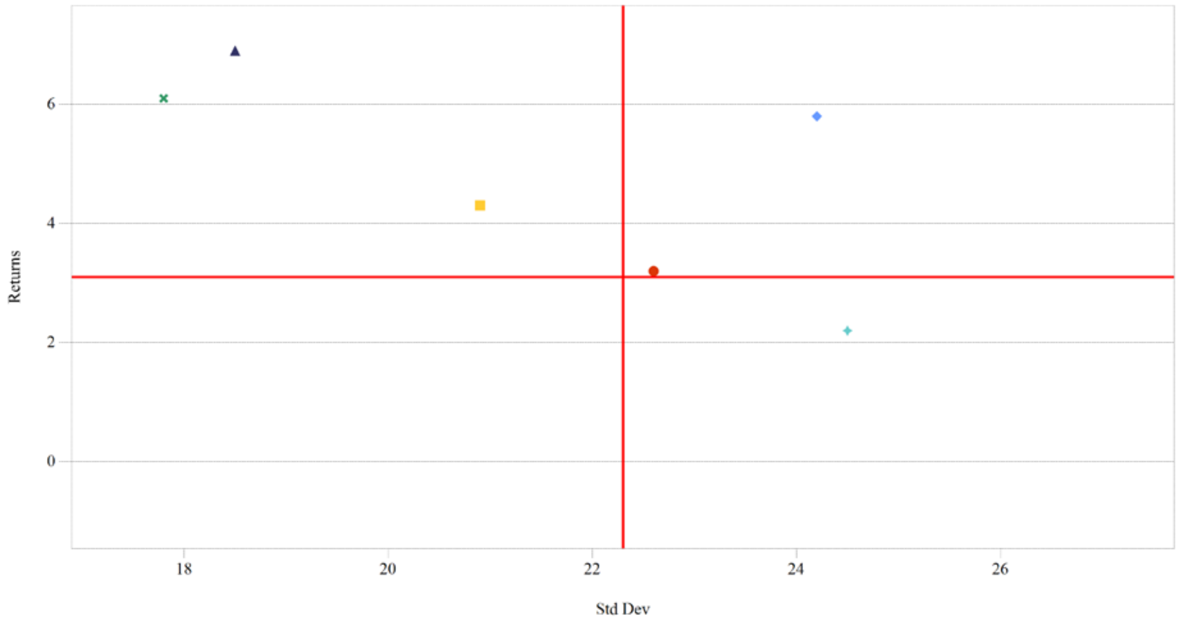
Universe: eVestment ACWI ex-US Value Equity

As Of: June 30, 2013
5 Years

	Returns	Std Dev
Allianz Global Investors U.S. LLC	0.4	27.1
Lazard Asset Management LLC	2.8	23.9
Manulife Asset Management	2.7	25.9
MFS Investment Management	6.3	21.3
Pyrford International Ltd	4.6	20.4
Schroder Investment Management	4.1	28.6
MSCI Index	0.0	27.9
Universe Median	1.1	25.8

Results displayed in US Dollar (USD)

Risk – Return Analysis
7 Years ending June 30, 2013



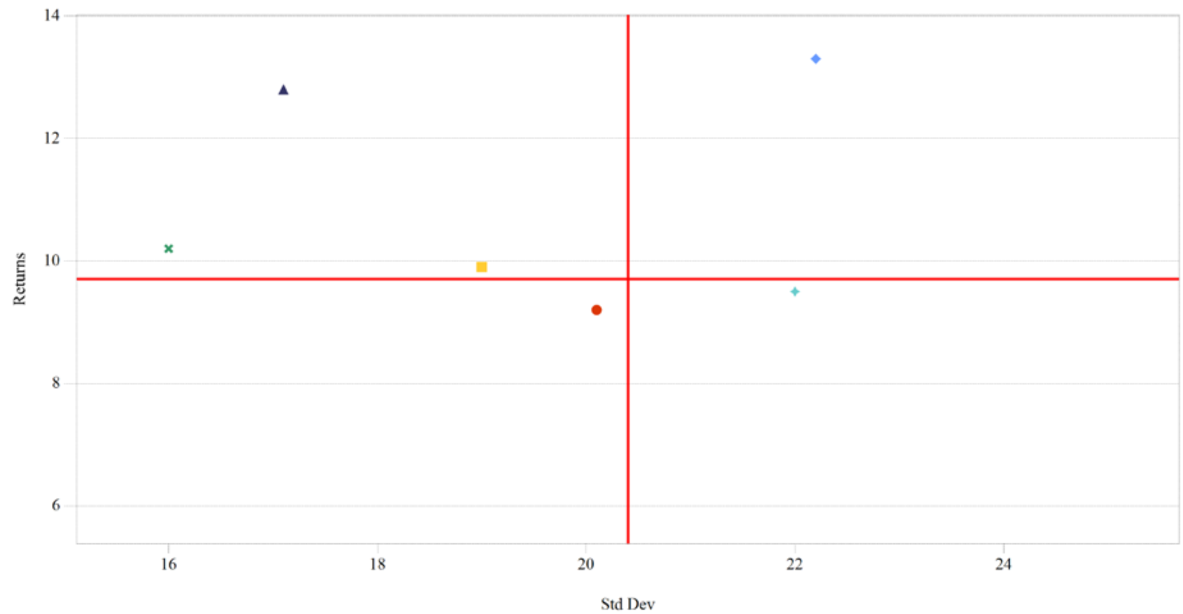
Universe: eVestment ACWI ex-US Value Equity

As Of: June 30, 2013
7 Years

	Returns	Std Dev
Allianz Global Investors U.S. LLC	5.8	24.2
Lazard Asset Management LLC	4.3	20.9
Manulife Asset Management	3.2	22.6
MFS Investment Management	6.9	18.5
Pyrford International Ltd	6.1	17.8
Schroder Investment Management	---	---
MSCI Index	2.2	24.5
Universe Median	3.1	22.3

Results displayed in US Dollar (USD)

Risk – Return Analysis
10 Years ending June 30, 2013



Universe: eVestment ACWI ex-US Value Equity

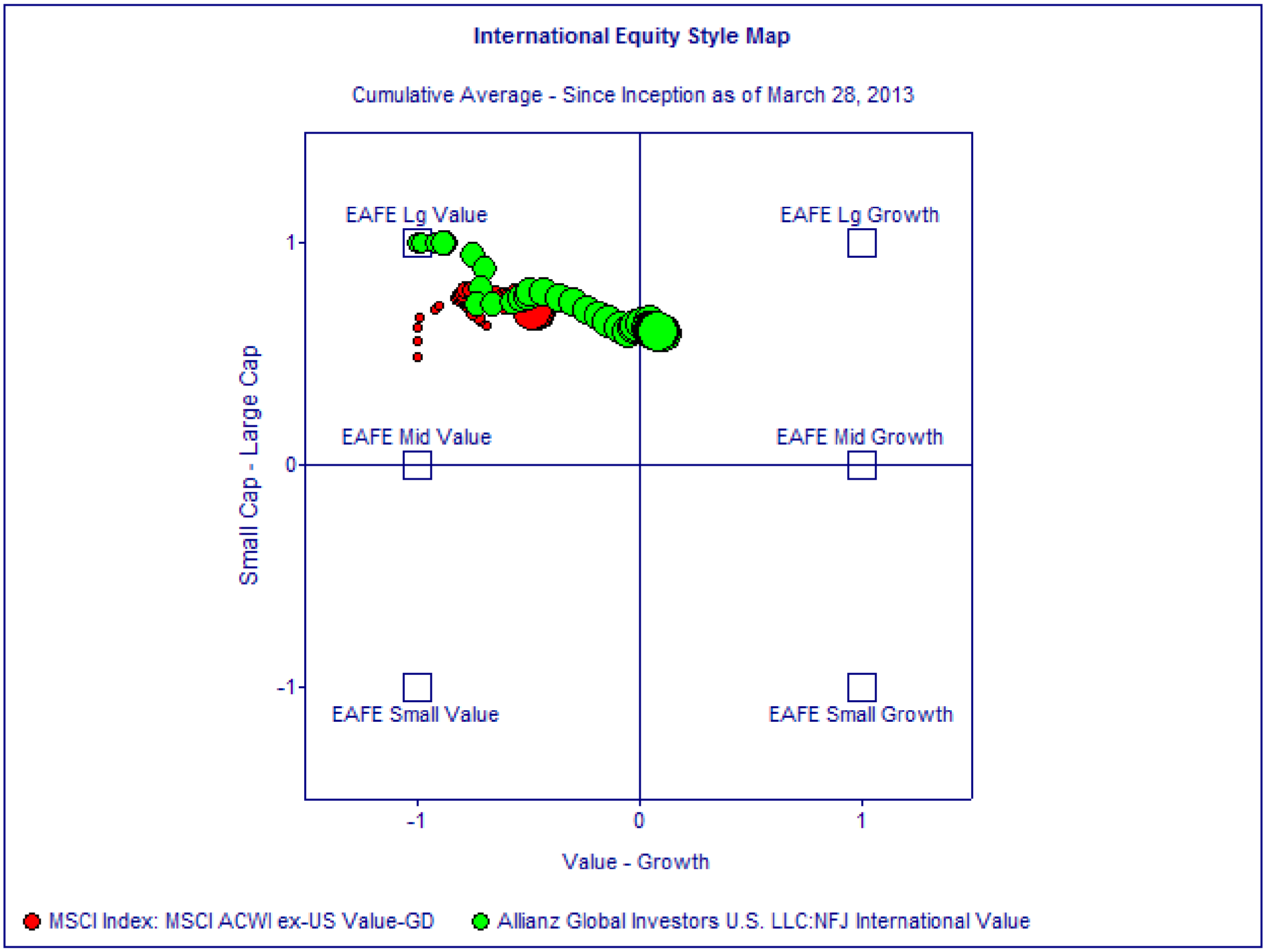
As Of: June 30, 2013
10 Years

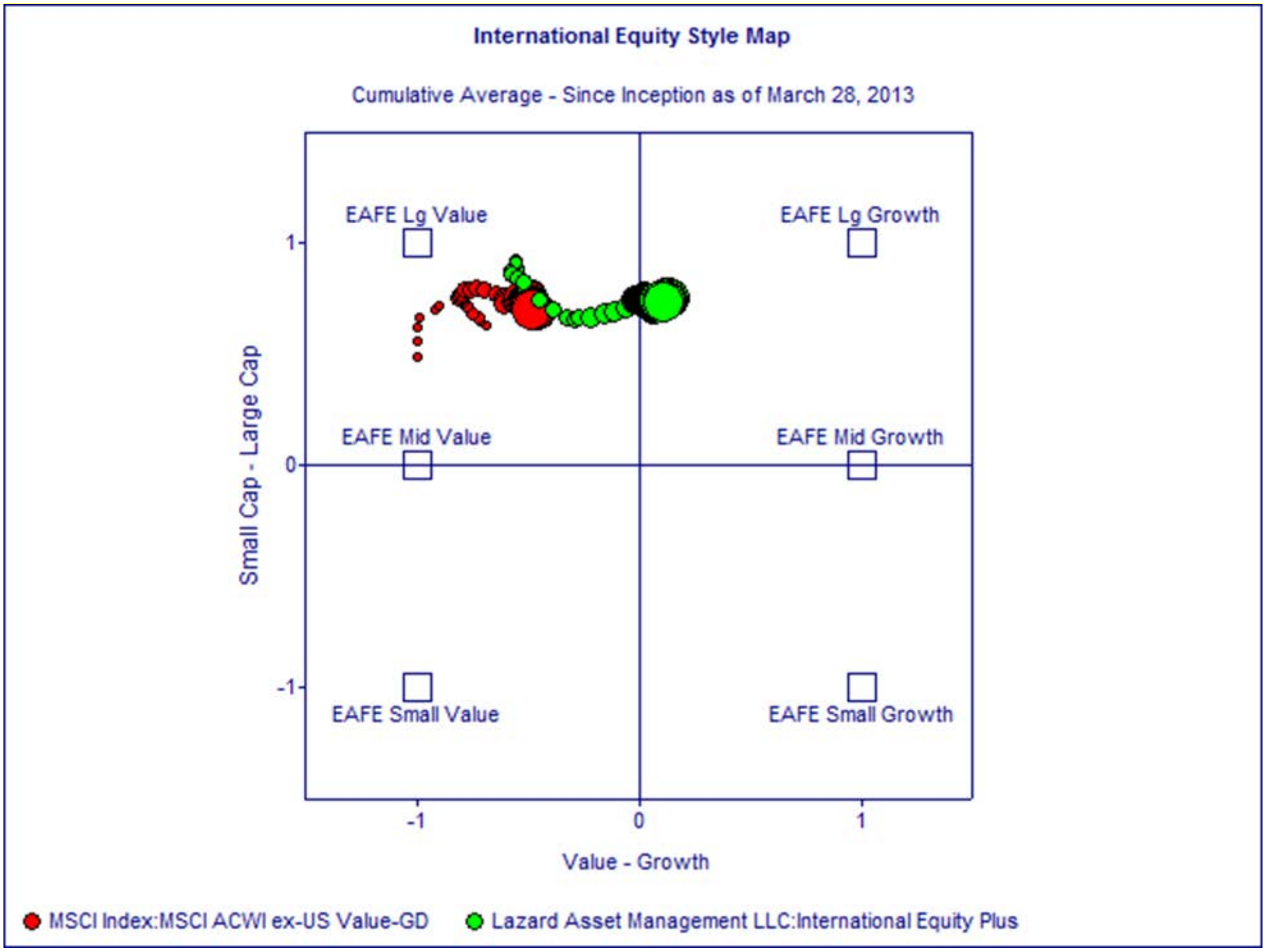
	Returns	Std Dev
Allianz Global Investors U.S. LLC	13.3	22.2
Lazard Asset Management LLC	9.9	19.0
Manulife Asset Management	9.2	20.1
MFS Investment Management	12.8	17.1
Pyrford International Ltd	10.2	16.0
Schroder Investment Management	---	---
MSCI Index	9.5	22.0
Universe Median	9.7	20.4

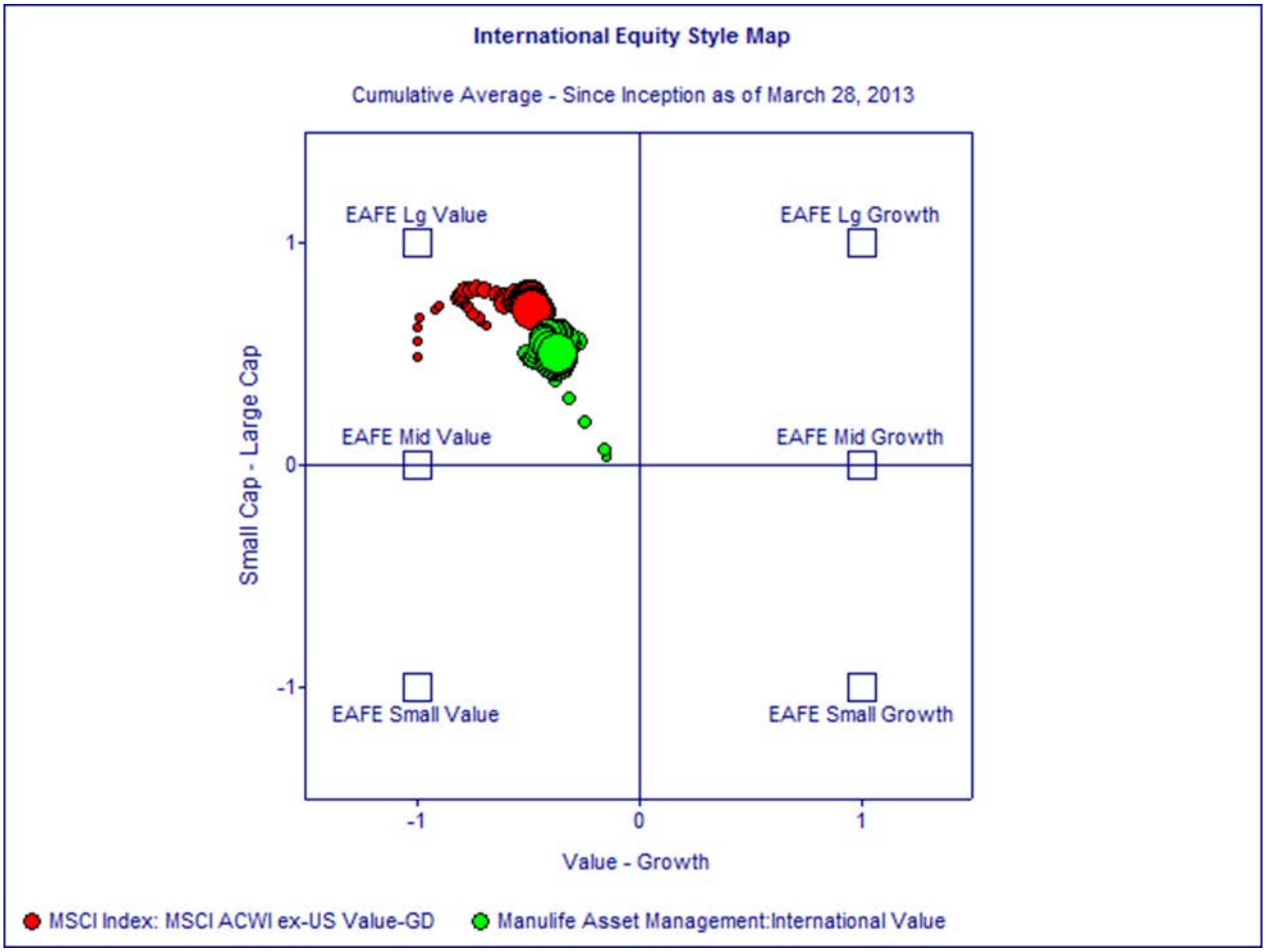
Results displayed in US Dollar (USD)

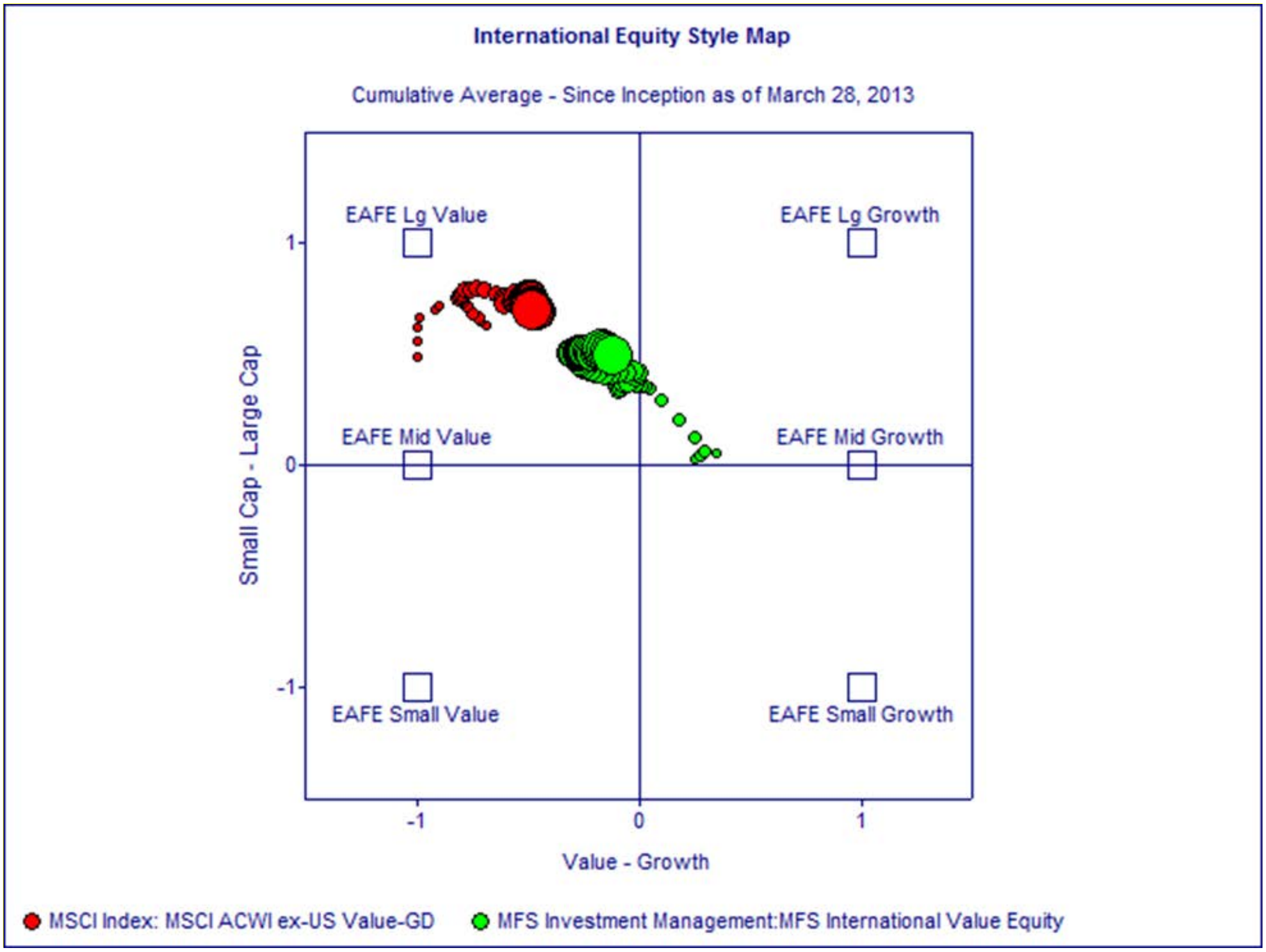
Return Based Style Analysis as of June 30, 2012

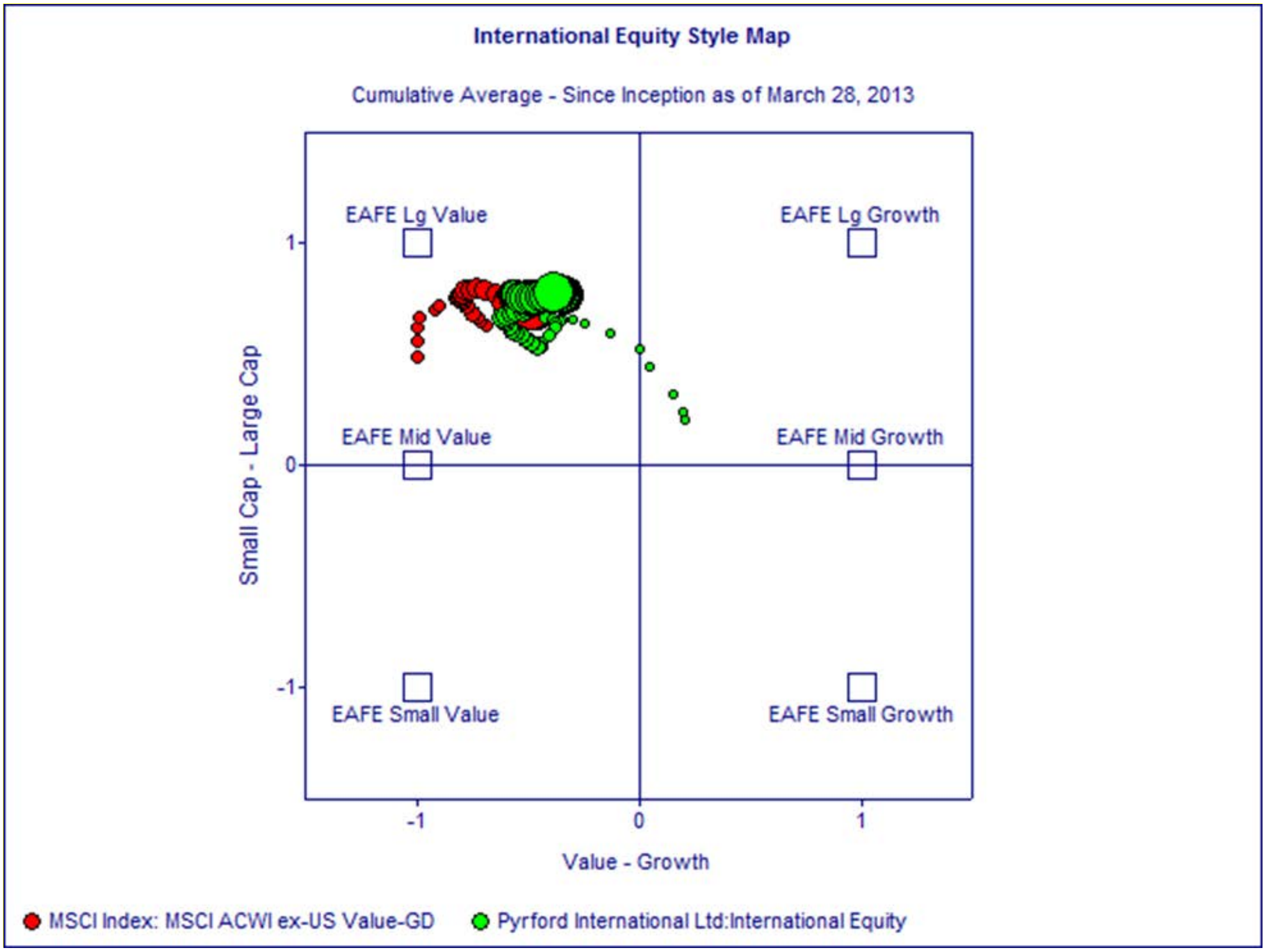
This graph shows the history of each manager's style. The larger the symbol, the more recent the period.

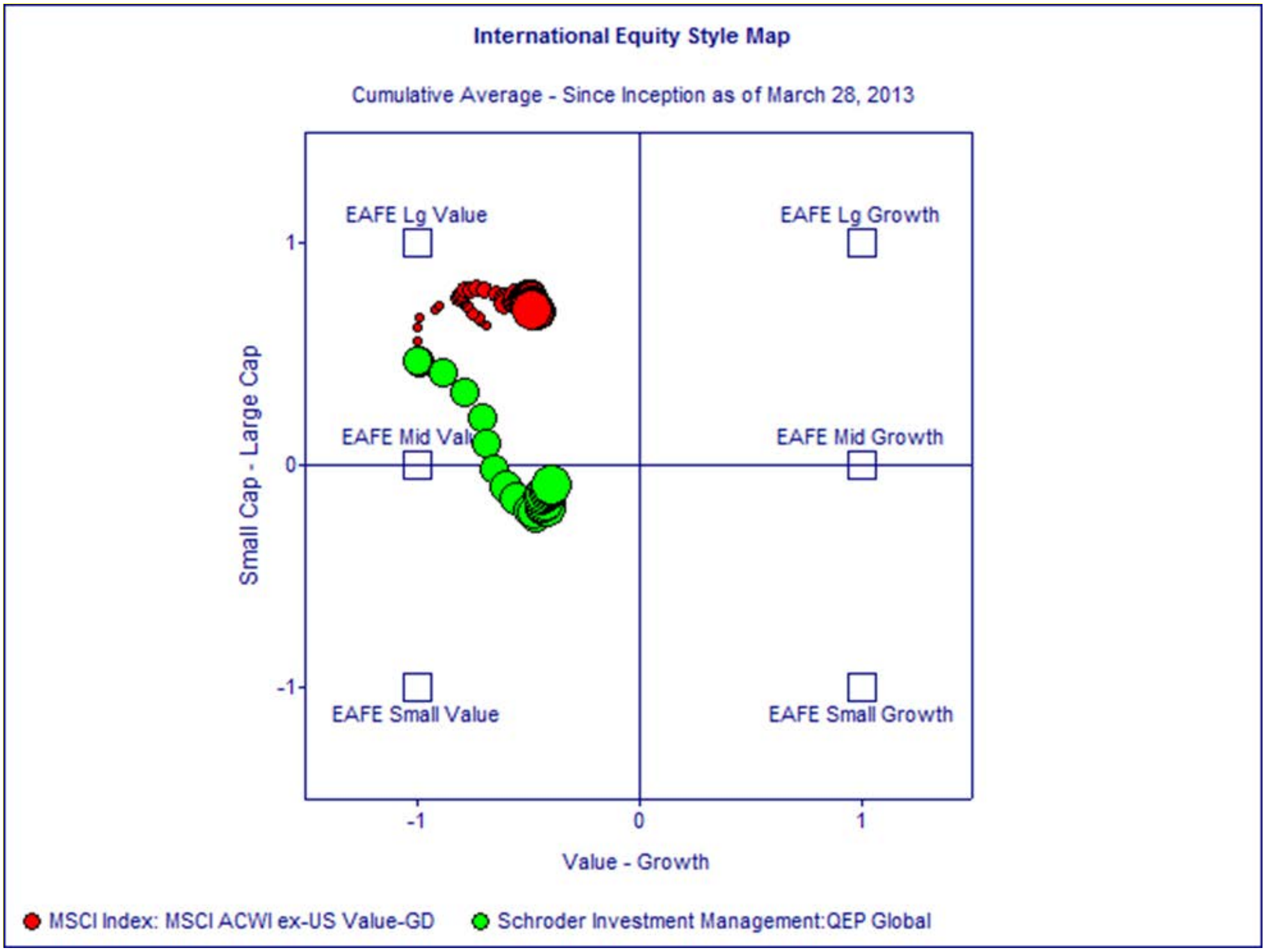



International Equity Style Map
Cumulative Average - Since Inception as of March 28, 2013
EAFE Lg Value
EAFE Lg Growth
EAFE Mid Value
EAFE Mid Growth
EAFE Small Value
EAFE Small Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
MSCI Index:MSCI ACWI ex-US Value-GD
Lazard Asset Management LLC:International Equity Plus

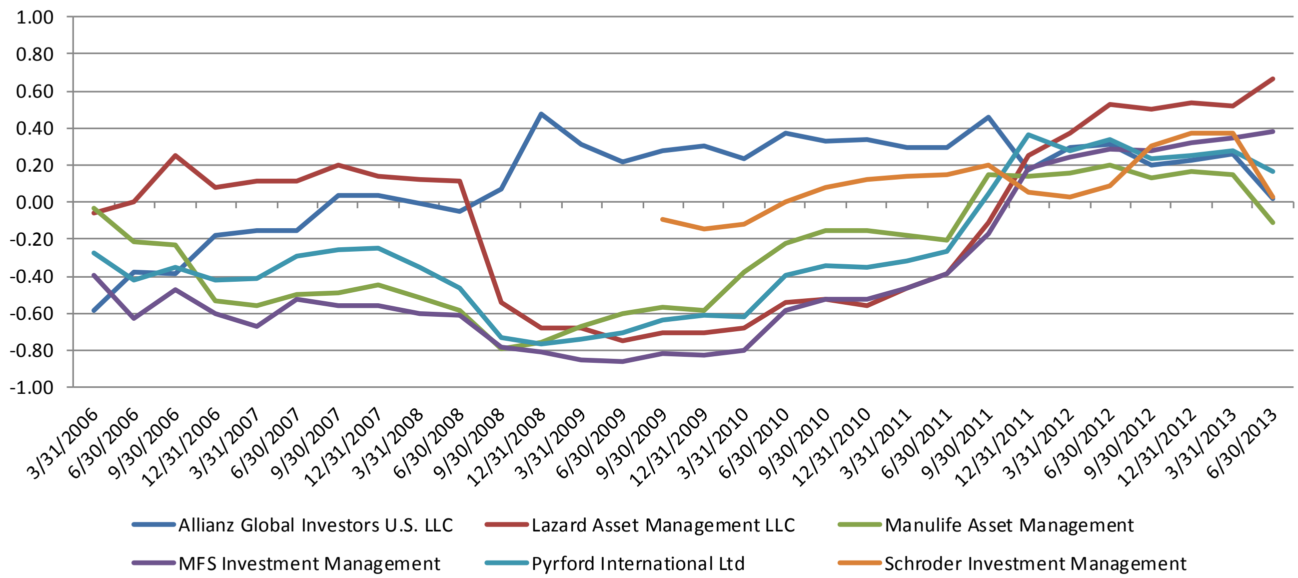

International Equity Style Map
Cumulative Average - Since Inception as of March 28, 2013
EAFE Lg Value
EAFE Lg Growth
EAFE Mid Value
EAFE Mid Growth
EAFE Small Value
EAFE Small Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
MSCI Index: MSCI ACWI ex-US Value-GD
Manulife Asset Management:International Value


International Equity Style Map
Cumulative Average - Since Inception as of March 28, 2013
EAFE Lg Value
EAFE Lg Growth
EAFE Mid Value
EAFE Mid Growth
EAFE Small Value
EAFE Small Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
MSCI Index: MSCI ACWI ex-US Value-GD
MFS Investment Management:MFS International Value Equity


International Equity Style Map
Cumulative Average - Since Inception as of March 28, 2013
EAFE Lg Value
EAFE Lg Growth
EAFE Mid Value
EAFE Mid Growth
EAFE Small Value
EAFE Small Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
MSCI Index: MSCI ACWI ex-US Value-GD
Pyrford International Ltd:International Equity


International Equity Style Map
Cumulative Average - Since Inception as of March 28, 2013
EAFE Lg Value
EAFE Lg Growth
EAFE Mid Val
EAFE Mid Growth
EAFE Small Value
EAFE Small Growth
Small Cap - Large Cap
Value - Growth
1
0
-1
-1
0
1
MSCI Index: MSCI ACWI ex-US Value-GD
Schroder Investment Management:QEP Global

Rolling 3-Year Excess Return Correlation to William Blair International Growth
vs. MSCI ACWI ex-USA



One key factor we are looking for is the ability of the manager to diversify against William Blair International Growth product. MFS, Lazard, Pyrford, and Manulife show negative correlations (which is good) in earlier periods, but correlations have risen recently. The correlation of the Allianz portfolio has been consistently higher than other candidate managers, and Schroder has had the most steady, low correlation to the William Blair product, albeit for a shorter time period than other candidate managers.

INTERNATIONAL VALUE EQUITY
INVESTMENT MANAGER QUESTIONNAIRE
As of June 30, 2013

Organizational Background

1. What is the firm name, address, and telephone and fax numbers of your main and branch offices? What investment activity takes place at each location?

NFJ Investment Group, LLC ("NFJ" or "the Firm"), an Allianz Global Investors company, is located in Dallas, TX where the firm's investment team manages a suite of value strategies. Additional support for areas including operations, client service, marketing, sales and legal & compliance are provided through the affiliation with Allianz Global Investors.

Contact information for NFJ's office is provided below:
2100 Ross Avenue, Suite 700
Dallas, TX 75201
Phone: (214) 754-1780
Fax: (214) 754-1798

2. What is the name, position, telephone and fax numbers, and e-mail address of the firm's new business contact and database/questionnaire contact?

	New Business Contact	Questionnaire Contact
Name	**Katherine A. Rich**	**Joseph Ackland**
Title	Managing Director, Senior Relationship Manager	RFP Associate
Office	600 West Broadway San Diego, CA 92101	555 Mission Street, 17th Floor San Francisco, CA 94105
Phone	(619) 687-2784	(415) 263-5219
Fax	(619) 687-8091	(415) 954-8200
Email	Kathy.Rich@allianzgi.com	Joseph.Ackland@allianzgi.com

3. When was your firm founded? When was it registered with the SEC?

NFJ is a wholly-owned subsidiary of Allianz Global Investors U.S. LLC ("AllianzGI US"), the U.S.-based asset management division of Allianz Global Investors. The development of the NFJ approach, a disciplined, low P/E investment process, took place during the mid-1970s, and was originally implemented in client portfolios during the early 1980s at the founders' prior place of employment (RepublicBank). In February 1989, Messrs, Najork, Fischer and Johnson, utilizing the discipline they developed, established a separate investment firm, NFJ Investment Group which was first registered as an adviser under the Investment Advisers Act of 1940 on January 31, 1989. Over the years, the portfolio management team has consistently implemented its process and has successfully adapted it across market regions and capitalization ranges.

As an integral part of the asset management division of one of the world's largest insurers, Allianz Global Investors' history is defined by more than 120 years managing assets and risk. Since their inception in 1998, they have developed distinct investment capabilities by focusing on areas that align their strengths with the needs of their clients. Today, they offer active investment strategies across equity, fixed income, alternative and multi-asset solutions with the ability to leverage a wide spectrum of global thought leadership.

4. Describe the firm's ownership structure and explain any changes over the past five years. Discuss the firm's relationship with the parent and affiliated companies, if any.

NFJ is a wholly-owned subsidiary of Allianz Global Investors U.S., LLC, which is a direct, wholly-owned subsidiary of Allianz Global Investors U.S. Holdings LLC, which in turn is directly owned by Allianz Asset Management of America L.P. and indirectly by Allianz SE, one of the world's largest insurance and financial services providers. Allianz SE is a publicly-owned corporation with shares listed on the German Zetra stock exchange (ticker: AZ).

There have not been any ownership changes over the past five years.

5. State the carriers and the limits of errors and omissions and fiduciary liability insurance.

Please see details of insurance coverage below:

Errors & Omissions	
Carrier	*Coverage*
St. Paul Mercury Insurance Co. Continental Casualty Insurance Co. Axis Insurance Co. XL Specialty Insurance Co. Federal Insurance Co. Ace American Insurance Co. Everest National Insurance Co.	$15 million $10 million $10 million $10 million $10 million $10 million $10 million Total: $75 million
Directors & Officers	
Carrier	*Coverage*
St. Paul Mercury Insurance Co. Continental Casualty Insurance Co. Axis Insurance Co. XL Specialty Insurance Co. Federal Insurance Co. Ace American Insurance Co. Everest National Insurance Co.	$15 million $10 million $10 million $10 million $10 million $10 million $10 million Total: $75 million
Fidelity Bond	
Carrier	*Coverage*
St. Paul Mercury Insurance Company Federal Insurance Company	$12.5 million $12.5 million Total $25 million

6. Describe any litigation regarding your firm's investment activities over the past 5 years. Is the firm expecting new litigation?

Relevant litigation over the past five years is as follows:

NFJ was named as a defendant in a suit brought by a client of a non-affiliated brokerage firm. The suit named multiple defendants, including NFJ, who have no direct client relationship with the plaintiff. In July of 2009, the individual investor sued a number of financial advisors, including NFJ Investment Group LLC, in connection with investment losses. The plaintiff asserted various causes of action based on the alleged unsuitability of investment recommendations made by her financial advisors. NFJ filed a response in September 2009 denying all allegations in the complaint on the basis that NFJ had no direct contractual or other obligations to defendant.

The litigation, which is now final, has had no material adverse impact on NFJ's business and/or the Firm's right or ability to act in capacity as an investment management firm.

To their knowledge, NFJ is not subject to any ongoing or pending regulatory action, litigation or legal proceedings.

7. Describe any judgments against your firm by governmental and regulatory agencies over the past 5 years. Also describe any current investigations.

   Please see previous response.

8. Please provide copies of your firm's Form ADV Parts I and II.

   Please refer to Attachments 1, 2, and 3 - "NFJ Form ADV Part 1, Part 2A and Part 2B" separately enclosed with this questionnaire.

9. Please state the market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

   Provided below are assets for NFJ, an Allianz Global Investors company, which is a diversified, active investment manager with more than $400 billion in assets (as of March 31, 2013).

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2008	$26,411.7	3	$728.3	5	$70.9
Dec 31, 2009	$30,003.2	9	$1,062.0	9	$488.9
Dec 31, 2010	$35,881.2	6	$2,268.6	4	$56.3
Dec 31, 2011	$33,668.8	6	$190.7	5	$168.7
Dec 31, 2012	$36,645.8	13	$521.9	-	-
June 30, 2013	$39,545.2	2	$87.7	7	$80.7

10. Please state the market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

   Provided below are assets for the NFJ International Value strategy.

	Specified International Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2008	$2,151.0	1	$28.0	-	-
Dec 31, 2009	$3,171.4	1	$56.9	-	-
Dec 31, 2010	$5,981.5	2	$380.0	-	-

Dec 31, 2011	$5,481.7	-	-	-	-
Dec 31, 2012	$8,196.5	9	$475.1	-	-
June 30, 2013	$8,646.1	1	$38.9	-	-

International Value Equity Investment Services

11. Please provide the name of the product described in the remainder of this response.

They are proposing the NFJ International Value Strategy ("the Strategy"). This is the recommended Strategy for Contra Costa County Employees Retirement Association's consideration. Details on the Strategy are described in the remainder of this questionnaire.

12. Provide the following information on the firm's key members of the international value equity portfolio management team: names, titles and responsibilities, years on the product (please note any changes in roles below), years with firm, and years of investment experience. Please provide biographies and an organization chart.

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Ben J. Fischer, CFA	Portfolio Manager/Analyst	10	23	46
Paul A. Magnuson	Portfolio Manager/Analyst	10	20	27
Thomas W. Oliver, CFA, CPA	Portfolio Manager/Analyst	7	7	17
R. Burns McKinney, CFA	Portfolio Manager/Analyst	6	6	15
L. Baxter Hines, CFA	Portfolio Manager/Analyst	4	4	7
John R. Mowrey	Portfolio Manager/Analyst	3*	6	6

**John R. Mowrey joined the NFJ International Value team in 2010.*

The NFJ International Value team ("the Team" or "the investment team") is comprised of six Portfolio Manager/Analysts who work collaboratively, though Ben J. Fischer, CFA is the team leader, who has ultimate responsibility for investment decisions. Mr. Fischer will consult, if reasonably practicable, with other members of the Team on each investment decision to be implemented across the investment strategy. In addition, other Portfolio Manager/Analysts on the Team may generate investment ideas and compile supplemental research. All members of the NFJ International Value team receive and monitor research reports and holdings for the investment strategy. Each member of the investment team serves as a generalist. Each Portfolio Manager/Analyst has both research and portfolio management responsibilities. This approach helps ensure checks and balances on every investment decision.

An organizational chart and biographies for the NFJ International Value team are provided below:

NFJ International Value

Ben J. Fischer, CFA (46/23)
Managing Director, Portfolio Manager/Analyst
M.B.A., New York University
B.A., J.D., Oklahoma University

Portfolio Construction Team

Paul A. Magnuson (27/20)
Managing Director, Portfolio Manager/Analyst
B.B.A., University of Nebraska

Thomas W. Oliver, CFA, CPA (17/7)
Managing Director, Portfolio Manager/Analyst
M.B.A., B.B.A., University of Texas

R. Burns McKinney, CFA (15/6)
Managing Director, Portfolio Manager/Analyst
M.B.A., The Wharton School, University of Pennsylvania
B.A., Dartmouth College

L. Baxter Hines, CFA (7/4)
Director, Portfolio Manager/Analyst
M.B.A., University of Texas
B.A., University of Virginia

John R. Mowrey (6/6)
Vice President, Portfolio Manager/Analyst
M.B.A., Southern Methodist University
B.A., Rhodes College

13. What has been the level of personnel turnover for investment professionals at both the firm and product levels over each of the last five years and the current year to date? Please explain any losses at the product level.

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2008	-	-	-	-
Dec 31, 2009	1	1	-	-
Dec 31, 2010	-	1	1*	-
Dec 31, 2011	1	2	-	-
Dec 31, 2012	-	-	-	-
June 30, 2013	-	-	-	-

**John R. Mowrey was added to the NFJ International Value strategy in 2010, he joined the Firm in 2006.*

14. As of June 30, 2013, provide the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
$8,646.1	20	$72.9	$3,014.7	6*	-

**All Portfolio Managers are also Research Analysts.*

15. Please provide the following information as of June 30, 2013 for each vehicle through which your international value product is offered:

The Strategy is available to clients through separate account, commingled and mutual fund vehicles. For Contra Costa County Employees Retirement Association investment, they suggest a separate account. Please see requested details on all vehicles below:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$2,484.8	$25 million
Commingled Fund	See “Other”	-	-
Mutual Fund	Y	$3,014.7	$1 million
			(Institutional Share Class)
Other (specify*) • SIT • CIT	 Y Y	 $105.8 $24.5	 $1 million $5 million

*‘Other’ refers to the SIT and CIT vehicles in the Strategy. The NFJ International Value strategy also has assets in managed accounts but this vehicle is currently closed to new investors.

16. Is there a limit to the amount of assets the firm will manage in this product? If yes, please specify.

The members of the investment team continually monitor capacity for the NFJ International Value strategy. Ultimate capacity will depend on prevailing liquidity and market conditions.

17. What internal controls are in place to monitor market timing activity in particular and late trading in your firm’s funds? Who monitors these activities? Have there been any trading policy violations over the past five years?

Because NFJ is the sub-adviser only to funds it manages, it has no direct ability to monitor shareholder account activities to detect and prevent excessive and disruptive trading practices. However, in accordance with SEC Rule 204A-1, NFJ has created a Code of Ethics by which it maintains the ability to monitor its employee personal brokerage activity in mutual funds. Further, the Firm has the ability to monitor the prices of securities held in the portfolios it manages and value those securities in a fair and consistent manner, which may help thwart market timing activity.

There have not been any trading policy violations in the NFJ International Value strategy over the past five years as of June 30, 2013.

International Value Equity Investment Philosophy

18. Briefly describe the investment philosophy/strategy, style and distinguishing characteristics of this product.

The NFJ International Value team believes portfolios consisting of low P/E, dividend-paying stocks will outperform over time. For over twenty-four years, the investment team has followed an investment process that strives to eliminate emotional bias. The process successfully identifies out-of-favor companies with strong underlying fundamentals. Strict adherence to this process should result in consistent performance over time.

The team’s philosophy is based on significant research showing that portfolios consisting of low P/E, dividend-paying stocks have substantially outperformed market indices across capitalization ranges over the long-term.

19. Does your firm’s international value equity discipline have a growth, value or core style bias?

The NFJ International Value strategy has a value style bias.

20. Explain the firm’s portfolio approach to the level of cash and equivalent holdings. Specify the normal, maximum and minimum levels of cash holdings.

Typically, cash averages 4% but the portfolio may hold a minimum of 0% and up to 10% in cash for defensive purposes in response to unfavorable markets or other conditions. The NFJ International Value strategy does not tactically utilize cash as a source of value-add. NFJ portfolios generally remain fully invested.

21. Briefly state how your firm defines an investable international value equity market for the purposes of this product.

The investable universe for the NFJ International Value strategy is Bloomberg's ADR universe. Generally, the market capitalization of investment candidates is above $1 billion.

22. How does your firm assess the liquidity of individual equity markets?

The investment team typically avoids owning more than 10% of the outstanding shares of a company and strives to maintain a trading liquidity of fewer than seven days.

23. Will your firm invest in emerging equity markets in this investment discipline? If yes, specify the typical portfolio percentage as well as maximum and current (6/30/2013) percentage.

Yes. The allocation to emerging market countries has historically been dynamic, and is based on the valuations and yields they are finding across the investment universe. Over the past five years, their weighting in emerging markets has ranged from 20% to 46%, or an average of 32%. The Emerging Markets allocation for the NFJ International Value representative account as of June 30, 2013 was 19.57%. The maximum allocation to emerging markets is 50% of the portfolio.

24. What securities other than common stock and cash equivalents will be held?

ADRs and foreign ordinaries will be held in addition to common stock and cash equivalents.

25. Does your firm engage in currency hedging in this strategy? If yes, is there a maximum hedge ratio for major currencies?

The NFJ International Value strategy does not use derivatives or hedge currencies.

26. State typical benchmark(s) used to measure the fund's performance. Which do you believe is best?

The NFJ International Value strategy utilizes the MSCI ACWI Ex-U.S. Index as a point of comparison; however, it is not managed to a benchmark.

27. What is the expected tracking error of this product compared to the MSCI ACWI ex-US Value Index?

NFJ does not manage strategies to a benchmark; therefor the investment team has not established an expected tracking error target. Generally, tracking error is approximately 5% relative to the MSCI ACWI ex-U.S. Index. The 3-year annualized tracking error for the NFJ International Value representative account as of June 30, 2013 is 3.06%.

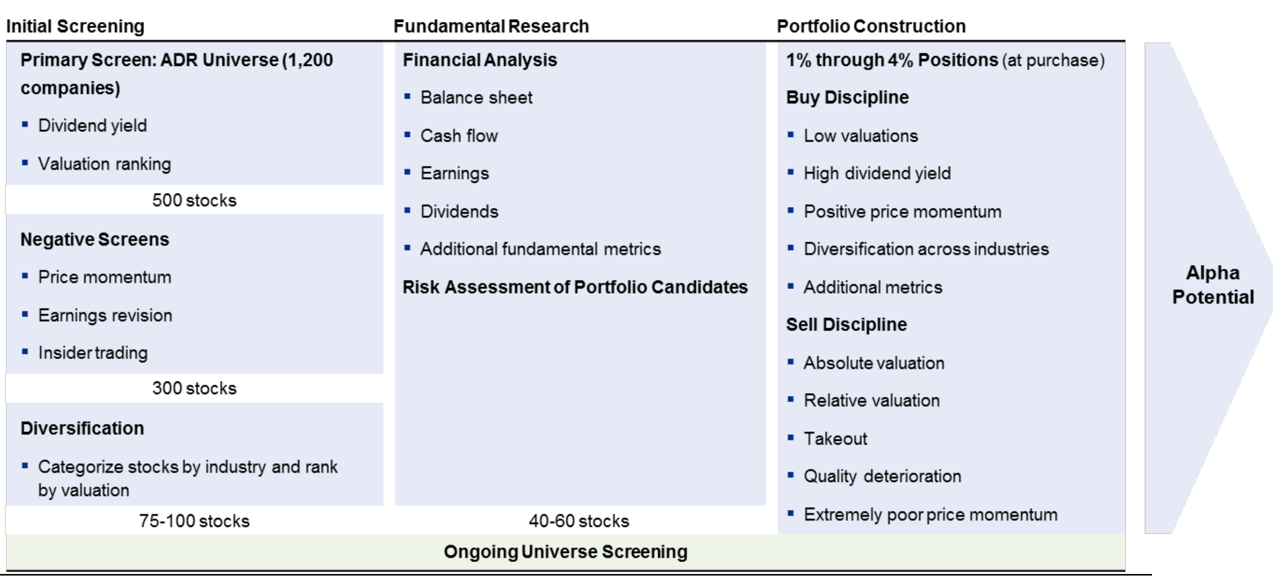
28. Does this product target a particular level of volatility (index-relative or absolute)? If so, please describe how the volatility target is implemented.

The Strategy does not have a specific volatility target. The overall goal is to maximize total return and minimize absolute loss.

International Value Equity Research Process

29. Describe the process for identifying attractive securities. List screening steps and fundamental security requirements. What role does macro-economic research play in this process? Describe the analytical research performed on individual securities.

The following chart provides an overview of the NFJ International Value strategy's investment process:



The number of securities referenced above represents the typical number of stocks researched at each stage of the investment process. During any given stage of the investment process the number of securities may vary from that shown above. The diagrams and statements above reflect the typical investment process applied to this strategy. At any given time other criteria may affect the investment process.

30. What is the number of securities regularly followed by security analysts and/or portfolio managers?

    The investment team does not follow a certain number of stocks at any given point in time. The team monitors the existing portfolio on a daily basis. Additional stocks being researched are determined by the bottom-up process and where the team is finding lower valuation and higher yield opportunities.

31. Describe any processes in place to detect accounting irregularities at companies held in the portfolio.

    As stated in the previous response, stock level research is designed to determine whether investment candidates are truly good values or simply undervalued for good reason. The investment team focuses on the balance sheets and cash flow statements, looking for red flags or poor quality.

    The team may review company presentations, earnings calls, sell-side and third-party analysis, as well as financial statement footnotes, which the market can overlook. The team may also examine company business models and determine the level and sustainability of any competitive advantages a candidate may hold with regard to its relationships with competitors, customers, suppliers and substitute products.

    In addition, NFJ International Value portfolios are made up of ADRs and foreign ordinaries. Many sponsored ADRs report their financial statements in accordance with U.S. GAAP and register with the SEC.

32. Does your firm use any technical and/or price momentum research? If so, how and why?

    The investment team uses a price momentum model as a risk control to help with the timing of investment decisions. Calculating performance on a proprietarily-weighted basis over a trailing 49-week period, the model ranks each security in the universe into percentiles. The bottom quintile provides red flags and may help to avoid certain securities or identify current holdings that should be sold. They recognize that value managers have a tendency to buy and sell names prematurely. As a result, the investment team uses this model to avoid stocks with extremely poor price momentum. They, along with academic researchers, have found stocks that exhibit poor price momentum tend to underperform the market for an extended period of time. Although this is a small step in their investment process, it has added value by helping the team avoid troubled securities.

Portfolio Construction and Management

33. Describe in detail the portfolio construction and management process. If a team approach is used, state the names of the team members and explain the role(s) of each team member.

    The investment team, which is discussed in Question 12, works collaboratively, though Mr. Fischer is the team leader and has ultimate responsibility for investment decisions. Mr. Fischer will consult, if reasonably practicable, with other members of the team on each investment decision to be implemented across the investment strategy. In addition, other portfolio manager/analysts on the team may generate investment ideas and compile supplemental research.

    NFJ International Value portfolios typically hold between 40 and 60 stocks. Individual position weights for the NFJ International Value strategy are determined on a 1-4% weighting scheme based on a variety of valuation, yield, and quantitative factors, at the time of purchase.

    In order to maintain the diversification and mitigate risk in the portfolio the strategy implements the following guidelines:

- Industry weights are limited to 25%
- Sector weights are limited to 40%
- The portfolio is well diversified by country
- Individual position sizes are limited to 5% at market
- Emerging markets exposure is generally limited to 50%

34. What is the current number, typical number and range of securities held in the product?

Please refer to the requested information in the chart that follows:

As of June 30, 2013	Typical Number	Range
60	40-60	40-60

35. As of June 30, 2013, state the typical portfolio allocation to equities in the market capitalization ranges shown below. Also, please specify the possible ranges and typical allocations for each category.

Market capitalization distribution is based on a bottom-up stock selection process. The historical weighted average market capitalization for the NFJ International Value strategy has ranged between $30 billion and $46 billion. Provided below is the market capitalization allocations as of June 30, 2013.

Market Capitalization Range	**Allocation as of June 30, 2013**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million	-	-	-
Between $100 mil. and $500 mil.	-	-	-
Between $500 mil. and $1 bil.	-	-	-
Between $1 bil. and $3 bil.	1.30	-	-
Between $3 bil. and $5 bil.	0.79	-	-
Between $5 bil. and $10 bil.	12.66	-	-
Between $10 and $20 billion	22.25	-	-
Greater than $20 billion	61.00	-	-
Median Market Capitalization	24,659 million	-	-
Weighted Average Market Capitalization	41,992 million	-	-

36. Describe the firm's sell discipline.

Stocks purchased as a result of the research process are held in the portfolio until an alternative stock with strong fundamentals demonstrates a lower P/E, higher dividend yield, lower price-to-book, or strong price momentum characteristics. All portfolio holdings and candidates are evaluated within the context of the overall portfolio.

There are no automatic sales of securities. The investment team uses a price momentum model to assist in removing stocks from the portfolio.

Potential reasons for selling a security are:

- Absolute valuation (earnings multiple substantially exceeds the broader universe)
- Relative valuation (earnings multiple exceeds the peer group)
- Takeout
- Quality deterioration (dividend elimination, earnings decline)
- Extremely poor price momentum

37. What has been the average international value equity turnover for each of the last five years and the current year to date?

Typically, turnover is expected to fall between 30% and 50% per calendar year. Provided below is turnover for the past five years.

Year	**Turnover (annual)**
2008	37%
2009	47%
2010	32%
2011	47%
2012	27%
YTD (as of 6/30/2013)	8%*

**This figure represents a partial year.*

Investment Management Fees

38. Provide your fee schedules for the international equity product, both for commingled/mutual funds and separate accounts. If a commingled fund is proposed, what are the custody costs of the trust and are they an additional fee that is directly charged to the client? Please specify who custodies the assets. Are investment management fees negotiable?

NFJ believes a separately managed account would be the optimal investment vehicle for Contra Costa County Employee Retirement Association, for a $310 million allocation to the strategy. The standard separate account fee schedule is outlined below. They would be willing to discuss customized fees at a later stage of the mandate search process.

Separate Accounts (Minimum Account Size: $25 million)

	Market Value	Fee in Percent
First	$25 million	0.85%
Next	$25 million	0.75%
Next	$50 million	0.60%
Over	$100 million	0.45%

Fee schedules for additional vehicles in the Strategy are outlined below:

SIT (Minimum Account Size: $1 million)

	Market Value	Fee in Percent
First	$25 million	0.85%
Next	$25 million	0.75%
Next	$50 million	0.60%
Over	$100 million	0.45%

CIT (Minimum Account Size: $5 million)

80 basis points

Mutual Fund

The Strategy also is available in a mutual fund distributed by their affiliate, Allianz Global Investors Distributors. The net expense ratio for the NFJ International Value Fund (institutional share class) is 0.90%. The minimum account size for the institutional share class is $1 million. Please review Attachment 4 – “Prospectus” for additional information and important disclosure relating to the mutual fund fees.

39. Has the firm entered into incentive fee arrangements? If so, provide details.

The Firm has not entered into incentive fee arrangements.

40. Does your firm use any service, information, or merchandise paid for with directed commissions? If yes, please list the services received from such commissions, and the percentage of fees so directed.

No, the Firm does not use any service, information, or merchandise paid for with directed commissions.

41. Please provide copies of your firm's Form ADV Parts I and II.

Please refer to Attachments 1, 2, and 3 - "NFJ Form ADV Part 1, Part 2A and Part 2B" separately enclosed with this questionnaire.

International value Equity Investment Performance

42. Provide quarterly historical performance for your product using the attached form. Do not include any simulated data. Returns should be total portfolio, time-weighted rates of return **both gross and net** of investment management fees. For year-end periods, also provide the market value of assets and number of accounts. If you offer both a commingled product and separate accounts, provide performance for both.

Historical performance has been provided in the attached form for both the NFJ International Value Composite and the NFJ International Value Fund. Historical performance is also available in the SIT and CIT vehicles upon request.

43. Please specify the methodology for constructing the firm's composite performance.

The NFJ International Value Composite returns are calculated on a total return basis, including all dividends and interest, accrued income, realized and unrealized gains or losses, and are net of all brokerage commissions, execution costs and without provision for federal or state income taxes. Returns are net of any foreign withholding taxes on dividends, interest and earnings. Performance results are expressed in U.S. dollars.

44. Are returns audited? By whom? Are returns CFAI/AIMR compliant? For what time period? Please provide the most recent statement of verification by an independent third party.

Yes. NFJ claims compliance with the Global Investment Performance Standards issued by the CFA Institute ("GIPS"), and calculates and presents performance in accordance with GIPS. The NFJ International Value composite was last audited on December 31, 2012. Returns are verified by Ashland Partners & Co., LLP. The most recent verification letter is provided in Attachment 5 – "Verification Letter".

INTERNATIONAL VALUE EQUITY
INVESTMENT MANAGER QUESTIONNAIRE
As of June 30, 2013

Organizational Background

1. What is the firm name, address, and telephone and fax numbers of your main and branch offices? What investment activity takes place at each location?

Lazard Asset Management LLC	30 Rockefeller Plaza New York, NY 10112 USA (Headquarters) Phone: (212) 632-6000 Fax: (212) 332-1703	Investment Management/ Research and Client Servicing
	125 High Street 18th Floor Boston, MA 02110 USA Phone: (617) 289-8800 Fax: 617-342-8001	Investment Management/ Research and Client Servicing
	30 South Wacker Drive Suite 2200 Chicago, IL 60606 USA Phone: (312) 407-6600 Fax: (312) 407-6620	Client Servicing
	3 Embarcadero Center, Suite 1610 San Francisco, CA 94111-5994 USA Phone: (415) 623-5000 Fax: (415) 421-4010	Investment Management/ Research and Client Servicing

2. What is the name, position, telephone and fax numbers, and e-mail address of the firm's new business contact and database/questionnaire contact?

	New Business Contact	Questionnaire Contact
Name	Robert Connin	Tibor Jurich
Title	Managing Director, Consultant Relations	Senior Vice President, RFP Director
Office	30 Rockefeller Plaza New York, NY 10112	30 Rockefeller Plaza New York, NY 10112
Phone	(212) 632-6566	(212) 632-6952
Fax	(212) 332-5656	(212) 332-5901
Email	Robert.Connin@lazard.com	Tibor.Jurich@lazard.com

3. When was your firm founded? When was it registered with the SEC?

Origins

The origins of Lazard Asset Management LLC can be traced back to the 19th century. The history of its parent company began in 1848, when the Lazard brothers formed a dry goods company in New Orleans. The following year the brothers took their company to San Francisco, where it expanded into banking and foreign exchange. Operations were later opened in Paris in 1852 and in London in 1870, and the company's US business moved from San Francisco to New York in 1880. From these beginnings, the firm now known as Lazard Ltd. has developed a worldwide presence in the Asset Management business.

SEC Registration

Lazard Asset Management LLC is registered with the SEC pursuant to the US Investment Advisers Act of 1940 (SEC file number 801-61701). On January 13, 2003 Lazard Asset Management succeeded to the entire investment manager business previously conducted as a division of LF&Co. That division has been registered as an investment advisor with the SEC since May 1, 1970 (SEC file number 801-6568).

4. Describe the firm's ownership structure and explain any changes over the past five years. Discuss the firm's relationship with the parent and affiliated companies, if any.

Ownership Structure

Lazard Asset Management LLC (Lazard) is a Delaware limited liability company. It is a subsidiary of Lazard Frères & Co. LLC (LF&Co.), a New York limited liability company with one member, Lazard Group LLC, a Delaware limited liability company. Interests of Lazard Group LLC are held by Lazard Ltd., which is a Bermuda corporation with shares that are publicly traded on the New York Stock Exchange under the symbol "LAZ." These interests are held by public stockholders as well as by current and former Managing Directors of Lazard Group LLC.

Lazard Asset Management LLC is owned by LF&Co.

For additional details on ownership, please refer to Lazard's Form ADV Part 1, **Exhibit I**.

Changes to Ownership

The Lazard Asset Management LLC (Lazard) Equity Plan, whereby certain employees of Lazard retained an equity interest in Lazard, was terminated during the third quarter of 2008. Lazard Ltd. acquired the equity interests held by Lazard employees in exchange for cash and stock in Lazard Ltd. With the termination of the Lazard Equity Plan, Lazard is owned by Lazard Frères & Co. LLC.

Parent Company Affiliation

Lazard is a distinct subsidiary of Lazard Frères & Co. LLC (LF&Co.). Lazard's day-to-day activities are not managed by their parent company but rather by their Chief Executive Officer, their Deputy Chairmen, and their Senior Managing Directors and Managing Directors.

Lazard's parent company does, however, provide some corporate shared services such as the systems network, facilities management, etc.

5. State the carriers and the limits of errors and omissions and fiduciary liability insurance.

Lazard holds $20 million of professional liability insurance covering errors and omissions. In addition, Lazard Ltd, Lazard's ultimate parent company, holds a $50 million crime/fidelity bond which covers Lazard accounts. The underwriters providing insurance coverage are:

Type	Carriers	US$ Coverage	US$ Deductible
Professional Liability/Errors and Omissions	Ace American Insurance Company* Federal Insurance Company*	$20 million	$1.5 million
Crime/Fidelity	XL Specialty*	$50 million	$500,000

Bond	US Specialty Illinois National Continental Casualty		

* Lead underwriter

Lazard has obtained a blanket ERISA fidelity bond from a group of insurers led by Federal Insurance Company. The bond covers all ERISA clients up to the amount required under Section 412 of ERISA.

In accordance with Rule 17g-1 under Investment Company Act of 1940, The Lazard Funds, Inc., Lazard Retirement Series, Inc., Lazard Alternative Strategies Fund, L.L.C., Lazard Alternative Strategies 1099 Fund, Lazard Global Total Return and Income Fund, Inc. and Lazard World Dividend & Income Fund, Inc. have obtained an $8.75 million fidelity bond from Federal Insurance Co. The bond has a maximum deductible of $25,000.

6. Describe any litigation regarding your firm's investment activities over the past 5 years. Is the firm expecting new litigation?

   Lazard Asset Management is not currently aware of any litigation related to its investment operations over the last five years that it believes is likely to materially impair its ability to provide investment advisory services.

7. Describe any judgments against your firm by governmental and regulatory agencies over the past 5 years. Also describe any current investigations.

   Lazard Asset Management is not currently aware of any litigation related to its investment operations over the last that it believes is likely to materially impair its ability to provide investment advisory services.

8. Please provide copies of your firm's Form ADV Parts I and II.

   Please see **Exhibit I** and **II**.

9. Please state the market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2008	79,779.4	92	6,938.7	109	4,106.5
Dec 31, 2009	116,455.9	139	11,516.3	87	4,541.1
Dec 31, 2010	140,574.2	122	8,515.4	92	6,871.0
Dec 31, 2011	127,007.7	118	4,666.7	83	3,481.8
Dec 31, 2012	151,666.0	107	8,061.8	101	4,398.0
June 30, 2013	155,695.0	33	1,410.1	31	4,515.5

10. Please state the market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

	Specified International Value Equity Product				
	Market Value (Millions)	Accounts Gained	Assets Gained (Millions)	Accounts Lost	Assets Lost (Millions)
Dec 31, 2008	990.3	0	0.0	1	50.8
Dec 31, 2009	1,305.1	1	120.3	0	0.0
Dec 31, 2010	1,178.6	1	33.8	1	6.7
Dec 31, 2011	1,114.6	0	0.0	0	0.0
Dec 31, 2012	1,384.8	2	142.4	0	0.0
June 30, 2013	6,352.0*	0	0.0	0	0.0

International Value Equity Investment Services

11. Please provide the name of the product described in the remainder of this response.

The proposed product is the Lazard International Equity Plus (ACW ex-US) strategy.

12. Provide the following information on the firm's key members of the international value equity portfolio management team: names, titles and responsibilities, years on the product (please note any changes in roles below), years with firm, and years of investment experience. Please provide biographies and an organization chart.

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Michael Fry	Managing Director, Portfolio Manager/Analyst	1981	2005	2005
Michael Bennett	Managing Director, Portfolio Manager/Analyst	1986	1992	1992
Kevin Matthews	Director, Portfolio Manager/Analyst	2001	2001	2013*
Michael Powers	Managing Director, Portfolio Manager/Analyst	1990	1990	2002**
John Reinsberg	Deputy Chairman, Portfolio Manager/Analyst	1981	1992	1992

Michael G. Fry
Managing Director, Portfolio Manager/Analyst
Lazard Asset Management Limited (London)
Michael G. Fry is a Portfolio Manager/Analyst on various global and international equity teams. He began working in the investment field in 1981. Prior to joining Lazard in 2005, Michael was Head of Global Equity Portfolio Management, Global Head of Equity Research and Head of Australian Equities with UBS Global Asset Management, and was also previously with Armstrong Jones Fund Management, Schroder Investment Management, and Price Waterhouse in Australia. He has a BE from Flinders University, Australia. Michael is a member of the Institute of Chartered Accountants in Australia and an associate of the Financial Services Institute of Australasia.

Michael A. Bennett
Managing Director, Portfolio Manager/Analyst
Lazard Asset Management LLC (New York)
Michael Bennett is a Managing Director of Lazard Asset Management and a Portfolio Manager/Analyst on various international and global equity teams. He also coordinates the activities of Lazard Asset Management's Investment Council. Michael began working in the investment field in 1986. Prior to joining Lazard in 1992, Michael was with G.E. Investment Corporation, Keith Lippert Associates and became a CPA while at Arthur Andersen. He has an MBA from University of Chicago and a BS in Accounting from New York University.

Michael Powers
Managing Director, Portfolio Manager/Analyst
Lazard Asset Management LLC (New York)
Michael Powers is a Portfolio Manager/Analyst on various international and global equity teams. He began working in the investment field in 1990 when he joined Lazard. Michael has an MBA from Long Island University and a BA from Brown University.

Kevin J. Matthews, CFA
Director, Portfolio Manager/Analyst
Lazard Asset Management LLC (New York)
Kevin Matthews is a Portfolio Manager/Analyst on the International Equity and International Equity Select teams. Prior to joining the investment teams, he was a Research Analyst with a background in financials, automotive, aerospace, and capital goods sectors. He began working in the investment field in 2001 when he joined Lazard. Kevin has a BA in Politics and Philosophy from St. Chad's College, Durham University.

John R. Reinsberg
Deputy Chairman, International and Global Strategies
Lazard Asset Management LLC (New York)
John Reinsberg is Deputy Chairman of Lazard Asset Management responsible for oversight of the firm's international and global strategies. He is also a Portfolio Manager/Analyst on the Global Equity and International Equity portfolio teams. He began working in the investment field in 1981. Prior to joining Lazard in 1992, John was Executive Vice President with General Electric Investment Corporation and Trustee of the General Electric Pension Trust. He was also previously with Jardine Matheson (Hong Kong) and Hill & Knowlton, Inc. John has an MBA from Columbia University and a BA from the University of Pennsylvania. He is a member of the University of Pennsylvania School of Arts and Sciences Board of Overseers, the University of Pennsylvania Huntsman Program Advisory Board, the Board of Directors of the Alliance for Cancer Gene Therapy, as well as the Board of Directors of the US Institute (Institutional Investor).

13. What has been the level of personnel turnover for investment professionals at both the firm and product levels over each of the last five years and the current year to date? Please explain any losses at the product level.

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2008	19	19	0	1*
Dec 31, 2009	4	22	0	0
Dec 31, 2010	19	11	0	0
Dec 31, 2011	20	7	0	0
Dec 31, 2012	12	7	0	0
June 30, 2013	6	8	1	0

14. As of June 30, 2013, provide the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
6,352.8	30	5.06	1.63	5	

*As of March 31, 2013. Includes assets and accounts from the International Equity strategies and sub-strategies.

15. Please provide the following information as of June 30, 2013 for each vehicle through which your international value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$1,449.5	$5 million
Commingled Fund	N		
Mutual Fund	N		
Other (specify)	N/A		

The most recent firm and product asset data available for Lazard Asset Management LLC (Lazard) is as of March 31, 2013. June 30, 2013 asset data will be available after the public release of Lazard Ltd.'s (i.e., Lazard's parent company's) financial statements for the second quarter of 2013, which is expected to occur in early August 2013.

16. Is there a limit to the amount of assets the firm will manage in this product? If yes, please specify.

Yes, there is a limit on the amount of assets for the Lazard International Equity Plus (ACW ex-US) strategy. Their overall objective is to continue expanding their global capabilities in a controlled manner, without forfeiting their high quality of investment management and client service. Their fundamental goal is to generate superior performance for their clients. Thus, they see their existing clients as their highest priority. Based on the foregoing, they are comfortable managing assets of at least $7-8 billion in their international "Plus" strategies, at which point they will reassess.

17. What internal controls are in place to monitor market timing activity in particular and late trading in your firm's funds? Who monitors these activities? Have there been any trading policy violations over the past five years?

The Lazard International Equity Plus (ACW ex-US) strategy is not available as a commingled fund.

Please see their controls below in regard to their Lazard Mutual Fund products.

Market Timing – The Funds and Lazard discourage market timing activity. In an effort to eliminate market timing activity, Lazard and the Funds believe that reasonable measures have been put in place. In April 2002, LFI adopted a short-term redemption fee of one percent applicable to the proceeds of all sales or exchanges occurring within 30 days of a purchase or exchange. This redemption fee appears to have been effective in deterring market timing activity. In addition, Lazard reviews all purchases and sales in LFI and LRS (which is offered as a funding vehicle for variable insurance contracts). With respect to certain omnibus accounts where the redemption fee is not imposed and the separate accounts of insurance companies in LRS, Lazard monitors account activity, and, if market timing activity is suspected, Lazard coordinates with the relevant financial intermediary to take steps to stop it. In the past, Lazard and the Funds have in fact taken steps to stop market timing of which they became aware, including prohibiting market timers from purchasing shares of the Funds.

Late Trading – To the best of its knowledge, neither Lazard nor any of their affiliates or employees have permitted or engaged in "late trading" of mutual funds. Any trades that are placed directly with the Funds through the Funds' --- transfer agent (Boston Financial Data Services) are time stamped, and the transfer agent has procedures in place to ensure that the cut-off time for received orders is enforced. The Funds, like most mutual funds, rely on financial intermediaries, including registered broker-dealers, transfer agents and third-party administrators (collectively, "Intermediaries"), to act as agent for the limited purpose of accepting orders on their behalf. By contracts that govern these activities, the Intermediaries agree that they will transmit to the Funds only those orders that are received prior to the time that the Funds' net asset value per share ("NAV") is calculated (generally, the close of trading of the New York Stock Exchange). Lazard cannot guarantee that those Intermediaries have never accepted an order after the time that the Funds' NAV is determined. Lazard is taking reasonable and appropriate steps to ensure that Intermediaries comply with their legal and contractual obligation not to do so.

International Value Equity Investment Philosophy

18. Briefly describe the investment philosophy/strategy, style and distinguishing characteristics of this product.

Investment Philosophy and Style
Lazard's relative value investment philosophy is based on value creation through the process of bottom-up stock selection. This philosophy is implemented by assessing the trade-off between valuation and financial productivity for an individual security.

Distinguishing Features
There are four key factors that distinguish Lazard's International Equity Plus (ACW ex-US) strategy. These include its robust global research, its adherence to stated investment philosophy, accounting validation and the partnership that exists among their equity investment professionals.

1. **Global Research**
2. **Lazard's Bottom-Up, Relative Value Philosophy – Producing an Expected Pattern of Returns**
3. **Accounting Validation**
4. **Integrated Research and Portfolio Management**

19. Does your firm's international value equity discipline have a growth, value or core style bias?

The Lazard International Equity Plus (ACW ex-US) strategy has a relative value, bottom-up discipline.

20. Explain the firm's portfolio approach to the level of cash and equivalent holdings. Specify the normal, maximum and minimum levels of cash holdings.

The strategy typically remains fully invested in equities with an allocation to cash and cash equivalents in the 0-10% range. They are not market timers and do not consider cash to be a strategic asset. The general percentage historically held in cash is 3-5%.

21. Briefly state how your firm defines an investable international value equity market for the purposes of this product.

The initial universe for the International Equity Plus (ACW ex-US) strategy includes securities of non-US companies, including those from emerging markets.

22. How does your firm assess the liquidity of individual equity markets?

They remove from their investment universe any security that is not believed to be of sufficient liquidity to allow us to purchase a standard position size in a reasonable amount of time. As a result, the strategy will not own securities it perceives to be illiquid.

23. Will your firm invest in emerging equity markets in this investment discipline? If yes, specify the typical portfolio percentage as well as maximum and current (6/30/2013) percentage.

Yes. The emerging markets equity allocation for the strategy has been implemented by investing in the Lazard Emerging Markets Equity Portfolio, a mutual fund. The emerging markets allocation may be ±10% of the index emerging markets weight. The current weight, as of June 30, 2013 in the strategy is 24.5%. The MSCI All Country World ex US Index Weight is 22.0%.

The Lazard International Equity (ACW ex-US) strategy is also available, which seeks to generate strong relative returns over a full market cycle by investing in companies with strong and/or improving financial productivity at attractive valuations. The strategy typically invests in 60-90 securities of non-US companies, including those from emerging markets, with a market capitalization generally of $3 billion or greater. The emerging markets equity allocation has been implemented by investing in individual securities. The benchmark is the MSCI ACWI ex-US.

The International Equity (ACW ex-US) strategy us available as a separate account and commingled vehicle.

24. What securities other than common stock and cash equivalents will be held?

The strategy can generally invest in common, preferred, and ADR securities, warrants, rights, mutual funds and Rule 144A securities (pending client guidelines).

25. Does your firm engage in currency hedging in this strategy? If yes, is there a maximum hedge ratio for major currencies?

No. The strategy invests in securities that may be denominated in foreign currencies. However, foreign exchange management does not play a role in the management of Lazard's International Equity Plus (ACW ex-US) strategy. As part of the risk management process they seek to ensure that the portfolio is not unduly concentrated in securities denominated in specific currencies or heavily exposed to business adversely affected by currency movements. However, they attempt to add value through in-depth analysis of individual companies and factor macroeconomic and currency effects into their fundamental analysis.

26. State typical benchmark(s) used to measure the fund's performance. Which do you believe is best?

They consider the MSCI ACW ex-US Index to be the most appropriate benchmark for this strategy as it is a widely used market index that adequately reflects the strategy's investment opportunity set.

27. What is the expected tracking error of this product compared to the MSCI ACWI ex-US Value Index?

The International Equity Plus (ACW ex-US) strategy seeks to outperform the MSCI ACW ex-US Index by 2%-3% per annum over a full market cycle (typically 3-5 years). While the portfolio is not managed with regard to tracking error, they would expect the realized tracking error against the MSCI ACW ex-US Index to range between 4%-6%, as has been the case historically.

28. Does this product target a particular level of volatility (index-relative or absolute)? If so, please describe how the volatility target is implemented.

The Lazard International Equity Plus (ACW ex-US) strategy does not target volatility. The International Equity Plus (ACW ex-US) strategy seeks to outperform the MSCI ACW ex-US Index by 2%-3% per annum over a full market cycle (typically 3-5 years). While the portfolio is not managed with regard to tracking error, they would expect the realized tracking error against the MSCI ACW ex-US Index to range between 4%-6%, as has been the case historically.

International Value Equity Research Process

29. Describe the process for identifying attractive securities. List screening steps and fundamental security requirements. What role does macro-economic research play in this process? Describe the analytical research performed on individual securities.

Fundamental Analysis

Fundamental analysis is driven by global sector specialists working together with portfolio manager/analysts to analyze research ideas. The entire investment process from the inception of a research idea to the decision whether to buy or sell a security is collaborative. Sector specialists and portfolio manager/analysts partner to analyze drivers of performance and security valuation. Portfolio management team members and sector specialists regularly meet with company managements together, to address key issues and to share and develop insight.

Companies are evaluated the same way that a company's own senior management or a strategic buyer would - by comparing a company's value (valuation) with its ability to generate returns (financial productivity).

Macroeconomics
Macroeconomic risks are monitored on an on-going basis. Bottom-up security selection is not done in isolation. They are mindful of the impact that interest rates, economic conditions, the regulatory environment, and political considerations have on final portfolio construction. They monitor and evaluate the current macro trends as part of their risk-management process, rather than as a starting point for security selection. Fundamental company research is also significant at this level, as company management teams are typically the "first line" to be impacted by changes in fiscal or monetary policies.

30. What is the number of securities regularly followed by security analysts and/or portfolio managers?

The global sector analysts are responsible for the analysis of companies in their respective sectors, exact number varies.

31. Describe any processes in place to detect accounting irregularities at companies held in the portfolio.

Accounting validation has long been a hallmark of their investment process. This process is used to ensure that financial statements support the headline metrics and that business values are real. A company's stated financial figures (income statement, cash flow statement, balance sheet and related footnotes) are examined to consider how major accounting decisions and policies reflect reported financial productivity and valuations. While this process is not designed to detect fraud or other misrepresentations or omissions, by focusing on detailed cash flow analysis and discretionary balance sheet items, analysts seek to:

- Identify material differences between reported financials and actual cash flows including decisions related to revenue recognition, depreciation and amortization, deferred taxes, etc.;
- Ensure that comparisons among companies are on a consistent basis, i.e. based on cash flows net of any adjustments for material discrepancies in accounting choices;
- Determine whether a level of comfort can be gained in a company’s stated financial productivity and cash flows including a qualitative assessment of management's inherent conservative or liberal approach to portraying actual cash results;
- Quantify significant risk factors not included in financial statements;
- Incorporate identified discrepancies and risks into modeling of future cash flows and financial productivity and the resulting valuation.

While no single process will always lead to a perfect outcome, the focus on actual cash flow encourages their investment professionals to build their forecasts on the cash that will accrue to equity holders rather than accepting reported figures without question. The added importance of this process lies in seeking to avoid mistakes and minimize forecasting errors.

32. Does your firm use any technical and/or price momentum research? If so, how and why?

No.

Portfolio Construction and Management

33. Describe in detail the portfolio construction and management process. If a team approach is used, state the names of the team members and explain the role(s) of each team member.

Portfolio construction is driven by stock selection. The International Equity Plus (ACW ex-US) portfolio management team builds the portfolio selecting one stock at a time with inclusion of a stock in the portfolio primarily dependant on a new idea's attractiveness relative to existing portfolio holdings. Sector and regional exposures are a residual of the investment process.

In addition, consideration is given to the impact the stock's inclusion may have on portfolio structure and risk metrics as well as any client specific mandate.

The process is ongoing with formal and informal research and portfolio construction discussions held throughout the week. Idea sourcing, fundamental analysis and portfolio construction is a collegiate process involving all members of the portfolio management team; however the lead portfolio manager is ultimately responsible for investment decisions.

Role of Portfolio Manager/Analysts

The portfolio manager/analysts are responsible for the purchase and sale of all securities in the portfolio as well as the risk monitoring process that helps ensure that the portfolio is adequately diversified. Their role is to leverage the ideas from their investment platform of analysts and select securities that meet their specified criteria. It is important to note that the portfolio manager/analysts for the International Equity portfolio management team are actively involved in the discussions surrounding the research for their portfolio. Discussion with analysts is both in-depth and continual and the process is collaborative. All decisions are team based.

All International Equity Plus (ACW ex-US) portfolios are managed on a team basis by the International Equity team. The International Equity team is involved in all levels of the investment process. This team approach allows for every portfolio manager/analyst to benefit from his/her peers, and for clients to receive the firm's best thinking, not that of a single portfolio manager/analyst. However, Michael Fry is the final decision maker for the strategy.

Please see below for information regarding the team responsible for the International Equity Plus (ACW ex-US) strategy.

Name	Title	Year Joined Industry	Year Joined Firm
Michael Fry	Managing Director, Portfolio Manager/Analyst	1981	2005
Michael Bennett	Managing Director, Portfolio Manager/Analyst	1986	1992
Michael Powers	Managing Director, Portfolio Manager/Analyst	1990	1990
Kevin Matthews	Director, Portfolio Manager/Analyst	2001	2001
John Reinsberg	Deputy Chairman, Portfolio Manager/Analyst	1981	1992

34. What is the current number, typical number and range of securities held in the product?

As of June 30, 2013	Typical Number	Range
64	62	60-80

35. As of June 30, 2013, state the typical portfolio allocation to equities in the market capitalization ranges shown below. Also, please specify the possible ranges and typical allocations for each category.

Market Capitalization Range	**Allocation as of June 30, 2013**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million		N/A	N/A
Between $100 mil. and $500 mil.		N/A	N/A
Between $500 mil. and $1 bil.		N/A	N/A
Between $1 bil. and $3 bil.	3.2%	N/A	N/A
Between $3 bil. and $5 bil.	9.1%	N/A	N/A
Between $5 bil. and $10 bil.	12.8%	N/A	N/A
Between $10 and $20 billion	9.8%	N/A	N/A
Greater than $20 billion	40.5%	N/A	N/A
Other (Mutual Fund Allocation[1])	24.5%	N/A	N/A
Median Market Capitalization	12,711.9	N/A	N/A
Weighted Average Market Capitalization	46,232.9	N/A	N/A

Market cap weights are a residual of their bottom up stock selection process.

36. Describe the firm's sell discipline.

The sell discipline is an equally important component in their investment process. A review of existing portfolio holdings is triggered when:

A new idea offers more attractive risk/reward
The price performance objective has been achieved
The fundamental investment assumptions change and the investment thesis is invalidated

While the fundamental research process is highly collaborative, the International Equity Plus (ACW ex-US) portfolio management team makes the final determination of what gets bought and sold in the portfolio.

37. What has been the average international value equity turnover for each of the last five years and the current year to date?

Year	**Turnover (annual)**
2008	30.96
2009	49.62
2010	34.01
2011	30.77
2012	27.95
YTD	27.73

[1] The emerging markets equity allocation has been implemented by investing in the Lazard Emerging Markets Equity Portfolio.

Investment Management Fees

38. Provide your fee schedules for the international equity product, both for commingled/mutual funds and separate accounts. If a commingled fund is proposed, what are the custody costs of the trust and are they an additional fee that is directly charged to the client? Please specify who custodies the assets. Are investment management fees negotiable?

The standard separate account fee schedule for the Lazard International Equity Plus (ACW ex-US) strategy is as follows:

	Market Value	Fee in Percent
First	100 million	0.75%
Next	Balance	0.50%
Next		
Over		

Separate account management fees at Lazard are negotiable.

39. Has the firm entered into incentive fee arrangements? If so, provide details.

Lazard does have some clients whose fees are based on performance, and they would consider performance-based fee arrangements for a prospective client. The fee schedule in such cases is typically structured after client discussions.

40. Does your firm use any service, information, or merchandise paid for with directed commissions? If yes, please list the services received from such commissions, and the percentage of fees so directed.

Lazard receives third-party research and brokerage services paid for with soft-dollars from several brokers. All third party soft-dollar research services are approved by Lazard's Chief Compliance Officer, Chief Operating Officer and Brokerage Committee to ensure compliance with Section 28(e) of the Securities Exchange Act of 1934, and SEC regulations. Trades affected with soft-dollar brokers are subject to the same best-execution standards that are applicable to all other trades.

In addition, Lazard receives proprietary research from broker-dealers, which it may pay with soft dollars utilizing a "commission sharing arrangement" pursuant to SEC guidance. These arrangements and the value of the proprietary research is reviewed and approved by the Brokerage Committee.

Research services received by Lazard paid for with soft dollars include, but are not limited to, the following:

Service	Description
13D Research Inc.	Stock/Industry Research
Barra, Axioma, Northfield, Style Research, Algorithmics	Global Risk Management
Bloomberg	Market Data/Technical/Fundamental Research
FactSet Research Systems	Global Database/Market Data/Earnings Est/Political/Economic Research
GovernanceMetrics International	Stock/Industry Research
Interactive Data Corporation	Market Data
MSCI	Global Database
New Street Research LTD	Stock/Industry Research
Reuters - Multex (Reuters Knowledge)	Stock/Industry Research
Thomson Financial - IBES Global Summary	Earnings Estimates
Thomson Financial - Street Events/Briefs/Transcript	News Alerts

Lazard equity traders select broker/dealers based on their ability to provide best execution for clients' transactions. If more than one broker can provide best execution, Lazard will consider whether the broker has provided research or other services to Lazard and its clients.

41. Please provide copies of your firm's Form ADV Parts I and II.

Please refer to **Exhibit I** and **II**.

International value Equity Investment Performance

42. Provide quarterly historical performance for your product using the attached form. Do not include any simulated data. Returns should be total portfolio, time-weighted rates of return **both gross and net** of investment management fees. For year-end periods, also provide the market value of assets and number of accounts. If you offer both a commingled product and separate accounts, provide performance for both.

Please see the attached form for the Lazard International Equity Plus (ACW ex-US) Composite performance. The composite disclosure notes are included in **Exhibit III**. Please refer to **Exhibit III** for the gross and net of fee performance of the Lazard International Equity (ACW ex-US) strategy.

43. Please specify the methodology for constructing the firm's composite performance.

Lazard's performance measurement reporting utilizes the time weighted rate of return methodology for calculating client level rates of return. The monthly returns generated in Lazard's performance module are calculated by using an internal rate of return methodology. Beginning and ending market value portfolio trade dated positions (including accrued income) and portfolio transactions between the valuation dates are used as input to the rate calculation. A daily weight is applied to all cash flows (contributions/withdrawals for total fund and purchases/sales/income for segment level) during the period*. Performance measurement data is sourced from Lazard's accounting system, whose data is reconciled with the client's custodian.

Lazard claims GIPS compliance and has annual verification performed.

For GIPS composite construction, client level rates of return are aggregated using beginning period weighting and then summed on a monthly basis. Longer term rates of return are calculated by geometrically linking monthly results.

44. Are returns audited? By whom? Are returns CFAI/AIMR compliant? For what time period? Please provide the most recent statement of verification by an independent third party.

Yes returns are audited. An independent third party accounting firm conducts firmwide GIPS verification annually, and the 2012 opinion letter is available upon request. A specific product based performance exam on this product has not been elected/required at this time. Lazard had phased out these exams when AIMR/GIPS standards were revised to eliminate level 1 and level 2 verification into just a single firmwide verification with product specific performance-based exams as outside the scope of GIPS verification.

Client performance reporting is audited under their SSAE 16 report (formerly known as SAS 70 and conducted annually) as well as other Lazard internal audit testing.
Lazard is compliant with GIPS (the CFA Institute's performance standards, formerly AIMR-PPS). Lazard has been verified for firmwide compliance by an independent auditor and is current through December 2012. Lazard is GIPS compliant since 1993.

INTERNATIONAL VALUE EQUITY
INVESTMENT MANAGER QUESTIONNAIRE
As of June 30, 2013

Organizational Background

1. What is the firm name, address, and telephone and fax numbers of your main and branch offices? What investment activity takes place at each location?

Manulife Asset Management is the global asset management arm of Manulife Financial Corporation ("Manulife Financial"). Manulife Asset Management and its affiliates provide comprehensive asset management solutions for institutional investors and investment funds in key markets around the world across a broad range of asset classes. These include equity, fixed income and alternative investments such as real estate, timber, farmland, as well as asset allocation strategies.

Manulife Asset Management has offices in 17 countries and territories, with more than 325 investment professionals. Their investment teams operate in a boutique environment, empowered to make investment decisions in line with their singular philosophy and their clients' long-term objectives, and are backed by the global network and resources of a trusted leader.

