

December 31, 2014

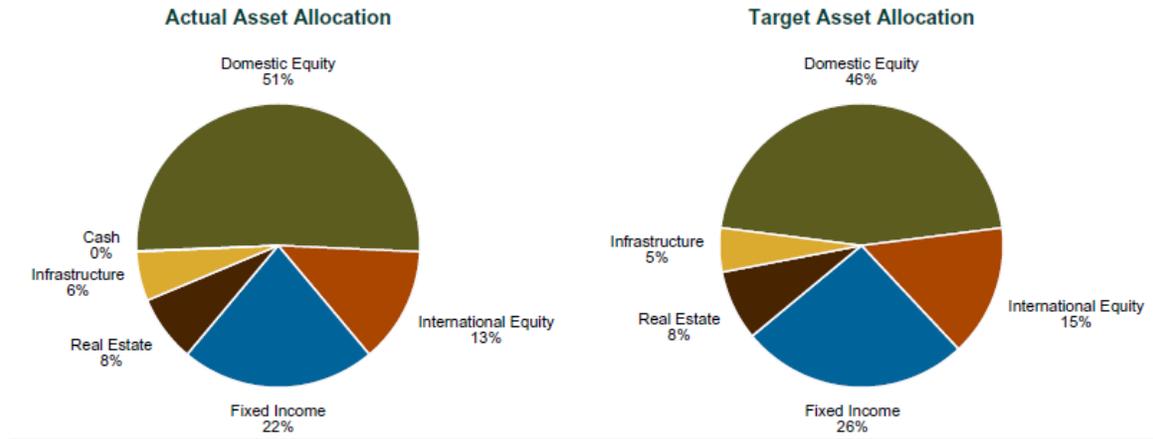


Tucson Supplemental Retirement System

Investment Measurement Service
Quarterly Review

Tucson Supplemental Retirement System
Executive Summary for Period Ending December 31, 2014

Asset Allocation



Total Fund Performance

Returns for Periods Ended December 31, 2014

| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 years |
|------------------------------|--------------|-----------|--------------|--------------|---------------|
| Total Fund Gross | 2.38% | 7.56% | 14.70% | 11.40% | 6.87% |
| Total Fund Net | 2.26% | 7.07% | 14.13% | 10.82% | 6.33% |
| Total Fund Benchmark* | 2.53% | 7.80% | 12.64% | 10.69% | 6.68% |

Fiscal Year Returns

| | June 2014 - Dec. 2014 | 2014 | 2013 | 2012 | 2011 |
|------------------------------|--------------------------|--------|--------|-------|--------|
| Total Fund Gross | 1.58% | 19.64% | 14.84% | 2.40% | 23.19% |
| Total Fund Net | 1.36% | 19.11% | 14.21% | 1.82% | 22.52% |
| Total Fund Benchmark* | 1.95% | 16.97% | 12.87% | 3.04% | 22.53% |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

Recent Developments

- NA

Organizational Issues

- During January 2015, PIMCO announced the resignation of generalist portfolio manager Saumil Parikh. Saumil was one of three named portfolio managers on the unconstrained bond fund. He was also on PIMCO's Investment Committee and was responsible for leading PIMCO's cyclical forums. Saumil had no direct influence on the portfolios PIMCO manages for TSRS, however, he was instrumental in setting macro-level themes that affected all of PIMCO's strategies. Saumil's resignation is another senior departure from the firm. We emphasize continued evaluation of the situation at PIMCO.

Active Manager Performance

| Fund | Peer Group Ranking | | |
|-------------------------------------|--------------------|--------------|--------------|
| | Last Year | Last 3 Years | Last 5 Years |
| PIMCO Stocks Plus | 17 | 4 | 2 |
| T. Rowe Price Large Cap Growth | 86 | [7] | [19] |
| Champlain Mid Cap | 56 | 59 | [46] |
| Pyramis Small Cap | 50 | 20 | 19 |
| Causeway International Value Equity | 57 | 10 | 7 |
| Aberdeen EAFE Plus | 25 | [96] | [54] |
| PIMCO Fixed Income | 82 | 6 | 27 |
| J.P. Morgan Strategic Property Fund | 72 | 25 | 47 |
| LaSalle Income and Growth Fund | 94 | 94 | 98 |
| JP Morgan Income and Growth Fund | 71 | 11 | 5 |

* *Brackets indicate actual performance linked with manager composite*

- LaSalle Income and Growth Fund - The Fund started in 2005, which was a very challenging vintage year as many closed-end real estate products launched at that time are now projecting negative life IRR's. This fund was designed to purchase properties that needed improvement such as leasing or physical upgrades. The portfolio purchased about 25 investments with 70% of assets in either apartment or office properties. LaSalle is selling properties and returning money to investors. The estimated NAV is \$42.7 million on 9/30/14 and the expectation is that the fund will be completely liquidated in 2015. As of 9/30/14, LaSalle's net IRR for the portfolio is -5.6%. *LaSalle's performance is shown on pages 77 & 78.*

**Tucson Supplemental Retirement System
Statement of Pension Investment Policy and Objectives
Quantitative Watchlist Criteria**

- One-Year Performance (measured on a quarterly basis)
 1. Fixed Income and Open-End Real Estate Portfolios
 - Underperform benchmark by 2.0% and bottom 25% in peer group for two consecutive quarters.

LaSalle fails this measure. The portfolio is currently liquidating and returning money to investors.
 2. Passively Managed Portfolios
 - Underperform benchmark by 0.5%

None
 3. Actively Managed Equity Portfolios
 - Underperform benchmark by 5.0% and bottom 25% in peer group for two consecutive quarters.

None

- Three-Year performance (annualized, measured on rolling quarterly basis)
 1. Actively Managed Portfolios
 - Underperform benchmark and bottom 60% in peer group for two consecutive quarters.

Champlain's mid cap portfolio fails this measure. As of 12/31/14, the three-year return for Champlain was 19.84% and ranked 59th percentile versus peers while the benchmark returned 21.40%. As of 9/30/14, the three-year return for Champlain was 22.44% and ranked 60th percentile versus peers while the benchmark returned 23.79%. Champlain's investment philosophy is focused on downside protection and it is not unusual for them to trail in strong equity markets.

LaSalle meets this criterion. As of 12/31/14, the three-year return for LaSalle was 4.16% and ranked 94th percentile versus peers while the benchmark returned 12.45%. As of 9/30/14, the three-year return for LaSalle was 5.66% and ranked 85th percentile versus peers while the benchmark returned 12.34%.
 2. Passively Managed Portfolios
 - Underperform benchmark by 0.3%

None

*Steel River and Macquarie are infrastructure funds with no available peer group data.

Gordon Weightman, CFA
Vice President

Paul Erlendson
Senior Vice President

Table of Contents

December 31, 2014

Market Overview

Capital Markets Review

1

Total Fund

| | |
|-----------------------------------|----|
| Actual Asset Allocation vs Target | 26 |
|-----------------------------------|----|

| | |
|---|----|
| Asset Allocation Across Investment Managers | 27 |
|---|----|

| | |
|----------------------------|----|
| Investment Manager Returns | 28 |
|----------------------------|----|

| | |
|----------------------------|----|
| Investment Manager Returns | 32 |
|----------------------------|----|

| | |
|------------------------|----|
| Total Fund Attribution | 36 |
|------------------------|----|

| | |
|------------------------|----|
| Total Fund Performance | 42 |
|------------------------|----|

Domestic Equity

| | |
|-----------------|----|
| Domestic Equity | 44 |
|-----------------|----|

| | |
|------------------------|----|
| Alliance S&P 500 Index | 46 |
|------------------------|----|

| | |
|------------------|----|
| PIMCO StocksPLUS | 48 |
|------------------|----|

| | |
|------------------------------|----|
| BlackRock Russell 1000 Value | 50 |
|------------------------------|----|

| | |
|--------------------------------|----|
| T. Rowe Price Large Cap Growth | 52 |
|--------------------------------|----|

| | |
|-------------------|----|
| Champlain Mid Cap | 54 |
|-------------------|----|

| | |
|-------------------|----|
| Pyramis Small Cap | 56 |
|-------------------|----|

International Equity

| | |
|----------------------|----|
| International Equity | 59 |
|----------------------|----|

| | |
|-------------------------------------|----|
| Causeway International Value Equity | 61 |
|-------------------------------------|----|

Fixed Income

| | |
|--------------|----|
| Fixed Income | 66 |
|--------------|----|

| | |
|--------------------------|----|
| BlackRock U.S. Debt Fund | 68 |
|--------------------------|----|

| | |
|--------------------|----|
| PIMCO Fixed Income | 70 |
|--------------------|----|

Real Estate

| | |
|-------------|----|
| Real Estate | 73 |
|-------------|----|

| | |
|-----------------------------------|----|
| JP Morgan Strategic Property Fund | 75 |
|-----------------------------------|----|

| | |
|--------------------------------|----|
| LaSalle Income and Growth Fund | 77 |
|--------------------------------|----|

| | |
|----------------------------------|----|
| JP Morgan Income and Growth Fund | 79 |
|----------------------------------|----|

Infrastructure

| | |
|----------------|----|
| Infrastructure | 82 |
|----------------|----|

| | |
|-----------------------------------|----|
| Macquarie European Infrastructure | 83 |
|-----------------------------------|----|

| | |
|---|----|
| SteelRiver Infrastructure North America | 84 |
|---|----|

Callan Research/Education

85

Disclosures

91



Downshifting or Disappointing?

U.S. ECONOMY

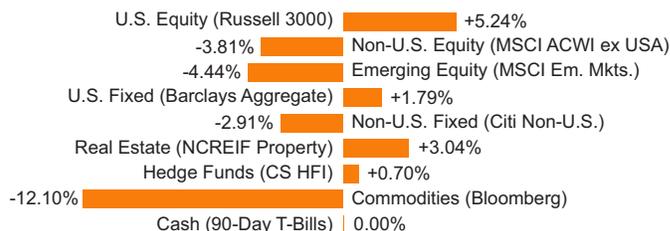
2 GDP gained an unexpectedly moderate 2.6% **PAGE** in the fourth quarter, perhaps an inevitable downshift to a more sustainable rate of growth. Oil prices plunged, and the windfall to consumers began showing up in fourth-quarter spending.

The United States of Alpha

FUND SPONSOR

4 According to the **Callan Fund Sponsor Database**, median quarterly performance for all fund types was slightly positive. Endowments/foundations and public funds were up 1.82% and 1.86%, respectively, while corporates and Taft-Hartley funds both gained 2.01%.

Broad Market Quarterly Returns



Sources: Barclays, Citigroup, Credit Suisse Hedge Index, Merrill Lynch, MSCI, NCREIF, Russell Investment Group, S&P Dow Jones

American Dream

U.S. EQUITY

6 U.S. equities ended the year on a strong note. **PAGE** The **S&P 500 Index** posted positive quarterly (+4.93%) and annual returns (+13.69%). Tailwinds included low inflation, low interest rates, and low energy prices.

Wary Eyes on 2015

NON-U.S. EQUITY

9 Market woes and tumbling oil prices weighed **PAGE** on international markets, sending the **MSCI ACWI ex USA Index** down 3.81%. A tough December hit the commodities-dependent **MSCI Emerging Markets Index** (-4.44%) worse than its developed counterpart (**MSCI World ex USA Index**: -3.69%).

Ending on a High Note

U.S. FIXED INCOME

12 The U.S. bond markets inched forward as **PAGE** Treasuries, investment-grade corporates, and securitized bonds all posted positive returns. The **Barclays Aggregate Index** climbed 1.79%, while the **Barclays Corporate High Yield Index** dropped 1.00%.

Deflation Demons

NON-U.S. FIXED INCOME

15 Deflationary concerns, **PAGE** weakening currencies, and further bifurcation among world economies continued to weigh on foreign bond returns. The unhedged **Citi Non-U.S. World Government Bond Index** (WGBI) tumbled 2.91%.

Onward and Upward

REAL ESTATE

17 The **NCREIF Property Index** advanced 3.04% **PAGE** for the quarter and 11.82% for the year. The Index tracked 282 transactions representing \$8.0 billion during the quarter, well ahead of the \$4.9 billion 10-year quarterly transaction average.

Momentum Builds

PRIVATE EQUITY

19 Velocity in the private equity market continued **PAGE** in 2014, driven by strong liquidity and an active fundraising environment. The only measure that dipped for the year was the announced dollar volume of buy-outs, which is a volatile, transaction-dependent figure.

Shake It Off

HEDGE FUNDS

20 Robust supply and fragile demand stressed **PAGE** the capital markets. The **Credit Suisse Hedge Fund Index** (CS HFI) rose 0.70%, while the median manager in the **Callan Hedge Fund-of-Funds Database** advanced 0.70%, net of all fees.

Tough Third Quarter for DC

DEFINED CONTRIBUTION

21 In the third quarter of 2014, the **Callan DC Index™** saw its first **PAGE** loss since mid-2012, declining 1.08% as the equity markets—particularly small cap and non-U.S. equities—struggled.

Downshifting or Disappointing?