Manulife Asset Management (US) LLC ("Manulife AM (US)" or "Firm"), a wholly-owned subsidiary of Manulife Financial, was organized in 1968 in the state of Delaware and registered with the Securities and Exchange Commission (SEC) on August 4, 1992.

Following is a list of global office locations for Manulife Asset Management.

Manulife Asset Management

Location	Functionality Asset Management	Relationship Management
Bangkok, Thailand	✓	
Beijing, China[1]	✓	✓
Berwyn, PA, USA	✓	
Boston, MA, USA	✓	✓
Charlotte, NC, USA	✓	
Chicago, IL, USA	✓	
Curitiba-Paraná, Brazil[2]	✓	
Ho Chi Minh City, Vietnam	✓	
Hong Kong	✓	✓
Jakarta, Indonesia	✓	✓
Kuala Lumpur, Malaysia	✓	
London, England	✓	
Manila, Philippines	✓	
McLean, VA, USA		✓
Milwaukee, WI, USA	✓	
Montevideo, Uruguay[2]	✓	
Montreal, Canada		✓
Shanghai, China	✓	
Singapore	✓	✓

Manulife Asset Management Location	Functionality Asset Management	Relationship Management
Sydney, Australia[2]	✓	
Taipei, Taiwan	✓	✓
Tauranga, New Zealand[2]	✓	
Tokyo, Japan	✓	✓
Toronto, Canada	✓	✓
Vancouver, Washington, USA[2]	✓	

1 The location of Manulife Financial's joint venture asset management business, Manulife TEDA Fund Management Company Limited.

2 Represents the Hancock Natural Resource Group's regional asset management office locations.

The company's US-based headquarters is located in Boston, Massachusetts:

Manulife Asset Management (US) LLC
101 Huntington Avenue
Boston, Massachusetts 02199
Main Office Phone: 617.375.1500
Fax: 617.375.4996

The International Value Strategy is managed primarily out of their Milwaukee, Wisconsin office:

Manulife Asset Management (US) LLC
222 East Erie Street
Milwaukee, Wisconsin 53202

2. What is the name, position, telephone and fax numbers, and e-mail address of the firm's new business contact and database/questionnaire contact?

	New Business Contact	Questionnaire Contact
Name	Frank Saeli	Brian E. Torrisi, CAIA
Title	Head of Sales, Relationship Management & Global Distribution Services	Global Head of Consultant Relations
Office	101 Huntington Ave., Boston, MA	101 Huntington Ave., Boston, MA
Phone	617.375.1616	617.375.1876
Fax	617.375.4996	617.375.4996
Email	*Fsaeli@manulifeam.com*	*Btorrisi@manulifeam.com*

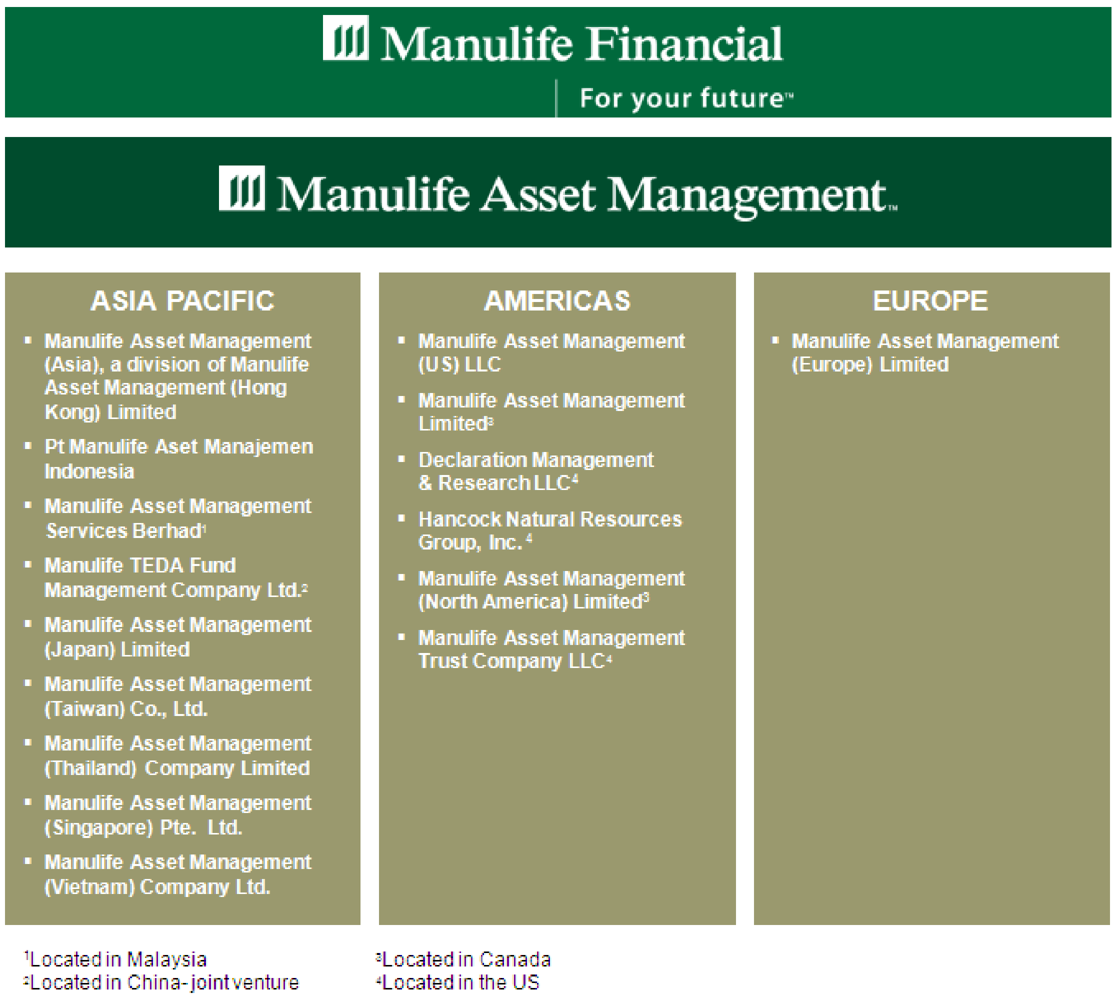
3. When was your firm founded? When was it registered with the SEC?

Manulife Asset Management is the global asset management arm of Manulife Financial Corporation, one of the world's leading financial services groups that traces its roots and investment management experience back to the 1800s. Manulife AM (US) was organized in 1968 in the state of Delaware and registered with the Securities and Exchange Commission (SEC) on August 4, 1992.

4. Describe the firm's ownership structure and explain any changes over the past five years. Discuss the firm's relationship with the parent and affiliated companies, if any.

Manulife AM (US) is a wholly owned subsidiary of Manulife Financial Corporation. Manulife Financial is a publicly-traded company and trades under the symbol 'MFC' on the TSX, NYSE and PSE, and under the symbol '945' on the SEHK. Manulife Financial became a publicly-traded corporation in 1999. Since that time, there have been no changes to their ownership structure.

Following is an organizational chart for Manulife Asset Management's diversified group of companies:



5. State the carriers and the limits of errors and omissions and fiduciary liability insurance.

Insurance Coverage

Policy Name	Policy Limits	Name of Carrier
Errors and Omissions*[1]	$20 million	Federal Insurance Company (Chubb Insurance)
Directors and Officers	$300 million	Lead by Chubb Insurance
Fidelity Bond	$50 million	Lead by Chubb Insurance
ERISA Bond[1]	$9 million	Berkeley Regional Insurance

**E&O policy represents a fronted policy arrangement between an independent commercially licensed insurance company and Manulife AM (US)'s parent company Manulife Financial Corporation.*
[1]Separate accounts only

The Firm does not currently have fiduciary liability insurance.

6. Describe any litigation regarding your firm's investment activities over the past 5 years. Is the firm expecting new litigation?

   There has been no litigation regarding Manulife AM (US)'s investment activities that was either material to its business operations or had an outcome unfavorable to the Firm over the past five years. To the best of their knowledge, the Firm is not expecting new litigation.

7. Describe any judgments against your firm by governmental and regulatory agencies over the past 5 years. Also describe any current investigations.

   There have been no judgments against Manulife AM (US) by any governmental or regulatory agency over the past five years, nor are there any current investigations, that were/are either material to Manulife AM (US)'s business operations or had/are likely to have an outcome unfavorable to the Firm.

8. Please provide copies of your firm's Form ADV Parts I and II.

   Attached please find a copy of the Firm's Form ADV Parts I and II.

9. Please state the market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

   Manulife Asset Management
   Global Assets Under Management

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2008	94,186.2	13	1,466.1	5	61.7
Dec 31, 2009	123,438.8	16	2,148.1	5	720.7
Dec 31, 2010	210,250.7	19	1,039.0	2	269.0
Dec 31, 2011	207,911.4	17	1,007.2	4	149.9
Dec 31, 2012	238,774.9	29	5,141.0	6	700.5
March 31, 2013	248,156.7	8	80.6	6	38.1

**Firmwide data as of June 30, 2013 not yet available.*

10. Please state the market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

	Specified International Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2008	33.65	--	--	--	--
Dec 31, 2009	46.88	--	--	--	--

Dec 31, 2010	25.36	--	--	--	--
Dec 31, 2011	127.41	3	7.65	1	3.58
Dec 31, 2012	692.13	2	228.54	--	--
June 30, 2013	879.97	--	--	--	--

International Value Equity Investment Services

11. Please provide the name of the product described in the remainder of this response.

    International Value Strategy

12. Provide the following information on the firm's key members of the international value equity portfolio management team: names, titles and responsibilities, years on the product (please note any changes in roles below), years with firm, and years of investment experience. Please provide biographies and an organization chart.

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Wendell L. Perkins, CFA	Senior Portfolio Manager	1998	2011	1985
Margaret (Peggy) A. McKay, CFA	Portfolio Manager	2000	2011	1992
Edward T. Maraccini, CFA	Portfolio Manager	1999	2011	1995
Daniel A. Bagdasarian, CFA	Senior Investment Analyst	1998	2011	1985
Eldene K. Doyle, CFA	Investment Analyst	2003	2011	1990
William T. Fitzpatrick, CFA	Investment Analyst	2004	2011	1997

Portfolio Management/Analyst Team

Wendell L. Perkins, CFA
Senior Portfolio Manager
28 Years Experience
Consumer Staples
Active on strategy since 1998

Margaret (Peggy) A. McKay, CFA
Portfolio Manager
21 Years Experience
Services
Active on strategy since 2000

Edward T. Maraccini, CFA
Portfolio Manager
18 Years Experience
Metals & Mining, Technology
Active on strategy since 1999

Daniel A. Bagdasarian, CFA
Senior Equity Analyst
28 Years Experience
Cyclicals (Industrials, Cap Goods, Durables, Paper, Building & Chemicals)
Active on strategy since 1998

Eldene K. Doyle, CFA
Equity Analyst
23 Years Experience
Healthcare, Telecomm, Transports, Retail, Utilities
Active on strategy since 2003

William T. Fitzpatrick, CFA
Equity Analyst
16 Years Experience
Financials, Energy
Active on strategy since 2004

Additional Resources

Equity and Fixed Income Portfolio Management Teams

Equity and Fixed Income Trading Teams

Quantitative and Risk Management Teams

Equity and Fixed Income Product Management Team

13. What has been the level of personnel turnover for investment professionals at both the firm and product levels over each of the last five years and the current year to date? Please explain any losses at the product level.

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2008	33	11	--	--
Dec 31, 2009	29	14	--	--
Dec 31, 2010	70*	27	--	1
Dec 31, 2011	75**	39	--	--
Dec 31, 2012	36	26	--	--
June 30, 2013	8***	13***	--	--

**Includes 32 investment professionals gained through the acquisition of Manulife TEDA. Also includes the addition of the Portfolio Solutions Group, an asset allocation team.*
***Includes additions of four new equity teams: US Core/Value, International Value, US Large Cap Growth and Canadian Core Equity.*
**** As of March 31, 2013; firmwide data as of June 30, 2013 not yet available.*

14. As of June 30, 2013, provide the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
879.97	6	120.68	389.15	3	3

15. Please provide the following information as of June 30, 2013 for each vehicle through which your international value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$879.97	$10 million
Commingled Fund	Y	*	N/A
Mutual Fund	N/A	N/A	N/A
Other (specify)	N/A	N/A	N/A

** A commingled vehicle can be made available via Manulife AM (US)'s affiliate, Manulife Asset Management Trust Company LLC.*
***They offer sub-advisory services of mutual funds to both affiliated and non-affiliated clients. A US mutual fund is currently distributed by John Hancock Funds, LLC. Manulife Asset Management is the sub-advisor to the fund.*

16. Is there a limit to the amount of assets the firm will manage in this product? If yes, please specify.

Given the size and liquidity of the markets in which the Strategy invests, they believe there is ample capacity for additional assets / accounts at this time. They believe that they can manage in excess of $20 billion in the International Value Strategy. As assets grow, they will continue to monitor the Strategy's performance and market liquidity to ensure the integrity of the investment process remains intact.

17. What internal controls are in place to monitor market timing activity in particular and late trading in your firm’s funds? Who monitors these activities? Have there been any trading policy violations over the past five years?

Manulife AM (US) currently does not offer or sponsor any proprietary funds for which it needed to develop and implement market timing and late trading policies. As a general matter, Manulife AM (US)’s employees are subject to a Code of Ethics. Adherence to the Code of Ethics is a fundamental condition of employment at Manulife AM (US). Every covered employee is expected to adhere to the requirements of the Code of Ethics despite any inconvenience that may be involved. Each employee is expected to adhere to the highest standard of professional and ethical conduct and should be sensitive to situations that may give rise to an actual conflict or the appearance of a conflict with their clients’ interests, or have the potential to cause damage to Manulife

AM (US) or its affiliates' reputation. To this end, each employee must act with integrity, honesty, dignity and in a highly ethical manner. Each employee is also required to comply with all applicable securities laws. Moreover, each employee must exercise reasonable care and professional judgment to avoid engaging in actions that put the image of Manulife AM (US) or its reputation at risk. The standard is clear; any covered employee failing to comply with the Code of Ethics may be subject to disciplinary action, including financial penalties and termination of employment.

Their Code of Ethics Policy is attached with this proposal for your review. For purposes of confidentiality specifics relating to violations of trading policy are not publicly disclosed.

International Value Equity Investment Philosophy

18. Briefly describe the investment philosophy/strategy, style and distinguishing characteristics of this product.

Philosophy
The investment team believes that long-term excess investment returns can be achieved through stock selection (rather than sector rotation) by investing in securities that are trading at a discount to normalized valuations and selling when securities are fully valued. They believe consistent returns can be achieved through risk reduction and stock diversification.

Investment Process
The International Value Strategy's investment team starts with a proprietary screen that uses 20 unique sector valuation screens within each region. The screens rank each stock based on value metrics that are appropriate for each sector such as price to earnings, price to book and price to cash flow. This initial screen identifies companies that appear to have the most attractive relative value. Stocks that rank in the top two deciles are considered for further research. Stocks are then checked for operational viability by focusing on companies that have good cash flow, low outstanding debt to capitalization and stable or positive earnings revisions. The team then conducts securities analysis using a variety of sources, including proprietary valuation screens, third-party research and public sources such as company filings. The team's primary method of analysis is fundamental analysis, which it describes as the ability to assess the health of a company, its competitive positioning, strength of management and its competitive advantages. The team specifically looks for positive operating trends and a financial and/or structural catalyst.

Distinguishing Characteristics
A number of unique characteristics provide the International Value Strategy with a distinct, competitive advantage versus peers. These include:

- An experienced investment management team averaging over 22 years of experience
- A cohesive team that has worked together for an average of 13 years (of the current members, the newest joined the team in 2004)
- A time tested and repeatable investment approach with a consistent value equity philosophy and process that dates back to 1993
- A consistent focus on stock selection and risk management as stocks are selected based on an assessment of management team strength and quality of financials.
- Risk reduced through stock and sector diversification so that stock-specific risk emphasized at the portfolio level
- Quantitative and fundamental inputs designed to add value and reduce volatility
- Active bottom-up approach that is disciplined, patient, objective and consistent

19. Does your firm's international value equity discipline have a growth, value or core style bias?

The investment team defines the Strategy as international large cap value oriented with a bottom-up security selection process.

20. Explain the firm's portfolio approach to the level of cash and equivalent holdings. Specify the normal, maximum and minimum levels of cash holdings.

Cash positions are typically less than 5%, but with a max of 10%. The team's philosophy is to keep portfolios fully invested. Cash balances are transactional in nature and may be created during portfolio re-allocation.

21. Briefly state how your firm defines an investable international value equity market for the purposes of this product.

The International Value Strategy's investable universe is comprised of approximately 2,000 companies meeting the region, country and market capitalization criteria described below:

Region	Country	Market Cap Minimum (USD millions)
Australia	Australia	>$500
Latin America	Argentina, Brazil, Chile, Mexico	>$500
Canada	Canada	>$500
Emerging Asia	Philippines, India, Indonesia, Taiwan, Korea, Thailand, Malaysia	>$500
Hong Kong	Hong Kong	>$500
Japan	Japan	>$500
Singapore	Singapore	>$500
United Kingdom	United Kingdom	>$500
Continental Europe	Austria, Belgium, Finland, France, Germany, Greece, Ireland, Sweden, Italy, Luxembourg, Netherlands, Portugal, Spain, Denmark, Norway, Switzerland	>$800

Starting from this investable universe, the team applies a proprietary screen that uses 20 unique sector models within each region. The screens rank each stock based on value metrics that are appropriate for each sector such as price-to-earnings, price-to-book and price-to-cash flow. These initial screens identify companies that appear to have the most attractive relative value. Stocks that rank in the top two deciles are considered for further research.

The Strategy's benchmark, the MSCI World ex-US, is currently comprised of over 1,000 constituents representing approximately 50% of the Strategy's investable universe. As indicated in the table above, the Strategy's investable universe includes many emerging market countries. However, emerging markets have not represented a significant portion of the portfolio, historically averaging approximately 5.0%, and currently representing 3.6% of the portfolio as of June 30, 2013.

22. How does your firm assess the liquidity of individual equity markets?

While the Strategy does not have strict liquidity constraints, the investment team is mindful of the liquidity of every stock considered for trading. The team primarily invests in large cap names and thus the majority of trading is in highly liquid securities.

23. Will your firm invest in emerging equity markets in this investment discipline? If yes, specify the typical portfolio percentage as well as maximum and current (6/30/2013) percentage.

The Strategy's exposure to emerging markets has ranged from approximately 3–8% in the past five years ending June 30, 2013 as the team is mindful of the benchmark's minimal exposure to emerging market countries. The Strategy held 3.6% in emerging market securities as of June 30, 2013.

The portfolio management team has managed accounts with limits on emerging markets securities for clients who have requested this guideline, though the Strategy has no strict limits. Within the context of a separate account, the investment team can work with representatives from Milliman, Inc. and Contra Costa County Employees Retirement Association to create suitable guidelines consistent with desired allocations to both sectors and regions, including specific limits related to emerging markets investments.

24. What securities other than common stock and cash equivalents will be held?

The International Value Strategy will invest primarily in common stocks. While not a predominant part of the Strategy, the portfolio can invest in other securities including depository receipts, depository shares, exchange-traded funds, REITs, cash and cash equivalents, preferred stocks, warrants and rights, exchange-listed or over-the-counter financial derivative instruments and other derivatives including currency forwards and index futures.

25. Does your firm engage in currency hedging in this strategy? If yes, is there a maximum hedge ratio for major currencies?

While currency is not actively managed it may be a consideration in the bottom-up stock selection process. The team typically does not hedge currencies in the Strategy.

26. State typical benchmark(s) used to measure the fund's performance. Which do you believe is best?

The preferred benchmark is the MSCI World ex-US. However, with respect to a separate account option, the Firm can work with clients to determine the most suitable index or custom benchmark, given specific desired return objectives and expectations for overall strategic allocation.

27. What is the expected tracking error of this product compared to the MSCI ACWI ex-US Value Index?

The expected tracking error versus the MSCI ACWI ex-US Value is 4-6%.

28. Does this product target a particular level of volatility (index-relative or absolute)? If so, please describe how the volatility target is implemented.

There is no explicit target with respect to volatility for the Strategy. The resulting volatility of the Strategy is a function of the bottom-up stock selection in the portfolio investment process. That said, risk management is integrated into the entire investment process as outlined below.

The Global Risk Management team generates daily risk reports, which are reviewed by the appropriate risk specialist and are made available to the investment teams. Risk analysts apply their knowledge of the portfolio and rely upon varied risk measurement tools to highlight areas of interest / concern to the investment team and perform additional in-depth work to assess the validity of any concerns. There is also a tiered escalation process whereby the analyst reviews a concern with the investment team and discusses how the risk is viewed from a fundamental perspective so that ideally the issue can be resolved without further escalation. Unresolved concerns are brought to the attention of the global head of Investment Risk and Quantitative Risk Analytics as well as the global chief investment officer leading to a discussion as to what if any further action needs to be taken with the investment team.

International Value Equity Research Process

29. Describe the process for identifying attractive securities. List screening steps and fundamental security requirements. What role does macro-economic research play in this process? Describe the analytical research performed on individual securities.

<u>Screens</u>
Beginning with a universe of greater than 2,000 securities, the investment team utilizes a multi-factor valuation methodology to rank companies by sector and by region from the most attractive to least attractive. Through this screening exercise, value companies rise to the top two deciles for further review. To reduce return volatility and the value trap risk, the investment team imposes several filters generally eliminating companies with negative cash flow, overly levered balance sheets and/or plunging earnings estimates revisions.

<u>Security Requirements</u>
While the team is very comfortable owning out of favor businesses, it does not forsake underlying quality. Improving returns on capital takes time and the flexibility afforded management is critical. Solid underlying cash flow generation alongside an appropriately structured balance sheet provides management time to implement required change or ride through a cyclical downturn. This margin of safety is exceptionally important to the team as long-term investors.

The investment team's insistence on underlying credit quality is an important component of avoiding value traps, but not necessarily helpful when considering the shorter-term opportunity costs of investing. Earnings estimates revisions, which are an imperfect measure driven by sell side analysts, can be very helpful in avoiding shorter-term negative performance drags. As the expected earnings uncertainty rises, so too does the relative underperformance in the short run. The investment team usually finds a better entry point into a security once the revisions have begun to stabilize.

<u>Fundamental Research/Analysis</u>
The investment team's approach to qualitative due diligence begins with gaining an understanding of the current company fundamentals that have resulted in the valuation discount as no security is cheap without reason. The team utilizes a credit analytics methodology to assess how that cash is being generated and used to abet future growth or to benefit shareholders through distributive dividend and/or share repurchase policies. The team also seeks to understand balance sheet structure with a focus on liabilities that might adversely impact the value of the equity. With any company in their portfolio, the team's objective is to succinctly outline the key opportunities in a company that will drive the shares over the next two to three years as well as the key risks that might damage value. Assuming the opportunities outweigh the risks outlined, the security becomes a buy and is added to their portfolio.

<u>Macroeconomic Research</u>
The Strategy is focused primarily on adding value through bottom-up, fundamental research and stock selection. However, there is a slight top-down consideration with respect to marginal relative sector exposures, which are generally a function of the team's macro view of each sector.

30. What is the number of securities regularly followed by security analysts and/or portfolio managers?

At any one time, each analyst or portfolio manager will follow approximately 25-45 names.

31. Describe any processes in place to detect accounting irregularities at companies held in the portfolio.

They do not have any processes in place to detect accounting irregularities as the investment team is not primarily in the business of forensic accounting. However, through the team's due diligence and investment process, it will take a mosaic approach to stock analysis corroborating information with company specific financials.

32. Does your firm use any technical and/or price momentum research? If so, how and why?

Technical analysis and/or price momentum are not primary factors in the investment philosophy and process for the International Value Strategy. The investment approach for the Strategy emphasizes in-depth fundamental research of issues, including quantitative screening, corporate balance sheet analysis and assessment of a number of qualitative factors. The team's objective is to succinctly outline the key opportunities in a company that will drive the shares over the next two to three years as well as the key risks that might damage value.

Portfolio Construction and Management

33. Describe in detail the portfolio construction and management process. If a team approach is used, state the names of the team members and explain the role(s) of each team member.

Team Approach
Key investment professionals associated with the International Value Strategy include portfolio managers Wendell L. Perkins, CFA, Margaret (Peggy) A. McKay, CFA and Edward T. Maraccini, CFA. The Strategy's portfolio managers in turn rely upon the three additional members of the Firm's International Value team to perform research, generate ideas and uncover opportunities. These individuals include senior equity analyst Daniel A. Bagdasarian, CFA, and equity analysts Eldene K. Doyle, CFA and William T. Fitzpatrick, CFA. Final portfolio construction decisions, including all security and positioning decisions (i.e. asset allocation), are the purview of the designated lead portfolio manager for the Strategy. However, consistent with Manulife Asset Management's team-based approach, both research and portfolio management professionals perform research on individual stock issues and identify investment opportunities.

Portfolio Construction
The portfolio construction process seeks to minimize structural risk by keeping sector and regional weights closely aligned with respective benchmark weights. The team monitors the portfolio versus the following portfolio construction and risk management characteristics:

Portfolio Holdings: 100–130
Position Sizes: Position sizes are typically below 1.5% with a maximum of 3%
Sector Exposures: Typically +/-200bps of the benchmark* weight
Tracking Error: Estimated 4%–6% annually
Characteristics, guidelines and constraints are for illustrative purposes only, may change at any time and may differ for a specific account.

Once ideas have been identified and researched, initial position sizes will normally be less than 1.5%, with the average being between 80–90bps. Buy determinations are a function of the team's level of conviction in the company's valuation relative to its sector, operating cash flow, manageability of leverage and dividends.
*The standard benchmark is the MSCI World ex-US. However within the context of a separate account, the Firm works with clients to determine the most suitable index or custom benchmark, given their specific desired return objectives and expectations for their overall strategic allocation.

34. What is the current number, typical number and range of securities held in the product?

As of June 30, 2013	Typical Number	Range

115	115	100-130

35. As of June 30, 2013, state the typical portfolio allocation to equities in the market capitalization ranges shown below. Also, please specify the possible ranges and typical allocations for each category.

Market Capitalization Range	Allocation as of June 30, 2013	Typical Allocation	Possible Range of Allocation
Less than $100 million	0	0	0-10
Between $100 mil. and $500 mil.	0	0.52	0-10
Between $500 mil. and $1 bil.	0	0.47	0-20
Between $1 bil. and $3 bil.	5.32	7.63	0-50
Between $3 bil. and $5 bil.	8.14	5.64	0-50
Between $5 bil. and $10 bil.	13.96	14.37	0-80
Between $10 and $20 billion	17.48	16.55	0-100
Greater than $20 billion	50.03	50.70	0-100
Median Market Capitalization	$20,368	NA	NA
Weighted Average Market Capitalization	$42,492	NA	NA

36. Describe the firm's sell discipline.

A key element of the team's investment process is a well-defined sell discipline. A stock may become a candidate for sale when:

- Stocks are fully valued within their sectors
- Deteriorating fundamentals: Financial characteristics are inconsistent with the original investment thesis
- A catalyst has been realized or eliminated
- Position size exceeds a maximum of 3% of the portfolio
- Performance of the stock causes an excessive overweight to the benchmark sector weight
- Concerns regarding political instability or deteriorating economic fundamentals

37. What has been the average international value equity turnover for each of the last five years and the current year to date?

Portfolio turnover is expected to be 20%–40% on an annual basis.

Year	Turnover (annual)
2008	N/A
2009	N/A
2010	N/A
2011	16.33%
2012	20.62%
YTD June	16.46%

** Investment capabilities for the International Value Strategy were acquired by Manulife AM (US) on February 11, 2011. Historical turnover is not available.*
***February 11, 2011 - December 31, 2011*

Investment Management Fees

38. Provide your fee schedules for the international equity product, both for commingled/mutual funds and separate accounts. If a commingled fund is proposed, what are the custody costs of the trust and are they an additional fee that is directly charged to the client? Please specify who custodies the assets. Are investment management fees negotiable?

	Market Value	Fee in Percent
First	$50 million	0.70
Next	$50 million	0.50
Over	$100 million	0.45

A commingled vehicle can be made available via Manulife AM (US)'s affiliate, Manulife Asset Management Trust Company LLC. All investors in commingled funds are subject to operating expenses (non-investment management, i.e.,custody, accounting, audit and other operating expenses) and trading-related expenses that are applied at the overall fund level and are reflected in the fund's net asset value. Investment management fees can be charged at the overall fund level. In addition, investment management fees may be charged at the fund's participant level and therefore, are not reflected in the fund's net asset value. State Street Bank currently provides custody services for their commingled funds.

They are in certain cases open to discussing fee arrangements. Fees may be negotiated based on a client's service requirements or other factors; the goal is to fully understand the scope of services for the mandate and their potential impact on costs. Based on these discussions, the standard fee schedule may be amended.

39. Has the firm entered into incentive fee arrangements? If so, provide details.

Manulife Asset Management has performance-based fee arrangements in place with clients. Manulife Asset Management would be open to considering a mutually-agreeable incentive-based fee schedule and would work with representatives of Milliman, Inc. and the Contra Costa County Employees Retirement Association to implement that format, if desired.

40. Does your firm use any service, information, or merchandise paid for with directed commissions? If yes, please list the services received from such commissions, and the percentage of fees so directed.

Manulife AM (US) may receive both proprietary broker and third party or independent research and execution services. Proprietary broker research is generally part of a "bundle" of brokerage and research in which the research is not separately priced. In the case of third party research, the cost of products and services can be more transparent because payment is made by the broker to the preparer in "hard dollars."

In accordance with industry practice and applicable regulatory requirements, soft dollar products and services furnished or paid for by brokers through whom Manulife AM (US) effects transactions for a particular account may be used by Manulife AM (US) in servicing its other accounts, and not all such services may be used for the benefit of the client who pays the brokerage commission which results in the receipt of such research services.

Research services currently acquired by Manulife AM (US) with soft dollars may include: reports on the economy, industries, sectors and individual companies or issuers; introduction to issuers, invitations to trade conferences, statistical information; statistical models; political analyses; reports on legal developments affecting portfolio securities; information on technical market actions; and credit analyses.

41. Please provide copies of your firm's Form ADV Parts I and II.

Attached please find a copy of the Firm's Form ADV Parts I and II.

International value Equity Investment Performance

42. Provide quarterly historical performance for your product using the attached form. Do not include any simulated data. Returns should be total portfolio, time-weighted rates of return **both gross and net** of investment management fees. For year-end periods, also provide the market value of assets and number of accounts. If you offer both a commingled product and separate accounts, provide performance for both.

Please find their quarterly historical performance for the International Value Composite on the attached form.

43. Please specify the methodology for constructing the firm's composite performance.

The Firm uses a time weighted rate-of-return calculation method which measures the change in portfolio market values and income earned. The market values for the rate-of-return calculations include cash, cash equivalents, and short-term investments valued at market prices and accruals. Securities are valued on the basis of market quotations or valuations provided by independent pricing services; however, exceptions may occur. Short-term debt investments maturing within 60 days are valued at amortized cost, which approximates market value. Trade date valuation is used. Gross performance results do not reflect the deduction of investment management fees, and are net of commissions and foreign withholding tax. Net performance results reflect the application of investment management fees to the gross performance results.

Composites are calculated using beginning of period asset weighted portfolio returns. All discretionary, fee-paying accounts are included in a composite. New accounts are generally eligible for inclusion in a composite at the beginning of the first full calendar month under management and are removed from their composite at the end of their last full month under management.
Portfolio and composite returns are calculated using third party software designed for this purpose.

44. Are returns audited? By whom? Are returns CFAI/AIMR compliant? For what time period? Please provide the most recent statement of verification by an independent third party.

Manulife AM (US) claims compliance with GIPS. The Firm has most recently been verified by independent auditors for the periods between January 1, 2011 through December 31, 2011.

Attached please find the Firm's most recent GIPS verification letter.

INTERNATIONAL VALUE EQUITY
INVESTMENT MANAGER QUESTIONNAIRE
As of June 30, 2013

Organizational Background

1. What is the firm name, address, and telephone and fax numbers of your main and branch offices? What investment activity takes place at each location?

Office Location	Function	Personnel Count (As of June 30, 2013)	Open Date
USA (Boston) MFS Investment Management 111 Huntington Avenue Boston, MA 02199 T: (617) 954-5000	Corporate Headquarters, Investment Management, Equity & FI Research, Sales & Marketing, Client Service, Operations	1,176	1924
Hong Kong MFS International (Hong Kong) Limited 1901 Wheelock House 20 Pedder Street Central, Hong Kong	Equity Research, Sales & Marketing, Client Service	3	1994*
UK (London) MFS International (U.K.) Limited Paternoster House 65 St. Paul's Churchyard London EC4M 8AB United Kingdom	Investment Management, Equity Research, Sales & Marketing, Client Service	87	1995
Japan (Tokyo) MFS Investment Management K.K. Daido Seimei Kasumigaseki Building 16F 1-4-2 Kasumigaseki, Chiyoda-Ku Tokyo 100-0013	Equity Research, Sales & Marketing, Client Service	28	1998
Singapore MFS International Singapore Pte. Ltd. 501 Orchard Road #13-01 Wheelock Place Singapore 238880	Equity Research, Sales & Marketing, Client Service	17	1998
Brazil (São Paulo) MFS do Brasil Rua Joaquim Floriano 1052. 11º andar Cj. 111. São Paulo, SP. Brasil CEP 04534-004	Equity Research, Sales & Marketing	3	1999
Mexico (Mexico City) MFS Investment Management Mexico Av. Jesus del Monte # 41 piso 19 of. 1901-02 Col. Ex Hacienda Jesus del Monte C.P. 52764 Huixquilucan, Estado de Mexico	Investment Management Equity Research	4	2003

Australia (Sydney) MFS Investment Management 55 Hunter Street, 15th floor Sydney NSW 2000	Equity Research, Sales & Marketing, Client Service	16	2008
Canada (Toronto) MFS McLean Budden[SM] 77 King Street West 35th Floor Toronto ON M5K 1B7	Investment Management, Equity & FI Research, Sales & Marketing, Client Service, Operations	63	2010
United Arab Emirates (Dubai) MFS International (U.K.) Limited Office #21, Level 3, Gate Village Building 4 Dubai International Financial Centre PO Box 482065, Dubai	Sales & Marketing	1	1992*
Argentina (Buenos Aires) MFS International Ltd. Carlos Pellegrini 1265, Piso 5 Buenos Aires C1009ABY	Sales & Marketing	6	1994
USA (Phoenix) MFS Fund Distributors, Inc. 2575 E. Camelback Road Phoenix, AZ 85016	Sales & Marketing	15	2001
Germany (Frankfurt) MFS International Ltd. Mainzer Landstraβe, 33 Frankfurt am Main 60329 , Germany	Sales & Marketing	4	2005
Switzerland (Zürich) MFS International (UK) Limited Stockerhof Dreikoenigstrasse 31 A 8002 Zürich, Switzerland	Sales & Marketing	1	2005
The Netherlands (Rotterdam) MFS International (UK) Limited Lichtenauerlaan 102-120 NL-3062 ME Rotterdam, The Netherlands	Sales & Marketing	1	2007
Italy (Milan) MFS International Ltd. Via Torino 2 I-20123 Milan, Italy	Sales & Marketing	1	2007
Spain (Madrid) MFS International (UK) Limited Sucursal en España Paseo de la Castellana 95, 15th Floor E-28046 Madrid, Spain	Sales & Marketing	1	2007
France (Paris) MFS International (U.K.) Limited 19, boulevard Malesherbes 75008 Paris	Sales & Marketing	1	2008
USA (Quincy) MFS Service Center, Inc. 100 Hancock Street Quincy, MA	Transfer Agent	153	2008

Canada (Montreal) MFS McLean Budden[SM] 1250 René-Lévesque Blvd. W. Suite 3010 Montréal, QC H3B 4W8	Sales & Marketing, Client Service	5	2011
Canada (**Vancouver)** MFS McLean Budden[SM] 595 Burrard Street Three Bentall Centre Suite 3043, P.O. Box 49105 Vancouver, BC V7X 1G4	Sales & Marketing, Client Service	3	2011

* Indicates the initial date of MFS' regional presence.

2. What is the name, position, telephone and fax numbers, and e-mail address of the firm's new business contact and database/questionnaire contact?

	New Business Contact	Questionnaire Contact
Name	Allan Duckett	Please contact Allan Duckett with any questions.
Title	Trust Officer – MFS Heritage Trust Company; Director – Institutional Sales	
Office	111 Huntington Avenue Boston, MA 02199	
Phone	(617) 954-5631	
Fax	(617) 954-7832	
Email	ADuckett@mfs.com	

3. When was your firm founded? When was it registered with the SEC?

MFS has been managing assets since 1924, helping generations of investors pursue their financial goals throughout varied investment markets. MFS and its predecessor organizations have been registered with the SEC since 1969.

Should MFS be selected to manage the Contra Costa County Employees' Retirement Association International Value mandate, the legal contracting entity servicing the Association will be Massachusetts Heritage Trust Company (MHTC). MHTC is a New Hampshire-Chartered Limited Purpose Trust Company and was established in 1999 as a wholly owned subsidiary of MFS Investment Management.

MHTC is a "bank" as defined in the Investment Advisers Act of 1940, as amended (the Advisers Act). As such, MHTC is exempt from registration as an investment advisor under the Advisers Act.

4. Describe the firm's ownership structure and explain any changes over the past five years. Discuss the firm's relationship with the parent and affiliated companies, if any.

MHTC, a New Hampshire-Chartered Limited Purpose Trust Company, was established in 1999 and is a wholly owned subsidiary of MFS Investment Management, commonly referred to as MFS. MFS has a history of money management dating back to 1924, when it created the first open-end U.S. mutual fund, Massachusetts Investors Trust.

MFS is a majority-owned subsidiary of Sun Life of Canada (U.S.) Financial Services Holdings, Inc., which in turn is an indirect majority-owned subsidiary of Sun Life Financial, Inc. (a diversified financial services organization). MFS has been a subsidiary of Sun Life since 1982. While MFS operates with considerable autonomy, this partnership provides significant resources as they continue to expand their global research presence.

5. State the carriers and the limits of errors and omissions and fiduciary liability insurance.

MFS and its subsidiaries, including MHTC, maintain a variety of insurance coverages that are typical of the investment management industry. The extent of coverage and exclusions for each policy are also typical of the industry. MFS' insurance policies include, but are not limited to, Professional Liability, Fidelity Bond, General Liability, and Workers Compensation. MFS does not disclose policy limits, with limited exceptions, or claims information with respect to its insurance policies. MFS will however, produce certificates of insurance upon request. More specifically, MFS maintains

• A Directors and Officers/Errors and Omissions policy with a primary limit of liability in excess of US$10 million. The primary carrier on the policy is ICI Mutual Insurance Company. This policy expires in November and is renewed annually.

• A Domestic Fidelity Bond with a primary limit in excess of US$10 million. The primary layer on the Bond is a co-surety arrangement between ICI Mutual Insurance Company and Chubb Insurance Company. This policy expires in November and is renewed annually.

• General Liability coverage with limits of US$1 million per occurrence and US$2 million in the aggregate. The carrier on the policy is Chubb Insurance Company. This policy expires in March and is renewed annually.

• A U.S. Workers Compensation policy with statutory limits. The carrier on the policy is Sentry. This policy expires in April and is renewed annually.

MFS does not have separate fiduciary liability coverage for third parties. Fiduciary coverage is included in MFS' professional liability coverage that is provided by ICI Mutual Insurance Company.

6. Describe any litigation regarding your firm’s investment activities over the past 5 years. Is the firm expecting new litigation?

MHTC has not been subject to litigation in the past five years.

Pending litigation

MHTC’s parent company, MFS, is not currently the subject of any material litigation. However, from time to time, MFS and its subsidiaries are named as defendants in litigation that MFS believes is not likely to have a material adverse impact on the financial position of the company or its ability to provide services to clients.

Concluded litigation

Over the past five years, MFS has also been involved in the following material, or potentially material, litigation or legal proceedings, all of which are now concluded:

In December 2003, MFS, MFS Fund Distributors Inc., Sun Life Financial Inc. (MFS’ parent company), various MFS funds, the trustees of these MFS funds, and certain officers of MFS were named as defendants in multiple lawsuits filed in federal and state courts relating to market timing and/or late trading. The lawsuits generally alleged that some or all of the defendants permitted or acquiesced in market timing and/or late trading in some of the MFS funds, inadequately disclosed MFS’ internal policies concerning market timing and such matters, received excessive compensation as fiduciaries to the MFS funds, and should not have imposed contingent deferred sales charges (CDSC) on certain redemptions. These lawsuits related to pre-2004 events. MFS (and related parties) entered into agreements with the plaintiffs to settle these actions. The settlements were given final approval by the court in October 2010.

On July 28, 2008, a class action lawsuit was filed against MFS and MFS Fund Distributors, Inc., alleging that the disclosure in certain MFS fund prospectuses concerning the value and performance of Class A shares relative to other share classes was misleading. The complaint alleged that the prospectus omitted information that might have led certain investors to invest in other share classes. After MFS filed a motion to dismiss, the plaintiff voluntarily dismissed the case with prejudice on March 5, 2009.

In 2004, MFS, MFD, Sun Life Financial, Inc., various MFS funds, the trustees of these funds, and certain officers of MFS were named as defendants in lawsuits filed in (or transferred to) the United States District Court for the District of Massachusetts. The lawsuits alleged generally that the defendants received excessive fees, permitted or acquiesced in the improper use of fund assets by MFS to support the distribution of fund shares, and inadequately disclosed MFS' use of fund assets in this manner. Those lawsuits were settled by agreement of the parties and dismissed by court orders in 2007 and 2008.

In March 2004, Premium Plus Partners, L.P. filed a class action in federal court in Chicago against MFS and several other defendants, generally alleging that MFS' purchase of 30-year U.S. Treasury bonds on October 31, 2001, was made while in possession of nonpublic information. Plaintiffs alleged that such purchase, prior to the Treasury's announcement that it would no longer issue 30-year Treasury bonds, restricted the supply of available 30-year Treasury bonds and caused those who held short positions to cover those positions at higher prices. On July 30, 2008, the court granted summary judgment in favor of MFS and this decision was not appealed.

In addition, from time to time, MFS has been a party to immaterial litigation or other disputes.

7. Describe any judgments against your firm by governmental and regulatory agencies over the past 5 years. Also describe any current investigations.

There have been no judgments against MHTC or MFS by governmental or regulatory agencies over the past five years. From time to time, MFS and its subsidiaries receive subpoenas, inquiries, and other information requests from governmental or regulatory bodies, to which they respond. They consider such subpoenas, inquiries, and requests to be confidential.

8. Please provide copies of your firm's Form ADV Parts I and II.

As a New Hampshire-chartered, non-depository trust company, MFS Heritage Trust Company (MHTC) is a "bank" as defined in the Investment Advisers Act of 1940, as amended (the Advisers Act). Therefore, MHTC is excluded from the definition of "investment adviser" under the Advisers Act and, accordingly, is not required to file Form ADV, Parts 1 and 2.
MFS' Form ADV Parts 1 and 2A are provided in Appendix I.

9. Please state the market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

Please note the following chart has been completed on a firm wide basis for MFS, which includes assets held at MHTC.

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2008	127,581.8	43	3,953.3	20	1,474.2
Dec 31, 2009	183,448.2	91	10,058.6	21	1,104.8
Dec 31, 2010	219,655.6	102	11,952.8	14	2,185.8
Dec 31, 2011	251,423.9	94	8,998.6	24	2,624.6
Dec 31, 2012	321,452.5	112	14,885.2	19	1,726.4
March 31, 2013	347,752.0	13	993.1	8	722.3

10. Please state the market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

Please refer to the following chart for the MFS International Value Fund – Collective Investment Trust (CIT), which funded on September 21, 2010.

Specified International Value Equity Product					
	Market Value $ (Millions)	# Accounts Gained	Assets Gained $ (Millions)	# Accounts Lost	Assets Lost $ (Millions)
Dec 31, 2010	110.6	1	105.6	0	0
Dec 31, 2011	98.6	1	6.0	0	0
Dec 31, 2012	109.3	2	34.0	1	32.6
March 31, 2013[2]	118.2	0	0	0	0

Please refer to the following chart for the MFS International Value Equity strategy, which shows all assets managed in the style, including the MFS International Value Fund – CIT

Specified International Value Equity Product					
	Market Value $ (Millions)	# Accounts Gained	Assets Gained $ (Millions)	# Accounts Lost	Assets Lost $ (Millions)
Dec 31, 2008	998.5	0	0	0	0
Dec 31, 2009	3,008.9	3	350.2	0	0
Dec 31, 2010	5,149.7	6	688.7	0	0
Dec 31, 2011	6,538.9	4	175.2	0	0
Dec 31, 2012	12,395.2	10	1,168.7	1	32.6
March 31, 2013[3]	14,831.4	0	0	0	0

International Value Equity Investment Services

11. Please provide the name of the product described in the remainder of this response.

MFS International Value Fund – Collective Investment Trust (CIT)

12. Provide the following information on the firm's key members of the international value equity portfolio management team: names, titles and responsibilities, years on the product (please note any changes in roles below), years with firm, and years of investment experience. Please provide biographies and an organization chart.

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Barnaby Wiener	Portfolio Manager	10	15	19
Benjamin Stone	Portfolio Manager	5	7	17
Camille Humphries Lee, CFA	Institutional Portfolio Manager	7	13	23

Biographies are included below:

[2] Please note assets as of June 30, 2013 are not yet available. Year-to-date asset and account values provided are as of March 31, 2013.
[3] Please note assets as of June 30, 2013 are not yet available. Year-to-date asset and account values provided are as of March 31, 2013.

Barnaby Wiener

- Investment Officer
- Equity Portfolio Manager
- Serves on MFS Global Equity Management Committee.
- As a Value Equity Portfolio Manager, responsible for final buy and sell decisions, portfolio construction, risk and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 1998; previous positions include Equity Research Analyst.
- Previous experience includes 2 years as Vice President & Equity Analyst at Merrill Lynch; 2 years as Equity Research Analyst at Credit Lyonnais.
- Served five years in the British Army reaching the rank of Captain.
- Royal Military College, Sandhurst, Graduate Course
- Oxford University, MA, upper 2nd class history degree

Benjamin Stone, IIMR

- Investment Officer
- Equity Portfolio Manager
- As a Value Equity Portfolio Manager, responsible for final buy and sell decisions, portfolio construction, risk and cash management. Participates in the research process and strategy discussions.
- Joined MFS in 2005; previous positions include Equity Research Analyst.
- Previous experience includes 9 years as Research Analyst at Schroders Investment Management.
- Affiliations include Institute of Investment Management and Research.
- Durham University, BA, 2:1

Camille Humphries Lee, CFA

- Investment Officer
- Institutional Equity Portfolio Manager
- As an Institutional Portfolio Manager, participates in the research process and strategy discussions. Assesses portfolio risk, customizes portfolios to client objectives and guidelines, and manages daily cash flows. Communicates investment policy, strategy, and positioning.
- Joined MFS in 2000.
- Previous experience includes 3 years as Research Analyst at SG Cowen Securities Corporation; 8 years as Research Analyst and Associate Analyst at Alex Brown.
- Affiliations include CFA Institute, Boston Security Analysts Society, Inc.
- University of Virginia, MBA
- University of Virginia, BA

13. What has been the level of personnel turnover for investment professionals at both the firm and product levels over each of the last five years and the current year to date? Please explain any losses at the product level.

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2008	11	18	1	0
Dec 31, 2009	9	8	0	0
Dec 31, 2010	13	6	0	0
Dec 31, 2011	27	6	0	0
Dec 31, 2012	7	6	0	0
June 30, 2013	5	2	0	0

14. As of June 30, 2013, provide the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

Please note the information provided below is as of March 31, 2013. Asset and account data as of June 30, 2013 is not yet available.

MFS International Value Fund – CIT
Please refer to the following chart for the MFS International Value Fund – Collective Investment Trust (CIT).

$ Assets Under Mgt (MM)	Number of Investors	Median Client Size (MM)	Largest Client Size (MM)	Number of Portfolio Mgrs	Number of Inv Analysts
118.2	3[4]	9.9	103.9	3[5]	32

MFS International Value Equity Strategy

Please refer to the following chart for the MFS International Value Equity strategy, which is the underlying strategy of the MFS International Value Fund – CIT.

$ Assets Under Mgt (MM)	Number of Investors	Median Client Size (MM)	Largest Client Size (MM)	Number of Portfolio Mgrs	Number of Inv Analysts
14,831.4	22[4]	104.1	942.9	3[4]	32

15. Please provide the following information as of June 30, 2013 for each vehicle through which your international value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	4,404.0	50.0[6]
Commingled Fund	Y	118.2	3.0
Mutual Fund	Y	10,309.2	None
Other (specify)	-	-	-

Please note the information provided above is as of March 31, 2013. Asset and account data as of June 30, 2013 is not yet available.

16. Is there a limit to the amount of assets the firm will manage in this product? If yes, please specify.

At MFS, they continually evaluate the capacity of products in order to preserve their ability to provide superior investment performance through a combination of quantitative and qualitative techniques.
Capacity is closely monitored and systematically measured as part of MFS' comprehensive risk management process. A preliminary estimate of capacity is run for all strategies as part of their semi-annual portfolio review process. Capacity estimates are modeled on several factors including firm ownership limits and trading

4 Represents institutional investors only.
5 Includes Portfolio Managers Barnaby Wiener and Benjamin Stone and Institutional Portfolio Manager Camille Humphries Lee.
6 Soft close.

volumes. The estimate also takes into consideration common holdings across all MFS products. If a product's total assets approaches the forecast of the quantitative model additional analysis is performed which includes a review of additional quantitative factors as well as qualitative input from the investment team. They also monitor investment style and transaction costs on an ongoing basis to ascertain whether asset inflows have caused unintended style shifts and whether increasing assets are making a strategy more expensive to implement.
Product closures are implemented at appropriate asset levels to protect the interest of their clients. MFS has demonstrated a record of closing products when we reach capacity, which they will continue to uphold.
Based on their ongoing evaluation of capacity across the firm, they implemented a soft close of their International Value Equity strategy to new separate accounts in November 2012. Taking into account the current assets under management and anticipated flows, they believe this was an appropriate time to begin to limit flows into the strategy. Pooled vehicles designed for institutional investors and the retail mutual fund have remained open to new and existing clients.

17. What internal controls are in place to monitor market timing activity in particular and late trading in your firm's funds? Who monitors these activities? Have there been any trading policy violations over the past five years?

The company has in place a policy on market timing that is designed to protect the interests of long-term shareholders of MFS funds. According to the current policy, investors are restricted as to the number of times they may exchange out of a fund during a calendar quarter (subject to certain dollar limits).
Additional information on MFS retail mutual funds and their prospectus disclosure on market timing can be found at their website, www.mfs.com.

There have been no trading policy violations over the past five years.
Please note these policies pertain to registered mutual funds offered by MFS and do not specifically pertain to the MHTC collective investment trust.

International Value Equity Investment Philosophy

18. Briefly describe the investment philosophy/strategy, style and distinguishing characteristics of this product.

Investment Philosophy
They believe:
Most market participants speculate on near-term information and overreact to short-term news flow.
- They invest on a three- to five-year time horizon. Their global research platform, collaborative investment process, and compensation structure are all aligned with this time frame.

Most market participants attach too much weight to forecasts, which often prove inaccurate, particularly at inflection points.
- They seek an analytical advantage by evaluating the long-term quality, sustainability, improvement potential, and intrinsic value of businesses.

Most market participants overemphasize upside potential versus downside risk.
- They manage client capital by avoiding stocks with substantial downside risk and only invest where valuations more than compensate for inherent risks.

Style
They would describe the style of the CIT as international all-cap value equity.
Distinguishing characteristics
They believe the competitive advantages of International Value include
Integrated global research platform
- collaborative culture critical to process
- combines equity, fixed-income, and quantitative analysis

Disciplined, consistent strategy
- seek sustainable returns in various market environments

- assess investment opportunities in context of three- to five-year time horizon
  Rigorous valuation discipline
- patient, contrarian approach
- focus on downside risk management

19. Does your firm's international value equity discipline have a growth, value or core style bias?

    The MFS International Value Fund – CIT has a value style bias.

20. Explain the firm's portfolio approach to the level of cash and equivalent holdings. Specify the normal, maximum and minimum levels of cash holdings.

    Generally, the fund has been fully invested. Cash levels have been the result of buy/sell transactions, rather than a reflection of their optimism/pessimism regarding international equity markets.
    Generally, the maximum of cash that has been committed to the fund is 10%. However, the percentage of cash has typically been less than 5%.

21. Briefly state how your firm defines an investable international value equity market for the purposes of this product.

    The investable universe for the strategy has included all securities included in the MSCI All County World ex US Index.

22. How does your firm assess the liquidity of individual equity markets?

    Liquidity risk comprises market liquidity and settlement liquidity. Market liquidity is the risk that a transaction cannot be unwound because of inadequate market depth, while settlement liquidity is the risk that an investment manager will not be able to meet its obligations resulting from a transaction.
    The MFS Investment Management Committee considers market depth as part of the criteria for approval of a new instrument and in its periodic evaluation of existing instruments.

    Prior to investment, portfolio managers consider the relationship between liquidity and size of the position. The Compliance team uses an internal compliance system to monitor positions based on Information Memorandum, Trust Deed, and internal guidelines.

    The Quantitative Solutions team, portfolio managers, and the Investment Management Committee semiannually review capacity liquidity analysis on equity portfolios by quantifying the number of days of trading volume held by portfolio and the complexity for each security.
    Through various sources including other MFS departments, the MFS Investment Compliance Group receives and reviews information regarding newly acquired restricted/illiquid securities. In addition, these securities may be deemed liquid under approved procedures. This information is used to monitor and to report applicable limitation requirements.

    Certain security types are automatically considered illiquid unless deemed liquid. Board-approved procedures exist for deeming certain securities to be liquid. These include 144A securities, municipal lease securities, 4(2) commercial paper, bank loans, and private placements.
    In addition, portfolio managers are responsible for reviewing the trading markets of their securities and for evaluating a number of factors to determine liquidity, such as frequency of trades, number of dealers making a market in the security, and whether the security can be disposed of in the ordinary course of business within seven days.

23. Will your firm invest in emerging equity markets in this investment discipline? If yes, specify the typical portfolio percentage as well as maximum and current (6/30/2013) percentage.

Yes. While they consider International Value's primary universe to be any stock that is a member of the MSCI EAFE Index, the fund may invest in emerging equity markets. Historically, the fund's emerging markets limit has not exceeded 15%.

As of March 31, 2013, the current emerging markets exposure in the fund was 1.6%. Since the fund's inception in 2010, the maximum emerging markets exposure in the fund has been 4.4% (December 2010, January 2011). The average emerging markets exposure from September 2010 to March 2013 was 3.3%. Please note that due to MFS' holdings policy, portfolio characteristics for pooled vehicles cannot be released prior to the 15th day following quarter-end. As such, emerging markets exposure as of June 30, 2013 is not yet available.

24. What securities other than common stock and cash equivalents will be held?

In addition to common stock and cash equivalents, the fund may invest in ADR versions of stocks in which the ordinary shares are a component of the MSCI EAFE Index.

25. Does your firm engage in currency hedging in this strategy? If yes, is there a maximum hedge ratio for major currencies?

Currency derivatives may be used in the fund purely for defensive purposes if the fund is overweight or underweight a country or region, with the objective of providing downside risk management in the event of a significant move in currency exchange rates.

In November 2009, they purchased yen put options to hedge part of the portfolio's exposure to the yen. Considering their overweight in Japan and exposure to a number of domestic Japanese companies, combined with the strength of the yen relative to other currencies, they were concerned that a possible sharp decline in the value of yen could detract from portfolio returns.

They do not have a maximum hedge ratio for major currencies.

26. State typical benchmark(s) used to measure the fund's performance. Which do you believe is best?

The MFS International Value Fund – CIT has sought to outperform the MSCI EAFE Value Index (Europe, Australia, Far East) (net dividends reinvested) over a full market cycle. The MSCI EAFE (Europe, Australia, Far East) (net of dividends reinvested) is a secondary benchmark.

Their "best-fit" analysis reveals that the MSCI EAFE Value Index is most suitable, and, in their view, can best help investors understand the potential return patterns of International Value over time. A broader index, such as the MSCI EAFE, is also appropriate, however, given the diversified nature of International Value, its reliance on stock picking as the primary driver of security selection, and the portfolio management team's comfort with broader benchmarks.

27. What is the expected tracking error of this product compared to the MSCI ACWI ex-US Value Index?

The MFS International Value Fund – CIT, while benchmark aware, has been primarily structured as a stock picking strategy where the benchmark does not guide security selection. As noted above, MFS International Value is benchmarked against the MSCI EAFE Value (primary) and MSCI EAFE (secondary) indices. Given the strategies underweight to Emerging Markets versus the MSCI ACWI ex-US Value, it would not be an appropriate benchmark.

Tracking error has generally fallen within a range of 3% – 8% on a prospective basis relative to both the MSCI EAFE Value and MSCI EAFE indices. They monitor predicted tracking error regularly to ensure that they understand the sources of risk in their fund, and that they are not taking any unintended positions relative to the benchmark. They do not, however, tactically shift their portfolio positioning (relative sector and country weightings) to increase or decrease the portfolio's tracking error.

28. Does this product target a particular level of volatility (index-relative or absolute)? If so, please describe how the volatility target is implemented.

The fund's goal is to outperform the MSCI EAFE Value Index over full market cycles with below average volatility. While the fund has not targeted a particular level of volatility, volatility is controlled through stock selection. Most market participants attach too much weight to forecasts, which often prove inaccurate, particularly at inflection points. They seek an analytical advantage by evaluating the long-term quality, sustainability, improvement potential, and intrinsic value of businesses. Most market participants overemphasize upside potential versus downside risk. They manage client capital by avoiding stocks with substantial downside risk and only invest where valuations more than compensate for inherent risks.

Please refer to the following chart for standard deviation and beta, as of June 30, 2013, for the MFS International Value Fund – CIT, Class 1 shares net of fees, since its inception in September 2010.

	Standard Deviation	**Beta**
MFS International Value Fund – CIT	13.03	0.62
MSCI EAFE Value Index – Net Return	18.91	1.00

Please refer to the following chart for standard deviation and beta, as of June 30, 2013, for the MFS International Value Equity composite, gross of fees. The composite is representative of the fund's underlying strategy, MFS International Value Equity.

	Standard Deviation			**Beta**		
	3-Year	5-Year	10-Year	3-Year	5-Year	10-Year
MFS International Value Equity Composite	13.75	19.44	15.47	0.67	0.77	0.77
MSCI EAFE Value Index – Net Return	19.42	24.43	19.30	1.00	1.00	1.00

International Value Equity Research Process

29. Describe the process for identifying attractive securities. List screening steps and fundamental security requirements. What role does macro-economic research play in this process? Describe the analytical research performed on individual securities.

Idea generation: invest rather than speculate
The process of getting from the broad universe of securities to a group of 80 – 100 stocks that historically have made up the fund starts with idea generation. With a focus on teamwork and communication, the portfolio management team, fundamental research analysts, and quantitative analysts actively participate in the idea-generation process.

The analysts are organized into eight global sector teams that include capital goods, consumer cyclicals, consumer staples, energy, financial services, health care, technology, and telecommunications and cable.

The sector-team structure facilitates the sharing of information across geographies as well as asset classes, resulting in a highly collaborative, integrated model that leverages all of the research being done by MFS. The global platform enables all investment professionals to develop a comprehensive view of the securities under evaluation. They believe that this helps us to make better investment decisions for the portfolio. In each sector team, analysts are responsible for following companies within their specific industry-coverage area.
They develop and maintain their own earnings and valuation models, visit with company management teams, and interview competitors, suppliers, and customers in order to form an opinion about each company. Within the global sector framework, they also incorporate relevant data points gathered by other analysts to complete the overall investment picture. Ultimately, this process leads to a "buy," "hold," or "sell" rating for each company that is followed.

The International Value team also leverages the significant investment experience of other MFS portfolio managers to round out its idea generation process. Most of their portfolio managers started their careers at MFS as analysts, and, as such, they have a long investment history of working together — even with managers outside of their respective disciplines. The International Value team's ability to leverage the knowledge of other portfolio management teams can be an important source of alpha for the portfolio. Finally, as a complement to their fundamental research efforts, the firm also has significant in-house quantitative research capabilities that have grown over the last several years in scale and scope. The quantitative research team has been helpful in generating new ideas by running screens based on International Value's investment criteria to stimulate discussion around ideas currently owned or not owned. This team is generally viewed as another resource for the portfolio management team to utilize in coordination with their fundamental, bottom-up process in evaluating potential investment ideas.

The International Value portfolio management team collaborates on an ongoing basis with the analysts throughout their research process, accompanying them on company visits, working through their financial models, valuation framework, and other parts of their investment thesis. Interaction with the analyst teams, both formally and informally, results in highly collaborative discussions to select appropriate ideas for inclusion within the portfolio. Analysts and portfolio managers also exchange ideas and information in formal weekly meetings. However, much of the communication among the members of the investment team takes place on an informal basis through face-to-face discussions, voicemail/e-mail, and an online notes system through which team members post reports and ratings for companies followed.

Stock analysis: analyze rather than forecast
Once an idea has been generated, the next step is for the team to decide whether the idea is a good fit for the fund. The team is focused on assessing the durability of returns and intrinsic value. The following investment issues are addressed:

- **Evaluate quality:** The team defines quality as a company's ability to generate returns above its cost of capital on a sustainable basis. As part of the team's analysis, the following questions are considered: How sustainable is the company's business model? How fast is the industry growing? How cyclical is the industry and what risks are involved? What is the strength of the management team? How does it allocate capital?

- **Determine appropriate valuation:** The team looks for stocks that are cheap on a wide range of valuation metrics, believing that in some cases, valuation alone can be the catalyst. Multiple valuation measures are evaluated in making their assessment: cash flow, book value or total capital employed, earnings, sales, dividend yield, as well as the company's cash flow return on investment (CFROI). The team then considers how these valuation measures compare versus the company's history, its peers, and the overall market.

- **Assess improvement potential:** The team believes that the market often overlooks the potential value that can be created by companies vis-à-vis improving structural conditions, including changes in supply/demand, relative profitability and restructuring potential, and analysis of changes in management Using a longer-term investment framework enables the team to fully assess the potential impact of future fundamental improvements on a company's sustainable returns, cash flows, margins, etc. that may result from changing structural conditions.

30. What is the number of securities regularly followed by security analysts and/or portfolio managers?

    Analysts typically cover two industries and have active ratings on 30-40 securities.

31. Describe any processes in place to detect accounting irregularities at companies held in the portfolio.

    Assessing the quality of a company's underlying earnings and understanding the potential for corporate financial statement irregularities require one to be diligent in analyzing the integrity of accounting reports issued by the company. Their fundamental, bottom-up research process involves a diligent review of a company's financial statements.

    They place particular emphasis on the free cash flow that is generated by the company — which is typically less subject to accounting manipulation than income statement items — and how it relates the net income reported by the company. Over time, there should be a consistent relationship between the cash flows of the business and its net income. Poor free cash flow conversion or inconsistencies in this ratio can be one indication that a company's earnings may be of lower quality or that its accounting policies may not match its underlying business economics. In addition, having their equity and fixed income analysts working in close collaboration with each other as they analyze companies is also helpful in noting potential problem areas.

    Their analysts create proprietary financial models on all companies that they follow — including income statements, statements of cash flows, and balance sheets. They believe understanding how a business operates and comparing it to similar companies within the same industry segment or sector can also help to highlight potential areas of concern with respect to both earnings quality or fraudulent accounting practices.
    Finally, they have raised their internal awareness on where reporting segment irregularities are most prevalent and which industries and events (such as acquisitions) warrant heightened scrutiny.

32. Does your firm use any technical and/or price momentum research? If so, how and why?

    No. The primary driver of stock ratings and purchase and sell decisions is fundamental analysis. Additionally, their analysts and portfolio managers have access to several quantitative systems that allow them to monitor technical and price factors for the securities followed and owned in the fund. While analysts are aware of technical research, the basic driver of an investment thesis is fundamental analysis.

Portfolio Construction and Management

33. Describe in detail the portfolio construction and management process. If a team approach is used, state the names of the team members and explain the role(s) of each team member.

    The International Value team includes Portfolio Managers Barnaby Wiener and Benjamin Stone and Institutional Portfolio Manager Camille Humphries Lee. Barnaby and Benjamin participate in the research process and strategy discussions and maintain overall responsibility for portfolio construction, final buy and sell decisions, and risk management for the fund. Institutional Portfolio Manager Camille Lee participates in the research process, portfolio construction discussions, assesses risk, manages daily cash flows, and communicates investment policy, strategy, and tactics.

    As the team evaluates all of the potential investment opportunities, it is guided by a common investment philosophy and framework. Potential ideas are evaluated and compared based on valuation, business characteristics, balance sheet, normalized cash flow generation, sustainable returns, and risk/return opportunity, etc. The portfolio construction process is highly collaborative and is conducted based on bottom-up, fundamental research. Position size within the fund has been determined by the level of conviction in the idea (e.g., the upside potential/downside risk) and liquidity of the company. Sector, industry, country, and regional weightings have generally been the residual of the bottom-up, stock selection process, rather than the result of any top-down, macroeconomic outlook.

Generally, no more than 5% has been held in a single issue at purchase, and no more than 25% has been allocated to any one industry. Generally, the fund's emerging markets limit has not exceeded 15%. The fund has typically held 80 – 100 holdings, the majority of which were buy-rated securities. All final buy and sell decisions are made by Portfolio Managers Barnaby Wiener and Benjamin Stone.

34. What is the current number, typical number and range of securities held in the product?

As of June 30, 2013	Typical Number	Range
93	90	80 - 100

35. As of June 30, 2013, state the typical portfolio allocation to equities in the market capitalization ranges shown below. Also, please specify the possible ranges and typical allocations for each category.

International Value is an all-cap value investment approach. They generally have invested in companies with a market capitalization that is greater than US$1 billion at the time of purchase. They do not have predefined targets for exposure across small-, mid-, or large-cap segments of the market.
Please note the information provided below is as of March 31, 2013. Due to MFS' holdings policy, portfolio characteristics for pooled vehicles cannot be released prior to the 15th day following quarter-end.

Market Capitalization Range	**Allocation as of June 30, 2013**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million	0.0	-	-
Between $100 mil. and $500 mil.	0.0	-	-
Between $500 mil. and $1 bil.	0.0	-	-
Between $1 bil. and $3 bil.	10.9	-	-
Between $3 bil. and $5 bil.	9.1	-	-
Between $5 bil. and $10 bil.	11.5	-	-
Between $10 and $20 billion	12.2	-	-
Greater than $20 billion	56.4	-	-
Median Market Capitalization	31.6	-	-
Weighted Average Market Capitalization	54.9	-	-

36. Describe the firm's sell discipline.

They will review a stock for potential sale if any of the following occur:

- expensive valuation
- fundamentals change
- more attractive alternatives

37. What has been the average international value equity turnover for each of the last five years and the current year to date?

Turnover data represents the ongoing buying and selling of shares, but not necessarily the entire selloff of a position. The managers will buy a security when an attractive investment idea is discovered and, if not funding the purchase with cash; will similarly sell off a less attractive position to fund the purchase. The turnover data also represents increased positions of current holdings, which are seen as attractive investments by the portfolio managers.

The current annual turnover is representative of the expected rate, approximately 30-40%. The table below details 12 month portfolio turnover as of the following dates. Due to MFS' holdings policy, portfolio characteristics for pooled vehicles cannot be released prior to the 15th day following quarter-end.

	MFS International Value Fund – CIT Turnover[7]
YTD (as of March 31, 2013)	47.71%
12/31/2012	50.09%
12/31/2011	22.89%
12/31/2010	6.42%[8]

Investment Management Fees

38. Provide your fee schedules for the international equity product, both for commingled/mutual funds and separate accounts. If a commingled fund is proposed, what are the custody costs of the trust and are they an additional fee that is directly charged to the client? Please specify who custodies the assets. Are investment management fees negotiable?

MFS International Value Fund – Collective Investment Trust (CIT) Fee Proposal
The MFS International Value Fund – CIT is offered in multiple share classes.
Management fees for Class 1 shares are assessed outside of the fund (*i.e.*, separately invoiced and not reflected in the NAV) and are based on the client's assets. For the other share classes, fees will be assessed inside the fund (*i.e.*, reflected in the NAV).
Shown below is the fee schedule proposed for the Contra Costa Employees' Retirement Association for the Class 1 shares of the MFS International Value Fund - CIT.

Assets ($ USD)	Management Fee	Other	Total Expense Ratio
First $25 million	75 bps	10 bps	85 bps
Next $25 million	70 bps	10 bps	80 bps
Next $50 million	60 bps	10 bps	70 bps
Over $100 million	50 bps	10 bps	60 bps

For allocations greater than $100 million but below $300 million, their Class 4 shares of the fund are most appropriate. Below is the fee schedule for Class 4 shares:

Assets ($ USD)	Management Fee	Other	Total Expense Ratio
Flat Fee	55 bps	10 bps	65 bps

For allocations greater than $300 million, their Class 5 shares of the fund are most appropriate. Below is the fee schedule for Class 5 shares:

Assets ($ USD)	Management Fee	Other	Total Expense Ratio
Flat Fee	49 bps	10 bps	59 bps

[7] This mode is based on the following calculation: (Lesser of Purchase or Sales)/Average Market Value of the Date Range.
[8] Partial period. The fund incepted in September 2010.

To protect the interests of existing investors, MFS institutional commingled vehicles are subject to a transaction fee policy that reimburses the vehicle for estimated trading costs associated with large cash flows. These fees are not reflected in the fee schedule above. The fee is paid to the vehicle, not to MFS. State Street Bank and Trust Company serves as the fund’s custodian.

MFS International Value Equity Separate Account Fee Proposal
MFS implemented a soft close of the International Value Equity strategy to new separate accounts, effective April 1, 2013. As such, a separate account fee schedule is not applicable.

39. Has the firm entered into incentive fee arrangements? If so, provide details.

They have occasionally entered into performance-based fee arrangements. Their willingness to offer a performance-based fee is influenced by the mandate size, their existing exposure to performance-based fees in the product, and the firm's overall exposure to performance-based fees.

While the specifics of any performance-based fee arrangement are subject to negotiation, an example of a typical arrangement would be one in which they are compensated at a specified base rate for their services and receive an additional fee based on a percentage of outperformance over the benchmark.

40. Does your firm use any service, information, or merchandise paid for with directed commissions? If yes, please list the services received from such commissions, and the percentage of fees so directed.

Many full service broker/dealers with whom MFS trades could be viewed as the recipients of soft dollar trades. As permitted by Section 28(e) of the Securities Exchange Act of 1934, as amended (Section 28(e)), MFS may cause a client to pay a broker or dealer that provides brokerage and research services to MFS an amount of commission for effecting a securities transaction for the client in excess of the amount other brokers or dealers would have charged for the transaction if MFS determines in good faith that the greater commission is reasonable in relation to the value of the brokerage and research services provided by the executing broker or dealer viewed in terms of either a particular transaction, the value of research and brokerage services provided in connection with MFS’ overall relation with the broker or dealer or MFS' overall responsibilities to the client and its other clients. Although commissions paid on every transaction will, in the judgment of MFS, be reasonable in relation to the value of the brokerage and research services provided, commissions exceeding those which another broker might charge may be paid to broker/dealers who were selected to execute transactions on behalf of the client and MFS' other clients in part for providing such brokerage and research services.

MFS has entered into Client Commission Agreements (CCAs) with broker/dealers that execute, clear, or settle securities transactions on behalf of clients (executing brokers) that provide for the executing brokers to pool a portion of the commissions paid by registrant’s clients for securities transactions (pooled commissions) to providers of research (research providers). Such research providers produce research for the benefit of the registrant. Because a research provider may play no role in executing client securities transactions, any research prepared by that research provider may constitute third-party research. The registrant may use brokerage commissions, including pooled commissions, from the clients’ portfolio transactions to acquire research, subject to the procedures and limitations described in this discussion.
Please refer to the following chart for a percentage of trades executed that were tied to soft dollar relationships for the past three years, ending December 31, 2012.

Calendar Year-end (1/1-12/31)	Percentage of Trades tied to Soft Dollars
2012	14.3%
2011	12.6%
2010[9]	12.7%

41. Please provide copies of your firm's Form ADV Parts I and II.

As a New Hampshire-chartered, non-depository trust company, MFS Heritage Trust Company (MHTC) is a "bank" as defined in the Investment Advisers Act of 1940, as amended (the Advisers Act). Therefore, MHTC is excluded from the definition of "investment adviser" under the Advisers Act and, accordingly, is not required to file Form ADV, Parts 1 and 2.

MFS' Form ADV Parts 1 and 2A are provided in ***Appendix I***.

International value Equity Investment Performance

42. Provide quarterly historical performance for your product using the attached form. Do not include any simulated data. Returns should be total portfolio, time-weighted rates of return **both gross and net** of investment management fees. For year-end periods, also provide the market value of assets and number of accounts. If you offer both a commingled product and separate accounts, provide performance for both.

Please refer to Appendix II.

43. Please specify the methodology for constructing the firm's composite performance.

As a general rule, a new account is added to a composite in the second full month of the account's performance history and has a minimum of $5 million in net assets for fixed-income composites. For equity composites, the general rule is an account is added to a composite in the first full month of the account's performance history and has a minimum of $2 million in net assets. However, there are exceptions to the above rules for specific composites.
All terminated accounts remain in the composite's history. The terminated account ceases to be a component in the month they lose discretion.
Portfolios in their composites are size weighted. Since inception, this policy has been consistently applied.

44. Are returns audited? By whom? Are returns CFAI/AIMR compliant? For what time period? Please provide the most recent statement of verification by an independent third party.

MFS claims compliance with the Global Investment Performance Standards (GIPS®). All composite performance data supplied in this response are taken from reports constructed to be strictly compliant with the requirements of those standards. MFS engages Deloitte & Touche to conduct an annual verification examination of firmwide compliance plus performance reviews of selected composites

[9] Partial period. The fund incepted in September 2010.

INTERNATIONAL VALUE EQUITY
INVESTMENT MANAGER QUESTIONNAIRE
As of June 30, 2013

Organizational Background

1. What is the firm name, address, and telephone and fax numbers of your main and branch offices? What investment activity takes place at each location?

Name of firm:	Pyrford International Ltd.
Address:	79 Grosvenor Street London W1K 3JU United Kingdom
Telephone:	+44 20 7495 4641
Fax:	+44 20 7399 2205
E-mail:	information@pyrford.co.uk

2. What is the name, position, telephone and fax numbers, and e-mail address of the firm's new business contact and database/questionnaire contact?

	New Business Contact	Questionnaire Contact
Name	Mark Osterkamp	Simon Phillips
Title	Relationship Manager, Institutional Sales, BMO Global Asset Management	RFP Manager
Office	BMO Asset Management US,	79 Grosvenor Street, London UK
Phone	310 321 7852	+44 20 7399 2242
Fax	310 321 7810	+44 20 7399 2205
Email	mark.osterkamp@bmo.com	simon.phillips@pyrford.co.uk

3. When was your firm founded? When was it registered with the SEC?

Pyrford was founded in 1987 and was registered with the SEC in 1989.

4. Describe the firm's ownership structure and explain any changes over the past five years. Discuss the firm's relationship with the parent and affiliated companies, if any.

Pyrford is 100% owned by Bank of Montreal Capital Markets (Holdings) Limited, a company within the BMO Financial Group (being Bank of Montreal and its subsidiaries). There have been no ownership changes during the last five years.

5. State the carriers and the limits of errors and omissions and fiduciary liability insurance.

Pyrford carries the following insurance coverage for its business:

Public Liability Insurance

Name of underwriter	Chubb Insurance Company of Canada
Policy number	35347551 (Primary Commercial General Liability)
Expiry Date	April 30th, 2014
Level of coverage	C$1,000,000
Amount deductible	C$100,000

Name of underwriter Chubb Insurance Company of Canada
Policy number 79733428 (Excess & Umbrella Liability)
Expiry Date April 30th 2014
Level of coverage C$10,000,000 (excess of C$1,000,000)
Amount deductible C$100,000

Employers' Liability Insurance
Name of underwriter Amlin Insurance Services
Policy number L10000023822
Expiry Date March 31st 2014
Level of coverage £5,000,000
Amount deductible None.

Professional Indemnity Insurance
Name of underwriter Travelers Insurance Company Ltd.
Policy number KK325610j001
Expiry Date March 4th 2014
Level of coverage £10,000,000
Amount deductible £75,000

Additionally, the SEC sets out a minimum requirement to hold an appropriate ERISA bond. Pyrford holds this through Hartford Fire Insurance Corp. for an amount of US$500,000.

6. Describe any litigation regarding your firm's investment activities over the past 5 years. Is the firm expecting new litigation?

There are no litigation issues applicable.

7. Describe any judgments against your firm by governmental and regulatory agencies over the past 5 years. Also describe any current investigations.

There are no such judgements applicable.

8. Please provide copies of your firm's Form ADV Parts I and II.

Please refer to Appendix 1.

9. Please state the market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2008	$2,009.10m	11	$253.1m	8	$566.7m
Dec 31, 2009	$2,583.46m	7	$154.9m	3	$36.8m
Dec 31, 2010	$3,122.55m	11	$358.0m	1	$35.2m
Dec 31, 2011	$3,509.70m	17	$515.1m	2	$173.6m
Dec 31, 2012	$7,263,48m	33	$3,002.1m	0	0
June 30, 2013	$8,840.30m	15	$1,150.7m	1	$28.7m

10. Please state the market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

	Specified International Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2008	$808.25m	7	$168.7m	8	$566.7m
Dec 31, 2009	$1,218.62m	6	$154.9m	3	$36.8m
Dec 31, 2010	$1,489.73m	5	$108.2m	0	0
Dec 31, 2011	$1,544.74m	8	$254.3m	1	$163.8m
Dec 31, 2012	$2,478.37m	7	$593.2m	0	0
June 30, 2013	$3,139.85m	4	$729.9m	1	$28.7m

International Value Equity Investment Services

11. Please provide the name of the product described in the remainder of this response.

International Equity.

12. Provide the following information on the firm's key members of the international value equity portfolio management team: names, titles and responsibilities, years on the product (please note any changes in roles below), years with firm, and years of investment experience. Please provide biographies and an organization chart.

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Bruce Campbell	Investment Chairman	26	26	43
Tony Cousins CFA	Chief Executive Officer and Chief Investment Officer	24	24	28
Paul Simons CFA	Head of Portfolio Management, Asia Pacific	17	17	17
Daniel McDonagh CFA	Head of Portfolio Management, Europe & UK	16	16	16
Geraldine Arrigoni CFA	Portfolio Manager, Asia Pacific	10	10	12
Jun Yu CFA	Portfolio Manager, Asia Pacific	5	5	13
Stefan Bain ASIP	Portfolio Manager, Asia Pacific	1	1	12
Peter Moran CFA	Portfolio Manager, Europe	10	10	10
Nabil Irfan CFA	Portfolio Manager, Europe	8	8	13

Bruce Campbell
B Com (Hons)
Investment Chairman
Bruce has over 40 years' experience in the international investment industry. After graduating from Melbourne University in 1969 Bruce managed the investment operations of an Australian based general insurance company for 12 years and then founded the predecessor company to Pyrford in Melbourne in 1982 – at that stage as part of the multi-national Elders IXL group. In 1987 Bruce moved the investment operations to London and in 1991 headed the buy-out of the investment management subsidiary from the Elders organisation. At that time the company's name was changed to Pyrford International.

Bruce remained Chief Executive and Chief Investment Officer until 31st December 2010 at which time he took up the role of Investment Chairman.

Tony Cousins
MA (Hons), CFA
Chief Executive Officer/Chief Investment Officer
Tony assumed the role of Chief Executive Officer and Chief Investment Officer on 1st January 2011.

Tony joined Pyrford in 1989 and was Director of Portfolio Management for Europe/UK until his promotion as Joint Chief Investment Officer in November 2009.

After graduating from Cambridge University in 1985 with a Bachelor of Arts, Tony joined Daiwa International Capital Management in London as an Equity Portfolio Manager having obtained his Master of Arts and CFA in 1990.

Paul Simons
MA (Hons), CFA
Head of Portfolio Management, Asia Pacific
Paul joined Pyrford's Asia team in 1996 after graduating from Oxford University with a degree in geography. He spent seven years covering South East Asia, Hong Kong, Taiwan, Korea, Australia and New Zealand before being promoted to the role of Portfolio Manager for Australia and New Zealand in 2003. Paul became a CFA charter holder in 2000, as well being awarded his Master of Arts. Paul was appointed Head of the Asia Pacific team and a member of the Investment Strategy Committee in 2008.

Daniel McDonagh
MA (Hons), CFA
Head of Portfolio Management, Europe/UK
Daniel started at Pyrford in October 1997 after graduating from Oxford University with a degree in Politics and Economics. Daniel worked as a Portfolio Manager and Senior Research Analyst within the European portfolio management team until his appointment as head of the team in November 2009. He became a CFA charter holder in 2000.

Geraldine Arrigoni
BSc (Hons), CFA
Portfolio Manager
Geraldine joined Pyrford in June 2003 to work as a Research Analyst within the Asia portfolio management team. Prior to joining Pyrford, Geraldine worked for Cazenove Fund Management in London as an Investment Analyst (Asian region) for two years and before that she was employed as a Trainee Actuary at PricewaterhouseCoopers. Geraldine is a Maths graduate from the University of Wales (Cardiff) and became a CFA charter holder in July 2003.

Stefan Bain
MSc, ASIP
Portfolio Manager
Stefan joined Pyrford in June 2012 as a Portfolio Manager covering Japanese and South Korean companies within the Asian portfolio management team. Prior to joining Pyrford Stefan worked for F&C Fund Management in London for five years as a Director of Japanese Equities, and at Royal London for six years as Japanese fund manager. Stefan has a degree in Investment Analysis from the University of Stirling and is an Associate of the Institute of Investment Management and Research.

Peter Moran
MA (Hons), CFA
Portfolio Manager
Peter started at Pyrford in October 2003, having spent 8 months with Merrill Lynch. In 2001 he graduated from Oxford University with a degree in History. Peter is a Portfolio Manager within the European portfolio management team. Peter became a CFA charter holder in 2007.

Nabil Irfan
BSc (Hons), CFA
Portfolio Manager
Nabil joined Pyrford in September 2005 to work as a Research Analyst within the European portfolio management team. Prior to joining Pyrford, Nabil worked for 5 years at JPMorgan Asset Management in Equity Research as a utilities analyst, and before that, as a Research Assistant in their technology, media and telecoms (TMT) team. Nabil graduated from University College London with an Economics degree in September 2000 and became a CFA charter holder in 2004.

Jun Yu
BA, CFA, MBA
Portfolio Manager
Jun joined Pyrford in October 2008 to work as a research analyst within the Asia portfolio management team. Prior to joining Pyrford, Jun worked in Asian equity sales for 8 years in London, most recently spending over two years with Daiwa SMBC Europe. Before moving to Europe, Jun worked with LVMH group in China. Jun's first degree is in Literature from Shanghai International Studies University and she gained her MBA from INSEAD in 2000.

13. What has been the level of personnel turnover for investment professionals at both the firm and product levels over each of the last five years and the current year to date? Please explain any losses at the product level.

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2008	2	1	1	1
Dec 31, 2009	0	0	0	0
Dec 31, 2010	0	0	0	0
Dec 31, 2011	0	0	0	0
Dec 31, 2012	1	1	1	1
June 30, 2013	0	0	0	0

14. As of June 30, 2013, provide the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs**	**Number of Inv Analysts**
$3,139.85m	47	$21.70m	$632.80m	9	0

15. Please provide the following information as of June 30, 2013 for each vehicle through which your international value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	$1,481.30m	$50m
Commingled Fund	Y	$740.40m	$1m
Mutual Fund	Y	$918.15m	$2m
Other (specify)			

16. Is there a limit to the amount of assets the firm will manage in this product? If yes, please specify.

They have no capacity constraints at present in any of their products. Although their investment style is not size limiting, the maximum number of clients they can manage would ultimately be restricted by their aim to maintain the highest levels of client service.

It should be noted that Pyrford's portfolio management methodology, together with its highly computerised back office, is designed to cope with far greater client numbers and assets under management than is presently the case. Consequently, they do not anticipate declining any new business for the foreseeable future.

17. What internal controls are in place to monitor market timing activity in particular and late trading in your firm's funds? Who monitors these activities? Have there been any trading policy violations over the past five years?

For mutual funds sub-advised by Pyrford, the Mutual Fund Board has approved policies that seek to discourage frequent purchases and redemptions and curb the disruptive effects of frequent trading (the Market Timing Policy). Pursuant to the Market Timing Policy, a Fund may decline to accept an application or may reject a purchase request, including an exchange, from an investor who, in the sole judgment of the Adviser, has a pattern of short-term or excessive trading or whose trading has been or may be disruptive to the Fund. The Funds, the Adviser, and affiliates thereof are prohibited from entering into arrangements with any shareholder or other person to permit frequent purchases and redemptions of Fund shares.

The Market Timing Policy does not apply to the money market funds, which are typically used for cash management purposes and invest in highly liquid securities. However, the Adviser seeks to prevent the use of the money market funds to facilitate frequent trading in other BMO Funds in violation of the Market Timing Policy.

Each Fund monitors and enforces the Market Timing Policy through:

- the termination of a shareholder's purchase and/or exchange privileges.
- selective monitoring of trade activity.
- the imposition of a 2.00% short-term redemption fee for redemptions or exchanges of shares of a Fund, if applicable to such Fund, within 30 days after purchase of such shares, determined on a first-in, first-out basis.

They confirm there have been no significant trading policy violations over the past five years.

International Value Equity Investment Philosophy

18. Briefly describe the investment philosophy/strategy, style and distinguishing characteristics of this product.

Their investment philosophy is based on a quality and value-driven, absolute return approach, with both top-down and bottom-up elements included. At the country level they seek to invest in countries that offer an attractive market valuation relative to their long-term prospects (as determined by their research) and avoid countries that do not. At the stock level they identify companies that offer excellent value relative to their in-house forecast of long-term (5 years) earnings growth. This approach produces long-term investment returns characterised by low absolute volatility and excellent downside protection.

They believe their product has the following competitive advantages:

- Pyrford has a highly experienced and stable investment team with an average tenure at Pyrford of nearly 12 years. Four of the five senior investment professionals have worked together at Pyrford for over 15 years.
- Pyrford has an extremely disciplined and proven investment methodology rooted in fundamentals and common sense.
- Pyrford's approach is risk averse – it is only concerned with absolutes, not relatives. By diligently adhering to this approach the 'relatives' take care of themselves over the long-term.
- Pyrford invests a great deal of its time in macro-economic research and analysis - this is becoming a rarity in the investment management industry. This research plays a key role in helping Pyrford's clients minimise downside risk by allowing sensible strategic moves.

- Pyrford has the advantage of operating as a ‘boutique’ but the ability to tap the wider and extensive fund management and research capabilities of its parent as required.

19. Does your firm’s international value equity discipline have a growth, value or core style bias?

    Their product has a quality and value style bias.

20. Explain the firm’s portfolio approach to the level of cash and equivalent holdings. Specify the normal, maximum and minimum levels of cash holdings.

    Cash is used purely for working capital purposes and typically ranges between 2 and 6% of the portfolio value. The maximum allowable holding of cash is 10% and the minimum is 0%.

21. Briefly state how your firm defines an investable international value equity market for the purposes of this product.

    The main criteria used to determine whether a market is of institutional quality are as follows:

    - Generally accepted accounting principles.
    - Adequate market regulation and protection for minority investors.
    - Reliability of transaction settlement and dividend receipt.
    - Absence of sovereign risk.
    - Adequate trading liquidity.
    - Accurate and transparent pricing information source.

    Pyrford is only interested in investing in markets of sound institutional quality. For a new market to be added to Pyrford's investible universe, the relevant regional specialist portfolio manager must justify its inclusion to Pyrford's Investment Strategy Committee.

22. How does your firm assess the liquidity of individual equity markets?

    One of the factors always considered when deciding to include a market in their universe is whether the market has sufficient liquidity for their purposes. A market would not be in the investable universe if they believe liquidity constraints would hamper their country allocation strategy.

    For each market they have a minimum market capitalisation which companies must meet in order to qualify for their universe. The exact cut-off for each country is specific to each market but will be limited to medium and large companies in that country. In addition, the company will only be included in their universe if they can make a meaningful investment on behalf of their clients without owning more than 2% of the free float of that company. This combination of market capitalisation and free float criteria ensures that they are not invested in illiquid securities.

23. Will your firm invest in emerging equity markets in this investment discipline? If yes, specify the typical portfolio percentage as well as maximum and current (6/30/2013) percentage.

    Their investment universe includes the following emerging market territories:

    - Malaysia.
    - Taiwan.
    - Thailand.

- Indonesia.
- South Korea.

Their portfolio currently invests in Malaysia and Taiwan and the current holding as at 30th June 2013 is 7.69%.