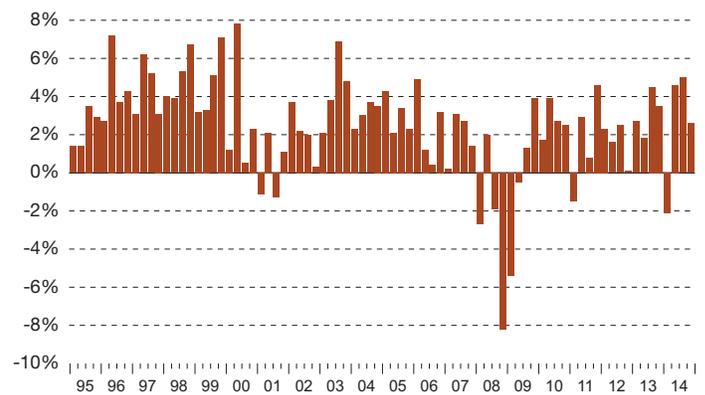
U.S. ECONOMY | Jay Kloepfer

Growth in the U.S. economy went on a bit of a wild ride this past year. GDP surprised everyone by falling in the first quarter, climbing sharply in the second and third quarters, and then finishing the year with an unexpectedly moderate 2.6% gain in the fourth quarter. Strong upward revisions to GDP in the second and third quarters, to 4.6% and 5%, respectively, buoyed hopes that there would be another report of robust growth in the fourth quarter. While disappointing to those looking for another 5% quarter, the 2.6% gain can be viewed as an inevitable downshift to a more sustainable rate of growth, given the global headwinds buffeting the U.S. economy.

Oil prices plunged during the second half of 2014, and the windfall to consumers began showing up in fourth-quarter spending. With the average household estimated to spend over \$3,000 per year on gasoline, a drop in the average price of gas from north of \$3.50 per gallon to \$2.50 per gallon adds \$1,000 per year back into consumers' wallets. Stated another way, each \$10/barrel drop in the price of oil creates an estimated \$23 billion gasoline dividend for consumers; if gas prices hold at around \$2.50 for the year, this dividend would amount to about \$125 billion.

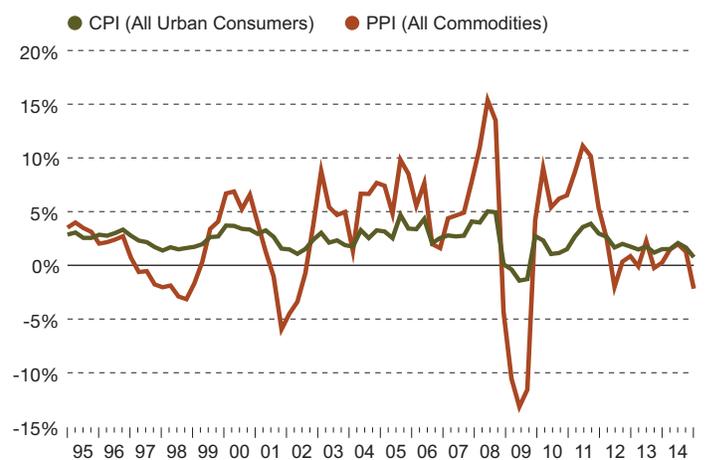
After lagging the robust overall GDP growth rates recorded in the second and third quarters, consumption—fueled by the gas dividend—surged 4.3% in the fourth quarter, well ahead of GDP. Durable goods notched another strong quarter, gaining 7.4% after rising 14.1% in the second quarter and 9.2% in the third. However, the return of growth in services (+3.7%) really helped push consumption up and also nudged total GDP. Countering robust consumption, the downshift in GDP growth reflected an upturn in imports, which are a subtraction in the calculation of GDP. Additional contributing factors included a marked slowdown in nonresidential fixed investment (primarily equipment), softening growth in exports, and a sharp decline (-7.5%) in federal government spending—in particular, a 12.5% drop in defense spending.

Quarterly Real GDP Growth (20 Years)



Source: Bureau of Economic Analysis

Inflation Year-Over-Year



Source: Bureau of Labor Statistics

The U.S. dollar rose against the currencies of most of its trading partners as prospects for growth faded in the developed markets and the euro zone embarked on another round of quantitative easing. The rising dollar and falling oil prices have begun to show up in U.S. trade figures and could become more pronounced as 2015 unfolds. Both falling oil prices and the strong dollar lower the cost of imports in U.S. dollars, which has already spurred greater demand. Whether the demand will continue to push the overall value of imports up is unclear.

The strong dollar also raised the cost of U.S. goods overseas. The price increase, combined with renewed weakness in the euro zone economy, slowed U.S. exports in the fourth quarter.

The plunge in oil prices is showing up in headline CPI and the consumption deflator used by the Federal Reserve for policy guidance. The CPI-All Urban—the most widely watched measure of consumer price inflation—turned negative on a quarterly basis in both the third and fourth quarters of 2014. It slipped to an annual rate of less than 1% in the fourth quarter, the lowest since 2009. The consumption deflator turned negative on an annual basis in the fourth quarter, raising questions about whether we are witnessing the onset of deflation. Subtracting out food and energy, however, the core measures of both CPI and the consumption deflator remain closer to the Fed's target of 2%, although both measures drifted down during the second half of 2014. The specter of deflation looms much larger in the euro zone, where the overall Harmonized Index of Consumer Prices as released by the ECB has fallen steadily from 3% at the end of 2010 to just below zero in December 2014. Rates for all countries in the euro zone are below 1%, with the greatest decline of 2.5% measured in Greece.

On the positive side of the economic ledger, the job market has become increasingly robust, generating new jobs at a rate close to 200,000 per month for much of 2014. The unemployment rate fell below 6% in the fourth quarter, once the target rate for the Federal Reserve's policy on monetary easing. Job growth has clearly contributed to the decline in unemployment, but a persistent and troubling decline in labor force participation has been part of the reason as well, as discouraged work-

The Long-Term View

| Index | 2014 4th Qtr | Periods ended December 31, 2014 | | | |
|--------------------------|-----------------|---------------------------------|-------|--------|--------|
| | | Year | 5 Yrs | 10 Yrs | 25 Yrs |
| U.S. Equity | | | | | |
| Russell 3000 | 5.24 | 12.56 | 15.63 | 7.94 | 9.78 |
| S&P 500 | 4.93 | 13.69 | 15.45 | 7.67 | 9.62 |
| Russell 2000 | 9.73 | 4.89 | 15.55 | 7.77 | 9.75 |
| Non-U.S. Equity | | | | | |
| MSCI EAFE | -3.57 | -4.90 | 5.33 | 4.43 | 4.31 |
| MSCI EM | -4.44 | -1.82 | 2.11 | 8.78 | 8.83 |
| S&P Ex-U.S. Small Cap | -2.59 | -3.42 | 8.52 | 6.84 | 5.48 |
| Fixed Income | | | | | |
| Barclays Aggregate | 1.79 | 5.97 | 4.45 | 4.71 | 6.49 |
| 3-Month T-Bill | 0.00 | 0.03 | 0.09 | 1.54 | 3.24 |
| Barclays Long G/C | 5.60 | 19.31 | 9.81 | 7.36 | 8.49 |
| Citi Non-U.S. Govt | -2.91 | -2.68 | 0.85 | 2.64 | 6.21 |
| Real Estate | | | | | |
| NCREIF Property | 3.04 | 11.82 | 12.13 | 8.38 | 7.61 |
| FTSE NAREIT Equity | 14.20 | 30.14 | 16.88 | 8.31 | 11.25 |
| Alternatives | | | | | |
| CS Hedge Fund | 0.70 | 4.13 | 5.88 | 5.82 | - |
| Cambridge PE* | - | 23.46 | 17.80 | 13.72 | 15.50 |
| Bloomberg Commodity | -12.10 | -17.01 | -5.53 | -1.86 | - |
| Gold Spot Price | -2.27 | -1.51 | 1.55 | 10.45 | 4.38 |
| Inflation – CPI-U | -1.35 | 0.76 | 1.69 | 2.12 | 2.52 |

*Private equity data is time-weighted return series as of June 30, 2014.

Sources: Barclays, Bloomberg, Citigroup, Credit Suisse, FTSE, MSCI, NCREIF, Russell Investment Group, Standard & Poor's, Thomson/Cambridge.

ers have withdrawn from the labor force. Despite the 200,000 per month gains, wage increase pressures have yet to appear, and the employment cost index has remained subdued at an annual rate close to 2%.

Recent Quarterly Indicators

| Economic Indicators | 4Q14 | 3Q14 | 2Q14 | 1Q14 | 4Q13 | 3Q13 | 2Q13 | 1Q13 |
|---|-------|-------|-------|-------|-------|-------|-------|-------|
| Employment Cost–Total Compensation Growth | 2.2% | 2.2% | 2.0% | 1.8% | 2.0% | 1.9% | 1.9% | 1.9% |
| Nonfarm Business–Productivity Growth | 0.9%* | 2.3% | 2.9% | -4.5% | 3.3% | 3.6% | 0.5% | 0.8% |
| GDP Growth | 2.6% | 5.0% | 4.6% | -2.1% | 3.5% | 4.5% | 1.8% | 2.7% |
| Manufacturing Capacity Utilization | 77.5% | 77.1% | 76.2% | 78.4% | 76.4% | 76.0% | 75.9% | 76.0% |
| Consumer Sentiment Index (1966=100) | 89.8 | 83.0 | 82.8 | 80.9 | 76.9 | 81.6 | 81.7 | 76.7 |

*Estimate

Sources: Bureau of Economic Analysis, Bureau of Labor Statistics, Federal Reserve, Reuters/University of Michigan

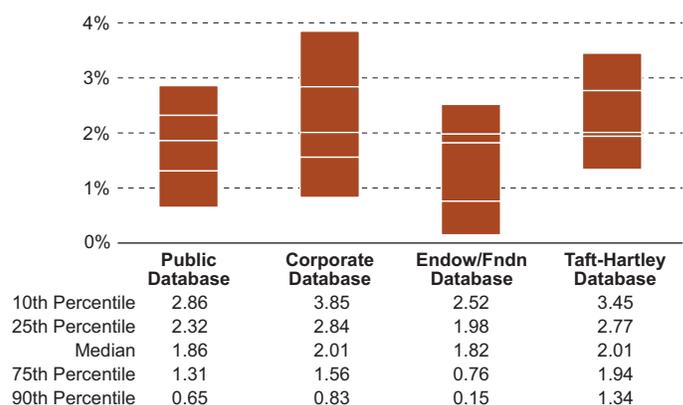
The United States of Alpha

FUND SPONSOR | Irina Sushch

In general, the U.S. public markets had a solid quarter. Despite low inflation, low interest rates, and crashing energy prices, the economic picture in the U.S. improved relative to the euro zone and emerging markets. U.S. equities significantly outperformed non-U.S. equities (**Russell 3000 Index**: +5.24%; **MSCI ACWI ex USA Index**: -3.81%). Yield curves flattened for the fourth consecutive quarter, and global demand rose for U.S. bonds. The **Barclays Aggregate Index** gained 1.79% while the **Citi Non-U.S. World Government Bond Index-Unhedged** dropped 2.91%.

As seen in the Callan Fund Sponsor Quarterly Returns chart, all fund types managed to generate positive, albeit small, returns. Median performance was split into two groups. Endowments/foundations and public funds were very close, gaining 1.82% and 1.86%, respectively. Corporates and Taft-Hartley funds were about 20 basis points higher, both advancing 2.01% for the quarter. Performance at the top (10th percentile) exhibited a much wider dispersion, with corporates in first place with 3.85% and endowments/foundations in last with 2.52%. Dispersion was also wide in the bottom decile, this time with Taft-Hartley funds (+1.34%) outperforming their peers and endowments/foundations once again bringing up the rear (+0.15%).

Callan Fund Sponsor Quarterly Returns



Source: Callan

The differing performance among the fund types can be partially explained by asset allocations. Corporate and Taft-Hartley funds' relative outperformance was partially due to higher exposures to U.S. equity and U.S. fixed income. While Taft-Hartley funds experienced the tightest distribution, corporate funds had the widest, as some employ liability-driven investment (LDI) programs.

The fund sponsor performance table compares the effect of asset allocation decisions over longer time periods. Taft-Hartley

Database Median and Index Returns* for Periods ended December 31, 2014

| Fund Sponsor | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
|---------------------------------------|---------|------|---------|---------|----------|----------|
| Public Database | 1.86 | 6.09 | 11.31 | 9.49 | 6.52 | 5.70 |
| Corporate Database | 2.01 | 7.08 | 11.05 | 9.81 | 6.67 | 5.75 |
| Endowments/Foundations Database | 1.82 | 5.28 | 10.75 | 8.84 | 6.31 | 5.46 |
| Taft-Hartley Database | 2.01 | 6.83 | 11.90 | 9.94 | 6.26 | 5.62 |
| Diversified Manager | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Asset Allocator Style | 2.94 | 7.96 | 11.55 | 9.70 | 6.99 | 6.62 |
| U.S. Balanced Database | 2.07 | 6.52 | 12.82 | 10.09 | 6.90 | 6.60 |
| Global Balanced Database | 0.40 | 4.18 | 8.59 | 7.44 | 6.78 | 6.65 |
| 60% Russell 3000 + 40% Barclays Agg | 3.86 | 9.90 | 13.23 | 11.42 | 7.06 | 5.66 |
| 60% MSCI World + 40% Barclays Gbl Agg | 0.19 | 3.19 | 9.44 | 7.32 | 5.32 | 4.24 |