The maximum holding in emerging market territories is 20% and the average for 3 years to 30th June 2013 is 6.54%. The highest holding during that period was 7.71%.

24. What securities other than common stock and cash equivalents will be held?

    The portfolio contains only ordinary shares with some frictional cash balances.

25. Does your firm engage in currency hedging in this strategy? If yes, is there a maximum hedge ratio for major currencies?

    Hedging is initiated when destination currencies become more than 25% overvalued versus the portfolio base currency on a purchasing power parity (PPP) basis. Calculations of PPP are prepared internally using wholesale prices and regression analysis over the very long-term - typically around 40 years. They find this a very powerful and predictive tool. Hedges are removed when the destination currency falls to the 5% overvaluation level on the same basis. This policy is subject to overriding considerations of data veracity/reliability, liquidity, client guidelines and other pertinent investment issues - in particular they take into account the direct cost of hedging.

    The goal of the strategy is to capture the upside in a currency but avoid the downside - in keeping with Pyrford's overall capital preservation philosophy.

    The maximum hedge in the portfolio is 50%.

26. State typical benchmark(s) used to measure the fund's performance. Which do you believe is best?

    They have always used the MSCI EAFE index for the strategy and their clients have typically agreed to adopt this benchmark measure. They believe that this index is the most representative indicator for investment in the International Equity product. However, they would be happy to be measured against another index such as MSCI ACWI ex-US Index or a value index.

27. What is the expected tracking error of this product compared to the MSCI ACWI ex-US Value Index?

    They do not set any targets in respect of tracking error. However, they expect tracking error to range between 5 and 8% per annum.

28. Does this product target a particular level of volatility (index-relative or absolute)? If so, please describe how the volatility target is implemented.

    They do not target levels of volatility for their strategies. Their quality and value orientation generally leads to low levels of absolute volatility. Absolute volatility since inception to 30th June 2013 was 14.20%.

International Value Equity Research Process

29. Describe the process for identifying attractive securities. List screening steps and fundamental security requirements. What role does macro-economic research play in this process? Describe the analytical research performed on individual securities.

The process for identifying suitable securities for the portfolio is in three stages, as follows:

a) Investment Universe Screening
The universe for the strategy comprises 2,760 stocks, made up as follows:

- European region 600 stocks (DJStoxx 600),
- Asia Pacific region 2,160 stocks (various indices in the region),

During the stock selection process they look for the following features of a company before they consider investing:

Firstly, they will only consider stocks that fulfil these requirements:

- Market cap minima - US$2bn (Europe) or US$1bn (Asia Pacific).
- Interest cover minimum of 3x.

Secondly, they narrow down the list of stocks by assessing the following quantitative factors:

- Return on Equity (ROE).
- Debt/equity ratio
- Dividend Yield.

Once a manageable list of stocks is produced, Pyrford's fundamental research is undertaken. They focus on companies with sustainably high ROE.

b) Top-Down Country Allocation

Country allocations are based upon a forward (5 year) estimate of country level earnings per share (EPS) growth which is then related to the 'country' market valuation as evidenced by the average dividend yield. The theory is quite simple – at the country (or stock) level the return is made up of the dividend yield + the long term EPS movement + the movement in the price earnings ratio. The critical part of the analysis is therefore Pyrford's evaluation of the potential for EPS growth over its 5-year time horizon. This is the principal function of the Investment Strategy Committee which meets at a minimum once each week.

30. What is the number of securities regularly followed by security analysts and/or portfolio managers?

From the universe detailed in the above response, the Portfolio Managers will closely follow approximately 250 companies.

31. Describe any processes in place to detect accounting irregularities at companies held in the portfolio.

During the stock selection process, they conduct rigorous analysis of accounting data produced by the companies they are investigating. Whilst they believe that the role of the auditor is to provide the primary quality control on the accounting records of the company, they would track extraordinary occurrences, for example excessive changes in accounting policies which might be indicative of undesirable practices.

32. Does your firm use any technical and/or price momentum research? If so, how and why?

This is not applicable to their process.

Portfolio Construction and Management

33. Describe in detail the portfolio construction and management process. If a team approach is used, state the

names of the team members and explain the role(s) of each team member.

The first stage of the portfolio construction process is the country/currency allocation decision, which is taken by the Investment Strategy Committee, as detailed in the response to question 29. Once securities have been identified as suitable for investment, stock weights within each country portfolio are determined after further consideration of the following:

- the long-term value assessment for each stock (dividend yield plus Pyrford's forecast five year EPS growth).
- the confidence levels around forecasts made.
- the liquidity of each stock.

The team members responsible for the process are:

Name	Title
Bruce Campbell *	Investment Chairman
Tony Cousins CFA *	Chief Executive Officer & Chief Investment Officer
Paul Simons CFA *	Head of Portfolio Management, Asia Pacific
Daniel McDonagh CFA *	Head of Portfolio Management, Europe & UK
Geraldine Arrigoni CFA	Portfolio Manager, Asia Pacific
Jun Yu CFA	Portfolio Manager, Asia Pacific
Stefan Bain ASIP	Portfolio Manager, Asia Pacific
Peter Moran CFA	Portfolio Manager, Europe
Nabil Irfan CFA	Portfolio Manager, Europe

* Denotes member of the Investment Strategy Committee with responsibility for country and currency allocation decisions.

34. What is the current number, typical number and range of securities held in the product?

As of June 30, 2013	Typical Number	Range
76	N/A	60-95

35. As of June 30, 2013, state the typical portfolio allocation to equities in the market capitalization ranges shown below. Also, please specify the possible ranges and typical allocations for each category.

Market Capitalization Range	**Allocation as of June 30, 2013**	**Typical Allocation**	**Possible Range of Allocation**
Less than $100 million	0%	0%	0%
Between $100 mil. and $500 mil.	0%	0%	0%
Between $500 mil. and $1 bil.	0%	0%	0%
Between $1 bil. and $3 bil.	6.44%	0 – 100%	0 – 100%
Between $3 bil. and $5 bil.	7.00%	0 – 100%	0 – 100%
Between $5 bil. and $10 bil.	14.06%	0 – 100%	0 – 100%
Between $10 and $20 billion	19.58%	0 – 100%	0 – 100%

Greater than $20 billion	52.92%	0 – 100%	0 – 100%
Median Market Capitalization	$18,141m	0 – 100%	0 – 100%
Weighted Average Market Capitalization	$51,834m	0 – 100%	0 – 100%

There are no target or typical allocations for ranges of market cap in the portfolio.

36. Describe the firm's sell discipline.

All portfolio holdings are continuously monitored by the portfolio management team and stocks are sold for one of three reasons:

- The company's share price rises to such an extent that the sum of its dividend yield and forecast long-term (5 year) earnings per share growth falls to a level below that of the total local market or alternative stocks within that market.
- Changes occur in company strategy, circumstances or industry which in their view will negatively affect its ability to generate adequate long-term earnings per share growth.
- They have made a country allocation change and have decided not to maintain client funds in the country or have reduced the allocation to a country.

37. What has been the average international value equity turnover for each of the last five years and the current year to date?

Year	Turnover (annual)
2008	33.17%
2009	32.80%
2010	26.59%
2011	20.91%
2012	18.71%
YTD	11.90%

Investment Management Fees

38. Provide your fee schedules for the international equity product, both for commingled/mutual funds and separate accounts. If a commingled fund is proposed, what are the custody costs of the trust and are they an additional fee that is directly charged to the client? Please specify who custodies the assets. Are investment management fees negotiable?

Separate Account (minimum investment $50m)

	Market Value	Fee in Percent
First	$50m	0.70%
Next	$50m	0.50%
Over	$100m	0.35%

The above fees do not include custody charges which are payable by the client direct to its appointed custodian.

Commingled Fund (minimum investment $1m)

	Market Value	Fee in Percent
First	$5m	1.00%
Next	$15m	0.95%
Next	$80m	0.75%
Over	$100m	0.50%

The above fees are inclusive of custody charges. Custody is provided by State Street Bank & Trust Company.

BMO Pyrford International Stock Fund (minimum investment US$2m) – ticker MISNX
A mutual fund offered through their partnership with BMO Funds. The management fee is a flat 0.80% per annum, whilst the total expense ratio (TER) is capped at a maximum of 0.99% per annum.

In terms of negotiating management fees, they would be pleased to discuss alternative fee options once they understand specific portfolio requirements and have confirmed the expected size of investment. They are open to negotiating fees to the extent that their fees must be consistent across clients. As the potential account value increases, they would be able to show greater flexibility in this regard.

39. Has the firm entered into incentive fee arrangements? If so, provide details.

Pyrford is not a strong believer in performance related fees as it suggests that a manager can 'try harder' if it is remunerated on an incentive basis. It is their belief that they should be paid a fair fee for the work they perform. However, if a client specifically requires this element in the fee structure, they would be happy to discuss this further.

40. Does your firm use any service, information, or merchandise paid for with directed commissions? If yes, please list the services received from such commissions, and the percentage of fees so directed.

Pyrford has a policy of **not** using soft dollars as a method of payment for any services.

41. Please provide copies of your firm's Form ADV Parts I and II.

Please refer to Appendix 1.

International value Equity Investment Performance

42. Provide quarterly historical performance for your product using the attached form. Do not include any simulated data. Returns should be total portfolio, time-weighted rates of return **both gross and net** of investment management fees. For year-end periods, also provide the market value of assets and number of accounts. If you offer both a commingled product and separate accounts, provide performance for both.

Quarterly performance returns have been added to the table in the following section. The performance returns are representative of both separate accounts and their pooled/mutual fund.

43. Please specify the methodology for constructing the firm's composite performance.

Performance measurement and attribution is managed by Nicholas Miller, Senior Performance Analyst. Nicholas conducts a full reconciliation of the valuation and transaction data between the accounting system (FMC) and the performance system (supplied by BiSam) on a monthly basis.

44. Are returns audited? By whom? Are returns CFAI/AIMR compliant? For what time period? Please provide the most recent statement of verification by an independent third party.

Pyrford's performance returns have been audited as GIPS compliant by Grant Thornton LLP as at 30th September 2012. A copy of the relevant verification letter is attached as Appendix 2.

INTERNATIONAL VALUE EQUITY
INVESTMENT MANAGER QUESTIONNAIRE
As of June 30, 2013

Organizational Background

1. What is the firm name, address, and telephone and fax numbers of your main and branch offices? What investment activity takes place at each location?

   Schroders plc.
   31 Gresham Street
   London, EC2V 7QA
   United Kingdom
   Main: +44 (0)20 7658 6000
   Fax: +44 (0)20 7658 6965

   Schroder Investment Management North America Inc.
   875 Third Ave
   New York, NY 10022
   Main: (212) 641-3800
   Fax: (212) 632-2954

   They operate on a global scale with 34 offices in 27 countries. Schroders accesses clients in the traditional areas of the UK, Europe, North America and Japan, where the demand for asset management services is long established, as well as the fast-growing savings pools in emerging and more recently developed economies in the Middle East, Asia Pacific and Latin America.

   Key members of the QEP Investment Team are located in their London office. However, please note the client service team for this mandate is located in their New York Office.

2. What is the name, position, telephone and fax numbers, and e-mail address of the firm's new business contact and database/questionnaire contact?

	New Business Contact	Questionnaire Contact
Name	Jamie Macmillan	Same
Title	US Institutional Business Development Director	Same
Office	Schroder Investment Management North America Inc.	Same
Phone	(347) 558-5165	Same
Fax	(212) 632-2954	Same
Email	jamie.macmillan@schroders.com	Same

3. When was your firm founded? When was it registered with the SEC?

   Schroders plc, founded in 1804, is a global asset management company with more than 200 years of experience in world financial markets.

   Schroder Investment Management North America Inc. became an SEC-registered Investment Adviser in 1980 through its SEC-registered predecessor firm, Schroder Capital Management International Inc.

4. Describe the firm's ownership structure and explain any changes over the past five years. Discuss the firm's relationship with the parent and affiliated companies, if any.

Schroders is one the largest asset managers listed on the London Stock Exchange. Their shares have been listed since 1959. The Schroder family holds 47.75% of the Schroders voting equity in various nominee accounts and personal holdings. This promotes stability for their clients. The table below provides details of holdings greater than 3% as of December 31, 2012:

	Class of shares	No. of voting rights held indirectly	% of voting rights held indirectly
Vincitas Limited*	Ordinary	60,724,609	26.87
Veritas Limited*	Ordinary	39,218,470	16.28
Flavida Limited#	Ordinary	60,951,886	26.97
Fervida Limited#	Ordinary	40,188,706	17.78
Harris Associates L.P.	Ordinary	15,969,200	7.07

The aggregate Schroder family interests have remained the same for many years.
Schroders employees' rights to and ownership of shares through share schemes as a percentage of total shares in issue are approximately 6%.

They aim to ensure that the interests of their employees are aligned with those of their shareholders by deferring part of the annual bonus paid to key employees in the form of Schroders equity. This deferred equity vests over a three year period, ensuring that their key employees have an incentive to remain with us. Around 24% of employees received an award of Schroders equity from the 2012 incentive awards, spread across almost all of the locations in which they operate.

Schroder Investment Management North America Inc. is 100% directly owned by Schroder U.S. Holdings Inc., which is an indirect, wholly owned subsidiary of Schroders plc.

There have not been any significant (over 3%) ownership changes over the past five years.

5. State the carriers and the limits of errors and omissions and fiduciary liability insurance.

Schroders maintains insurance coverage at the parent level that covers its U.S. affiliates. They have insurance cover arranged with AIG Europe Ltd and others covering professional negligence (including errors & omissions), fraud and electronic crime committed by employees and in some circumstances external persons. The sum insured is greater than £25 million (approx. $40.6 million) for each and every loss and in the annual aggregate and with a deductible of £100,000 (approx. $162,550).

Professional Indemnity Insurance held (Fidelity/Crime & Professional/E&O)	
Insurers	AIG Europe Ltd and Others
Address	58 Fenchurch Street
	London
	EC3M 4AB
Extent of Cover	Greater than £25 million for each and every loss and in the annual aggregate and with a deductible of £100,000 (approx. $162,550) (as part of Crime and Professional Indemnity Program) (approx. $40.6 million)
Expiry Date	December 30, 2013

[Note: Translated into $ using the 2012 year-end conversion rate $1.6255 = £1.00]

6. Describe any litigation regarding your firm's investment activities over the past 5 years. Is the firm expecting new litigation?

Schroders plc
Certain Schroders group undertakings may, from time to time, be parties to litigation. The Directors consider that none of these actions, either individually or in aggregate, have in the past or are likely to have a material adverse effect on the Group's financial position or the ability of the firm to conduct its business.

Schroder Investment Management North America Inc.
Schroder Investment Management North America Inc. (SIMNA) has not been involved in any business litigation or other legal proceedings related to investment activities in the past five years. However, they believe it prudent to make you aware that in 2008 SIMNA conducted an internal investigation of potential compliance violations by an employee. Following the internal investigation, SIMNA reported the matter to the SEC. The individual has not been an employee of SIMNA since 2008. On May 11, 2010, the SEC commenced administrative proceedings against this former employee. On April 21, 2011 an administrative law judge issued a judgment against this former employee.

Schroders does not anticipate any new litigation at this time.

7. Describe any judgments against your firm by governmental and regulatory agencies over the past 5 years. Also describe any current investigations.

Schroders group and related undertakings may be subject to regulatory and other inquiries from time to time. These matters are usually confidential and cannot be disclosed save in so far as they affect the ability of the undertakings to conduct their business.

Schroder Investment Management North America Inc. has not been party to any governmental or regulatory judgments over the past five years.

8. Please provide copies of your firm's Form ADV Parts I and II.

Please refer to **Appendix I** for a copy of their Form ADV Part I, Advisory Brochure and Investment Supplement.

9. Please state the market value of assets under management for the firm for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

Please note as of the submission date of this questionnaire, assets under management have yet to be released publically. They anticipate 2nd quarter assets information will be available for release in the first week of August.

Schroders Group assets under management as of March 31, 2013 were $359.17 billion.

	Total Firm Assets				
	Market Value $(Millions)	**# Accounts Gained**	**Assets Gained $(Millions)**	**#Accounts Lost**	**Assets Lost $(Millions)**
Dec 31, 2008	158,437	534	13,509	400	12,215
Dec 31, 2009	239,624	538	16,237	355	10,146
Dec 31, 2010	307,897	708	31,972	391	7,395

Dec 31, 2011	291,008	411	18,552	264	8,416
Dec 31, 2012	344,545	343	18,254	291	8,339
June 30, 2013	Not Available	Not Available	Not Available	Not Available	Not Available

10. Please state the market value of assets under management for the recommended product for each of the past five calendar years as well as the year-to-date ending June 30, 2013. Also, state accounts and assets gained, as well as accounts and assets lost over each of these periods.

The International Value strategy is one of a group of strategies totaling $35 billion that is managed by the same team and investment process

	Specified International Value Equity Product				
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2008	8.1	0	0	0	0
Dec 31, 2009	11.1	0	0	0	0
Dec 31, 2010	13.7	0	0	0	0
Dec 31, 2011	16.8	0	0	0	0
Dec 31, 2012	409.6	1	223.1	0	0
June 30, 2013	497.6	0	0	0	0

International Value Equity Investment Services

11. Please provide the name of the product described in the remainder of this response.

The name of the proposed strategy is QEP Global ex-US Value.

12. Provide the following information on the firm's key members of the international value equity portfolio management team: names, titles and responsibilities, years on the product (please note any changes in roles below), years with firm, and years of investment experience. Please provide biographies and an organization chart.

Name	Title	Yrs. w/ Product	Yrs. W/ Firm	Yrs. Inv. Exp.
Justin Abercrombie	Head of QEP Investment Team	17	17	20
David Philpotts	Head of Research, Portfolio Manager	11	15	23
Stephen Langford	Senior Analyst & Portfolio Manager	10	10	14
Stuart Adrian	Senior Analyst & Portfolio Manager	0.2	0.2	16

13. What has been the level of personnel turnover for investment professionals at both the firm and product levels over each of the last five years and the current year to date? Please explain any losses at the product level.

Year	**Firm-wide**		**Product Specific**	
	Employees Added	Employees Lost	Employees Added	Employees Lost
Dec 31, 2008	35	60	5	3
Dec 31, 2009	13	42	1	0
Dec 31, 2010	17	34	1	0
Dec 31, 2011	27	9	2	2
Dec 31, 2012	27	30	2	1
June 30, 2013	Not Available	Not Available	2	0

14. As of June 30, 2013, provide the number of accounts, assets under management, median account size, and number of portfolio managers in the product.

$ Assets Under Mgt	Number of Investors	Median Client Size	Largest Client Size	Number of Portfolio Mgrs	Number of Inv Analysts
497.6	2	n/a	391.7	6*	12

15. Please provide the following information as of June 30, 2013 for each vehicle through which your international value product is offered:

	Offered? (Y/N)	Assets ($MM)	Acct Minimum
Separate Account	Y	391.7	$100 Million
Commingled Fund	Y*	-	$1 Million
Mutual Fund	Y	105.9	$250,000 (Investor Shares) $2,500 (Advisor Shares)
Other (specify)	-	-	-

16. Is there a limit to the amount of assets the firm will manage in this product? If yes, please specify.

The QEP Global ex-US Value strategy is highly scalable on account of its diversified approach and broad investment universe. They estimate that the strategy has at least $10 billion in capacity and is not currently constrained.

17. What internal controls are in place to monitor market timing activity in particular and late trading in your firm's funds? Who monitors these activities? Have there been any trading policy violations over the past five years?

Provided below are their **Procedures to Discourage Market Timing.**

Introduction/General Policy
The Funds and Schroder Investment Management North America Inc. (SIMNA) believe it is in the best interests of shareholders to maintain policies and procedures to discourage short-term trading by those seeking to benefit from pricing and market inefficiencies at the expense of long-term investors. The Funds have adopted the following procedures to monitor trading in the Funds.

Procedures

— The Board has imposed redemption fees of 2% for redemptions within 2 months of purchase of funds in instances where it believes that short term trading may adversely affect management of the fund or otherwise harm long term holders.

— The Board has determined to utilize a third party service provider to provide data concerning fair valuation of foreign securities held by international funds. That data will be used to fair value securities under circumstances approved by the Trustees.

— SIMNA and the Funds' distributor review reports of large trades ($50,000 and up) from the Funds' transfer agent, and perform surveillance of multiple trade activities from specific dealers and suspicious trades through omnibus accounts.

— SIMNA and the Fund's distributor may ban, suspend, or place limitations on, any timing activity, if, following investigation, it believes that the trading activity in the account may adversely affect management of the fund or otherwise harm long term holders.

— No Later than the effective date of Rule 22c-2, SIMNA or the distributor for the Funds will on behalf of the Funds enter into a written agreement with each dealer or other financial intermediary, requiring that dealer or intermediary to:

- Provide, promptly upon request by the Funds, the taxpayer Identification relating to all shareholders that purchased, redeemed, transferred, or exchanged shares held through an account with the dealer or intermediary, and the amount and dates of such shareholder purchases, redemptions, transfers, and exchanges; and

- Carry out any instructions from the Funds or its distributor to restrict or prohibit further purchases or exchanges of fund shares by any shareholder who the Fund or their distributor has identified as having engaged in transactions in Fund shares that violate this policy.
- SIMNA and the Distributor for the funds will retain on behalf of the Funds the current written agreements entered into pursuant to this policy and any other agreement in effect at any time within the prior six years in an easily accessible place.

The Trust recognizes that SIMNA and the distributor for the Funds may not always be able to detect or prevent all market timing activity or other trading activity that may disadvantage the Funds or their shareholders.

The CCO will report to the Board no less often than annually on the status and effectiveness of the procedures to discourage market timing.

International Value Equity Investment Philosophy

18. Briefly describe the investment philosophy/strategy, style and distinguishing characteristics of this product.

Schroder QEP Global ex-US Value is an active, index-unconstrained, value-based strategy designed to deliver higher long-run returns with low stock-specific risk. Analyzing a universe of around 12,000 stocks, the team uses a bottom-up process to construct a highly diversified portfolio typically containing over 500 stocks.

Stock selection for this strategy is grounded in the analysis of company fundamentals indicating Value (dividends, cashflow, sales, assets and earnings). Portfolios will exhibit a style bias towards these factors. They believe that Value outperforms over the long term but investment decisions are also informed by the team's analysis of business quality (determined on measures of Profitability, Stability and Financial Strength). This helps to minimize exposure to 'value traps' or, in other words, stocks which may be cheap for good reason.

They believe that intelligent portfolio construction can greatly enhance the ability to generate repeatable long-run returns. They reduce stock specific risk by building a highly diversified portfolio, but with no less conviction. Recognizing the limitations of market cap-weighted indices, they take an index-unconstrained approach which enables us to invest wherever they find the best value opportunities and to capitalize upon those which may be missed by other global managers, including those at the lower end of the market cap spectrum and across emerging markets.

19. Does your firm's international value equity discipline have a growth, value or core style bias?

As noted in their response to question 18 above, QEP Global ex-US Value is a value-based strategy.

20. Explain the firm's portfolio approach to the level of cash and equivalent holdings. Specify the normal, maximum and minimum levels of cash holdings.

They typically pursue a fully invested policy and cash usually represents less than 1% of their portfolios. Cash is kept to the minimum required for efficient portfolio management and is not used as a tactical asset.

21. Briefly state how your firm defines an investable international value equity market for the purposes of this product.

They invest from the broadest possible universe of stocks while screening for sufficient liquidity to trade without undue market impact. For this strategy the universe consists of around 12,000 companies of all sizes across approximately 40 countries, including both developed and emerging markets.

22. How does your firm assess the liquidity of individual equity markets?

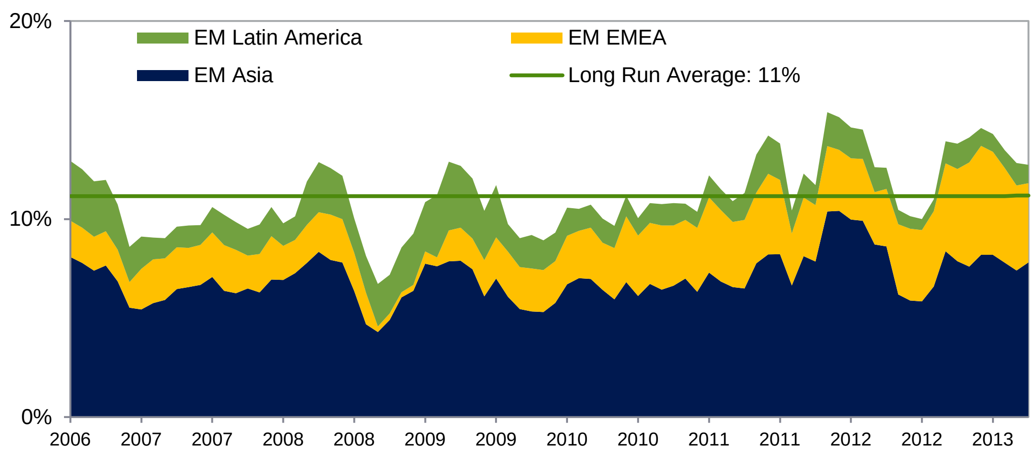
Awareness of liquidity considerations is built into the QEP investment process at every stage. Liquidity risk is managed via their proprietary Market Impact Model, which adjusts the weights for stocks in more illiquid markets or which are smaller or more volatile. They further manage liquidity risk by typically only investing in stocks which have traded an average of $100,000 per day over the preceding 100 days and generally restricting a single trade to a maximum of 20% of the Average Daily Volume (ADV) traded.

23. Will your firm invest in emerging equity markets in this investment discipline? If yes, specify the typical portfolio percentage as well as maximum and current (6/30/2013) percentage.

As an unconstrained strategy, QEP Global ex-US Value can invest right across their stock universe (with the exception of America), which covers around 40 countries. One of the strengths of their approach is that they have the flexibility to invest as much or as little in emerging markets as reflects the Value opportunities currently available there.

They place an upper limit on the emerging markets weight of 20% and their long-run average exposure is 11.0%. The graph below illustrates their historic emerging markets exposure in the QEP Global ex-US Value strategy, broken down by region.

Emerging Markets by Region



Source: Schroders. Based on month-end values for the Schroder International Multi-Cap Value fund from September 30, 2006 to June 30, 2013.

24. What securities other than common stock and cash equivalents will be held?

They typically invest in common stocks, preferred stocks, American Depository Receipts (ADRs), Global Depository Receipts (GDRs), ETFs, cash, index futures and currency forwards (the latter two only for the purposes of efficient portfolio management and risk reduction).

25. Does your firm engage in currency hedging in this strategy? If yes, is there a maximum hedge ratio for major currencies?

They make use of currency hedging periodically, specifically where they wish to partially hedge currency risk in markets where returns are at risk of being reduced by unfavorable currency moves. In order to mitigate portfolio risk in countries where they are either overweight or underweight the benchmark they have the ability to hedge currency exposure back towards the benchmark. In order to maintain a diversified currency exposure and not subsequently increase the base currency exposure, they may hedge an overweight into another currency where they are underweight or vice versa.

The size of each hedging position is influenced by the size of the position relative to the benchmark in the underlying equities, but the judgment of how much of that exposure to hedge lies with the discretion of the portfolio management team.

26. State typical benchmark(s) used to measure the fund's performance. Which do you believe is best?

The QEP Global ex-US Value strategy is index-unconstrained and therefore a benchmark is used for performance comparison purposes only. Suitable benchmarks include the MSCI EAFE Index and the MSCI AC World ex-US Index.

Schroders would be willing to consider being measured against a Value index.

27. What is the expected tracking error of this product compared to the MSCI ACWI ex-US Value Index?

The strategy does not explicitly target tracking error, but they anticipate that the long run ex post figure will typically be around 4% to 5% p.a. when measured against the MSCI EAFE Index. When measured against the MSCI ACWI ex-US Value Index, the strategy has seen an ex post (realised) tracking error of 3.65% p.a.* over the past five years.

28. Does this product target a particular level of volatility (index-relative or absolute)? If so, please describe how the volatility target is implemented.

The QEP Global ex-US Value strategy does not target volatility specifically and it will vary over time with the opportunities available.

International Value Equity Research Process

29. Describe the process for identifying attractive securities. List screening steps and fundamental security requirements. What role does macro-economic research play in this process? Describe the analytical research performed on individual securities.

Stage 1. Global Value Rank
To maximize the potential investment opportunity, the team analyses as broad a universe as possible - 12,000 stocks of all sizes (screened for liquidity) across around 40 countries (excluding the US), including both developed and emerging markets. Each stock is assigned a Global Value Rank, determined by dividend forecast, cashflow, earnings, sales and assets.
The team will invest in stocks in the cheapest third of the Global Value Rank.

Stage 2. Stock Selection
The most significant aspects of their security selection process are their Market Impact Model and their calculation of each stock's probability of Value being realized.
They determine security weights by establishing an equilibrium weight for each stock in the universe.

Stage 3. Portfolio Construction
A disciplined and sophisticated approach to portfolio construction is one of the team's most significant competitive advantages. Portfolio construction issues are integrated at all stages of the investment process, including at a research level.

The strategy is managed with an entirely bottom-up approach, with no top-down constraints imposed at the country, sector or stock level. They do, however, limit overall exposure to emerging markets to 20%.

30. What is the number of securities regularly followed by security analysts and/or portfolio managers?

In their approach, analysts focus on researching new investment strategies and enhancing their existing models, rather than covering securities individually. Therefore each analyst works on projects, which may be focused on one sector, country or region, but they are not assigned to areas of the market in the way that traditional analysts would be. They maintain considerable flexibility within the research team to allocate resources effectively as projects and other demands change.

Please refer back to their answer to question 29 for details on the universe covered and number of securities held.

31. Describe any processes in place to detect accounting irregularities at companies held in the portfolio.

As mentioned above their researches role is unlike that of a “traditional analyst” covering a sample of stocks. There are members of the research team, who focus more on accounting aspects. They ensure that a large part of the research effort is focused on data quality as, ultimately, the analysts, as the biggest users of the data, are best placed to check incoming data and recommend enhancements to this process.

32. Does your firm use any technical and/or price momentum research? If so, how and why?

No. they do not use external research into technical or momentum indicators but incorporate their own proprietary research into these factors and how they relate to other factors within their process.

Their research methodology is distinguished from the majority of managers by focusing on identifying factors and patterns that indicate likely outperformance for a group of stocks, rather than looking at companies one by one. This lends scalability, consistency and efficiency to their process.

The direction of their research is driven by the observations and insights of experienced investors, who are constantly looking to identify future opportunities and risks. They have great flexibility to allocate research resources wherever the team sees the greatest potential for adding value for their clients. Their research on financial quality described above is a good example of the way the team is always looking to develop new research insights according to changing market conditions.

Portfolio Construction and Management

33. Describe in detail the portfolio construction and management process. If a team approach is used, state the names of the team members and explain the role(s) of each team member.

Please refer to their response to question 29 above, for full details on their portfolio construction process. Provided below are details on the investment management team.

The team is organized across three key functions. The portfolio implementation team is based in London and is responsible for the day-to-day management of client portfolios. The research team is located in both London and Sydney and its members are responsible for researching new investment strategies and enhancing existing models. A product management team located in London and key international offices oversees all aspects of client service and marketing. Additionally, the QEP Investment Team utilizes Schroders’ global resources for Trading, IT, Risk and Compliance.

Portfolio Management Role
They adopt a team approach to portfolio management. Portfolio managers are responsible for the day-to-

day management of each client portfolio. In essence, the role of portfolio managers is three-fold:

1) **No "black box".** Having experienced investors review every trade recommended by their allocator tool provides an important sense-check that the process is working as it should, guarding against unexpected or anomalous outputs.

2) **Risk budgeting.** Portfolio managers are responsible for shaping portfolios that are positioned to add value for their clients, by monitoring a range of characteristics and ensuring that risk profiles remain appropriate.

3) **Forward-looking research.** Portfolio manager insights into future opportunities and risks in global markets are a key source of idea generation for their research team, who investigate how to incorporate these insights in order to enhance their investment process.

Research Analyst Role
The QEP Investment Team consists of 27 members*, located in London and Sydney, and is led by Justin Abercrombie, supported by David Philpotts (Head of Research) and Stephen Langford and Stuart Adrian (Senior Analysts & Portfolio Managers).

34. What is the current number, typical number and range of securities held in the product?

As of June 30, 2013	Typical Number	Range
1460	Typically holds at least 500 stocks and there is no maximum number.	Average number of holdings: 753*

35. As of June 30, 2013, state the typical portfolio allocation to equities in the market capitalization ranges shown below. Also, please specify the possible ranges and typical allocations for each category.

Market Capitalization Range	Allocation as of June 30, 2013	Typical Allocation	Possible Range of Allocation
Less than $100 million	0.66%	No typical allocation	No formal range
Between $100 mil. and $500 mil.	9.79%	No typical allocation	No formal range
Between $500 mil. and $1 bil.	7.99%	No typical allocation	No formal range
Between $1 bil. and $3 bil.	22.74%	No typical allocation	No formal range
Between $3 bil. and $5 bil.	9.02%	No typical allocation	No formal range
Between $5 bil. and $10 bil.	11.30%	No typical allocation	No formal range
Between $10 and $20 billion	10.68%	No typical allocation	No formal range
Greater than $20 billion	27.24%	No typical allocation	No formal range
Median Market Capitalization	2,015 m	No typical allocation	No formal range
Weighted Average Market Capitalization	23,866 m	No typical allocation	No formal range

36. Describe the firm's sell discipline.

Their investment process provides a disciplined buy and sell strategy, as it culminates in a ranking of all stocks in the investment universe according to their relative value and quality. A stock will be eligible for sale or reduction in the event that:

- It falls out of the top third of their Value and Quality Ranks (i.e. the stock becomes too expensive or its quality deteriorates relative to peers)

- The holding appreciates above their typical maximum holding size, when profit-taking and rebalancing into other opportunities may be appropriate.

37. What has been the average international value equity turnover for each of the last five years and the current year to date?

Year	Turnover (annual)
2009	133.50%
2010	85.43%
2011	94.23%
2012	62.53%
YTD	Not Available

Investment Management Fees

38. Provide your fee schedules for the international equity product, both for commingled/mutual funds and separate accounts. If a commingled fund is proposed, what are the custody costs of the trust and are they an additional fee that is directly charged to the client? Please specify who custodies the assets. Are investment management fees negotiable?

Please refer below for their standard fee schedules for a separate account and commingled fund.

	Market Value	Fee in Percent
First	100 Million	0.70%
Next	100 Million	0.55%
Over	Balance	0.40%

Minimum Account Size: $ 100 Million

Fees quoted are for investment management services and are on a per annum
basis, calculated and payable quarterly in arrears based on the average market values of the Account as of the end of each calendar month during the calendar quarter.

Standard Commingled Fund Fee Schedule

	Market Value	Fee in Percent
First	50 Million	0.65%
Next	50 Million	0.60%
Next	100 Million	0.55%
Over	Balance	0.40%

Operating Expense: 0.15%
Minimum Account Size: $ 1 Million

Fees quoted are on a per annum basis, calculated and payable monthly based on the balance of the Investor's Capital Account, as described in the Fund's offering documents.

Mutual Fund Expense Ratios
Investor Share Class: 0.80% Management Fee 0.96% TER)
Minimum Account Size: $250,000

Advisor Share Class: 0.80% Management Fee 1.31% (TER)
Minimum Account Size: $2,500

The custodian for their US Mutual Fund range is JP Morgan.

Schroders is willing to discuss alternative fee arrangements for accounts over $100 million.

Also, while a commingled fund is not currently available they would launch one should this vehicle

39. Has the firm entered into incentive fee arrangements? If so, provide details.

Yes. Please refer below for details.

Performance Based Fees

- 50% of the fixed fee plus a performance fee of 12.5% of performance over the benchmark*

Please note this fee could only be applied in the case of a separate account or commingled fund.

40. Does your firm use any service, information, or merchandise paid for with directed commissions? If yes, please list the services received from such commissions, and the percentage of fees so directed.

Currently, almost all assets managed by Schroder Investment Management North America Inc. are discretionary in nature. Their trading desk routes client orders for execution solely on the basis of best execution considerations. Moreover, the firm generally aggregates all client order for execution. They generally discourage directed brokerage arrangements that might compromise best execution or aggregation. There may be instances when a client wishes to direct a trade to a specified broker/dealer or due to restrictions are prohibited from trading through a specified broker/dealer.

41. Please provide copies of your firm's Form ADV Parts I and II.

Please refer to **Appendix I** for a copy of their Form ADV Part I, Advisory Brochure and Investment Supplement.

International value Equity Investment Performance

42. Provide quarterly historical performance for your product using the attached form. Do not include any simulated data. Returns should be total portfolio, time-weighted rates of return **both gross and net** of investment management fees. For year-end periods, also provide the market value of assets and number of accounts. If you offer both a commingled product and separate accounts, provide performance for both.

Please refer to the table below for composite returns

43. Please specify the methodology for constructing the firm's composite performance.

Composite Construction

New accounts are included from the beginning of the first full month of management on a discretionary basis. Terminated accounts are excluded from the end of the last full month of discretionary management. This Composite has no minimum asset level for inclusion.
The composite currency is US Dollar

Composite Inception Date: 08/31/2006

Composite Creation Date: 11/01/2006

Performance Calculation

The portfolio returns are time-weighted rates of return that are adjusted for cash flows. Portfolio returns are combined using beginning of period asset weights to produce the composite return. Periodic returns are geometrically linked to produce annual returns.

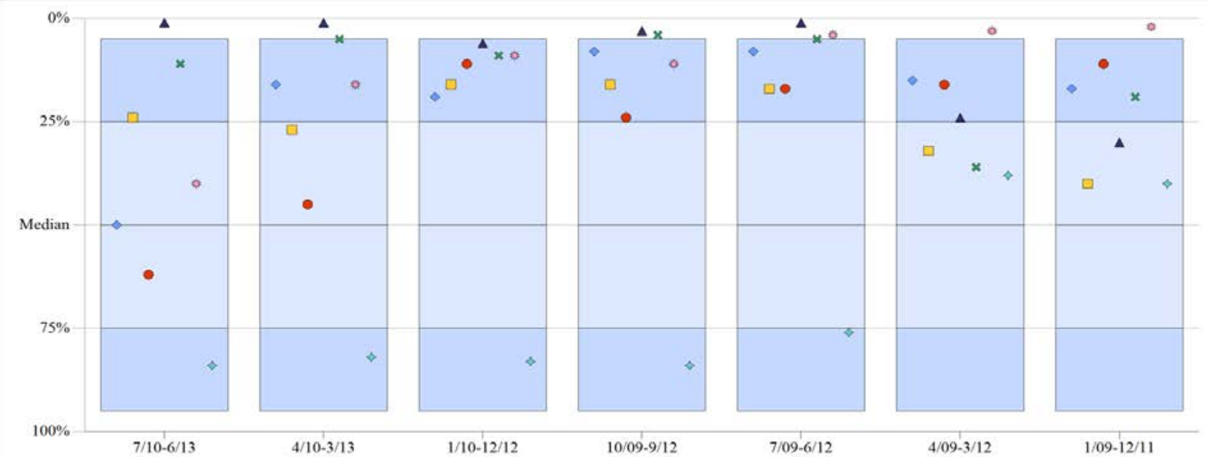
Dividends on equities are recognized net of irrecoverable withholding tax. Since January 1999 dividends have been recognized as of the ex-dividend date having previously been recognized on a cash basis. Performance results are presented before the deduction of management fees and custodian fees but after trading expenses.

44. Are returns audited? By whom? Are returns CFAI/AIMR compliant? For what time period? Please provide the most recent statement of verification by an independent third party.

Yes. All composite returns are audited by their external auditor Ernst & Young on an annual basis.

Please refer to Appendix II for a copy of the most recent GIPS verification.

Rolling Returns Three-Year Periods



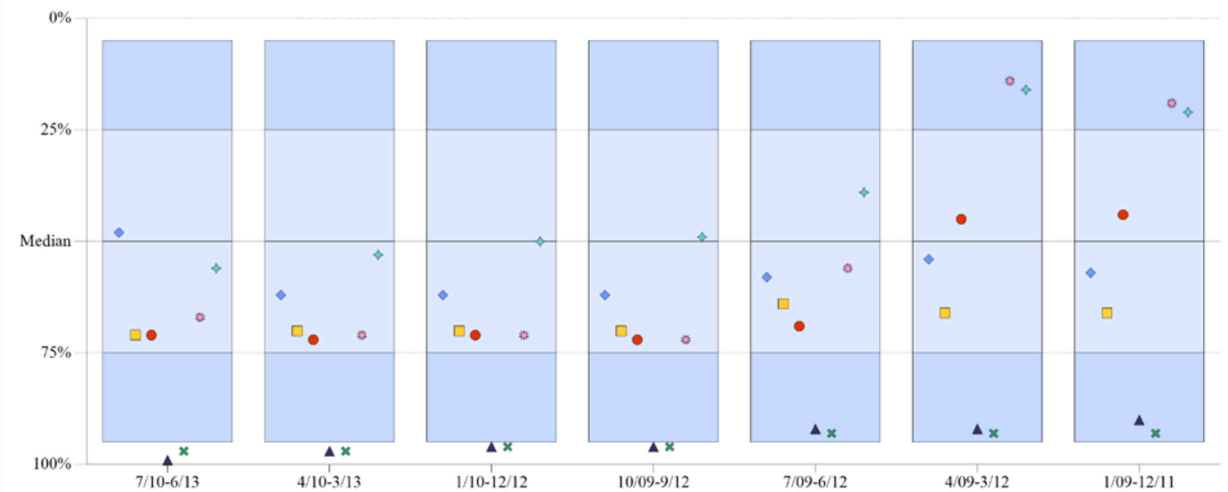
Universe:
eVestment ACWI ex-US Value Equity

	7/10-6/13	Rk	4/10-3/13	Rk	1/10-12/12	Rk	10/09-9/12	Rk	7/09-6/12	Rk	4/09-3/12	Rk	1/09-12/11	Rk
Allianz Global Investors U.S. L…	10.4	50	8.2	16	7.1	19	7.2	8	10.8	8	22.3	15	12.9	17
Lazard Asset Management LLC	11.3	24	7.6	27	7.2	16	6.5	16	10.0	17	20.2	32	10.6	40
Manulife Asset Management	9.7	62	6.3	45	7.4	11	5.9	24	9.9	17	22.3	16	13.5	11
MFS Investment Management	16.7	1	11.1	1	8.8	6	8.2	3	12.2	1	21.2	24	11.6	30
Pyrford International Ltd	13.4	11	9.7	5	8.0	9	7.9	4	11.0	5	19.7	36	12.3	19
Schroder Investment Management	10.8	40	8.2	16	7.9	9	6.8	11	11.1	4	26.1	3	17.8	2
MSCI Index	7.2	84	3.3	82	3.1	83	1.7	84	6.0	76	19.4	38	10.5	40

Results displayed in US Dollar (USD)

We specifically looked at the ability of the products to consistently deliver three-year rolling returns in excess of the MSCI ACWI Index. All firms delivered returns higher than the MSCI ACWI Index over all but the most recent rolling three-year periods.Performance all firms is particularly strong in the 2009-2012 period, with all firms significantly outperforming the index, and ranking in the top quartile. MFS and Pryford show particular strength with consistent outperformance of the index and ranking in the top quartile.

Rolling Standard Deviation Three-Year Periods



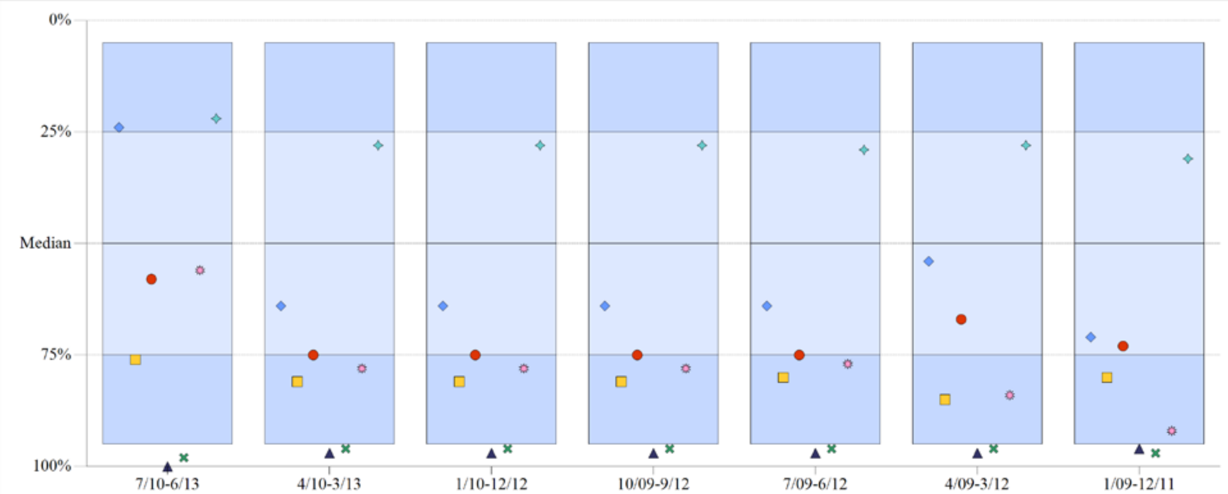
Universe:
eVestment ACWI ex-US Value Equity

	7/10-6/13	Rk	4/10-3/13	Rk	1/10-12/12	Rk	10/09-9/12	Rk	7/09-6/12	Rk	4/09-3/12	Rk	1/09-12/11	Rk
Allianz Global Investors U.S. L…	18.7	48	19.8	62	19.8	62	19.8	62	21.9	58	24.8	54	26.1	57
Lazard Asset Management LLC	17.6	71	19.4	70	19.4	70	19.3	70	21.5	64	23.7	66	25.1	66
Manulife Asset Management	17.5	71	19.0	72	19.2	71	19.0	72	21.3	69	25.6	45	27.0	44
MFS Investment Management	12.2	99	14.6	97	14.2	96	14.2	96	17.2	92	20.2	92	23.1	90
Pyrford International Ltd	12.8	97	14.5	97	14.6	96	14.5	96	16.7	93	19.3	93	21.4	93
Schroder Investment Management	18.0	67	19.2	71	19.2	71	19.0	72	22.1	56	28.4	14	29.5	19
MSCI Index	18.5	56	20.4	53	20.4	50	20.2	49	23.4	39	27.9	16	29.4	21

Results displayed in US Dollar (USD)

In earlier periods, Allianz Global Investors has a much higher standard deviation relative to other firms. In more recent periods, Lazard and Manulife have standard deviations that are close to each other. MFS and Pryford have a standard deviation that is consistently lower than the index and other candidate firms.

Rolling Downside Market Capture Ratio Three-Year Periods



Universe:
eVestment ACWI ex-US Value Equity

	7/10-6/13	Rk	4/10-3/13	Rk	1/10-12/12	Rk	10/09-9/12	Rk	7/09-6/12	Rk	4/09-3/12	Rk	1/09-12/11	Rk
Allianz Global Investors U.S. L…	98.3	24	89.5	64	89.5	64	89.5	64	89.5	64	91.8	54	91.8	71
Lazard Asset Management LLC	74.9	76	80.3	81	80.3	81	80.3	81	80.3	80	81.6	85	86.5	80
Manulife Asset Management	86.2	58	86.9	75	86.9	75	86.9	75	86.9	75	89.2	67	89.4	73
MFS Investment Management	19.1	100	50.8	97	50.8	97	50.8	97	50.8	97	54.9	97	73.5	96
Pyrford International Ltd	40.9	98	55.7	96	55.7	96	55.7	96	55.7	96	59.2	96	69.3	97
Schroder Investment Management	87.4	56	83.2	78	83.2	78	83.2	78	83.2	77	82.8	84	81.5	92
MSCI Index	100.0	22	100.0	28	100.0	28	100.0	28	100.0	29	100.0	28	100.0	31

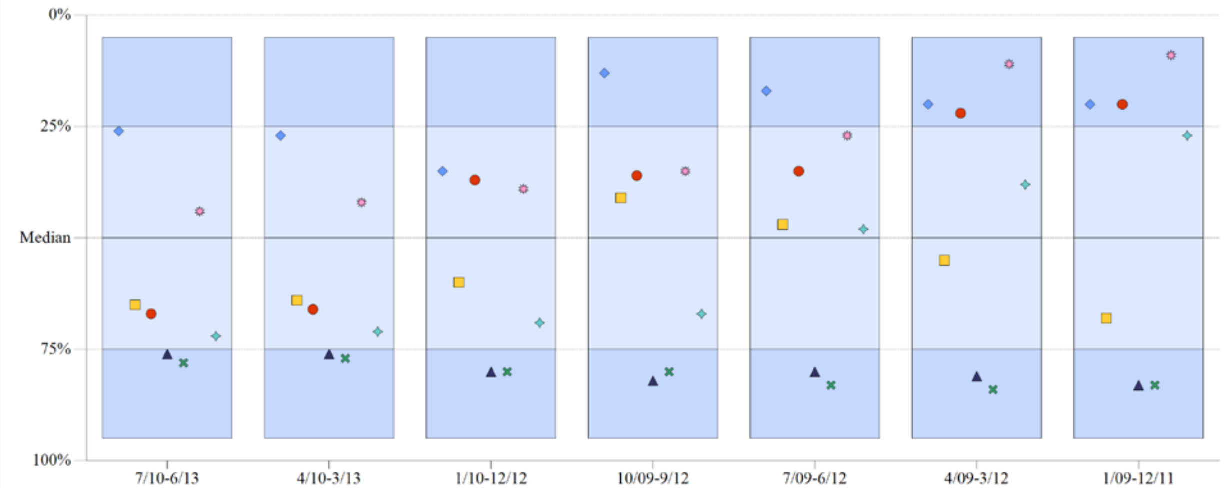
Results displayed in US Dollar (USD)

MSCI ACWI ex-US Value-ND

DMC ratio is a measure of the manager's performance in down markets relative to the market itself. A value of 90 suggests the manager's loss is only nine tenths of the market's loss during the selected time period. A market is considered down if the return for the benchmark is less than zero. The DMC Ratio is calculated by dividing the return of the manager during the down market periods by the return of the market during the same periods. Generally, the lower the DMC ratio, the better (If the manager's DMC ratio is negative, it means that during that specific time period, the manager's return for that period was actually positive).

Over most periods, all firms showed a DMC ratio of less than 100. In the most recent period, MFS showed a DMC ratio of 73.5 in early years, but has come down in significantly in subsequent periods. Pryford has the lowest DMC ratio of the candidate firms over earlier time periods, while MFS show the lowest DMC ratios in the most recent period.

Rolling Upside Market Capture Ratio Three-Year Periods



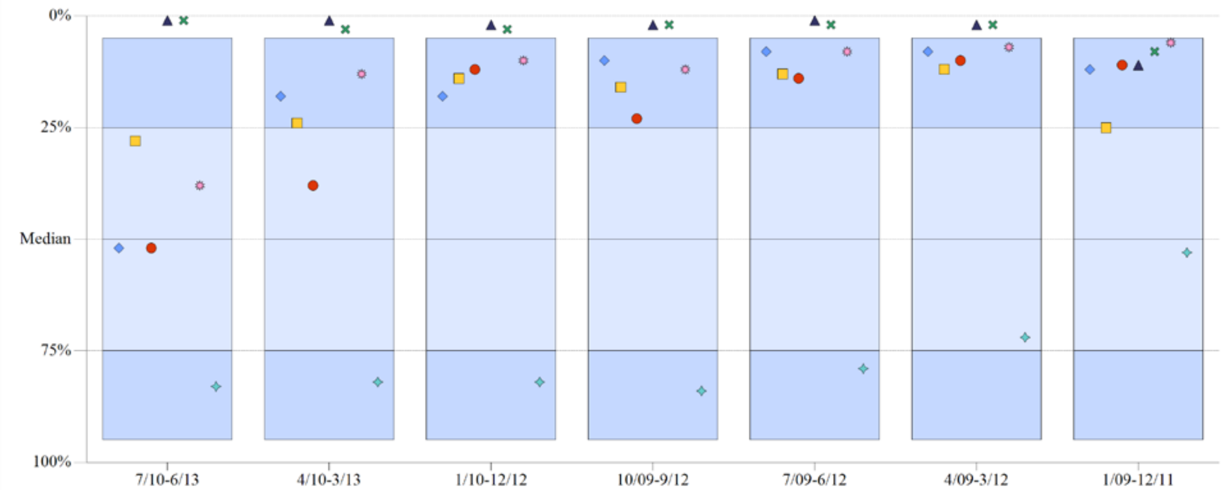
Universe: eVestment ACWI ex-US Value Equity	7/10-6/13	Rk	4/10-3/13	Rk	1/10-12/12	Rk	10/09-9/12	Rk	7/09-6/12	Rk	4/09-3/12	Rk	1/09-12/11	Rk
Allianz Global Investors U.S. L…	117.5	26	117.5	27	112.4	35	124.0	13	114.1	17	104.9	20	101.9	20
Lazard Asset Management LLC	103.6	65	103.6	64	102.6	60	107.6	41	101.1	47	91.8	55	88.0	68
Manulife Asset Management	103.2	67	103.2	66	111.2	37	111.8	36	106.7	35	103.1	22	102.4	20
MFS Investment Management	95.0	76	95.0	76	83.2	80	87.1	82	86.5	80	81.6	81	81.2	83
Pyrford International Ltd	91.3	78	91.3	77	83.2	80	90.2	80	84.7	83	78.8	84	80.5	83
Schroder Investment Management	110.8	44	110.8	42	110.4	39	113.1	35	109.7	27	112.3	11	112.2	9
MSCI Index	100.0	72	100.0	71	100.0	69	100.0	67	100.0	48	100.0	38	100.0	27

Results displayed in US Dollar (USD) MSCI ACWI ex-US Value-ND

Downside Market Capture ratios are a measure of the ability of the strategy to hold value. However, the strategy also needs to be able to benefit from rising markets. We show the Upside Market Capture (UMC) ratio in the chart above, which is simply the measure of the manager's performance in up markets relative to the market itself. Again, a value above 100 suggests the manager's gain would be stronger than the market during the selected time period. Generally, the higher the UMC ratio, the better.

Allianz Global Investors and Schroders have the highest UMC ratio over all periods. MFS and Pryford have an UMC ratio of below 100 for all periods. Since its inception, Allianz Global, Lazard, Manulife and Schroder have maintained an UMC ratio above 100.

Rolling Sharpe Ratio Three-Year Periods



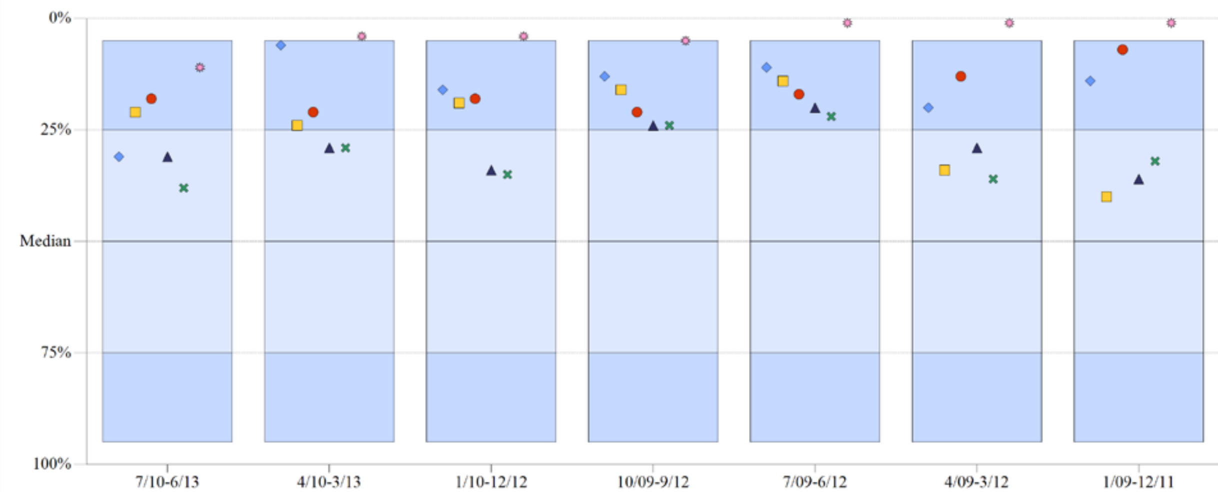
Universe: eVestment ACWI ex-US Value Equity	7/10-6/13 [1]	Rk	4/10-3/13 [1]	Rk	1/10-12/12 [1]	Rk	10/09-9/12 [1]	Rk	7/09-6/12 [1]	Rk	4/09-3/12 [1]	Rk	1/09-12/11 [1]	Rk
Allianz Global Investors U.S. L...	0.6	52	0.4	18	0.4	18	0.4	10	0.5	8	0.9	8	0.5	12
Lazard Asset Management LLC	0.6	28	0.4	24	0.4	14	0.3	16	0.5	13	0.8	12	0.4	25
Manulife Asset Management	0.6	52	0.3	38	0.4	12	0.3	23	0.5	14	0.9	10	0.5	11
MFS Investment Management	1.4	1	0.8	1	0.6	2	0.6	2	0.7	1	1.0	2	0.5	11
Pyrford International Ltd	1.0	1	0.7	3	0.5	3	0.5	2	0.7	2	1.0	2	0.6	8
Schroder Investment Management	0.6	38	0.4	13	0.4	10	0.4	12	0.5	8	0.9	7	0.6	6
MSCI Index	0.4	83	0.2	82	0.1	82	0.1	84	0.3	79	0.7	72	0.4	53

Results displayed in US Dollar (USD)

[1] Citigroup 3-Month T-Bill

While it is informative to look at return, risk and performance in up and down markets in isolation, we are ultimately seeking to identify a manager that can use its risk budget appropriately to add value over a market cycle. All strategies under consideration show higher Sharpe ratios (defined as the return above cash divided the portfolio's standard deviation) than the index. All six strategies are reasonable on this measure, and most generally have a Sharpe ratio only slightly better than the Index. In most recent periods, MFS and Pyrford have a higher Sharpe ratio of 1.4 and 1.0 respectively.

Rolling Information Ratio Three-Year Periods



Universe: eVestment ACWI ex-US Value Equity	7/10-6/13	Rk	4/10-3/13	Rk	1/10-12/12	Rk	10/09-9/12	Rk	7/09-6/12	Rk	4/09-3/12	Rk	1/09-12/11	Rk
Allianz Global Investors U.S. L…	1.1	31	1.6	6	1.3	16	1.6	13	1.1	11	0.5	20	0.4	14
Lazard Asset Management LLC	1.2	21	1.2	24	1.2	19	1.5	16	1.0	14	0.1	34	0.0	40
Manulife Asset Management	1.3	18	1.4	21	1.2	18	1.2	21	1.0	17	0.7	13	0.7	7
MFS Investment Management	1.1	31	1.0	29	0.8	34	0.9	24	0.8	20	0.2	29	0.1	36
Pyrford International Ltd	0.9	38	1.0	29	0.7	35	1.0	24	0.7	22	0.0	36	0.2	32
Schroder Investment Management	1.5	11	1.7	4	1.7	4	1.8	5	1.8	1	1.9	1	1.9	1
MSCI Index	---		---		---		---		---		---		---	

Results displayed in US Dollar (USD)

MSCI ACWI ex-US Value-ND

Additionally, we reviewed the managers' ability to produce consistent, risk adjusted returns better than the MSCI ACWI ex-US Value Index. We reviewed the firm's information ratios (active return divided by tracking error); a higher information ratio would indicate that a firm is being rewarded for the non-benchmark risk it is taking. MFS and Pryford have the lowest information ratio for periods 2009-2012. Lazard, Manulife and Schroders consistently rank in or near the top quartile for information ratio since inception.

Definitions

Excess Returns - Returns in excess of the risk-free rate, a benchmark or in excess of another manager. A positive excess return indicates that the manager outperformed the benchmark for that period.

Given two return series (typically a manger and a benchmark), $x_1, \ldots, x_n$ and $y_1, \ldots, y_n$, the excess return series is defined as $er_1, \ldots, er_n = x_1 - y_1, \ldots, x_n - y_n$

Annualized Excess Return = Annualized Manager Return - Annualized Index Return

Standard Deviation - A measure of the average deviations of a return series from its mean; often used as a risk measure. A large standard deviation implies that there have been large swings or volatility in the manager's return series.

$$StDev_{(SD)} = \frac{[\Sigma (x_i - X)^2]^{1/2}}{n} \quad \text{or Square Root of the Variance} = \sqrt{(Var)}$$

$$Ann\ StDev = SD * \sqrt{(N_y)}$$

x_i = the *ith* observation

X = mean return for series

n = the number of observations

N_y = the number of periods in a year (4 if quarterly data, 12 if monthly data)

Tracking Error - A measure of the amount of active risk that is being taken by a manager. This statistic is computed by subtracting the return of a specified benchmark or index from the manager's return for each period and then calculating the standard deviation of those differences. A higher tracking error indicates a higher level of risk – not necessarily a higher level of return - being taken relative to the specified benchmark. Tracking error only accounts for deviations away from the benchmark, but does not signal in which directions these deviations occur (positive or negative).

TE = Standard Deviation of Excess Return

Information Ratio - This statistic is computed by subtracting the return of the market from the return of the manager to determine the excess return. The excess return is then divided by the standard deviation of the excess returns (or Tracking Error) to produce the information ratio. This ratio is a measure of the value added per unit of active risk by a manager over an index. Managers taking on higher levels of risk are expected to then generate higher levels of return, so a positive IR would indicate "efficient" use of risk by a manager. This is similar to the Sharpe Ratio, except this calculation is based on excess rates of return versus a benchmark instead of a risk-free rate.

$$IR = \frac{\text{Excess Return}}{\text{Tracking Error}}$$

Sharpe Ratio - This statistic is computed by subtracting the return of the risk-free index (typically 91-day T-bill or some other cash benchmark) from the return of the manager to determine the risk-adjusted excess return. This excess return is then divided by the standard deviation of the manager. A manager taking on risk, as opposed to investing in cash, is expected to generate higher returns and Sharpe measures how well the manager generated returns with that risk. In other words, it is a measurement of efficiency utilizing the relationship between annualized risk-free return and standard deviation. The higher the Sharpe Ratio, the greater efficiency produced by this manager. For example, a Sharpe Ratio of 1 is better than a ratio of 0.5.

$$Sharpe = \frac{Ann\ Rtn(x) - Ann\ Rtn(R_f)}{\text{Standard Deviation of } x}$$

R_f = Risk-free rate

Alpha - The incremental return of a manager when the market is stationary. In other words, it is the extra return due to non-market factors. This risk-adjusted factor takes into account both the performance of the market as a whole and the volatility of the manager. A positive alpha indicates that a manager has produced returns above the expected level at that risk level, and vice versa for a negative alpha. Alpha is the Y intercept of the regression line.

$$\text{Alpha}_{(\alpha)} = X - [\text{Beta} * Y]$$

X = the mean return for the manager
Y = the mean return for the index

Beta - This is a measure of a portfolio's volatility. Statistically, beta is the covariance of the portfolio in relation to the market. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. For example, a 1.10 beta portfolio has historically been 10% more volatile than the market.

$$\text{Beta}_{(\beta)} = \frac{[(n) * \Sigma(x_i * y_i)] - (\Sigma x_i)(\Sigma y_i)}{[(n) * \Sigma(y_i^2)] - (\Sigma y_i)^2}$$

n = the number of observations
xi = the return of the first data series (*ith* observation)
yi = the return of the second data series (*ith* observation)
Generally, xi = the manager's return series and yi will be a specified index (benchmark)

R-Squared - Otherwise known as the *Coefficient of Determination*, this statistic, like beta, is a measure of a manager's movement in relation to the market. Generally, the R-Squared of a manager versus a benchmark is a measure of how closely related the variance of the manager returns and the variance of the benchmark returns are. In other words, the R-Squared measures the percent of a manager's return patterns that are "explained" by the market and ranges from 0 to 1. For example, an r-squared of 0.90 means that 90% of a portfolio's return can be explained by movement in the broad market (benchmark).

$$\text{R-Squared} = (r)^2$$

r = correlation coefficient

Small/Mid-Cap Private Equity Manager Search
Semi-Finalist Report

For

Contra Costa County
Employees' Retirement Association

September 11, 2013

Milliman
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(415) 403-1333

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Search Overview

In December 2012, the CCCERA Board approved a roadmap to prudently increase the allocation to private equity investments. Part of that roadmap was to search for a fund of funds program focused on small to mid-sized private companies to act as a compliment to CCCERA's current private equity managers, Adams Street and Pathway. The objective of this search is to identify candidate firms to build a high-quality portfolio of private equity funds that primarily have exposure to small and mid-sized companies.

Manager Search Process

Candidates were selected from firms that manage portfolios of small/mid-capitalization private equity investments, as well as firms who contacted Milliman after they learned about the search. We distributed questionnaires to an initial group of 33 firms on May 17, 2013. Responses were due and received by June 10, 2013. Six additional candidates that met the criteria of the search were later identified and also completed questionnaires.

After reviewing the questionnaire responses, Milliman narrowed the candidate pool to sixteen candidates which were determined to fit best with CCCERA's private equity needs. These sixteen candidates were:

Select Small/Mid Cap Private Equity Manager Search Candidates

1	Bay Hills
2	Fairview
3	FLAG
4	Fort Washington
5	GoldPoint Partners
6	Hamilton Lane
7	HarbourVest
8	Horsley Bridge
9	JP Morgan
10	Morgan Creek
11	Morgan Stanley
12	Ocean Avenue
13	Siguler Guff
14	SL Capital
15	StepStone Group
16	Wilshire

We conducted further due diligence on these firms and made reference checks on all of the sixteen candidates. We then were able to narrow the candidate pool to seven semi-finalists for consideration by the CCCERA Board.

The nine funds which were not chosen are listed below, along with the reason for being eliminated as candidates:

Excluded Candidates

	Firm	Reasons for Exclusion
1	Fairview	Emphasis on emerging managers, which is not the focus of this search.
2	FLAG	Fees on high end of spectrum. (0.60% plus 5% Carry.)
3	HarbourVest	Large investment overlap with Adams Street & Pathway's holdings.
4	Invesco	CCCERA already has a great deal of exposure to Invesco. Invesco proposed a custom account, not the preferred solution, and Invesco's PE assets have been declining.
5	Morgan Creek	Real estate is a substantial focus - 31% of last fund.
6	Morgan Stanley	Staff turnover at senior level in firm.
7	Ocean Avenue	Firm too small for this search's objectives. Impressed by firm. Plan to revisit separately.
8	SL Capital	Primarily European focused. First US fund was launched in 2006.
9	StepStone Group	Proposed a custom separate account, not the preferred solution. StepStone has a great deal of advised assets, but far less managed assets.
10	Wilshire	Substantial team turnover over the years.

The seven semi-finalist candidates for the small/mid-cap fund of private equity funds search are listed below:

Semi-Finalist Candidates

	Firm	Fund Name
1	Bay Hills	Bay Hills Capital Partners III, L.P.
2	Fort Washington	Fort Washington Private Equity Investors Fund VIII, L.P.
3	GoldPoint	NYLCAP Select Manager Fund II, L.P.
4	Hamilton Lane	Hamilton Lane Private Equity Fund VIII
5	Horsley Bridge	Horsley Bridge X Growth Buyout, L.P.
6	J.P. Morgan	Blend of U.S. Corporate Finance Fund V and European Corporate Finance Fund V
7	Siguler Guff	Small Buyout Opportunities Fund II, LP

Small/Mid-Capitalization Private Equity Manager Search Semi-Finalist Candidates

We will be prepared to discuss the semi-finalist candidates at the September 11, 2013 CCCERA Board Meeting and to answer questions at that time.

The following pages outline the pros and cons, product characteristics, historical performance, fee schedule and an analysis of the expected overlap with CCCERA's current private equity funds for each of the semi-finalist managers. (All performance data presented is stated on a net of all fees basis.) Finally, we include summaries of each firm's questionnaire responses.

Pros and Cons
Small/Mid-Capitalization Private Equity Manager Search Semi-Finalist Candidates

Firm	Pros/Description	Cons
Bay Hills	• No litigation or judgments against the firm • Focus on primary funds, will have some secondary exposure • Expected to invest in 8-10 underlying funds • 12% hurdle rate. Target net IRR of 20% and multiple of 2.5X • Uses proprietary database of over 1,000 funds • The Fund will invest in three distinct types of Small Buyout managers: generalists, sector focused and special situation firms • Focus on North America (including some in Canada) • Firm was founded in 2006, so no complete fund performance is available. Best performing funds have IRRs of 16.1% and 41.7%, and are 65% and 24% invested, respectively.	• Very low errors and omissions insurance coverage: $1 million in aggregate coverage • Small total firm asset base, $285 million, with an additional $324 from a new commitment in Q1 2013 (total of $610 inclusive of commitment) • No succession plan, all current partners are expected to remain. Hired replacement financial controller in June 2013 to assist with fund accounting, monitoring, and reporting. • Relatively short track record. Fund I was launched in 2007.
Fort Washington	• Decent sized ($700 million) asset base in small/mid buyout area • Larger fund, expected size of $250 million with 25-30 commitments • Fund VII was about 75% small/mid-cap, even through not the stated target. This is where they are finding opportunities. • Open to being 20-30% outside of USA (would be mostly Europe) • Complete operational due diligence on potential funds in addition to and separate from investment due diligence • Performance target is net excess of S&P 500 + 5% • Will go up to 15% in secondaries, and split across buyout, special opportunities, growth equity, and venture capital	• Owned by Western and Southern Life Insurance, began taking third party clients in 1999 • Employees are not equity owners, but receive compensation benefits based on profitability • Would be a standard private equity fund (Fund VIII) with specific portfolio characteristics if any tailored for CCC in a side letter • Head of private equity, Stephen Baker, was promoted to post in 2012 • Western and Southern is an anchor investor in all funds • GP will contribute 0.5% of fund, instead of the usual 1% (W&S has historically committed 6+% of funds) • Expected life of 14 years

		• 10% fee discount for first close (expected 10/2013) investors which would bring the average fee to 0.29% - and there is no performance fee. This is the lowest fee among the semi-finalist candidates.	• Historical net performance is not stellar: 8.2%-12.2% in primaries, 21.3%-45.7% in secondaries, average IRR of 13.9% across all FW Capital Funds since 2003 • Semi-finalist whose investments have the largest overlap with CCCERA's investments made by current private equity firms, Adams Street and Pathway.
GoldPoint Partners		• Owned by New York Life, formerly NYL Capital Partners (changed name in December 2012) • No litigation or judgments • Would go into NYLCAP Select Manager Fund II • CCCERA mandate would be with other like sized commitments • Very strong historical performance in this space • Large diversified portfolio with 20-35 expected commitments • Expect 20% of fund to be co-investments • GP Commits 5% to fund ($1.5 million from GoldPoint, reminder from NYL) • GoldPoint considers themselves a desirable investor, and believes this gives them access to capacity constrained, high demand managers • GoldPoint seeks to be a member of the Advisory Board for a significant majority of those funds in which SMF II invests • Gross IRR target of 20%, net 15% (SMF I had a net IRR of 11.8%) • SMF II is 80% committed (vintage year 2012)	• No formal succession plan in place, due to all Principals being under age 60 • A managing principal left GoldPoint on June 28, 2013 • NYL is often one of the larger investors in the funds • Relatively short track record. Fund I was launched in 2007.
Hamilton Lane		• Large firm - manages $159 billion in private equity funds • Has $4.2 billion in discretionary small/mid buyout funds • Has 198 total employees with 53 investment professionals on the small/mid PE team • Targets $400 million for their PEF VIII Fund	• Record is for large funds, < $3 billion in AUM • Team turnover per year is greater than average • Large team, 52 people, on small/mid portfolio investment effort • Total discretionary assets managed has increased roughly 3x in past 5 years

	• Targeted investments are funds under $3 billion in AUM and companies with EBITDA of $2-$100 million • Global team and fund will invest globally - Allocation targets are 15% for Europe and 15% for Emerging Markets. • Large (typically 20%) investor in underlying funds • 3.9% median outperformance of top quartile with many data points • Co-investments are optional and not part of the primary fund	
Horsley Bridge	• Long (25 year) track record • Excellent track record – 8% median outperformance relative to the Cambridge upper quartile • Managers have made a large personal investment ($5.2 million) in this fund • Very impressive results from reference calls	• Founders recently retired (as planned well in advance) • In last 3 years lost 13 team members. Most were planned retirements and associates who left to attend graduate school.
JP Morgan	• All eligible PEG investment professionals invest their personal after-tax dollars side-by-side in each and every investment equivalent to 1.25% of the commitment amount. • Very large private equity asset base; appears to be an area of expertise within the firm • Very large asset base in the small/mid PE area (over $4 billion) • Offering a customized separate account, or a blend of US Corp Finance Fund V and European Corp Finance Fund V • Broadly diversified, US fund would have roughly 15 investments, and euro fund would have roughly 12 • Mandates are managed by a team with an executive oversight committee, CCCERA would have a dedicated contact • Very large and experienced team • Low turnover • Allow for significant co-investments • Return target is public markets	• Blend of two funds may be cumbersome for a long term relationship where the client wishes to invest in a series of funds • Largest clients in series of the funds have been between $150 and $600 million, CCCERA would be closer to the median client size in the two funds • Separate account clients have a median size of $196 million, and the largest client is $750 million: CCCERA would be a small separate account client if they choose to go this way • Fund sizes have typically been large, Euro $400+, US $1b+

	+500bps • corporate finance focus has been on high-growth oriented investments, typically generated through acquisition, fundamental business change, or top line growth • Review 500 investments per year • Major player in PE, reputation may be valuable in getting into the "best" funds • Investment team actively seeks advisory boards and corporate boards of directors, which they feel is the best way to monitor investments held in the funds • Shoot for 2X multiple (highest historical is 1.7X, lowest 1.1X)	
Siguler Guff	• Has $20 million professional and management liability policy and $5 million financial institution bond. Also has ERISA bond for each ERISA account up to $500,000. • $10.3 billion in total firm assets and $907 in small/mid-cap private equity assets. • No employees lost on small/mid team since inception in 2008. • Expects to invest approximately 30% of the fund in co-investments. The prior partnership invested $112 million out of $565 in co-investments. • Will invest in approximately 25 private equity partnerships which will contain a total of approximately 200 – 300 companies. • Primarily targets US companies. In the prior fund, 2.5% was invested outside the U.S.	• Small/mid investment team is small (4 investment professionals). • Relatively short track record. The small/mid private equity effort began in 2006 and this will be the second such fund at the firm.

Product Comparison

Table I below shows each firm's assets managed and investment team size for the firm overall and for the small/mid-cap private equity effort. Also shown is the target size of the current investment fund.

Larger firms will have less risk should a key individual be lost, greater international investment resources and more defined investment processes. Smaller firms are likely to be more nimble and motivated.

Table I

Management Firm Comparison

		Assets Managed (Million)		Investment Team		Current Target Fund Size
		Total	Small/Mid PE	Total	Small/Mid PE	(Million)
1	Bay Hills	$610	$610	8	8	$125
2	Fort Washington	45,116	699	114	14	250
3	GoldPoint Partners	9,331	699	45	15	250
4	Hamilton Lane	159,000	4,235	198	53	400
5	Horsley Bridge	12,460	1,062	51	17	400
6	JP Morgan	1,144,394	5,359	18,697	47	500
7	Siguler Guff	10,364	907	98	4	600

Table II below shows the length of the investment track record and the historical performance for the semi-finalist candidates. Note that returns for firms with short track records have less data points. For example, GoldPoint has results for one fund; Bay Hills and Siguler Guff have results for two funds.

Firms with longer track records will have more established processes and procedures. Also, more funds will have matured and have fully distributed the profits to investors. Until distributed, actual investment results are uncertain.

Firms with shorter track records have fewer funds with reported investments results to evaluate the firm's potential to generate returns for CCCERA.

Table II

Investment Performance of Semi-Finalist Managers

		Years since beginning of		Net IRR for Previous Small/Mid Buyout Funds[1]		Net Outperforamnce Versus Top Quartile[2]	
		Firm	Small/Mid Strategy	Median	Range	Median	Range
1	Bay Hills	7	7	26.3%	10.8% – 41.7%	18.0%	1.5% – 34.4%
2	Fort Washington	23	9	9.9%	8.2% –12.2%	2.9%	1.6% – 3.1%
3	GoldPoint Partners	14	6	11.8%	11.8%	2.5%	2.5%
4	Hamilton Lane	22	15	7.6%	2.8% – 11.3%	3.9%	-5.3% – 16.9%
5	Horsley Bridge	30	25	12.8%	3.9% – 25.5%	8.0%	-10.3% – 25.5%
6	JP Morgan	214	16	15.1%	-1.6% – 41.5%	-1.1%	-15.8% – 25.3%
7	Siguler Guff	22	7	19.9%	11.4% – 28.3%	11.9%	4.6% – 19.3%

1. Returns shown are after all fees charged by underlying funds and fund of fund's fees.
2. Outperformance shown is the fund's performance less performance of the Cambridge Upper Quartile for each year.

Fee Comparison

Table III below shows the fee structure for the semi-finalist candidates. The Management Fee is paid annually to the fund of funds manager based on the assets committed to be invested. Carry Fees are fees that vary based on investment performance. Note that Carry Fees may be different for Direct Fund Investments (investments into private equity funds), Co-Investments (investments made directly into companies, not through another investment fund) and Secondaries (purchases of Direct Fund Investments from another investor).

Table III

		Average Management Fee	Carried Interest Fee Schedule: Direct Fund Investments		Co-Investments		Secondaries	
	Firm	**Fee**	**Hurdle**	**Carry**	**Hurdle**	**Carry**	**Hurdle**	**Carry**
1	Bay Hills	0.68%	12.00%	5.00%	N/A[2]	N/A[2]	12.00%	5.00%
2	Fort Washington	0.33%	none	none	none	none	none	none
3	GoldPoint Partners	0.51%	8.00%	5.00%	8.00%	15.00%	none	none
5	Hamilton Lane	0.72%	none	none	8.00%	10.00%	8.00%	12.50%
6	Horsley Bridge	0.42%	8.00%	5.00%	8.00%	5.00%	8.00%	5.00%
7	JP Morgan 1 [1]	0.77%	8.00%	5.00%	8.00%	10.00%	8.00%	15.00%
8	JP Morgan 2 [1]	0.47%	8.00%	5.00%	8.00%	10.00%	8.00%	15.00%
9	Siguler Guff	0.27%	8.00%	5.00%	8.00%	15.00%	8.00%	15.00%

1. JP Morgan provides two fee options as shown above.
2. Bay Hills does not place Co-Investments in their Partnership vehicle.

Average Management Fee is the average annual fee based on assets committed to be managed.

Hurdle is also referred to as the "preferred return." No Carry Fee is paid until CCCERA earns more than the Hurdle rate of return.

Carry, also referred to as Carried Interest, is the percentage paid to the fund of funds if the investment return exceeds the Hurdle rate.

All candidate firms have a "Catch-up" fee. If returns are high enough, the Catch-up fee gives the firm the Carried Interest percentage on all profits. Without a Catch-up fee, the firm only receives the Carried Interest fee on the amount earned over the Hurdle rate of return.

Fees will vary depending on investment performance. Table IV below shows the effective impact of fees, depending on the return of the fund's investments.

We caution that fees are only part of the fund selection process and fund selection should not be made with fees as a sole consideration. Investment returns before fees will be the primary driver of results, not fees.

Table IV

Fund of Funds Fee Expense for various levels of gross returns

		Gross Return from Underlying Funds			
		5%	**10%**	**15%**	**20%**
1	Bay Hills	1.7%	1.9%	1.9%	2.0%
2	Fort Washington	1.1%	1.1%	1.0%	1.0%
3	GoldPoint Partners	1.3%	1.6%	1.7%	1.8%
4	Hamilton Lane	1.7%	1.6%	1.5%	1.5%
5	Horsley Bridge	1.1%	1.3%	1.4%	1.4%
6	JP Morgan 1	1.8%	1.7%	1.7%	1.7%
7	JP Morgan 2	1.1%	1.4%	1.5%	1.6%
8	Siguler Guff	0.8%	1.1%	1.2%	1.3%

How to read this table:
Gross return is the investment return from underlying private equity funds. This is the return to the Fund of Funds and is after the payment of fees to the underlying funds, but before the fee paid other fund of funds.

For example, if Horsley Bridge earned a 10% return from its investments in underlying funds, it would receive a fee of 1.3% and CCCERA's investment return would be 8.7% (10% - 1.3%).

If investment returns in the underlying private equity funds were identical, Fort Washington, with the lowest fees in the table above, would usually provide the highest investment return to CCCERA. The exception is when returns are very low and Siguler Guff's fees are the lowest.

Overlap Analysis

Different funds have different levels of overlap with CCCERA's current private equity managers, Adams Street and Pathway, as shown in Table V below. For example, for recent funds Fort Washington had 21% of its investments in common with Adams Street and 13% of its investments in common with Pathway, a 34% total overlap. ("In common" means an investment in the same investment partnership.) If the next fund has a similar overlap, we should expect a $100 investment placed with Fort Washington would have approximately $34 invested into funds already invested in by Adams Street or Pathway.

High overlap with CCCERA's current private equity mangers is an undesirable attribute for a candidate as the diversification benefit is reduced as overlap increases.

Table V

Fund Overlap Analysis

		Investments in Common	
		Adams Street	Pathway
1	Bay Hills	14%	3%
2	Fort Washington	21%	13%
3	GoldPoint	10%	3%
4	Hamilton Lane	6%	13%
5	Horsley Bridge	0%	6%
6	JP Morgan	0%	13%
7	Siguler Guff	3%	0%

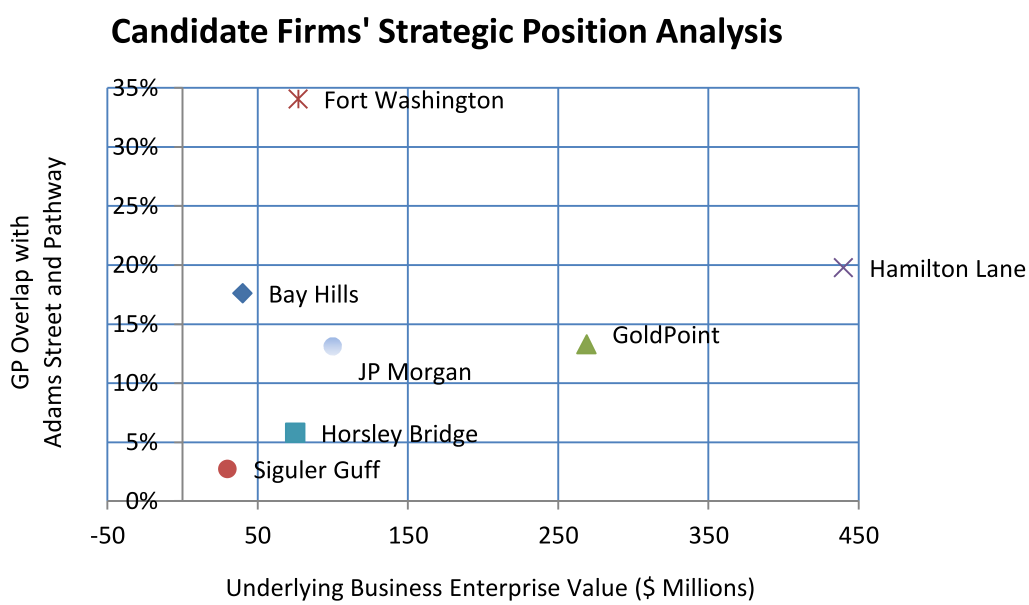
Note: The number shown is the total amount invested in the same partnerships as Adams Street or Pathway divided by the total amount invested by the candidate firm's fund.

CCCERA's existing managers, Adams Street and Pathway, are large funds with an emphasis on large businesses. As a result, there is some correlation between a candidate firm's investment overlap with Adams Street and Pathway's investments and the size of the businesses in which they invest.

Chart I, below, plots the size of companies in which investments are made versus the overlap with CCCERA's existing managers, Adams Street and Pathway. The horizontal axis is Enterprise Value, the total value of the business in which the investment is made, and the vertical axis shows overlap from Table V. The chart shows that Siguler Guff's and Horsley Bridge's investments have the lowest overlap with Adams Street and Pathway's investments and they invest in the smallest companies.

The most desirable candidates have a small overlap with CCCERA's current private equity managers and focus on investing in small companies.

Chart I



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Bay Hills

1. Firm name, address, and telephone number:

   Bay Hills Capital Management, LLC
   One Embarcadero Center, Suite 2830
   San Francisco, CA 94111
   Main: 415-391-4240

2. Firm founded: Registered with the Securities & Exchange Commission:

   Bay Hills Capital was founded in 2006 and registered as an Investment Advisor with the SEC in January 2012.

3. Name, position, telephone and fax number, and e-mail address of the firm's new business contact and database/questionnaire contact:

New business:			Database contact:		
Name:		Philip Godfrey	Name:		William Tran
Title:		Partner	Title:		Senior Associate
Phone:		415-391-4240	Phone:		415-391-4240
Email:		pgodfrey@bayhillscapital.com	Email:		wtran@bayhillscapital.com

4. Firm's ownership structure, and any ownership changes over the past five years:

   Bay Hills Capital Management is structured as a Delaware limited liability company, and is owned and operated by its four partners. The Firm has not experienced any changes in ownership over the past five years.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

   $1 million aggregate Advisor Errors and Omissions and Fiduciary Liability insurance policy through CV Starr (A.M. Best Rating A XV)

6. Litigation:

   Bay Hills Capital has not been involved with any litigation regarding the Firm's investment activities since its inception. There is no current or anticipated involvement in any litigation.

7. Judgments:

   No judgments from governmental or regulatory agencies have been made against Bay Hills Capital throughout the Firm's history. There are no current or anticipated investigations.

8. Firm's financial statement auditor.
   Novogradac & Company
   246 First Street, 5th Floor
   San Francisco, CA 94105

9. Total assets under management for firm for the past five year-end periods and as of March 31, 2013.

Total Firm Assets					
	Assets Under Management (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2008	$128M	16	$13M	0	0
Dec 31, 2009	$193M	2	$65M	0	0
Dec 31, 2010	$243M	1	$50M	0	0
Dec 31, 2011	$262M	7	$19M	0	0
Dec 31, 2012	$285M	9	$23M	0	0
Mar 31, 2013*	$610M	5	$324M	0	0

10. Firm's total small/mid cap private equity fund(s) (or small/mid cap private equity fund of funds, if applicable), please state the market value of assets under management for the past five year-end periods and as of March 31, 2013.

Small/Mid Cap Private Equity Assets - Fund or Fund of Funds						
	Assets Under Managment[1] (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**	**Assets Committed/ Invested[2]**
Dec 31, 2008	$128M	16	$13M	0	0	$123M
Dec 31, 2009	$193M	2	$65M	0	0	$179M
Dec 31, 2010	$243M	1	$50M	0	0	$189M
Dec 31, 2011	$262M	7	$19M	0	0	$242M
Dec 31, 2012	$285M	9	$23M	0	0	$289M
Mar 31, 2013*	$610M	5	$324M	0	0	$296M

11. Name of the product(s) described in the remainder of this response:

    Bay Hills Capital Partners III, L.P. ("BHCP III" or the "Fund")

12. Firm's succession plan for senior management of the private equity fund or fund of funds activity:

    The Partners of Bay Hills Capital are in the prime of their careers, and no retirements are imminent.

13. Names and titles of key investment and management personnel:

Name	Title	Yrs. W/ Firm	Yrs. W/ Small/Mid Team	Yrs. PE Inv. Exp.
Lance Mansbridge	Managing Partner	7	7	14
Philip Godfrey	Partner	2	2	15
Albert Chiang	Partner	5	5	13
David Smith	Partner	5	5	13
William Tran	Senior Associate	2	2	5
Beth Bruni	Analyst	<1	<1	<1
Nicole Havlicek	Controller	<1	<1	<1

14. Firm staff and the private equity staff turnover:

	Firm-wide Employees		
Year	Firm-wide Employees	Firm-wide Employees Added	Firm-wide Employees Lost
Dec 31, 2008	5	4	2
Dec 31, 2009	7	2	0
Dec 31, 2010	6	0	1
Dec 31, 2011	8	3	1
Dec 31, 2012	8	1	1
Mar 31, 2013	8	1	1

	Small/Mid Cap Private Equity Investment Employees		
Year	Total Employees	Employees Added	Employees Lost
Dec 31, 2008	5	4	2
Dec 31, 2009	7	2	0
Dec 31, 2010	6	0	1
Dec 31, 2011	8	3	1
Dec 31, 2012	8	1	1
Mar 31, 2013	8	1	1

15. As of December 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the Small/Mid Cap private equity product.

Small/Mid Cap Private Equity Capital Under Mgt	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs***	**Number of Inv Analysts**
$610M	33	$500K	$495M	4	2

16. As of December 31, 2012, the small/mid cap private equity fund or fund of funds group, the fund name, size of the fund in millions of dollars, the number of clients, and client assets committed and invested.