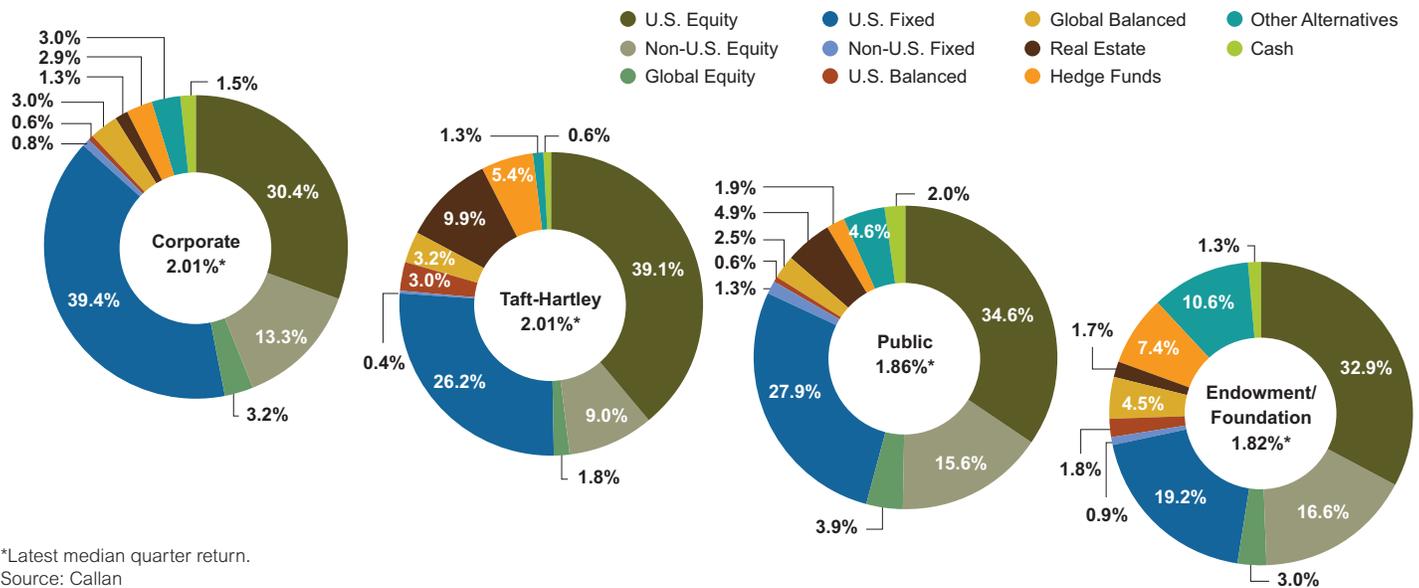
*Returns less than one year are not annualized.

Sources: Callan, Barclays, MSCI, Russell Investment Group

plans held on to the lead in the mid-term (+11.90% and +9.94% for trailing three- and five-year periods, respectively), due to strong performance in recent quarters given high allocations to U.S. equity. Corporates retained the top spot in the trailing 10- and 15-year periods (+6.67% and +5.75%, respectively). On the other hand, higher allocations to international equity, hedge funds, and other alternatives have hurt endowments and foundations; they continue to be the worst performer over every period except the trailing 10 years.

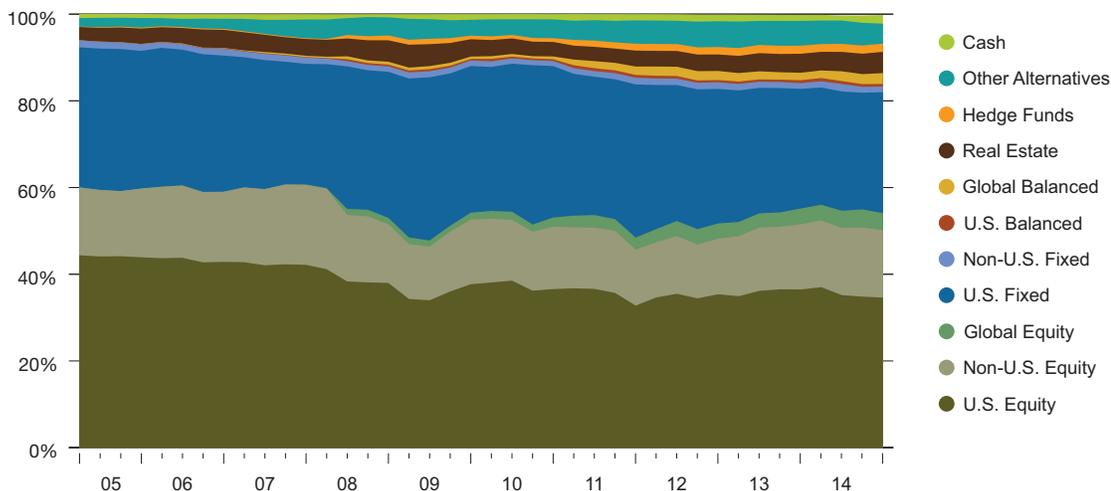
Of Callan's balanced manager groups, the 60% Russell 3000 + 40% Barclays Aggregate (+3.86%) once again greatly outperformed the 60% MSCI World + 40% Barclays Global Aggregate benchmark (+0.19%), giving U.S. allocations a lead over global in every time period. Callan's balanced manager groups are behaving in a similar fashion: U.S. balanced managers outperformed their global counterparts in every time period except the trailing 15 years (however, that gap is only five basis points).

Callan Fund Sponsor Average Asset Allocation



Callan Public Fund Database Average Asset Allocation

(10 Years)