Small/Mid Cap Private Equity Fund Name	Fund Size in mil. $	Nbr. Investors	Commitments in mil. $	Investments - mil $
BHCP I	$53M	20	$58M	$38M
BHCP II	$61M	21	$63M	$24M
BHEP I	$75M	1	$75M	$49M
BHEP II	$100M	1	$100M	$28M
BHEP III*	$320M	1	$12M	NA

17. Firm's funds or fund-of-funds product(s) currently open for investment or soon to be open for investment.

Bay Hills Capital Partners III, L.P. will launch in the third quarter of 2013 and will seek total capital commitments of $125 million to pursue the same successful strategy of its predecessor funds: investing exclusively in top performing Small Buyout funds in North America.

They expect a final close for BHCP III in 2014.

18. What percentage will the largest single investor represent in the new fund? Name and expected commitment for this investor.

To be determined.

19. Does the firm allow coinvestment opportunities?

The Bay Hills Capital Partners funds (BHCP I, II, & III) only invest in primary and secondary fund interests, and do not have co-investments as a permissible strategy. However, the Firm regularly reviews direct co-investment opportunities, and may offer participation in these opportunities to qualified investors through separately managed account vehicles.

20. How the firm defines small/mid cap private equity:

The Firm defines small buyout funds as private equity funds below $1 billion in fund size, targeting investments in lower middle market companies between $20 million to $250 million in enterprise value ("Small Buyout"). Small Buyout funds typically make majority control or influential minority equity investments in established, private lower middle market companies.

21. Investment philosophy/strategy, style and distinguishing characteristics of this product:

Similar to the strategy pursued by its predecessor funds, Bay Hills Capital Partners III, L.P. will invest exclusively in a select group of top-performing North America-based Small Buyout funds and will seek to diversify its investments by vintage year, industry focus, fund size, investment strategy and geography. In addition to primary investments in Small Buyout funds, the Fund may opportunistically invest a portion of its committed capital to acquire limited partnership interests in established Small Buyout funds on a secondary basis.

Historically, the Small Buyout segment of the private equity market has significantly outperformed buyout managers with funds in excess of $1 billion ("Large Buyout"). The Small Buyout market has fundamental market attributes that Bay Hills Capital believes will enable high quality Small Buyout managers to continue to generate superior investment returns. Compared to the Large Buyout sector, these characteristics include: (1) a larger and more inefficient deal market; (2) lower purchase price multiples; (3) less dependency on debt financing; (4) greater ability to effect operational improvements and create equity value; (5) more attractive exit opportunities, and (6) better alignment of general partner and limited partner interests.

Differentiating between top-tier, average, and below average fund managers is a central tenet to successful private equity investing. This is especially true in the Small Buyout sector where the top-performing managers significantly outperform their peers. This large performance differential between top-quartile, median, and bottom-quartile Small Buyout managers highlights the importance of manager selection and gaining access to those managers who are best positioned to generate superior risk-adjusted returns.

The Fund will construct a concentrated portfolio of 8 – 10 historically top-performing, North American

Small Buyout funds. BHC believes that this targeted number of investments in the portfolio provides sufficient diversification while preserving the potential impact to the overall portfolio from each underlying fund manager. BHC believes that larger, over-diversified portfolios dilute the relevance of outperforming funds and result in industry average returns.

Bay Hills Capital believes that the dedicated focus of the Firm and the backgrounds of the Partners provide unique advantages in identifying and evaluating Small Buyout fund managers and in obtaining access to top-performing funds. All of the Firm's resources are exclusively committed to investing in the Small Buyout sector. Finally, the Firm believes that providing its investors with a 12% preferred return before profit participation ensures a strong alignment of interests between the Firm and investors in the Fund.

22. Bias toward any market segments:

    The portfolio will be invested with top tier private equity managers that invest across a variety of industry sectors and geographic regions. While they are mindful of portfolio diversification by vintage year, fund size, investment strategy and geography, they do not set specific allocation ranges for industry sector or strategy sub categories. They will seek to limit any potential strategy overlap amongst the fund investments, and will not invest in funds that the Partners believe are directly competitive with each other.

23. Expected period of investment for the proposed fund(s).

    The Fund will plan to make investment commitments across vintage years 2013-2015. Portfolios invested over multiple vintage years allows for adequate time diversification, and combined with the underlying manager's three to five year investment periods, enables them to capture a full market investment cycle.

24. General Partner's commitment in the fund:

    The General Partner, in its capacity as the general partner of the Fund, will contribute to the Fund, either in cash or in the form of a full recourse, demand promissory note, an amount equal to 1% of the amount contributed by the Limited Partners.

25. What is the firm's investment universe? How many investment opportunities are evaluated each year?

    Bay Hills Capital currently tracks approximately 1,000 Small Buyout funds in its proprietary database. The Firm will typically review approximately 300 funds over a two to three year investment period for its fund-of-funds, performing extensive due diligence on approximately 20-25 of those funds each year. The majority of BHC's deal flow and investment origination is the result of its senior investment team's 50+ years of collective experience in the private equity market, and their long-standing relationships with general partner groups. BHC is also proactive in developing new investment opportunities with established and emerging general partner groups. They conduct substantial research and development of new relationships through constant networking with existing managers, intermediaries and involvement in industry gatherings. BHC maintains a list of active investment funds that their Partners target in advance of fundraising cycles, and this systematic process has been very successful in developing and retaining new relationships with high quality fund managers. Since inception, all of their new fund investments have come through this proactive targeting program. To date, they have not sourced any partnership investments through placement agents.

26. How are investments evaluated?

The Firm's investment process leverages the unique skills and experience of the Partners and involves comprehensive qualitative and quantitative evaluation of prospective fund investments.

Investment funds that are selected for formal due diligence will need to meet the following fundamental requirements: experienced management team with strong historical performance, exceptional deal sourcing, structuring and operational expertise, and an investment strategy and approach that is complimentary to the proposed portfolio. Each potential investment is subject to a detailed evaluation process that becomes progressively more rigorous as it moves closer to final investment approval. The Firm's Investment Committee is comprised of all four Partners who assume active roles in sourcing, evaluating and monitoring the Firm's investments. The Partners meet regularly to review the fund investment pipeline, existing fund investments, portfolio composition and ongoing performance. Every new investment is subject to unanimous approval by the Investment Committee. A list of investment screening steps is provided in the table below.

Screening of Universe	Initial Analysis	Formal Due Diligence	Final Assessment	Investment Monitoring
▪ Proprietary database of 900+ funds ▪ Proactive relationship building ahead of fundraising cycles ▪ Utilize existing relationships and network to source funds ▪ Weekly internal universe meetings ▪ Rank and categorize funds in universe	▪ BHC team assigned to targeted funds ▪ Initial meeting and review of materials ▪ Determine portfolio fit ▪ Prior performance requirement ▪ Benchmarking and peer analysis ▪ Initial analysis of active portfolio ▪ Review team history and chemistry	▪ Process led by two BHC partners ▪ Focus on key diligence questions and issues ▪ Onsite visits ▪ Team evaluation ▪ Conduct track record and attribution analysis ▪ Review cash flows ▪ Thorough review of unrealized portfolio ▪ Evaluate fund terms and GP economics ▪ Extensive reference checking	▪ Final review of key diligence areas and findings ▪ Prepare investment memorandum ▪ Final legal review ▪ Unanimous investment committee approval	▪ Frequent GP contact ▪ Advisory board participation ▪ Review and track deal metrics, portfolio holdings and valuations ▪ Performance measurement and cash flow verification ▪ Annual audits
Focus List of Priority Funds	**Select Funds for Formal Due Diligence**	**Preliminary Investment Recommendation**	**Investment Decision**	**Quarterly Reports to Investors**

27. Process of monitoring the investments held in current funds:

Bay Hills Capital's funds are monitored by the BHC Investment Team and overseen by the Firm's Partners.

The Firm tracks the performance of its managers at both the partnership and portfolio company level. Specific deal metrics such as purchase and leverage multiples are recorded and provide the Partners with insights into market and pricing trends. Additionally, all available portfolio company operating metrics—such as sales, earnings and net debt—are monitored and reviewed by Bay Hills Capital to gain further insight into the overall financial prospects of portfolio holdings. The Partners believe this level of information is critical to accurately assess the performance of the fund managers and will enable informative comparisons across partnerships as well as specific industries.

BHC's ongoing monitoring process includes (1) the assessment of performance for each investment partnership through a review of the fund's financial statements and portfolio investments, (2) the assessment of each underlying manager's compliance with governing documents and initial investment plans, and (3) the ongoing communication and interaction with existing managers through consistent participation in annual meetings, advisory boards, and conference calls.

28. Firm's investment database of potential investments:

Bay Hills Capital utilizes a third party database application as its proprietary repository for tracking and monitoring Small Buyout funds. Currently the Firm tracks approximately 1,000 North American buyout firms in its targeted segment of private equity. Each manager is placed into one of several different categories based on level of historical interaction, attractiveness of team and strategy, and fit within the mandate of BHC. The investment team utilizes the database to track performance and other characteristics such as fund size, vintage year, relevant terms, geographic focus, stage focus, industry focus, investment staff turnover, location and prospective timing of future fundraises. In addition, the investment team documents all relevant interactions with fund managers as well as any other useful information regarding a specific manager.

29. Describe the fund or fund of fund portfolio construction process.

BHCP III will seek to construct a concentrated portfolio of approximately 8 - 10 historically top performing Small Buyout fund managers which will be diversified by vintage year, industry focus, fund size, investment strategy and geography. Each underlying fund manager will generally invest in 12 - 20 companies, providing the Fund with broad diversification across 100 - 200 underlying portfolio company investments.

The Fund will invest in three distinct types of Small Buyout managers: generalists, sector focused and special situation firms. Generalist buyout firms typically invest across a range of industries and transactions including leveraged and/or management buyouts, growth equity financings, and recapitalizations. Sector-focused funds are specialists who leverage their expertise to invest in a particular industry. Special situations are commonly distressed and/or turnaround investment specialists that have expertise in bankruptcy, restructurings and operational complexity. The Fund will target the best managers from these varying strategies within the Small Buyout market.

The Fund will plan to diversify across vintage years 2013 - 2015. In addition, each underlying buyout manager will typically have a three to five year investment period providing further vintage year diversification. The Fund will also be diversified by the size of the underlying buyout funds and geography. On an opportunistic basis, the Fund will also invest in secondary transactions where BHC is an existing investor or is interested in the manager for potential primary investment. These prospective investments by the fund will be subject to the same comprehensive due diligence process as primary fund investments. The Fund will not make secondary investments solely on the basis of pricing discounts.

All investment and portfolio construction decisions require unanimous approval by the Investment Committee. The Investment Committee is supported in these activities by the Firm's junior investment professionals.

30. Target a level of return or risk:

The Fund will target a net IRR to limited partners of 20% and a net return multiple of 2.5x invested capital.

31. Private equity investment types (i.e. venture capital, growth equity, buyouts, distressed, etc.) are included in a typical portfolio:

Bay Hills Capital invests exclusively in top performing Small Buyout funds in North America. The Firm defines small buyout funds as private equity funds typically below $1 billion in fund size, targeting investments in companies between $20 million to $250 million in enterprise value ("Small Buyout").

Generally, Small Buyout funds execute one of three broad sub-strategies: generalist, sector focused and special situations strategy. Generalist buyout firms typically invest across a range of industries and transactions including leveraged and/or management buyouts, growth equity financings, and recapitalizations. Sector-focused funds are specialists who leverage their expertise to invest in a particular industry. Special situations are commonly distressed and/or turnaround investment specialists that have expertise in bankruptcy, restructurings and operational complexity. While the Fund expects to have exposure to all three types of managers, it does not have discrete allocations for them at the partnership level; the Fund will target the highest quality managers from these varying strategies within the Small Buyout market.

32. Preferred benchmarks:

Bay Hills Capital compares its fund performance against a variety of commonly used public and private equity benchmarks. Broad indices such as the Russell 2000 and the S&P 500 provide a general contrast between quoted and private equity performance and they often gauge relative performance through the use of public market equivalent (PME) calculations. Additionally, Bay Hills Capital has benchmarked its fund performance against industry data from Cambridge Associates and Thomson Reuters. Although private equity industry data has limitations due to the timing and reporting of performance information, they believe these widely used third-party databases are among the most comprehensive in the industry and most relevant to their investment activities.

33. Typical number of partnerships held in the firm's fund of funds:

Bay Hills Capital will typically invest in 6-10 partnerships within each fund-of-funds vehicle, and commit $10-15 million to each underlying partnership. The mean fund size of Bay Hills Capital's 26 underlying partnerships is $407 million, while the median fund size is $317 million (as of 3/31/13).

For BHCP III, they anticipate 8-10 partnership investments. The maximum potential investment amount to any one partnership is 25% of the Fund's committed capital.

34. Expected range for geographic location (region in US, US vs. international), industry and sector exposure and stage of investment for the firm's currently available fund:

Bay Hills Capital focuses on investments in Small Buyout strategies in North America. 11% of their prior partnership investments are with Canadian general partners, the remainder are with groups based in the U.S. Prior Bay Hills Capital Partners funds include underlying company investments represented across a broad range of industry sectors including Healthcare, Consumer/Retail, Business Services, Niche Distribution and Manufacturing, Technology, Media/Telecom, Financial Services, Industrial/Transportation and Energy. Though some of their underlying managers may acquire companies with a portion of their revenues and growth prospects coming from markets outside North America, the mandate of the Bay Hills Capital Partners funds is to invest with Small Buyout fund managers that deploy the majority of their capital in U.S. and Canadian buyout and special situation investments.

35. To what extent does the firm make "follow-on" investments? (Make multiple fund commitments to the same private equity fund manager)

Bay Hills Capital will conduct a formal due diligence process for each successor fund raised by an existing underlying fund manager. Successor funds will undergo the same rigorous investment process as other Small Buyout funds reviewed by the Firm. Bay Hills Capital will only make a follow-on investment in a manager if the manager continues to meet the Firm's investment criteria and the strategy of the new fund remains consistent with Bay Hills Capital's Small Buyout strategy.

36. Expected exit strategy:

As a fund-of-funds, the Fund's distributions will be determined by the portfolio company exit strategies pursued by its underlying partnerships. These strategies include: sales to corporate strategic buyers, up market sales to other financial sponsors, dividend recapitalizations, and while less common, initial public offerings. Small Buyout funds typically have an expected holding period of three to five years for its underlying portfolio companies.

A realization event may result in a distribution from an underlying partnership to the Fund. These distributions will then be passed on by the Fund to its limited partners, or recycled to satisfy capital call obligations. Capital calls and distributions will be netted and managed by BHC to serve in the best interest of the Fund's investors. All distributions will be made in cash.

The Fund is expected to have a 12-year term, with extensions at the discretion of the General Partner until each of the underlying funds have been fully realized and terminated.

37. Performance review:

Fund Name	Vintage Year	Fund Capitalization ($M)	% of Fund Invested	No. of underlying funds	Distribution/ Paid-in	Residual/ Paid-in	Net IRR
BHCP I	2007	$53M	72%	6	0.05x	1.35x	10.8%
BHEP I	2007	$75M	65%	8	0.38x	1.14x	16.1%
BHEP II	2009	$100M	24%	9	0.30x	1.39x	41.7%
BHCP II	2009	$61M	37%	6	0.00x	0.80x	-15.7%

38. Fee schedule for the fund:

BHCP III will charge an annual management fee equal to 1% of committed capital for years 1-6, 0.5% of committed capital for years 7-10, and after which the annual management fee will be reduced by 10 basis points per year for each year until the dissolution of the Fund, and will be based on net asset value. Management Fees will commence at the Fund's inception and be payable to the Firm in advance on a semi-annual basis.

39. Carried interest associated with the fund:

The Fund will charge a carried interest of 5%, subject to a preferred return of 12% to all Limited Partners.

40. Any other costs or fees associated with the fund:

The Fund will pay for all expenses relating to the organization and formation of the Fund and the placement of Limited Partner Interests in the Fund in an amount up to $500,000.

Fort Washington

1. Firm name, address, and telephone number:

   Fort Washington
   303 Broadway, Suite 1200
   Cincinnati, OH 45202
   (513) 361-7600 phone

2. Firm founded: Registered with the Securities & Exchange Commission:

   Fort Washington was formed in 1990 and is a wholly-owned subsidiary of The Western and Southern Life Insurance Company ("Western & Southern") which is a member of the Western & Southern Financial Group ("W&SFG"), a Fortune 500 company. Established in 1888, Western & Southern has been investing in private equity since 1984.

   Fort Washington registered with the Securities & Exchange Commission on September 14, 1990.

3. Name, position, telephone and fax number, and e-mail address of the firm's new business contact and database/questionnaire contact:

New business:			Database contact:		
Name:		Joe Don Cole	Name:		Daniel T. Gibson
Title:		AVP, Director of Investor Relations	Title:		Business Development Specialist
Phone:		(513) 361-7672	Phone:		(513) 361-7675
Email:		JoeDon.Cole@FWCapital.com	Email:		Dan.Gibson@FWCapital.com

4. Firm's ownership structure, and any ownership changes over the past five years:

   Fort Washington is a Delaware C corporation and registered investment advisor under the Investment Advisers Act of 1940 that is wholly-owned by Western & Southern. While employees do not participate in the ownership of the firm, they do participate in its profitability and can earn additional compensation based on investment performance.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

Type of Insurance	**Insurance Firm**	**Amount of Coverage**
Errors & Omissions	Cincinnati Insurance Company	$5 million
Excess Investment Advisors Errors & Omissions	Axis Insurance Company and XL Specialty Insurance Company	$10 million
Fidelity Bonding	St. Paul Fire and Marine Insurance Co.	$15 million
ERISA Bond	St. Paul Fire and Marine Insurance Co.	$21 million

6. Litigation:

FW Capital is not involved in any current or anticipated litigation.

The one litigation brought against Fort Washington and its professionals in the past five years is described below.

Private Client Group
On January 1, 2010, Fort Washington completed its acquisition of certain assets of Sena Weller Rohs Williams LLC (nka Osborn Rohs Williams LLC), a Cincinnati-based wealth management advisory firm. Also, on January 1, 2010, William Sena, Sr. (Sena, Sr.) joined Fort Washington as Managing Director in its wealth management business from Osborn Rohs Williams LLC (ORW), and William Sena, Jr. (Sena, Jr.) joined Fort Washington as a Vice President. On December 18, 2009, while employed at ORW, Sena, Sr. and Sena, Jr. and ORW (the Defendants) were named as defendants in a complaint filed in the Court of Common Pleas, Hamilton County, Ohio by Charles Miller, Trustee of the Evanswood Trust and the Raymar Trusts, which are allegedly successor trusts to trusts established by William J. Keating and his wife Nancy Keating (the Keating Trusts). Subsequent to the initial filing, Nancy Keating replaced Charles Miller as Trustee of the Keating Trusts (the Plaintiff). The Plaintiff alleges among other things, breach of fiduciary duty, breach of contract, violation of Ohio securities laws, negligent supervision and negligent investment advice while the Defendants advised the Keating Trusts from June 2007 to February 2009. In sum, Plaintiff claims that the Defendants failed to adequately and timely diversify several large common stock positions held by the Keating Trusts. The case has been settled.

Fort Washington (Disposition: Pending)
Fort Washington is a plaintiff, along with several of its Western & Southern insurance affiliates, in six separate cases filed in 2011 against (a) Countrywide Financial Corp., Bank of America and other related parties, (b) Washington Mutual, JP Morgan and other related parties, (c) GMAC, Residential Funding and other related parties; (d) Credit Suisse and other related parties; (e) Morgan Stanley, INDYMAC and other related parties; and (f) Goldman Sachs and other related parties, as well as a related case against a trustee, The Bank of New York Mellon, in 2013. These cases generally involve claims for securities fraud and negligent misrepresentation related to the sales by the defendants of residential mortgage backed securities in 2005 - 2008. All cases remain pending.

7. Judgments:

Fort Washington has not been the subject of any judgment by government or regulatory agencies over the past five years, nor are they aware of any anticipated investigation.

8. Firm's financial statement auditor.

Ernst & Young has provided these services to FW Capital since 1999.

The contact at Ernst & Young is:
Ms. Andi M. Sebastian, Senior Audit Manager
1900 Scripps Center
312 Walnut Street
Cincinnati, OH 45202
(513) 612-1844
andi.sebastian@ey.com

9. Total assets under management for firm for the past five year-end periods and as of March 31, 2013.

Total Firm Commitments					
	Market Value (Millions)	Accounts Gained	Assets Gained* (Millions)	Accounts Lost	Assets Lost* (Millions)
Dec 31, 2008	$26,665	44	$623	31	$152
Dec 31, 2009	$31,747	32	$295	19	$46
Dec 31, 2010	$38,155	984	$2,860	63	$109
Dec 31, 2011	$39,962	146	$623	78	$72
Dec 31, 2012	$44,732	90	$2,163	66	$500
Mar 31, 2013	$45,116	28	$86	26	$376

10. Firm's total small/mid cap private equity fund(s) (or small/mid cap private equity fund of funds, if applicable), please state the market value of assets under management for the past five year-end periods and as of March 31, 2013.

FW Capital's private equity program has grown from $1.0 billion in commitments as of December 31, 2005 to $2.3 billion at March 31, 2013. The table below includes only the small/mid cap private equity funds.

Small/Mid Cap Private Equity Assets - Fund or Fund-of-Funds						
	Market Value (Millions)	Accounts Gained	Assets Gained (Millions)	Accounts Lost	Assets Lost (Millions)	Assets Committed/Invested
Dec 31, 2005	$127	47	$32	-	-	$83,164,673 / $32,903,157
Dec 31, 2006	$176	8	$49	-	-	$166,937,800 / $66,916,659
Dec 31, 2007	$308	28	$132	-	-	$295,567,698 / $120,258,109
Dec 31, 2008	$438	16	$130	-	-	$376,671,578 / $190,722,148
Dec 31, 2009	$462	24	$24	-	-	$451,136,008 / $235,529,795
Dec 31, 2010	$570	49	$108	-	-	$514,700,765 / $305,340,152
Dec 31, 2011	$613	14	$43	-	-	$568,194,427 / $364,800,741
Dec 31, 2012	$698	33	$85	-	-	$665,121,442 / $454,247,761
Mar 31, 2013	$699	3	$1	-	-	$664,792,200 / $464,944,387

* Includes Funds IV-VII, Opportunities I and Opportunities II and intra-fund commitments.

11. Name of the product(s) described in the remainder of this response:

Fort Washington Private Equity Investors Fund VIII, L.P. ("Fund VIII") or (the "Fund"), with specific portfolio characteristics tailored for CCCERA detailed in a side letter.

12. Firm's succession plan for senior management of the private equity fund or fund of funds activity:

    For succession planning, they expect to promote their investment managers to leadership positions as they develop and gain more experience and responsibility. They expect that certain of their investment analysts will develop and be promoted to investment managers while others may return to business school or pursue other opportunities. FW Capital expects to add 1-2 investment professionals and back office staff per year as the division grows and current professionals are promoted. They do not expect any departures for investment professionals in the next twelve months.

    Stephen A. Baker was promoted to lead FW Capital as Head of Private Equity in 2012. Joseph A. Woods was promoted to Managing Director in 2013 to lead their secondary investment program. During 2013, M. Robert Maeder was promoted to Assistant Vice President, Senior Investment Manager to co-manage the primary investment program along with Mary Ann Griffin, Senior Investment Manager.

    At the Fort Washington executive level, Maribeth S. Rahe, President and CEO and Nicholas P. Sargen, Chief Investment Officer formed Fort Washington's Senior Management Team to provide input to firm administration and oversight and to also establish a senior management pool from which successors to the CEO and CIO positions may be chosen. The Senior Management Team includes managing directors and other senior officers of the firm from the fixed income, public and private equity, wealth management, finance, compliance, business development, marketing and operations areas of the firm.

13. Names and titles of key investment and management personnel:

    FW Capital has 14 investment professionals dedicated to their fund-of-funds and secondary fund products with more than 50 years of direct investment experience. FW Capital has 12 investment professionals dedicated to the small/mid cap private equity offering.

Name	**Title**	**Fund-of-Funds & Secondary Investment Team**	**Yrs. W/ Firm**	**Yrs. W/ Small/Mid Team**	**Yrs. Inv.**
Stephen A. Baker	Managing Director, Head of Private Equity	✓	13	13	20
Joseph A. Woods	Managing Director, Head of Secondary Investing	✓	5	5	19
M. Robert Maeder, CFA	Assistant Vice President & Senior Investment Manager	✓	6	6	17
Mary Ann Griffin	Senior Investment Manager	✓	10	10	15
Julia Ossipov-Grodsky, CFA	Senior Investment Manager	✓	8	8	14
Philip D. Johnson	Investment Manager	✓	4	4	6
Chris M. Mehlhorn	Investment Analyst	✓	<1	<1	2
Zaki U. Anwar	Investment Analyst	✓	<1	<1	2

The table below provides information about the six other investment professionals at FW Capital focusing primarily on portfolio monitoring and analysis, research, reporting and regional investment program.

Name	**Title**	**Fund-of-Funds & Secondary Investment Team**	**Yrs. W/ Firm**	**Yrs. W/ Small/Mid Team**	**Yrs. Inv.**
Joseph B. Michael, CFA	Managing Director	✓	5	5	25
Paul Cohn	**Managing Director, Regional Program**		7	0	20

Tarik Adam	Investment Manager, Regional Program		5	0	13
Charlie Luecke	Research Analyst	✓	2	2	4
Andrew Evans	Research Analyst	✓	<1	<1	1
Brad Hoeweler	Senior Investment Associate	✓	2	2	2

FW Capital's investment committee includes the five individuals listed below.

Name	**Title**	**Yrs. W/ Firm**	**Yrs. W/ Small/Mid Team**	**Yrs. Inv. Exp.**
Stephen A. Baker	Managing Director, Head of Private Equity	13	13	20
Maribeth S. Rahe	**President & CEO**	10	10	42
Nicholas P. Sargen	Chief Investment Officer	10	10	42
John J. O'Connor, CFA	Managing Director, Equity Strategist	25	25	32
William Ledwin	Former President & Chief Investment Officer	44	28	44

14. Firm staff and the private equity staff turnover:

Over the past 5 years, Fort Washington has expanded by 28 employees.

Firm-wide Employees			
Year	**Firm-wide Employees**	**Firm-wide Employees Added**	**Firm-wide Employees Lost**
Dec 31, 2008	86	11	6
Dec 31, 2009	84	4	6
Dec 31, 2010	101	19	2
Dec 31, 2011	106	8	3
Dec 31, 2012	113	18	11
May 31, 2013	114	4	3

FW Capital has grown by 2 investment employees over the past five years and has had minor turnover at the senior level. A majority of the turnover depicted below is at the lower levels and is expected as analysts leave to pursue business school or other opportunities.

Small/Mid Cap Private Equity Investment Employees			
Year	**Total Employees**	**Employees Added**	**Employees Lost**
Dec 31, 2008	12	3	1
Dec 31, 2009	13	2	1
Dec 31, 2010	12	0	1
Dec 31, 2011	13	1	0
Dec 31, 2012	12	2	3
May 31, 2013	14	2	0

15. As of December 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the Small/Mid Cap private equity product.

Small/Mid Cap Private Equity Capital Under Mgt (millions)*	Number of Investors	Median Client Size (millions)	Largest Client Size (millions)	Number of Portfolio Mgrs	Number of Inv Analysts
$698.7	245	$0.4	$40.0	6	5

* Includes Funds IV-VII, Opportunities I and Opportunities II and intra-fund commitments.

16. As of December 31, 2012, the small/mid cap private equity fund or fund of funds group, the fund name, size of the fund in millions of dollars, the number of clients, and client assets committed and invested.

Small/Mid Cap Private Equity Fund Name	Fund Size in mil. $	Nbr. Investors	Commitments in mil. $	Investments - mil $
Fund VII	34.6	47	186.0	37.0
Fund VI	117.2	18	169.1	108.8
Fund V	117.7	25	120.1	112.2
Fund IV	61.1	65	78.3	74.0
Opportunities II	47.7	59	92.5	49.7
Opportunities I	35.6	27	59.8	49.0

17. Firm's funds or fund-of-funds product(s) currently open for investment or soon to be open for investment.

FW Capital is forming Fund VIII to realize capital appreciation primarily by investing in a diversified portfolio of leading private equity funds that FW Capital believes exhibit an attractive investment strategy. Fund VIII targets 25-30 commitments to private equity funds over three vintage years diversified across a range of private equity sectors including buyout, venture capital, and special situations (primarily distressed, credit and real assets). Fund VIII will also allocate up to 15% to secondary investments and up to 30% to private equity funds whose principal offices are located in countries outside the United States. FW Capital expects to have an initial closing on Fund VIII in 4Q 2013 and offering materials available in Q3 2013.

Small/Mid Cap Private Equity Fund Name	Fund Size Currently in mil. $	Expected Fund Size at Final Close in mil. $	Current Number Investors	Expected Number of Investors	Expected Final Closing Date
Fund VIII	N/A	250	N/A	20-25	2014

18. What percentage will the largest single investor represent in the new fund? Name and expected commitment for this investor.

They have not yet formed Fund VIII. Our largest unaffiliated investor in Fund VII is the Metropolitan Government of Nashville & Davidson County with a $40 million commitment, which represents 21.5% of Fund VII's total commitments. Western & Southern is also an anchor limited partner with a $45 million commitment to Fund VII. They anticipate Fund VIII commitments from both entities at the same level or greater. They expect that these Fund VIII commitments would each represent a proportion comparable to that of Fund VII.

19. Does the firm allow coinvestment opportunities?

FW Capital does not offer a formal coinvestment program. However, they have made a number of introductions to underlying fund managers and shared information on their General Partner relationships with their clients.

20. How the firm defines small/mid cap private equity:

FW Capital defines small/mid cap private equity as funds with less than $1 billion in total commitments. Generally, they are able to identify managers that experience less competition in small market opportunities. They look for managers that can take advantage of inefficient niches within the broader market. Examples of this include off-market secondary interests (FW Private Equity Opportunities Fund II), buyouts of small, underperforming industrial companies (Industrial Opportunity Partners II), and loans to the under-served energy companies (Chambers Energy Capital). Smaller companies tend to be run less efficiently allowing for more manager value-add. With the broader economy growing at 2-3%, they are also looking for managers that are able to find high growth in pockets of the economy. In addition, FW Capital believes that smaller funds provide better alignment of interest with LPs. Managers raising smaller pools of capital are inherently more focused on producing outsized returns to generate carry rather than generating fee income from management fees.

Small /mid cap private equity funds represent about 75% of Fund VII commitments to date. They plan to target a similar or higher allocation within the Fund VIII portfolio. Specific portfolio characteristics tailored for CCCERA can be detailed in a side letter.

21. Investment philosophy/strategy, style and distinguishing characteristics of this product:

FW Capital believes that Fund VIII represents an attractive investment opportunity that can be distinguished from other private equity fund-of-funds for the following reasons:

- **Performance:** FW Capital primary funds formed since 2004 are all top quartile and have collectively generated a 9.7% net IRR.[1]

- **Alignment**: FW Capital has a focus on building funds-of-funds and secondary funds for their Limited Partners. Western & Southern, as an anchor Limited Partner in all FW Capital Funds, has committed more than $215 million in the last decade. The FW Capital team is organized to position the portfolio to take advantage of what they believe to be the most attractive areas of private equity. In addition, 6.6% of FW Capital Fund commitments are Western & Southern (and affiliate) employee capital including pension, incentive plan and direct commitments.

- **Strategy**: FW Capital employs a flexible and high conviction approach to investing, emphasizing small market opportunities. FW Capital's small fund size offers flexibility to target what they consider "best in class" opportunities in private equity. They are looking to commit to 8-10 private equity funds across all sectors in a given year.

- **Experience**: Our experienced team of senior investment professionals averages more than 17 years of private equity investment experience with significant direct investment experience.

FW Capital's small fund size offers flexibility to target what they consider "best in class" opportunities in private equity. To date, 75% of Fund VII commitments are to funds less than $1 billion in size. They are looking to commit to at most 8-10 private equity funds across all sectors in a given year, which lends to their high conviction approach to investing.
Below are two charts with additional detail on their strategy of high conviction investing with an emphasis on small market opportunities.

[1] Performance data is as of 12/31/12, presented net of fees and includes Fund IV, Fund V and Fund VI. Fund VII has been excluded as this fund is too immature to have meaningful performance data.

Small Market Opportunities

Small Market Opportunities	Commentary / Description	Fund Example
Capital Scarcity	FW Capital seeks to invest in areas where there is less competition and more scarcity of capital. Smaller private equity funds are best suited to capitalize on these opportunities.	SYCAMORE PARTNERS Distressed Retail
Inefficient Opportunities	FW Capital looks for private equity funds that target small and inefficient pockets of the market to invest. Examples include small distressed bank loans, small off-market secondary interests and under-served energy company lenders.	CHAMBERS ENERGY CAPITAL Lending to Energy Companies
Manager Value Add	FW Capital believes that smaller companies tend to be run less efficiently and have more room for operational improvement.	IOP INDUSTRIAL OPPORTUNITY PARTNERS Operating Expertise in Small Industrial Companies
Idiosyncratic Growth	FW Capital believes that growth strategies are difficult to execute on within a large fund. While the overall economy is projected to grow at 2-3%, there are still small pockets of the economy experiencing high growth.	FTV CAPITAL Small Company Tech-focused Growth Equity
Enhanced GP Alignment	FW Capital believes that firms with a smaller fund size are less motivated by management fees and more focused on generating carry.	STRIPES GROUP $350m Growth Equity Fund

*The above information is being provided per your request and for illustrative purposes only. A complete list of all FW Capital funds can be provided upon request.

High Conviction Investing

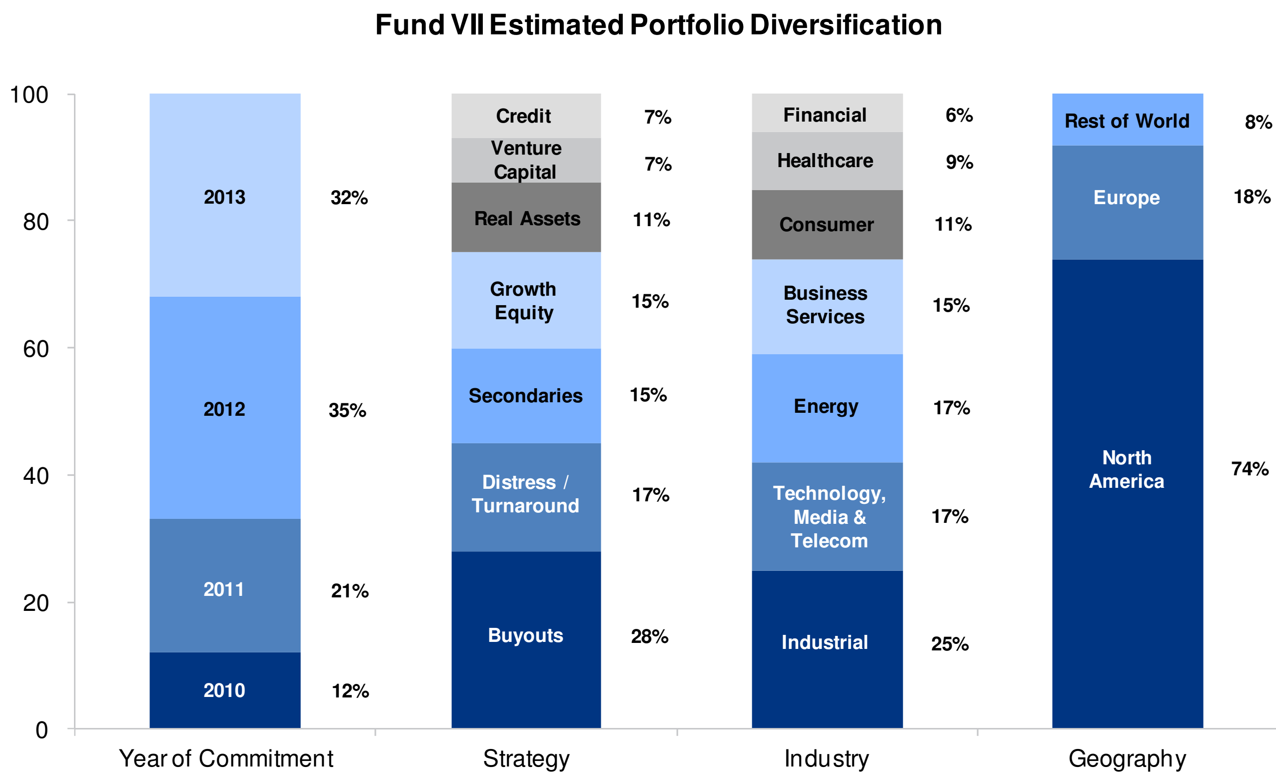
High Conviction Investing	Commentary
Cross Market Comparisons	FW Capital seeks to build a portfolio with private equity funds that represent the best opportunities to generate outsized returns. As such, every private equity fund in the portfolio must compare favorably to the opportunities available in other areas of private equity. All fund commitments must stand on their own.
Flexibility – No Hard Allocations	FW Capital takes a flexible approach to market opportunities. There is no institutional imperative to fill allocations to certain subsectors of private equity. For example, early stage venture capital represents ~5% of Fund VII compared to ~16% of Fund IV.
Discipline to Walk Away	FW Capital consistently turns over relationships in the portfolio where strategy drift, fund size increase, team turnover or performance are a concern. On average, ~56% of commitments in FW Capital Funds IV-VII have been new relationships.
Prioritize Capital Preservation and Liquidity	FW Capital prefers managers that have demonstrated the ability to manage downside risk through low loss ratios, as well as managers that have shorter hold times and can return capital to LPs quickly. For example, Fund VII targets 15% in secondaries and 10% in private credit investments.
GPs Targeting 2x ROI and 20% IRR	FW Capital seeks to invest with groups that are targeting high absolute returns, regardless of the strategy.

22. Bias toward any market segments:

FW Capital plans to balance Fund VIII across at least three vintage years and seek diversification across a number of industries, strategies and geographies. FW Capital has a robust pipeline of private equity funds across a number of key sectors it is monitoring for Fund VIII. FW Capital invests with a bias towards U.S. small market buyout and growth equity funds.

They do not use hard allocation targets, but rather rely on the judgment of the team to achieve balance across key diversifiers. Whenever possible, FW Capital focuses on identifying sectors that exhibit low correlation relative to the rest of the portfolio. Key diversifiers include vintage year (at least three), strategy (buyout, special situations, growth equity, secondaries), industry (e.g. healthcare, business services, energy, technology, consumer, financial) and, to a lesser extent, geography (20-30% outside of the U.S., primarily Europe). It is important to note that qualitative factors of individual investments supersede any allocation considerations.

Below is the estimated portfolio diversification for Fund VII. Fund VIII is expected to have a similar diversification breakdown.



There is no guarantee that the above portfolio construction will occur for Fund VIII. Commitment Year, Industry, and Geography exclude secondary commitments. All figures are estimates based on commitments.

23. Expected period of investment for the proposed fund(s).

The commitment period is expected to be three to four vintage years with capital drawn from limited partners over a five to seven year period. The investment period is expected to be four years after the final closing date. The term of the Fund is expected to be ten years after the investment period, subject to one-year extensions approved by the advisory committee. They do not foresee any circumstance under which the investment period would expand as they generally have not expanded the investment period in any of their prior diversified funds.

24. General Partner's commitment in the fund:

FW Capital will form FWPEI VIII GP, LLC to serve as the General Partner of Fund VIII. The General Partner will contribute 0.5% of the aggregate amount of the limited partners' capital contributions to Fund VIII. In addition, 6.6% of FW Capital fund commitments over the past 10 years have come from Western & Southern (and affiliate) employee capital including pension, incentive plan and direct commitments.

25. What is the firm's investment universe? How many investment opportunities are evaluated each year?

FW Capital invests across most sectors and segments of private equity with a bias towards the U.S. small market buyout and growth equity funds. They do not target the Real Estate or Infrastructure private equity space. FW Capital first develops investment themes based on their observations of the economy, public and private markets, insights from their deep general partner network and the broader Fort Washington organization. Based on the investment themes, FW Capital moves to the landscape assessment phase during which the team develops market maps by identifying the universe of private equity funds within targeted sectors. Landscape assessment is an outbound sourcing effort that is generally six to eighteen months in duration for any given sector, with certain sectors being under continuous review and assessment. The FW Capital team builds out the opportunity set in the relevant sectors through proactive calling and networking efforts and through its relationships with existing fund managers, other limited partners, intermediaries and other industry participants, such as mezzanine lenders, bankers and investment bankers, and strategy consultants. Our network of private equity managers is also a rich source of possible investment opportunities. Many new firms or strategies form from groups they know or have invested with in the past and are referred to them by existing relationships. In addition, the members of the FW Capital team attend relevant industry conferences, and use private equity industry resources and publications (Preqin, PE Analyst, LBOWire, Venturewire, Private Equity International, Thomson). The FW Capital team often begins to build the relationship with a prospective general partner before their next fund-raising, sometimes a year or several years in advance. This allows FW Capital to gain a deeper understanding of the manager and the strategy, to watch the performance of the prior funds over time, and to potentially gain access to over-subscribed funds. For example, they identified Charlesbank as a consistently strong, differentiated outperformer in the US middle market and started the dialogue with that organization over a year before the most recent fundraising. As a result, in 2009 they were invited to participate in the closing of this oversubscribed fund. All of these efforts help the team build the short-term and medium-term pipeline of prospective investments.

The chart below details how many funds were considered, formally evaluated, recommended for their primary investment program, and selected over the past three years. In FW Capital Fund VII, more than 80% of the fund investments to date (21 of 25) have been sourced through their proactive, outbound sourcing network rather than introduced through an intermediary.

	2012	2011	2010
Considered (Initial PPM review, introductory or follow-up meeting)	278	311	290
Formally evaluated (Full diligence)	20	25	26
Recommended for investment	10	11	9
Selected	10	11	8

26. How are investments evaluated?

FW Capital investment professionals use a rigorous and disciplined investment process to implement its investment strategy. The investment team is responsible for sourcing, evaluating, and recommending investments. Deal teams are led by a senior investment professional and supported by at least one additional senior investment professional and an investment analyst.

The process is segmented into four fundamental stages: (i) investment theme development, (ii) fund landscape assessment, (iii) fund selection and (iv) portfolio management. All senior investment professionals and all analysts are responsible for these activities.

FW Capital Investment Approach and Process

Investment Theme Development	Fund Landscape Assessment	Fund Selection	Portfolio Management
• Flexible approach to market opportunities • Leverage market insights • No market timing; focus on long cycle or secular trends	• Proactive and outbound sourcing effort • ~20-50 funds within each sector • Patience to wait for the right fund • Continuous process – revisit and reassess	• Differentiation – manager value add • Investment judgment • Alignment of interests • Less reliance on leverage • Capital preservation • Avoid herd mentality	• Prudent portfolio diversification • Seek balance across vintage year, strategy and industry • Portfolio of $\leq$ 30 funds over 3 vintage years (8-10 funds per year) • Well diversified across strategies and sectors • 25% of portfolio ex-US, 15% in secondaries

Investment Theme Development

FW Capital develops investment themes based on their observations of the economy, capital markets and the private equity market. They focus on investment themes that are secular or long-cycle in nature. Generally speaking, they focus on private equity sectors where there is strong evidence of either growth or capital scarcity. FW Capital takes a flexible approach to market opportunities, there is no institutional imperative to fill allocations to certain sub-sectors of private equity if the opportunity is not compelling.

FW Capital is often able to leverage insights from the broader Fort Washington organization given the firm's significant presence in the capital markets. Another important source of investment themes is their deep network of general partner relationships which provides FW Capital with a continuous flow of market intelligence and investment ideas.

Fund Landscape Assessment

Once priorities are established based on investment themes, the FW Capital team transitions to the landscape assessment phase. During this phase, FW Capital seeks to identify and evaluate the universe of private equity funds within targeted sectors. Landscape assessment is an outbound sourcing effort that is generally six to eighteen months in duration for any given sector. Some sectors are continuously under review.

For example, over the course of Fund VI and VII, approximately seven sector deep-dives were conducted including: lower middle-market buyouts, lower middle-market growth equity, early stage venture capital, distressed debt and turnarounds (U.S. and Europe), mezzanine, emerging markets growth equity and developed Asia. Other areas of investigation included energy, technology, financial services, consumer and healthcare.

Landscape assessment is conducted in three stages prior to a fund proceeding to formal due diligence: (i) Identify Universe of Funds, (ii) Initial Fund Assessment and (iii) Advanced Fund Assessment.

Across these three stages, FW Capital scales-up its diligence as lead contenders emerge.

During the "Identify Universe of Funds" stage, FW Capital proactively solicits introductions to funds through their network of relationships, including general partners, other limited partners, lenders, advisors and intermediaries. FW Capital develops a preliminary set of criteria used to evaluate and prioritize funds as they emerge from their sourcing efforts.

FW Capital may conduct anywhere from 20-50+ calls and meetings with qualified, institutional funds during the Initial Fund Assessment stage. During this stage, decision criteria are refined and an initial set of funds are prioritized based on strategic fit, team and realized track record.

FW Capital completes in-depth reviews of selected funds during the "Advanced Fund Assessment" stage. The team conducts targeted references with key LPs and other industry participants. An initial review of the unrealized portfolio is completed, including assessment of valuation discipline, use of leverage, cash flow growth and liquidity events. Funds that are prioritized during this stage move on to formal due diligence.

FW Capital is continuously surveying the private equity landscape for its diversified fund-of-funds strategy, covering a spectrum of sectors that are relevant for their fund-of-funds portfolios.

Fund Selection

Following completion of Landscape Assessment, FW Capital begins the Fund Selection process. A diligence team is assigned to develop and present a Diligence License to FW Capital's Investment Committee, seeking permission to dedicate resources to evaluate a potential commitment. Each deal team is led by a senior investment professional and supported by at least one additional senior investment professional and an investment analyst. In general, due diligence includes extended discussions with the general partner (including at least one onsite visit), a detailed review of a fund's portfolio and track record and at least 10 references with portfolio company CEOs, LPs and advisors.
The principal goal of due diligence is to evaluate how a fund complements FW Capital's fund selection discipline, emphasizing differentiation, investment judgment and alignment of interests. Due diligence also encompasses a detailed evaluation of investment strategy, performance, investment team/turnover, legal and back-office/operational considerations.

FW Capital views differentiation as an important determinant of the sustainability of a fund's performance. A manager's differentiation or competitive advantage is typically a function of industry focus, situational expertise, global reach and/or operating capabilities. For example, FW Capital observes that industry focused funds are better positioned than generalists to make insightful investment decisions and add value to their portfolio companies. The table below illustrates various differentiating factors that FW Capital seeks in potential investments:

Differentiation Factors	Description
Industry Specialization	Deep domain expertise and focus on a specific industry
Situational Expertise	Investment focus on specific transaction types such as turnarounds
Operating Expertise	Value-add from active operational improvements to portfolio companies
Global Market Strategy	Strategies positioned to benefit from cross-border growth opportunities

FW Capital evaluates a firm's investment judgment by analyzing track records and, importantly, how a manager behaved across market cycles. For example, they prioritized funds that slowed their investment pace and accelerated liquidity events during the 2006-2007 period, a time of high valuations and leverage.

Finally, FW Capital considers a manager's alignment of interests. This is often a function of fund size, GP commitment and LPA terms. They seek funds that propose a fund size appropriate for the strategy and relevant to the historical track record. They also seek a GP commitment meaningful to the investment team and friendly partnership terms for LPs.

In addition, operational due diligence on prospective investments is completed independent of investment team due diligence. The process and final recommendations are determined solely by the Fund Administration group. Operational due diligence involves reviewing with the manager's administrative officer, typically the CFO, COO or equivalent, the firm's internal systems, processes, controls and governance details. They also verify the audit engagement and review valuation and performance reports with support from working papers. The operational due diligence findings are documented as a part of the final investment recommendation.

Following the conclusion of the formal due diligence process, a recommendation for investment is submitted to the Fund's Investment Committee. The Investment Committee must unanimously approve all investment decisions. Following Investment Committee approval, the deal team reviews the final terms and conditions of the investment. The deal team and the Fund counsel may negotiate the final terms and conditions of the investment if there are issues or concerns with certain terms in the investment agreements. For legal document and terms review, FW Capital has developed an extensive, standardized terms checklist they use to review and negotiate with the fund manager of a prospective fund investment.

27. Process of monitoring the investments held in current funds:

After making an investment, their monitoring process includes regularly evaluating the behavior and portfolio construction of the general partner, a regular review of quarterly reports and an analysis of the audited financial statements. Joseph B. Michael, with more than 25 years of public and private equity experience, manages this fund monitoring process for FW Capital. All members of FW Capital's Investment team and Operations team are involved in the monitoring process. FW Capital personnel regularly receive internal reports reflecting fund activity, new investments, liquidity events, concentrations, and various other metrics. In addition to the ongoing reports, frequent contact with underlying fund managers is paramount in the investment monitoring process. FW Capital achieves this by:

- On-site visits and conference calls with managers of each underlying fund to determine the fund investment rate, personnel changes, adherence to fund strategy, future fundraising, etc.
- Leveraging the annual meetings of the fund managers as an opportunity to further interact with portfolio company executives and other investors.

28. Firm's investment database of potential investments:

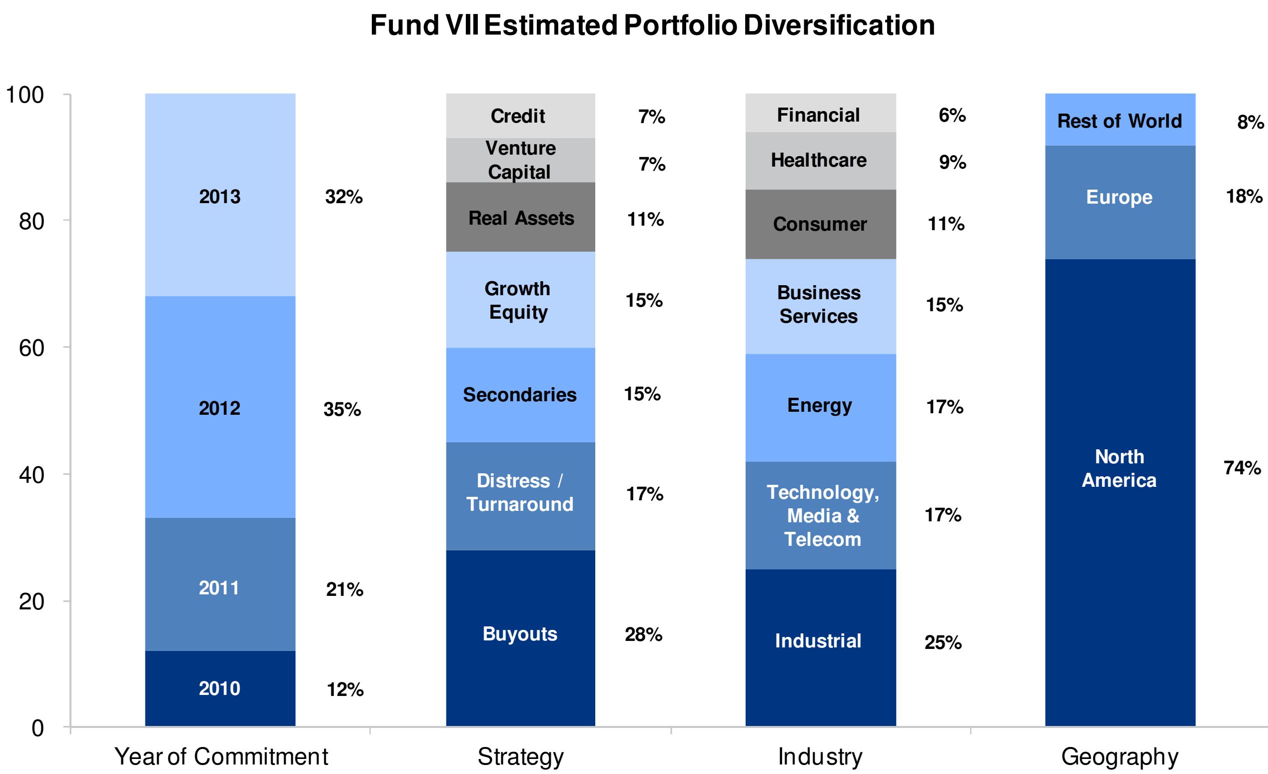
FW Capital uses Netage Dynamo ("Dynamo") as its investment CRM platform. Dynamo was implemented in 2012 and serves as a deal log, deal sourcing, investment monitoring and content monitoring and contact management database. Prior to Dynamo, FW Capital used Vitech Equitrak as the database for deal and investment-related information. FW Capital used Equitrak from 2008-2012. Prior to 2008, FW Capital maintained a large proprietary database with offering materials, track records and due diligence analyses, which is now maintained in Dynamo. The firm's database is used to track the landscape of investment opportunities and is an integral part of tracking investments for their due diligence process.

29. Describe the fund or fund of fund portfolio construction process.

FW Capital employs a top down approach to investment theme development and landscape assessment while relying on a bottom up approach for fund selection and portfolio management. FW Capital employs a flexible and high conviction strategic approach to investing, emphasizing small market opportunities. FW Capital's small fund size offers flexibility to target "best in class" opportunities in private equity. Specific portfolio characteristics tailored for CCCERA can be detailed in a side letter. Mary Ann Griffin and Rob Maeder maintain responsibility for the management of the overall portfolio construction in the fund-of-funds program.

As it relates more specifically to portfolio construction, FW Capital considers portfolio construction to be a principal means for risk reduction given the uncertainty of outcomes over the long-term. They do not use hard allocation targets, but rather rely on the judgment of the team to achieve balance across key diversifiers. Whenever possible, FW Capital focuses on identifying sectors that exhibit low correlation relative to the rest of the portfolio. Key diversifiers include vintage year (at least three), strategy (buyout, special situations, growth equity, secondaries), industry (e.g. healthcare, business services, energy, technology, consumer, financial) and, to a lesser extent, geography (20-30% outside of the U.S., primarily Europe). It is important to note that qualitative factors of individual investments supersede any allocation considerations.

FW Capital Fund VII, 69% committed2, is representative of the portfolio construction FW Capital seeks to employ for Fund VIII. Fund VII is diversified across four vintage years, seven strategies and nine industries with at least 20% of the portfolio expected to be invested internationally.



There is no guarantee that the above portfolio construction will occur for Fund VIII. Commitment Year, Industry, and Geography exclude secondary commitments. All figures are estimates based on commitments.

Each of their investment professionals plays an important role in the fund-of-fund portfolio construction process. As it relates to individual fund investments, every diligence team is led by a senior investment professional and supported by at least one additional senior investment professional and an investment analyst. All recommendations require unanimous consent of their Investment Committee.

[2] As of 12/31/12.

30. Target a level of return or risk:

The performance objective for their diversified fund-of funds is to provide a net IRR for their limited partners of at least 5% over the S&P 500 Index, as compared to the public market equivalent (PME) methodology which calculates what the investment returns would have been had the same cash flows been invested in the S&P 500 Index. While they have no formal targets for levels of risk and return, FW Capital has a history of selecting fund managers who focus on capital preservation and liquidity. For example, FW Capital funds have generated a 13.9% net IRR and outperformed the S&P 500 PME by more than 850 bps per year since 2003.[3]

31. Private equity investment types (i.e. venture capital, growth equity, buyouts, distressed, etc.) are included in a typical portfolio:

The Fund VIII portfolio will be diversified across multiple strategies, including buyouts, distress/turnaround, growth equity and venture capital, as well as credit and real assets funds. The percentage allocations below are soft targets and FW Capital relies on the judgment of the team to achieve balanced diversification across different strategies.

Specific portfolio characteristics tailored for CCCERA can be detailed in a side letter.

Sub Pool	Target Range	Target Allocation	Strategy
Buyout	30-40%	35%	• Includes an emphasis on differentiated middle market and lower middle market US and European managers
Special Opportunities	30-40%	35%	• Includes credit strategies, distressed and turnaround, and real assets, such as energy funds
Growth Equity	10-20%	20%	• Includes minority investments in high growth companies
Venture Capital	5-15%	10%	• Includes early stage, late stage and expansion stage VC; both technology and healthcare
Total	**100%**	**100%**	

Type	Target Range	Target Allocation	Strategy
Primary	85-100%	85%	• Buyout, special situations, growth equity, venture capital
Secondary	Up to 15%	15%	• Structured solutions and traditional secondaries
Direct			• Under special circumstances may be included in the secondary allocation
Total	**100%**	**100%**	

32. Preferred benchmarks:

The appropriate benchmark for their diversified fund-of funds is 5% over the S&P 500 Index using the public market equivalent (PME) methodology which calculates what the investment returns would have been had the same cash flows been invested in the S&P 500 Index.

[3] Performance data is as of 12/31/12, presented net of fees and includes Opportunities I, Fund IV, Fund V, Fund VI and Opportunities II.

In addition, FW Capital tracks the performance of their fund-of-funds and underlying funds against industry benchmarks, including the internal rate of return and various multiples of return by vintage year, provided by Cambridge Associates and Preqin.

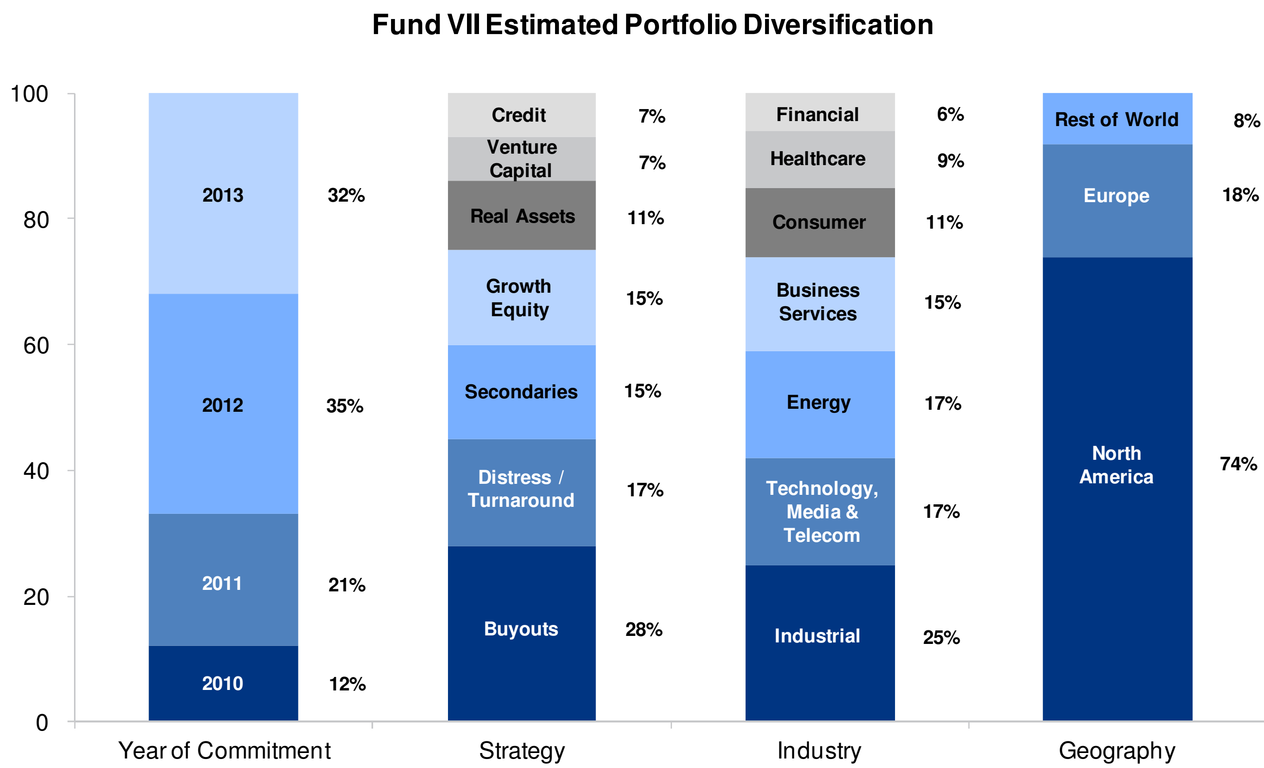
33. Typical number of partnerships held in the firm's fund of funds:

They expect to commit to approximately 8-10 investments per year, with Fund VIII committing to a total of 25-30 underlying partnerships over three vintage years. Fund VIII investments will likely average between $5-$10 million, or 2.5%-5% of committed capital. Fund VIII will have a maximum limitation of 10% of its capital in any one investment.

The median fund size of their underlying partnerships for their most recent fund, Fund VII, is $600 million and the median size of underlying partnerships for all of their small/mid cap strategies is $513 million.

34. Expected range for geographic location (region in US, US vs. international), industry and sector exposure and stage of investment for the firm's currently available fund:

FW Capital Fund VII, shown in the chart below, is representative of the portfolio construction FW Capital seeks to employ for Fund VIII. Fund VII is diversified across four vintage years, seven strategies and nine industries with at least 20% of the portfolio expected to be invested internationally.



There is no guarantee that the above portfolio construction will occur for Fund VIII. Commitment Year, Industry, and Geography exclude secondary commitments. All figures are estimates based on commitments.

35. To what extent does the firm make "follow-on" investments? (Make multiple fund commitments to the same private equity fund manager)

They do not have a formal target for repeat commitments. They expect that at least 50% of Fund VIII's investments will be commitments to repeat partnerships. Across their Funds IV-VII, on average, 56% of commitments have been to new General Partner relationships, and in Fund VII, 50% of their commitments to-date have been to new General Partner managers. FW Capital will turn over General Partners for a number of factors, including growth in fund size, team turnover, General Partner strategy shift, relevance of the investment strategy to the current environment, and deterioration in performance.

36. Expected exit strategy:

Fund VIII will likely extend to approximately fourteen years after its final close, at which time the Fund will begin its wind down process. Fund wind downs are complex decisions – a general partner must consider a variety of factors. Economics generally guide the process. As long as the remaining value is greater than the cost to operate the Fund, it generally makes sense to continue. FW Capital is committed to limiting the 'frictional cost" during the wind down process which could take two to three years and will seek to minimize management fees and other expenses. Although they typically receive underlying fund distributions in cash and securities, their policy is to distribute cash to their limited partners. Our experience has been that their funds of funds become cash flow positive in about year five when distributions from underlying funds are approximately equal to their capital calls. At that point, they make an effort to make a cash distribution to limited partners on a quarterly basis. These will often be comprised of both cash and 'deemed' distributions which offset capital calls.

37. Performance review:

Fund[1]	Vintage	Gross IRR	Gross Multiple	Net IRR	Net Multiple	Quartile[2]	Outperformance vs. S&P 500 PME
Primary Funds							
Fund IV	2004	10.5%	1.50x	8.2%	1.44x	1st	>650bps
Fund V	2006	11.9%	1.40x	9.9%	1.35x	1st	>450bps
Fund VI	2007	16.0%	1.35x	12.2%	1.30x	1st	>350bps
Secondary Funds							
Opportunities I	2003	26.2%	1.90x	21.3%	1.88x	2nd	>1700bps
Opportunities II	2008	55.2%	2.03x	45.7%	1.84x	1st	>3000bps
FW Capital Funds Since 2003		17.3%	1.55x	13.9%	1.48x	NA	>850bps
FW Capital Investments Since 1984[3]		13.1%	1.50x	10.4%	1.44x	NA	>750bps

38. Fee schedule for the fund:

Below is the proposed tiered fee structure for Fund VIII which is based on commitment value.

Management Fees	Commitment	Year 1	Year 2	Years 3-8
	Up to $20 million	0.38%	0.56%	0.75%
	$20 million up to $40 million	0.25%	0.38%	0.50%
	$40 million or more	0.20%	0.30%	0.40%

10% annual fee step down after year 8

First Close Discount 10% discount available to first close investors:

- Capacity of $50 million available for new investors[1]
- Existing LPs committing at the same or higher level

[1] Available for unaffiliated capital.

39. Carried interest associated with the fund:

There is no carried interest on the proposed fund.

40. Any other costs or fees associated with the fund:

The General Partner will bear and be charged with all ordinary, necessary, and recurring costs and expenses of administering the Fund, including office expenses, certain travel expenses, salaries, and other overhead expenses of the Fund, including any fees of the Investment Advisor. All reasonable costs and expenses of the Partnership and of the General Partner (other than the Administrative Expenses and the Organizational Expenses) will be borne by and charged pro rata to the partners. Finally, all expenses reasonably incurred by the General Partner up to $1 million in organizing the Fund including legal fees, accounting fees, filing fees, printing expenses, postage, delivery charges, and travel expenses shall be charged pro rata to the limited partners. FW Capital does not charge deal, monitoring or transaction fees.

GoldPoint Partners

1. Firm name, address, and telephone number:

   GoldPoint Partners LLC
   51 Madison Ave, Suite 1600
   New York, NY 10010
   (212) 576-6500

2. Firm founded: Registered with the Securities & Exchange Commission:

   GoldPoint Partners LLC ("GoldPoint", "GPP", the "Firm" or the "Manager") was formed in 1999 to manage alternative asset investments for New York Life Insurance Company ("NYL") and third party investors. GoldPoint is an investment adviser registered with the US Securities and Exchange Commission ("SEC") since 2002 under the Investment Advisers Act of 1940, with AUM as of 12/31/12 of approximately $9.3 billion.

3. Name, position, telephone and fax number, and e-mail address of the firm's new business contact and database/questionnaire contact:

New business:			Database contact:		
Name:		Patrick Noonan	Name:		Anne Corey
Title:		Director, Consultant Relations and Marketing	Title:		Associate
Phone:		(212) 576-5576	Phone:		(212) 576-5336
Email:		pnoonan@goldpointpartners.com	Email:		acorey@goldpointpartners.com

4. Firm's ownership structure, and any ownership changes over the past five years:

   There have not been any ownership changes over the past five years nor does the Firm anticipate any changes in ownership.

   GoldPoint is a wholly owned subsidiary of New York Life Investment Management Holdings LLC ("NYLIM Holdings"), which is in turn a wholly owned subsidiary of NYL. GoldPoint is also affiliated with New York Life Investment Management LLC (as applicable with respect to itself and NYLIM Holdings, "NYL Investments").

   GoldPoint's indirect parent, NYL, is a Fortune 100 company and one of the largest U.S. life insurance firms. 4 Established in 1845, NYL offers traditional life insurance products and financial services. NYL is rated A++ by A.M. Best, Aaa by Moody's Investor Services, AAA by Fitch Ratings, and AA+ by Standard & Poor's, reflecting the highest level of financial strength. 5

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

   NYLIM Holdings (GoldPoint's immediate parent) carries the following liability insurance on behalf of its subsidiaries:

[4] Fortune Magazine: May 21, 2012 Issue.

[5] According to third party rating reports (A.M. Best – June 5, 2012, Fitch Ratings – June 22, 2012, Moody's Investor Services – December 11, 2012, and Standard & Poor's – August 8, 2011). None of A.M. Best, Fitch, Moody's or Standard & Poor's, their affiliates or any third party information provider of the information attributed to such entities make any representation or warranty as to the appropriateness, accuracy, completeness or applicability of such information nor are they responsible for the results obtained therefrom. The information provided by these entities is an opinion only and not a recommendation to take any action. This information is being provided for informational purposes on New York Life Insurance Company only and is not meant to be an indication of financial strength or a performance guarantee of the strategies or investments discussed in these Memorandum. The financial strength of New York Life Insurance Company applies only to its insurance products and not to investment products which are subject to market risk and fluctuation in value.

E&O: $15 million
XL Insurance
various carriers (excess coverage)

Fidelity bonding: $20 million (single loss); $40 million (aggregate)
National Union Fire Insurance Company of Pittsburgh, PA
various carriers (excess coverage)

6. Litigation:

Neither GoldPoint nor any of its professionals has been named as a party to any litigation in connection with their investment related activities at GoldPoint.

7. Judgments:

GoldPoint has not in the past nor currently had any judgments against it by governmental or regulatory agencies and does not anticipate any future investigation.

8. Firm's financial statement auditor.

Since inception in 1999, GoldPoint has engaged PricewaterhouseCoopers.

9. Total assets under management for firm for the past five year-end periods and as of March 31, 2013.

GoldPoint has not lost any clients during this time period, although some investors in GoldPoint Funds have elected not to commit to successor Funds with the same investment strategy.

Total Firm Assets					
	Market Value (Millions)	***Accounts Gained***	***Assets Gained (Millions)***	***Accounts Lost***	***Assets Lost (Millions)***
Dec 31, 2008	$7,417	34	$718	0	$0.0
Dec 31, 2009	$7,656	0	$69	0	$0.0
Dec 31, 2010	$8,170	9	$611	0	$0.0
Dec 31, 2011	$8,342	20	$986	0	$0.0
Dec 31, 2012	$9,331	28	$1,632	0	$0.0

Note: Assets Gained above includes fund advisory commitments which is not reflected in Accounts Gained.

10. Firm's total small/mid cap private equity fund(s) (or small/mid cap private equity fund of funds, if applicable), please state the market value of assets under management for the past five year-end periods and as of March 31, 2013.

The following table represents GoldPoint's fund-of-funds products, Select Manager Fund, LP and Select Manager Fund II, L.P., and GoldPoint's Middle Market Portfolio managed on behalf of NYL. [6]

[6] GoldPoint Middle Market Portfolio includes all middle market U.S. LBO funds committed to by GPP or its predecessors since 1992 for NYL's general account. Excludes commitments managed under a different strategy for a separate account on behalf of NYL's pension and retirement plans. Please note that investments made prior to 1999 were not made within a fund structure and were not subject to management fees.

Small/Mid Cap Private Equity Assets - Fund or Fund of Funds						
	Market Value (Millions)	*Accounts Gained*	*Assets Gained*[7] *(Millions)*	*Accounts Lost*	*Assets Lost (Millions)*	*Assets Committed/Invested*
Dec 31, 2005	$331.3	0	$0.0	0	$0.0	$780.9/$553.2
Dec 31, 2006	$360.7	0	$0.0	0	$0.0	$1,010.9/$632.6
Dec 31, 2007	$428.0	1	$50.0	0	$0.0	$1,088.2/$769.6
Dec 31, 2008	$426.4	33[8]	$51.4	0	$0.0	$1,213.2/$887.1
Dec 31, 2009	$531.8	0	$0.0	0	$0.0	$1,221.2/$967.3
Dec 31, 2010	$561.3	1	$5.0	0	$0.0	$1,266.7/$1,061.4
Dec 31, 2011	$689.7	1	$50.0	0	$0.0	$1,479.2/$1,199.1
Dec 31, 2012	$702.0	37[5]	$80.1	0	$0.0	$1,931.2/$1,348.5
Mar 31, 2013	$699.3	0	$0.8	0	$0.0	$1,931.2/$1,373.4

11. Name of the product(s) described in the remainder of this response:

    NYLCAP Select Manager Fund II, L.P. (the "Fund" or "SMF II").

12. Firm's succession plan for senior management of the private equity fund or fund of funds activity:

    Since all of the Principals are under the age of 60 and due to the cohesive nature of the Principal group, the firm does not currently have a formal succession plan in place. However, each product line has at least two Managing Principals who act as portfolio managers, overseeing portfolio construction and taking primary responsibility for fundraising and investor relations, creating a natural successor should a Managing Principal leave the firm. John Schumacher, Chairman of GoldPoint Partners, and Amanda Parness, Managing Principal, assume this responsibility for the Select Manager Funds.

    GoldPoint's organizational structure enables and encourages Investment Team members to achieve a position of greater responsibility. The Firm has a mid-level of Principals and Vice Presidents, which currently consists of former Associates who were promoted up the ranks, demonstrating the Firm's desire to promote from within.

    In 2013, Stas Sokolin and Nandita Mittal were hired at the Associate level, with Mr. Sokolin beginning in May 2013 and Ms. Mittal expected to join the firm in August 2013. The Firm expects to hire one to two additional Associates in the calendar year 2013.

    Susan Ruskin, Managing Principal, has notified GoldPoint Partners of her decision to leave the Firm effective as of June 28, 2013. She has decided to take time off to determine the next phase of her career.

13. Names and titles of key investment and management personnel:

[7] Excludes NYL fund advisory commitments.

[8] Includes a high-net-worth individuals on the RBC High Net Worth platform.

Name (Age) Title	Years of Relevant Experience At GPP[1]	Total	Prior Experience	Education
John Schumacher (56) Chairman	22	29	New York Life Private Finance Group Manufacturers Hanover Trust	MBA, New York University BA, Columbia College
Thomas Haubenstricker (52) Chief Executive Officer	21	23	New York Life Private Finance Group Prudential Financial	MBA, Wharton (University of Pennsylvania) BS, Michigan State
Steven Benevento (47) Chief Investment Officer	17	25	New York Life Private Finance Group TIAA-CREF	MBA, New York University BS, SUNY Albany
Quint Barker (44) Managing Principal	17	20	New York Life Private Finance Group PaineWebber	MBA, Duke University BEE, Georgia Tech
Amanda Parness (41) Managing Principal	14	17	New York Life Private Finance Group Goldman Sachs	MBA, Columbia University BA, Barnard College
Matthew Cashion (36) Managing Principal	14	14	New York Life Private Finance Group	MBA, Columbia University BA, Georgetown

14. Firm staff and the private equity staff turnover:

	Firm-wide Employees		
Year	***Firm-wide Employees***	***Firm-wide Employees Added***	***Firm-wide Employees Lost***
Dec 31, 2008	40	2	0
Dec 31, 2009	36	0	1
Dec 31, 2010	41	3	1
Dec 31, 2011	42	2	2
Dec 31, 2012	47	3	0
May 31, 2013	45	0	1

The charts above and below exclude turnover at the Investment Associate level. The Firm hires Associates with the expectation of a two to three year tenure at the Firm. After three years, some Associates are promoted from within to the Vice President level.

	Small/Mid Cap Private Equity Investment Employees		
Year	***Total Employees***	***Employees Added***	***Employees Lost***
Dec 31, 2008	18	0	0
Dec 31, 2009	17	0	1
Dec 31, 2010	17	1	1
Dec 31, 2011	18	0	0
Dec 31, 2012	18	1	1 transitioned roles within Firm
May 31, 2013	15	0	1

15. As of December 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the Small/Mid Cap private equity product.

Small/Mid Cap Private Equity Capital Under Mgt	*Number of Investors*	*Median Client Size*	*Largest Client Size*	*Number of Portfolio Mgrs*	*Number of Inv Analysts*
$1,402.9mm	8	$50mm	$130mm committed by NYL in 2012 to middle market funds	2 (6 total Managing Principals)	9

16. As of December 31, 2012, the small/mid cap private equity fund or fund of funds group, the fund name, size of the fund in millions of dollars, the number of clients, and client assets committed and invested.

Small/Mid Cap Private Equity Fund Name	***Fund Size in mil. $***	***Nbr. Investors***	***Commitments in mil. $***	***Investments - mil $***
SMF I	$106.4	35	$124.1	$87.5
SMF II	$130.1	38	$132.5	$28.7
GoldPoint Middle Market Portfolio[9]	N/A	1	$1,689.4	$1,245.9

17. Firm's funds or fund-of-funds product(s) currently open for investment or soon to be open for investment.

Small/Mid Cap Private Equity Fund Name	*Fund Size Currently in mil. $*	*Expected Fund Size at Final Close*	*Current Number Investors*	*Expected Number of Investors*	*Expected Final Closing Date*
Select Manager Fund II, LP	$140.8	$250	38	45	Dec, 2013

18. What percentage will the largest single investor represent in the new fund? Name and expected commitment for this investor.

    As of 5/31/13, the Fund's two largest investors, NYL and an undisclosed Taft Hartley Plan, both have committed $50 million to the Fund, each representing 35.5% of total capital commitments.

19. Does the firm allow coinvestment opportunities?

    GoldPoint is open to co-investment alongside its fund commitments. While not having offered co-investments through the SMF Funds historically, GoldPoint has shared its investment committee write-up and research allowing investors to potentially commit to funds directly. Some of GoldPoint's other funds,

[9] GoldPoint Middle Market Portfolio includes all middle market U.S. LBO funds committed to by GPP or its predecessors since 1992 for NYL's general account. Excludes commitments managed under a different strategy for a separate account on behalf of NYL's pension and retirement plans. Please note that investments made prior to 1999 were not made within a fund structure and were not subject to management fees.

particularly its mezzanine funds, have offered co-investment opportunities to invest directly in deals. Similarly, GoldPoint is willing to offer valuable support to potential co-investors by means of research, due diligence, investment management and monitoring.

20. How the firm defines small/mid cap private equity:

The middle market, for the Fund's purposes, generally includes underlying funds which target companies with enterprise values between $50 million and $500 million, and that generally have targeted fund sizes of $1 billion and below.

The GoldPoint team believes that the middle market buyout sector in which the target funds will focus will continue to produce outsized investment returns and remains highly attractive because: (i) the universe of potential targets is very large; (ii) valuations are reasonable; and (iii) investment managers have the ability to make meaningful operational improvements to the companies they acquire.

The middle market in the United States is highly fragmented and contains a large universe of over 145,000 companies with revenues between $10 million and $1 billion, according to Dun & Bradstreet. The process for acquiring middle market companies also tends to be less efficient. While larger companies are often professionally managed and typically sold at auction through an investment banker, middle market companies often lack sophisticated financial controls and information systems, and are often sold in non-competitive or less competitive processes, creating opportunities to acquire these under-managed businesses at attractive valuations.

As such, GoldPoint is continually looking to add new funds to keep middle market funds a core percentage of its total portfolio under management and to increase its allocation to the best performing firms that choose to remain in the middle market segment. In addition, GoldPoint views its middle market funds as a feeder program for investing in larger buyout funds. Historically, many of the best performing sponsors in GoldPoint's portfolio have tended to increase in size with subsequent funds. Many of their most established and successful fund sponsors began as emerging middle market managers in GoldPoint's fund advisory programs. GoldPoint has a proven track record of partnering with emerging managers in their first or second funds and then growing alongside them. For example, GoldPoint was an early investor in ABRY, Berkshire, Kelso, TPG and Vestar, and has grown with these managers as they have matured. As an early partner with these successful funds, GoldPoint has maintained access to some of the best performing funds and generally received its desired allocation amounts in subsequent highly oversubscribed funds. The depth of GoldPoint's Core Partner relationships is evident in: (i) the longevity of the relationships dating back to 1991; (ii) the Managing Principals' involvement in approximately 80% of the Core Partners' advisory boards; and (iii) GoldPoint's extensive history of co-investing alongside the Core Partners.

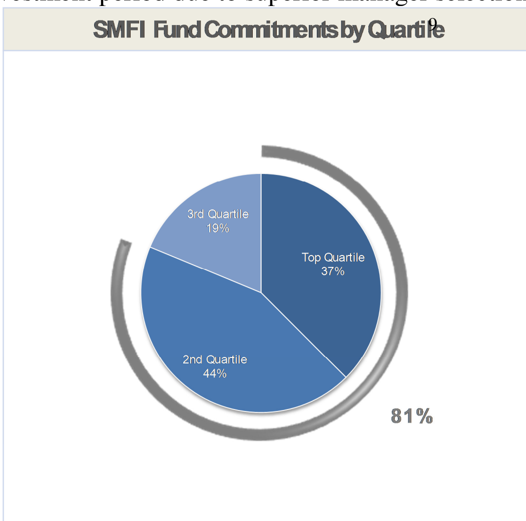
21. Investment philosophy/strategy, style and distinguishing characteristics of this product:

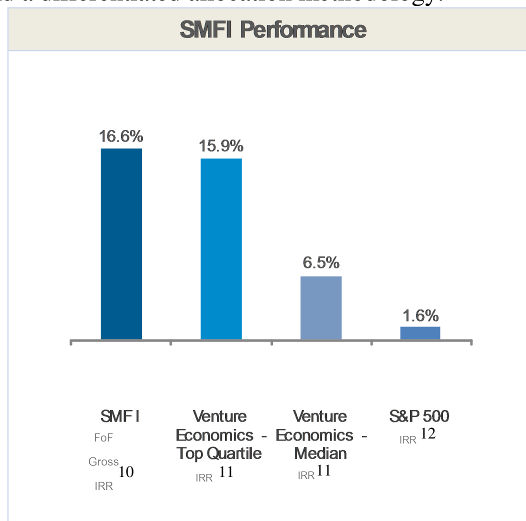
The Fund invests primarily in a portfolio of interests in U.S. based middle market buyout funds. SMF II serves as a direct continuation of the investment strategy of SMF I and of GoldPoint's successful private equity program, founded in 1991. The Fund has a target capitalization of $250 million and expects to include investments in many established financial sponsors with whom GoldPoint has a long-standing relationship. The middle market, for the Fund's purposes, generally includes underlying funds which target companies with enterprise values between $50 million and $500 million, and that generally have targeted fund sizes of $1 billion and below. GoldPoint believes the middle market represents the most attractive sector of the private equity market for premier investment managers.

Since 1991 and as of 3/31/13, GoldPoint and its predecessors have committed approximately $8.5 billion to 261 private equity funds. Today, the Firm has strong relationships with more than 50 fund sponsors (the "Core Partners") who: (i) have delivered superior investment returns; (ii) have demonstrated expertise within a target area of investing; (iii) have a definable value-added approach to their portfolio companies; and (iv) are relationship oriented. GoldPoint believes it has effectively leveraged the Core Partner relationships to create a differentiated approach to fund investing.

During this time, the U.S. middle market has served as the cornerstone of GoldPoint's investment philosophy, where the Managing Principals have committed over $1.5 billion to 80 funds, achieving a life-to-date net IRR of 18.5% as of 12/31/12.[10] As illustrated below, the Managing Principals have generated substantial outperformance versus both public and private benchmarks over various time periods.

NYLCAP Select Manager Fund I, LP ("SMF I"), GoldPoint's inaugural comingled third party fund-of-funds vehicle, represented a direct continuation of GoldPoint's longstanding track record of investing in the U.S. middle market.[11] SMF I was raised in 2007 with $106.4 million of committed capital. SMF I has generated top quartile performance, shown below, and has also outperformed the relevant benchmarks over its investment period due to superior manager selection and a differentiated allocation methodology.





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GoldPoint's demonstrated ability to identify and invest in top quartile private equity sponsors is a key competitive advantage and represents the primary driver of the Firm's outperformance over time. By number of funds, since 1992, 77% of funds within GoldPoint's middle market program have generated performance above the median, as compared to only 52% as indicated by a recent Preqin survey for fund-of-funds managers.

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[10] Past performance is not an indication of future results which will vary. Includes all middle market U.S. LBO funds committed to by GPP or its predecessors with capital commitments of $1 billion or less since 1992 for NYL's general account. Fees and expenses paid to GoldPoint (or its predecessors) may have been lower than the fees and expenses to be paid with respect to the Fund. Net IRR calculated through 12/31/12 net of fees, expenses and carried interest by the underlying partnerships based on underlying fund valuations and cash flows, and after management fees, expenses and carried interest paid to GPP. Excludes commitments managed under a different strategy for a separate account on behalf of NYL's pension and retirement plans. Please note that investments made prior to 1999 were not made within a fund structure and were not subject to management fees or carried interest. Fees and expenses paid to GoldPoint (or its predecessors) may have been lower than the fees and expenses paid with respect to the Fund.

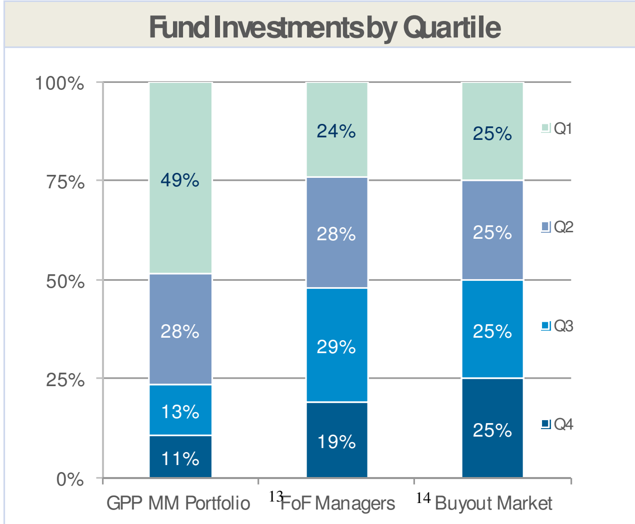
[11] Includes investments made during tenure at NYL.

[12] Past performance is not an indication of future results which will vary. Performance data as of 12/31/12 compared to Thomson Venture Economics Cumulative Returns by Vintage Year as of 12/31/12, the most recent data available. Percentages based on number of commitments prior to 2011 as newer vintage funds are not yet seasoned and data remains unavailable in Venture Economics.

[13] Past performance is not an indication of future results which will vary. Represents LTD 12/31/12 gross IRR for NYLCAP Select Manager Fund, LP based on actual cash flows and fund valuations. Net IRR for LTD 12/31/12 after fees, expenses and carried interest of the underlying fund and SMF I is 11.8%, which is not indicative of a particular limited partners' IRR due to different fees and expenses across the investor base.

[14] Source: Thomson Venture Economics. Quartiles represent U.S. Buyout funds less than $1 billion raised 2006-2011 as of 12/31/12, the latest data available. Data reflects fund performance net of advisory fees and carried interest paid to the underlying sponsor, but not net of advisory fees, expenses and carried interest paid to a manager in connection with managing a fund-of-funds portfolio.

[15] Source: Bloomberg; S&P 500 annualized return with dividends reinvested from SMF inception on 9/4/07 through 12/31/12. The S&P 500 may not be an appropriate benchmark.



Key competitive advantages include: (i) an experienced and stable investment team; (ii) a unique due diligence network; (iii) a partnership approach to investing; (iv) a model where all clients interests are aligned; (v) a limited fund size allowing for selectivity to top quartile funds; (vi) a model where all investment professionals are involved in fund and deal activity thereby allowing for effective evaluation of funds on an ongoing basis and broadened relationship development; (vii) a targeted three year commitment period to ensure selectivity and provide diversification across one full cycle of vintage years; and (viii) a thoughtful allocation model designed to improve returns while minimizing risk.

22. Bias toward any market segments:

The core feature of the Fund's portfolio is U.S. based middle market buyout funds, representing the product of continuous evaluation and review of expected fund opportunities. A common element across this core group of funds will be the investment manager's ability to add value to their portfolio companies through operating improvements (as opposed to financial engineering) in order to generate sustainable investment out-performance. As such, this core group will also consist of specialized middle market investment managers that have an expertise in a specific industry sector, U.S. geographic region, or transaction type. The Manager expects approximately 75% of the Fund to be comprised of value oriented or sector specialist sponsors.

Approximately 40 – 60% of the Fund will be to funds less than $1 billion and 15 – 30% will be to funds above $1 billion but who are considered best in class and targeting the upper-end of the middle market. In addition, the Fund expects to invest in a select group of other, best-in-class private equity managers with which GoldPoint has had long-standing relationships, including certain funds which the Manager believes may not be available to other fund-of-funds managers. The Fund also expects to participate in emerging middle market buyout fund investments, including investment firms which are raising their first institutional fund. The Manager believes its experience, disciplined investment fund process and deep resources uniquely position the Fund to identify high quality emerging middle market funds.

GoldPoint anticipates consummating approximately 20-35 fund commitments over a three year period in an expected range of $5 million to $20 million per fund based on availability, the experience of the underlying fund manager, perceived risk-reward expectations, and the ultimate size of the Fund. In addition, 20% of the Fund will be targeted for equity co-investment, a demonstrated area of expertise for GoldPoint.

[16] Past performance is not an indication of future results which will vary. Includes 77 fund commitments made to funds with capitalization of $1 billion or less. Performance data as of 12/31/12 compared to Thomson Venture Economics Cumulative Returns by Vintage Year as of 12/31/12, the most recent data available as of the date of this presentation. Percentages based on number of commitments prior to 2011 as newer vintage funds are not yet seasoned.

[17] Source: The 2011 Preqin Private Equity Fund of Funds Review.

While there can be no assurance that adequate investment opportunities will be available to construct such a portfolio as illustrated, the targeted portfolio is based on GoldPoint's regularly updated three-year private equity fund plan. The following chart represents a hypothetical composition of the Fund.

Targeted Portfolio Construction by Investment Type	
Established Middle Market Buyout Relationships	40-60%
Emerging Middle Market Buyout Relationships	10-20%
Other Best-in-Class Private Equity Fund Managers	15-30%
Equity Co-investments	10-20%

The Manager intends to diversify the Fund’s portfolio by limiting investments in any single fund, industry or geography as a means to mitigate risk. Specifically, the Fund’s investment will generally be subject to the following restrictions: (i) the total investment held by the Fund in any underlying fund may not exceed 10% of aggregate Capital Commitments; (ii) the Fund will not invest more than 30% of aggregate capital in funds headquartered and operating principally outside the U.S.; (iii) the Fund will not invest more than 30% of aggregate capital commitments in direct co-investment activities; and (iv) the Fund will not permit more than 7.5% of capital commitments in any one direct co-investment; (v) the Fund will not invest more than 33⅓% of aggregate capital commitments in Large Cap Funds (defined as funds targeting aggregate commitments in excess of $1billion); and (vi) the Fund will not invest more than 30% of aggregate Capital Commitments in hybrid, distressed funds, or other funds with an investment program not consisting primarily of investments in equity securities issued in leveraged or growth capital transactions. Further, the Fund will generally not commit more than 120% of aggregate Capital Commitments to investments.

23. Expected period of investment for the proposed fund(s).

The investment period for fund investments is three years and five years for equity co-investments. The Fund has targeted a three year commitment period to ensure selectivity and provide diversification across one full cycle of vintage years. The Fund expects to be fully committed by the end of the commitment period as GoldPoint estimates the Fund is already 80% committed to underlying funds. In the event that the Fund does not find suitable investments by the end of the commitment period, an extension would be subject to Advisory Committee approval.

An underlying fund may extend its investment period, in which case the Fund’s contributions would be delayed.

24. General Partner’s commitment in the fund:

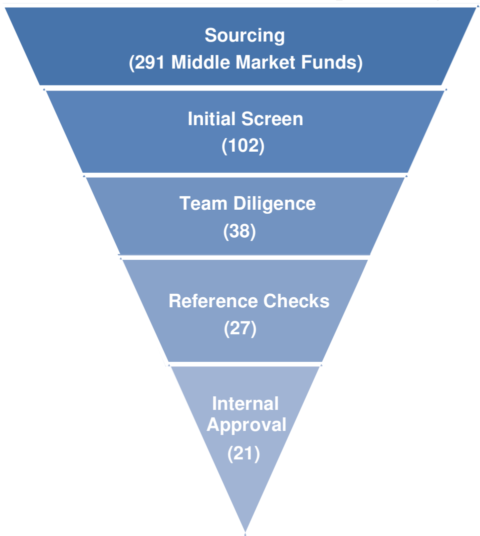
The General Partner commitment is 5% of total capital commitments. GoldPoint’s investment team will invest $1.5 million of the General Partner’s commitment (similar to their commitment in other funds GoldPoint manages), and will not earn a performance fee until after all contributed capital has been returned to the limited partners plus an 8% preferred return through a back-ended distribution waterfall.

25. What is the firm’s investment universe? How many investment opportunities are evaluated each year?

GoldPoint believes that it will have the opportunity to review a majority of the available private equity partnership investment opportunities in its target universe. While GoldPoint maintains close ties to all of the industry’s leading private placement agents, its competitive advantage stems from extensive relationships and proactive approach to partnership investing. Due to GoldPoint’s reputation as a value-added LP and willingness to invest in a first time fund, the Firm is often sought after to serve as an anchor LP for new funds being raised. As a result, GoldPoint believes it has better access to attractive opportunities not available to the general marketplace. GoldPoint also believes it is important to invest selectively in new managers which can eventually result in preferential access to funds not open to new limited partners and better first hand diligence as the firm evolves.

The team undergoes a multi-step process to selectively add new names to the portfolio, in addition to recommitting to funds already in its program, which undergo the same rigorous analysis. GoldPoint believes that its due diligence process results in the selection of middle market managers with proven track records and a sustainable value-added approach. In the past three years, GoldPoint has reviewed and screened approximately 145 relevant middle market partnership investment opportunities. The partnership investment process involves winnowing out less desirable opportunities and devoting increasing amounts of due diligence effort as the best opportunities are identified. A partnership opportunity may be rejected at any stage in the process based upon an evaluation of whether it meets the investment criteria as set out below.

The following chart illustrates GoldPoint's middle market deal flow since the inception of the SMF program and the process by which firms were selected for inclusion in the portfolio. The GoldPoint team reviewed 291 funds on behalf of SMF I, representing a 8% hit rate.



GoldPoint's strategy is to identify firms early in their life cycles. While GoldPoint uses traditional sourcing methods such as placement agents as part of its strategy, GoldPoint's greatest differentiator is the sourcing the Firm does through existing relationships with private equity managers and trusted LPs. Many of GoldPoint's most valuable funds are ones that were unearthed through prior relationships early in the sponsor's development. GoldPoint has a track record of partnering with emerging managers in their first or second funds and then growing alongside them. By backing first time funds, GoldPoint receives access to direct deal flow, which in turn provides additional confidence in successor funds. GoldPoint finds these sources of funds and deal flows to be highly valuable in maximizing information, potential returns and ultimately allocations when these funds become more mature and popular.

For example, GoldPoint was an early investor in ABRY, Berkshire, Kelso, TPG and Vestar, and has grown with these managers as they have matured. As an early partner with these funds, GoldPoint has maintained access to some of the best performing funds and generally received its desired allocation amounts in subsequent oversubscribed funds.

26. How are investments evaluated?

GoldPoint's investment selection process is proactive by design. GoldPoint does not passively react to deal flow, but rather attempts to identify in advance and actively pursue those investment opportunities in which it has a high degree of interest. For example, part of GoldPoint's investment selection process involves forecasting by subclass, three to four years in advance, which high quality private equity sponsors are expected to be raising capital. GoldPoint has been able to achieve this through its comprehensive industry knowledge, extensive experience and relationships within the private equity industry, and its reputation for being a desirable investor.

- **Fund Screening – A "Top-Down" Approach**
  A nine member team engages in a "top-down" process to determine whether an investment opportunity falls within GoldPoint's private equity fund investment guidelines. Screening begins with a review of offering materials with a focus on previous track records/experience, management background, and key fund and deal terms. Screening has both a quantitative and qualitative aspect. Statistics on each fund are incorporated into a proprietary scoring model

and benchmarked to other comparable funds. Additional information will often be requested from the sponsor seeking capital to gather historical statistical data on prior investment performance. Fund investment opportunities are compared against other funds currently fundraising, as well as against the best funds operating in a particular subclass. The screening team generally meets at least monthly to make recommendations that are then presented to all investment professionals in the Firm.

- **Fund Analyzer – A "Bottoms-Up" Approach**
  If the recommendation to proceed is approved, a four person deal team is typically assigned to do a "bottoms-up" review of each investment in the track record. Each deal team is generally composed of two Managing Principals, a Principal or a Vice President, and a Senior Associate or an Associate. The deal team works to determine the fund's "value-add" and how investment performance was achieved. Particular attention is focused on specific portfolio company operating improvement, debt reduction, purchase and selling multiples and method of exit. Typically, following a positive review, an initial meeting is arranged between the deal team and the sponsor.

- **Management Meeting**
  All of GoldPoint's Managing Principals are invited by the deal team to hear the investment manager present its strategy. GoldPoint will explore issues raised in the prior two stages, look for team cohesiveness, and gauge receptiveness to the deep relationship required by GoldPoint's investment process and involvement as an LP going forward. Deal team members usually have several opportunities to see and hear the investment manager review their strategy.

- **Subsequent Diligence**
  A site visit is typically made by the deal team to meet the rest of the sponsor's investment team and hear the investment thesis and outcome on each underlying investment firsthand from the investment professionals who worked on the transaction. The thesis is compared to the strategic initiatives that were completed, and the financial results to those budgeted. The objective is to test whether the team's management style is consistently applied and, if in GoldPoint's opinion, it is sustainable in the near and medium terms. Additional diligence focuses on the organizational stability and dynamics of the group, and the incentives the General Partner has in place to maximize investment performance.

- **Reference Checking**
  When possible, GoldPoint attempts to triangulate around sponsor provided information for independent verification. In addition to asking for and verifying cash flow data, and requesting audited information, GoldPoint verifies qualitative data from speaking extensively with both "on" and "off" the list references. This includes current and former limited partners, lenders, CEOs, CFOs, the previous owner or subsequent buyer of a portfolio company, and prior employees. More than just verifying facts, GoldPoint is highly concerned about the ethics and integrity of the people it does business with. GoldPoint never wants to be embarrassed and have a client's, NYL's, or GoldPoint's name involved in uncomfortable situations.

- **Legal Review**
  A complete legal review by the deal team, which includes internal and external counsel review, is an integral part of this process. Deal terms may be negotiated throughout the process.

- **Investment Committee Approval**
  Once all appropriate key issues have been addressed and due diligence calls completed, the deal team makes a recommendation to the remaining members of GoldPoint. All Managing Principals must reach a consensus prior to making any recommendation to the GoldPoint Investment Committee.

Deal screening and diligence tools, deal log and sample diligence/investment write-ups are available for review upon request.

27. Process of monitoring the investments held in current funds:

    Partnership Monitoring: A critical part of GoldPoint's investment strategy in private equity funds investing is to play an active and value-added role after the fund investments have been made. This is an important tool in reducing risk, improving or creating liquidity, properly gauging valuations, reporting performance, and assuring conformance with various terms and covenants.

    After the investment decision has been made, GoldPoint's four person deal team is responsible for that investment. Responsibilities include analyzing quarterly reports, attending annual meetings and, as appropriate, advisory board and informal meetings, and making visits to the underlying portfolio companies as warranted.

    In addition to the investment monitoring by members of the deal team, the private equity accounting software utilized by GoldPoint is updated to properly account for cash flows and information provided from the underlying funds. On a quarterly basis, the information recorded in the database is compared to the information available in the capital account statements and the financial reporting packages of the underlying funds. This process ensures that the cash activity recorded reconciles with that provided by the underlying fund and also allows for necessary income and valuation adjustments. Once the quarterly reconciliation process for the investment portfolio is completed, financial and management reporting packages are generated to evidence the financial characteristics and performance of the portfolio.

    At the end of each calendar year, statements of financial position (including a detailed schedule of investments), operations, changes in partners' capital and cash flows of SMF II will be audited by a nationally recognized public accounting firm (currently PricewaterhouseCoopers). On a quarterly basis, unaudited financial statements of SMF II will be provided, which will include a capital account and a detailed schedule of investments.

28. Firm's investment database of potential investments:

    GoldPoint has screened and retained information on 1,101 funds since 2004 in a proprietary database that is used to screen and score each fund that may be relevant to GoldPoint. The database contains information that is both quantitative and qualitative. Statistics on each fund relating to track record performance and volatility as well as management tenure and transparency are incorporated into a proprietary scoring model and benchmarked to other comparable funds. Additional information will often be requested from the sponsor seeking capital to gather historical statistical data on prior investment performance. Fund investment opportunities are compared against other funds currently fundraising, as well as against the best funds operating in a particular subclass. The screening team generally meets at least monthly to make recommendations that are then presented to all investment professionals in the Firm.

29. Describe the fund or fund of fund portfolio construction process.

    The Fund's portfolio construction begins with manager selection. GoldPoint utilizes a Core Partner strategy which seeks to identify and invest in top-performing financial sponsors who: (i) have delivered superior investment returns; (ii) have demonstrated expertise within a target area of investing; (iii) have a definable value-added approach to their portfolio companies; and (iv) are relationship oriented. GoldPoint believes it has effectively leveraged the Core Partner relationships to create a differentiated approach to fund investing. Once GoldPoint identifies its key managers, the Fund must consider allocation, diversification and special features.

    The core feature of the Fund's portfolio is U.S.-based middle market buyout funds, representing the product of continuous evaluation and review of expected fund opportunities. A common element across this core group of funds will be the investment manager's ability to add value to their portfolio companies through operating improvements (as opposed to financial engineering) in order to generate sustainable investment out-performance. This core group will also consist of specialized middle market investment managers that have an expertise in a specific industry sector, U.S. geographic region, or transaction type. SMF II will typically overweight existing sponsor relationships in the middle market.

Approximately 40 – 60% of the Fund will be committed to funds with less than $1 billion of commitments and 15 – 30% will be committed to funds above $1 billion of commitments but who are best in class and targeting the upper-end of the middle market. In addition, the Fund will invest in a select group of other, best-in-class private equity managers with which GoldPoint has had long-standing relationships, including certain funds which the Manager believes may not be available to other fund-of-funds managers. The Fund also will participate in emerging middle market buyout fund investments, including investment firms which are raising their first institutional fund. The Fund will typically underweight to new managers expecting two categories of new relationships: (i) established managers that will be new to the portfolio, but which GoldPoint has been evaluating and monitoring for some time and (ii) second will be with emerging managers launching first time funds, some of which may be spin-outs from existing GoldPoint managers. The Manager believes its experience, disciplined investment fund process and deep resources uniquely position the Fund to identify high quality emerging middle market funds. Further, the Fund expects to benefit from certain discounted economics as a result of GoldPoint's LP status as an anchor or sponsor investor.

The Manager intends to diversify the Fund by sponsor, strategy, vintage year, region, and industry. In the portfolio construction process, GoldPoint is highly cognizant of diversification concerns and employs a three year commitment period in order to pursue vintage year diversification.

GoldPoint anticipates consummating approximately 20-35 fund commitments over a three year period in an expected range of $5 million to $20 million per fund based on availability, the experience of the underlying fund manager, perceived risk-reward expectations, and the ultimate size of the Fund. In addition, 20% of the Fund will be targeted for equity co-investment, a demonstrated area of expertise for GoldPoint. The Fund will utilize equity co-investments to drive alpha and expects equity co-investments in addition to over committing the Fund (up to 120% of total capital commitments) to mitigate the Fund's management fee.

While there can be no assurance that adequate investment opportunities will be available to construct such a portfolio as illustrated, the targeted portfolio is based on GoldPoint's regularly updated three-year private equity fund plan. The following chart represents a hypothetical composition of the Fund.

Targeted Portfolio Construction by Investment Type	
Established Middle Market Buyout Relationships	40-60%
Emerging Middle Market Buyout Relationships	10-20%
Other Best-in-Class Private Equity Fund Managers	15-30%
Equity Co-investments	10-20%

John Schumacher, Chairman, and Amanda Parness, Managing Principal, serve as portfolio managers for the Fund. In order for an underlying fund or co-investment to be added to the portfolio it must be approved on a consensus basis by the Investment Committee subsequent to rigorous due diligence.

30. Target a level of return or risk:

The Fund will target a gross annual internal rate of return of 20% on its investment portfolio.[18] Based on this targeted gross IRR, the Managing Principals believe that net IRR should be approximately 15%. The Fund will target a net multiple of at least 1.5x.[15]

The Managing Principals believe that such returns are achievable based on GoldPoint's differentiated approach to fund investing, which includes a targeted, stable source of high quality deal flow, a unique

[18] There is no guarantee targeted returns will be achieved.

due diligence network, and a relationship oriented approach. The Fund will be managed using the same investment process and Core Partner strategy highlighted earlier that has provided NYL and third party clients with top quartile net returns through both the GoldPoint Middle Market Program and SMF I, respectively.[19] Through the consistent application of their process, the Managing Principals have demonstrated their ability to identify and invest with top tier managers while minimizing risk, thereby creating value.

31. Private equity investment types (i.e. venture capital, growth equity, buyouts, distressed, etc.) are included in a typical portfolio:

While there can be no assurance that adequate investment opportunities will be available to construct such a portfolio as illustrated, the targeted portfolio is based on GoldPoint's regularly updated three-year private equity fund plan. The following chart represents a hypothetical composition of the Fund.

Targeted Portfolio Construction by Investment Type	
Established Middle Market Buyout Relationships	40-60%
Emerging Middle Market Buyout Relationships	10-20%
Other Best-in-Class Private Equity Fund Managers	15-30%
Equity Co-investments	10-20%

32. Preferred benchmarks:

GoldPoint believes that the S&P 500 (+300-500 bps) and Thompson Venture Economics Pooled Index are appropriate benchmarks for its fund-of-funds products. Venture Economics data reflects fund performance net of advisory fees and carried interest paid to the underlying general partner but not net of advisory fees paid to a manager of a fund-of-funds portfolio.

These benchmarks are appropriate to contextualize the Fund as it varies from the public market and compares to the private market, respectively.

33. Typical number of partnerships held in the firm's fund of funds:

GoldPoint anticipates consummating approximately 20-35 fund commitments over a three year period in an expected range of $5 million to $20 million per fund based on availability, the experience of the underlying fund manager, perceived risk-reward expectations, and the ultimate size of the Fund. The total investment held by the Fund in any underlying fund may not exceed 10% of aggregate capital commitments. Approximately 40 – 60% of the Fund will be to funds less than $1 billion and 15 – 30% will be to funds above $1 billion but who are best in class and targeting the upper-end of the middle market.

[19] Based on Thompson Venture Economics data as of 12/31/12. Past performance is not an indication of future results, which will vary. GoldPoint Middle Market Program Includes U.S. Buyout Funds with capitalization of $1 billion or less committed to by GoldPoint Partners or its managing principals since 1992 for the NYL general account. Excludes commitments managed under a different strategy for a separate account on behalf of NYL's pension and retirement plans. IRR calculated net of fees and expenses by the underlying partnerships based on actual cash flows and fund valuations, but before any management fees or expenses paid to and charged by GoldPoint. Since inception in 1992 through 12/31/12, the net IRR for this portfolio after deduction of fees and expenses paid to and charged by GoldPoint 18.5%. Fees and expenses paid to GoldPoint (or its predecessors) may have been lower than the fees and expenses to be paid with respect to the Fund. Prior to 1999, no management fees or carried interest were charged because GoldPoint's managing principals were then employees of NYL.

GoldPoint has already made the following commitments on behalf of the Fund:

Fund[17]	Target Fund Size	Committed To Date[18]	Advisory Board?[19]	Relationship History	GoldPoint LP Status[20]
ABRY VII	$1,600	$20.0	Yes	Established	Strategic Investor in Over-subscribed Fund
ABRY Senior Equity IV	$950	$5.0	Yes	Established	Strategic Investor in Over-subscribed Fund
ACON III	$600	$5.0	Yes	Emerging	Strategic Investor
A&M Capital	$500	$5.0	Yes	Emerging	Anchor Investor
Carousel IV	$250	$5.0	Yes	Emerging	Strategic Investor
Compass	$350	$5.0	Yes	Emerging	Anchor Investor
Gridiron II	$400	$10.0	Yes	Established	Strategic Investor
Gryphon 3.5	$250	$0.0	Yes	Established	Anchor Investor
Harvest VI	$800	$15.0	Yes	Established	Strategic Investor
ICV III	$400	$0.0	Yes	Established	Strategic Investor
Incline III	$300	$7.5	Yes	Established	Strategic Investor
LLR IV	$800	$7.5	Yes	Established	Strategic Investor
LNK II	$400	$10.0	Yes	Established	Strategic Investor
Riverside V	$550	$7.5	Yes	Established	Strategic Investor in Over-subscribed Fund
Swander Pace V	$450	$10.0	Yes	Established	Strategic Investor
Water Street III	$650	$15.0	No	Established	Strategic Investor in Over-subscribed Fund
Windjammer IV	$800	$5.0	Yes	Emerging	Strategic Investor
Co-investments		$4.0			
Total		**$136.5**	**16 of 17**	**12 of 17**	

34. Expected range for geographic location (region in US, US vs. international), industry and sector exposure and stage of investment for the firm's currently available fund:

The Fund will focus primarily on U.S. middle market buyout funds, diversifying by industry and region.

The Manager is thoughtful and highly cognizant of Fund diversification. The Manager intends to diversify the portfolio while remaining mindful of overweighting areas with secular tailwinds and underweighting those that may face pressure or have not been historically prone to success in private equity.

The Manager intends to diversify the Fund's portfolio by limiting investments in any single fund, industry or geography as a means to mitigate risk. Specifically, the Fund's investment will generally be subject to the following restrictions: (i) the total investment held by the Fund in any underlying fund may not exceed 10% of aggregate Capital Commitments; (ii) the Fund will not invest more than 30% of aggregate capital in funds headquartered and operating principally outside the U.S.; (iii) the Fund will not invest more than 30% of aggregate capital commitments in direct co-investment activities; and (iv) the Fund will not permit more than 7.5% of capital commitments in any one direct co-investment; (v) the Fund will not invest more than 33⅓% of aggregate capital commitments in Large Cap Funds (defined as funds targeting aggregate commitments in excess of $1billion); and (vi) the Fund will not invest more than 30% of aggregate Capital Commitments in hybrid, distressed funds, or other funds with an investment program not consisting primarily of investments in equity securities issued in

[20] There is no guarantee target investments will be achieved.

[21] Allocations to these funds have been made by GoldPoint's investment team, but have not yet closed. As a result, the Fund's final commitment size may be less than the approved commitment amount shown above.

[22] Advisory board seat representation for SMF funds may be derived through fund commitments from NYL's balance sheet.

[23] Strategic investor implies meaningful allocation in funds with deep co-investment and lending experience. Anchor investor implies special economics received.

leveraged or growth capital transactions. Further, the Fund will generally not commit more than 120% of aggregate Capital Commitments to investments.

35. To what extent does the firm make "follow-on" investments? (Make multiple fund commitments to the same private equity fund manager)

Within the Select Manager program it is anticipated that at least 75% of the underlying fund portfolio will be allocated to established managers with whom GoldPoint has an existing relationship. Occasionally, the Fund will make follow-on investments if a top-performing manager has two funds come to market during the investment period and the Firm desires a greater allocation to this manager. Similarly, the Fund may invest in a subsequent fund if that fund employs a different investment strategy.

The Firm is highly aware of manager and vintage year diversification in attempts to mitigate risk. Diversification restrictions are listed above.

36. Expected exit strategy:

The Fund's term is thirteen years, subject to two one-year extensions. SMF I (2007 vintage) has distributed $35.1 million of capital or 33% of total capital commitments. By year seven, the Fund expects to be self-funding.

GoldPoint's Financial Management team will send distribution notices to the Fund's limited partners and utilize the NYL Treasury Department and wire system to execute cash transfers. Generally, the Firm does not distribute any securities to its investors.

37. Performance review:

As of 12/31/12

Fund Name	***Vintage Year***	***Fund Capitalization ($M)***	***% of Fund Invested***	***No. of underlying funds***	***Distribution/ Paid-in***	***Residual/ Paid-in***	***Net IRR (%)***
SMF I	2007	$106.4	116%	21	$36.7mm	$82.5mm	11.8%
GoldPoint Middle Market Program[24]	N/A	N/A	N/A	77	$1.4 B	$620.8mm	18.5%
SMF II	2012	$130.1	101%	15	$0.0	$28.7	(9.3%)

SMF I Co-Investment Deals	***Committed***	***Contributions - Portfolio***	***Distributions - Portfolio***	***Market Value***	***Total Value***	***Net MoC***	***Net IRR (%)***
12	$14.8mm	$14.6mm	$1.7mm	$16.9mm	$18.6mm	1.27x	16.9%

[24] GPP Middle Market Program includes all middle market U.S. LBO funds committed to by GPP or its predecessors since 1992 for NYL's general account. Net IRR for SMF I and SMF II is calculated from inception to 12/31/12 after deduction of fees, expenses and carried interest charged by the underlying funds and GPP. GoldPoint Middle Market Program excludes commitments managed under a different strategy for a separate account on behalf of NYL's pension and retirement plans, and reflect performance from 1992 to 12/31/12, but investments made prior to 1999 were not made within a fund structure and were not subject to management fees or carried interest.

38. Fee schedule for the fund:

Until the third anniversary of the Initial Closing, each Limited Partner will be assessed a management fee (the "Management Fee") equal to the Applicable Percentage per annum of such Limited Partner's total Capital Commitment, as set forth in the table below:

Capital Commitment[25]	Applicable Percentage
Greater than or equal to $5 million but less than $25 million	1.000%
Greater than or equal to $25 million but less than $50 million	0.875%
Greater than or equal to $50 million but less than $75 million	0.750%
$75 million and greater	0.50%

Thereafter, each Limited Partner will be assessed a Management Fee equal to the Applicable Percentage per annum of such Limited Partner's total Capital Commitment; however, solely for purposes of calculating the Management Fee payable during such period, the Capital Commitment of each Limited Partner will be treated as reduced, (i) upon the third anniversary of the Initial Closing, by an amount equal to 10% of the original amount of such Capital Commitment (such amount, the "10% Reduction"); (ii) on each anniversary thereafter until and including the ninth anniversary of the Initial Closing, by an additional amount equal to the 10% Reduction; and (iii) on the tenth anniversary of the Initial Closing, by an additional amount equal to 5% of the original amount of such Capital Commitment

39. Carried interest associated with the fund:

Carried Interest:

After return of all capital contributed and 8% preferred return:

Fund Investments: 5%

Equity Co-investments: 15%

Below is a description of the priority of distributions with respect to SMF II. Net proceeds attributable to distributions received from underlying funds and co-investments will be allocated among all partners pro rata to capital contributed. The amount so allocated with respect to each partner will be distributed in the following order of priority:

(a) Return of All Capital Contributed: First, 100% to such Partner until cumulative distributions equal the aggregate of all capital contributions of such Partner to the Fund (including contributions in respect of the Management Fee and Fund expenses);

(b) Preferred Return: Second, 100% to such Partner until the distributions to such Partner equal a priority return of 8% per annum, compounded annually, on amounts described in paragraph (a) above;

(c) Catch-Up: Third, 100% to the General Partner until the cumulative amount distributed to the General Partner pursuant to paragraph (b) and this paragraph (c) is equal to 5%, in the case of distributions in respect of Underlying Funds, and 15%, in the case of distributions in respect of Co-Investments, of the cumulative amount of such distributions to such Partner pursuant to paragraph (b) and this paragraph (c);

[25] GoldPoint reserves the right to accept commitments of amounts less than $5 million, subject to such additional terms as may be imposed by the General Partner, and such commitments will be assessed an Applicable Percentage determined by the General Partner.

(d) 95/5 and 85/15 Splits: Thereafter, 95% to such Partner and 5% to the General Partner with respect to distributions from Underlying Funds and 85% to such Partner and 15% to the General Partner with respect to distributions from Co-Investments.

Distributions to the General Partner described in paragraphs (c) and (d) above are referred to collectively as the General Partner's "Carried Interest." For purposes of calculating the General Partner's Carried Interest, Management Fees and other Fund expenses not related to specific investments will be allocated to underlying funds and co-investments by the General Partner, generally on the basis of capital contributions invested.

40. Any other costs or fees associated with the fund:

Organizational Expenses: The Fund will bear all legal and other expenses incurred in connection with the formation of the Fund (including any parallel or feeder funds) and the offering of the Interests (other than any placement fees), up to a maximum of $1.25 million.

Other Expenses: The Manager will be responsible for all normal operating expenses incidental to the provision of the day-to-day administrative services to the Fund, including its own overhead and expenses incurred in the preliminary investigation of investments. The Fund will pay all costs, expenses and liabilities in connection with its operations, including: fees, costs and expenses related to the acquisition, holding and (where applicable) sale of Underlying Funds and Co-Investments (to the extent not reimbursed); taxes; fees and expenses of accountants and counsel; costs and expenses of the Advisory Committee (defined below) and the annual meeting; and litigation expenses and other extraordinary expenses. The Fund will also bear third party expenses incurred in connection with transactions not consummated.

Transaction and Other Fees: The Manager or its affiliates may receive transaction fees, commitment fees, break-up fees and other similar fees. 100% of all such fees paid by portfolio companies that are received by the Manager or any of its affiliates, net of any related expenses, will be applied to reduce the Management Fee otherwise payable by the Fund's LPs. All such fees will be allocated between the Fund and any related co-investing entities on the basis of capital committed by each to the relevant investment. Unapplied Management Fee reductions will be carried forward.

Hamilton Lane

1. Firm name, address, and telephone number:

   Hamilton Lane
   One Presidential Blvd., 4th Floor
   Bala Cynwyd, PA 19004
   610-934-2222

2. Firm founded: Registered with the Securities & Exchange Commission:

   Hamilton Lane was founded in 1991. The firm became registered with the SEC in August of 1998.

3. Name, position, telephone and fax number, and e-mail address of the firm's new business contact and database/questionnaire contact:

New business:		**Database contact:**	
Name:	Jenna Greer	Name:	Seun Onafowora
Title:	Vice President	Title:	Associate
Phone:	+1-415-365-1059	Phone:	+1-610-617-5762
Email:	jgreer@hamiltonlane.com	Email:	sonafowora@hamiltonlane.com

4. Firm's ownership structure, and any ownership changes over the past five years:

   Hamilton Lane is an independent private firm with significant employee ownership. Currently, seventy-five active employees hold approximately 67% of the firm's ownership interests on a fully-diluted basis. The remainder is held by several high net worth investors.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

   Below is a summary of their firm's insurance coverage:

   - **Errors and Omission -** Coverage for $30,000,000: the first $5,000,000 of which is provided by Executive Risk Indemnity Inc., the second $5,000,000 layer is provided by National Union Fire Insurance Company, the next $10,000,000 layer is provided by XL Specialty, the next $5,000,000 layer is provided by U.S. Specialty Insurance Company and the final $5,000,000 layer is provided by Starr Indemnity & Liability Company

   - **General Liability-** Coverage for $7,000,000 umbrella plan. Provided by Chubb Group

   - **Workers' Compensation –** Coverage for $1,000,000, provided by Chubb Group

   - **Insurance for Commercial Crime Bond** - Coverage for $5,000,000 from Great American Insurance Company

   - **Fidelity Bonding –** Coverage for $500,000 or $1,000,000 per insured (level determined by needs of clients under ERISA) from four insurers - The Hartford Fire Insurance Company, Fidelity and Deposit Company of Maryland, Hanover Insurance Company and Federal Insurance Company

6. Litigation:

   Neither Hamilton Lane, its employees, officers or principals have been involved in any litigation relating to its investment, consulting or money management activities. Additionally, they do not have any current or pending litigation.

7. Judgments:

   Over the past five years, they have not received any judgments against their firm by governmental and regulatory agencies. However, the SEC conducted a routine examination of the firm in 2009.

   Additionally, they do not have any current or anticipated investigations.

8. Firm's financial statement auditor.

   They currently use Ernst & Young as their primary external audit services provider. Ernst & Young has been the firm's auditor since 2005. Hamilton Lane utilizes other external auditors to provide various audit and accounting services for their firm and affiliated entities. The table below illustrates Hamilton Lane's additional third-party audit services providers.

External Audit Providers	
Ernst & Young	PricewaterhouseCoopers
Crowe, Clark and Whitehill LLP	East Asia Sentinel Limited
Robert Tan and Co.	Arean, Snyder & Dunlap

   They do not anticipate any changes to the relationships they have with the auditors listed above.

9. Total assets under management for firm for the past five year-end periods and as of March 31, 2013.

Total Firm Assets					
	Market Value (Billions)	**Accounts Gained[1]**	**Assets Gained (Millions)[2]**	**Accounts Lost[1]**	**Assets Lost (Millions)[2]**
Dec 31, 2008	$92.8	13	$4,277	-	-
Dec 31, 2009	$110.4	6	$874	1	$38
Dec 31, 2010	$100.7	7	$4,925	3	$13,343
Dec 31, 2011	$151.8	5	$39,951	1	$342
Dec 31, 2012	$171.2	10	$1,775	-	-
Mar 31, 2013	$159.1	8	$1,861	1	$221

10. Firm's total small/mid cap private equity fund(s) (or small/mid cap private equity fund of funds, if applicable), please state the market value of assets under management for the past five year-end periods and as of March 31, 2013.

Hamilton Lane SMID Assets Under Management [1]
in USD millions

Discretionary		
Date	**Market Value [2]**	**AUM [3]**
12/31/2008	1,315	2,991
12/31/2009	1,798	3,459
12/31/2010	2,362	4,722
12/31/2011	3,204	6,689
12/31/2012	3,833	7,275
3/31/2013	4,235	7,936

in USD millions

Non-Discretionary		
Date	**Market Value [2]**	**AUM [3]**
12/31/2008	8,535	15,872
12/31/2009	10,366	18,714
12/31/2010	10,117	17,047
12/31/2011	12,284	21,034
12/31/2012	13,088	21,070
3/31/2013	12,149	19,448

[1] Hamilton Lane SMID Assets Under Management represents the AUM of investments with an investment strategy of corporate finance/buyout and a sub strategy of small or mid.
[2] Market Value equals net asset value of active investments in each account. NAVs for the specified period represents the latest available reported market values adjusted forward using interim cash flows.
[3] AUM is equal to the sum of the Net Asset Value of the investments in the portfolio and the unfunded commitment for these investments, but does not include authorized to invest amounts (ANI). ANI can only be attributed to commingled fund-of-funds and separate accounts and cannot be attributed to underlying investment strategies

11. Name of the product(s) described in the remainder of this response:

Hamilton Lane Private Equity Fund VIII - The fund-of-funds product in which they are offering is the Hamilton Lane Private Equity Fund VIII. This is a global, small/mid focused fund, designed to invest across multiple geographies and strategies. With a target size of $400 million, the fund is a continuation of the successful strategy implemented in their previous five fund-of-funds with vintages of 1998, 2000, 2003, 2007, and 2010.

SMID Buyout Fund-of-One - In addition, they are also offering Contra Costa County Employees' Retirement Association the ability to opt for a Fund-of-One, with an emphasis on the small/mid buyout space. A Fund-of-One, leverages the same resources and capabilities as their funds-of-funds, but is customized for each individual client and structured as single client vehicle.

12. Firm’s succession plan for senior management of the private equity fund or fund of funds activity:

    In 2003, they began the process of transitioning the company from a firm owned by a few to a firm with broad ownership across senior management. Prior to 2003, the firm was majority owned by its founders, and today they are proud to say that 75 active employees have direct equity ownership. By institutionalizing the ownership of the firm, they have completed a succession that includes all senior professionals and further aligned their interests with their clients.

    They have a large, deep and global investment team with the next level of leadership already in place. The senior team members are all active and not expected to depart in the near-term. However, as a part of their ongoing management of the firm, they continually evaluate all levels of staffing. Particular attention is paid to senior level employees with assessments made annually to determine which employees have the potential to be the leaders and senior management of the firm. They seek to build a core group of employees at each level of the firm and cross-train within these levels so employees have the ability to step into new roles as opportunities arise.

    In April 2013, they announced the promotion of 29 professionals from across their investment, client service, product management and internal business departments.

13. Names and titles of key investment and management personnel:

    Investment activities are overseen by Hamilton Lane’s Investment Committee, which includes the firm’s senior-most experienced investors who are supported by the more than 50 dedicated investment professionals. This group meets weekly and reviews all of the firm’s deal flow, deciding which opportunities to take to diligence and invest. All investments have to be approved by the Investment Committee. Further, their Senior Management is actively involved in the sourcing and relationship management of GPs associated with their broad, global small/mid buyout investment strategy.

    The following chart provides further details regarding the members of Hamilton Lane’s Investment Committee.

Name	Title	Role	Years with your Firm	Years of Small/Mid Private Equity Experience
Hartley Rogers	Chairman	HL Investment Committee	9	21
Mario Giannini	Chief Executive Officer	HL Investment Committee	19	19
Erik Hirsch	Chief Investment Officer	HL Investment Committee	13	13
Paul Yett	Managing Director	HL Investment Committee	14	18
Juan Delgado-Moreira	Managing Director	HL Investment Committee	7	12
Tara Blackburn	Managing Director	HL Investment Committee	5	20
Michael Kelly	Managing Director	HL Investment Committee	19	19
Andrea Kramer	Managing Director	HL Investment Committee	8	20

14. Firm staff and the private equity staff turnover:

Over the past five years, Hamilton Lane has experienced substantial but measured growth. The number of clients they serve has grown, expanding their total assets under management and advisement from $79.7 billion to approximately $160 billion as of March 31, 2013.

During the same time period, the firm has grown to over 190 employees and has added 8 offices in Hong Kong, Tokyo, Tel Aviv, New York, Fort Lauderdale, San Diego, Rio de Janeiro and Las Vegas to meet the needs of their growing client base.

They continue to expand their offerings of private equity products to meet the needs of their clients and industry demand.

Firm-wide Employees			
Year	**Firm-wide Employees**	**Firm-wide Employees Added**	**Firm-wide Employees Lost**
Dec 31, 2008	118	21	12
Dec 31, 2009	122	14	16
Dec 31, 2010	156	32	12
Dec 31, 2011	176	39	22
Dec 31, 2012	193	39	20
Mar 31, 2013	198	8	3

Small/Mid Cap Private Equity Investment Employees			
Year	Total Employees[1]	Employees Added	Employees Lost
Dec 31, 2008	41	4	2
Dec 31, 2009	42	6	5
Dec 31, 2010	49	11	7
Dec 31, 2011	59	12	4
Dec 31, 2012	53	12	5
Mar 31, 2013	53	1	1

1 Includes members from their Fund Investment, Secondaries and Co-Investment and Research teams

15. As of December 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the Small/Mid Cap private equity product.

Small/Mid Cap Private Equity Capital Under Mgt[1]	**Number of Investors**	**Median Client Size**	**Largest Client Size**	**Number of Portfolio Mgrs[2]**	**Number of Inv Analysts[3]**
$200 Million	15	$10 million	$40 million	10	12

1 Hamilton Lane Fund VIII commitments as of 3/31/13
2 Hamilton Lane Primary Fund Investment Team members at the Investment Director Level or Higher
3 Hamilton Lane Primary Fund Investment Team members at the Sr. Associate Level or lower

16. As of December 31, 2012, the small/mid cap private equity fund or fund of funds group, the fund name, size of the fund in millions of dollars, the number of clients, and client assets committed and invested.

Small/Mid Cap Private Equity Fund Name	Fund Size in mil.	Nbr. Investors	Commitments in mil. $	Investments - mil $
Hamilton Lane PEF I	$121.5	20	$121.5	$116.8
Hamilton Lane PEF IV	$250.0	17	$250.0	$237.9
Hamilton Lane PEF V	$135.1	11	$135.1	$129.7
Hamilton Lane PEF VI	$494.1	28	$494.1	$432.9
Hamilton Lane PEF VII	$261.5	18	$261.5	$109.1

17. Firm's funds or fund-of-funds product(s) currently open for investment or soon to be open for investment.

Small/Mid Cap Private Equity Fund Name	Fund Size Currently in mil. $	Expected Fund Size at Final Close	Current Number Investors	Expected Number of Investors	Expected Final Closing Date
Hamilton Lane PEF VIII	$200.0	$400.0	15	25-30	Q4 2013

18. What percentage will the largest single investor represent in the new fund? Name and expected commitment for this investor.

To date, the largest single investor represents 20% of the overall fund (based on a current fund size of $200 mm). They do their best to protect their investors' information and, as such, it is their standard practice not to disclose names.

19. Does the firm allow coinvestment opportunities?

Hamilton Lane Fund VIII, L.P., may make co-investments on an opportunistic basis; however co-investments are not part of the target allocation. Hamilton Lane will be offering a co-investment fund, Hamilton Lane Co-Investment Fund III, L.P., which they anticipate launching in the fall 2013. Clients who wish to include co-investments as part of their allocation may opt to allocate to this fund. For clients who include co-investments as part of their private equity program the typical allocation is approximately 5 - 10%.

Hamilton Lane's co-investment strategy will focus on the small/mid buyout space. Our co-investment strategy today is consistent with that of the past: combine their size and scale with access to proprietary and differentiated deal flow to make high-quality co-investments. They believe their co-investment approach is differentiated from other co-investment market players due to their large primary fund investment business. The deep relationships they have developed with hundreds of private equity fund managers have helped drive their co-investment deal flow to record levels in 2011 and 2012. While one-third of this deal flow has come from general partners with whom they maintain a primary relationship, the majority has been from general partners with whom they do not invest in their primary fund business. These general partners are keen on establishing a relationship with Hamilton Lane and are eager to share high-quality deal flow with them.

Our objective is to maximize the multiple of invested capital as well as the IRR. From 1996 through 2012, their co-investment activities have generated a cumulative gross IRR of 24% and 1.9x multiple on realized deals. Through their 17 years of co-investing, they have navigated through varied macro-economic environments while generating strong returns.

As a general rule, the fund will seek to co-invest on a parallel basis with the private equity funds and managers leading the investments, by purchasing similar securities on similar terms with exit provisions that allow the fund to realize the investments at the same time and on a pro rata basis.

The following table provides a breakdown of the number of investors and average size of investment in their Hamilton Lane Co-Investment Fund I and Fund II as of 3/31/13. Due to confidentiality reasons, they are not at liberty to disclose the names of their investors.

Fund	Number of Investors	Average Investment Size ($MM)
HLCI I	41	15
HLCI II	52	23

20. How the firm defines small/mid cap private equity:

Hamilton Lane typically defines small/mid cap private equity as funds that raise up to $3 billion of capital and invest in companies with EBITDA of $2 to $100 million.

21. Investment philosophy/strategy, style and distinguishing characteristics of this product:

Hamilton Lane Private Equity Fund VIII is targeting a fund size of $400 million. The globally diversified fund is a continuation of the investment strategy that Hamilton Lane has successfully implemented with several previous fund-of-funds. The Fund will adhere to a rigorous and disciplined due diligence process designed to identify and select superior investment opportunities. The Hamilton lane fund leverages the

Philosophically, Hamilton Lane’s objective is to select what they believe to be the best investment managers available in private equity. Hamilton Lane engages in active portfolio management by building concentrated portfolios that are positioned for the changing market environment. They construct portfolios that are prudently diversified across strategies, investment types, geographies and vintage years. The emphasis of the Fund will focus on the small/mid-buyout (SMID) portion of the market with allocations across venture, growth, credit/distressed, emerging markets and secondaries. They have been providing private equity investment management services since 1991, launching their first fund-of-funds product in 1998. Additionally, they have been canvassing and investing in the SMID buyout space since their firm’s inception, having invested approximately $6.5 billion to SMID funds.

The fund benefits from the breadth and depth of their Hamilton Lane platform. Our firm has instituted the necessary resources to conduct in depth due diligence to select who they believe to be the best-in-class managers across various strategies and geographies. With 11 offices, more than 50 due diligence professionals, an experienced investment committee and clients around the world, Hamilton Lane is uniquely positioned to ensure global deal flow. Private equity has evolved into a global asset class and they have built their firm alongside the market’s growth. Our global footprint provides their clients a distinct advantage over their competitors in the private equity market place and, as such, they focus on providing on-the-ground, local perspective and client management.

In addition, Hamilton Lane commits significant time reviewing and negotiating investment and legal terms. They have an in-house legal team with extensive experience in partnership negotiations that reviews economic and legal terms of new investments. By leveraging the depth and breadth of the firm, they have been successful at negotiating fees which ultimately benefit each client.

Moreover, unique to Hamilton Lane, they currently sit on more than 130 advisory boards. These positions provide significant insight into the activities and philosophy of a general partner group.

As a client-centric firm, providing high levels of client service and tailored customized solutions for each relationship, they have been able to grow their client base significantly over the years. As proponents of full disclosure and transparency, their clients are privy to all of their investment related activities at both an investment and process level. Additionally, their proprietary web-based reporting system, ClientLinkTM, allows clients 25/7 access to view, download and report on up-to-date information regarding their private equity portfolio. Further, clients are also invited to join them on site visits with managers as they often make introductions where clients may have an interest in a collaborative relationship.

22. Bias toward any market segments:

Similar to their prior funds, Hamilton Lane Private Equity Fund VIII, L.P. is intentionally designed to be "value" oriented – reflecting the current market conditions. They are not counting on, nor seeking extraordinary growth (or even ordinary growth). They are not seeking managers dependent on the capital markets for their success. Our focus on small/mid-market funds is a more traditional one – backing managers who are capable of earning money the "old fashioned way", through fundamental earnings improvement. They believe, and historic data supports, that these managers are capable of earning outsized returns irrespective of the macro market overlay. These small/ mid-market managers, with deep operating expertise are building prudently concentrated portfolios; using their internal resources to improve their portfolio companies. Our prior fund-of-funds, Fund VII, contains numerous examples of this strategy being executed successfully and this success is reflected in their performance.

Further, they are devoting significant capital to two particular sub-sectors which they think are poised to deliver outsized returns – credit/distressed and emerging markets. Both of these areas offer interesting opportunities today due to current conditions. For credit/distressed, the disruption in the capital markets, particularly in Europe, have created market inefficiencies. Valuable assets are mispriced and are available for purchase. The overarching deleveraging across the markets is furthering the opportunity set. Lastly, the tightening among lending institutions has created a vacuum poised to be filled by talented mezzanine lenders. Our credit/distressed sleeve will be targeting both areas.

The emerging markets are experiencing a very different economic backdrop than those of the developed markets. These markets continue to experience fundamental GDP growth and positive demographic shifts (urbanization and increasing middle class, as well as population expansion). The private equity markets are still relatively immature and thus inefficient. Returns, as exemplified by performance, have been outsized but the markets are not without risk. Thus, while they are bullish on the prospects, they are cautious about manager selection and view this market as looking for the proverbial needle in the haystack. But they will, as they have done for the past decade in this space, proceed forward but do so prudently.

To the extent that they are proven wrong on the economy and the recovery is much stronger than they expect, they expect that rising tide to further lift their boat. So, while neither they nor their managers will be counting on growth, they will be the happy beneficiary of it. If, however, the markets prove even more troubled than expected, they will undoubtedly take their licks along with the rest of the market, but expect that their focus on value, small/mid-sized funds and their ability to diversify across time will prove to buoy their returns.

They have begun building Hamilton Lane Fund VIII's portfolio through their diligent fundraising efforts they currently have approximately $200 million closed to date, with a target fund size of $400 million. While it is in its early stages, the fund has broken the J-curve and is positive 9.8% net as of 3/31/13. As of April 2013, the fund has made allocations to secondaries and five primary investments as follows:

- U.S. small buyout fund
- Emerging market small buyout fund
- Energy focused mezzanine fund
- Credit/distressed fund
- Venture capital fund

23. Expected period of investment for the proposed fund(s).

The investment period for Hamilton Lane Fund VIII, is four years from the final closing of the fund. The fund's term will expire 14 years after the initial closing, but may be extended for one additional year in the discretion of the general partner, for a further additional year with the consent of the advisory committee, and/or for up to two additional one-year periods with the consent of a majority in interest of limited partners.

24. General Partner's commitment in the fund:

Hamilton Lane's commitment will be up to 1% of total fund commitments.

25. What is the firm's investment universe? How many investment opportunities are evaluated each year?

Hamilton Lane spends a great deal of time canvassing the investment landscape ensuring significant deal flow.On average, they review between 500 and 600 new investment opportunities annually.

Our deal flow primarily results from their market position, global network, prestigious client roster and a pro-active effort to find and source the best opportunities available. As one of the largest allocators of private equity capital in the world, they have a history of success in gaining new access and expanding relationships for existing clients. Furthermore, their access to brand name and oversubscribed funds provides clients with the potential for exposure to investments otherwise unavailable. They have a history of success in gaining new access and expanding relationships for clients. However, they believe strongly in a discipline that subjects each manager to a similar process regardless of whether the fund is a brand name, a first time fund or someone with whom they have invested.

Date	PPMs Screened	GP Meetings	Site Visits
2012	634	490	74
2011	589	382	83
2010	497	394	66
2009	479	383	58
2008	634	333	96
2007	608	241	102

Relative to their peers, they believe their firm maintains a significantly greater number of unique investment opportunity sources. Resources that contribute to the firm's high-quality deal flow include:

- **Reputation as a longstanding private equity investor:** We have a track record spanning more than 20 years and approximately $160 billion of assets under management and supervision.
- **Deal sourcing synergies:** All four teams meet regularly to discuss new investment opportunities and often benefit from one another's deal flow.
- **Institutional, global client base:** We represent more than 250 of some of the largest and most sophisticated institutions in the world. These entities are continually sought by premier private equity funds, which aids in our deal flow.
- **Global office network:** Our global staff of more than 190 dedicated private equity professionals in 11 offices allows for a "local angle" with which to develop long-term relationships with regional managers.
- **Proactive sourcing program:** We use proprietary tools to anticipate when sponsors will be in the market in order to ensure that we commence due diligence at an early stage in the fundraising process.
- **Focus on emerging managers:** We have historically identified and backed emerging managers, typically serving as "lead" investor. We are therefore able to build strong and meaningful relationships before such groups become "brand name" firms.
- **Active participant in industry events:** We actively participate in industry events and conferences to enhance deal sourcing efforts.

Unique Deal Flow

They recognize each source of their deal flow to have an equitable proportion in their overall sourcing efforts.

26. How are investments evaluated?

Due Diligence Process

Due diligence at Hamilton Lane is handled by a group of more than 50 investment professionals, who are divided into three teams: Fund Investment Team, Co-investment Team and Secondaries Team. This group is overseen by their Investment Committee which makes all the investment decisions. The investment approval requires a formal committee vote with approval by a majority of the voting committee members.

All primary funds, regardless of whether they have a pre-existing relationship with the general partner, are reviewed through a comprehensive six step process. At the core of the process is in-depth understanding of the general partner, and consistent involvement by the Investment Committee at each phase of diligence. Our due diligence process typically lasts 3 months from initial screening to final investment recommendation.

1. **Generate Deal Flow:** The Hamilton Lane Investment Team sources deals by proactively

    a. Engaging core and emerging managers on a global basis
    b. Interacting with placement agents, industry brokers and clients
    c. Collaborating with the co-investment and secondary investment teams
    d. Participating in industry events and conferences

    As a result of the investment team's sourcing effort, they are able to comprehensively monitor and analyze the global private equity fund landscape for high-quality deal flow. Please refer to their response to Question 28, for further details regarding Hamilton Lane's deal flow over the past 6 years.

2. **Screening:** Every private placement memorandum received is screened and reviewed for potential investment. A memo is then drafted, identifying potential merits and issues of the fund/opportunity. The memo captures relevant high-level information that will be used as a framework for conducting in-depth diligence.

    This information includes:

    a. Fund strategy
    b. Investment approach
    c. Track record
    d. Team/Organization

    The resulting memo is then presented at the bi-weekly Investment Committee, and the most attractive opportunities are approved for further diligence.

3. **Preliminary Diligence:** Once a screened investment has been approved, preliminary diligence is conducted to delve into details surrounding the fund's most important attributes. A meeting is held with the fund manager in Hamilton Lane's offices, allowing members of their investment team to ask questions regarding the group's investment philosophy, process and view of the market opportunity. Meeting notes are presented to the Investment Committee to decide whether to continue to the next step in the process.

4. **Full Diligence:** A detailed questionnaire, customized for the type of fund under diligence, is issued to the manager for completion and will form the basis of the full due diligence report. They also utilize information gathered from in-office general partner visits, site visits, and reference calls. During the full diligence phase, they focus on the following:

    a. Track Record Analysis: Assessing investment acumen requires both a quantitative and a qualitative approach. Our quantitative process includes thorough analysis of the general partner's track record, utilizing their proprietary models to identify drivers of success in the past and potential for replicating that performance in the future. They revalue unrealized portfolio companies to ensure that the track record is a true representation of the value of the portfolio. They analyze the track record along multiple dimensions - deal size, lead investment professional, industry, geography, etc., to determine whether there are any trends or anomalies that are driving returns. They also run a value creation analysis to determine how much of the value generated for each company has come through debt reduction, multiple expansion or EBITDA increase.

    b. Team / Organization: From the compensation, development and retention of the general partner's personnel to the back office resources and compliance procedures, it is important to understand well organized a firm is and whether the proper processes and procedures have been implemented to ensure that their clients' capital is safeguarded. The goal is to find a team that can select attractive investments, provide support to enhance those investments during the holding period, and build and manage a well-run organization suited to a long-term asset class. Finding good managers is not sufficient. Our objective is to find the best managers globally.

c. Site Visits: They will conduct a day-long site visit at the manager's office to go through, in detail, the group's track record, portfolio companies and investment strategy/philosophy. Further, this allows them to meet and evaluate the entire team. During meetings at their offices and on-site visits, they seek to meet as many members of the team as possible. They believe that getting to know many people in the firm is very important, as their individual abilities and collective cohesion are often crucial drivers of success. Understanding how staff is developed and compensation distributed across the organization, how the future direction of the firm is considered, and the positioning of the firm in the current market is crucial to forming a judgment as to the caliber of the organization.

d. Reference Calls: Reference calls go beyond calling from the list provided by the general partner to their large professional network of contacts. They speak with people who have worked directly with the general partner on deals as well as people who have invested in and/or alongside of them and/or competed directly against them on deals. They connect with a diverse set of references to understand how the general partner operates in various capacities. For example, a limited partner may have had a very different experience than the CEO of a portfolio company, and former employees can provide insights not available elsewhere. Assimilating these disparate perspectives gives them a view of the character and quality of the individuals who make up the general partner group.

All work during preliminary and full diligence phases is geared toward evaluating the viability of an investment using both a qualitative and quantitative approach. The resulting final report will be reviewed by the Investment Committee and a final decision will be made.

5. **Legal Review and Negotiation:** In conjunction with their rigorous and disciplined due diligence process, they strive to achieve favorable contract terms for their clients. Given their extensive client base, their clients are often significant investors in a given fund. This leverage, coupled with their in-house legal team's experience with negotiating terms and conditions, often results in highly favorable terms on issues such as management fees, fund profits and distributions, limitations on organizational expenses, and provisions for future modifications and amendments to fund terms. Our team seeks to negotiate terms that align the interests of the general partner of the portfolio fund with those of the limited partners of that fund. In addition, due to their size and large client base, they are often able to negotiate an advisory board seat on behalf of their clients.

   It is important to note that once they have invested in a fund they continuously monitor and track the investment of the fund. This is achieved through attending annual meetings, catch-up calls between their investment team and the general partner, and regular update meetings and informal general partner visits.

27. Process of monitoring the investments held in current funds:

They have dedicated Client Service/Finance teams that provide portfolio administration and reporting services across all of the firm's products and individual client mandates. The team consists of more than 35 dedicated back office professionals focused on maintaining, directing, and reporting on their clients' alternative asset portfolios. They operate in a SAS 70 Type II certified environment and have built a proprietary reporting platform that allows their clients to spend time focusing on investment activities and analysis, while their team ensures the integrity of their private equity data.

Hamilton Lane's policy is to use the manager's quarter-end valuations as the basis for interim capital account valuations. In doing so, they have an extensive monitoring protocol that enables them to have an in-depth understanding of each fund's investment activities. Additionally, Hamilton Lane has developed a proactive investment-monitoring program, permitting them to take an "activist" role in representing their clients' interests. The program consists of frequent and regular phone calls with the general partner groups, periodic visits to their offices (or requests to have them visit Hamilton Lane's offices), attendance at annual meetings and attendance at advisory board meetings.

They currently sit on more than 130 advisory boards on behalf of their clients. Our firm typically seeks an advisory board seat when significant capital has been allocated to the fund (more than 10%). An advisory board position can provide significant insight into the activities and philosophy of a general partner group. It can also be useful to ensure that the general partner recognizes the concerns and interests of institutional clients. Additionally, they attended 196 annual meetings and 293 update meetings with General Partners in 2012.

28. Firm's investment database of potential investments:

Our history of managing private equity portfolios since 1991, combined with their robust client base, has allowed them to create a database of fund investments that spans over 30 years and includes more than 2,000 active funds and more than 900 fund managers. Moreover, since they often act as a "back office" service provider, they inherit their clients' full set of fund information upon the commencement of any relationship. Thus, their database does not simply include their "recommended" funds, but rather every investment completed by their various clients. This database incorporates actual cash flows and company information and serves as the backbone to their models – allowing them greater insight into the performance characteristics of fund managers across style and economic cycles.

Insight gained from their databases and technology platforms supports the firm's due diligence, portfolio planning and monitoring, and tactical allocation decisions. The two main proprietary systems they use for analysis are Deal Manager and the Fund Investment Database.

Hamilton Lane Fund Investment Database

They rely on their extensive Fund Investment Database for risk management, performance benchmarking, and the more detailed cash flow and valuation change data that informs their proprietary models and tools.

This database tracks over 2,000 unique funds, representing more than 900 general partners, vintage years from 1980 to present, and 33,000 individual companies. The data includes fully liquidated and active funds, as well as secondary fund purchases, direct investments, and real estate holdings. Growth in their data set is directly related to the growth of their business lines, and the number of funds tracked in the Fund Investment Database has compounded by an average of 27% annually since 2004. They currently track cash flows, valuations, and company holdings for more than 50% of the funds formed since 2001.

Data is available for analysis as soon as it is processed by their Monitoring and Reporting team. This allows them to assess movements in the market months before other data sources make this information available, giving them a competitive advantage over peers that rely solely on outside sources.

Our monitoring and reporting team logs every cash flow and quarterly valuation into the Fund Investment Database, and also tags each fund and general partner with descriptive data such as strategy, vintage, size, and geographic focus. Corresponding to the diverse investment portfolios of their clients, the database is thus well diversified by vintage, strategy, and geographic focus.

Deal Manager

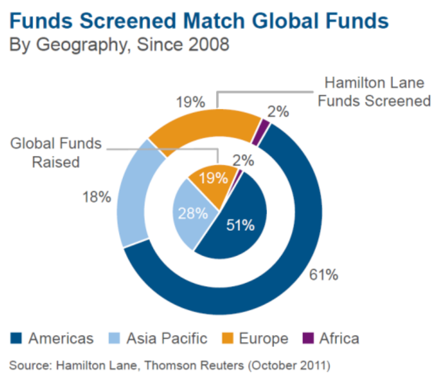
The Hamilton Lane Deal Manager is simultaneously a workflow management tool and a searchable database with advanced reporting capabilities. It is the key technology platform that supports their global diligence efforts.

They have been collecting fund information since 1992 and have accumulated data on approximately 7,000 funds to date. On average, they receive approximately 50-60 PPMs per month from fund managers seeking capital. Each fund is subsequently thoroughly screened and descriptive data is entered into Deal Manager.

Deal Manager also tracks the full investment process and stores all investment memos, analysis, conclusions and updates. Users are able to filter and search for funds based on such characteristics as size, structure, strategy, and key terms; in short, it allows their global team to quickly and efficiently locate the most up-to-date manager and fund-specific analysis.

Given their global focus, relationships maintained by their senior professionals, and the reach and influence of their international client base, they effectively see the entire private equity market.

A comparison of the source and target markets of these funds against global fundraising figures also confirms that the funds screened by their firm are representative of the true geographic segmentation of the global marketplace.



Leveraging the comprehensive fund tracking in Deal Manager, their portfolio planners are able to develop a Funds Coming to Market report, which projects when managers will likely begin fundraising. They begin working to cement an early relationship with these fund managers long before they are scheduled to come to market, and this proactive response assists them in obtaining the desired allocation in the firms with which they choose to invest.

29. Describe the fund or fund of fund portfolio construction process.

Hamilton Lane's philosophy regarding investing in private equity is embodied in their portfolio construction approach, which aims to take advantage of various economic cycles. Using managers as building blocks, they search for complementary managers by style and strategy and prudent diversification by industry and geography to allow for appropriate risk-return. For example, they recognize that mid-market comprises managers taking varying amounts of risk – the value buyer, the buy-and-build manager, the turnaround specialist and the growth equity player. All of these managers have their place in the portfolio but recognizing their unique differences, risk-return profile and portfolio fit is critical to portfolio construction.

Hamilton Lane's allocation methodology is both a top-down and bottom-up process. From a macro perspective, they take into account the following:

- performance history of the sub-asset class;
- their perspective on the market's future return and other economic & industry trends;
- the risk/return profile and desired cash flow pattern, and
- desired geographic, vintage year and industry diversification.

Then their analysis drops down to the fund level, where they conduct quantitative and qualitative analysis on the appropriateness of individual investments for the portfolio. Such an approach allows them to make opportunistic investments in fund managers with compelling performance or in sectors that seem poised to outperform. Among their managers they are seeking unique, yet complementary return streams.

Some of the **key tenets** to the construction of an optimal portfolio are as follows.

- Focus on small/mid-sized funds
- Value over growth
- Diversification by vintage year, geography and sector
    - Use managers as building blocks
- Prudent diversification - not "indexed approach"
- Focus on smaller number of managers in each/area style

Considerable time and effort is spent on the development of a complete forecast of future funds coming to market via their Funds Coming to Market Tracking System. This system monitors all fundraising activity over a forward-looking three year period, in order to anticipate when managers will return to market. Through proactive outreach and relationship development, they are able to secure client allocations well in advance.

Hamilton Lane's Investment Committee, which includes the firm's senior-most experienced investment professionals, are involved throughout each phase of the diligence process. Please see their response to Question 29 for further detail on their investment process.

30. Target a level of return or risk:

Our goal is to build portfolios that achieve long-term outperformance while implementing strategies that mitigate risk and lower downside return dispersion. Risk measurement and management in private equity is unlike other asset classes where risk is measured by the volatility of investment returns. Given that private equity investments are illiquid and valued only periodically, the data to make accurate judgments on risk using traditional methods either do not exist or are not sufficiently statistically sound to produce meaningful conclusions. Throughout their due diligence process, they seek to quantify risk at three levels, the macro level, the manager level and the portfolio construction level. At the macro level, they perform extensive market and sector research. At the manager level, they perform a rigorous evaluation of the fund manager's operational infrastructure and prior performance on an absolute and relative basis. Finally, they have developed several proprietary tools to help assess the risk/return impact of new investments on a client's portfolio.

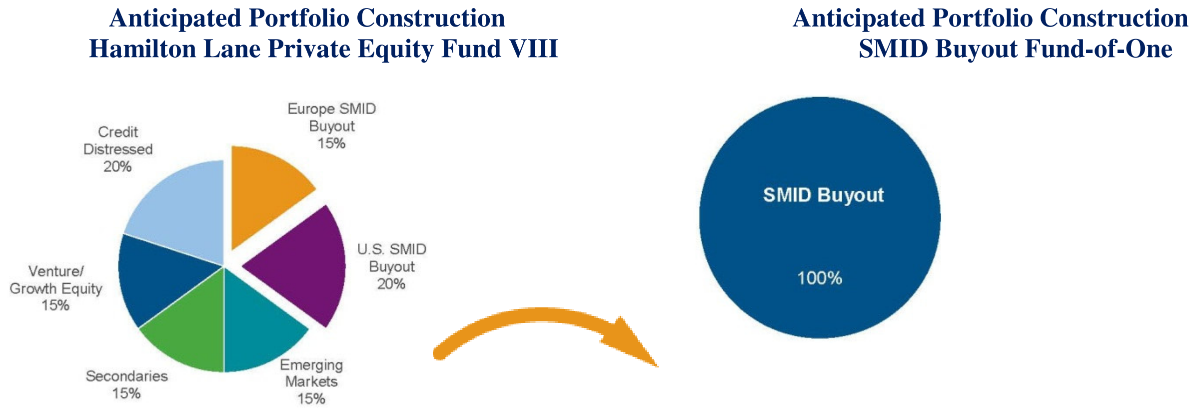
Our Fund has a target net IRR of 15-20% and a target multiple of 1.5-2.0X, as the investment objective of the Fund is to achieve top quartile private equity risk-adjusted returns.

31. Private equity investment types (i.e. venture capital, growth equity, buyouts, distressed, etc.) are included in a typical portfolio:

Hamilton Lane Fund VIII will focus on the small/mid-buyout (SMID) portion of the market and offers investors exposure to a portfolio of private equity funds, diversified among six investment strategies: Distressed/Credit, U.S. Buyout, European Buyout, Venture/Growth Capital, Emerging Markets and Secondaries.

If an allocation solely focused on the SMID buyout segment of the market is preferred Hamilton Lane can accommodate your objectives by structuring a Fund-of-One solely focused on the SMID buyout market. The Fund-of-One, leverages the same resources and capabilities as their funds-of-funds, but is customized for each individual client and structured as single client vehicle.

The target allocation for the portfolio is illustrated below:



32. Preferred benchmarks:

Recognizing the challenges of private equity benchmarking, they typically recommend measuring performance to that of a broad public market index comparison, such as the S&P 500, Russell 3000 or MSCI World. In addition, they look at various metrics including IRRs, distribution multiples and total value multiples. These figures can be sliced and aggregated in a variety of ways, depending upon the composition of the portfolio.

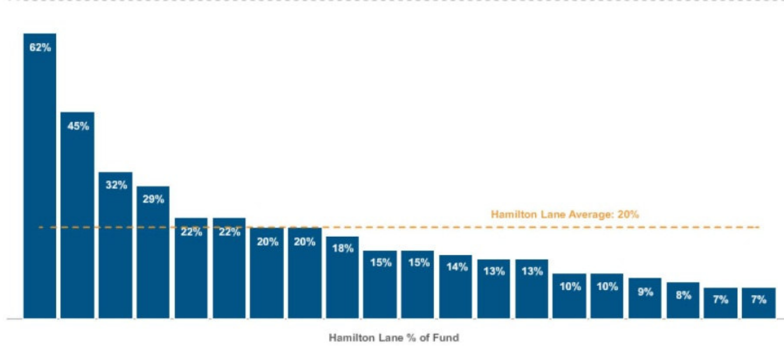
33. Typical number of partnerships held in the firm's fund of funds:

Hamilton Lane's goal in constructing private equity portfolios is to provide prudent diversification. The asset class offers great diversification through the partnership structure with numerous investments made by each general partner in portfolio companies. They believe that too often investors commit to a large number of general partners and end up with an over-diversified and unwieldy portfolio. It is their intent to invest the fund across 25-35 underlying fund managers – gaining additional diversification through secondary transactions. The SMID buyout portion of the portfolio will invest in 10-15 underlying managers.

Hamilton Lane does not have a limit on the amount invested in a single PE fund. The average allocation to underlying partnerships is approximately $5 - $15 million.

The following graph illustrates Hamilton Lane's influence in their top 20 fund commitments made during the past year. On average they made up approximately 20% of the committed capital in each fund, typically making them the largest investor in that particular fund.

Top 20 Fund Commitments



- 86% of Hamilton Lane committed capital to top 20 funds
- 17 re-ups; 3 first-time funds

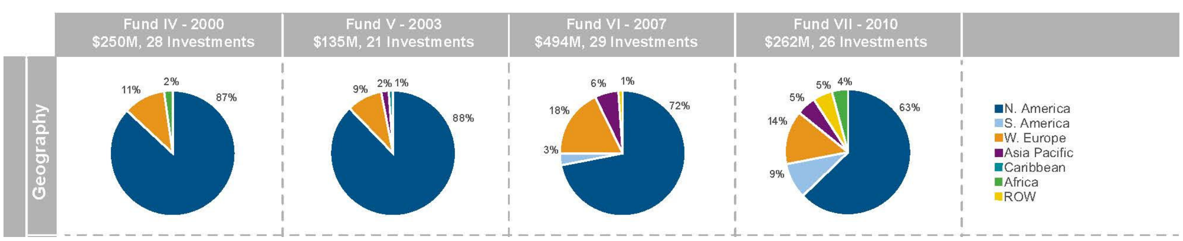
Source: Hamilton Lane Fund Investment Database, Top 20 Fund Commitments from prior 18 months (August 2012)

- Certain performance information is provided from the Hamilton Lane Fund Investment Database. Performance data is calculated and displayed by strategy, geography, vintage or a combination of these. The Hamilton Lane Fund Investment Database contains performance data for funds monitored by Hamilton Lane on behalf of its clients, which includes both discretionary commitments, non-discretionary commitments, and commitments monitored for fund administration purposes. Unless otherwise noted, data included in performance charts and tables includes all funds in the system with performance data available for the designated strategy, geography, and vintage. Special fund vehicles where a single limited partner has an ownership interest greater than 52% of the total fund size are excluded. SMID refers to funds with an investment strategy of corporate finance/buyout and a sub-strategy of small and mid-market investments. ROW refers to funds focused on investments outside Western Europe and North America. U.S. refers to funds focused on investing in North America, but predominantly within the United States. EU refers to funds focused on investing in Western Europe.

34. Expected range for geographic location (region in US, US vs. international), industry and sector exposure and stage of investment for the firm's currently available fund:

 The fund has a target allocation of 15% to SMID Europe buyout and 15% to the emerging markets. They anticipate the remaining allocation will focus on opportunities in North America. Our firm believes strongly in a disciplined investment process that subjects each manger to a similar process regardless of the fund's geographical location Hamilton Lane is mindful of the growth in the emerging markets however, finding and selecting the right managers is of the upmost importance.

 The following chart illustrates Hamilton Lane's previous funds-of-fund products' diversification by geography.



35. To what extent does the firm make "follow-on" investments? (Make multiple fund commitments to the same private equity fund manager)

 Our ultimate objective is to select the best teams available in private equity given the disparity between the top performing groups and the rest. Hamilton Lane's investment process seeks to asses both the qualitative and quantitative aspects of a general partner and its fund offering in order to identify the "best of breed" for investment. The goal is to find a team that can select attractive investments, provide support to enhance those investments during the holding period and build and manage a well-run organization suited to a long-term asset class. Finding good managers is not sufficient. Finding the best managers globally is their objective.

 Through this thorough and established approach, they have identified a number of managers that have consistently generated top quartile performance and established themselves as premier players in their respective strategy. For example in their prior fund, Hamilton Lane PEF VII, seven of the total 26 underlying managers are "follow-on" investments from Hamilton Lane PEF VI.

It is important to apply a consistent diligence process regardless of prior exposure to a private equity firm. Having invested in a prior fund does not result in an automatic re-up (follow-on) for the next fund. The entire Hamilton Lane investment process is adhered to for each fundraise, regardless of how many prior funds Hamilton Lane may have committed to in the past for a given GP. Having an existing relationship with a GP allows the investment team to focus more quickly on the key diligence matters but it does not allow for the team to skip any steps in the process.

36. Expected exit strategy:

Exit from individual investments depends on the decisions of the General Partners of the underlying funds and strategies within Co-investments. Exit strategies include sales to strategic buyers, financial buyers, IPO, loan repayment or other strategies.

The fund expects to make distributions of proceeds received generally on a quarterly basis, net of amounts retained for anticipated obligations, including capital calls from underlying funds. Distributions of net proceeds will be apportioned initially among all partners pro rata in proportion to their commitments. Please see refer back to their response to question 17 for further details.

37. Performance review:

Hamilton Lane Small-Mid Market Buyout Discretionary Track Record[1]
As of December 31, 2012

Vintage Year Performance			
Vintage Year	Hamilton Lane IRR[2]	Spread vs. MSCI World PME (bps)[5]	Spread vs. Russell 3000 PME (bps)[5]
1997-2001	11.45%	608 bps	724 bps
2002	20.61%	993 bps	1,189 bps
2003	18.42%	1,449 bps	1,447 bps
2004	23.46%	1,976 bps	1,997 bps
2005	8.77%	621 bps	491 bps
2006	6.84%	413 bps	238 bps
2007	10.98%	515 bps	271 bps
2008	18.05%	1,192 bps	889 bps
2009	23.18%	1,263 bps	1,043 bps
2010	6.92%	-336 bps	-580 bps
2011	11.73%	179 bps	16 bps
2012	14.20%	217 bps	494 bps

Composite Performance[2,3]			
	5-Year	7-Year	10-Year
Hamilton Lane Realized IRR[3]	**6.75%**	**15.00%**	**21.47%**
Spread vs. MSCI World PME (bps)[5]	974 bps	1,082 bps	1,072 bps
Spread vs. Russell 3000 PME (bps)[5]	717 bps	1,083 bps	1,232 bps
Hamilton Lane Total IRR[4]	**9.06%**	**11.82%**	**15.49%**
Spread vs. MSCI World PME (bps)[5]	625 bps	665 bps	735 bps
Spread vs. Russell 3000 PME (bps)[5]	388 bps	538 bps	690 bps

[1] The Small-Mid Market Buyout Discretionary Track Record includes all investments with an investment strategy of corporate finance/buyout and fund size under 3 billion in the fund's currency for commingled funds-of-funds and separate accounts managed by Hamilton Lane for which Hamilton Lane retains a level of discretion for the investment decisions, as of December 31, 2012. The results herein include all secondary fund investments (except as noted below), as well as primary fund investments where a commingled fund-of-funds or multiple accounts participated in an investment. This presentation does not include co-investments or investments made on behalf of two accounts which Hamilton Lane no longer manages. As of December 31, 2012 this presentation represents commitments of $8.3 billion; in total Hamilton Lane had $26.1 billion in commitments for all discretionary accounts, of which $2.2 billion represents co-investments.

[2] Hamilton Lane IRR represents the pooled IRR for all Small-Mid Market Buyout Discretionary Track Record investments within the relevant vintage year for the period from inception to December 31, 2012. The returns are net of management fees, carried interest and expenses charged by the underlying fund managers, but do not include Hamilton Lane management fees, carried interest or expenses since it is not possible to allocate such items accurately across vintage years. The Hamilton Lane IRR would decrease with the inclusion of these fees, carried interest and expenses. For an example of the effect that management and incentive fees have on total returns, please see the hypothetical example below. Hamilton Lane has calculated and presented these returns on a pooled basis using daily cash flows. Performance results for the most recent vintage years are considered less meaningful due to the short measurement period, the incurrence of fees and expenses and the absence of significant distributions.

[3] The Hamilton Lane Realized IRR represents the pooled IRR for those Small-Mid Market Buyout Discretionary Track Record investments that Hamilton Lane considers realized for purposes of its Small-Mid Market Buyout Discretionary Track Record, which are investments where the underlying investment fund has been fully liquidated, has generated a DPI greater than or equal to 1.0 or has an RVPI less than or equal to 0.2 and is older than 6 years. DPI represents total distributions divided by total invested capital. RVPI represents the remaining market value divided by total invested capital. These realized investments represent $1.4 billion of the $8.3 billion of total commitments included in the overall Small-Mid Market Buyout Discretionary Track Record. The Hamilton Lane Realized IRR is measured for the 5-, 7- and 10-year periods ending December 31, 2012. The returns are net of management fees, carried interest and expenses charged by the underlying fund managers, but do not include Hamilton Lane management fees, carried interest or expenses since it is not possible to allocate such items accurately in a composite measured at different points in time. The Hamilton Lane Realized IRR would decrease with the inclusion of these fees, carried interest and expenses. For an example of the effect that management and incentive fees have on total returns, please see the hypothetical example below. Hamilton Lane has calculated and presented these returns on a pooled basis using daily cash flows, where vintage years with larger amounts committed to investment have a proportionately larger impact on returns.

[4] The Hamilton Lane Total IRR represents the pooled IRR for all Small-Mid Market Buyout Discretionary Track Record investments and is measured for the 5-, 7- and 10-year periods ending December 31, 2012. These returns are net of management fees, carried interest and expenses charged by the underlying fund managers, but do not include Hamilton Lane management fees, carried interest or expenses since it is not possible to allocate such items accurately in a composite measured at different points in time. The Hamilton Lane Total IRR would decrease with the inclusion of these fees, carried interest and expenses. For an example of the effect that management and incentive fees have on total returns, please see the hypothetical example below. Hamilton Lane has calculated and presented these returns on a pooled basis using daily cash flows, where vintage years with larger amounts committed to investment have a proportionately larger impact on returns.

[5] The indices presented for comparison are the MSCI World and the Russell 3000, calculated on a Public Market Equivalent (PME) basis. The PME calculation methodology assumes that capital is being invested in, or withdrawn from, the index on the days the capital was called and distributed from the underlying fund managers. Contributions were scaled by a factor such that the ending portfolio balance would be equal to the private equity net asset value. The scaling factor is found by taking the sum of all shares sold (SS), the sum of all shares purchased (SP) and calculating the number of shares the ending value is worth (SEV). Dividing SEV + SS by SP solves for the PME scaling factor. The scaling of contributions prevents shorting of the public market equivalent portfolio in order to match the performance of an outperforming private equity portfolio. Realized and unrealized amounts were not scaled by this factor. The MSCI World Index is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The Russell 3000 Index measures the performance of the 3,000 largest U.S. companies based on total market capitalization. The indices are presented merely to show general trends in the markets for the relevant periods shown. The comparison between Hamilton Lane performance and the index is not intended to imply that a fund's or separate account's portfolio is benchmarked to the index either in composition or level of risk. The index is unmanaged, has no expenses and reflects the reinvestment of dividends and distributions. The spreads are provided for comparative purposes only. A variety of factors may cause an index to be an inaccurate benchmark for any particular fund or separate account and the indices do not necessarily reflect the actual investment strategy of a fund or separate account. The investment volatility of the MSCI World and the Russell 3000 may differ from that of a fund or separate account.

The following hypothetical illustrates the effect of fees on earned returns for both separate accounts and fund-of-funds investment vehicles. The example is solely for illustration purposes and is not intended as a guarantee or prediction of actual returns that would be earned by similar investment vehicles having comparable features. The hypothetical assumes a separate account or fund-of-funds consisting of $100 million in commitments with a fee structure of 1.0% on committed capital during the first four years of the term of the investment and then declining by 10% per year thereafter for the 12-year life of the account or fund. The commitments were made during the first three years in relatively equal increments, and the assumption of returns was based on cash flow assumptions derived from a historical database of actual private equity cash flows. We modeled the impact of fees on four different return streams over a 12-year time period. Under these models, the effect of the fees reduced returns by approximately 2%. This does not include performance fees since the performance of the account or fund would determine the effect such fees would have on returns. Expenses also vary based on the particular investment vehicle and, therefore, were not included in this hypothetical. Both performance fees and expenses would further decrease the return.

Past performance of the investments presented herein is not indicative of future results and should not be used as the basis for an investment decision. The information included has not been reviewed or audited by independent public accountants. Certain information included herein has been obtained from sources that Hamilton Lane believes to be reliable but the accuracy of such information cannot be guaranteed.

38. Fee schedule for the fund:

    Annual fee equal to the following percentage of aggregate Commitments: 0.50% until the first anniversary of the initial closing, the second anniversary, and 1.00% from the second anniversary of the initial closing until the ninth anniversary. Thereafter, the management fee will be reduced by 10% of the management fee for the preceding year. The General Partner may, in its discretion, waive all or a portion of the management fee payable by certain limited partners.

    Unfunded Commitments will be increased by amounts distributed, up to the amount of management fees charged and organizational expenses. The management fee on amounts committed to the Secondaries strategy will be assessed at 1% per annum, the rate at which management fees are assessed by Hamilton Lane Secondary Fund III LP. In addition, the management fee on amounts invested in co-investments will be assessed at the rate of 1% per annum on invested capital.

39. Carried interest associated with the fund:

    Hamilton Lane does not charge carried interest on primary partnerships. With respect to secondary investments they will charge 12.5%; and with respect to co-investments they will charge 10%, after full return of capital and subject to an 8% compounded annual return.

40. Any other costs or fees associated with the fund:

    The fund's share of any transaction or similar fees received by the General Partner, the Manager, the Principals or their respective affiliates in connection with the fund's investments will be applied 100% to reduce the Management Fee.

    The fund will bear all costs and expenses incurred in connection with the organization of the fund and the General Partner, including legal and accounting fees, printing costs, travel and out-of-pocket expenses, and all costs and expenses incurred in connection with the offering of Interest (other than any placement fees) ("Organizational Expenses"), up to a maximum of $1,500,000. The Manager will pay all Organizational Expenses in excess of $1,500,000.

The General Partner and the Manager will pay all of their ordinary administrative and overhead expenses, including office expenses and compensation of employees.

The fund will be responsible for all expenses relating to its own operations ("Partnership Expenses"), including fees, costs and expenses directly related to the purchase, holding, monitoring and sale of investments (whether or not consummated), brokerage fees and commissions, fees and expenses of financial advisors, legal counsel, consultants, accountants, administrators and custodians, any insurance, indemnity or litigation expenses, preparation of financial statements and reports to Limited Partners, costs of holding any meetings of Partners or HLA Committee, and any taxes, fees or other governmental charges levied against the fund.

Horsley Bridge

1. Firm name, address, and telephone number:

    Horsley Bridge Partners LLC
    505 Montgomery Street, Floor 21
    San Francisco, California 94111
    Tel: 415-986-7733

2. Firm founded: Registered with the Securities & Exchange Commission:

Horsley Bridge Partners was founded in 1983 and has been registered with the Securities & Exchange Commission ("SEC") since inception.

3. Name, position, telephone and fax number, and e-mail address of the firm's new business contact and database/questionnaire contact:

New business:			Database contact:		
Name:		Mark A. Moore	Name:		Mark A. Moore
Title:		Principal	Title:		Principal
Phone:		415-986-7733	Phone:		415-986-7733
Email:		mark@horsleybridge.com	Email:		mark@horsleybridge.com

4. Firm's ownership structure, and any ownership changes over the past five years:

    Horsley Bridge Partners LLC ("HBP") is a Delaware limited liability company and a Registered Investment Adviser with the SEC. HBP is the Managing General Partner of the private equity funds-of-funds that they sponsor.

    HBP has the following wholly-owned subsidiaries: (1) Horsley Bridge International Ltd., a UK corporation formed when they opened their London office, (2) Horsley Bridge (Beijing) Business Consulting Co., Ltd., a PRC corporation formed when they opened their Beijing office, and (3) Horsley Bridge International LLC, a Delaware limited liability company formed for tax purposes in connection with the establishment of their Beijing entity.

    HBP is wholly owned by their Managing Directors and has no affiliations with outside entities of any kind. In general, their philosophy is that the investment Managing Directors have an equal ownership of the management company, with newer Managing Directors growing into an equal ownership over time. As dictated by their partnership agreement (described more fully in question 13), reduction in work hours to less than full-time or retirement triggers retirement of a partner's ownership interest. Over the past five years, HBP has had the following ownership changes:

    2007: Phil Horsley and Gary Bridge transitioned to part-time and their ownership interest in the firm was retried.

    2008: Dan Reeve transitioned to part-time, and his ownership interest in the firm was retired.

    2010: Duane Phillips retired, triggering retirement of his ownership interest.

    2012: Du Chai and Yi Sun became owners, and Fred Berkowitz reduced his schedule, triggering the retirement of his ownership interest.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

    Our Fund Management Liability insurance covers Directors & Officers, Errors & Omissions and Outside

Directorship Liability. This coverage is placed with Chubb (AA S&P rating) through their broker, Willis Insurance Services. The limit of liability is $5M in aggregate and the retention amount is $150K per claim.

6. Litigation:

   There have not been and are no pending or anticipated lawsuits against HBP.

7. Judgments:

   There have been no judgments against their firm.

8. Firm's financial statement auditor.

   Our financial statements are audited by PricewaterhouseCoopers ("PwC"). PwC (or its predecessor firm) has been their auditor since inception.

9. Total assets under management for firm for the past five year-end periods and as of March 31, 2013.

	Total Firm Assets					
	Market Value (Millions) (1)	**Total Clients (2)**	**Accounts Gained (3)**	**Assets Gained ($M) (4)**	**Clients Lost (5)**	**Assets Lost ($M) (6)**
Dec 31, 2008	$11,452	59	10	-	-	-
Dec 31, 2009	$11,452	59	-	-	-	-
Dec 31, 2010	$11,752	59	-	$300	-	-
Dec 31, 2011	$11,752	58	-	-	1	-
Dec 31, 2012	$12,276	64	5	$724	-	$200
Mar 31, 2013	$12,460	65	1	$184	-	-

10. Firm's total small/mid cap private equity fund(s) (or small/mid cap private equity fund of funds, if applicable), please state the market value of assets under management for the past five year-end periods and as of March 31, 2013.

    Historically, their U.S. focused fund-of-funds has been co-mingled by strategy, with a mix of early stage venture capital partnerships and buyout partnerships. However, with Horsley Bridge X, they decided to split the fund into two separate offerings: Horsley Bridge X Venture and Horsley Bridge X Growth Buyout. This was in response to their limited partners, who wanted more choice in how they allocated their capital.

    The table below represents data from the buyout partnerships of their U.S. Funds.

Small/Mid Cap Private Equity Assets - Fund or Fund of Funds							
Buyout Partnerships Only (1)	**Current Market Value ($M) (2)**	**Total Market Value ($M) (3)**	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**	**Assets Committed (4)**
Dec 31, 2005	$308.9	$922.2	n/a	n/a	n/a	n/a	$720
Dec 31, 2006	$442.6	$1,150.5	n/a	n/a	n/a	n/a	$855
Dec 31, 2007	$541.3	$1,393.7	n/a	n/a	n/a	n/a	$1,120
Dec 31, 2008	$457.8	$1,367.1	n/a	n/a	n/a	n/a	$1,415
Dec 31, 2009	$629.2	$1,602.0	n/a	n/a	n/a	n/a	$1,482
Dec 31, 2010	$879.5	$1,994.0	n/a	n/a	n/a	n/a	$1,571
Dec 31, 2011	$958.0	$2,300.0	n/a	n/a	n/a	n/a	$1,711
Dec 31, 2012	$1,066.6	$2,658.7	n/a	n/a	n/a	n/a	$1,800

Mar 31, 2013	$1,062.4	$2,697.2	n/a	n/a	n/a	n/a	$1,855

(1) Includes Buyout Partnerships held by all U.S. Funds and HBG VIII; excludes HB Strategic due to its mix of U.S. and International. The above chart is based on Partnership reported value, net of Partnership fees and expenses, but gross of HB Fund fee and expenses. HBP Fund fees and expenses will reduce performance (see" Gross IRR"in Performance Disclosures).
(2) Current Market Value represents reported values by the underlying Partnerships.
(3) Total Market Value represents Current Market Value + Distributions.
(4) Assets Committed represents Total Commitments to Buyout Partnerships.

11. Name of the product(s) described in the remainder of this response:

    Horsley Bridge X Growth Buyout, L.P. ("HB X GBO", or the "Fund")

12. Firm's succession plan for senior management of the private equity fund or fund of funds activity:

    Once a partner is ready to transition out of HBP, the mechanics of that departure are dictated by their partnership agreement. Our partnership agreement contains a formula for calculating compensation to any departing partner. It is based on a partner's vested ownership interest in the firm, and the payment is made over a five-year time period. This formula has been part of their partnership agreement since 1997.

    Key to the success of HBP's Managing Director transition process is a culture of openness in which all partners are forthcoming as a group about their future plans. They regularly revisit the plans of each partner as a team. Transition of responsibilities generally takes place over a long period of time, which is facilitated by their team-based approach to managing general partner and client relationships, as well as firm administration.

    They don't expect any of their eight investing Managing Directors to fully retire over the next five years. However, as mentioned above, Fred Berkowitz's role changed beginning in 2012, when he expressed a desire for more time with his family and for more focus in his investment activities. This triggered the retirement of Fred's ownership interest in the firm.

    Dan Reeve, their Managing Director responsible for distribution management, is scheduled to retire in the Fall of 2013. They plan to hire externally for the position, and Dan has offered to continue on as necessary to ensure a smooth transition.

    In the next twelve months, they expect the usual turnover amongst their Associates, who are hired on a two to four year rotational program, after which they generally attend business school.

13. Names and titles of key investment and management personnel:

Name	Title	Yrs. W/ Firm	Yrs. W/ Small/Mid Team	Yrs. Inv. Exp.
Fred Berkowitz	Managing Director	25	25	30
Du Chai	Managing Director	2	2	12
Lance Cottrill	Managing Director	13	13	13
Josh Freeman	Managing Director	18	18	19
Fred Giuffrida	Managing Director	18	18	31
Kathryn Mayne	Managing Director	10	10	21
Elizabeth Obershaw	Managing Director	6	6	30
Yi Sun	Managing Director	5	5	10
Kate Murphy	Managing Director, COO	10	10	19

14. Firm staff and the private equity staff turnover:

	Firm-wide Employees		
Year	Firm-wide Employees	Firm-wide Employees Added	Firm-wide Employees Lost (1)
Dec 31, 2008	46	10	8
Dec 31, 2009	54	10	2
Dec 31, 2010	52	9	11
Dec 31, 2011	55	6	3
Dec 31, 2012	50	1	6
Mar 31, 2013	51	1	0

	Small/Mid Cap Private Equity Investment Employees (2)		
Year	Total Employees	Employees Added	Employees Lost (1)
Dec 31, 2008	16	3	1
Dec 31, 2009	20	4	0
Dec 31, 2010	16	2	6
Dec 31, 2011	19	5	2
Dec 31, 2012	15	1	5
Mar 31, 2013	17	2	0

(1) Includes departure of Investment Associates who are hired on a two to four year program, after which they generally attend business school.

(2) Represents all Investment Professionals

15. As of December 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the Small/Mid Cap private equity product.

As mentioned above, we've always had a buyout strategy in their U.S. Funds but it has been co-mingled with venture. HB X GBO is their first dedicated small/mid cap private equity fund of funds. In March 2013, they held a first close. HB Growth VIII is an overflow fund to HB VIII. This was formed at a time when, due to market dislocation, HBP was able to secure larger commitments to certain groups when they considered prudent for the main fund, HB VIII, which was being committed at the time.

16. As of December 31, 2012, the small/mid cap private equity fund or fund of funds group, the fund name, size of the fund in millions of dollars, the number of clients, and client assets committed and invested.

Small/Mid Cap Private Equity Fund Name (1)	Fund Size	# Investors	Total Commitments to Partnerships	Commitments to Venture Partnerships	Commitments to Buyout Partnerships	Investments (2)
Horsley Bridge Fund I, L.P.	$200	11	$195.5	$152.3	$43.3	$194.0
Horsley Bridge Fund II, L.P.	228	5	219.3	196.5	22.8	218.3
Horsley Bridge Fund III, L.P.	225	5	208.5	168.5	40.0	203.5
Horsley Bridge Fund IV, L.P.	300	7	294.2	249.2	45.0	291.8
Horsley Bridge Fund V, L.P.	500	9	499.9	401.4	98.5	493.5
Horsley Bridge Fund VI, L.P.	1,056	13	1,053.4	917.8	135.6	1,021.5
Horsley Bridge VII, L.P.	1,573	34	1,533.4	1,248.7	284.7	1,455.6
Horsley Bridge VIII, L.P.	1,006	27	1,020.2	720.2	300.0	896.9
Horsley Bridge Growth VIII, L.P.	257	11	262.0	20.0	242.0	232.2
Horsley Bridge IX, L.P.	1,759	34	1,813.5	1,238.2	575.3	947.0
Horsley Bridge X Venture, L.P. (3)	724	19	78.4	78.4	-	-

(1) Represents all of the HB U.S. Funds. They added the venture/buyout commitment breakout for these Funds.
(2) Investments represents Paid-In Capital to Partnerships.
(3) HB X Venture held a final close on $751M in March 2013.