Source: Callan

American Dream

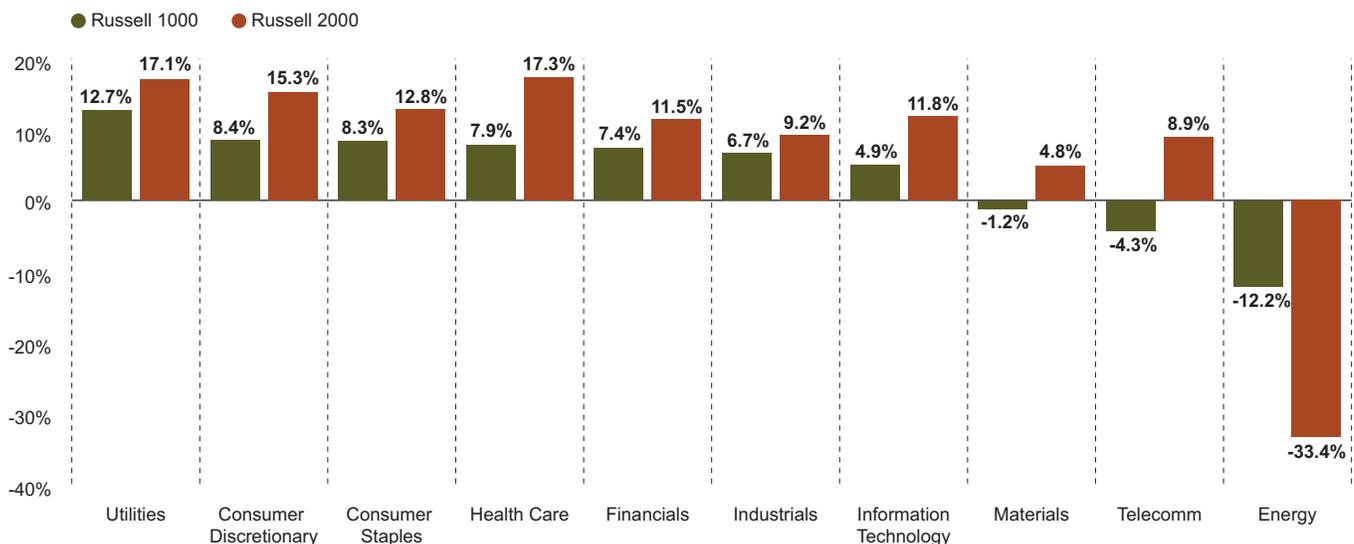
U.S. EQUITY | Lauren Mathias, CFA

U.S. equities ended the year on a strong note. The **S&P 500 Index** posted positive quarterly (+4.93%) and annual (+13.69%) returns. The U.S. economy's tailwinds included low inflation, low interest rates, and low energy prices. The unemployment rate continued to decline and wage growth ticked up. Corporate profits in the U.S. remained solid despite the strengthening U.S. dollar, muted global economic growth, and weak commodity prices. With this backdrop, a lopsided market emerged for U.S. equities. Energy sector returns collapsed in tandem with oil prices; REITs posted the best results of all U.S. indices on the heels of low interest rates. This dichotomy proved challenging to the majority of active managers, whose exposures were on the wrong side of the seesaw. Additionally, the difference between the winning and losing stocks was narrow, further challenging stock pickers. With increased consumer confidence and strong U.S. GDP growth (third-quarter GDP was revised up to 5%), 2014 was a banner year for U.S. equities. Can U.S. markets keep up these dreamy results, or will 2015 be a wakeup call?

Despite solid returns (**Russell 1000 Index**: +4.88%), large cap stocks took the back seat for the quarter. Small (**Russell 2000 Index**: +9.73%) and mid cap (**Russell Midcap Index**: +5.94%) came back strong; small cap growth stocks trumped value for the fifth time in the last six years. Micro cap beat all other cap ranges in the fourth quarter (**Russell Microcap Index**: +11.19%) but still trailed for the year. The distinction between growth and value was narrow (**Russell 1000 Growth Index**: +4.78%; **Russell 1000 Value Index**: +4.98%). Large value slightly edged out large growth thanks to higher exposure to the Utilities sector and less to Energy. In small cap, growth beat value as the highest return-on-equity companies did well while those with lower stock prices declined.

Small and large cap sectors posted mostly positive quarterly results. The exception was Energy, which faced challenges across capitalizations as oil and commodity prices continued to decline. Utilities added significant value for the quarter and the year as investors' search for income persisted. Health Care

Economic Sector Quarterly Performance



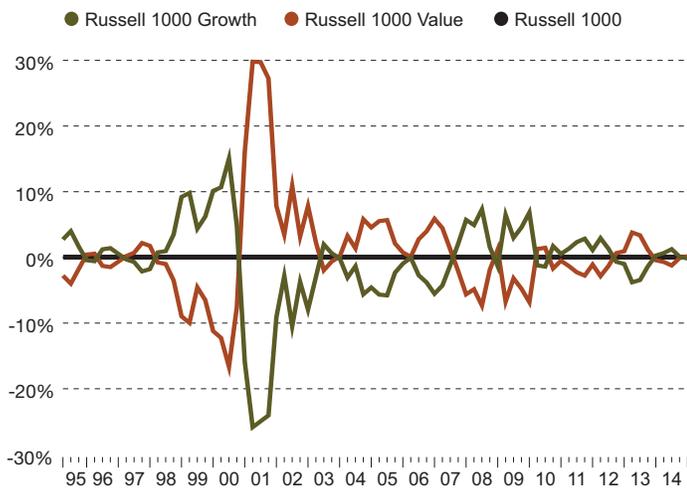
Source: Russell Investment Group

was also strong as a result of biotechnology and pharmaceutical companies. Although small cap stocks outperformed large caps in the fourth quarter, for the year larger was better—and the difference between the two was the widest since 1998.

Though the U.S. equity market experienced strong absolute returns, active management was incredibly challenged. Large

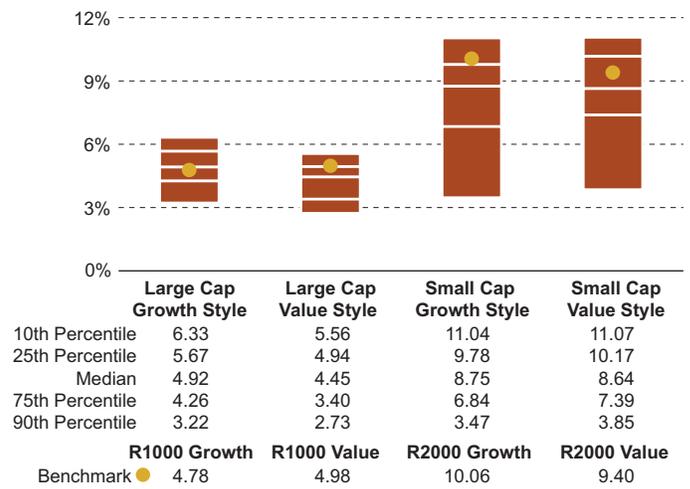
cap active funds had their worst year versus the Russell 1000 Index in a decade. The fourth quarter showed that investors preferred companies that feature low beta, high return on equity, and larger market capitalizations. For the year, global growth concerns resulted in elevated volatility, which fed into the search for safety and the outperformance of higher-quality and lower-risk securities.

Rolling One-Year Relative Returns (vs. Russell 1000)



Source: Russell Investment Group

Callan Style Group Quarterly Returns



Sources: Callan, Russell Investment Group

U.S. Equity Index Characteristics as of December 31, 2014

| | S&P 500 | Rus 3000 | Rus 1000 | Rus Midcap | Rus 2500 | Rus 2000 |
|----------------------------|---------|----------|----------|------------|----------|----------|
| Cap Range Min (\$mm) | 2,467 | 14 | 204 | 204 | 17 | 14 |
| Cap Range Max (\$bn) | 647.36 | 665.55 | 665.55 | 32.72 | 13.79 | 7.26 |
| Number of Issues | 502 | 3,053 | 1,042 | 845 | 2,540 | 2,011 |
| % of Russell 3000 | 80% | 100% | 92% | 28% | 18% | 8% |
| Wtd Avg Mkt Cap (\$bn) | 125.06 | 102.64 | 110.99 | 12.78 | 4.03 | 1.88 |
| Price/Book Ratio | 2.7 | 2.7 | 2.7 | 2.6 | 2.3 | 2.1 |
| Forward P/E Ratio | 16.4 | 16.9 | 16.7 | 18.6 | 19.0 | 20.4 |
| Dividend Yield | 2.0% | 1.9% | 1.9% | 1.6% | 1.4% | 1.3% |
| 5-Yr Earnings (forecasted) | 11.1% | 11.9% | 11.6% | 13.2% | 13.8% | 15.1% |

Sources: Russell Investment Group, Standard & Poor's.