17. Firm's funds or fund-of-funds product(s) currently open for investment or soon to be open for investment.

Small/Mid Cap Private Equity Fund Name	Fund Size Current (1)	Expected Fund Size at Final Close	Current Number Investors	Expected Number of Investors	Expected Final Closing Date
Horsley Bridge X Growth Buyout, L.P.	$172	$300 - $500	13	20 - 25	January 8, 2014

(1) As of June 1, 2013

18. What percentage will the largest single investor represent in the new fund? Name and expected commitment for this investor.

Currently, the Fund's largest investor is a corporate pension plan who has made a $55M commitment. Depending on the final size of the fund, this investor might represent anywhere from 10% to 30% of the Fund.

19. Does the firm allow coinvestment opportunities?

Horsley Bridge Partners does not provide its LPs co-investment opportunities into portfolio companies. On occasion, when there is excess allocation in a partnership in which one of their funds is investing, they are able to discuss with interested LPs the opportunity for them to make a direct investment in the partnership.

20. How the firm defines small/mid cap private equity:

They define small/mid cap private equity based on the amount of capital raised by buyout partnerships. Generally, any fund less than $500M they would consider "small buyout".

Smaller funds generally target smaller companies. In their active portfolio of eleven buyout groups, 61% of the deals have been to companies with enterprise value of less than $100M, and 86% of the deals have been into companies with an enterprise value of less than $250M.

21. Investment philosophy/strategy, style and distinguishing characteristics of this product:

    HB X GBO will be a concentrated portfolio of smaller market growth and buyout funds located in the United States.

    The strategy in building this portfolio is based on their conviction, informed by many years of experience and data, that managers systematically underestimate risk in their portfolios. In order to make up for the inherent losses in a private equity portfolio, managers must have a few significant winners to produce superior fund-level returns. They seek managers that understand this dynamic and that have the ability, mindset and courage to aim for these outsized returns.

    Within the buyout universe, they believe that the only reliable form of value creation is through general partners transforming the companies that they buy. Buying cheaply and financial engineering, while helpful, are not sustainable strategies. They back groups capable of significant operational improvements and who understand the dynamics that a few deals drive overall performance. These firms will likely be in the smaller end of the market where their efforts can have the most impact. They tend to source deals proactively, take control positions (or act as control investors) and assist management with policy decisions.

    They expect the Fund's portfolio to consist of around 10 – 12 partnerships, and that each partnership will invest in around 10 – 15 companies. In aggregate, LPs of the Fund will have exposure to roughly 120 - 130 underlying investments. They believe this portfolio is appropriately concentrated such that outsized winners can "move the needle", while providing adequate diversification to mitigate risk.

22. Bias toward any market segments:

    They expect the portfolio will have diverse exposure to a number of different market segments. However, they also believe that growth stories are most prevalent in the emerging spaces where large incumbents have not yet formed, particularly in technology, and this is where many of their managers focus. In fact, in the portfolios of their active growth buyout managers, 44% of the investments are in technology companies, while a number of the others are in tech-enabled companies.

23. Expected period of investment for the proposed fund(s).

    They aim to commit the Fund to private equity partnerships over approximately three years. They time this commitment period to coincide with the fund cycles of their underlying managers, expecting to have one offering from each of their core managers.

    The underlying partnerships typically have investment periods of two to four years, so they expect the Fund to be significantly invested after about six or seven years. The pace of commitments and investments will provide their LPs with broad vintage year diversity.

24. General Partner's commitment in the fund:

The general partners will have a 2% aggregate commitment to the Fund (see Exhibit 4 - HB X GBO Fund Structure). The ownership of the general partner entities is shared among the Managing Directors and other key employees, with Managing Directors generally having equal ownership. Ownership vests over ten years and represents a meaningful component of compensation for their investment professionals. Fifteen percent of this commitment is paid in cash and the remainder is re-contributed from future distributions. The general partner entities do not receive cash distributions until the full amount of the general partners' commitment has been contributed. If future distributions are not sufficient to meet the members' capital commitments, the members are required to pay the difference into the Fund, which means that they are fully aligned and they have the same ultimate downside risk as all limited partners.

In addition, their Managing Directors have committed $5.2 million to HB X GBO as limited partners, under the same terms as all limited partners.

25. What is the firm's investment universe? How many investment opportunities are evaluated each year?

They are focused and invest in just a few areas of the private equity universe. They invest primarily in early stage venture capital and small buyout partnerships, because they believe these are the parts of the market where outsized deal returns occur. The primary sources of their deal flow in these areas include:

- Our existing relationships, who contact them each time they raise a new partnership. This is the foundation of each of their funds, and the basis on which they size them;
- Our strong brand name, which draws numerous new opportunities to their offices, often before formal fundraising begins;
- Our missionary efforts, in which they proactively search out attractive investment candidates that they have not invested with in the past; and
- Our extensive network, which has been established over time through day-to-day interactions with those involved in the industry.

They will typically build relationships with groups over time. It is not unusual for them to turn down a group and then invest in a later fund. When they turn down a group that they believe has potential, they provide specific feedback, emphasize their desire to stay in touch, and continue to collect intelligence on the group over the coming years, often including regular update meetings, as if they were active investors. This is one of the ways that they build and maintain a strong network and pipeline of future opportunities.

In 2012, over 220 partnerships passed their initial screening and were logged into their system. Approximately 50 went through preliminary due diligence, of which approximately 20 went to full due diligence. They closed 12 fund commitments globally in 2012.

26. How are investments evaluated?

Our due diligence process is well defined, and includes three distinct stages: (1) the screening of investment opportunities, (2) the due diligence of those opportunities, and (3) the decision-making process.

Our screening process is focused on a number of key criteria including: the operating and investing experience of the general partners, the investment strategy, high return aspirations, a fund size appropriate for the market opportunity, a proactive approach to originating deal flow, a disciplined process for evaluating opportunities and making investment decisions, an ability to add value through active ownership, and the historical and prospective investment performance.

This initial screening process is generally led by one or two Managing Directors and an Associate. If this team determines the offering is worth a deeper look, the opportunity is flagged for preliminary due diligence and it is discussed at their weekly Investment Group Meeting ("IGM"). A rating is assigned to the opportunity to facilitate balancing diligence priorities.

Preliminary due diligence often consists of one or more additional meetings and may include targeted reference calls. If the opportunity warrants full diligence, a preliminary discussion memo is prepared and circulated to the Investment Committee, and the opportunity is discussed more fully at the IGM.

If the Investment Committee decides to devote more time and resources to the opportunity, it moves into full due diligence. At this point a deal team is formed. The deal team is generally made up of four Managing Directors supported by an Associate. The deal team will have additional meetings, conduct reference calls, and engage in deep analysis of the track record, strategy, and team. This part of the process typically involves multiple in-person meetings with the general partners and often takes several weeks or more. The deal team meets regularly and provides updates at the IGM along the way. An extensive due diligence package, including both quantitative and qualitative analysis, is developed over the course of this diligence phase.

Please note that, for existing groups, their due diligence is ongoing. They actively track each group's execution against their stated strategy, and this provides important input into their due diligence on the group's next offering. That said, whether they are already invested in a group or the group is new to them, they adhere to the same principles of diligence.

Final investment decisions are made by the eight investing Managing Directors as part of a well-defined process. This group of Managing Directors constitutes the Investment Committee and typically meets once a week at the IGM. The current members of the Investment Committee are: Fred Berkowitz, Du Chai, Lance Cottrill, Josh Freeman, Fred Giuffrida, Kathryn Mayne, Elizabeth Obershaw, and Yi Sun.

At the end of diligence, the deal team will hold a vote, which is designed to reflect the confidence of the deal team in recommending the opportunity to the Investment Committee, and determines whether a deal will be reviewed in detail by the investment committee or be subject to a more streamlined ratification process. Each member of the deal team will cast a vote from 1 to 10 representing their opinion of the opportunity. Votes of 5 are not permitted. If the average vote is lower than 5, the investment is rejected.

If the average vote is above 5, the opportunity is submitted to the Investment Committee for a vote. If the average is above 7 and the deal team unanimously supports the opportunity, a more streamlined discussion will occur at the Investment Committee.

Note that the Investment Committee or deal team may decide during the initial discussion phase that an opportunity will be submitted to the Investment Committee for a full review regardless of the deal team vote. This may be the case for an offering in a new market or geography, or where the issues highlighted during the preliminary discussion warrant review by the full committee.

In addition to the above, the operational competence of the potential group is evaluated by their operations team, and the legal structure and terms are reviewed by their legal counsel.

27. Process of monitoring the investments held in current funds:

    Active and frequent monitoring of partnerships is an essential component of their strategy. Our efforts extend over the life of the partnership, and include frequent face-to-face updates with each group, attendance at Advisory Board and annual meetings, and thorough quantitative analysis of quarterly reports. They generally meet with groups in-person at least semi-annually, in addition to attending their annual meeting. They also have frequent informal interactions with their managers as they exchange ideas and information. Monitoring the progress of a partnership enables them to determine if a team is adhering to its stated focus and strategy. In order to manage the monitoring of their partnerships, for each partnership they assign two designated Managing Directors who lead the relationship.

    All quarterly reports received from partnerships are input into their enterprise information system. They track information at the company level, including cost, value, ownership, stage, sector, location, corporate actions, realizations and many other attributes. Our information system also houses all partnership capital calls, cash distributions, stock distributions, and stock sales transactions. During the due diligence/legal process, they work with the group to understand what information they provide. If they do not generally provide information that is sufficient for their database needs, they make arrangements with the group for specialized reporting.

    They have developed an extensive set of standard reports for the investment team. This data provides an important component of ongoing portfolio monitoring and is also a key component of the due diligence process for new partnerships.

    They generally require every partnership that they invest in to have an annual audit, usually by a firm of recognized standing. All partnerships must also account for investments in accordance with U.S. GAAP or its international equivalent.

    They continually provide advice and ideas to their partnerships on issues ranging from how they should build their team to how they might size their next fund. On the rare occasion when a partnership goes really wrong, they will work with them and other limited partners to find a solution.

28. Firm's investment database of potential investments:

    HBP has developed a proprietary, purpose-built enterprise information system known as Cosmos. They built Cosmos over a 3-year period in the early 2000s. They recently completed an extensive update of the system and released a new version of Cosmos in May 2013.

    Virtually all HBP employees use the system on a daily basis to record, view and analyze investments. It is both an analytical and a transaction tool, helping them evaluate and monitor investments as well as track cash flows, manage stock transactions, and record changes to value. Over 160 standard reports have been created in Cosmos, and spreadsheet extracts provide additional flexibility.

    The system has data going back to the 1980s and contains information on over 4,500 partnerships and over 10,600 companies. At the partnership level, they track such information as vintage year, fund size, GP carry, percent invested, IRR, TVPI, stage, location, domicile, ownership, and value. At the company level, they track cost, value, ownership, stage, sector, location, corporate actions, realizations and many other attributes.

Cosmos helps them in all aspects of their sourcing and monitoring of investment opportunities, for both potential and existing relationships. All fund opportunities are entered into the system and assigned a status. Opportunities are first assigned a "screening" status during which their investment team evaluates whether the partnership is a good fit for their funds. If they decide to evaluate the opportunity in greater depth, it is assigned the status of "preliminary due diligence". Once an opportunity enters the "due diligence" phase, they assign a deal team. Cosmos is a powerful tool at this stage of their consideration as it assists the deal team with quantitative diligence of an opportunity. The data in Cosmos provides information on that firm's prior investment as well as historical industry data for comparison and determination of the factors that have contributed to investment performance.

After they have completed their diligence process, the opportunity is assigned a "decision" status, at which point the investment committee is ready to determine whether they will commit to the partnership. All opportunities in active consideration are listed on their Proposal Log, which is automatically generated from Cosmos, and which is reviewed at their weekly Investment Group Meeting. Once an opportunity is "rejected", it no longer appears on this Proposal Log.

Cosmos works hand-in-hand with their electronic filing system. Fund documents, memos, emails, and diligence documents are stored on their central server, which is called Galaxy. They have developed a well-defined process for naming documents, structuring folders, and filing all correspondence so they are easy to reference. They have information on thousands of partnerships and companies dating back to the 1980s which supplements the data stored in Cosmos.

29. Describe the fund or fund of fund portfolio construction process.

Generally, when they create a fund portfolio, they carefully balance its construction so that it is diverse enough to mitigate risk, but concentrated enough so that deals with significant outsized returns can have a meaningful impact on overall fund returns. They also ensure that the fund has vintage year diversity.

With HB X GBO, they expect a portfolio of around 10 – 12 partnerships. A majority of the groups they expect to back in the Fund are known to them and are part of their active portfolio of 11 growth equity and buyout groups.

The sourcing and selection of this portfolio will be conducted by their eight investing Managing Directors, leveraging over 150 years of cumulative private equity investing experience.

30. Target a level of return or risk:

They invest in partnerships that target at least 3.0x return per deal, with upside. In doing so, they hope to achieve returns to the Fund in excess of 2.5x. This results in a net total value to paid-in capital to their limited partners of between 2.25x and 2.40x. They aim for long-term IRRs of 18 - 20% net to their limited partners, although they hope and expect to outperform this goal during some cycles.

They mitigate risk by creating a diverse portfolio across managers and vintage years. They believe that a well-balanced buyout portfolio will be concentrated enough so that deals with significant outsized returns can have a meaningful impact on overall fund returns, yet diverse enough so that the inherent underperforming deals in the portfolio won't significantly temper the overall returns. They also aim for vintage year diversity to further mitigate risk.

31. Private equity investment types (i.e. venture capital, growth equity, buyouts, distressed, etc.) are included in a typical portfolio:

    HB X GBO will be a concentrated portfolio of 10 – 12 growth and buyout funds. Many of these will be below $500M in capital commitments. There will be no venture, distressed or any other type of PE partnership in the Fund.

32. Preferred benchmarks:

    They regularly compare their performance against a number of industry benchmarks, including Venture Economics, Cambridge Associates, and Preqin. They also benchmark against public market indices. Some examples of the performance that they benchmark includes their horizon performance (one year, three year, five year, etc.), their funds' performance, and their partnerships' vintage year performance. They typically begin benchmarking a fund after it is fully committed.

    They believe the most relevant benchmark is one that has been created for them in partnership with Venture Economics. This "custom" benchmark includes data from partnerships formed during the commitment period of each HBP fund. For example, Horsley Bridge VIII, L.P. ("HB VIII") made commitments from October 2005 to April 2008. Venture Economics has provided a sample of funds formed in that time period, and aggregated their performance as a benchmark for HB VIII. This benchmark represents a true comparison of their performance picking managers given the funds in the market during the same time period as their commitment period.

33. Typical number of partnerships held in the firm's fund of funds:

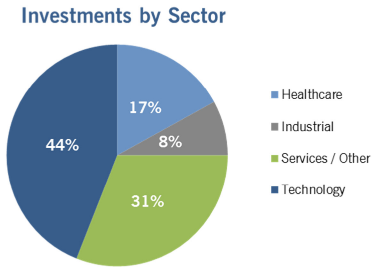
    HB X GBO will be a concentrated portfolio of approximately 10 – 12 partnerships. Our commitment size to any single buyout partnership in their prior U.S. fund-of-funds, Horsley Bridge IX, L.P., ranges from $20 million to over $60 million. When they find a manager with whom they want to partner, they like to be lead investors.

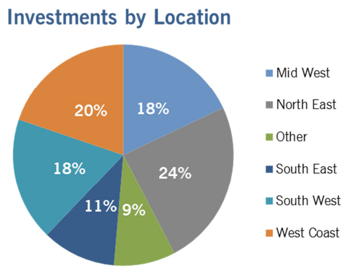
    While the Fund's initial investments will likely be sized based on the Fund's expected total committed capital as of the initial closings, no investment may exceed 15% of the size of the Fund at the time of investment.

    The average fund size of the eleven partnerships in their active portfolio is $410M. Nine of the eleven partnerships are below $500M in size. Eight of the eleven partnerships are below $400M in size.

34. Expected range for geographic location (region in US, US vs. international), industry and sector exposure and stage of investment for the firm's currently available fund:

They expect the sector and geographic diversity of the Fund's underlying investments to be similar to their portfolio of investments from their active U.S. buyout groups. Shown below is the exposure for investments from their active U.S. buyout partnerships:





As of December 31, 2012. Active portfolio only. If HBP has not made a commitment to the group's most recent Partnership, the group is excluded. Data is as of the most recent date reported by the Partnerships to HBP, and includes investments by Buyout Partnerships in HB VIII and HB IX where investments going-in and operating data were available.

35. To what extent does the firm make "follow-on" investments? (Make multiple fund commitments to the same private equity fund manager)

They size their fund-of-funds to attempt to capture each one of their core managers once during their fund cycle. However, managers sometimes come back to market more quickly than expected, or, due to market conditions, their funds' commitment pace takes longer than planned. In these cases, they could have more than one commitment to the same private equity fund group.

36. Expected exit strategy:

Generally, a fund will return its first distribution in the fourth to sixth year after the first close. They will typically distribute to their clients shortly after they have received significant distributions from the underlying managers. However, the timing and amount of distributions are made at their discretion as they take into account recycling for the over-commitment and management fees.

They distribute only cash to limited partners; they do not make non-cash distributions.

The Fund enters into dissolution upon the thirteenth anniversary from inception date. Fund operations start winding down until all partnership investments are liquidated.

37. Performance review:

Fund Name	Vintage Year	Fund Size	% of Fund Invested (1)	No. of underlying	Distribution/ Paid-in	Total Value/ Paid-in	Net IRR	Gross Venture IRR	Gross Buyout IRR
HB I	1985	$200	100%	28	2.84x	2.84x	15.3%	18.2%	19.0%
HB II	1988	228	100%	25	3.94x	3.94x	29.6%	36.1%	27.0%
HB III	1992	225	101%	24	9.29x	9.31x	68.5%	94.7%	26.5%
HB IV	1995	300	101%	31	4.50x	4.54x	80.5%	111.2%	14.0%
HB V	1997	500	103%	37	2.71x	2.80x	80.6%	134.5%	5.4%
HB VI	1999	1,056	100%	38	0.72x	0.91x	(1.4%)	(2.2%)	22.4%
HB VII	2000	1,573	102%	54	0.57x	1.10x	1.5%	1.8%	12.9%
HB VIII	2005	1,006	101%	35	0.28x	1.32x	8.1%	9.6%	12.6%
HBG VIII	2006	257	102%	10	0.47x	1.43x	11.9%	4.0%	14.3%
HB IX	2008	1,759	103%	60	0.13x	1.20x	10.8%	16.3%	20.1%
HB X VC	2012	724	11%	3	--	0.61x	--	--	--

$ Millions. As of December 31, 2012. See Performance Disclosures.

(1) Percent Committed to Underlying Partnerships

38. Fee schedule for the fund:

The annual management fee for HB X GBO is based on each limited partner's committed capital and calculated as follows:

- 0.5% on the initial $25 million or less;
- 0.4% on the amount exceeding $25 million up to $50 million; and
- 0.3% on the amount exceeding $50 million

Management fees are charged from inception through the end of the term. The initial term of the Fund will be ten years from the date of inception. The Managing General Partner will have the right to extend the term for up to three additional one-year periods.

Management fees are calculated according to the LPA terms. The fees are deducted directly from the fund and paid to the management company on a quarterly basis, in advance. Management fees are then allocated to each limited partner's account based on the fee schedule as defined in the LPA.

39. Carried interest associated with the fund:

For Horsley Bridge X Growth Buyout, LP, carried interest is equal to 5% of the fund's net profits. The GP is only entitled to the carry once the limited partners have received distributions equal to their committed capital plus an 8% preferred return compounded annually.

40. Any other costs or fees associated with the fund:

Only direct fund expenses are charged to the funds. These expenses include professional fees (audit, tax preparation, etc.) for the Fund and generally total less than $100,000 per year.

Legal fees, diligence expenses, monitoring expenses, travel, and their annual meeting costs are paid for out of management fees by the management company.

J.P. Morgan

1. Firm name, address, and telephone number:

Firm Name:	J.P. Morgan Investment Management Inc. ("JPMIM")
	Private Equity Group
Address:	270 Park Avenue
	New York, NY 10017-2014
Contact:	Katherine Rosa
	Managing Director, Portfolio Manager
	212-648-2298

2. Firm founded: Registered with the Securities & Exchange Commission:

The Private Equity Group ("PEG" or "Group") was established at on November 1, 1997 when members of AT&T's private equity team joined J.P. Morgan Asset Management ("JPMAM") to continue management of AT&T pensions' private equity assets and to begin management of commingled and separate account portfolios on behalf of additional third party clients.

JPMorgan Chase & Co. ("JPMC" or "Firm"), the parent entity, is one of the oldest financial institutions, whose legacy reaches back more than 200 years with the founding of its earliest predecessor in 1799. The firm has been offering asset management services for over a century.

JPMorgan Investment Management Inc. is registered with the United States Securities and Exchange Commission ("SEC") under the Investment Advisor Act of 1940. The firm registered with the SEC on February 7, 1984 as a registered investment advisor

3. Name, position, telephone and fax number, and e-mail address of the firm's new business contact and database/questionnaire contact:

New business:			Database contact:		
Name:		Katherine Rosa	Name:		Courtney Mee
Title:		Managing Director, Portfolio Manager	Title:		Vice President, Portfolio Manager
Phone:		212-648-2298	Phone:		212-648-1530
Email:		katherine.q.rosa@ jpmorgan.com	Email:		courtney.a.mee@jpmorgan.com
Name:		Joel Damon			
Title:		Managing Director, Client Advisor			
Phone:		415-315-5246			
Email:		joel.v.damon@jpmorgan.com			

4. Firm's ownership structure, and any ownership changes over the past five years:

   The Private Equity Group members are owners of their business through their Group's co-investment program and compensation structure. All eligible PEG investment professionals invest their personal after-tax dollars side-by-side in each and every investment equivalent to 1.25%* of the commitment amount. Additionally, the Group members receive 60% of any incentive fees earned. These earnings are distributed broadly among the team, including junior and administrative staff. The carried interest earnings vest over a four year period in a straight line fashion.

   J.P. Morgan Investment Management Inc. is an indirect wholly owned subsidiary of JPMorgan Chase & Co., a publicly traded corporation that is listed on the New York Stock Exchange (Ticker: JPM), with a market capitalization of $167.3 billion as of December 31, 2012.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

   The following insurance coverage is maintained for JPMorgan Chase & Co. and all majority-owned subsidiaries.

   *Bankers Prof*essional Liability*
   Risks Covered: Loss arising for claims of alleged wrongful acts committed in the performance of professional services.

   Carriers: Park Assurance Company
   Levels/Limits: $100,000,000
   Deductibles: $25,000,000
   Policy Period: January 15, 2013 – January 15, 2014
   ** Note: Bankers Professional Liability includes Errors & Omission insurance.*

   Employers Liability
   Risks covered: Indemnifies at law for damages and claimants' costs and expenses in respect of Accidental injury to any persons, and any accidental damage to property.
   Risks covered: Covers the firm against potential claims following an employee injury at work
   Carriers : Chartis Insurance
   Levels/Limits: £10,000,000 (*Excess of up to further $295 million is provided by a US/Global cover)
   Policy Period: January 1, 2013 – December 31, 2013

   Financial Institution Bond & Computer Crime (Bankers Blanket Bond Form 24 [Amended])
   Risks Covered: Loss of money/securities plus other properties resulting from employee dishonesty, robbery, burglary, or mysterious disappearance; loss of accepting forged or counterfeit checks and securities; a third-party interloper who accesses a computer or telex communication line and modifies or creates a message that results in a loss where JPMorgan Chase is held liable.

   Carriers: Park Assurance Company
   Levels/Limits: $300,000,000
   Deductibles: $25,000,000
   Policy Period: July 1, 2012 – July 1, 2013

6. Litigation:

   The Private Equity Group and its members have not been subject to any litigation.

7. Judgments:

J.P. Morgan Investment Management Inc. is reviewed on a regular basis by various regulatory agencies such as the SEC, DOL, and the NFA. In connection with such examinations, to date, there have been no findings or violations that would have a material adverse effect on the firm. The firm reasonably believes it is currently in compliance with applicable laws and regulations.

On January 10, 2013, they received a letter from the SEC notifying them that they are conducting an exam of several affiliated registered investment advisers focused primarily on the use, review, and validation of "Models." The onsite portion of the exam began in March 2013.

The Securities Exchange Commission conducted a routine examination of J.P. Morgan Investment Management Inc. and the J.P. Morgan Mutual Fund Complex in 2010-2011. A post exam letter was received from the SEC dated April 28, 2011; they reviewed the letter and provided a response to the SEC on June 3, 2011. They do not believe that the findings or the firm's actions in response to the suggestions in the letter will have a material impact on their ability to conduct their investment management business. For additional information, please refer to the Form ADV.

To the best of their knowledge, there is no anticipated investigation.

8. Firm's financial statement auditor.

J.P. Morgan Asset Management uses PricewaterhouseCoopers ("PWC") as the external, independent auditor to report on internal control and procedures. PWC has been the firm's independent auditor for over five years. The Firm evaluates potential auditors on an annual basis.

PWC has been the auditor since inception on behalf of their Private Equity Group. The lead partner on the engagement rotates every 10 years. Since inception, PWC has issued unqualified US GAAP financial statements on behalf of their investor funds and accounts on an annual basis. Our Group evaluates potential auditing firms on an annual basis.

9. Total assets under management for firm for the past five year-end periods and as of March 31, 2013.

J.P. Morgan Investment Management - Total Firm Assets					
	Market Value (Millions)	Accounts Gained	Assets Gained (Millions)	Accounts Lost	Assets Lost (Millions)
Dec 31, 2008	$875,231	131	$14,287	81	$14,806
Dec 31, 2009	$978,681	111	$6,489	52	$6,001
Dec 31, 2010	$1,013,712	155	$11,033	119	$3,516
Dec 31, 2011	$1,045,556	358	$18,581	241	$10,363
Dec 31, 2012	$1,108,261	272	$24,189	211	$7,081
Mar 31, 2013	$1,144,394	40	$3,313	42	$2,121

**Based on the AUM for the Asset Management division of JP Morgan Chase & Co*

Private Equity Group
Data as of December 31, 2012
($million)

	2008	2009	2010	2011	2012
Total PEG AUM (All products, asset classes)	18,737	19,947	22,409	22,015	24,561

PE FoF AUM by vehicle type (USD, millions)	2008	2009	2010	2011	2012
Separate Accounts	4,468	4,414	4,183	3,253	4,990
Managed Separate Accounts*	2,534	3,104	3,491	3,377	3,069

Primary Fund of Funds	11,735	12,429	14,735	13,380	14,349
Direct Investment Funds	-	-	-	2,006	2,153

*Includes legacy assets made by clients or another third party manager, which were taken over by the PEG for monitoring and management of the assets. PEG does not make forward commitments on behalf of such accounts.

10. Firm's total small/mid cap private equity fund(s) (or small/mid cap private equity fund of funds, if applicable), please state the market value of assets under management for the past five year-end periods and as of March 31, 2013.

All Corporate Finance

Small/Mid Cap Private Equity Assets - Fund or Fund of Funds								
	U.S. Market Value (Millions)	**Europe Market Value (Millions)**	**Accounts Gained***	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**	**U.S. Assets Committed/ Invested****	**Europe Assets Committed/ Invested****
Dec 31, 2005	$2,423	$706	25	1,605	-	-	$627	$126
Dec 31, 2006	$2,414	$958	24	795	-	-	$583	$201
Dec 31, 2007***	$2,692	$947	0	475	-	-	$681	$416
Dec 31, 2008	$2,422	$674	24	2,086	-	-	$438	$236
Dec 31, 2009	$3,015	$923	6	422	-	-	$357	$94
Dec 31, 2010	$3,688	$1,016	12	578	-	-	$609	$100
Dec 31, 2011	$4,157	$1,071	1	310	-	-	$792	$343
Dec 31, 2012	$4,219	$1,234	5	1,890	-	-	$531	$211
Mar 31, 2013	$4,142	$1,217	1	590	-	-	$43	-

*Represents commingled fund commitments and unique separate accounts that are being actively invested. Separate accounts included generally have a focus on small/mid market corporate finance but may also include investments in other strategies
** Represents investments committed in the listed calendar year
** *No unique accounts gained. Assets gained represents re-ups from existing separate accounts

11. Name of the product(s) described in the remainder of this response:

Based on their previous conversations with Contra Costa County Employees' Retirement Association and the specific focus on small to mid-market private equity investment opportunities, they are pleased to offer the following investment programs for consideration:

- Fund of Funds:
    - U.S. Corporate Finance Fund V
    - European Corporate Finance Fund V

- Customized Separate Account

These investment programs will provide CCCERA with a return-enhancing private equity portfolio focused on high quality small and mid-market investment opportunities that will be complementary to its existing program.

U.S. Corporate Finance V and European Corporate Finance V ("Funds V")
U.S. Corporate Finance V ("USCFV") and European Corporate Finance V ("ECFV") each focus on investments in existing private companies expanding through growth strategies or fundamental business change, with a strong emphasis on small and mid-sized firms. USCFV has a geographic focus in the U.S., and ECFV includes predominately European investments. Each fund provides a diversified portfolio that selectively identifies private equity investments across all types (partnership, secondary and direct investments), stages and industry sectors. Funds V target a three year commitment period to remain opportunistic while providing appropriate diversification across economic cycles.

Our Corporate Finance strategies have a strong focus on small to mid-market investment opportunities. Specifically, from 2002-2012, 80% of primary partnership investments that they made in Corporate Finance were to fund sizes of less than $1B; 60% were to fund sizes of less than $500MM. Our European

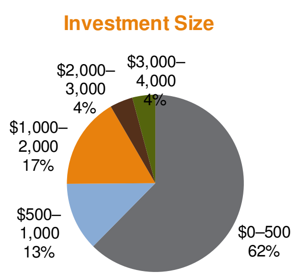
Corporate Finance strategy evolution has been towards regional and country-specific funds with smaller more niche franchises focusing on smaller and mid-sized businesses. The cornerstone of their portfolio strategy is to be opportunistic in selecting attractive investments. They seek to have broad diversification and allocations to sectors that may shift over time depending on the market opportunity set. Please see the charts below for representative portfolio allocations, target size, and investment objectives for Funds V.

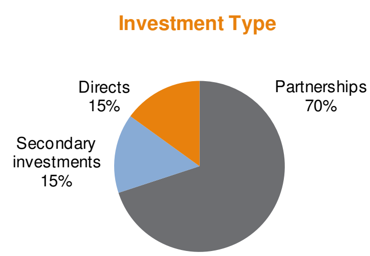
Representative portfolio: U.S. Corporate Finance V

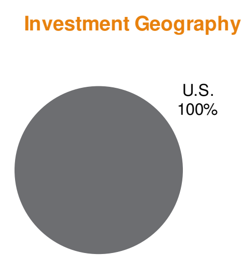
Overview of characteristics

Portfolio Construction: U.S. Corporate Finance V

- Stage of business development: predominately existing companies in buyout, growth capital, and build-up strategies well as special situations with opportunistic mezzanine, distressed equity
- Geography: U.S.
- Investment type: 65%+ to primary partnerships; up to 35% in secondary and direct investments
- General Partners: appropriately diversified to approximately 15 partnerships
- Industry: broad industry exposure
- Vintage years: targeting 3 year commitment period
- Target fund size: $750mm
- Return objective: 500 basis points in excess of a diversified public equity portfolio







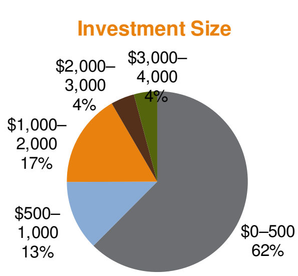
The manager seeks to achieve the stated objectives. There can be no guarantee those objectives will be met.

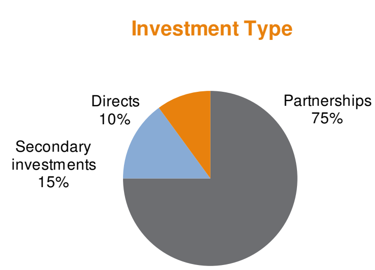
Representative portfolio: European Corporate Finance V

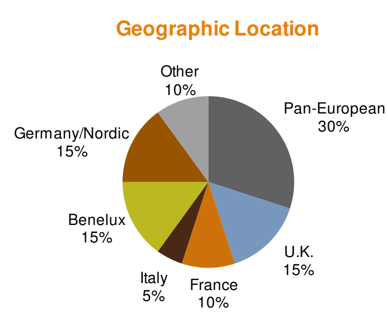
Overview of characteristics

Portfolio Construction: European Corporate Finance V

- Stage of business development: predominately existing companies in buyout, growth capital, and build-up strategies well as special situations with opportunistic mezzanine, distressed equity
- Geography: Developed Europe
- Investment type: 65%+ to primary partnerships; up to 35% in secondary and direct investments
- General Partners: appropriately diversified to approximately 12 partnerships
- Industry: broad industry exposure
- Vintage years: targeting 3 year commitment period
- Target fund size: $500mm
- Return objective: 500 basis points in excess of a diversified public equity portfolio







The manager seeks to achieve the stated objectives. There can be no guarantee those objectives will be met.

Importantly, these allocations are based on their current views of the market environment and where they see the market in the next 2-3 years. They aim to employ a bottom-up and opportunistic approach utilizing flexible allocations based on the quality of investments available in the marketplace.

12. Firm's succession plan for senior management of the private equity fund or fund of funds activity:

The team-oriented nature of their investment approach is conducive to maintaining stability. Every investment relationship at JPMorgan involves a team of professionals, all of whom are important in managing an account, therefore no one individual is solely responsible. They nominate alternates to provide back up for primary portfolio managers and client contacts and they ensure that alternate contacts meet the clients on a periodic basis.

They are also realistic with regards to the possibility of or need for changes within the Group. As such, a small number of senior professionals within their Group regularly meet to review new business direction, assess staffing and development of members of the team, review budgets and forward planning, and other needs of the business, including succession and personnel plans. Team members central to these strategic planning discussions include Larry Unrein, Eric Chan, Rob Cousin, Tom McComb, Kathy Rosa, Tony Roscigno and Julian Shles. Additionally, an annual offsite discussion provides a venue specifically for review of business needs and staffing for the Private Equity Group.

13. Names and titles of key investment and management personnel:

Name	***Title***	***Primary Responsibility***	***Industry Experience***	***Firm Experience*****	***% of time dedicated to investment activities***
*Lawrence Unrein**	*Managing Director/ Head of the PEG*	*Portfolio Management*	*33*	*33*	*80%*
Thomas Judge	Senior Advisor	Portfolio Management	58	33	30%
*Eduard Beit**	*Managing Director*	*Portfolio Management*	*30*	*25*	*100%*
Gavin Berelowitz	*Managing Director*	*Portfolio Management, Information Management*	*19*	*10*	*80%*
Boris Bong	Managing Director	Portfolio Management	19	<1	100%
*Brendan Cameron**	*Managing Director*	*Portfolio Management*	*30*	*17*	*100%*
Eric Chan	Managing Director	Portfolio Management	23	6	100%
*Laureen Costa**	*Managing Director*	*Portfolio Management*	*23*	*19*	*100%*
*Robert Cousin**	*Managing Director*	*Portfolio Management*	*22*	*20*	*100%*
Jarrod Fong*	Managing Director	Portfolio Management	22	17	100%
Dana Haimoff	*Managing Director*	*Portfolio Management*	*20*	*11*	*100%*
Robert Kiss	*Managing Director*	*Portfolio Management*	*34*	*13*	*100%*
Michael MacDonald	*Managing Director*	*Portfolio Management*	*26*	*12*	*100%*
*Thomas McComb**	*Managing Director*	*Portfolio Management*	*28*	*23*	*100%*

Ashmi Mehrotra	*Managing Director*	*Portfolio Management*	*14*	*10*	*100%*
Katherine Rosa	*Managing Director*	*Portfolio Management, Investor Relations*	*21*	*21*	*80%*
*Anthony Roscigno**	*Managing Director*	*Portfolio Management*	*25*	*20*	*100%*
Julian Shles	Managing Director	Portfolio Management, Information Technology	29	15	80%
Naoko Akasaka	Executive Director	Portfolio Management, Investor Relations	19	5	80%
Stephen Catherwood	*Executive Director*	*Portfolio Management*	*12*	*10*	*100%*
Carina Chai	Executive Director	Portfolio Management	20	<1	100%
Bertram Cooke Jr.	*Executive Director*	*Portfolio Management, Information Technology*	*14*	*14*	*80%*
Evrard Fraise	Executive Director	Portfolio Management, PEDM	14	7	100%
Mindy Gabler	Executive Director	Portfolio Management, Information Management	20	14	80%
Meena Gandhi	*Executive Director*	*Portfolio Management, Investor Relations*	*12*	*7*	*80%*
Tyler Jayroe	*Executive Director*	*Portfolio Management*	*14*	*8*	*100%*
Cindy Kendrot	*Executive Director*	*Portfolio Management, Information Management*	*20*	*14*	*80%*
Dimiter Mace	*Executive Director*	*Portfolio Management, Information Management*	*16*	*13*	*80%*
Brian McCann	*Executive Director*	*Portfolio Management, Information Management*	*14*	*8*	*80%*
Robertus Prajogi	Executive Director	Portfolio Management, PEDM	15	12	100%
John Sweeney	*Executive Director*	*Portfolio Management, Information Management*	*16*	*3*	*80%*
David Taplitz	*Executive Director*	*Portfolio Management*	*17*	*12*	*100%*
Amanda Wilson	*Executive Director*	*Portfolio Management*	*15*	*14*	*100%*
*Sandra Zablocki**	*Executive Director*	*Portfolio Management, Information Management*	*33*	*33*	*80%*
Fredric Arvinius	*Vice President*	*Portfolio Management*	*7*	*6*	*100%*
Julian Bostic	*Vice President*	*Portfolio Management, Investor Relations*	*18*	*<1*	*80%*
Carol Chen	Vice President	Portfolio Management	8	3	100%
Irene Koh	Vice President	Portfolio Management	13	5	100%
Courtney Mee	*Vice President*	*Portfolio Management, Investor Relations*	*7*	*4*	*80%*
Zachary Rocklin	*Vice President*	*Portfolio Management, Information Management*	*14*	*7*	*80%*
Mingzhu Tang	Vice President	Portfolio Management, Investor Relations	5	3	80%
Charles Willis Jr.	*Vice President*	*Portfolio Management*	*14*	*13*	*100%*

Jinghan Hao	Associate	Portfolio Management	2	<1	100%
Kashif Sweet	*Associate*	*Portfolio Management*	*5*	*<1*	*100%*
Jaclyn Pizzo	*Associate*	*Portfolio Management*	*4*	*<1*	*100%*
Stephanie Evans	*Analyst*	*Portfolio Management, Investor Relations*	*2*	*<1*	*80%*
Avneet Kochar	Regional Advisor	Portfolio Manager	17	<1	30%

*Members of the group with AT&T heritage
**Includes tenure with at AT&T and PEG

14. Firm staff and the private equity staff turnover:

	Firm-wide Employees		
Year	Firm-wide Employees	Firm-wide Employees Added	Firm-wide Employees Lost
Dec 31, 2008	15,137	71	172
Dec 31, 2009	14,756	38	137
Dec 31, 2010	16,891	93	111
Dec 31, 2011	18,343	90	102
Dec 31, 2012	18,523	64	115
Mar 31, 2013	18,697	14	21

As mentioned in Question 14, their Group is a cohesive team of investment professionals. Since the establishment of the PEG at JPMIM in 1997, they have continually expanded their Group by adding qualified investment professionals, and experienced no unexpected departures and do not anticipate any going forward.

	Private Equity Investment Professionals		
Year	Total Employees	Employees Added	Employees Lost
Dec 31, 2008	36	2	2
Dec 31, 2009	37	1	0
Dec 31, 2010	40	3	0
Dec 31, 2011	40	0	0
Dec 31, 2012	45	6	1
Mar 31, 2013	47	2	0

15. As of December 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the Small/Mid Cap private equity product.

Small/Mid Cap Private Equity Capital Under Mgt	**Number of Investors**	**Median Client Size (USD million)**	**Largest Client Size**	**Number of Portfolio Mgrs***	**Number of Inv Analysts***
Corporate Finance I (75% US; 25% Non-US)	21	$14.6	$600.0	45	45
U.S. Corporate Finance II	21	$18.7	$350.0	45	45

U.S. Corporate Finance III	41	$10.0	$375.0	45	45
U.S. Corporate Finance IV	31	$12.5	$240.0	45	45
European Corporate Finance II	17	$6.3	$150.0	45	45
European Corporate Finance III	35	$5.0	$125.0	45	45
European Corporate Finance IV	19	$8.4	$200.0	45	45
Separate Accounts**	20	$196.0	$750.0	45	45

16. As of December 31, 2012, the small/mid cap private equity fund or fund of funds group, the fund name, size of the fund in millions of dollars, the number of clients, and client assets committed and invested.

Fund Name	Vintage Year	Size of Fund	# of Clients*	Commitments	Invested to Date
Corporate Finance I (75% US; 25% Non-US)	1998	$1,718	21	$1,856	$1,779
U.S. Corporate Finance II	2002	$979	21	$1,060	$1,043
U.S. Corporate Finance III	2005	$1,522	41	$1,560	$1,526
U.S. Corporate Finance IV	2009	$1,192	31	$934	$556
European Corporate Finance II	2002	$400	17	$428	$441
European Corporate Finance III	2006	$512	35	$538	$452
European Corporate Finance IV	2008	$678	19	$435	$193
Separate Accounts**	1998	$5,066	20	$2,684	$1,813

17. Firm's funds or fund-of-funds product(s) currently open for investment or soon to be open for investment.

PE Fund Name	Expected Fund Size at Final Close (USD MM)	Expected Number of Investors	Expected Final Closing Date	Minimum Investment Size (USD MM)
Global Private Equity	$500MM	15-20	2H 2014	$10MM, subject to waiver
U.S. Corporate Finance V	$750MM	- 15-20	2H 2014	$10MM, subject to waiver
European Corporate Finance V	$500MM	15-20	2H 2014	$10MM, subject to waiver
Venture Capital V	$600MM	15-20	2H 2014	$10MM, subject to waiver

18. What percentage will the largest single investor represent in the new fund? Name and expected commitment for this investor.

Historically, the largest investor in their previous funds has represented approximately 25% of the total commitment. With respect to Funds V, they would not anticipate a single investor to represent more 20% of the total commitment amount.

19. Does the firm allow coinvestment opportunities?

    Members of their Group Members of their Group have been making direct investments since 1988. Our strategy for making direct investments is to leverage relationships with fund sponsors in order to identify attractive investment opportunities at reasonable valuations. In addition to providing a return benefit, making direct investments provide an avenue for their team to work side-by-side with their private equity partners, furthering their relationship and offering a first hand view of how their partners add value to portfolio companies. They have deployed more than $2.8 billion to direct investments since 1988, adding value to the Funds and their clients' portfolios.
    As mentioned in Question 12, the U.S. and European Corporate Finance V Funds allow up to a 35% allocation to direct co-investments and secondary investments. The majority of investments are made to primary partnerships, managed by external private equity sponsors. Historically, these partnership investments have represented at approximately 75% of the corporate finance programs. They would propose to implement direct investments in a separate account structure as well.

20. How the firm defines small/mid cap private equity:

    Generally, they define the small to mid-cap private equity market as fund sizes of less than $2B and targeting companies with revenues of less than $300MM. Between 2002 and 2012, 80% of the buyout funds they invested in had fund sizes under $1 billion. They feel that the small to mid-market is a vast opportunity set and offers greater potential for multiple expansion and outperformance than do the large and mega private equity markets.

21. Investment philosophy/strategy, style and distinguishing characteristics of this product:

    They fundamentally believe that private equity investments should provide return enhancement to an overall public equity portfolio. Our stated return objective is 500 basis points over that broad public equity portfolio, and they target to achieve top quartile performance. Given such philosophy, their objective is simply to invest with the best general partners that have meaningful and specific relationships and expertise enabling them to access/develop the best companies with the best entrepreneurs and management teams. They are a bottom-up, opportunistic investor with limited constraints or pre-set allocations in all private equity investment types, styles, stages of business development, industry sectors, geographical locations, and all market environments. They seek to have broad diversification and allocations to sectors that may shift over time depending on the market opportunity. This investment philosophy and strategy has remained consistent since inception.

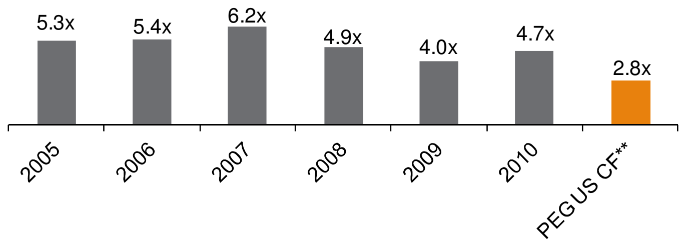
    Our corporate finance focus has been on high-growth oriented investments, typically generated through acquisition, fundamental business change, or top line growth. The underlying portfolio company investments may encompass equity capital for acquisition transactions and management buy-outs or buy-ins; industry consolidations and build-ups; refinancing and recapitalizations; and growth equity investments in companies.

    While their portfolios cross industry sectors and stages of business development, the majority of their focus has been in the small to medium-sized end of the global buyout market. Such preference stems from their desire to provide investors with consistent, long-term outperformance through company growth, and to work with General Partners that have a strong alignment of interest with their investors. This sector of the marketplace is also characterized by a very large opportunity set, and the generally less risky balance sheets of those companies as purchase price multiples are lower and leverage is not as prevalent as that in larger companies. Please refer to the chart below for their U.S. corporate finance partnerships investments over the past decade.

U.S. corporate finance primary partnership investments made in 2002-2012 period

	Partnerships	
Fund Size	**#**	**%**
< $500mm	**51**	**60%**
$500mm – $1.0bn	**17**	**20%**
$1.0 – $1.5bn	4	5%
$1.5bn – $3.0bn	7	8%
$3.0bn – $5.0bn	6	7%
> $5.0bn	0	0%

U.S. LBO loans* vs. PEG U.S. Corporate Finance investments in vintage years 2005 – 2010, as of 9/30/2012**



*Source: S&P Leverage Buyout Review, average debt multiples of large LBO loans, defined as issuers with EBITDA of more than $50mm excluding media and telecom loans, as of 9/30/2012.
**Based on weighted average leverage multiples across J.P. Morgan's U.S. Corporate Finance III (vintage years 2005-2010) as of 9/30/2012; represents 77% of underlying holdings. Past performance is no guarantee of future results.

Furthermore, in 2006, 2007, and 2008, when investing in the large/mega buyout space seemed commonplace and deals were highly priced and aggressively levered, they slowed down their commitment pace, maintained a focus on experienced general partners working locally and regionally, investing in high quality businesses purchased at reasonable prices and utilizing modest level. As an example, their portfolio companies in U.S. Corporate Finance during vintage year 2005 to 2010 have a net debt/EBITDA multiple of 2.8x compared to 5.1x average of LBO loans during that time period.

With regard to European Corporate Finance, their strategy evolution has continued to be relatively smaller allocations to pan-European firms and greater allocation to regional and country-specific funds. Such investment shift has been made as many of the pan-European funds were migrating to the very large transaction size, while the smaller more niche geographic-specific firms were building their franchise and entering into transactions that they viewed as having better risk/return characteristics. These more regional firms have also benefited from the broader acceptance of
private equity in general as it has attracted many smaller and mid-sized businesses to private equity that in

Corporate finance performance as of December 31, 2012

Performance relative to peer universe[1] over the past 10 years:

	1st Quartile	2nd Quartile	3rd Quartile	4th Quartile
Number of Vintage Years	8	2	0	0

Vintage year performance relative to public indices[2] over the past 10 years:

- Average spread of 1,259 basis points relative to the S&P 500
- Average spread of 1,369 basis points relative to the MSCI Europe

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
JPM PEG IRR	**34.6%**	**23.8%**	**13.6%**	**11.2%**	**9.1%**	**5.6%**	**29.2%**	**34.5%**	**35.6%**	**17.5%**	**30.1%**
S&P 500 IRR	27.7%	7.9%	3.2%	3.3%	4.4%	4.9%	9.7%	15.3%	12.6%	10.6%	6.5%
Spread (bps)	**688**	**1,589**	**1,037**	**787**	**470**	**65**	**1,949**	**1,918**	**2,304**	**685**	**2,353**
MSCI Europe	30.5%	15.0%	2.9%	1.4%	0.2%	0.2%	3.0%	9.6%	5.8%	7.7%	17.9%
Spread (bps)	**408**	**886**	**1070**	**974**	**887**	**543**	**2,621**	**2,488**	**2,979**	**981**	**1,219**

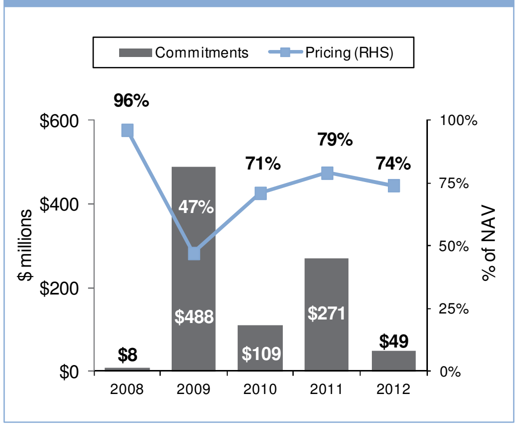
[1] Venture Economics, Corporate Finance (buyout, mezzanine, distressed, other private equity), All Regions as of 12/31/2012 .
[2] Public benchmark returns calculated with actual timing and dollar amounts of PEG portfolio cash flows in and out of the respective index. Includes corporate finance investments in partnership, secondary and direct investments for commingled funds, separate accounts, and employee vehicle. Net of underlying investment fees and expenses; gross of Advisor fees; if Advisor fees were included, returns would be lower.
Past performance is no guarantee of future results.

Secondaries and Direct investments

The Private Equity Group actively pursues secondary and direct investments, alongside their private equity partners. Such investments are viewed opportunistically and are expected to be return enhancing to the overall portfolio. Our approach is to proactively source opportunities from their networks of GPs, LPs and intermediaries, but only select those investments they have high conviction of being return enhancing to their total portfolio.

As an example, in 2007 and 2008, at the ‘peak of the market’, they made almost no secondary investments; many transactions during that period were priced at premiums to NAV. In late 2008 and early 2009, when the secondary price fell drastically, they proactively purchased secondary interests at attractive pricing, normally at significant discount to NAV. Since the economy stabilized in 2010, they completed fewer deals as the bid prices increased and relative quality of secondary opportunities declined.

PEG secondary project commitments and pricing[1]



Overview of secondary projects evaluated by PEG[2]

	2009	2010	2011	2012
Secondary projects reviewed	109	95	85	97
Secondary commitments made	16	4	8	3
Underlying partnership investments[3]	96	14	14	6
Average funded at time of purchase	*70%*	*67%*	*74%*	*91%*
Average purchase price as % of NAV[1]	*47%*	*71%*	*79%*	*74%*
IRR[4]	33.8%	31.5%	33.5%	97.6%

[1]Relates to secondary projects committed to by PEG portfolios in each calendar year. Certain underlying partnerships of a given secondary project may have closed in the following calendar year. 2011 commitment and pricing does not include Project G, which has a deferred payment component. There can be no assurance that the same market or investment conditions that will exist at the time PEG makes secondary investments.
[2]This information is included solely to illustrate the investment process and strategies which have been utilized by PEG.
[3]Represents total number of underlying partnership or direct company investments committed to by PEG portfolio in each calendar year. Certain underlying partnerships may have closed in the following calendar year.
*Net of underlying fees and expenses, gross of Advisor fees; if Advisor fees were included, returns would be lower. Past performance is no guarantee of future results

Our strategy for making direct investments is to leverage relationships with fund sponsors in order to identify attractive investment opportunities at reasonable valuations. In addition to providing a return benefit, making direct investments provide an avenue for their team to work side-by-side with their private equity partners, furthering their relationship and offering a first hand view of how their partners add value to portfolio companies. Our network and relationships provides significant deal flow. Since 2008 to the end of 2012, they have reviewed 495 direct investment opportunities, performing due diligence on 331, and closing on 30 investments.

Global investment coverage

Since 1980, they have continually reviewed the global private equity markets, identified and built relationships with the most capable private equity investors in these markets, and as a result, have been able to provide return enhancing investments to their clients. Our Group began investing in the U.S. in 1980, Europe in 1983 and Asia in 1985.

Our investment opportunity set is global in nature and they continually visit geographic areas, assess capital market and legal/tax/regulatory conditions. While reviewing potential investments they take into consideration factors such as the economic structure of the country or region, the political structure of the country in which portfolio companies will operate, any cultural or social issues, a country’s legal and regulatory system, a country/region’s tax structure, as well as the development and depth of the country/region’s money, debt and equity markets. Facilitating their review of all geographical locations, J.P. Morgan Asset Management has investment management offices in 40 offices around the world.

Region	Year of first investment
North America	1980
Western Europe	1983
Japan	1985
Eastern Europe	1992
Asia ex Japan	1994
Israel	1997
South America	1997

Investment Process
Our approach is to proactively source and review all available opportunities. They dedicate their resources at every level to actively source deals and ensure that they identify every group possessing unique skills or differentiated strategies relevant to their clients. They also proactively track when managers are anticipated to be considering fundraising. In fact, they review, on average, 500 investment opportunities each year from numerous sources including, directly from private equity firms, their network, and intermediaries. They employ a sophisticated database to track the source and outcome of each offer. Our success in this area is a result of their long-standing dedication to the asset class and capacity to review every relevant opportunity. This sourcing effort is a fluid process. If deal flow generation is not working in one aspect, they employ other avenues of access until they are successful.

Once they identify a potential investment opportunity, the offering is logged into the new proposal log and reviewed during the team's global weekly meeting. The portfolio manager with the most relevant experience is assigned to review the offering and make a determinant as to whether or not the proposal warrants further review.

If the Group decides not to proceed, a response is made to the respective party, and log is updated. Factors leading to the rejection of a proposal at this stage include the lack of differentiated investment strategy, inconsistencies between projected strategy and past experience, insufficient or poor track record, and limited experience of the principals.

If the proposal warrants further review, a deal team consisting of 3-5 portfolio managers lead further due diligence. This includes visiting companies, meeting with the partnership group and investment teams, extensive background checks of the investment professionals, and thorough analysis of the investment process, past transactions, and the overall industry segment. Through this process, the Group acquires an understanding of the investment philosophy of the fund sponsor, the discipline with which the philosophy is implemented, and the dynamics of the sponsor's organization in order to evaluate the sponsor's ability to generate sustainable deal flow and attractive risk-adjusted returns. Given their belief that every investment decision they make should benefit from the collective knowledge of their entire Group, globally, it is often the case that a deal has "touched" 10-12 portfolio managers before they make their final decision. These touches include extensive "off sheet" reference calls.

Leveraging internal and external resources to develop a comprehensive understanding of all aspects of the potential partnership investment, the deal team writes a report identifying the pros and cons of the investment. This report is the basis for discussing the investment with the Group. Specific factors reviewed and documented include background of individuals, status of general partner, deal flow, performance track record, and Investment strategy. Additionally, they also examine factors which have the potential to affect the private equity investments, such as economic environment, political environment, cultural/social issues, legal/regulatory system, taxes, and financial markets etc.

Upon approval of an investment, the assigned professionals from the Group will work with the general partner and legal counsel on the official documents. Once terms have been agreed to and the commitment has been made, the due diligence does not end. The members of their Group sit on over 200 Advisory Boards and continuously monitor their investments.

Distinguishing Characteristics

Our private equity program is one of the largest and most successful programs in the industry, and is led by an experienced, cohesive team of dedicated private equity investment professionals. They strongly believe that their team has the experience, knowledge, investment reputation, resources and dedication to provide the most comprehensive, flexible program and consistently superior performance in the private equity fund of funds marketplace. Distinguishing characteristics of their team that differentiate them from their competitors are listed below.

Superior Performance

The global private equity investments of their Group have delivered top quartile performance for 19 years of the past 25 years and second quartile for the remaining 6 years. Since 2002, their Group has outperformed the S&P 500 and MSCI World index by an average of 823 basis points and 980 basis points, respectively, each per year.

Access to top-tier funds

Given their team's long history of active investment in the private equity marketplace, they have access to top tier funds, many of which do not have allocations available for new investors. They have consistently partnered with top quartile groups who continue to outperform the private equity market. They also have established ourselves as preferred partners with the requisite financial and human resources to be lead investors. Our reputation and continued dedication to this asset class are second to none and have enabled them to obtain sizeable allocations to over-subscribed partnerships, participate in direct and secondary investment opportunities, and negotiate favorable terms, fees, and carry on behalf of their investors. Corporate Finance firms included in this list* are groups (many with whom they invested in their first time fund) such as:

Representative PEG European corporate finance investments

Name	Geographic focus	Sub-strategy	Industry focus	Recent fund size	Notable portfolio company investments	PEG relationship established
Bowmark	UK	Lower mid-market buyouts	Business services, healthcare, leisure, IT services	£265m	Kisimul, education, dataexplorers	2004
Chequers	France and Germany	Mid-market buyouts	Broad with focus on business services and distribution	€850m	Accelya, Tractel, ALMA	2002
Ciclad	France	Small buyouts and growth capital	Broad with focus on B2B	€150m	matest	2011
ECI	UK	Lower mid-market growth buyouts	Outsourcing, business services, leisure and IT services	£436m	Racal Acoustics, ClarityBlue, Premier Care	1987
Elbrus	Russia and CIS	Buy and build and growth buyouts	Business services, consumer, healthcare and education	US$300m	UTH, mail.ru group, Blesk InCare	2011
Inflexion	UK	Lower mid-market buyouts	Niche, sector leading business in various industries	£375m	Viking Moorings, acis	2010
Litorina	Sweden	Lower mid-market buyouts	Consumer, industrial and services	SEK2.5bn (<€250m)	QMATIC, LGT, BTJ	2010
Waterland	Benelux and Germany	Mid market buy and build	Aging population, outsourcing, sustainability	€1.1bn	globalcollect, AML, intertrust	2002

Representative PEG U.S. corporate finance investments

Name	Sub-strategy	Industry focus	Recent fund size	Notable portfolio company investments	PEG relationship established	PEG directs & secondaries
Brynwood	Small buyout	Consumer products, light manufacturing, services, specialty retail	$300-$500mm	High Ridge Brands, VO5, Rave, White Rain, Coast	2000	3
Genstar	Middle-market buyout	Life sciences, health services, software, industrial technology	$500mm-$1bn	PRA, Seguros Confie, MW Industries	2004	2
Goode	Lower middle-market growth equity, buyout	Consumer brands and services	$200-300mm	Chuy's, Rosa Mexicano, Intermix, Skullcandy	1994 SKM 2007 Goode inception	4
GTCR	Industry consolidation	Healthcare, information technology, financial services, growth business services	$2-$3bn	Zayo Group, cellnet, FUNDtech	1980	8
KarpReilly	Middle-market growth equity, buyouts	Specialty retailers, restaurants, apparel and branded products	$150-$250mm	Sprinkles Cupcakes, The Habit Burger Grill, Cafe Zupas	1989 SKM 2007 KarpReilly inception	3
Kinderhook	Middle-market buyout	Business services, light manufacturing, retail, healthcare	$200-$300mm	TonneauCovers World, Specialists Marketing Services	2003	4
Trumpet	Mid-market growth	Consumer products, business services, specialty retail	$150-$200mm	Crowe Paradis Services Corporation, CrossMedia, SOI	2005	1
Thoma Bravo	Industry consolidation and growth	Business services, software and consumer products	$750mm-$1.5bn	SonicWall, Flexera, Deltek, Datatel, Blue Coat	1980 GTCR 2008 Thoma Bravo inception	6

These examples are included solely to illustrate strategies which have been utilized by PEG; they do not represent investments in the Fund. The manager seeks to achieve the stated objectives. There can be no guarantee those objectives will be met.

Cohesive team with significant private equity experience and insight

Our Group is built on continuity and experience. Our investment track record goes back more than 30 years and the investment professionals to which those returns are largely attributed continue to be meaningful and active team members today. They have been thoughtful in their approach to selectively add to their team which is reflected by the 24 year average tenure of their senior portfolio managers. Our deep insights and strong relationships across the private equity market has led to successfully accessing top quartile and oversubscribed funds, securing exclusive direct and secondary investment opportunities, and negotiating favorable terms on behalf of their investors.

Willingness to over-or under-weight sectors and strategies

While their portfolios have appropriate diversification, given their philosophy to invest in opportunities offering the most compelling risk/returns, they have consciously and tactically moved in and out of sectors and strategies. This approach has been a positive contributor to their investors' portfolios. Examples include capitalizing on the dislocation in the secondary market in late 2008 to early 2009 when secondary price fell drastically, their opportunistic allocation to distressed equity or turn-around investments or investments with an imbedded asset for downside protection during periods of distress, slowing their investment pace and staying away from highly priced, leveraged transactions during 2006-2008, and their conscious decision to overweight China relative to India in the early 2000s.

Investor-centered program

They have made a strong commitment to developing and building relationships with their investors. They have worked closely with a number of their investors assisting them in their understanding of the private equity marketplace, asset allocation to private equity within the context of their overall portfolio, and management for cash flow and liquidity impact of an allocation to private equity. Our program is flexible enough to provide their investors the ability to set their preferred asset allocation to sectors of the private equity marketplace and geographic locations of investment.

They believe their solid relationship with their investors starts with providing comprehensive reporting. All reports are delivered in both electronic format and hard copy, and are accessible via a dedicated investor-only website. They provide monthly transaction reports, quarterly investment reports that provide detailed performance and all underlying portfolio companies, quarterly web-cast investor forums, and an annual investor meeting.

22. Bias toward any market segments:

As mentioned earlier, the core of their portfolio strategy is to be opportunistic in selecting attractive investments. As such they do not set pre-determined allocations to specific sub strategies. Our U.S. and European Corporate Finance V portfolios will stay focused on small to mid-market investment opportunities in the U.S. and developed Europe respectively. Additionally, the portfolios will have broad diversification and allocations to sectors that may shift over time depending on the market opportunity set. As example, U.S. Corporate Finance program starting in early 2002 had an 11% allocation to distressed equity or General Partners that focus on turn-around investments or investments with an imbedded asset for downside protection. These opportunities were very attractive at the outset of this fund's life in 2002 and have, to date, performed well on behalf of the fund. General Partners that are in included in this category are KPS Special Situations and H.I.G. Bayside.

23. Expected period of investment for the proposed fund(s).

Our Funds V will target a 3 year commitment period, with a maximum of 5 years. An extension of the investment period would be due to a relative lack of high quality investment opportunities for some period of time. Such a circumstance may be do to broad market factors or the pace by which quality private equity firms seek to raise capital. Vintage year diversification has the benefit of constructing a portfolio in various phases of the economic cycle, thereby adding a degree of protection against unfavorable economic conditions. It is their practice to be proactive in communicating with investors with respect to investment pace and opportunities, as well as details of investments made and their progress.

24. General Partner's commitment in the fund:

As members of the Private Equity Group, they are owners of their business through alignment with their investors via their employee co-investment program and compensation structure. A set annual percentage (1.25%*) of each investment made by the Group is allocated to this employee fund vehicle, and it represents a significant portion of the Group professionals' after-tax income. Additionally, their Group members receive 60% of any incentive fees earned. These earnings are distributed broadly among the team, including junior and administrative staff. The carried interest earnings vest over a four year period in a straight line fashion.

**Allocation percentage is reviewed each calendar year; it is currently 1.25%. It has been at or above 1% for the past 6 years and is expected to remain at or above that level.*

25. What is the firm's investment universe? How many investment opportunities are evaluated each year?

Given their team's long history of active investment in the private equity marketplace, they have access to top tier funds, many of which do not have allocations available for new investors. They have consistently partnered with top groups who have the ability to outperform the private equity market. They have also established ourselves as preferred partners with the requisite financial and human resources to be lead investors. Our reputation and continued dedication to this asset class are second to none and have enabled them to obtain sizeable allocations to over-subscribed partnerships, participate in direct and secondary investment opportunities, and negotiate favorable terms, fees, and carry on behalf of their investors. Included in this list are groups (many with whom they invested in their "first time fund") such as:

Investment opportunities are received by the PEG from numerous sources including, directly from private equity groups raising money, the PEG network, and other intermediaries. The Group's team reviews, on average, more than 400 potential investment opportunities each year that cover the entire spectrum of private equity investments. The deal log as below is also indication of their deal sourcing capability. Our objective is to actively pursue opportunities to ensure that the Group's professionals see all the available opportunities in the marketplace. No portion of the due diligence process is outsourced or subcontracted. As necessary to assess the investment opportunity, the team will ask questions of external parties with knowledge relevant to the investment decision (e.g., relationship with the General Partners, expertise in a particular industry, etc.) and will consult with outside legal counsel in reviewing the investment documents.

Each year their Group reviews on average, more than 500 investment opportunities. These opportunities are received from numerous sources including from private equity groups raising money, the PEG network, or other intermediaries. Our GP network and relationships going back over 30 years provides significant deal flow. Please refer to the chart below which shows recent deal flow by strategy.

Representative deal log from January 1, 2008 – December 31, 2012

U.S. Corporate Finance	European Corporate Finance	Venture Capital	Asia	Emerging Managers	Secondaries*	Direct Investments
567 offerings reviewed	225 offerings reviewed	708 offerings reviewed	438 offerings reviewed	771 offerings reviewed	447 offerings reviewed	495 offerings reviewed
301 due diligence	123 due diligence	397 due diligence	253 due diligence	389 due diligence		331 due diligence
33 investments	15 investments	50 investments	25 investments	74 investments	33 investments	30 investments

*Represents Projects, not underlying partnerships
Includes investments pending legal close

Our Group systematically captures and tracks their investment offerings. All relevant details of the offering are entered into the system and a weekly report of these details is produced. This report is reviewed during their Group's weekly team meeting, and the Portfolio Manager with the most appropriate experience or knowledge of a particular offering is assigned to lead a review of that opportunity. Our sourcing results are made available to their investors and reviewed as part of their annual meeting each spring and discussed yearly at their fall offsite.

Our Group thus dedicates resources at every level to actively source deals. Our success in this area is a result of their long-standing dedication to the asset class and desire and capacity to review every relevant opportunity. They devote their sourcing efforts to capturing opportunities. This is a fluid process. If deal flow generation is not working in one aspect, they employ other avenues of access until they are successful.

Our team actively cold calls firms within specific target sectors. For example, while researching the Nordic market, they identified Segulah as a potential investment target and began a dialogue. When Segulah later began fund raising, their Group was already positioned as a knowledgeable and interested investor. They were "invited" to conduct due diligence and secured a sizable allocation in a top firm that was heavily oversubscribed. Without that early identification and relationship building, even the ability to conduct official due diligence would not have been granted. Our relationship building skills were instrumental in securing a sizable allocation to their heavily oversubscribed fund.

Additionally, their Group has developed an efficient back office process by utilizing a key tool in the investment processing areas of Investment Opportunities and Documentation, and Investment and Portfolio Company Tracking, called the Private i system provided by the Burgiss Group. Each investment opportunity obtained by their Group is logged in their private equity processing and tracking system, Private i. All relevant details of the offering are entered into the system and a weekly report of these details is produced. This report is reviewed during their Group's weekly team meeting, and the Portfolio Manager with the most appropriate experience or knowledge of a particular offering is assigned to lead a review of that opportunity. Our sourcing results are made available to their investors and reviewed as part of their annual meeting each spring and discussed yearly at their fall offsite.

Our Group thus dedicates resources at every level to actively source deals. Our success in this area is a result of their long-standing dedication to the asset class and desire and capacity to review every relevant opportunity. They devote their sourcing efforts to capturing opportunities. This is a fluid process. If deal flow generation is not working in one aspect, they employ other avenues of access until they are successful.

26. How are investments evaluated?

Once they identify a potential investment opportunity through the receipt of offering materials, proactive sourcing and tracking of when managers are anticipated to be considering a fundraise, a designated member of the Group records the offering into the new proposal log. The newly logged offerings are reviewed during the team’s global weekly meeting. At that time, a portfolio manager is assigned to review the offering and make a determinant as to whether or not the proposal warrants further review.

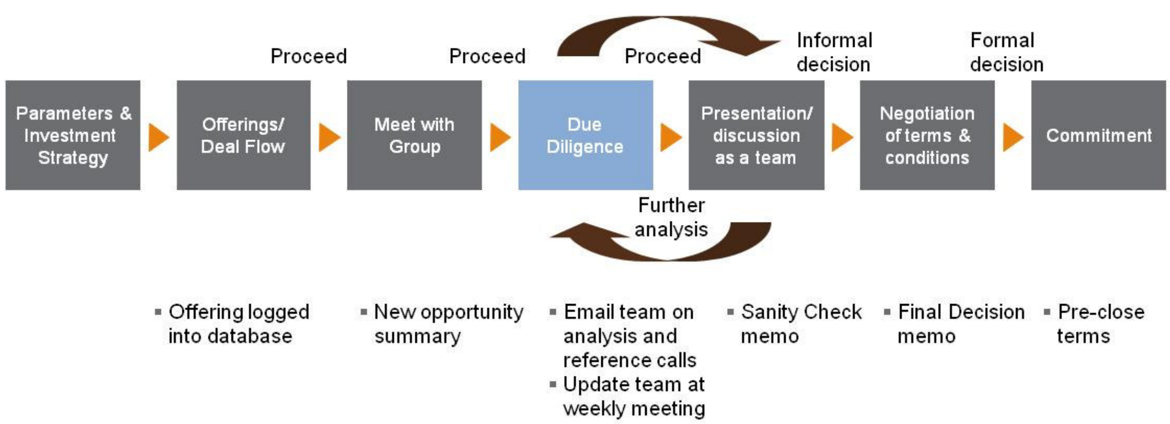
If the Group decides not to proceed, a letter is sent or a call is made to the respective party, and the offering is filed and logged as a pass in the new proposal log. Factors leading to the rejection of a proposal at this stage include the lack of differentiated investment strategy, inconsistencies between projected strategy and past experience, insufficient or poor track record, and limited experience of the principals.

If the proposal warrants further review, a meeting will be scheduled and further due diligence is conducted. Further due diligence on prospective investments includes visiting companies, meeting with the partnership group and investment teams, extensive background checks of the investment professionals, and thorough analysis of the investment process, past transactions, and the overall industry segment. Through this due diligence process, the Group acquires an understanding of the investment philosophy of the fund sponsor, the discipline with which the philosophy is implemented, and the dynamics of the sponsor's organization in order to evaluate the sponsor's ability to generate sustainable deal flow and attractive risk-adjusted returns.

The Group’s professionals with the most relevant experience are assigned responsibility for conducting this due diligence on an offering. Leveraging internal and external resources to develop a comprehensive understanding of all aspects of the potential partnership investment, these professionals write a recommendation identifying the pros and cons of the investment. This recommendation is the basis for discussing the investment with the entire Group at its weekly staff meeting.

The Group’s investment committee includes their global team of investment professionals. The Private Equity Group has a consensus-driven decision making process. The team’s decision making process is designed and organized to maximize the benefits of both individual initiative and group interaction, avoiding “management by committee,” while assuring consistent investment policy and strategy. Investments are made by super majority (80%+), whereby there is no material dissent from team members. Investment decisions are made at their weekly team meetings and each investment professionals in the Group is encouraged to voice his/her opinion at the meeting. No person outside the Private Equity Group has any vote or influence on these meetings or the decisions taken at these meetings. Full participation is given at these meetings as their Group personally invests alongside their clients in every investment.

The diagram below gives a high level summary of their investment process:



27. Process of monitoring the investments held in current funds:

The Private Equity Group professionals are active investors who seek to add value to partnerships in a variety of ways during their monitoring process, including acting as a lead investor, serving on advisory boards, and maintaining a dialogue with fund sponsors regarding their strategies and investment decisions. Through these activities, the Group has established a reputation as a group of thorough investors.

Serving on Advisory Boards
Serving on a partnership's Advisory Board is the most effective method to monitor an investment and to develop closer relationships with the general partners. The Group attends Advisory Board meetings and provides advice on several issues pertaining to clients' limited partnership interests including:

- Valuation methodologies
- Future fund-raising plans
- Distribution policies
- Changes to investment strategy
- Cash management
- Potential conflicts of interest
- Private equity trends

Members of the team currently serve on over 200 Advisory Boards.

The following example illustrates an instance in which the Group's participation on an advisory board added value to investors. This example relates to a venture capital firm that has a niche strategy of investing within its state. During an advisory board meeting, the general partner put forth a proposal that the group expand its investment activity not only out of state, but to include investments in Mexico. As a result of the Group's arguments to the contrary, the general partner decided not to pursue this expanded strategy and to instead remain focused in their niche. Today, this firm is one of the most profitable niche venture capital funds.

Serving on Corporate Boards of Directors
In each direct investment, the Group will seek to obtain management rights, including either a seat or observer rights on a company's Board of Directors. A Group professional constantly evaluates the status of the company, reviews financial statements, and stays in close contact with the general partner or sponsor of the transaction. This enables the Group investment professionals to identify any potential problems at an early stage so that timely corrective action can be taken and prepares the Group to make future investment decisions (e.g. whether to make an additional investment or convert securities).

Attendance at annual and quarterly meetings
A member of the Group attends annual and quarterly meetings for each partnership in which clients have an investment, and provides a summary meeting report to the rest of the team. Annual meetings typically provide important information including the status of portfolio companies, upcoming liquidity events, and changes in the partnership's strategy or personnel. This information is critical to monitoring client private equity commitments and provides a basis with which to compare other partnerships and identify key trends in the industry.

The Group also adds value through the negotiation process. The Group negotiated the partnership of a newly formed venture capital fund, which was seeking a lead investor who would attract other investors into the fund. In return for the Group's assistance and commitment to the fund, the venture capital fund offered favourable economics to the Group, as well as accepting significant comments on the partnership agreement.

The Group professionals also maintain a constant dialogue with the management team and general partners of investments in order to keep abreast of the progress of portfolio companies and the pace of investment.

Further, they require each General Partner to provide, at a minimum, full and comprehensive quarterly report which includes a review of the investment portfolio, a detailed update on each underlying investment including industry sector, cost and current value, as well as detailed financial statements. Audited financial statements are provided on an annual basis. Additionally, they solicit verbal reports from each Partner generally on a monthly basis. These updates and reports are utilized to populate their systems and then to provide detailed reporting to their investors including performance information represented by the IRR and MOIC (multiple on invested capital).

The Portfolio Manager(s) assigned to each investment are responsible for monitoring that investment throughout its term. This includes sitting on the partnership's advisory board.

28. Firm's investment database of potential investments:

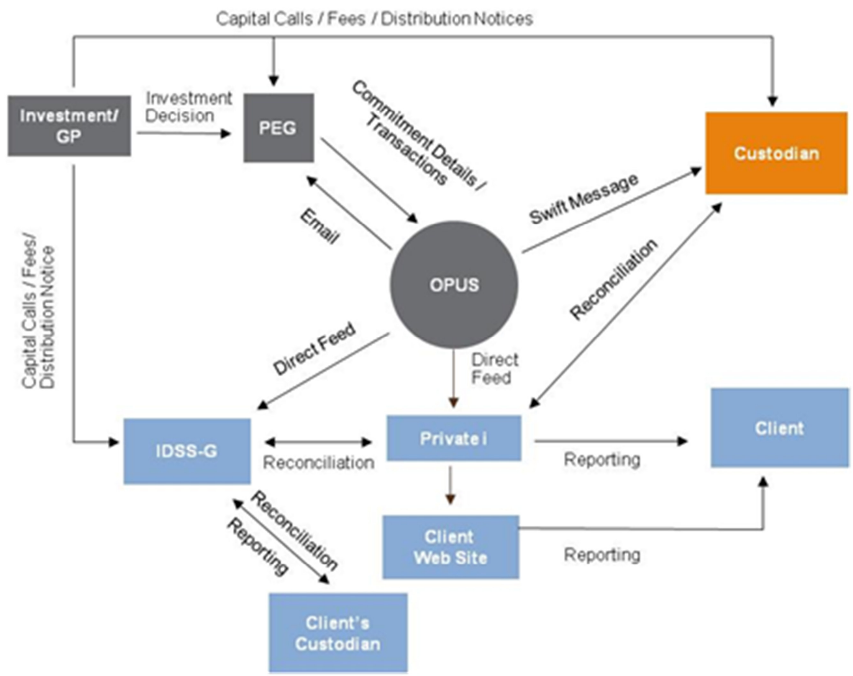
Investment Opportunities
Each investment opportunity obtained by their Group is logged in their private equity processing and tracking system, Private i. All relevant details of the offering are entered into the system and a weekly report of these details is produced. This report is reviewed during their Group's weekly team meeting, and the Portfolio Manager with the most appropriate experience or knowledge of a particular offering is assigned to lead a review of that opportunity. Private i is then updated with that Portfolio Manager's name and a letter is sent to advise the General Partner or Placement Agent of the assignment.

The Portfolio Manager leading the analysis of the offering will take an initial review of the opportunity and report back to the Group as to whether the opportunity merits further review and due diligence. At each stage in the due diligence and review process, Private i is updated with the lead Portfolio Manager's notes.

Investment and Portfolio Company Tracking
Following the closing of an investment, that investment is tracked on the Private i system. The original reports are placed in the investment's central file. One copy of each report is provided to the Private i staff who input and update the underlying details of each investment into the system. These data are reconciled with the information maintained by their custodian, who also receives copies of the investment reports for both investment tracking and financial statement review purposes.
Each capital call, distribution and fee notice received from an investment is also logged into Private i and, through instructions to their custodian, logged onto their system. These cash movements are reconciled against their cash account and with the investment financial statements. Performance can then be calculated both at the level of each investment and across the aggregate portfolio through both Private i and the custodian's system providing an additional check and balance. Our external auditors audit these cash movements, accounts and performance calculations on an annual basis.
They also maintain a robust and efficient document retention system, Docushare, also created and maintained by the Burgiss Group. This system allows them to track and easily access quarterly reports, audited financials and other GP/management correspondence for all of their underlying investments. All documents received from their GP's are scanned and saved into the system.

J.P. Morgan Asset Management maintains portfolios on their in-house proprietary reporting and accounting system. This system stores basic client profile information, accepts input for transactions executed and accounts for holdings on a trade-date, fully accrued basis. This multi-currency system stores basic client profile information, accepts input for transactions executed and accounts for holdings on a trade-date, fully-accrued basis. Built around these fundamental capabilities is an extensive range of information distribution tools (e.g., screens and reports), regulatory reporting modules, specialized functions to support and optimize operational flows, portfolio analytic tools, and a comprehensive investment performance measurement module. Underlying these functions are information bases containing, among other things, descriptive data in historical time series, fundamental company information, proprietary research information, and historical transaction information.

The diagram below gives a pictorial view of their procedures and capabilities for processing, tracking, reconciling and reporting cash movements and commitment information. This is a longstanding, proven process that the Group has followed consistently to ensure control and accuracy in the management of key transactional information.



29. Describe the fund or fund of fund portfolio construction process.

They take a consultative approach in working with clients to help them maintain a forward-looking, return-enhancing philosophy to the private equity portfolio. That goal will be accomplished with on-going reviews that are both qualitative and quantitative diagnostics of the existing portfolio, including commitment and cash flow modeling as well as diversification analysis by sector, stage, industry and geography. Forward looking market views each diversification parameter will support the near- and longer-term objectives for target diversification.

Portfolio construction is a combination of numerous factors including current exposure, capacity, market opportunity, strategy and vintage year diversification, access, risk tolerance, and return expectations. Nevertheless, the single most important factor for private equity continues to be investing with the best managers, and any portfolio review would necessarily start with an assessment of the existing general partners.

Generally, they believe the best results are achieved without rigid pre-determined allocations to sub-strategies within private equity. Yet, they are sensitive to a client's desire to access specific markets. They are well versed in these opportunistic strategies, including analyzing direct and secondary investments, as well as emerging markets, managers and other niche strategies that can reduce the j-curve, limit blind-pool risk and take advantage cyclical and/or structural changes in various sectors, while diversifying away unnecessary risk.

They have the ability to customize allocations to suit each investor's preference. Our Group understands that every client is different and with that comes unique needs which may evolve over time. As an example, their relationship with Client A started off as a monitoring relationship, when they took over their existing private equity portfolio as a fiduciary for oversight and administration. They began the relationship with extensive modeling and stress testing of their existing portfolio to determine the current value and projected future value. Additionally, Portfolio Managers with expertise in certain areas of their portfolio due diligence specific funds and categorized both the qualitative and quantitative risks in their existing portfolio. Based on their collective findings, they analyzed the secondary market at the time and ultimately recommended and worked with Client A to opportunistically sell and de-risk their portfolio. They indentified potential buyers and gave advice, as a fiduciary, to Client A regarding these buyers as well as

ways to structure the transaction. Furthermore, when Client A decided to make new private equity commitments, they created asset allocation models to determine commitment requirements to meet their target allocation. The relationship continues today with Client A.
They leverage their internal and external resources to develop a comprehensive understanding of all aspects of the potential partnership investment. The Private Equity professionals leading the diligence prepares the due diligence package identifying the pros and cons of the investment. This recommendation is the basis for discussing the investment with the entire Group at its weekly meeting. The consensus approval of the members of the Group is required before a commitment is made. Through this due diligence process, the Group acquires an understanding of the investment philosophy of the fund sponsor, the discipline with which the philosophy is implemented, and the dynamics of the sponsor's organization in order to evaluate the sponsor's ability to generate sustainable deal flow and attractive risk-adjusted returns.

30. Target a level of return or risk:

They base their expected return along three lines: against a broad public equity market benchmark comparable to that which the investor utilizes for their public equity portfolio; as a multiple of capital returned; and in comparison to a broad set of other private equity investments such as the returns compiled and reported by the private equity peer universe (e.g. Venture Economics, Cambridge, etc). Our corresponding targets for each of these methods are as follows:

- Public Equities: 500 basis points over the applicable benchmark (i.e. S&P 500 for U.S. Corporate Finance; MSCI Europe for European Corporate Finance; NASDAQ for Venture Capital), net of all fees, expenses and carried interest
- Multiples of capital: 2.0x invested capital
- Private Equity peer universe (e.g. Cambridge, Venture Economics): top quartile

31. Private equity investment types (i.e. venture capital, growth equity, buyouts, distressed, etc.) are included in a typical portfolio:

U.S. Corporate Finance V and European Corporate Finance V are expected to focus on investments in existing private companies expanding through growth strategies or fundamental business change, with a strong emphasis on small and mid-sized firms with teams that are local or regionally focused. Venture Capital V will be a global fund with a primary focus on early stage investments, emphasizing companies at their seed or start-up phase

Our goal is to ensure they provide their investors with a diversified portfolio strategy that seeks to selectively identify and target private equity investments across all types (partnership, direct, and secondary investments), stages of business development, industry sectors, and geographical locations.

Within each fund, the majority of investments are made to limited partnerships, managed by external private equity sponsors. Historically, these partnership investments have represented at least 75% of the corporate finance programs and 80% of the venture capital program. The remaining capital is opportunistically invested in direct co-investments and/or secondary partnership investments. No single partnership investment will exceed 15% of the overall fund size.

32. Preferred benchmarks:

As it relates to performance benchmarking, there are two general choices for a benchmark: a Public Index or a Private Equity Specific benchmark. A brief discussion of the pros/cons involved with each follows:

Public Index
The Public Index benchmark directly measures the benefit of including PE versus other investment alternative. Specifically, it measures what the private equity cash flows would have earned if invested in the

alternative to private equity (i.e., public securities) by calculating an IRR and multiple of capital equivalent for that alternative using the same cash flows on the same dates to buy/sell the alternative. For investors with mature, ongoing portfolios, whereby older investments are being harvested and new commitment are made, it could also be appropriate to measure the time weighted returns of the private equity investments relative to the public equity portfolio or alternative benchmark. However, the evaluation period should be long, such as 10 years or more, due to the cycles within private equity and between private equity and public markets.

Pros:

- Best used to measure the strategic/policy decision

Cons:

- Could reward adverse decisions (e.g., ceasing new commitments)
- Is very sensitive to cycles and differences between public and private markets over short periods of time
- For a large, mature program, recent activities of the investment manager would have little or no impact on benchmark relative performance
- The public index may have characteristics that are different than the private equity portfolio

Private Equity Specific Benchmark

The Private Equity Specific Benchmark can be used to assess how you have done, and there is a readily available measure of this. However, due to the volatile nature of IRRs for new investments, vintage year comparisons are only useful for seasoned vintage years (e.g., 5 years or longer). Therefore, they would recommend evaluating performance relative to Venture Economics, Cambridge Associates and various other time weighted measures, over a 3-5 year period.

Pros:

- Best used to measure a manager's implementation/selection relative to other managers
- Takes into account the cycles of the overall private equity environment

Cons:

- Private Equity benchmarks are "peer universes" measured by third parties. Therefore, they are susceptible to survivorship bias, inconsistent reporting, and frequent modifications
- There may be significant factor/style differences between the manager's portfolio and the reported peer universe
- Given the long-term nature of private equity, return measures are typically not useful for evaluating new investments over short time frames

As stated previously in Question 34, They base their expected return along three lines: against a broad public equity market benchmark comparable to that which the investor utilizes for their public equity portfolio; as a multiple of capital returned; and in comparison to a broad set of other private equity investments such as the returns compiled and reported by the private equity peer universe (e.g. Venture Economics, Cambridge, etc).

33. Typical number of partnerships held in the firm's fund of funds:

Expected attributes of each program a described as follows:

	U.S. Corporate Finance V	**European Corporate Finance V**
Stage	Small to mid-market focus; Buyouts, growth capital, build-ups & special situations	Small to mid-market focus; Buyouts, growth capital, build-ups & special situations

Geography	U.S.	Developed Europe, opportunistically other regions
Composition	Approximately 15 GPs, yielding approximately 400 portfolio companies; opportunistic secondaries and direct co-investments	Approximately 12 GPs, yielding approximately 250 portfolio companies; opportunistic secondaries and direct co-investments

The percentage of an individual partnership is determined based on the level of their conviction, and the appropriate diversification provided by the partnership in the context of their overall fund diversification. The Corporate Finance Funds will have the ability to invest up to 35% in opportunistic investments (which is defined as secondary and direct co-investments), with the remainder investing in partnership investments. Our average allocation to an underlying partnership is 10% of the underlying partnership's total fund size. No single partnership investment will exceed 15% of the overall fund size.

34. Expected range for geographic location (region in US, US vs. international), industry and sector exposure and stage of investment for the firm's currently available fund:

U.S. Corporate Finance V will target U.S.-oriented corporate finance opportunities, whereas the European Corporate Finance V will target principally Europe-oriented corporate finance investments in Developed Europe.

35. To what extent does the firm make "follow-on" investments? (Make multiple fund commitments to the same private equity fund manager)

They anticipate committing to a majority of the funds they currently are invested with or which members of the team have past investing relationships. They do not anticipate being unable to invest in any of their existing groups due to capacity constraints, however, they do not pre-commit to funds and may very well not choose to commit to the subsequent fund being raised by any given partnership.

36. Expected exit strategy:

As it relates to the partnership investments, upon notification of a pending distribution they first contact the general partner to gain further details regarding the timing expectations and any restrictions on any securities to be distributed. They also liaise with their firms' analysts and trading areas, as well as any relevant market maker to review the market/economic implications for liquidating the position. From there, their Group has the ability to distribute either cash or securities to investors. Should the client prefer to receive cash only, they will actively manage the liquidation of the security.

Distributions are returned to investors as promptly as possible, within 90 days at a maximum, or are utilized to offset a capital call during that period. They provide investors with a detailed notification letter for each distribution as it occurs.

As it relates to the direct co-investments, their Group's liquidation strategy generally will be to exit the investment at the same time as the general partner. The two most common liquidation strategies are (i) a trade sale, which typically will result in immediate cash or a more liquid public security for the entire investment, or (ii) an initial public offering after which a public market for a portfolio company's stock is expected to develop, although the direct investment typically will not experience liquidity for its investment until the end of a "lock up" period.

In an effort to maximize the value of distributed public securities, their Group has a team, named the Private Equity Distribution Management ("PEDM"), exclusively dedicated to the management of private equity distributions. Members of the Group first recognized the value and importance of managing distributions back to 1989 while at AT&T. At that time, the Group developed an active distribution policy that has been developed and modified to this day.

Our PEDM program is a “sell only” product, with a process built to maximize the cash-to-cash returns on private equity investments. The management of private equity distributions – typically, shares of companies held by private equity funds which are distributed to limited partners after those companies go public or are acquired by public companies – can have a substantial impact on returns realized from private equity investments.

37. Performance review:

U.S. Corporate Finance
As of 12/31/2013
$ millions

CONFIDENTIAL/TRADE SECRET

Vintage Year	Capital Committed	Capital Invested	% of Fund Invested*	Capital Distributed	NAV	Gross TVPI**	Gross IRR**
1980	14.0	14.0	100%	118.4	-	8.5x	27.0%
1983	38.0	38.0	100%	94.9	-	2.5x	13.4%
1984	74.3	72.6	98%	143.6	-	2.0x	12.3%
1985	9.0	9.3	104%	25.8	0.0	2.8x	22.4%
1986	236.2	234.2	99%	820.5	-	3.5x	17.7%
1987	213.6	250.2	117%	658.8	1.7	2.5x	18.1%
1988	634.9	598.6	94%	1,391.6	-	2.3x	17.1%
1989	474.6	457.7	96%	1,181.3	-	2.5x	21.3%
1990	92.2	49.1	53%	138.5	0.3	2.8x	13.7%
1991	530.6	468.9	88%	1,824.7	0.4	3.8x	29.7%
1992	83.9	82.3	98%	217.7	-	2.7x	43.0%
1993	182.0	179.1	98%	380.2	0.4	2.1x	16.2%
1994	651.3	602.0	92%	2,186.6	15.5	3.6x	41.8%
1995	573.6	570.3	99%	1,006.4	13.2	1.7x	15.9%
1996	460.8	431.4	94%	544.1	59.4	1.4x	5.4%
1997	510.9	491.8	96%	476.3	25.4	1.0x	-0.1%
1998	692.5	689.5	100%	774.5	38.3	1.2x	3.0%
1999	466.1	446.2	96%	532.1	80.0	1.3x	4.7%
2000	632.9	611.4	97%	911.3	114.6	1.7x	12.1%
2001	224.7	205.2	91%	293.5	33.5	1.6x	13.4%
2002	155.8	148.4	95%	326.8	48.8	2.5x	34.0%
2003	226.6	206.8	91%	320.2	89.6	2.0x	22.3%
2004	355.4	359.8	101%	404.7	228.6	1.8x	17.5%
2005	658.3	657.5	100%	493.3	499.2	1.5x	10.5%
2006	678.0	676.5	100%	377.5	541.3	1.4x	8.8%
2007	728.2	710.1	98%	314.8	595.2	1.3x	7.7%
2008	296.7	325.3	110%	295.0	339.8	2.0x	34.4%
2009	421.8	319.2	76%	218.6	320.2	1.7x	32.1%
2010	548.4	440.5	80%	259.4	433.5	1.6x	36.6%
2011	934.1	484.0	52%	98.7	474.9	1.2x	17.2%
2012	392.3	230.5	59%	5.4	264.6	1.2x	40.4%
Total	**12,191.4**	**11,060.7**	**91%**	**16,835.0**	**4,218.6**	**1.9x**	**19.2%**

*Calculated as a percentage of capital committed

**Net of underlying fees and expenses, gross of Advisor Fees. Net performance is only available at the fund and separate account level

Includes all US partnership, secondary and direct investments for commingled funds, separate accounts, and employee vehicle

Past performance is no guarantee of future results

Historical Performance These performance results for the period 1985 through 1997 were achieved by the Private Equity Group while employed at AT&T Investment Management Corporation (ATTIMCO). Investments were made on behalf of plan participants in defined benefit pension plans managed by ATTIMCO. No representation is being made that past performance results are attributable to J.P. Morgan or that the Private Equity Group at J.P. Morgan will obtain similar returns in the future. In particular, going forward a management fee and incentive fee will be payable to J.P. Morgan that will reduce performance. Performance shown is for the entire portion of the pension plans managed by ATTIMCO and is net of all fees and expenses at the underlying investment level. No portfolio management fee was directly charged to the ATTIMCO private equity portfolio. From 1988 through 1995, Mr. Lawrence Unrein was a member of ATTIMCO's investment committee, responsible for investment objective and strategy. In 1995, Mr. Unrein became the head of the Private Equity Group and was solely responsible for strategy and supervision of investments. In November 1997, Mr. Unrein and substantially all the Private Equity Group joined J.P. Morgan. The Private Equity Group continues to manage, under J.P. Morgan's employ, much of ATTIMCO's private equity portion of the pension plans.

European Corporate Finance
As of 12/31/2013
$ millions

CONFIDENTIAL/TRADE SECRET

Vintage Year	Capital Committed	Capital Invested	% of Fund Invested*	Distributions	NAV	Gross TVPI**	Gross IRR**
1985	1.1	1.1	100%	3.0	-	2.8x	12.6%
1987	4.1	4.1	100%	7.3	-	1.8x	7.5%
1988	14.6	14.6	100%	18.8	-	1.3x	6.1%
1989	21.7	21.7	100%	18.5	-	0.9x	-1.8%
1990	35.7	35.7	100%	95.9	-	2.7x	26.6%
1992	16.9	16.9	100%	11.6	-	0.7x	-4.9%
1993	85.7	85.4	100%	174.0	-	2.0x	19.8%
1994	50.0	47.9	96%	59.0	-	1.2x	2.4%
1995	49.9	49.9	100%	167.5	-	3.4x	52.7%
1996	127.9	107.9	84%	268.7	-	2.5x	17.6%
1997	186.7	193.3	104%	293.1	9.5	1.5x	10.1%
1998	72.8	66.6	92%	101.4	1.8	1.6x	9.3%
1999	155.7	154.9	100%	224.8	11.8	1.5x	10.0%
2000	34.9	35.2	101%	73.4	2.6	2.2x	17.2%
2001	168.5	171.8	102%	320.2	21.3	2.0x	33.5%
2002	145.5	143.9	99%	311.8	12.7	2.2x	35.3%
2003	101.9	101.8	100%	135.8	55.0	1.9x	28.9%
2004	180.1	187.4	104%	152.4	90.1	1.3x	6.6%
2005	125.4	130.3	104%	145.5	55.3	1.5x	16.1%
2006	254.2	265.9	105%	168.9	184.3	1.3x	9.5%
2007	319.9	280.8	88%	46.5	235.5	1.0x	0.1%
2008	236.2	137.0	58%	0.1	177.6	1.3x	12.8%
2009	101.3	73.6	73%	57.0	102.8	2.2x	43.9%
2010	96.8	54.0	56%	16.6	55.4	1.3x	29.1%
2011	342.7	154.9	45%	26.5	161.5	1.2x	23.8%
2012	211.0	57.1	27%	0.0	56.6	1.0x	-0.7%
Total	**3,141.2**	**2,593.7**	**83%**	**2,898.4**	**1,233.7**	**1.6x**	**15.1%**

*Calculated as a percentage of capital committed

**Net of underlying fees and expenses, gross of Advisor Fees. Net performance is only available at the fund and separate account lev

Includes all European partnership, secondary and direct investments for commingled funds, separate accounts, and employee vehicle.

Past performance is no guarantee of future results

Historical Performance These performance results for the period 1985 through 1997 were achieved by the Private Equity Group while employed at AT&T Investment Management Corporation (ATTIMCO). Investments were made on behalf of plan participants in defined benefit pension plans managed by ATTIMCO. No representation is being made that past performance results are attributable to J.P. Morgan or that the Private Equity Group at J.P. Morgan will obtain similar returns in the future. In particular, going forward a management fee and incentive fee will be payable to J.P. Morgan that will reduce performance. Performance shown is for the entire portion of the pension plans managed by ATTIMCO and is net of all fees and expenses at the underlying investment level. No portfolio management fee was directly charged to the ATTIMCO private equity portfolio. From 1988 through 1995, Mr. Lawrence Unrein was a member of ATTIMCO's investment committee, responsible for investment objective and strategy. In 1995, Mr. Unrein became the head of the Private Equity Group and was solely responsible for strategy and supervision of investments. In November 1997, Mr. Unrein and substantially all the Private Equity Group joined J.P. Morgan. The Private Equity Group continues to manage, under J.P. Morgan's employ, much of ATTIMCO's private equity portion of the pension plans.

38. Fee schedule for the fund:

Please see the below fee options for the U.S. Corporate Finance V and European Corporate Finance V funds:

	Option 1	Option 2
Management fee (average annual)*: Based on committed capital and effective at the time the underlying commitment is consummated. Assumes a 15 year life to the investment.	0.72%	0.44%
The management fee for each year would be as follows:		
Year 1 – 5 (fees begin from consummation of investment by Fund)	0.90%	0.55%
Thereafter	reduced by 5% per year	reduced by 5% per year
Preferred return/hurdle:	8%	8%
Carry or Incentive fee:		
Primary Partnerships:	0%	5%
Secondary Partnerships:	10%	10%
Direct Investments:	15%	15%

The management fee would be applied as and when an investment is made by the fund during its investment period. In this way, the management is commensurate with investment activity. The management fee is based on the noted fee rate above on the commitment amount of each underlying investment of the fund.

Should CCCERA prefer to implement the program through a separate account, they propose a similar fee structure, but have the ability to further customize the arrangement based on CCCERA's preferences for fixed and variable fee components.

39. Carried interest associated with the fund:

Depending on the preferred fee option, CCCERA may elect to have no carried interest with respect to partnership investments (Option 1) or to pay a reduced management fee with a 5% carried interest on partnership investments (Option 2). Secondary and direct investments have carried interest of 10% and 15%, respectively. Note there is an 8% hurdle rate prior to any carried interest and all such calculates for the hurdle and the waterfall take into consideration both realized and unrealized losses

40. Any other costs or fees associated with the fund:

With respect to Funds V, organizational fees are shared pro-rata by investors based on commitment amount and are capped at $750,000. On-going third party expenses, such as audit and custody, are also shared pro-rata across all investing entities. There are no charges on commitments or draw downs. All expenses of the Manager, including but not limited to travel, diligence, reporting, are borne by the Manager. Note that any fees earned by the portfolio, including director, advisory board, monitoring, break up and other similar fees payable with respect to investments, will be applied to off-set the management fee paid by CCCERA.

Should CCCERA prefer to implement through a separate account, incremental structuring and on-going fees may be applicable. The separate account can be structured in two ways: (1) without fund vehicle and (2) within fund vehicle (or "fund of one") and can include any combination of strategies, sectors, geographies and investment types (e.g. primary, secondary, direct investments). They have specific experience with both structures. Please refer to the two charts below which highlights the key differences between the two and typical fees associated with opening such an account. They would be happy to discuss all aspects and relative costs/benefits of the each with CCCERA.

Siguler Guff

1. Firm name, address, and telephone number:

   Siguler Guff & Company, LP
   825 Third Avenue, 10th Floor
   New York, NY 10022
   Tel: 212-332-5100

2. Firm founded: Registered with the Securities & Exchange Commission:

   Founded in 1991 and has been a federally registered investment adviser since 1995.

3. Name, position, telephone and fax number, and e-mail address of the firm's new business contact and database/questionnaire contact:

	New Business Contact:	**Database/Questionnaire Contact:**
Name:	Michael P. Keough	Sloane Schuster
Title:	Western U.S. Public Funds BNY Mellon Investment Management	Principal – Investor Relations Siguler Guff & Company, LP
Phone:	(415) 399-4411	(212) 332-5112
Email:	Michael.Keough@bnymellon.com	IR@sigulerguff.com

4. Firm's ownership structure, and any ownership changes over the past five years:

   Siguler Guff is an independent, privately-held partnership. One hundred percent of the voting interests of the Firm are held by George Siguler, Drew Guff, Donald Spencer, Ken Burns and their family-related partnerships. Jay Koh joined Siguler Guff in 2012 and was granted a firm-wide equity participation. The Bank of New York Mellon Corporation ("BNY Mellon") owns a 20%, non-voting, equity interest in the Firm, which it acquired in November 2009. There are no anticipated changes to the ownership structure at this time.

5. Carriers and the limits of errors and omissions and fiduciary liability insurance:

   At the Firm level, Siguler Guff has a combined $20 million professional and management liability policy through Continental Casualty and Great American, and a $5 million financial institution bond through Federal Insurance Company. In addition, the Firm has an ERISA bond through Federal Insurance Company and Continental Casualty covering each, eligible, ERISA account up to $500,000 (the maximum permitted amount).

6. Litigation:

   During the fourth quarter of 2010, the Firm filed a complaint against a former employee regarding the use of Firm proprietary information; that lawsuit was settled in the first quarter of 2011 to the parties' mutual satisfaction.

   Otherwise, since inception, the Firm, the Firm's principals, subsidiaries and affiliated bodies have not been involved in any proceedings by a regulatory or self-regulatory agency, or any litigation (other than incident to lawsuits involving underlying portfolio companies of Russia Partners). In particular, the Firm has never been the subject of any legal proceeding or claim by any client, and there is no current or anticipated litigation to note.

7. Judgments:

There have not been any judgments against the Firm or its employees over the past five years, nor is the Firm currently party to or anticipating any investigations.

8. Firm's financial statement auditor.

PricewaterhouseCoopers ("PwC"), a nationally recognized "big four" accounting firm, serves as the auditor for all of the Firm's multi-manager funds. The relationship has been in place since 2002 and, therefore, PwC has been the auditor for all of Siguler Guff's multi-manager funds since their inception.

9. Total assets under management for firm for the past five year-end periods and as of March 31, 2013.

Total Firm Assets*					
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**
Dec 31, 2008	$7,371.4	286	$2,538.9	N/A	N/A
Dec 31, 2009	$8,076.6	29	$705.2	N/A	N/A
Dec 31, 2010	$9,092.3	60	$1,015.7	N/A	N/A
Dec 31, 2011	$10,155.5	63	$1,063.2	N/A	N/A
Dec 31, 2012**	$10,360.6	8	$205.1	N/A	N/A
Mar 31, 2013**	$10,364.4	24	$3.8	N/A	N/A

10. Firm's total small/mid cap private equity fund(s) (or small/mid cap private equity fund of funds, if applicable), please state the market value of assets under management for the past five year-end periods and as of March 31, 2013.

Small/Mid Cap Private Equity Assets - Fund or Fund of Funds*						
	Market Value (Millions)	**Accounts Gained**	**Assets Gained (Millions)**	**Accounts Lost**	**Assets Lost (Millions)**	**Assets Committed/Invested**
Dec 31, 2008	$505.5	0	$0.0	N/A	N/A	$351.4 / $184.8
Dec 31, 2009	$505.0	0	$0.0	N/A	N/A	$378.3 / $227.6
Dec 31, 2010	$505.0	0	$0.0	N/A	N/A	$538.3 / $326.2
Dec 31, 2011	$566.3	0	$61.3	N/A	N/A	$611.5 / $407.4
Dec 31, 2012**	$744.1	5	$177.8	N/A	N/A	$742.7 / $527.2
Mar 31, 2013**	$907.6	10	$163.5	N/A	N/A	$785.6 / $569.2

11. Name of the product(s) described in the remainder of this response:

Siguler Guff Small Buyout Opportunities Fund II, LP ("SBOF II" or the "Partnership").

12. Firm's succession plan for senior management of the private equity fund or fund of funds activity:

Current partners and senior investment staff participate on various fund Investment Committees, which provides them with a broad, yet in-depth, understanding of the Firm's investment strategies. In the unforeseeable event that any senior member of Siguler Guff's management team should leave the Firm, that professional's responsibilities would be absorbed by an employee already familiar with that investment strategy and, if deemed necessary by the Firm's senior management, supplemented by additional professionals recruited from within or outside the Firm.

None of the Firm's partners or senior professionals on the small buyout investment team have plans to retire in the foreseeable future. Siguler Guff has expanded its senior management and investment staff concomitant with the growth of the Firm as a whole. While Siguler Guff favors an internal promotion process, senior executives are hired from outside of the Firm as well. The Firm is mindful of succession and will continue to develop its senior staff and hire additional executives, as necessary.

13. Names and titles of key investment and management personnel:

Name	**Title**	**Yrs. W/ Firm**	**Yrs. W/ Small/Mid Team**	**Yrs. Inv. Exp.**
Kevin Kester	Managing Director, Portfolio Manager	9	9	18
Jonathan Wilson	Principal	8	8	12
Jason Mundt	Principal	6	6	13
Sara Bowdoin	Vice President	4	4	7
Langdon Mitchell	Investment Associate	<1	<1	4
George Siguler	Managing Director	18	9	40
Drew Guff	Managing Director	18	9	30
Jay Koh	Managing Director	<1	<1	15
Solomon Owayda	Managing Director	3	3	33
Avinash Amin	Managing Director	4	3	9

14. Firm staff and the private equity staff turnover:

	Firm-wide Employees*		
Year	Firm-wide Employees	Firm-wide Employees Added	Firm-wide Employees Lost
Dec 31, 2008	51	8	4
Dec 31, 2009	69	26	8
Dec 31, 2010	78	18	9
Dec 31, 2011	89	17	6
Dec 31, 2012	99	23	13
Mar 31, 2013	98	1	2

* Does not include employees of Russia Partners, an affiliate of Siguler Guff

	Small/Mid Cap Private Equity Investment Employees*		
Year	Total Employees	Employees Added	Employees Lost
Dec 31, 2008	3	0	0
Dec 31, 2009	4	1	0
Dec 31, 2010	4	0	0
Dec 31, 2011	4	0	0
Dec 31, 2012	4	0	0
Mar 31, 2013	4	0	0

* Includes dedicated members of the Firm's small buyout investment team with the exception of Langdon Mitchell, who joined in May 2013.

15. As of December 31, 2012, the number of accounts, assets under management, median account size, and number of portfolio managers in the Small/Mid Cap private equity product.

The figures in the chart below include information for SBOF I and SBOF II.

Small/Mid Cap Private Equity Capital Under Mgt (Millions)*	Number of Investors**	Median Client Size (Millions)**	Largest Client Size (Millions)**	Number of Portfolio Mgrs	Number of Inv Analysts***
$744.1	109	$1.5	$50.0	1	3

* Estimated as of December 31, 2012; calculated based on commitments for those investments in the investment period and on net asset value thereafter.
** Calculated by Limited Partner (LP); if certain related LPs were aggregated, the total number of investors would decrease and the median client size would increase.
*** Does not include Langdon Mitchell, who joined the Firm in May 2013.

16. As of December 31, 2012, the small/mid cap private equity fund or fund of funds group, the fund name, size of the fund in millions of dollars, the number of clients, and client assets committed and invested.

Small/Mid Cap Private Equity Fund Name	Fund Size in mil. $	Nbr. Investors	Commitments in mil. $	Investments - mil $
SBOF I	$505.0	84	$565.7	$450.3
SBOF II	$224.8	25	$177.0	$76.9

17. Firm's funds or fund-of-funds product(s) currently open for investment or soon to be open for investment.

SBOF II will seek to assemble a diversified portfolio of "best in class" private equity funds investing in the securities of small and lower middle market companies. Siguler Guff believes that the small and lower middle market offers a variety of appealing characteristics, including substantial deal flow, less competitive transactions, lower purchase price multiples and significant value creation potential. The portfolio will consist of approximately 25 funds that produce, in aggregate, 200 to 300 underlying portfolio company investments.

-

The funds will represent a diverse mix of strategies, sectors, styles, geographic markets and vintage years, managed in each case by firms that Siguler Guff believes are clear market leaders and have distinct competitive advantages in the small and lower middle market. The Partnership will seek to further enhance returns by allocating up to 30% of its capital commitments to select direct investments, generally as co-investments alongside small buyout fund managers, although direct investments also may be originated from other sources. Although the Partnership will typically acquire fund investments directly from the underlying funds themselves, the Partnership, on an opportunistic basis, may also purchase fund investments in secondary transactions. The Partnership will focus on fund managers investing in the North American markets, with primary emphasis on the United States, because of the substantial number of small companies and high-quality managers operating in the U.S. However, the Partnership may also invest up to 20% outside of North America, primarily to access managers investing in small and lower middle market businesses in Europe.

Small/Mid Cap Private Equity Fund Name	Fund Size Currently in mil. $	Expected Fund Size at Final Close	Current Number Investor	Expected Number of Investor	Expected Final Closing Date
SBOF II	$542.3	$600.0 (target)	74	85	August 30, 2013

Note: All information provided in table above is as of the May 22, 2013 closing.

The minimum subscription amount is $5 million, although the Partnership can accept smaller subscriptions at the discretion of Siguler Guff. Please see Appendix D for the SBOF II PPM.

As previously mentioned, Siguler Guff can construct a separate account with the same investment strategy and the same or similar terms to SBOF II, if so desired by the client

18. What percentage will the largest single investor represent in the new fund? Name and expected commitment for this investor.

    To date, the largest single investor in SBOF II is an Australian superannuation fund that represents 28% of the Partnership's total commitments. The Firm does not anticipate any incoming investors to commit more than the current largest investor. Assuming a $600 million fund size, Siguler Guff expects that the largest single investor will represent approximately 25% of SBOF II after the final closing is held.

19. Does the firm allow coinvestment opportunities?

    The investment guidelines for SBOF II state that the Partnership may invest up to 30% of its total commitments in co-investments. Siguler Guff believes in aligning its interests with those of its investors, which the Firm believes is best achieved by keeping the co-investments within the Partnership, alongside the fund investments, rather than putting them in a separate fund with a potentially different investor base. Therefore, investor commitments to the Partnership will be allocated pro rata, and appropriately distributed across fund investments and co-investments, thus making all investors in SBOF II co-investors. The General Partner may establish an overage fund if the Partnership has either exhausted the capital available for portfolio investments as a result of applicable investment restrictions or has acquired as large a position in such portfolio investments as the General Partner determines is desirable or prudent. Allocations to an overage fund would be made in accordance with the Firm's allocation policy.

    SBOF I is permitted to allocate up to 25% of its total capital commitments to co-investments. To date, SBOF I has committed $112.4 million to 27 co-investments, and SBOF II has committed $45.3 million across 16 co-investments. Please see the charts below for co-investments made by SBOF I and SBOF II to date.

SBOF I Co-investment Detail		
Company	Entry Date	Capital Committed
ADS Logistics	Jul-11	$4.0
Arnold Engineering	Dec-09	4.0
Behavior Centers of America	May-08	7.0
Bolttech Mannings	Nov-09	5.0
Bradshaw	Oct-08	5.0
Cimarron Energy	Aug-07	1.4
CJ Foods	May-10	3.7
Coastal QSR Investment Corp	Jul-09	2.0
Distribution International	Nov-10	4.2
Fieldbrook Foods	Sep-10	4.5
Florida Bells	Mar-10	7.0
GHX Holdings	Aug-10	2.1
Gold Standard Baking	Jun-08	5.7
Herndon Products	Jan-10	6.1
JZ Capital Partners Limited	Jun-09	3.9
Marianas CableVision	Dec-08	3.0
MEGTEC	Sep-08	4.1
Mid-South Bells	Dec-10	4.5
Nature's Best	Nov-07	3.0
Pancon	Dec-11	2.0
POM Corporation	Dec-07	5.0
Reliant Rehabilitation	Jun-11	5.2
Royal Camp	Nov-11	4.8
Selmet	Nov-11	5.0
Terra Drive Systems	Mar-12	4.0
Thorpe Specialty Services	Nov-10	0.6
Traffic Control and Safety Corporation	Aug-08	5.6
TOTAL		112.4

SBOF II Co-investment Detail		
Company	**Entry Date**	**Capital Committed**
Covenant Surgical Investors	Feb-13	3.3
Creative Co-Op Holdings	Dec-12	5.0
Dayton Parts	Mar-13	5.0
The Eads Company	May-12	0.8
Grammer Transport Holdings	Oct-12	5.0
Laura Gellar Make-up	Dec-12	3.0
Medsurant	Dec-12	3.0
Prodagio Software	Feb-13	1.5
Rotary Drilling Tools USA	Feb-13	1.8
SBP Holding	Jul-12	5.3
Sequential Brands Group	Jan-13	3.0
T.F. Hudgins Holdings	Jan-13	2.5
Vendor Credentialing Services	May-12	0.5
Vision Oil Tools	Jun-12	1.6
W-Technology	Apr-12	1.0
West Academic Publishing	Feb-13	3.0
TOTAL		**45.3**

20. How the firm defines small/mid cap private equity:

Small buyout funds are typically defined as funds capitalized at less than $250 million, although the small buyout investment team will generally review opportunities between $50 and $400 million. Ultimately, the small buyout investment team targets funds in the $100 million to $300 million range. Siguler Guff defines small buyout transactions, normally best thought of as a segment on the deal size continuum, as control-oriented investments in companies that typically have less than $100 million of revenue, less than $15 million of EBITDA or trade for less than $100 million of enterprise value.

21. Investment philosophy/strategy, style and distinguishing characteristics of this product:

Siguler Guff's investment philosophy is focused on identifying market inefficiencies that are capable of generating high absolute rates of return and creating efficient solutions to capture them. The Firm's opportunistic approach is derived from its view that private equity presents discrete opportunities over time and that it must allocate its clients' capital in a way that takes advantage of those discrete opportunities. Siguler Guff is a value-focused investor, and its small buyout strategy is first and foremost focused on value.

As previously mentioned, SBOF II will seek to assemble a diversified portfolio of "best in class" private equity funds investing in the securities of small and lower middle market companies. Specifically, Siguler Guff believes that superior performance in the small buyout market is a direct result of a managers ability to: i) source abundant, high quality and less competitive deal flow; ii) identify high margin niche market leading companies; iii) avoid bidding wars and "win" deals with attributes other than paying the highest price; iv) seek strong alignment of interests with the seller and management team through mechanisms such as seller rollover equity, seller notes, earn outs and management investment; v) "buy right" and employ conservative leverage; and vi) invest in companies where the manager is well suited and positioned to add demonstrable value. Managers with these capabilities are best positioned to generate high returns while simultaneously mitigating risk.

The small buyout strategy is attractive as the small and lower middle market is a dynamic and less efficient segment of the overall buyout market that offers compelling investment opportunities. Historically, small buyout funds have shown superior performance with lower volatility and there is substantial deal flow with limited competition. Siguler Guff defines small buyout transactions, normally best thought of as a segment on the deal size continuum, as control-oriented investments in companies that typically have less than $100 million of revenue, less than $15 million of EBITDA or trade for less than $100 million of enterprise value. This part of the market exhibits the greatest transaction inefficiency as the supply of potential acquisition targets is large, while the demand from sophisticated private equity investors is limited.

This strategy offers attractive purchase prices with conservative leverage. Siguler Guff's experience in the marketplace suggests that value-oriented small buyout funds frequently acquire businesses for 5 times to 6 times trailing 12 months EBITDA, and often are able to pay less than 5 times trailing 12 months EBITDA. One factor that can contribute to the disparity in purchase price multiples is that most small and lower middle market companies are closely-held or family controlled, with key decision makers often remaining with the business post-acquisition.

Additionally, the private equity manager is often the first institutional investor in the company, as evidenced by SBOF I's portfolio, where approximately 90% of portfolio investments had this characteristic. Often, developing a relationship with the seller is more important for successfully completing a transaction than the actual transaction valuation, as the chemistry and fit with an owner-operator is critical to the process and discourages competition. The intense personal dynamic involved in these situations creates an environment where price is not always the decisive factor for a seller in a small buyout transaction.

Furthermore, there is a strong alignment of interests found in the small buyout market. Alignment of interests between investors and fund managers is a governing principle of private equity investing. One way to align interests is by requiring managers to invest a meaningful amount of their personal net worth alongside the limited partners, which is available and equally applicable to funds of all sizes. Another important approach to properly aligning interests is to skew manager compensation heavily towards performance incentives.

Most private equity funds have two-tier compensation structures. First, the manager receives an annual management fee, typically 2.0% of committed capital for smaller funds and a lower percentage for larger funds. Second, the manager receives a share of profits, or carried interest, generally equal to 20% of profits subordinated to a preferred return of 8%. Ideally, management fees should be just high enough to cover manager expenses, so that wealth creation is possible only through carried interest. In practice, managers of large and middle market buyout funds receive management fees that significantly exceed their expenses, generating a stable annual profit stream that dilutes the incentive value of carried interest. Furthermore, large fund managers can use the profits from management fees to finance personal investments in their funds, potentially reducing the incentive value of the principals' personal investments.

Because small buyout funds are typically capitalized at less than $250 million and have substantial human resources relative to their size, managers primarily cover their overhead with fixed fee income. With little, if any, profit from fee revenue and significantly more of their own personal capital at risk on a relative basis, small buyout fund managers can be expected to exhibit a greater focus and reliance on investment returns and carried interest to generate wealth.

SBOF II's hybrid investment strategy – with up to 30% of capital allocated to co-investments – is expected to significantly enhance the overall returns of the Partnership. These co-investments generally do not involve any fees or carried interest paid to the sponsor and, as a whole, tend to outperform fund investments. SBOF I's co-investments are representative of Siguler Guff's ability to execute this part of its strategy effectively. All 27 co-investments in SBOF I do not pay fees or carried interest to the sponsor and are currently outperforming the Partnership's fund investments by a substantial margin. Moreover, co-investments are executed within the Partnership, alongside fund investments, rather than putting them in a separate fund that could potentially have a different investor base.

Siguler Guff's experience and knowledge of the small and lower middle market, relationships with leading managers, and excellent track record across funds within the same strategy, set it apart from other managers seeking to invest in the sector. In addition, Siguler Guff's experience as a direct investor distinguishes it from many competitors that act only as consultants or intermediaries. Siguler Guff believes that since forming its small buyout investment platform and investing over $500 million in this space, it has positioned itself as one of the most sophisticated and knowledgeable investors in the small and lower middle market.

Siguler Guff believes that the factors highlighted above, amongst others, make the small buyout strategy unique and have greatly contributed to the sector's outperformance relative to the broader buyout market.

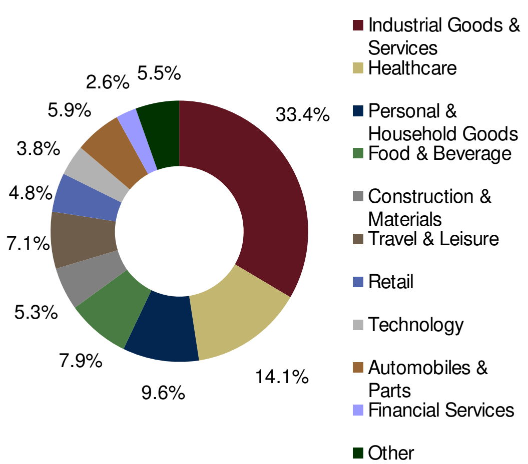
22. Bias toward any market segments:

SBOF II does not have any bias toward particular market segments, and the investment team selects funds and co-investments on an opportunistic basis. Sector focus will vary among managers, but the portfolio is likely to include companies in industrial goods and services, business services, healthcare, personal and household goods, food and beverage, retail, technology, financial services, energy services, restaurants, among other industries. The Partnership will invest in funds with a range of investment theses, such as sector specialization, margin expansion, industry consolidation, improved corporate governance, financial restructuring, and enhanced sales, marketing and management techniques.

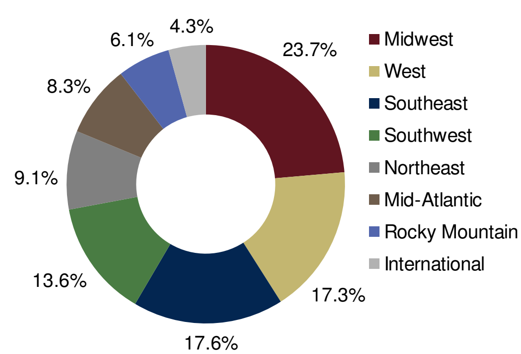
As previously mentioned, the Partnership will focus on fund managers investing in the North American markets, with primary emphasis on the United States, but may also invest up to 20% outside of North America, primarily to access managers investing in small and lower middle market businesses in Europe.

Please see below for the industry and geography breakdowns for SBOF I and II, estimated as of December 31, 2012.

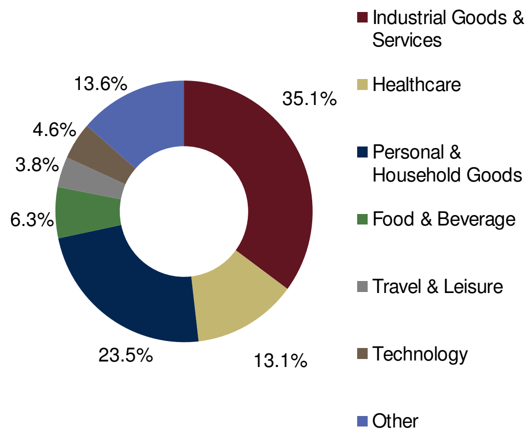
SBOF I Invested Capital: Industry



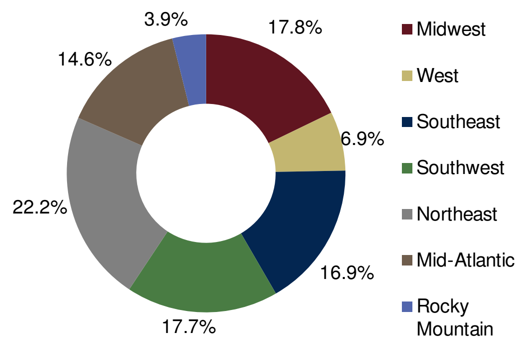
SBOF I Invested Capital: Geography



SBOF II Invested Capital: Industry



SBOF II Invested Capital: Geography



Expected period of investment for the proposed fund(s).

The Partnership can make commitments to funds until August 30, 2015 (the "Fund Commitment Period"), and can make direct investments until August 30, 2017 (the "Direct Investment Commitment Period"). Because the funds will be entitled to call commitments from the Partnership throughout their investment periods (which will likely extend beyond the Direct Investment Commitment Period for some funds), the Partnership is not expected to call 100% of its committed capital until well after the end of the Commitment Periods.

Following the end of the Commitment Periods, the Partnership can make follow-on investments, not in excess of 30% of capital commitments, which may be funded by drawing uncalled capital commitments or by reinvesting the proceeds of the portfolio. Any follow-on investments to funds made later than two years following the end of the Fund Commitment Period, or follow-on investments to direct investments made later than two years following the end of the Direct Investment Commitment Period, will require the approval of the advisory board.

The basis for the length of the Fund Commitment Period is that it enables the portfolio to achieve vintage year diversification and allows the Partnership to target the best managers that are in the market over a three year period after its final closing. Similarly, the Direct Investment Commitment Period spans five years after the final closing in order to provide Siguler Guff the opportunity to develop relationships with underlying fund managers that produce co-investments.

23. General Partner's commitment in the fund:

The Firm and its affiliates (acting as the General Partner) will invest no less than $3 million in the Partnership, and the total General Partner commitment is currently expected to be significantly higher. The General Partner has committed approximately $10 million to each of the past four multi-manager funds the Firm has raised, and Siguler Guff expects a similar level of General Partner support for SBOF II. In addition, Siguler Guff's employees have historically shown a strong level of participation in prior offerings. Kevin Kester, Jason Mundt, and Jonathan Wilson, amongst other professionals at the Firm, will likely make commitments to the Partnership.

The General Partner is considered to be a limited partner to the extent of its capital commitment, and the General Partner's commitment will be allocated pro rata as any other limited partner's capital commitment would be. However, the investment manager is able to waive the management fee with respect to the General Partner and parties affiliated with Siguler Guff, including Siguler Guff professionals.

24. What is the firm's investment universe? How many investment opportunities are evaluated each year?

    Siguler Guff's small buyout strategy's investment universe consists of $50 million to $400 million funds that make control-oriented investments, typically in companies with less than $100 million of revenue, less than $15 million of EBITDA, or trade for less than $100 million of enterprise value. This part of the market exhibits the greatest transaction inefficiency as the supply of potential acquisition targets is large, while the demand from sophisticated private equity investors is limited.

    Given its longstanding presence in the private equity community, Siguler Guff has extensive relationships with many private equity managers, dating back to George Siguler's days at Harvard Management in the 1970s, and his work as a founding trustee of Commonfund Capital, the private equity arm of the Common Fund. Siguler Guff's advantage over its competitors is its tenure in the private equity space and, more specifically, within each strategy in which it invests. A significant portion of the small buyout investment team's deal flow results from direct relationships with managers and fellow limited partners in the industry. In addition, the Firm has established relationships with most significant placement agents in the business, as well as with contacts at industry publications and investor conferences which may present the Firm with additional investment opportunities.

    The Firm has met with virtually every institutional grade manager within the small buyout space, has aggregated manager data, and incorporated this information into its proprietary databases. The depth of these databases enables the Firm to make more informed investment decisions pertaining to fund investments and co-investments. By way of example, Siguler Guff has a proprietary database covering over 600 small buyout funds that is expected to generate substantial, high-quality deal flow for the Partnership.

    Key to finding good investment opportunities is having quality, abundant and less competitive deal flow. Generating a high number of attractive investment opportunities significantly increases an investor's ability to exercise sound judgment and selectivity. If investors are confident in their ability to consistently replenish their deal flow pipeline, they are less likely to feel pressure to settle on subpar investments. Over the investment period of the Partnership, Siguler Guff expects to review over 500 funds and 200 co-investments. These numbers are supported by Siguler Guff's experience, where over 170 funds and 75 co-investments were reviewed in 2011, and over 160 funds and 82 co-investments were reviewed in 2012.

    The vast majority of the investment team's ideas and, ultimately, completed investments, are sourced from managers with whom Siguler Guff has an established relationship. These relationships have been fostered and developed over many years. To date, 8 of the 11 fund commitments in SBOF II have been to managers with whom Siguler Guff has had a previous relationship.

25. How are investments evaluated?

    To be eligible for consideration by the Partnership, a small buyout manager must meet the following fundamental requirements and screening criteria:

    - The Firm's principals have a demonstrable commitment to the small and lower middle market;
    - The Firm has the reliability and integrity to manage institutional capital;
    - The fund's capital is "right-sized" relative to the strategy and market – generally funds sized between $50 - $400 million;
    - The management team, either as a whole or individually, has compiled a verifiable record of active and successful investments in small and lower middle market companies; and
    - Due diligence information is available and verifiable, and the firm and the manager are willing to meet their standards of transparency both in due diligence and ongoing monitoring.

The due diligence process typically takes anywhere from several weeks to a few months (depending on the team's prior familiarity with the activities of a particular manager and/or timing of their fundraising process in the case of a fund investment) and involves numerous members of the Siguler Guff team beyond the small buyout investment team. It is Siguler Guff's strong conviction that it is in their investors' best interest to have the due diligence process standardized and under their control. Therefore, 100% of investment, operational, and tax due diligence is performed internally by Siguler Guff's professionals. They have sufficient staff to accomplish this. Investment due diligence is performance by Kevin Kester (Managing Director), Jason Mundt (Principal), Jonathan Wilson (Principal), Sara Bowdoin (Vice President), and Langdon Mitchell (Associate). Stephen Faughnan (Vice President of Operations) leads the operational due diligence process and Jarrad Krulick (Vice President - Tax Manager) performs tax due diligence. The majority of legal due diligence is conducted in-house as well. Donald Spencer (Managing Director and Senior Counsel), Terri Liftin (Managing Director, Managing Counsel, and Chief Compliance Officer), and Sandip Kakar (Principal), all attorneys by training, lead the legal due diligence process, working alongside at least one member of the small buyout investment team. While the professionals listed above have the primary responsibilities for due diligence, the rest of the Firm's investment and back-office professionals are available for additional support.

Funds that meet the initial screening criteria are subjected to a disciplined and rigorous due diligence process:

<u>Preliminary Due Diligence — review of written materials and early meetings — 500+ funds over SBOF II investment period</u>

- Identify/articulate investment strategy, performance drivers, management qualifications
- Consider fit in the Partnership's portfolio
- Siguler Guff will accept meetings with virtually all managers. Meetings with managers unlikely to be selected can nonetheless yield valuable insights.

<u>Comprehensive Due Diligence — continued meetings and extensive research — 150 to 200 funds</u>

- Continued meetings with professionals at all levels, including one-on-one meetings
- Detailed and verified track record analysis, including attribution analysis and "outlier" analysis
- "Data mining," including legal docket reviews, to identify discrepancies from underlying fund manager's statements, additional references, "character" issues
- Reference checks — both supplied references and those discovered through data mining and other sources, as well as integrity checks performed by outside agencies
- Checklists — underlying fund manager's standard due diligence "package" compared against Siguler Guff's proprietary business, legal, and financial controls checklists

<u>Final Due Diligence — resolve open issues, evaluate investment process and risk controls — 25 to 30 funds</u>

- Final meetings — update performance and deal pipeline; challenge and probe assumptions; candidly address litigation issues and other negatives
- Process review — verification through file review that underlying fund manager's investment process works as described Legal review — Detailed questionnaire to ascertain whether the firm or its personnel have been subject to litigation, investigations or other "red flag" occurrences; background checks on key principals, terms, side letters, and LPA amendments are negotiated. Legal review is independent of investment due diligence process.
- Tax review — Review of documents, and negotiation of side letter provisions, to assess and improve level of protection against undesirable tax consequences for various categories of clients (e.g. U.S. tax-exempt or non-U.S.). Tax review is independent of investment review process.
- Operational Due Diligence — detailed questionnaire covering, for example, risk monitoring, cash management and disbursement control, and trade reconciliation practices; evaluation of

quality of in-house personnel and critical third parties such as clearing brokers, administrators and independent auditors; site visit or phone interview (depending on "risk matrix" analysis) that is independent of the investment due diligence process

- Environmental, Social and Governance (ESG) Review — Review for ESG issues and completion of questionnaires covering assessment of an underlying fund manager's or company's existing ESG policies, reporting and management system and engagement with portfolio companies, and processes to address identified ESG shortcomings
- Terms and conditions — areas of focus go beyond standard terms to address "risk control" issues such as enhanced transparency and indemnification provisions

On the macro level, Siguler Guff emphasizes comparing the candidate firm's stated investment philosophy with the investments that the firm has made in the past, to gauge the extent in which the philosophy has been successfully implemented by the team. Intangible and qualitative attributes such as management intelligence and judgment are evaluated through extensive and detailed discussions of their investment philosophy, their market views and their past investments. Siguler Guff also evaluates performance attribution, that is, the extent to which the current investment team was responsible for the historic track record. Drawing on the Firm's experience as a direct investor, Siguler Guff engages the candidate firm's principals as peers and challenges their assertions and viewpoints to bring out weaknesses or contradictions. More than any other aspect of the Firm's approach, it is the evaluation of their "prospective" view of the market and opportunities that defines Siguler Guff's skill as advisors and managers of multi-manager fund portfolios.

Management integrity is paramount to successful private equity investing. The small buyout team searches news archives and litigation databases and, in the later stages of the due diligence process, asks probing questions on topics such as litigation, employee turnover and limited partner turnover. The team conducts extensive reference checks. They often discover an individual <u>not</u> listed as a reference – such as a former senior employee or an investor that chose not to "re-up" – who provides the critical insight on the inner workings of a management team. They also contact executives of failed investments, as these individuals are the most likely to harbor negative perspectives, justified or unjustified, about the management team in question.

On the process level, the small buyout team conducts a detailed review of each fund's investment performance and requests sample investment files and individual investment(s) due diligence reports. They also review each firm's risk control strategies and policies to make sure they are consistent with the team's understanding of their investment strategy. The team attempts to understand the relationship between senior and junior investment staff members in both past and future deals and meets with junior staff at the general partner's corporate offices. They identify any pertinent succession issues that might arise over the life of the partnership and review and negotiate company documentation and terms. The small buyout team's strong relationships with other leading private equity investors create opportunities to informally compare notes and share market intelligence. Because small buyout investors comprise a close-knit fraternity, evaluations of fund management groups by their competitors and peers are accessible and relatively reliable.

Environment, social, and corporate governance ("ESG") is an important component of the Firm's due diligence process on all prospective investments. Siguler Guff is a signatory to the United Nations Principles for Responsible Investment (UNPRI) and has formally established a Responsible Investment Policy, which includes a questionnaire to be used by its investment teams in connection with ESG-related due diligence of a general partner. In developing the Firm's ESG policy, Siguler Guff has given consideration to a range of codes and standards, including the UNPRI.

Operational, legal and tax due diligence (including background and integrity checks) are conducted independently of investment due diligence to ensure that appropriate expertise and independent oversight are brought to bear. Prospective managers are required to complete a Legal and Regulatory Questionnaire, which asks for information on the general partner's regulatory status and litigation history, and requests personal data to assist in a background check. Siguler Guff's legal and compliance team of seven professionals, as well as the Firm's two tax professionals, are responsible for the Legal and Regulatory Questionnaire and background searches on prospective managers. Once the checklist is returned, the

Firm's Managing Counsel and CCO commissions a background search on the principals of the general partner. Siguler Guff engages Kroll and The Risk Advisory Group to perform thorough background checks on prospective underlying funds and their principals.

Furthermore, Siguler Guff's in-house counsel conducts a comprehensive review of the attendant legal documentation and, together with the portfolio manager, negotiates material terms of the partnership agreement. This review addresses a range of matters, including whether the terms are consistent with industry standards, whether the fund's management will provide adequate transparency to permit Siguler Guff to effectively monitor and manage the investment, and whether a range of tax and regulatory issues important to Siguler Guff's investors are adequately addressed.

Prospective managers are required to complete a Back Office Questionnaire, which scrutinizes the manager's accounting, operations and reporting processes. For a direct investment, the Firm's operations staff creates one-off customized questionnaires depending on the deal and the company's sector, to assess potential risks. Siguler Guff's accounting and operations teams also have comprehensive sets of criteria that they present to each manager in a separate due diligence process, which focuses on an underlying general partner's internal controls, accounting staff, infrastructure, quality of outside audit firm, and counterparty risk. Once the review is complete, the team then performs a risk rating of the investment based on the due diligence findings as well as in the context of the investment's strategy and structure. The risk rating will determine next steps, which include site visits to the fund or company, and direct contact with the general partner's CFO and accounting staff. In addition, Siguler Guff's operations team will provide a concluding memo to the investment team describing their findings during this process and detailing any areas of concern or control weaknesses.

Once the investment, operational, legal and tax due diligence processes are complete, a Due Diligence Completion Checklist is submitted to the Investment Committee with the investment recommendation. Siguler Guff has two Due Diligence Completion Checklists, one for fund investments and one for direct investments/co-investments. The Firm's Managing Counsel and CCO and the Firm's Tax Manager must sign off on the legal, compliance and tax items and the Vice President of Operations must sign off on the operational items in the Due Diligence Checklist. The checklist serves as an important control and quality assurance mechanism, as the approvers will check at this stage to be sure that all appropriate constituencies have completed their reviews and are aware of their responsibilities in respect to the investment.

After an investment opportunity has been properly screened, researched and documented and is ready for internal sponsorship, a formal recommendation is written and submitted to the Partnership's Investment Committee for review and approval. As there is frequent communication among committee members (by email, telephone calls and meetings) during the due diligence process, the committee approval process is more a matter of "fit" for the overall portfolio objectives. Investment decisions are made through consensus by a committee of the following professionals:

- George Siguler, Managing Director and Founding Partner
- Drew Guff, Managing Director and Founding Partner
- Jay Koh, Partner and Managing Director
- Kevin Kester, Managing Director and Small Buyout Portfolio Manager
- Solomon Owayda, Managing Director
- Avinash Amin, Managing Director

The Partnership's Investment Committee is supported by Donald Spencer and Terri Liftin, who are responsible for legal aspects and overall quality control, as well as a dedicated research staff of four investment professionals, and an accounting and operations team overseen by Ken Burns, Managing Director.

26. Process of monitoring the investments held in current funds:

Siguler Guff will closely and continuously monitor the Partnership's investments, both through formal briefings, such as periodic reports and annual meetings, and through less formal contacts, such as telephone calls and one-on-one visits to each company or underlying manager at least annually (and generally more often). Siguler Guff will also perform company-level analysis of the key investments in each of the underlying fund portfolios. The small buyout investment team will work with fund managers to ensure that Siguler Guff receives standardized, timely, accurate and transparent financial reports.

Siguler Guff believes it has developed the most powerful knowledge base within the small buyout universe. The small buyout investment team, as part of its monitoring activities and ongoing analysis, maintains a detailed database of its existing managers' portfolio companies and co-investments that currently includes over 275 company investments. This company-level database is completely proprietary and, on a quarterly basis, tracks all pertinent transaction, financial and performance data, both quantitative and qualitative, which provide valuable real time insights into the small and lower middle market. The database, as well as other analytical tools utilized by the small buyouts team, enables effective analysis, evaluation and monitoring of investments on a quarterly basis. Examples of common analyses are as follows:

- Growth and debt metrics since acquisition, year-over-year and quarter-over-quarter
- Changes and trends in valuation, covenant compliance, headcount, etc.
- Returns analyses
- Manager analyses
- Vintage year analyses
- Industry exposure
- Future value projections

Additionally, the small buyout investment team will seek to be a member of the advisory board of nearly every fund in which the Partnership makes a commitment, and typically negotiates to receive confidential, detailed briefings of portfolio activity and prospects to enhance its ability to exploit opportunities and forestall problems. Siguler Guff has historically been an active limited partner and, when warranted, is a fierce advocate of its investors' interests.

27. Firm's investment database of potential investments:

In addition to its database of existing managers' portfolio companies and co-investments, the small buyout investment team has a proprietary database covering over 600 small buyout fund managers, which provides the team with substantial, high-quality deal flow for the Partnership. This database of prospective managers tracks the entire universe of small buyout funds, which includes funds that are currently raising capital and funds that are expected to be in the market in the future. The Firm's small buyout investment team uses this proprietary database, which is maintained within Salesforce.com, to track data such as underlying holdings, fund terms and investment focus. The team also enters notes from meetings, advisory board meetings, and phone calls into Salesforce.com to document fund activity and due diligence items. Additionally, the small buyout team uses this database to record periodic updates from managers and to detail their analysis and perspectives on managers and their funds. All of this information is aggregated and used throughout the decision making process. This database has been in existence since the Firm started to formally pursue the small buyout strategy in 2004. As Siguler Guff's experience in the small buyout space grows, the database continues to expand and enables more effective analysis, evaluation and monitoring of potential investments.

28. Describe the fund or fund of fund portfolio construction process.

SBOF II's objective is to create a portfolio of approximately 25 "best in class" funds that produce, in aggregate, 200 to 300 underlying portfolio company investments. The funds will represent a diverse mix of strategies, sectors, styles, geographic markets and vintage years, managed in each case by firms that Siguler Guff believes are clear market leaders and have distinct competitive advantages in the small and lower middle market. The Partnership will seek to further enhance returns by allocating up to 30% of its capital commitments to select direct investments, generally as co-investments alongside small buyout fund managers, although direct investments also may be originated from other sources.

Manager selection is perhaps the single most important determinant of success in a private equity program and is becoming increasingly complex as new funds and spin-offs are continually formed. Industry performance data and academic research show spreads between top quartile and median performers in the hundreds and sometimes thousands of basis points, making manager selection in private equity more important than for traditional asset classes, such as public equities and fixed income. Furthermore, given the large number of private equity firms targeting this space and the daunting breadth of their experience, strategies, sophistication and institutionalization, selecting the strongest manager groups would be difficult for an investor without dedicated personnel immersed in the sector.

Siguler Guff's dedicated small buyout investment professionals work as a team throughout the entire portfolio construction and investment process. As the portfolio manager, Kevin Kester oversees all aspects of the Partnership's activities, is responsible for developing the investment strategy, and sits on the Investment Committees for SBOF I and SBOF II. Mr. Kester, together with Jason Mundt, Principal, and Jonathan Wilson, Principal, are responsible for constructing the portfolio, selecting managers, identifying and evaluating direct investment opportunities, performing due diligence, and negotiating terms and conditions for investments. Mr. Mundt and Mr. Wilson are also responsible for monitoring all small buyout investments. Sara Bowdoin, Vice President, and Langdon Mitchell, Associate, are involved in performing due diligence and monitoring investments as well, but also focus their time on manager and direct investment evaluation and analysis, and portfolio analytics. The small buyout team plans to hire a Vice President to join the team later in 2013.

The SBOF II Investment Committee bears the ultimate responsibility for ensuring that the portfolio is well constructed, achieves a high level of diversification, and meets all investment guidelines and regulations.

29. Target a level of return or risk:

    SBOF II is targeting a net IRR in excess of 20% and a 2.3x net multiple of cost. Naturally, there can be no assurance that these returns will be achieved.

    As there are some risks inherent in investing in smaller funds and smaller companies, Siguler Guff believes that the multi-manager model is an appropriate vehicle to execute on a small buyout strategy. Some of the risks associated with investing in smaller funds and smaller companies include higher geographic and industry concentration, dependence on a small number of individuals on the management team within the companies, competition from larger, more established players, and less liquid financing markets.

    Siguler Guff believes that the small and lower middle market is a dynamic and less efficient segment of the overall buyout market that offers compelling investment opportunities to discerning investors. Siguler Guff believes that by reducing the financial risk associated with leverage and implicitly benefiting from portfolio diversification, small buyout funds have the potential to generate substantially higher returns with less volatility when compared to large buyout funds.

30. Private equity investment types (i.e. venture capital, growth equity, buyouts, distressed, etc.) are included in a typical portfolio:

    SBOF II will invest solely with small buyout managers. The Partnership is targeting 100% small buyouts, which may opportunistically include growth buyouts and/or turnaround-focused buyouts. While the Partnership does not have target allocations for these sub-strategies, as a point of reference, SBOF I and SBOF II had the following allocations as a percentage of committed capital, as of September 30, 2012:

    <u>SBOF I</u>
    Buyouts: 74.5%
    Growth: 14.2%
    Distressed: 10.6%
    PIPE: 0.7%

SBOF II
Buyouts: 74.7%
Growth: 11.0%
Distressed: 14.3%

31. Preferred benchmarks:

    As all benchmarks for Siguler Guff's multi-manager funds are imperfect, the Firm views its funds as absolute return strategies. However, the Firm does use certain public and private market benchmarks to measure the performance of its partnerships. Given that there is no small buyout private equity-specific index available, it is difficult to identify any one benchmark as the "best". For the funds in Siguler Guff's small buyout strategy, the Firm believes it is important to consider Cambridge Associates buyout data from the private equity perspective and the Russell 3000 Index from a company size perspective. Additionally, the Firm uses the Russell Microcap Index, the Russell 2000 Index, and the S&P 500 Total Return Index as benchmarks for the funds in its small buyout strategy.

32. Typical number of partnerships held in the firm's fund of funds:

    Siguler Guff expects that SBOF II will invest in approximately 25 funds, diversified by stage, sector, investment thesis and vintage year. To further enhance returns, the Partnership expects to make 25-30 direct investments (up to 30% of its committed capital).

    SBOF II will not allocate more than 15% of its aggregate capital commitments to any individual fund and will not invest more than 5% of aggregate capital commitments in any single direct investment. The 15% limit, which was negotiated down from 25% by a limited partner, is subject to approval by the limited partners in SBOF II. If approved, this term will be reflected in the final limited partnership agreement.

33. Expected range for geographic location (region in US, US vs. international), industry and sector exposure and stage of investment for the firm's currently available fund:

    As previously mentioned, the funds will represent a diverse mix of strategies, sectors, styles, geographic markets and vintage years, managed in each case by firms that Siguler Guff believes are clear market leaders and have distinct competitive advantages in the small and lower middle market.

    The Partnership will focus on fund managers investing in the North American markets, with primary emphasis on the United States, because of the substantial number of small companies and high-quality managers operating in the U.S. However, the Partnership may also invest up to 20% outside of North America, primarily to access managers investing in small and lower middle market businesses in Europe. While the Partnership invests on an opportunistic basis, the small buyout investment team expects geographic allocations, as a percentage of invested capital, similar to the following:

    U.S. Midwest: 20%
    U.S. West: 20%
    U.S. Southeast: 20%
    U.S. Southwest: 12.5%
    U.S. Northeast: 10%
    U.S. Mid-Atlantic: 10%
    U.S. Rocky Mountain: 5%
    International: 2.5%

    Sector focus will vary among managers, but the portfolio is likely to include companies in industrial goods and services, business services, healthcare, personal and household goods, food and beverage, retail, technology, financial services, energy services, and restaurants, among other industries. The Partnership will invest in funds with a range of investment theses, such as sector specialization, margin expansion, industry consolidation, improved corporate governance, financial restructuring, and enhanced sales, marketing and management techniques.

34. To what extent does the firm make "follow-on" investments? (Make multiple fund commitments to the same private equity fund manager)

    SBOF II has the ability to make multiple commitments to the same fund manager. However, given the typical length of underlying fund investment periods, this will likely only occur in a few instances. SBOF I made multiple commitments to three of its 23 fund managers, and the small buyout investment team expects a similar number of follow-on investments in SBOF II. SBOF II is permitted to make follow-on investments even after its Commitment Periods, subject to certain restrictions.

    With respect to re-ups, the small buyout investment team currently expects that SBOF II will commit to approximately 50% of the fund managers in SBOF I. To date, SBOF II has committed to eight SBOF I managers.

    It is important to note that every investment opportunity must stand on its own merits. For example, a fund's past performance, while potentially indicative of future outcomes, is only one element considered in the investment decision-making process. Changes in a fund's management, size, investment style and strategy, as well as changes in the prevailing market conditions and future expectations, among other data points, are all considered when evaluating a re-up or follow-on investment. Therefore, the percentage of funds in SBOF II that will come from existing relationships is subject to change.

35. Expected exit strategy:

    SBOF II will invest in approximately 25 managers offering funds focused on investing in the small and lower middle market. While the typical five year investment period is appropriate to allow managers to be patient during unanticipated fluctuations in markets, Siguler Guff prefers to see managers invest a fund's capital at a more rapid pace. The Firm anticipates that many funds will be fully invested within three to four years.

    While some funds pay out interest and income earned during the life of the fund, Siguler Guff anticipates that that most of the Partnership's returns will be generated through the sale of portfolio companies. The Partnership's exit strategy includes various exit channels such as sales to larger financial sponsors and strategic investors, IPOs, and management buybacks. Given the value-enhancing transformation that most of these companies will go through, Siguler Guff expects that they will make highly-attractive acquisition targets for strategic investors and financial buyers. The Firm expects that the holding period of each underlying investment will range typically from three to seven years before they are sold.

    Siguler Guff believes that given the substantial amount of capital raised by middle and large market funds, as well as the desire for strategic buyers to grow through M&A, the exit market for small and lower middle market buyout deals will likely remain robust in the foreseeable future.

    While the overhang of capital in U.S. private equity funds has dropped from its peak, an estimated $348 billion still remains available to invest. The decrease in available capital is largely due to low fundraising levels following the Global Financial Crisis, which have since improved. Over $242 billion sits in funds with less than $5 billion in commitments, which are potential acquirers of the small and lower middle market companies that are expected to comprise SBOF II. Moreover, 75% and 85% of capital committed to funds in 2011 and 2012, respectively, was allocated to funds with less than $5 billion in commitments[26]. This large supply of capital has made selling up the "food chain" one of the exits of choice for small buyout fund managers.

    This dynamic is visible in SBOF I, where successful exits have been sales to other private equity funds, including funds as large as $2.0 billion. Currently, U.S. non-financial corporations have exceptionally strong balance sheets, with more than $1.8 trillion of cash. Many of the corporations are very eager to grow through M&A activity. Small and lower middle market companies should be well positioned for interest from strategic buyers.

[26] Pitchbook 1H 2013 PE Fundraising and Capital Overhang Report, Federal Reserve

SBOF I has seen its portfolio companies acquired by strategic buyers such as Sara Lee (NYSE: SLE) ($8.6B), Spectrum Brands (NYSE: SPB) ($3.2B), Curtiss-Wright Corporation (NYSE: CW) ($1.6B), Masonite International ($1.5B) and Acadia Healthcare Company (NASDAQ: ACHC) ($1.1B), among others. In addition, the Firm anticipates that less than 5% of the portfolio will be exited through IPOs or management buyouts.

SBOF II's term will continue until the earlier to occur of (i) the twelfth anniversary of its initial closing, or (ii) the date on which all the Partnership's assets (other than temporary investments) have been distributed and the Partnership's obligations (including contingent obligations) have terminated, unless the term is extended (for up to three additional one-year periods) with the consent of the advisory board.

The Partnership will periodically distribute realized income and capital gains, typically in cash, when received. Proceeds representing returns of capital can be reinvested at the discretion of the General Partner, who will make that determination based on market conditions.

In-kind distributions from the underlying funds to the Partnership, and realized direct investments, may be sold by the Partnership or distributed in kind to the Partnership's investors. Prior to the dissolution of the Partnership, only marketable securities may be distributed in kind. Assets distributed in kind will generally be treated as cash distributions and distributed in accordance with the distribution provisions below.

The General Partner will give prior notice to investors if an in-kind distribution is contemplated and, at an investor's request, will act as such investor's agent to liquidate the in-kind asset on behalf of such investor and distribute the net cash proceeds of such liquidation to such investor. Investors will be responsible for all commissions and expenses in connection with any such sale and any such assets sold on behalf of an investor will be treated as having been distributed in kind to such investor at a value determined by the General Partner and sold by such investor for its own account.

Proceeds from investments in funds will be distributed as follows:

- Return of Capital. First, 100% to all investors, pro rata in proportion to capital commitments, until investors have received in the aggregate distributions equal to the investors' aggregate contributions to the Partnership in respect of all fund investments (including allocated expenses);
- Preferred Return. Second, 100% to all investors, pro rata in proportion to capital commitments, until they have received a preferred return of 8%, compounded annually, on the capital contributions returned under the preceding paragraph;
- GP Catch-Up. Third, 100% to the General Partner until the General Partner has received distributions equal to 5% of all distributions to investors in excess of the investors' aggregate contributions to the Partnership in respect of all fund investments; and
- 95/5 Split. Fourth, 95% to all investors, pro rata in proportion to capital commitments, and 5% to the General Partner.

Proceeds from the disposition of direct investments will be distributed as follows:

- Return of Capital. First, 100% to all investors, pro rata in proportion to capital commitments, until investors have received distributions equal to their total capital contributions in respect of all realized direct investments (including allocated expenses);
- Preferred Return. Second, 100% to all investors, pro rata in proportion to capital commitments, until they have received a preferred return of 8%, compounded annually, on the capital contributions returned under the preceding paragraph;
- GP Catch-Up. Third, 100% to the General Partner until the General Partner has received distributions equal to 15% of all distributions to investors in excess of total capital contributions in respect of realized direct investments; and
- 85/15 Split. Fourth, 85% to all investors, pro rata in proportion to capital commitments, and 15% to the General Partner.

36. Performance review:

The chart below includes the performance and quartile ranking for Siguler Guff's small buyout multi-manager funds estimated as of March 31, 2013*. Please note the performance includes both fund investments and direct investments.

Fund Name	Vintage Year	Fund Capitalization ($M)(1)	% of Fund Invested(2)	No. of underlying funds(3)	Distribution / Paid-in(4)	Residual / Paid-in(5)	IRR (%)	Cambridge FOF Quartile Ranking(6)
SBOF I	2006	$505.0	80.7%	26	0.4x	1.1x	11.4%	1st
SBOF II	2011	$542.3	51.4%	11	-	1.1x	28.3%	N/A

* Past performance does not guarantee future results.
(1) Total capital committed from LPs to date; estimated as of March 31, 2013, SBOF I had committed $564.1 and SBOF II had committed $221.5 million to underlying investments.
(2) Represents cash invested as a percentage of total commitments to underlying investments estimated as of March 31, 2013.
(3) Does not include the 27 direct investments and 11 direct investments in the SBOF I and SBOF II portfolios, respectively.
(4) Represents net distributions paid to LPs.
(5) Represents LP-only NAV.
(6) Cambridge Associates, September 2012. Fund of Funds only, vintage year 2006. Cambridge Associates data is not yet available as of December 2012.

37. Fee schedule for the fund:

Management fees will be charged to each investor's capital account based on the investor's capital commitment, in accordance with the following schedule:

First $10 million 1.00%
Next $40 million 0.85%
Over $50 million 0.50%

The management fee rate above will be applied to committed capital during the Direct Investment Commitment Period (ending August 30, 2017 for SBOF II), and for each succeeding year thereafter shall be an amount equal to 80% of the management fee for the preceding year. For example, if an investor's management fee is 1.00% of committed capital during the Direct Investment Commitment Period, that investor's management fee will be 0.80% for the first year following the Direct Investment Commitment Period and 0.64% for the second year following the Direct Investment Commitment Period. The management fee will be paid quarterly in arrears and is included in the capital commitment.

38. Carried interest associated with the fund:

The General Partner will be entitled to a 5% carried interest after an 8% preferred return on fund investments, and a 15% carried interest after an 8% preferred return on direct investments. Carried interest is allocated on a portfolio-basis for fund investments and on a deal-by-deal basis for direct investments.

39. Any other costs or fees associated with the fund:

The Partnership will bear the expenses of its organization and of the distribution of its interests, including legal fees, printing and travel expenses, not to exceed the greater of (x) 0.15% of the Partnership's committed capital or (y) $1 million.

The General Partner and investment manager will bear the expenses of their personnel and overhead required to perform their duties to the Partnership, and shall bear any organizational and distribution expenses in excess of the limits set forth above. The Partnership will bear all other expenses of its operation, including legal fees, custodian fees, interest, taxes, travel expenses, other due diligence expenses and other out-of-pocket costs associated with the acquisition and monitoring of portfolio investments, costs associated with hedging transactions, commissions, audit fees and tax preparation costs, and extraordinary expenses such as litigation and indemnification expenses.

Definitions

Excess Returns - Returns in excess of the risk-free rate, a benchmark or in excess of another manager. A positive excess return indicates that the manager outperformed the benchmark for that period.

Given two return series (typically a manger and a benchmark), $x_1, \ldots, x_n$ and $y_1, \ldots, y_n$, the excess return series is defined as $er_1, \ldots, er_n = x_1 - y_1, \ldots, x_n - y_n$

Annualized Excess Return = Annualized Manager Return - Annualized Index Return

Standard Deviation - A measure of the average deviations of a return series from its mean; often used as a risk measure. A large standard deviation implies that there have been large swings or volatility in the manager's return series.

$$StDev_{(SD)} = \frac{[\,\Sigma\,(x_i - X)^2\,]^{1/2}}{n} \quad \text{or Square Root of the Variance} = \sqrt{(Var)}$$

$$\text{Ann StDev} = SD * \sqrt{(N_y)}$$

x_i = the *ith* observation

X = mean return for series

n = the number of observations

N_y = the number of periods in a year (4 if quarterly data, 12 if monthly data)

Tracking Error - A measure of the amount of active risk that is being taken by a manager. This statistic is computed by subtracting the return of a specified benchmark or index from the manager's return for each period and then calculating the standard deviation of those differences. A higher tracking error indicates a higher level of risk – not necessarily a higher level of return - being taken relative to the specified benchmark. Tracking error only accounts for deviations away from the benchmark, but does not signal in which directions these deviations occur (positive or negative).

TE = Standard Deviation of Excess Return

Information Ratio - This statistic is computed by subtracting the return of the market from the return of the manager to determine the excess return. The excess return is then divided by the standard deviation of the excess returns (or Tracking Error) to produce the information ratio. This ratio is a measure of the value added per unit of active risk by a manager over an index. Managers taking on higher levels of risk are expected to then generate higher levels of return, so a positive IR would indicate "efficient" use of risk by a manager. This is similar to the Sharpe Ratio, except this calculation is based on excess rates of return versus a benchmark instead of a risk-free rate.

$$IR = \frac{\text{Excess Return}}{\text{Tracking Error}}$$

Sharpe Ratio - This statistic is computed by subtracting the return of the risk-free index (typically 91-day T-bill or some other cash benchmark) from the return of the manager to determine the risk-adjusted excess return. This excess return is then divided by the standard deviation of the manager. A manager taking on risk, as opposed to investing in cash, is expected to generate higher returns and Sharpe measures how well the manager generated returns with that risk. In other words, it is a measurement of efficiency utilizing the relationship between annualized risk-free return and standard deviation. The higher the Sharpe Ratio, the greater efficiency produced by this manager. For example, a Sharpe Ratio of 1 is better than a ratio of 0.5.

$$Sharpe = \frac{\text{Ann Rtn}(x) - \text{Ann Rtn}(R_f)}{\text{Standard Deviation of } x}$$

R_f = Risk-free rate

Alpha - The incremental return of a manager when the market is stationary. In other words, it is the extra return due to non-market factors. This risk-adjusted factor takes into account both the performance of the market as a whole and the volatility of the manager. A positive alpha indicates that a manager has produced returns above the expected level at that risk level, and vice versa for a negative alpha. Alpha is the Y intercept of the regression line.

$$\text{Alpha}_{(\alpha)} = X - [Beta*Y]$$

X = the mean return for the manager

Y = the mean return for the index

Beta - This is a measure of a portfolio's volatility. Statistically, beta is the covariance of the portfolio in relation to the market. A beta of 1.00 implies perfect historical correlation of movement with the market. A higher beta manager will rise and fall more rapidly than the market, whereas a lower beta manager will rise and fall slower. For example, a 1.10 beta portfolio has historically been 10% more volatile than the market.

$$\textbf{Beta}_{(\beta)} = \frac{[(n)*\Sigma(x_i*y_i)] - (\Sigma\, x_i)(\Sigma\, y_i)}{[(n)*\Sigma(y_i^2)] - (\Sigma\, y_i)^2}$$

n = the number of observations
xi = the return of the first data series (*ith* observation)
yi = the return of the second data series (*ith* observation)
Generally, xi = the manager's return series and yi will be a specified index (benchmark)

R-Squared - Otherwise known as the *Coefficient of Determination*, this statistic, like beta, is a measure of a manager's movement in relation to the market. Generally, the R-Squared of a manager versus a benchmark is a measure of how closely related the variance of the manager returns and the variance of the benchmark returns are. In other words, the R-Squared measures the percent of a manager's return patterns that are "explained" by the market and ranges from 0 to 1. For example, an r-squared of 0.90 means that 90% of a portfolio's return can be explained by movement in the broad market (benchmark).

$$\textbf{R-Squared} = (r)^2$$

r = correlation coefficient

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PAULSON
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September 2013

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An investment in a private equity fund is speculative and involves a high degree of risk, which each investor must carefully consider. An investor in a private equity fund could lose all or a substantial amount of his or her investment. Risks that may affect the ability of the fund to achieve its investment objective include, among others, risks relating to general economic conditions and the state of the capital markets, local real estate conditions and changes in the population and demographics of the communities, regulatory changes, changes in tax laws regarding the deductibility of mortgage interest and other tax regulations, environmental and other legal liabilities and changes in the supply and demand for real estate assets (see the risk factors section of the Memorandum for further risks). Returns generated from an investment in a private equity fund may not adequately compensate investors for the business and financial risks assumed. While private equity funds are subject to market risks common to other types of investments, including market volatility, private equity funds employ certain techniques, such as the use of leveraging that may increase the risk of investment loss. Certain real estate investments may involve above-average risk. Risks associated with private equity fund investments include, but are not limited to, the fact that private equity funds are highly illiquid; they are not required to provide periodic pricing or valuation information to investors; they may involve complex tax structures; they are not subject to the same regulatory requirements as mutual funds; they often charge higher fees and the high fees may offset the funds' profits; they may have a limited or no operating history; they can have performance that is volatile; in this case, they will have a fund manager who has total investment authority over the fund, which could mean a lack of diversification, and consequentially, higher risk; they are not likely to have a secondary market for an investor's interest in the fund and none may be expected to develop; and, in this case, they will have significant restrictions on transferring interests in the fund.

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PAULSON REAL ESTATE FUND II SUMMARY

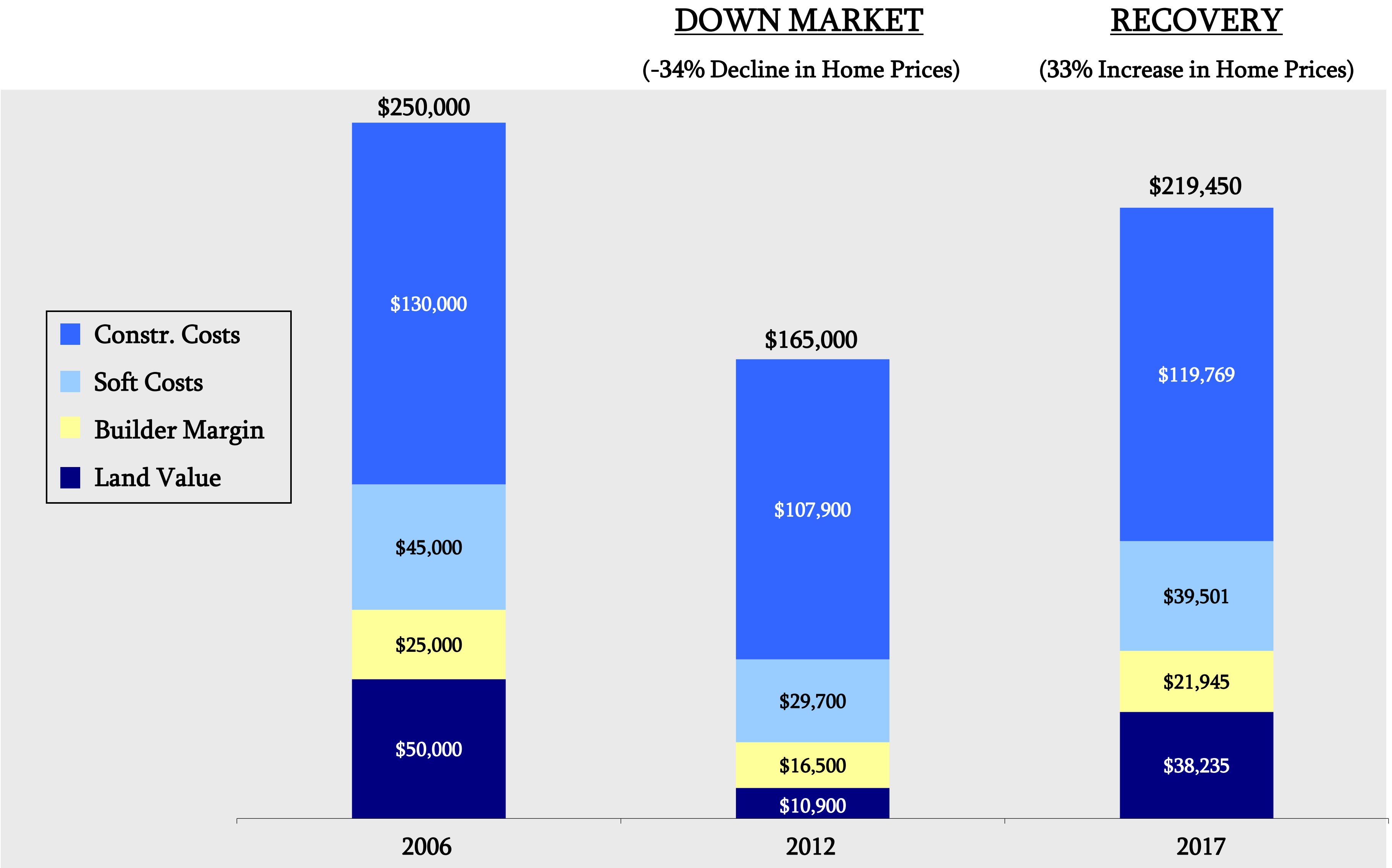
- **Target Size:** $400 - 450 million
- **Focus:** Residential Land
- **Markets:** U.S. housing markets with strong long term demand growth in the Southeast, Southwest and West
- **Thesis:** Land offers a high potential return investment to capitalize on the recovery in housing
- **Opportunity:** Dislocation in land market continues to present attractive opportunities to invest on an unlevered basis
- **Existing Portfolio:** Partially seeded with 8 existing investments representing approximately 45%[1] of the total fund

(1) Total peak capital includes projected future funding for existing investments and fund-level expenses.

PAULSON REAL ESTATE FUND II HIGHLIGHTS

- Sponsored by Paulson & Co., a global investment management firm
- Dedicated team of real estate investment professionals with a focused investment approach
- Continuation of proven investment strategy
  - Fund I ($317mm) held final close in November 2010
  - Fully committed across 13 investments by May 2012
- Attractive market opportunity
- Seeded portfolio and robust pipeline of additional opportunities
- Significant sponsor alignment

AN ILLUSTRATION OF THE LEVERAGE INHERENT IN RESIDENTIAL LAND

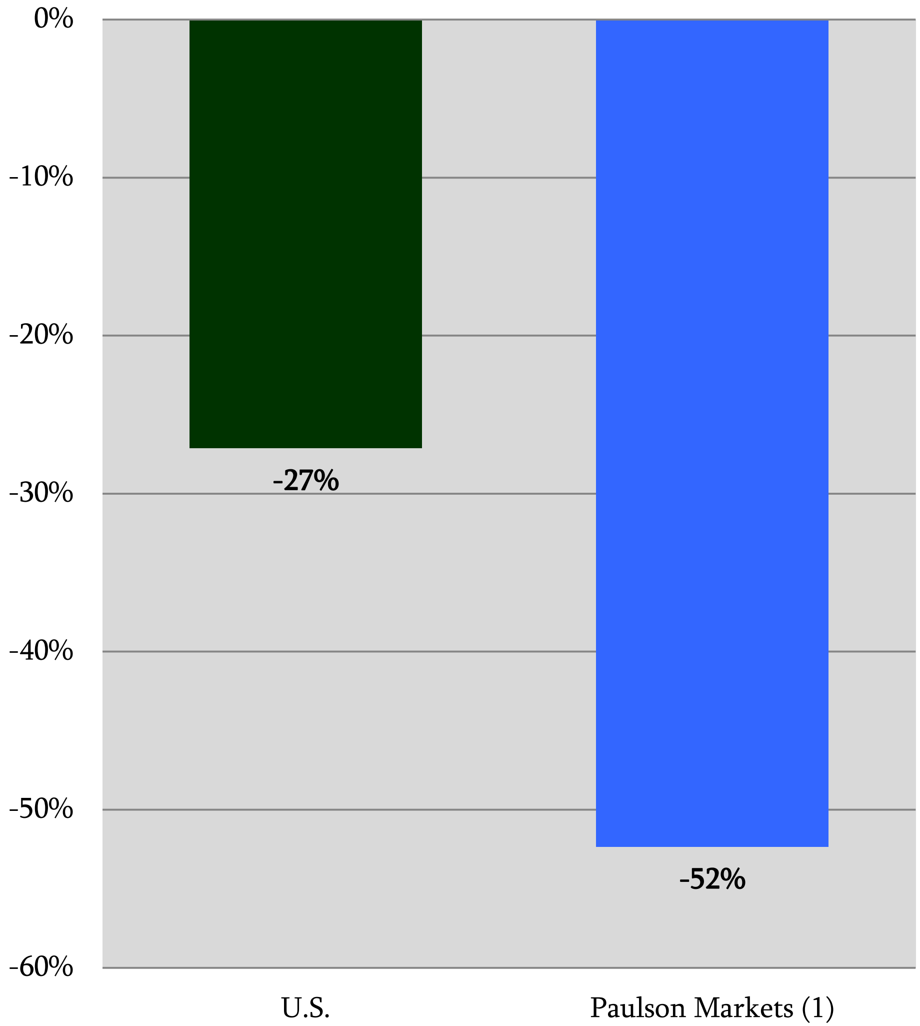


Adjustment in Land Value:	-78%	+250% (3.5x)

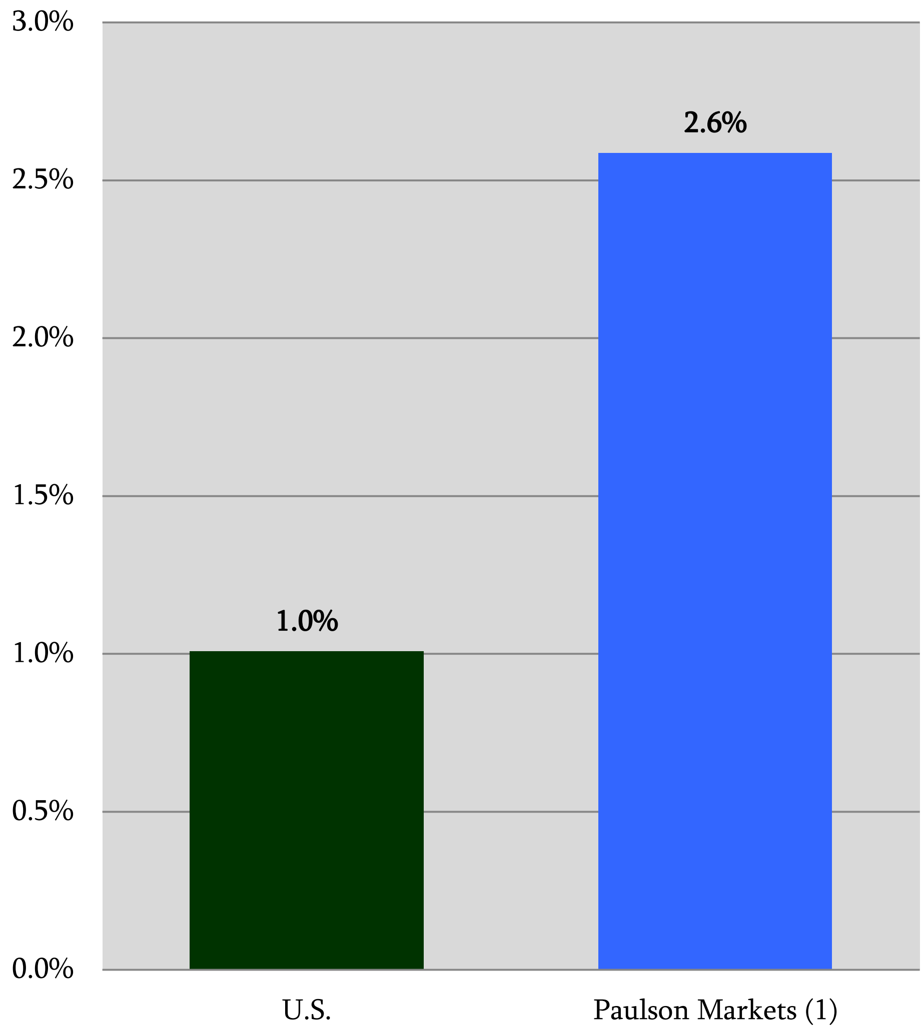
Source: Paulson & Co. estimates. Soft costs include homebuilder G&A, warranty, marketing, and interest expenses.

MARKET SELECTION: Distressed Markets with Attractive Long-Term Growth

PEAK-TROUGH MEDIAN HOME PRICE DECLINE



LONG-TERM POPULATION GROWTH CAGR (1972 – 2012)

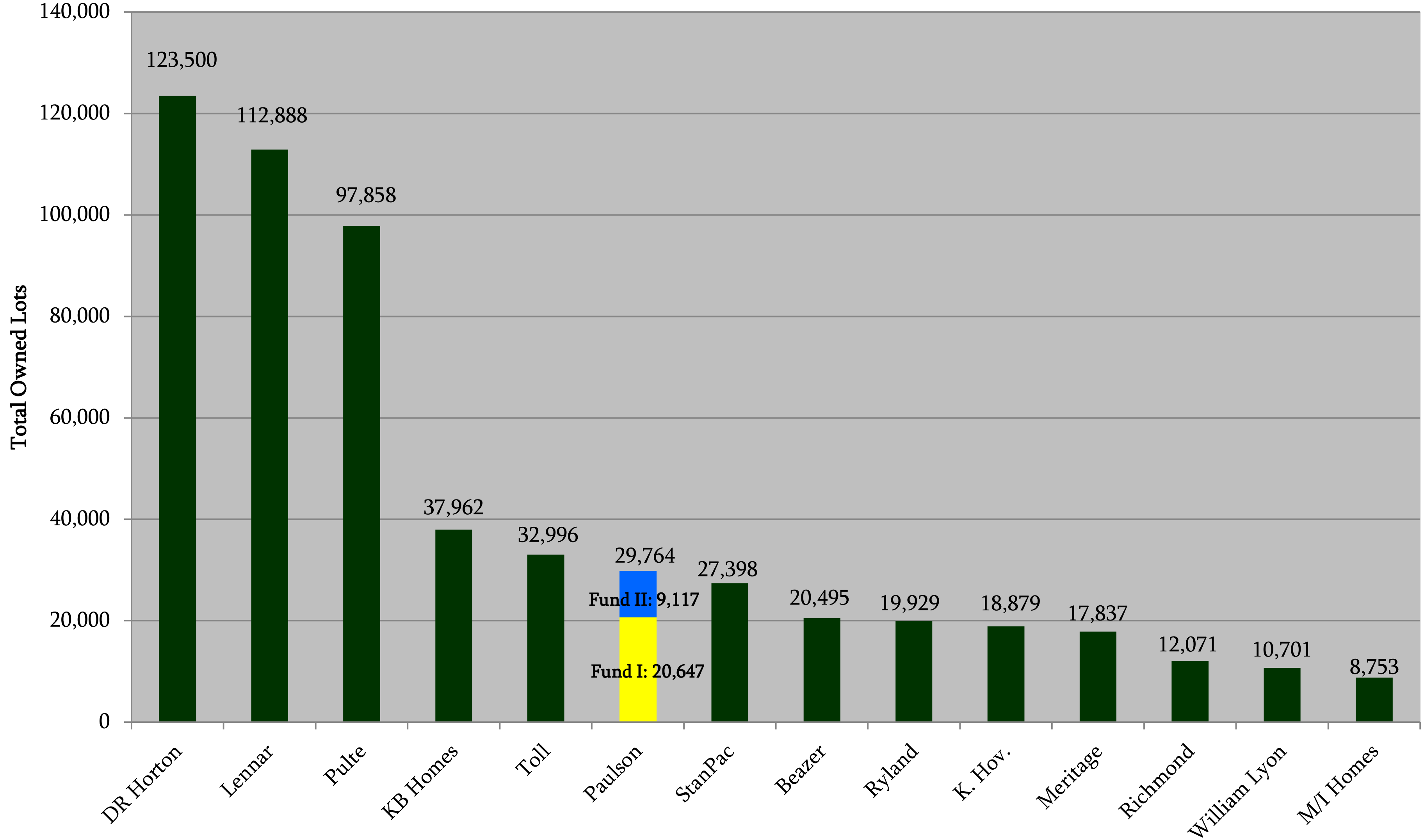


(1) Paulson markets include Phoenix, Inland Empire, San Diego, Denver, Tampa, Miami, Jacksonville, Fort Myers and Las Vegas.