U.S. EQUITY (Continued)

Style Median and Index Returns* for Periods ended December 31, 2014

| Large Cap Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
|--------------------------------|----------------|--------------|----------------|----------------|-----------------|-----------------|
| Large Cap Core Style | 5.12 | 13.66 | 20.89 | 15.42 | 8.32 | 5.41 |
| Large Cap Growth Style | 4.92 | 11.83 | 20.75 | 15.30 | 8.62 | 3.62 |
| Large Cap Value Style | 4.45 | 12.26 | 20.95 | 15.23 | 7.78 | 7.70 |
| Aggressive Growth Style | 6.14 | 3.98 | 18.40 | 14.25 | 9.03 | 3.55 |
| Contrarian Style | 4.51 | 13.09 | 21.36 | 15.26 | 8.19 | 9.35 |
| Yield-Oriented Style | 4.05 | 11.93 | 18.11 | 14.76 | 8.36 | 8.81 |
| Russell 3000 | 5.24 | 12.56 | 20.51 | 15.63 | 7.94 | 4.82 |
| Russell 1000 | 4.88 | 13.24 | 20.62 | 15.64 | 7.96 | 4.62 |
| Russell 1000 Growth | 4.78 | 13.05 | 20.26 | 15.81 | 8.49 | 2.21 |
| Russell 1000 Value | 4.98 | 13.45 | 20.89 | 15.42 | 7.30 | 6.62 |
| S&P Composite 1500 | 5.20 | 13.08 | 20.32 | 15.58 | 7.88 | 4.81 |
| S&P 500 | 4.93 | 13.69 | 20.41 | 15.45 | 7.67 | 4.24 |
| NYSE | 1.85 | 6.75 | 19.23 | 13.16 | 7.65 | 6.03 |
| Dow Jones Industrials | 5.20 | 10.04 | 16.29 | 14.22 | 7.91 | 5.43 |
| Mid Cap Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Mid Cap Core Style | 5.89 | 12.55 | 22.57 | 18.32 | 10.26 | 10.53 |
| Mid Cap Growth Style | 5.29 | 8.89 | 19.66 | 16.11 | 9.97 | 7.20 |
| Mid Cap Value Style | 5.24 | 10.74 | 20.85 | 16.53 | 9.99 | 11.88 |
| Russell Midcap | 5.94 | 13.22 | 21.40 | 17.19 | 9.56 | 8.90 |
| S&P MidCap 400 | 6.35 | 9.77 | 19.99 | 16.54 | 9.70 | 9.65 |
| Small Cap Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Small Cap Core Style | 9.32 | 7.49 | 21.10 | 17.73 | 9.04 | 10.72 |
| Small Cap Growth Style | 8.75 | 3.53 | 20.30 | 17.23 | 9.73 | 6.32 |
| Small Cap Value Style | 8.64 | 5.80 | 20.17 | 16.60 | 9.00 | 12.80 |
| Russell 2000 | 9.73 | 4.89 | 19.21 | 15.55 | 7.77 | 7.38 |
| S&P SmallCap 600 | 9.85 | 5.76 | 20.24 | 17.27 | 9.02 | 9.87 |
| NASDAQ | 5.70 | 14.75 | 23.69 | 17.28 | 9.21 | 1.85 |
| Smid Cap Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Smid Cap Broad Style | 6.45 | 7.31 | 19.30 | 16.76 | 9.68 | 10.34 |
| Smid Cap Growth Style | 5.95 | 5.74 | 18.98 | 16.90 | 9.26 | 8.31 |
| Smid Cap Value Style | 6.53 | 7.46 | 20.87 | 16.42 | 9.96 | 13.03 |
| Russell 2500 | 6.77 | 7.07 | 19.97 | 16.36 | 8.72 | 8.59 |
| S&P 1000 | 7.38 | 8.54 | 20.08 | 16.77 | 9.47 | 9.71 |
| Russell 3000 Sectors | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Consumer Discretionary | 8.85 | 9.18 | 25.32 | 21.52 | 8.91 | 5.65 |
| Consumer Staples | 8.42 | 15.91 | 17.92 | 16.40 | 10.98 | 9.30 |
| Energy | -13.10 | -10.01 | 5.57 | 8.19 | 8.90 | 9.70 |
| Financials | 7.82 | 14.37 | 24.22 | 13.39 | 1.20 | 3.97 |
| Health Care | 8.56 | 25.10 | 28.73 | 20.12 | 11.27 | 8.57 |
| Industrials | 6.97 | 8.00 | 21.64 | 17.57 | 8.49 | 7.05 |
| Information Technology | 5.40 | 17.84 | 20.68 | 14.81 | 8.98 | 0.02 |
| Materials | -0.79 | 5.72 | 15.54 | 11.85 | 8.59 | 7.84 |
| Telecommunications | -3.90 | 2.49 | 11.83 | 11.40 | 6.59 | -1.50 |
| Utilities | 12.98 | 26.88 | 14.20 | 13.71 | 9.69 | 8.37 |

*Returns less than one year are not annualized.

Sources: Callan, Dow Jones & Company, Russell Investment Group, Standard & Poor's, The NASDAQ Stock Market

Wary Eyes on 2015

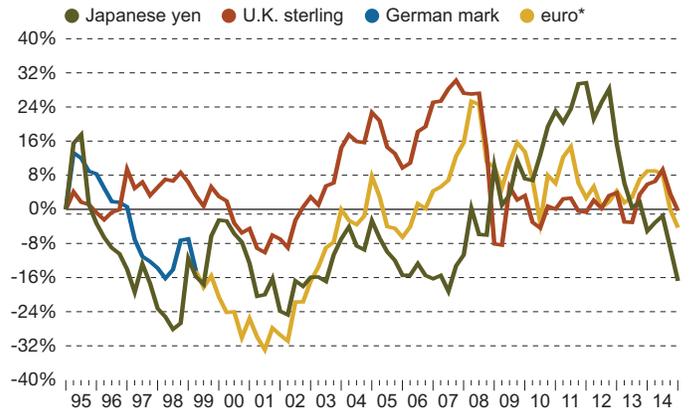
NON-U.S. EQUITY | Matt Lai

As the U.S. continued its upward march, international markets failed to keep pace. Periods of optimism were clouded by sinking oil prices and volatile inflation. Investors turned watchful eyes to central banks as the year drew to a close. December's drag dented an otherwise decent quarter. The greenback gained formidable ground against most currencies. The **MSCI ACWI ex USA Index** (-3.81%) notched a yearly tally down 3.44% in dollar terms, but up 6.52% in local currency. Quarterly sector performance failed to surprise as international Energy (-19.79%) and Materials (-7.54%) provided considerable headwinds; crude oil ended the year at \$53/barrel. Consumer confidence boosted Information Technology (+0.68%) and Consumer Discretionary (+2.39%) out of the red—the quarter's only positive sectors.