Source: U.S. Census Bureau, National Association of Realtors

SIGNIFICANT PRESENCE IN LAND MARKET

PUBLIC COMPANY COMPARISON: HOMEBUILDER OWNED LOTS



Source: Zelman & Associates as of 7/31/13

FUND II SEED INVESTMENTS

Land Investments	Market	Date Acquired	Total Lots/Homes
Rancho Cabrillo	Phoenix, AZ	Sep-12	194
Tuscano	Phoenix, AZ	May-12	670
Lake Las Vegas	Las Vegas, NV	Jul-12	3,338
Spring Canyon	Los Angeles, CA	Feb-13	492
Green Valley	Inland Empire, CA	May-13	1,655
Daybreak	Denver, CO	Aug-13	1,768
S Miami Ave. / SE 2nd St.	Miami, FL	Feb-13	1,000
Subtotal - Land			9,117
Entity Investments			
William Lyon Homes	AZ, CA, CO, NV	Oct-12	10,701
Total Portfolio			19,818

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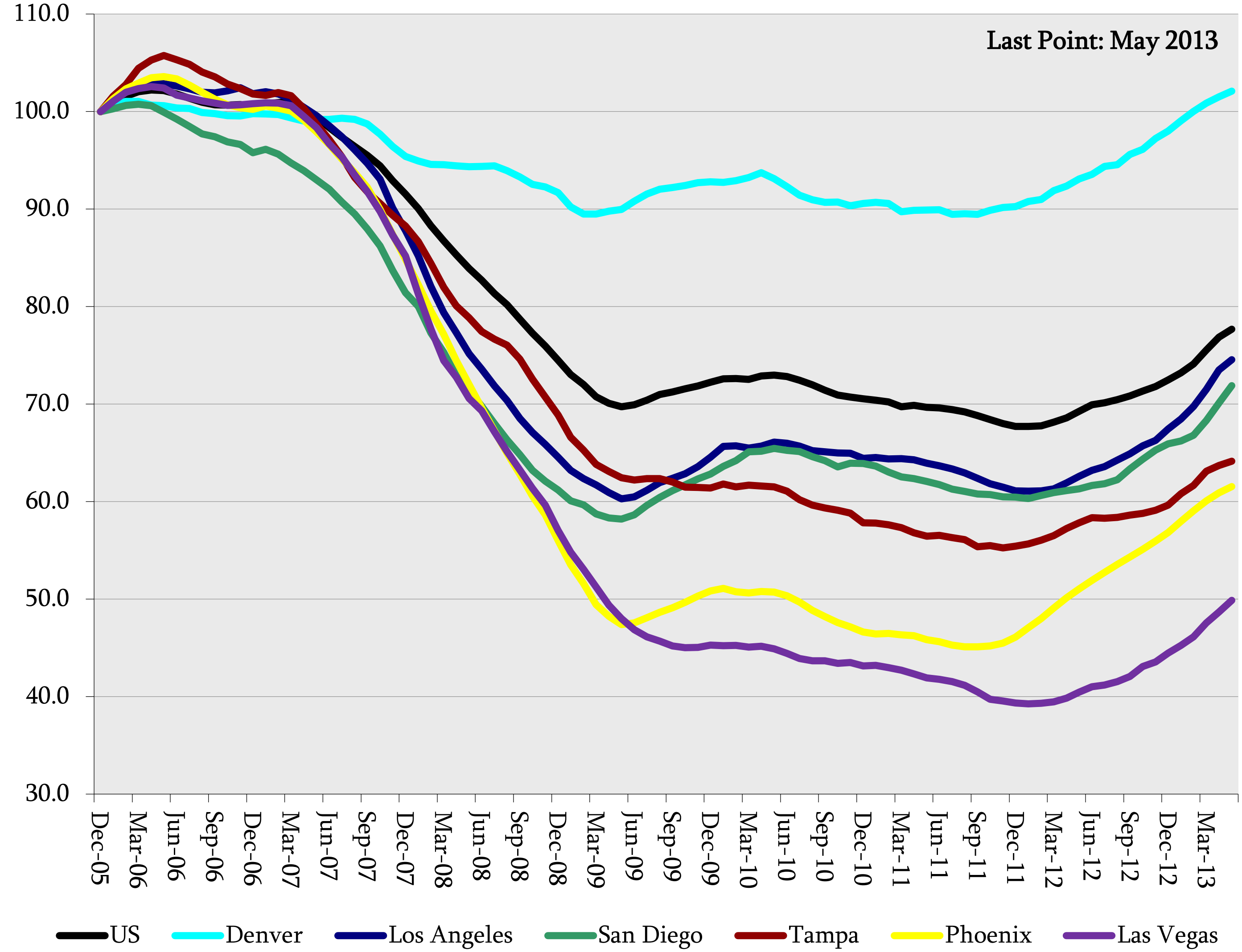
HOME PRICE APPRECIATION TURNING POSITIVE

CASE SHILLER HOME PRICE INDEX FOR SELECT MARKETS (2005 – 2013)



Summary Statistics

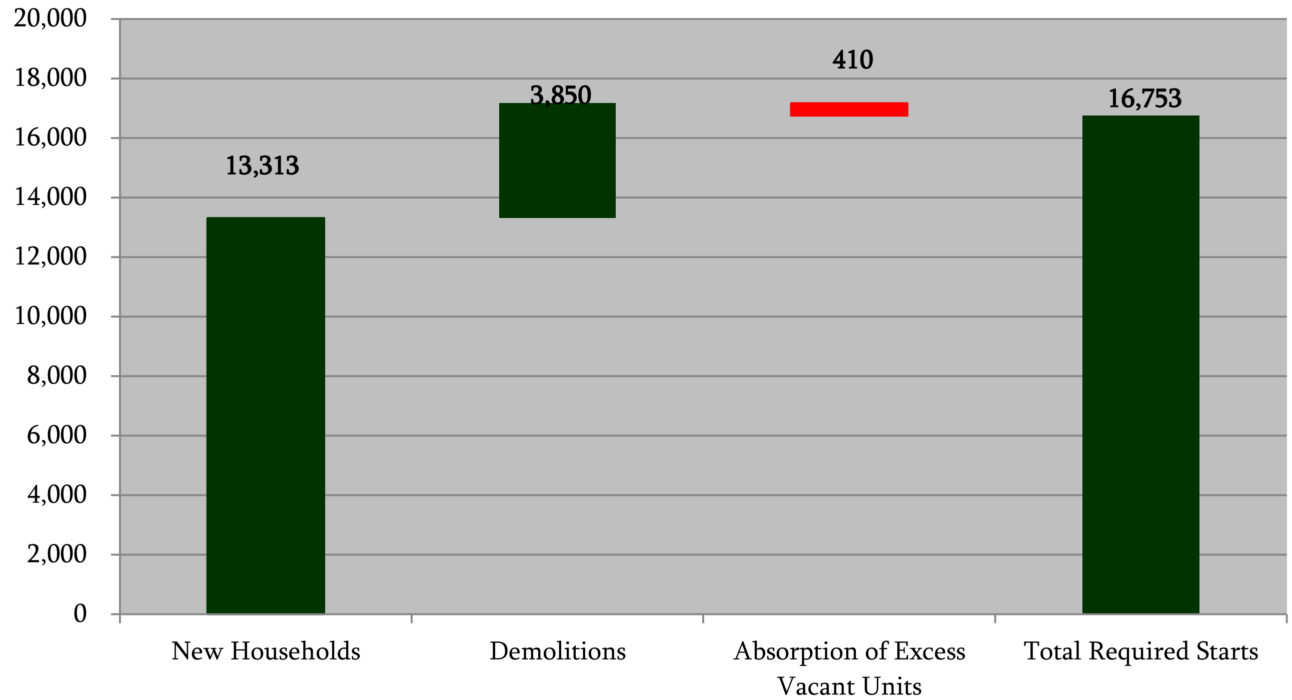
	Peak – 5/31/13	Trough- 5/31/13
Denver	1.0%	14.1%
U.S.	(24.0%)	14.7%
Los Angeles	(27.6%)	23.7%
San Diego	(28.6%)	23.5%
Tampa	(39.4%)	16.1%
Phoenix	(40.6%)	36.4%
Las Vegas	(51.4%)	27.0%

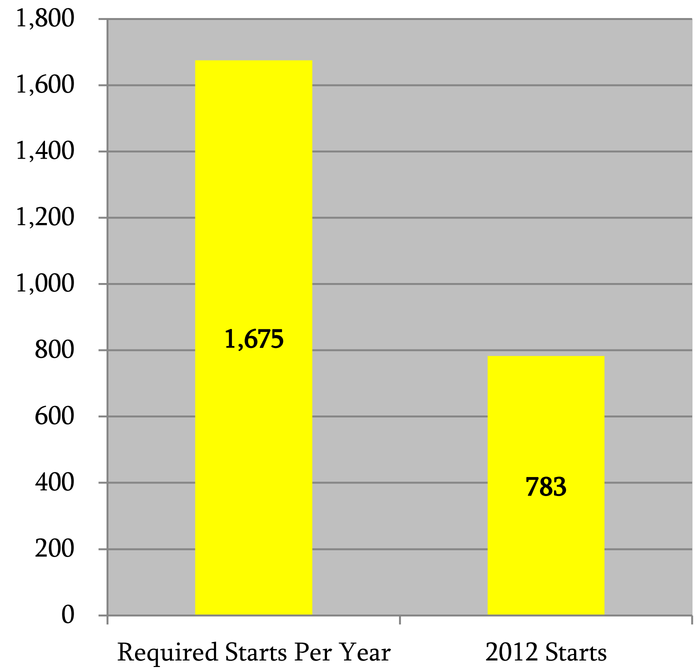
Source: Case Shiller Index (Seasonally Adjusted). U.S. is represented by Case Shiller Composite-20.

GOOD LONG-TERM DEMAND FUNDAMENTALS

REQUIRED STARTS FOR 2012 – 2022 (TOTAL HOUSING UNITS)

	2012	2022	Variance	CAGR	PRERF Portfolio CAGR (1)
Population	314mm	339mm	25mm	0.8%	2.6%
Households	115mm	128mm	13mm	1.1%	3.1%



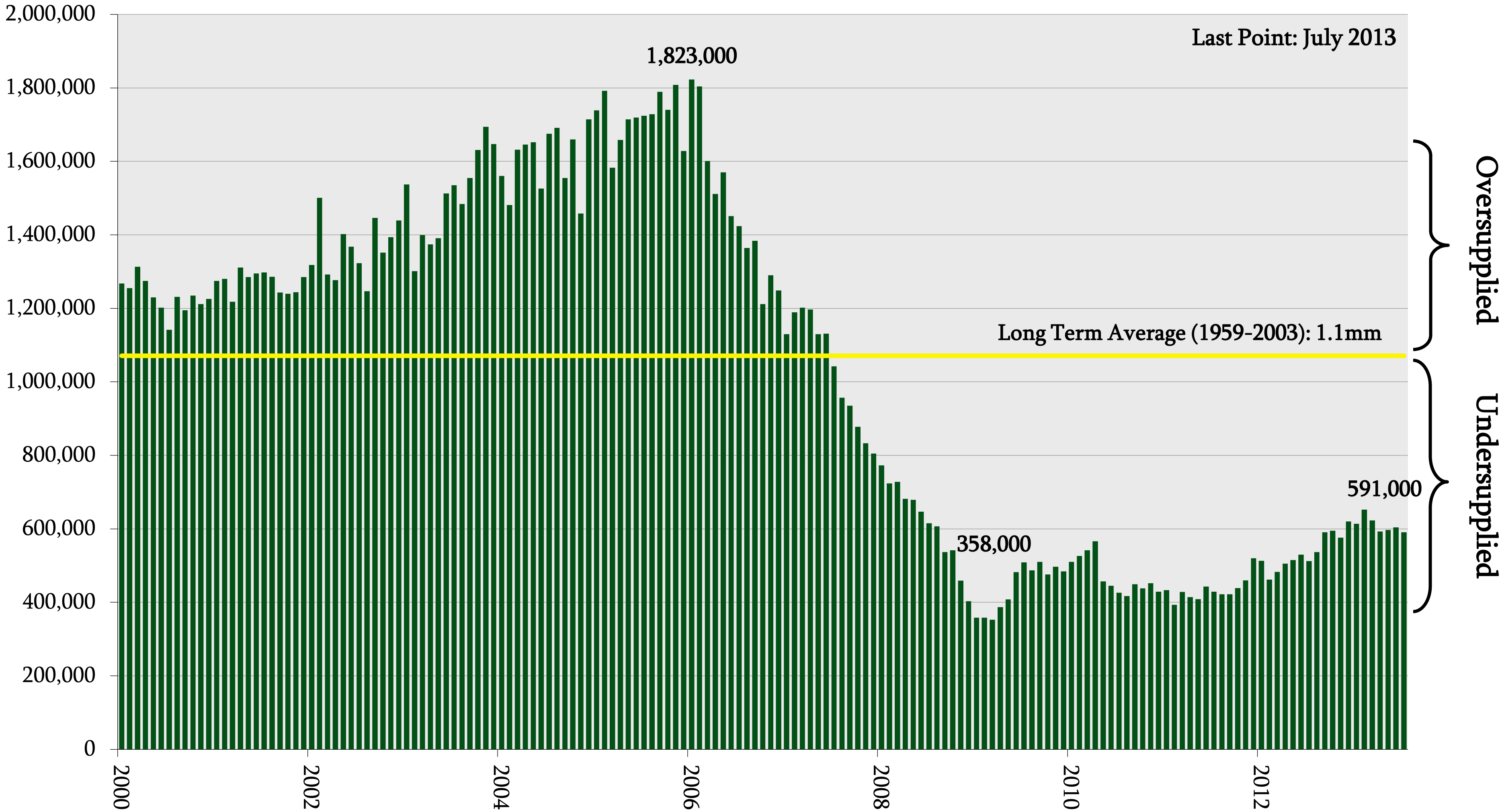


(1) Represents CAGR from 1972-2012 for Phoenix, Inland Empire, Miami, San Diego, Denver, Tampa, Jacksonville, Fort Myers and Las Vegas.

Source: US Census Bureau, Moody's Analytics and Zelman & Associates

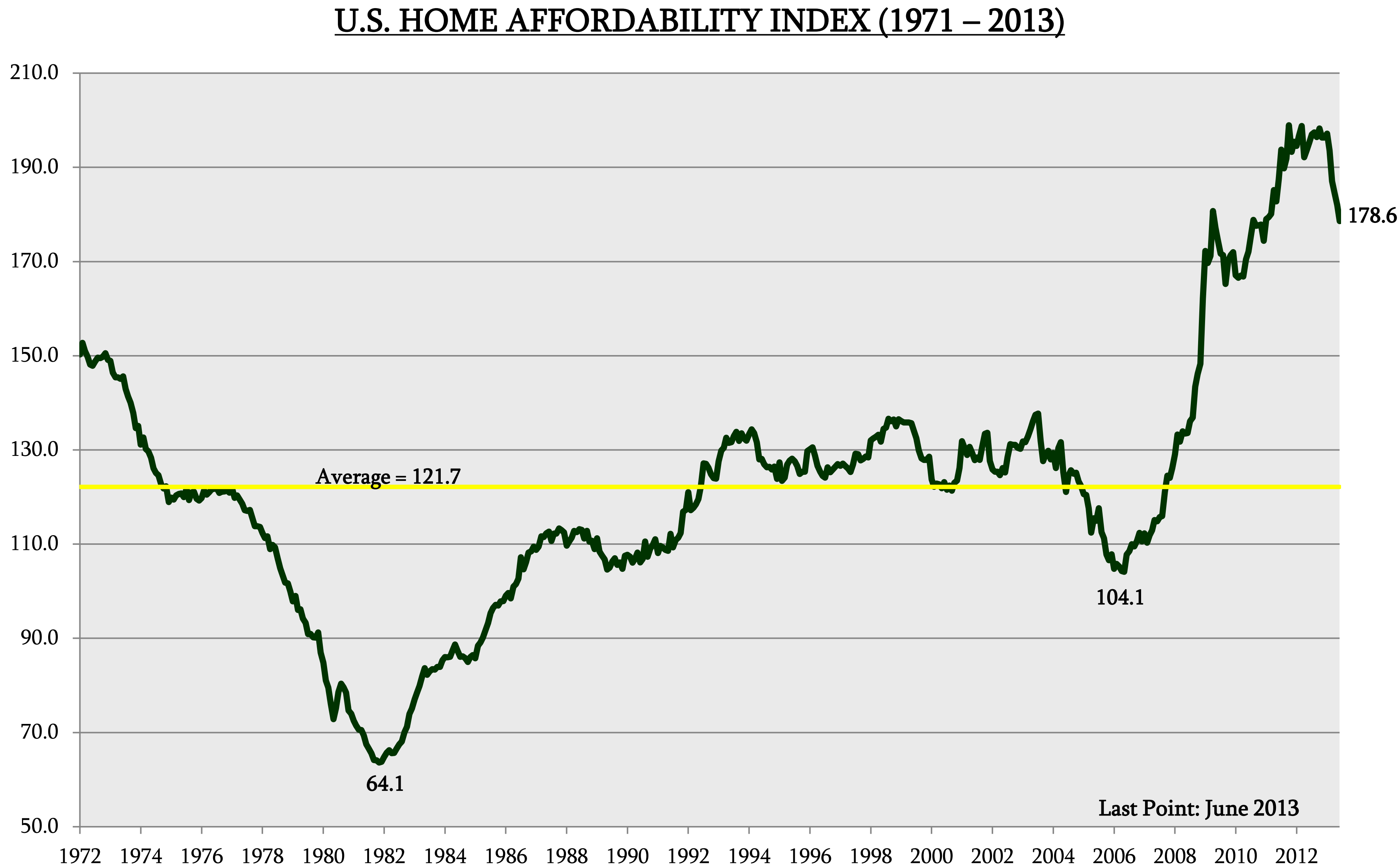
STARTS WELL BELOW LONG-TERM NEED

U.S. ANNUALIZED SINGLE FAMILY HOUSING STARTS (2000 – 2013)



Source: U.S. Census Bureau

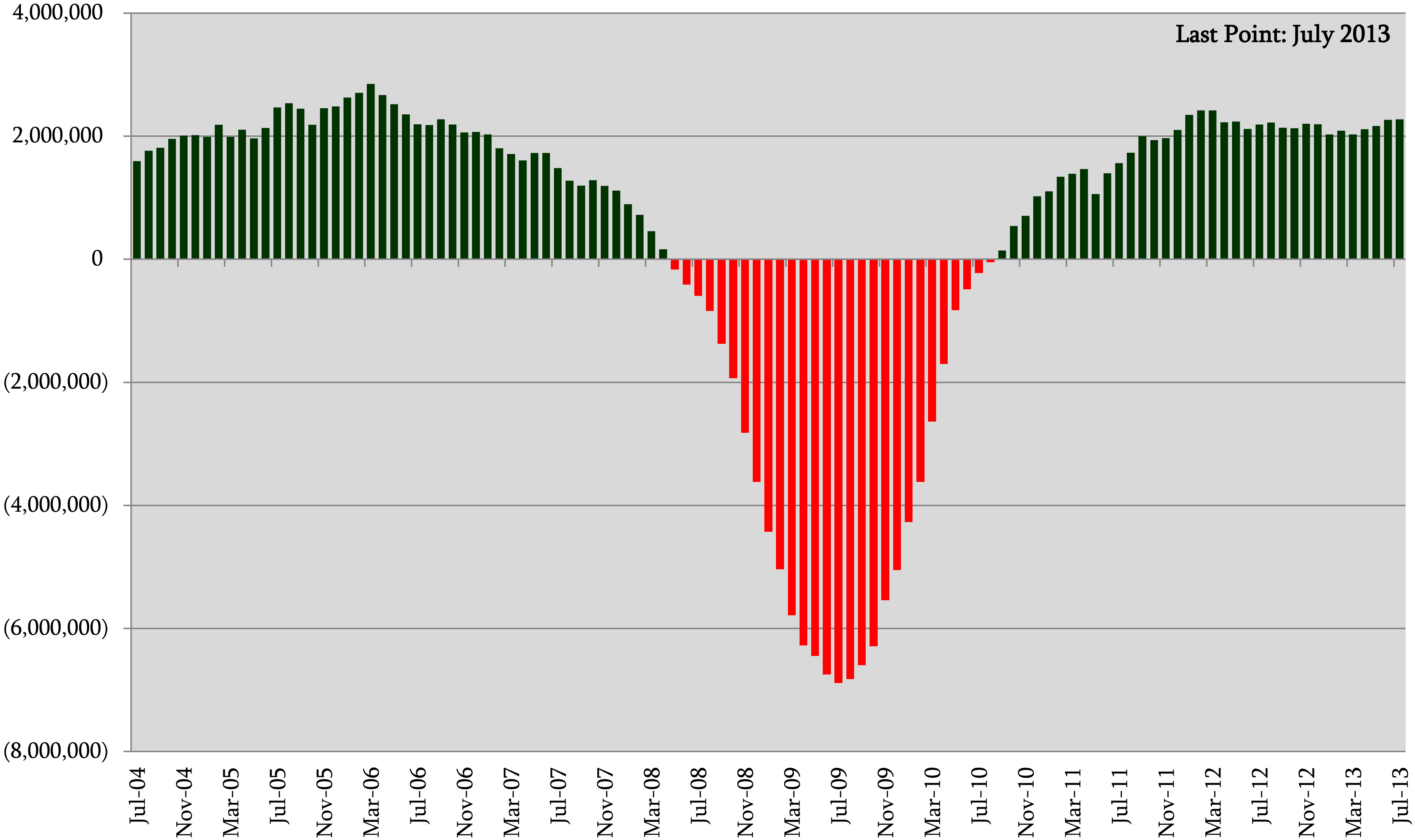
AFFORDABILITY AT HISTORIC LEVELS



Source: National Association of Realtors. NAR affordability index compares median household income to the income required to qualify for a conforming loan on a median priced home. Ratio assumes a down payment of 20% and a qualifying ratio (mortgage payments to income) of 25%.

35 CONSECUTIVE MONTHS OF JOB GROWTH

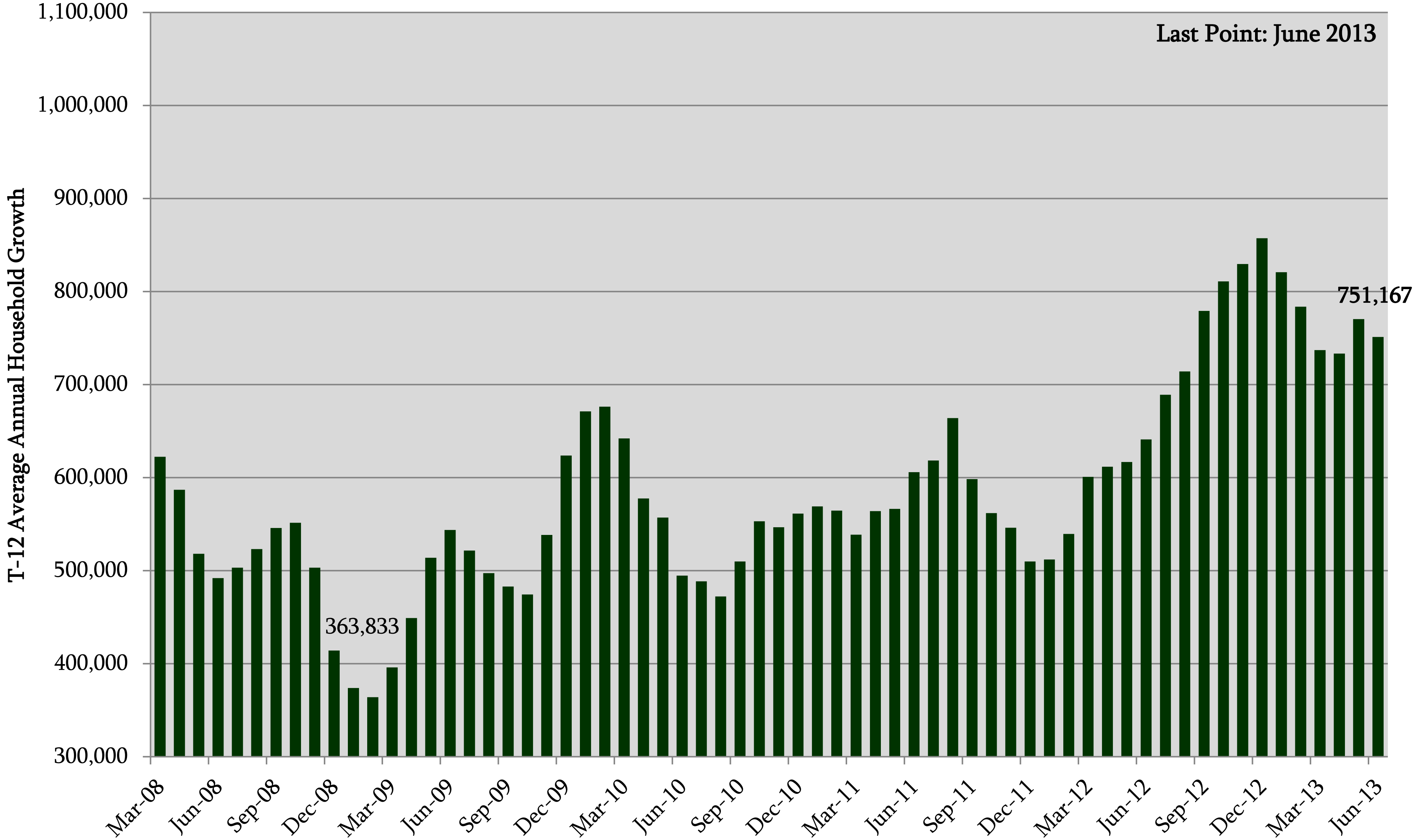
U.S. TOTAL ANNUAL JOBS GAINED / LOST (2004 – 2013)



Source: U.S. Bureau of Labor Statistics

HOUSEHOLD GROWTH ACCELERATING

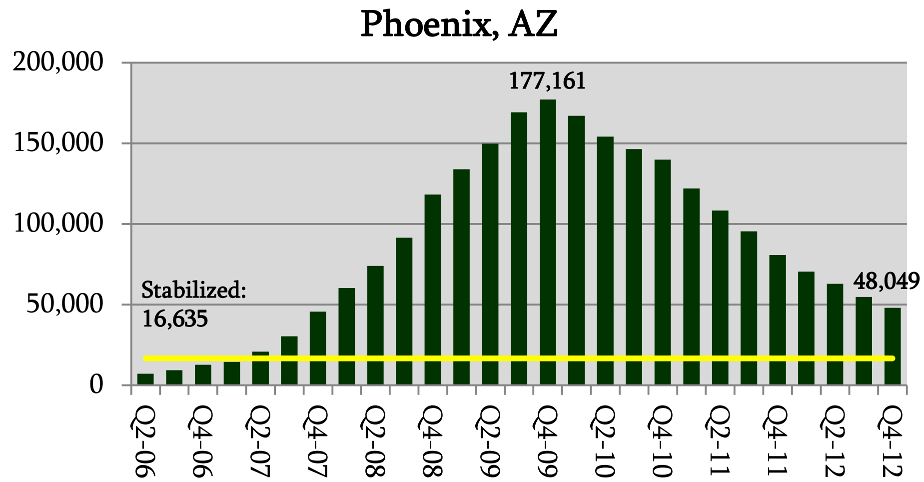
U.S. ANNUAL HOUSEHOLD GROWTH (2008 – 2013)

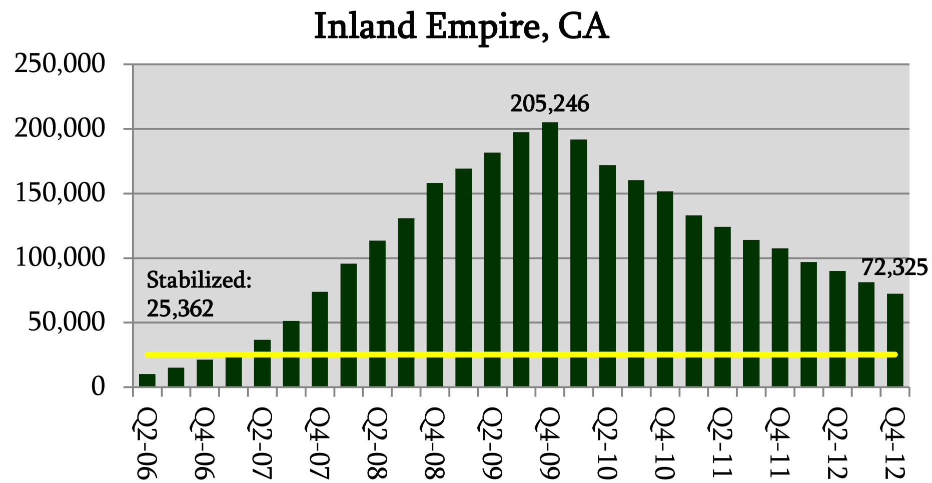


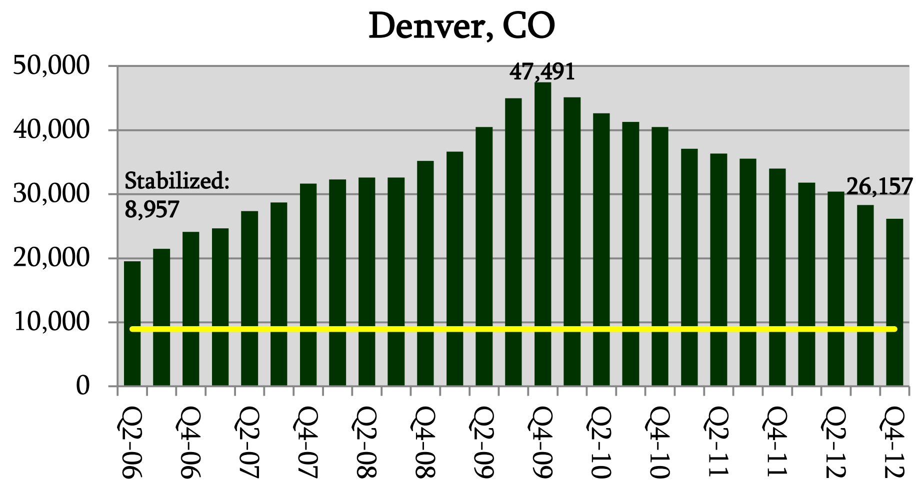
Source: U.S. Census Bureau

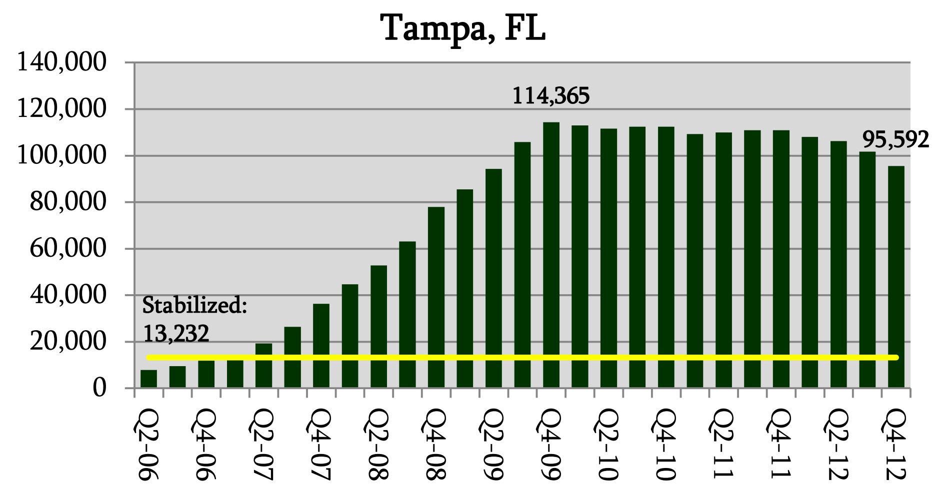
SHADOW SUPPLY CONTINUES TO CLEAR

60+ DAY DELINQUENCIES, LOANS IN FORECLOSURE AND REO (2006 – 2012)





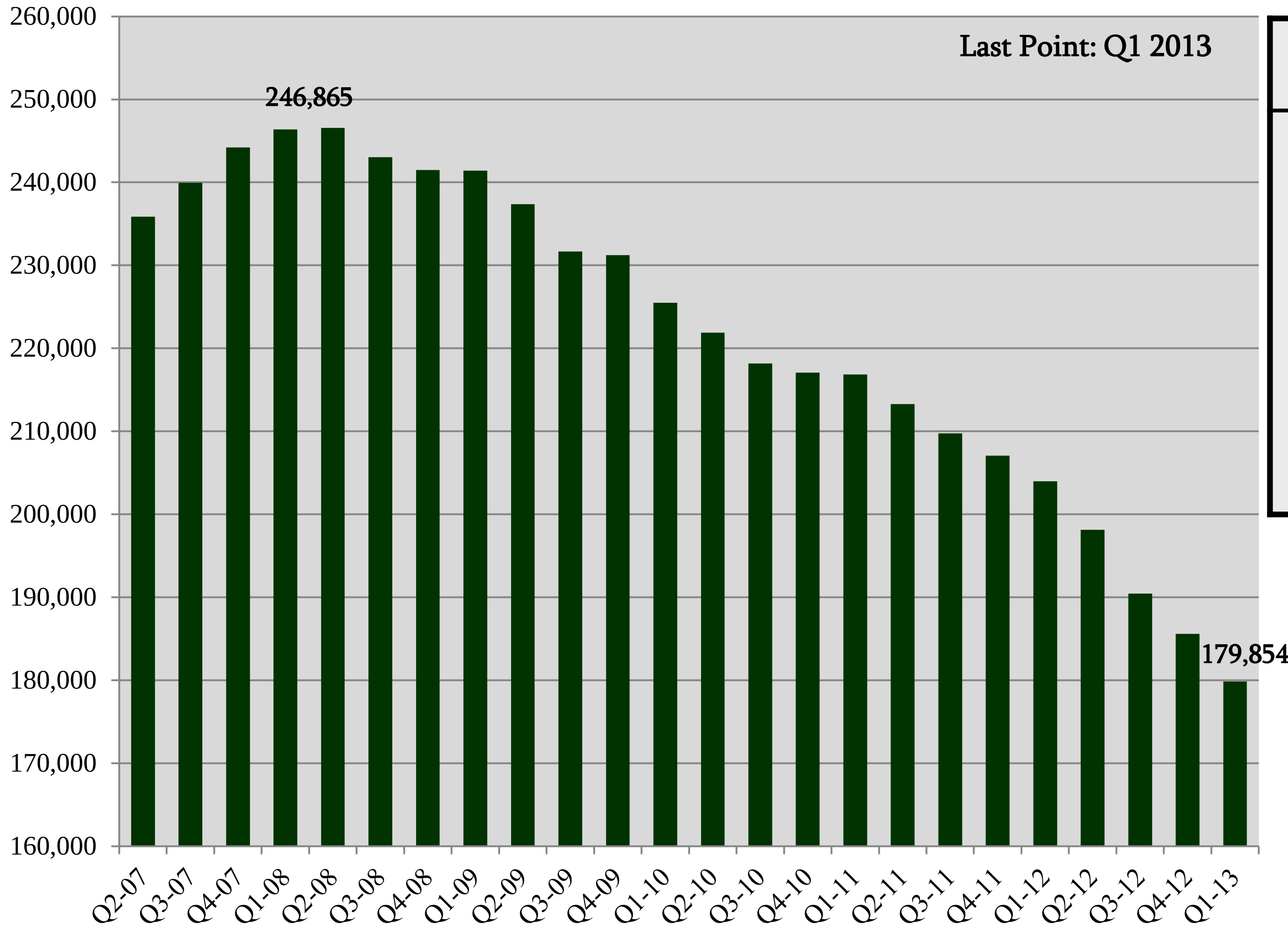




Source: Lender Processing Services

FINISHED LOT SUPPLY DECLINING

FINISHED LOT INVENTORIES FOR PORTFOLIO MARKETS [1]



Summary Statistics For Corresponding Markets	
Peak SF Starts	233,769
Current SF Starts	44,143
Est. Stabilized SF Starts [2]	123,977
Years Supply	
Current Demand	4.1x
Stabilized Demand	1.5x

(1) Cumulative total finished lot inventories for Phoenix, Inland Empire, San Diego, Denver, Tampa, Jacksonville, Fort Myers and Las Vegas.

(2) Average annual starts for period from 1993 – 2003 for portfolio markets.

Source: US Census Bureau and Metrostudy

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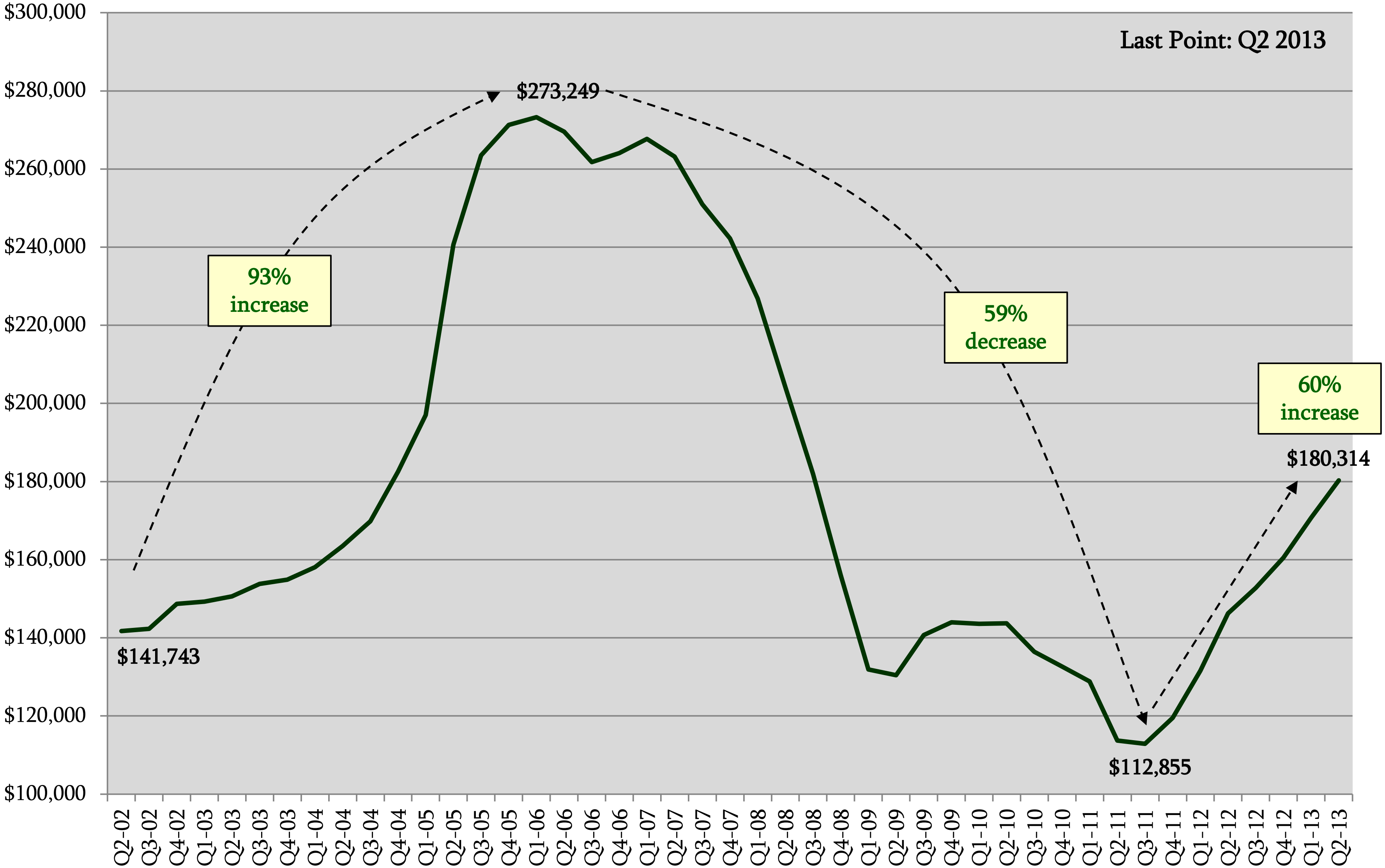
PHOENIX HOME PRICES HAVE STARTED TO RECOVER

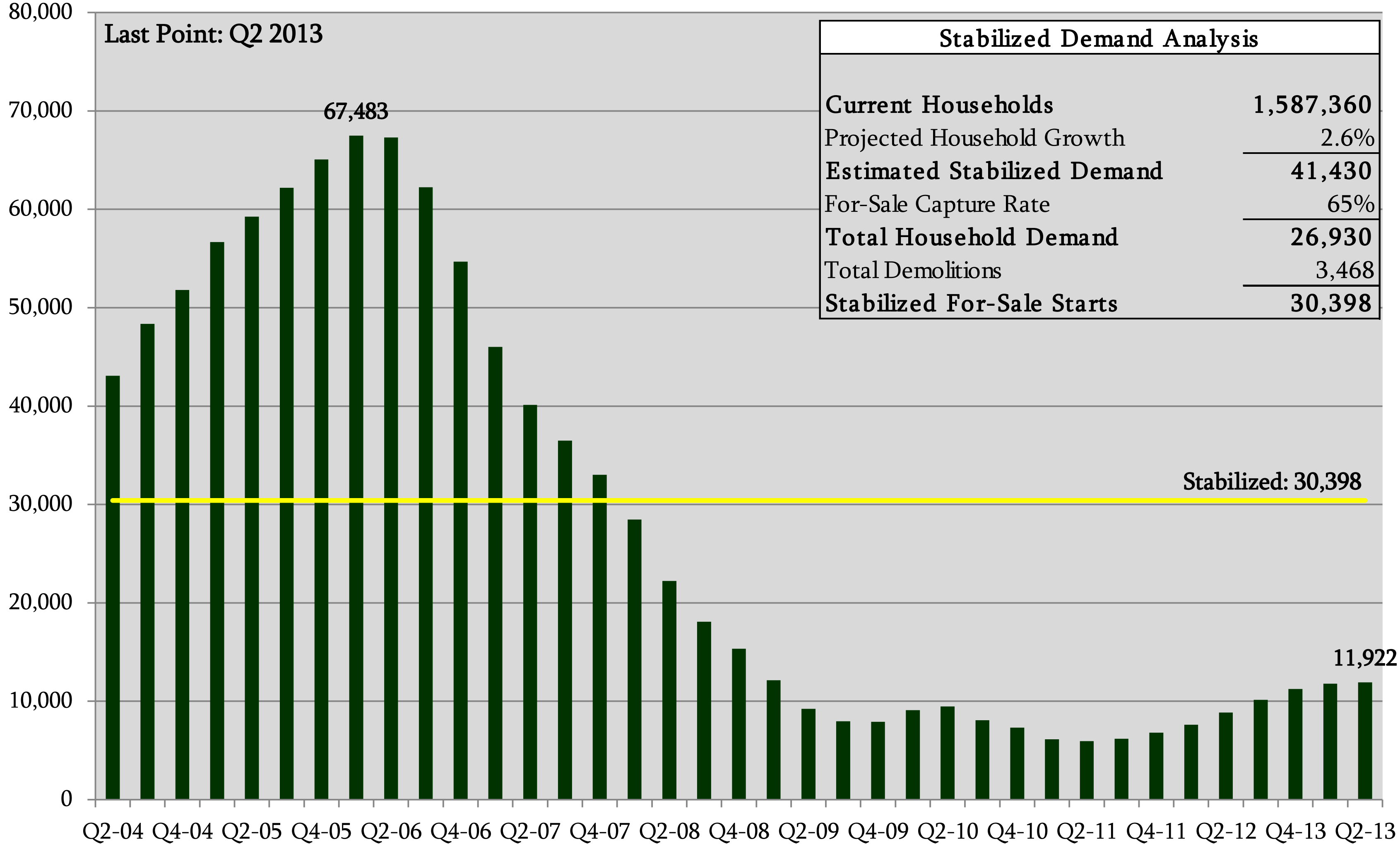
PHOENIX MEDIAN HOME SALES PRICE (2002 – 2013)



Source: National Association of Realtors

HOME STARTS WELL BELOW STABILIZED DEMAND

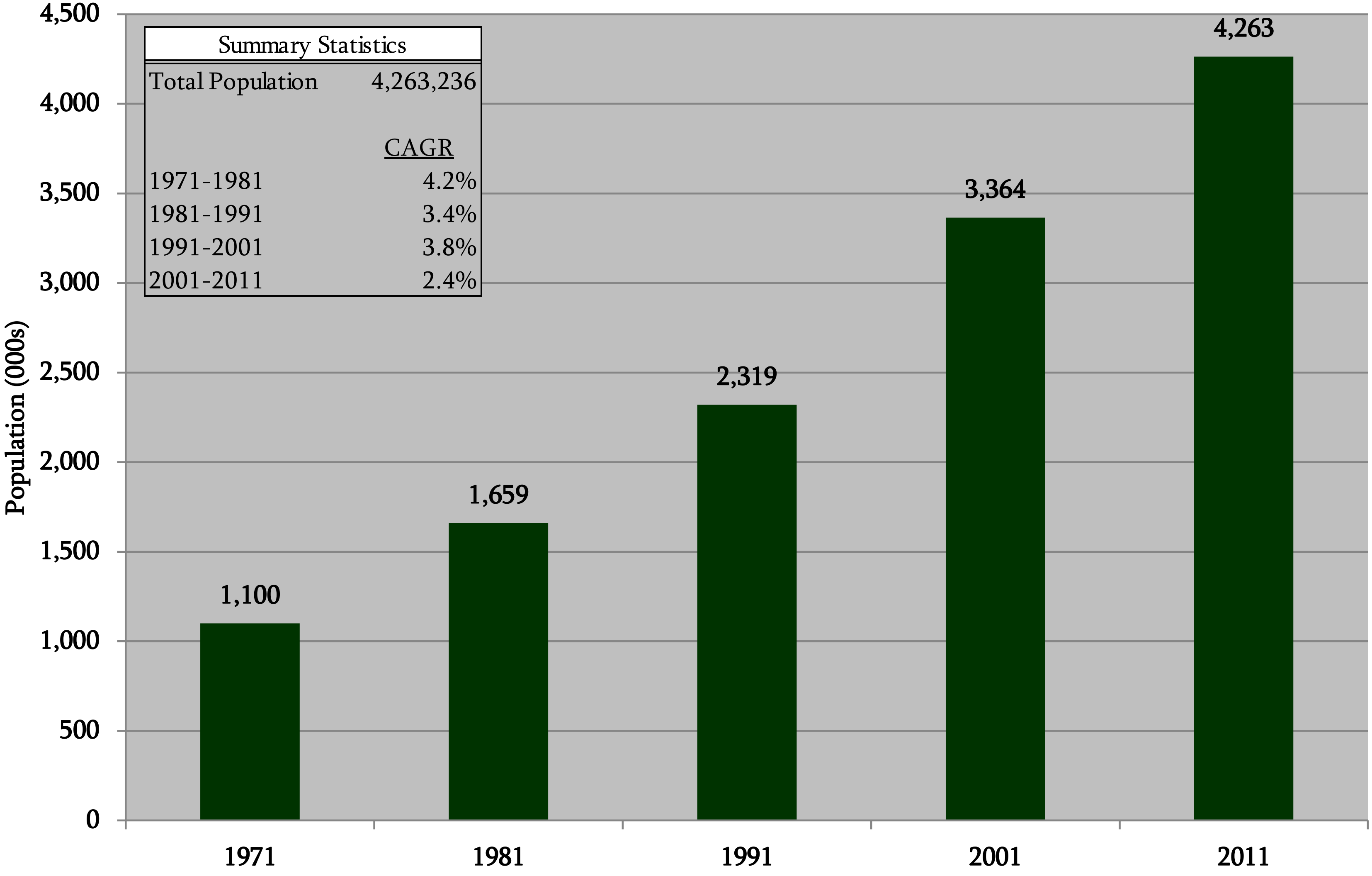
PHOENIX SINGLE FAMILY HOME STARTS (2004 - 2013)



Source: Metrostudy, Moody's Analytics, Zelman & Associates, Paulson & Co. estimates

EXCELLENT LONG TERM DEMAND FUNDAMENTALS

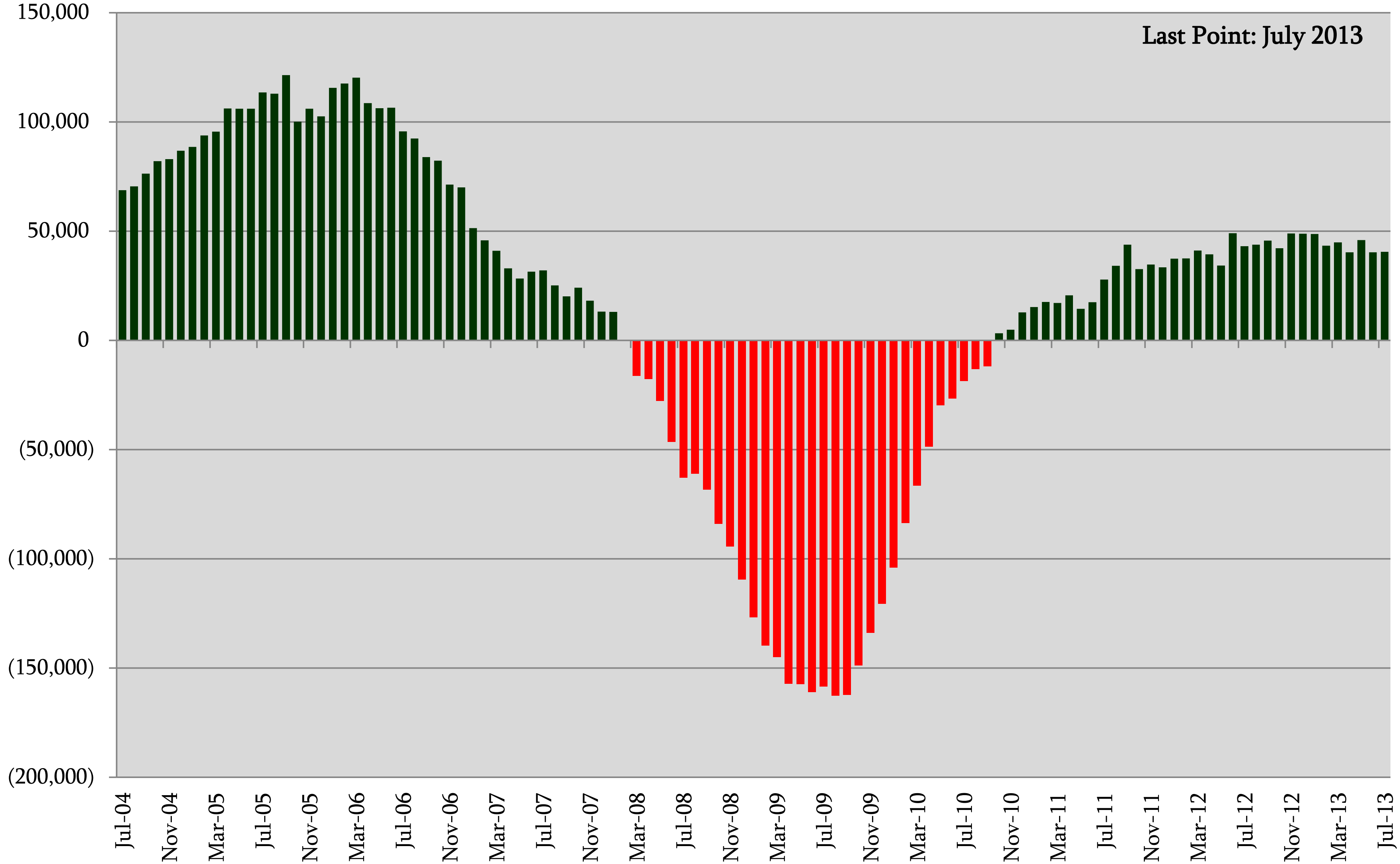
PHOENIX TOTAL POPULATION (1971 - 2011)



Source: US Census Bureau; Moody's Analytics

JOB GROWTH HAS RETURNED

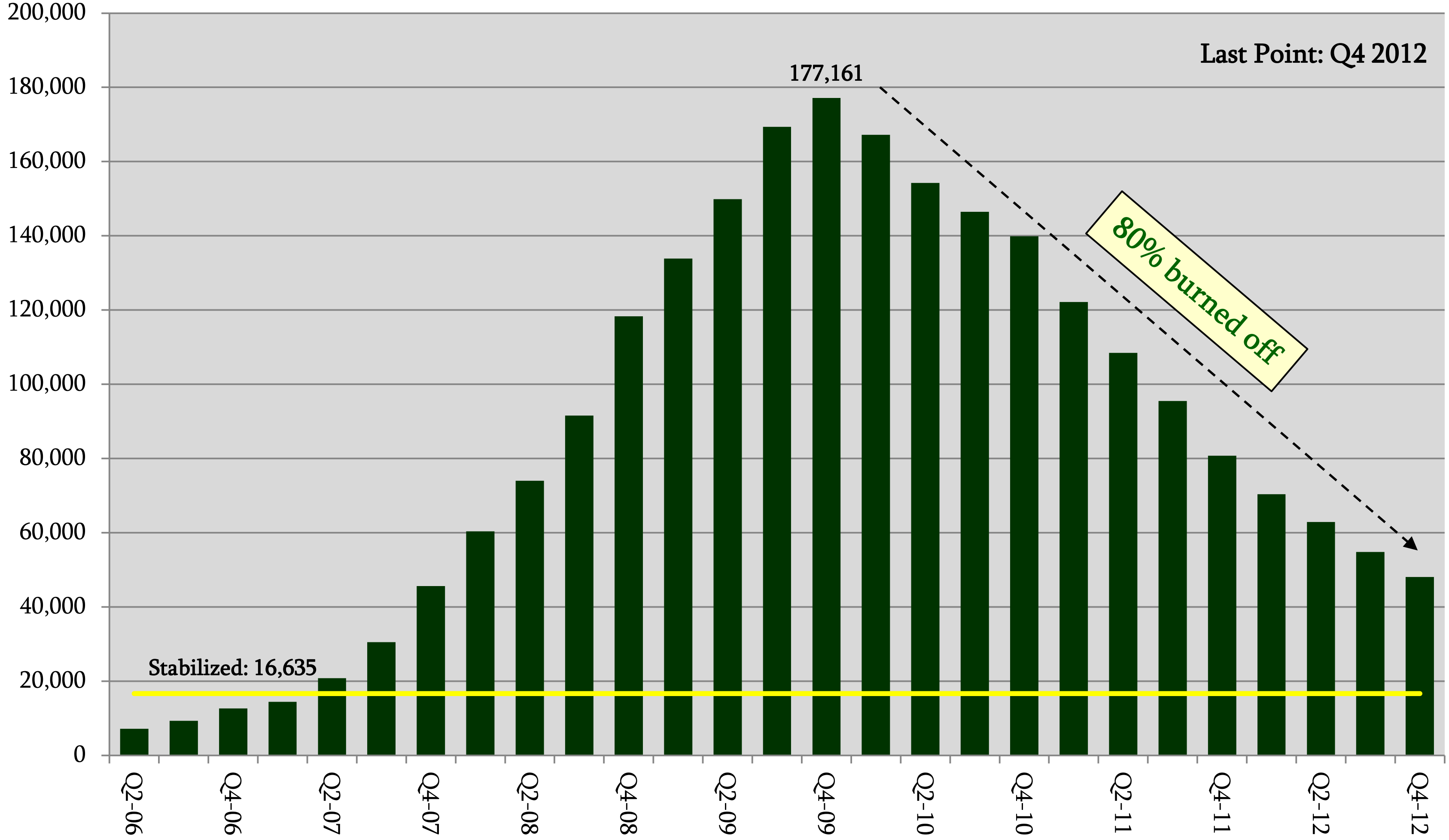
PHOENIX TOTAL ANNUAL JOBS GAINED / LOST (2003 – 2013)



Source: U.S. Bureau of Labor Statistics

SHADOW SUPPLY NEARLY BURNED OFF

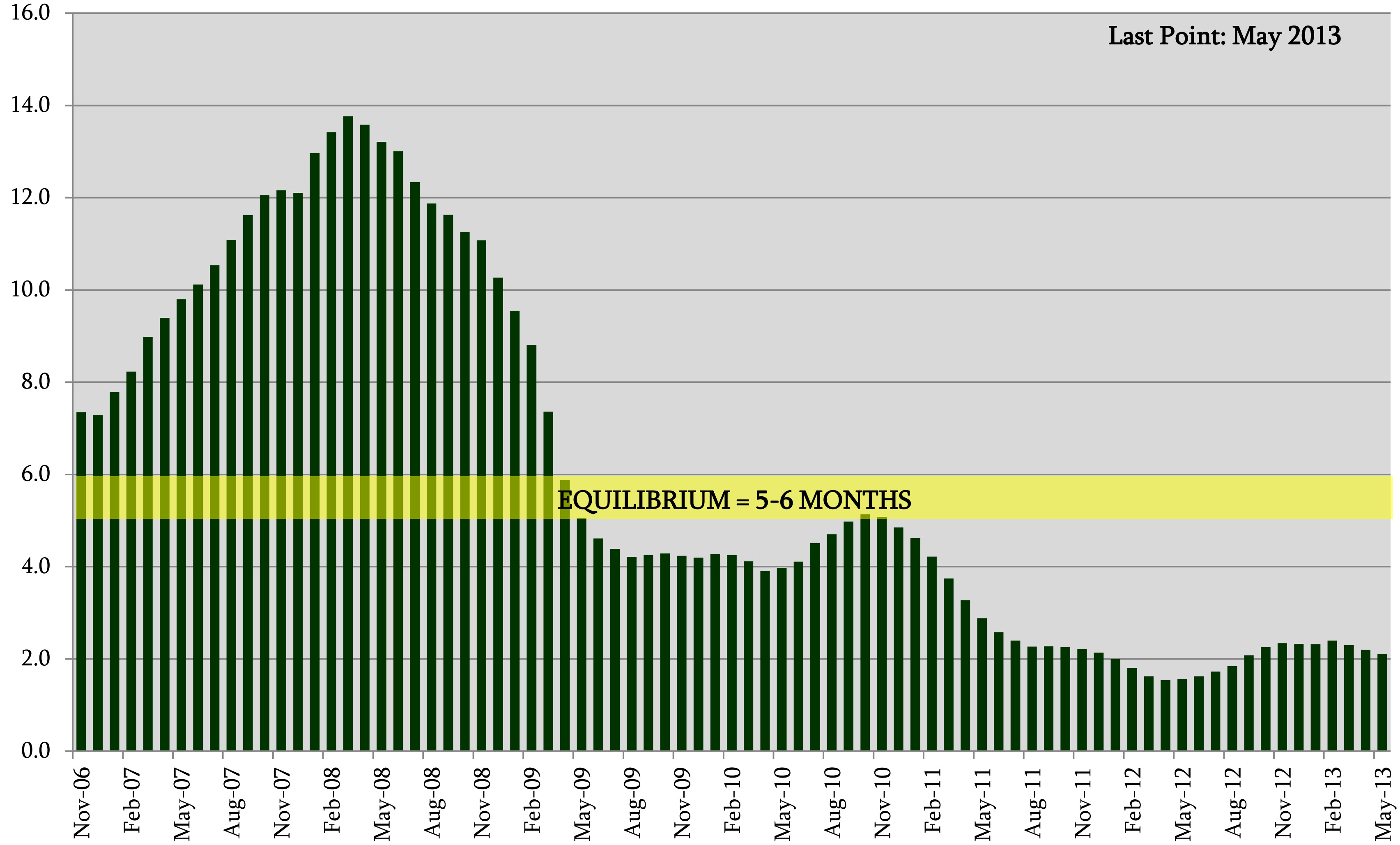
PHOENIX 60+ DAYS DELINQUENT, IN FORECLOSURE AND REO (2006 – 2012)



Source: Lender Processing Services

SHORTAGE OF EXISTING HOMES ON MARKET

PHOENIX EXISTING MONTHS SUPPLY OF SINGLE FAMILY RESALES (2006 – 2013)



Source: John Burns Real Estate Consulting

LOOMING LAND SHORTAGE ONCE STARTS STABILIZE

TOTAL VACANT DEVELOPED LOT SUPPLY (AS OF APRIL 2013)	
	Phoenix MSA
Vacant Developed Lots	54,545
Peak Starts	67,485
Current Starts	11,787
Est. Stabilized Starts	30,398
Years of Supply	
Current Starts	4.6x
Stabilized Starts	1.8x

Source: Metrostudy and US Census Bureau

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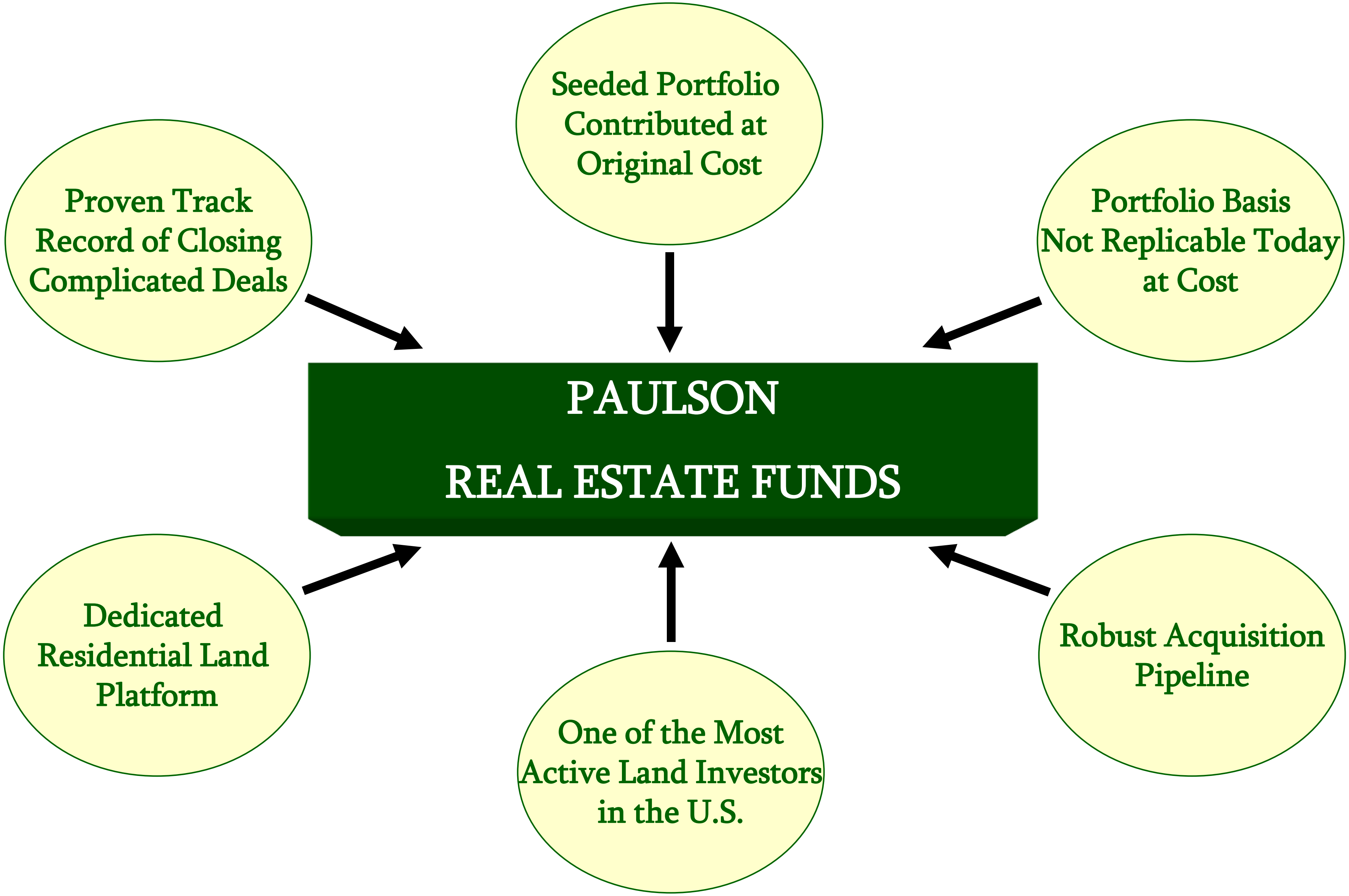

Seeded Portfolio Contributed at Original Cost
Proven Track Record of Closing Complicated Deals
Portfolio Basis Not Replicable Today at Cost
PAULSON
REAL ESTATE FUNDS
Dedicated Residential Land Platform
One of the Most Active Land Investors in the U.S.
Robust Acquisition Pipeline

REAL ESTATE SENIOR INVESTMENT PROFESSIONALS

John Paulson, President, Paulson & Co. / Chairman, Investment Committee Real Estate Funds

- President, Paulson & Co. (1994-present)
- General Partner, Gruss Partners (1988-1992)
- Managing Director, Mergers & Acquisitions, Bear Stearns (1984-1988)
- Associate, Odyssey Partners (1982-1984)
- Consultant, Boston Consulting Group (1980-1982)
- Harvard Business School, MBA, Baker Scholar (1980)
- New York University, BS, summa cum laude, Valedictorian, Stern School (1978)

Michael Barr, Portfolio Manager

- Managing Director, Real Estate Private Equity, Lehman Brothers (2001-2008)
- Principal, Real Estate Private Equity, Cohen & Steers (1999-2001)
- Principal, Tiger Real Estate Partners/Westbrook Real Estate Partners (1994-1999)
- Real Estate Investment Banking, Merrill Lynch & Co. (1992-1994)
- University of Wisconsin BBA (1992)

Jonathan Shumaker, Partner

- Vice President, Real Estate Private Equity, Lehman Brothers (2004-2008)
- Real Estate Investment Banking / M&A, Salomon Smith Barney / Citigroup (1999-2002)
- Harvard Business School, MBA (2004)
- Cornell University, BA (1999)

Stephanie Schulman, Senior Vice President, Investor Relations

- Vice President, Private Fund Advisory Group, Real Estate, Lazard Freres (2007-2009)
- General Counsel, Jack Resnick & Sons, Inc. (2006-2007)
- Vice President, Legal, Oaktree Capital Management, LLC (1999-2006)
- Real Estate Associate, Weil Gotshal & Manges LLP (1995-1999)
- Northwestern University School of Law, JD (1994)
- University of Pennsylvania, BA, cum laude (1991)

Adam Rapport, Vice President

- Associate, Acquisitions, Starwood Capital Group (2008-2011)
- University of Pennsylvania, BS, magna cum laude, The Wharton School (2008)

Chris Waskom, Analyst

- Analyst, Investments, iStar Financial (2012-2013)
- University of Pennsylvania, BS, cum laude, The Wharton School (2012)

REAL ESTATE SENIOR INVESTMENT PROFESSIONALS

Thomas Noon, Chief Executive Officer, Raintree Investment Corp.

- COO, West Coast Regional President, D.R. Horton (1996-2006)
- Founder/Division President, D.R. Horton (1993-1996)
- Founder/Division President, Shea Homes (1984-1992)
- Project Manager, Shea Homes (1980-1982), (1976-1977)
- Founder/President, Raintree Development Corp. (1977-1979)
- Civil Engineering Consulting (1971-1976)
- Stanford University Graduate School of Business, MBA
- University of Illinois, Civil Engineering, BS

Patrick Parker, Senior Vice President, Raintree Investment Corp.

- Vice President, Land Acquisitions, Fieldstone Community Development
- Partner, Entitlements, Ranco Real Estate Group
- Vice President, Land Acquisitions, D.R. Horton
- Director, Entitlements, Lewis Companies
- Corporate Vice President, KB Homes
- University of Southern California, MBA
- UCLA, B.S. Civil Engineering

David Hewitt, Senior Vice President, Raintree Investment Corp.

- Managing Member, Southwind Development
- Partner, Silverwood Investments
- President, Huntington Partners
- President, First Winthrop Corp
- Dartmouth College, MBA with Distinction, Tuck Scholar
- University of Rochester, Bachelor of Arts

Michael McDonnell, Senior Vice President, Raintree Investment Corp.

- President, Union Partners Realty Group
- President, Land Division, DR Horton
- President, A.G. Spanos
- Associate, Sedgwick, Detert, Moran & Arnold
- University of San Francisco, Juris Doctorate
- Western Michigan University, MBA
- Western Michigan University, MA, Economics
- Aquinas College, Bachelor of Science

PAULSON REAL ESTATE FUND II TERMS

FUND TERMS	
Structure	Private Equity Fund Structure
Sponsor Commitment	$150 million
Commitment Period	3 Years
Term	8 Years, plus two 1-year extension options
Management Fee	1.5%
Acquisition Fee	None
Disposition Fee	None
Preferred Return to Investors	9%
GP Catch-up	60% / 40%
Carried Interest	20%
Foreign Blocker Vehicle	Yes

MEETING DATE
SEP 11 2013
AGENDA ITEM
#7

Memorandum

Date: September 11, 2013
To: CCCERA Board of Retirement
From: Timothy Price, Chief Investment Officer; Chih-chi Chu, Investment Analyst
Subject: Paulson Real Estate Fund II

Recommendation

In the staff memo to the CCCERA Board dated May 1, 2013, we laid out a potential allocation of up to $175 million to distressed real estate funds. At the July 24, 2013 meeting the Board approved an $80 million commitment to Oaktree Real Estate Opportunities Fund V and a $70 million commitment to Siguler Guff Distressed Real Estate Opportunities Fund II (DREOF II), leaving $25 million still available to be committed in the distressed real estate space if compelling opportunities were identified.

Staff has since encountered a number of appealing investment opportunities in the distressed real estate space. The best among these is the Paulson Real Estate Fund II (PREF II). PREF II's predecessor fund, Paulson Real Estate Fund I (PREF I), is one of the investments for Siguler Guff Distressed Real Estate Opportunities Fund I (DREOF I) and is performing quite well to date, though no funds have yet been distributed. CCCERA committed $75 million to Siguler Guff DREOF I, and therefore has an indirect exposure to PREF I of roughly $4 million. DREOF II is likely to commit to a follow-on investment (~$40 million) to PREF II, resulting in an indirect exposure for CCCERA of roughly $4 million to PREF II.

We recommend the Board make a direct commitment of $25 million to PREF II, bringing up the total commitment to the Paulson distressed real estate group to a meaningful mid-$30 million level. Due to anticipated strong demand, the Paulson fund may cut back its allocations to certain investors. If, after Board approval, CCCERA's direct allocation is cut back to below $20 million, we recommend the Board withdraw the commitment intent due to the lack of scale for CCCERA.

Key Points

- PREF II buys finished and semi-finished residential lots, primarily by acquiring master-planned communities that were not developed due to the Great Recession.
- The fund then finishes or sells off lots as demand materializes from homebuilders.
- The fund focuses on markets with long-term growth of population, primarily in the sunbelt.
- The fund buys assets in the path of growth, or infill locations.
- The fund employs no leverage, and can therefore be patient when liquidating assets.
- The bulk of the value is created by buying low and being patient sellers.

Below is the summary of CCCERA's potential exposure to Paulson Real Estate Funds:

Fund	Channel	Commitment Size
Paulson Real Estate Fund I	DREOF I	~$4 million
Paulson Real Estate Fund II	DREOF II	~$4 million
Paulson Real Estate Fund II	CCCERA Direct	$-25 million

This memo provides an overview of PREF II, discusses the residential lot markets targeted by Paulson Real Estate team, reviews the track record of PREF I, previews PREF II's existing investments and portfolio outlook, and finally, includes a summary of the fund terms and other considerations.

Overview

Paulson Real Estate Fund II is sponsored by Paulson & Co., an investment manager founded by John Paulson in 1994. The company currently has approximately $19 billion under management, and offices in New York, London, and Hong Kong. Paulson & Co. is primarily known as a hedge fund manager, but PREF I & II are structured as traditional private partnerships. Both PREF I and PREF II are run by Michael Barr, Jonathan Shumaker, and John Paulson out of the New York office. In addition to its own management team, PREF II uses Raintree Investment Corporation (Raintree) to help with property management. Raintree is Paulson & Co's in-house residential land platform.

Paulson real estate funds are substantially invested in the targeted high growth markets. The GP will continue to source the acquisition opportunities in these markets through Paulson & Co and portfolio managers' extensive network. The exclusive in-house Raintree platform also provides the fund with regionally-based personnel directly sourcing investment opportunities in these target markets.

PREF II is expected to have a final close in the first week of November. The fund is targeting $400 million with a hard cap of $450 million. It has committed $170 million to eight investments which will be reviewed later in this memo. The fund has focused on residential land in Denver, Los Angeles, San Diego, Tampa, Phoenix, and Las Vegas. The fund is not betting on the housing recovery to continue (although a continuing recovery would be helpful), but rather buying residential lands cheaply in these long term high growth markets. The fund employs no leverage, and therefore will have no pressure to liquidate should the housing market turn sideways or downward.

Paulson's total holdings of residential lots is around 30,000, placing it in the top 10 homebuilder total owned lots list, behind DR Horton (117,000), Lennar (111,000), Pulte (100,000), KB Homes (35,000) and Toll Brothers (33,000).

Residential Lots Market

A common theme among U.S. homebuilders is that they overbuilt during the housing boom and underbuilt during the housing bust. During the boom, builders incurred debt to acquire residential lots to meet illusory demand for new housing starts. During the bust with demand for housing starts down sharply, they were often pressured by the debt burden to sell the residential lots acquired during the boom (often at a loss). This boom/bust cycle creates tremendous counter-cyclical selling/buying opportunities (of residential lots) for investors such as Paulson.

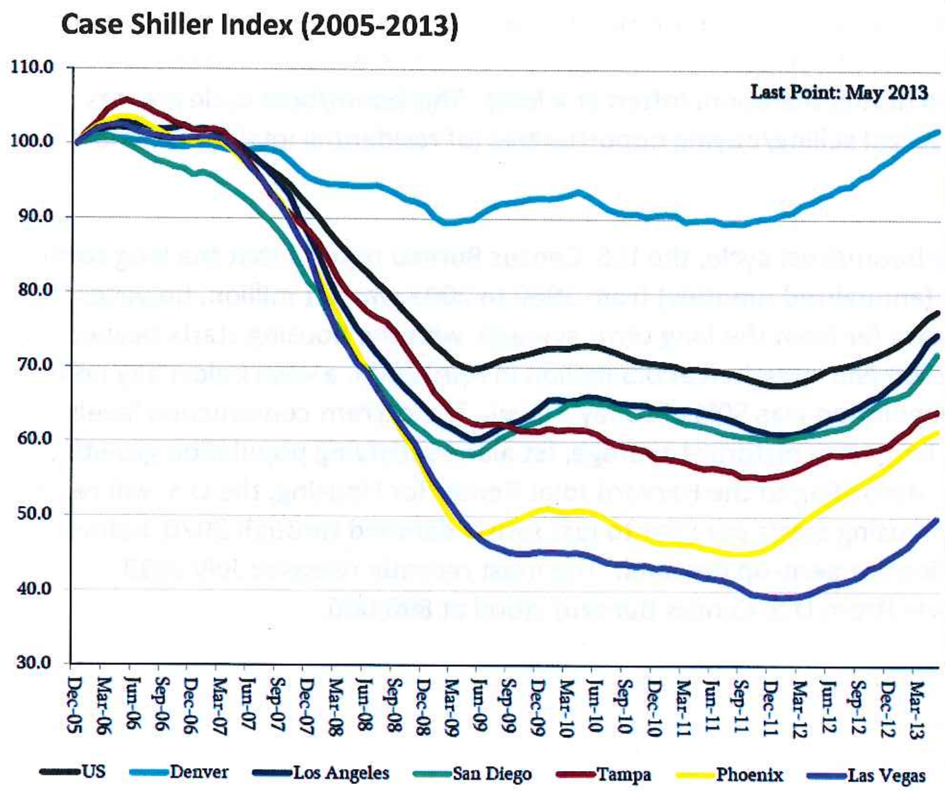
As an illustration of the boom/bust cycle, the U.S. Census Bureau reports that the long term average housing starts (annualized monthly) from 1960 to 2003 was 1.1 million, however the boom/bust figures deviate far from the long term average, with the housing starts peaked at 2.3 million in January 2006 and troughed at 0.5 million in April 2009, a level below any point since 1959 when the population was 50% of today's level. The current construction levels remain well below the long term historical average, let alone satisfying population growth and household formations. According to the Harvard Joint Center for Housing, the U.S. will require 1.3 to 1.6 million total housing starts per year to just satisfy demand through 2020, before accounting for demolitions or pent-up demand. The most recently released July 2013 annualized housing starts (from U.S. Census Bureau) stood at 896,000.

Meanwhile total shadow inventory including 60+ days delinquent, foreclosure, and REO has been steadily burned off coming out of the great recession, with 32% processed nationwide and 54% processed in Paulson's target markets.

The household growth figure (source: US Census Bureau, Moody's and Zelman) in Paulson's target markets also fares better than the general U.S. market, with a projected annual growth rate of 3.1% from 2011 to 2021 (compared to 1.1% in the general U.S. market.)

The real estate recovery has begun to show up in the tightening of the residential lot supply in Paulson's target markets. The historical demand for residential lots measured in years supply in Paulson's target markets is 1.5x; it has stretched to 4.1x with the current demand (Q1, 2013). This measure is calculated by the estimated annual demand over yearly supply of the lots. The higher the measure; the tighter the supply of lots.

Lastly presented on the residential market discussion is the Case Shiller Home Price Index with comparison of U.S. and Paulson's select markets, illustrated below:



Summary Statistics

	Peak – 5/31/13	Trough- 5/31/13
Denver	1.0%	14.1%
U.S.	(24.0%)	14.7%
Los Angeles	(27.6%)	23.7%
San Diego	(28.6%)	23.5%
Tampa	(39.4%)	16.1%
Phoenix	(40.6%)	36.4%
Las Vegas	(51.4%)	27.0%

It is interesting to note that while most markets have shown significant price appreciation, all but one of Paulson's target markets is still far below the levels seen in late 2005.

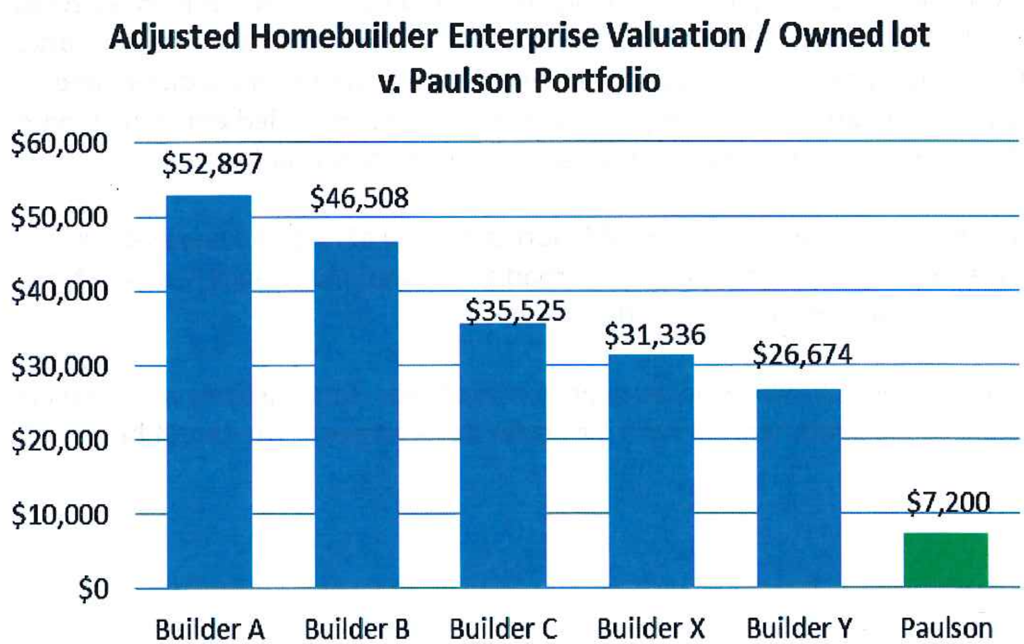
Review of Paulson Real Estate Fund I

PREF I held its final close in November 2010 on $317 mm and was fully committed to thirteen investments by May 2012. Siguler Guff DREOF I committed $35 million to PREF I. The following are highlights for PREF I as of March 31, 2013:

• Number of Investments	13
• Capital Called	$33 million
• Capital Distributed	$4 million
• Ending Capital Balance	$39 million
• Current Investment Multiple	1.3 x
• Portfolio level IRR %	15.4%

A common theme across Fund I is an emphasis on severely distressed and bankrupt sellers. This focused allowed the fund to acquire quality assets at a low basis with little competition. The thirteen investments include eleven residential land investments and two hotel investments. All involved bankrupt or severely distressed sellers, thus the average cost per lot is well below peak valuations.

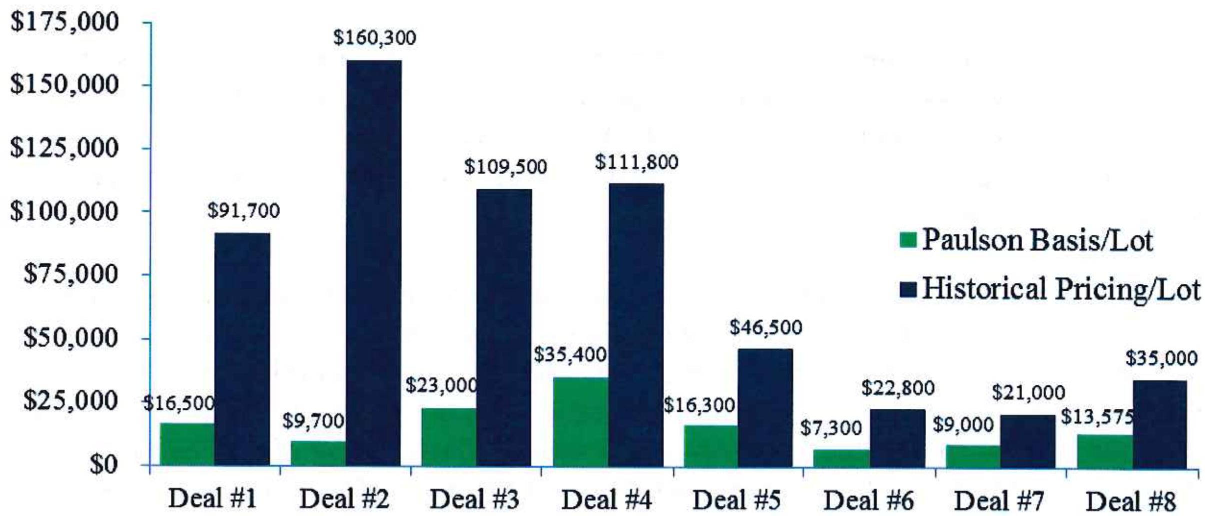
The chart below sourced from Zelman & Associates Research and Paulson & Co. shows the relative valuation per lot among PREF I and major U.S. homebuilders. The analysis was performed around October 2010 before PREF I's final close. It is not a perfect comparison considering many factors such as geographical location/size of the lots and the fluctuation of public builders' enterprise value. Nevertheless, it conveys the low basis of the Paulson portfolio. It also highlights the significant value in PREF I as many of the acquisitions were priced in 2009.



PREF II Preview

Fund II will follow the same residential land investment strategy as Fund I, namely: (i) target investment opportunities within the high growth, high distress sun-belt markets (Southeast, Southwest, and West Coast); (ii) create a low holding cost in high-quality assets; and (iii) structure its investments on an unlevered basis.

As mentioned briefly in the earlier Overview section, Fund II is targeting a fund size of $400 million. It has closed on eight investments since May 2012 with a total commitment of $170 million, representing 9,117 lots. Again, the cost basis for these lots is low, as shown below.



The historical prices are derived from several sources. Deals #1 and #3 are peak value estimates from 2006; Deal #2's estimate is based on an allocation of the debt amount in 2008; Deal #4 is based on the estimated 2002 sales price; Deal #5 is based on a contracted sales price in 2005 on which a non-refundable deposit was paid, but that sale was never consummated; Deal #6 is based on the estimated 2004 sales price; Deal #7 is based on scaled enterprise value on August 25, 2013; Deal #8 is based on the estimated 2004 sales price/per lot.

To further illustrate the value in the existing PREF II portfolio, Deal #1, 2 and 3 were acquired below the cost of the existing improvement such as road and sewer, etc. Deal #7 is an out-of-bankruptcy IPO that will bring a near term upside exit.

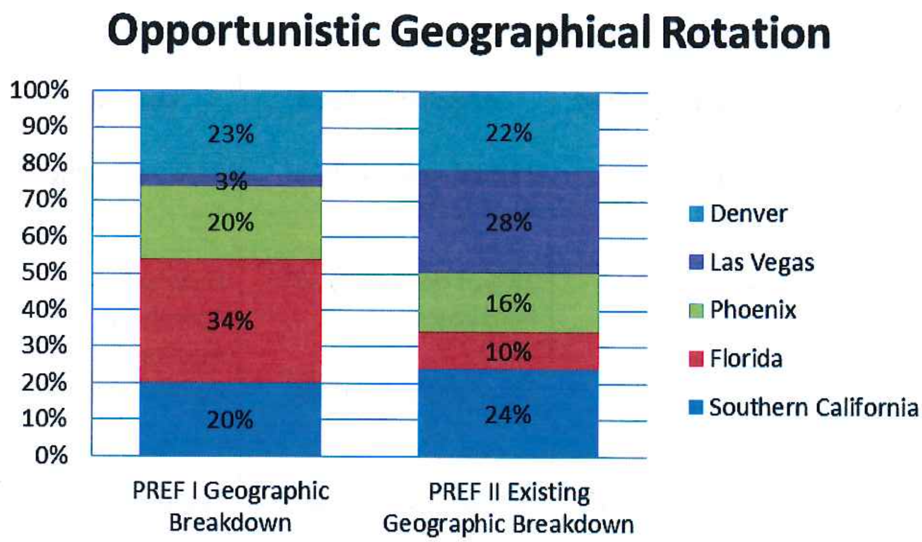
The fund will pursue sales of its holdings on an opportunistic basis. This will likely mean selling lots in phases in order to build momentum for a particular development. The target buyer will be homebuilders.

Below is the table summary of these deals' characteristics.

Type	Market	Date Acquired	Acquisition Basis	Deal Source
194 cheap-to-finish lots	Phoenix	September 2012	21% of peak / 69% of hard costs	Bank Acquisition
670 finished and partial lots	Phoenix	May 2012	18% of peak / 47% of hard costs	Note Sale, Foreclosure Auction
3,338 partially improved lots	Las Vegas	July 2012	6% of allocated debt	Post-bankruptcy
492 entitled, raw lots	Los Angeles	February 2013	31% of 2002 sale price	Fee simple acquisition
1,655 paper lots	Perris, CA (Northern San Diego and East LA play)	May 2013	32% of 2004 sale price	Asset Sale
1,768 paper lots	Erie, CO (Boulder and Denver play)	August, 2013	39% of peak	Asset Sale
2.2 million SF mixed use, 1,000 residential units	Miami	February 2013	35% of 2004 hard contract	Mortgage Acquisition
10.6% ownership (10,042 controlled lots and homes)	Homebuilder in bankruptcy	October 2012	45% of August 30, 2013 security closing price	Convertible Preferred / Common Stock

The existing portfolio of $170 million represents over 40% of the fund II target size ($400 million), making PREF II one of the more visible private deals CCCERA has recently considered. The pipeline also looks robust with 4 deals worth of $70 million likely to be closed at Paulson team's discretion in the next two quarters and another 7 deals worth of $200 million in negotiations.

The GP, although committed to the target markets, remains tactical among these high growth markets. The comparison chart below between Fund I and II's geographical exposure shows the GP's evolution of target markets as the real estate market recovers in an uneven fashion.



Summary of Key Terms of PREF II

Target Size:	$400 million (hard cap $450 million)
GP Commitment:	$125 million
Target Final Close:	November 8, 2013
Target IRR:	20% net to LPs
Investment Period:	Three years from the Final Closing
Maturity:	8 years from the final closing plus two one-year extension options (who exercises these options?)
Management Fee:	1.5% of committed capital during the investment period; 1.5% of unreturned invested equity after Investment Period No Acquisition or Disposition Fee
Preferred Return:	9%
Carried Interest:	20%
Catch-up	60% to GP / 40% to LP

Risks

The most prominent risks associated with this strategy include the following:

1. Headline Risk
   Paulson tends to attract some negative attention with regards to compensation of the portfolio managers and their counter cyclical positions relative to large macroeconomic developments. However, this early bet on residential lots for the housing recovery seems to be performing well to date.

2. Business Risk
   Paulson & Co. is primarily a hedge fund organization. We have not vetted the strength of the hedge fund business and there is always a risk that one or more of these hedge funds could falter, and potentially damage the financial health of the overall company. Mr. Paulson is personally the largest investor in Funds I and II. The real estate funds are structured as traditional private partnerships, unlike other the firms hedge fund offerings which tend to be much more liquid. In the event that the hedge fund business falters, the real estate strategy should be able to continue their investments. If need be, the real estate group could become independent or be sold relatively easily as they are not deeply embedded with the firm's other strategies.

3. Real Estate Recovery
   If the real estate market falters again, at the very least our hold time would be extended considerably. The lack of leverage in the fund mitigates the concern of a longer hold time.

4. Poor Execution
   PREF II focuses on specific markets that portfolio manager has identified as having long-term growth. If the targeted cities do not experience significant new housing starts within the life of Fund II, the results will be lackluster. However, both the long term population growth trend and the limited existing inventory seem to favor Paulson's target markets.

Summary and Other Consideration

While the recent surge of the U.S. housing sales figure brings optimism to the general economy and will continue to help with the exits of PREF I & II, our major consideration for this investment is on the buy side of the story – that is to acquire residential lots at a very low basis with no leverage in the targeted high growth markets hit particularly hard during the great recession.

The finished lots and overhang inventories have steadily declined nationwide over the past few years as homebuilders and buyers slowly but surely absorb the excess lot inventory from the market peak. Meanwhile very few land owners have been assembling, entitling and developing lots as a result of the downturn and lack of project financing. With the long term expected population and household formation growth in Paulson's target markets, the residential land in these markets will eventually swing from an excess to a shortage of entitled, viable home sites. Paulson intends to sell in time of constrained supply.

This commitment, if approved, will likely be CCCERA's last allocation to distressed real estate for this business cycle. The combined direct and indirect Paulson exposure (~$35 million) will be less than 4% of CCCERA's total private real estate holdings (>$900 million), yet meaningful enough (10% in the distressed real estate) to make a positive impact on distressed sector's risk-adjusted return.

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EDUCATION · COMMUNICATION · NETWORKING
California Association of Public Retirement Systems

MEETING DATE
SEP 11 2013
AGENDA ITEM
#8

TRUSTEES' ROUNDTABLE

Friday, September 13, 2013
Doubletree Hotel San Jose
2050 Gateway Place, San Jose, CA
408-453-4000

AGENDA

8:30-9:00 Breakfast & Registration

9:00-9:15 **Introduction**
Lauryn Agnew, Trustee, SamCERA

9:15-10:00 **CalPERS Sustainability Process**
Ben Thornley & Representative from CalPERS investment staff/committee and/or board

- Policy development, board education, learning curve, opportunities, research, impact measurement

10:30-10:45 Break

10:45-12:00 **Responsible Investing, Corporate Governance, Activism, ESG Integration**
Chad Spitler, Blackrock & Matt Christensen, AXA Rosenberg

12:00 -1:00 Lunch Session: **PEPRA and DOMA Litigation and Legislation**
Brenda Carlson, Chief Legal Counsel, SamCERA

1:00-1:45 **Measuring the Criteria**
Sustainalytics, HIP

1:45-2:30 **Following the Impact**
Community Capital Management & Earmarking

2:30-2:45 Break

2:45-3:45 **Building portfolios, Equity, Fixed Income, Real Assets, Private Equity, Infrastructure Active, passive**
Aperio, Breckenridge, Mosaic, CDFI/TOD, PCV

3:45-3:55 Research Survey: **Bay Area Impact Investing Initiative**

4:00 Select chair for next meeting (February 2014, Southern CA)

Adjourn

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