Developed countries in the **MSCI World ex USA Index** (-3.69%) reversed the previous quarter's slump against the **MSCI Emerging Markets Index** (-4.44%) but lost in a year-to-date comparison: -3.88% to -1.82%, respectively. For the quarter, the **ACWI ex USA Growth Index** (-2.26%) trumped the **ACWI ex USA Value Index** (-5.38%) and jumped 231 basis points ahead for 2014.

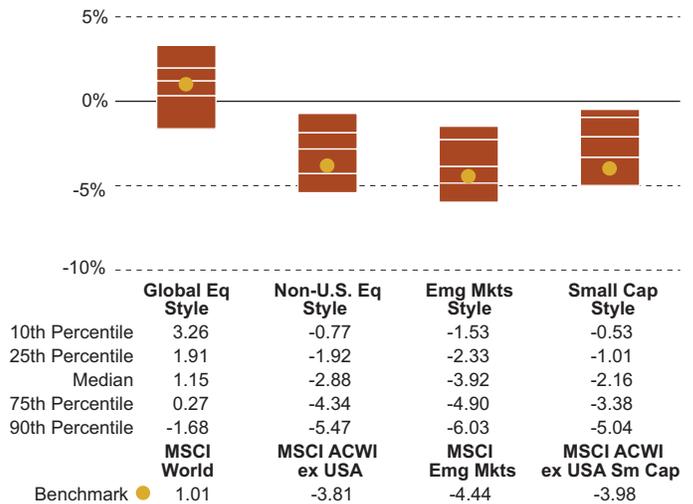
Weak signals from Europe rekindled fears of a possible triple-dip recession. The **MSCI Europe Index** (-4.35%) fell 6.18% in 2014. Unemployment in the E.U. (10.0% in November) came down from 10.7% the year prior but remained largely flat this quarter. More troubling, euro area inflation fell to -0.2% in December, driven by dropping energy prices. Mario Draghi held the ECB's rock-bottom rate of 0.5%. Of the developed nations, oil-dependent Norway (-24.99%) suffered most. Second-weakest Portugal (-23.01%) was dragged down by continued Financials woes (-39.25%) and was 2014's worst-performing developed country (-38.24%). Ireland (+1.86%) was lifted by news of 3.5% GDP growth in the third quarter. Lithuania (-5.41%), a frontier market, adopts the euro in 2015.

Major Currencies' Cumulative Returns (vs. U.S. Dollar)



*euro returns from 1Q99
Source: MSCI

Callan Style Group Quarterly Returns



Sources: Callan, MSCI

The **MSCI Pacific Index** (-2.08%) fared better than Europe owing to the quarter's developed leaders, Hong Kong (+3.10%) and New Zealand (+2.51%). The former benefited from a resilient telecom industry (+8.23%) and a quieting Umbrella Revolution. New Zealand saw year-over-year GDP growth revised up to 3.2% as of September 30, along with falling unemployment

NON-U.S. EQUITY (Continued)

and record immigration. Japan weighed on the Index (-2.42%), though it was up 6.65% in yen terms. Prime Minister Shinzo Abe called for snap December elections after annual GDP was revised down to -1.9% (from -1.6%), continuing the country's recession. Abe's Liberal Democratic Party won easily, earning him four more years in office. He postponed the 2% April tax hike by 18 months.

Emerging economies felt the commodities slump more than developed nations, with Energy falling 24.45% while Financials (+1.68%) and Information Technology (+1.46%) managed to advance. Powerhouse China (+7.17%; +8.26% YTD) was buoyed by a strong Financials sector (+24.92%), though GDP growth slowed to 7.3% in the fourth quarter and 7.4% for 2014—the weakest in 24 years. Factory output declined, prompting the government to hasten \$1.1 trillion in infrastructure projects to prop up growth. Last-place Russia (-32.78%) was hammered by falling oil prices, continued sanctions from the West, and declining ruble reserves; it ended the year down a whopping

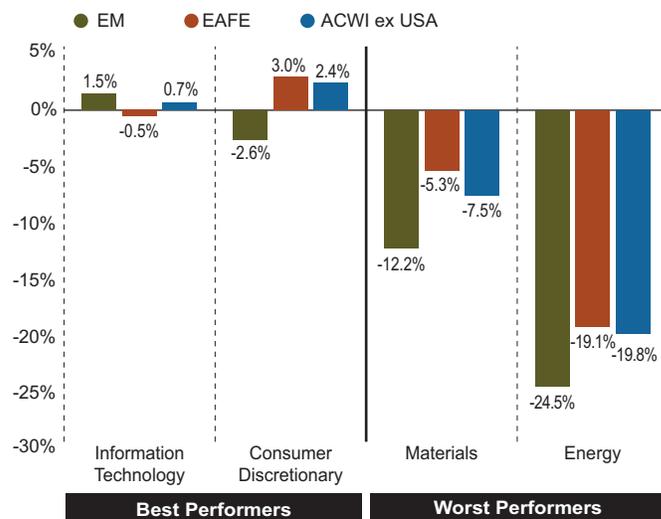
45.86%. Greece fell 28.76% ahead of its January elections and amid the specter of a “Grexit” (Greek exit from the euro zone). Commodities sunk **MSCI EM Latin America** (-13.38%), where sectors universally suffered. **MSCI Frontier Markets** tanked 12.44%, but finished the year up 7.21%, led by a strong **MSCI FM Asia** (-0.84%; +16.64% YTD).

Quarterly Return Attribution for EAFE (U.S. Dollar)

| Country | Total | Local | Currency | Wtg |
|-------------|---------|---------|----------|--------|
| Australia | -3.63% | 3.05% | -6.48% | 7.50% |
| Austria | -7.31% | -3.23% | -4.21% | 0.20% |
| Belgium | 0.58% | 5.00% | -4.21% | 1.30% |
| Denmark | -7.78% | -3.70% | -4.24% | 1.51% |
| Finland | -2.00% | 2.31% | -4.21% | 0.89% |
| France | -6.06% | -1.93% | -4.21% | 9.69% |
| Germany | -0.39% | 3.99% | -4.21% | 9.16% |
| Hong Kong | 3.10% | 2.96% | 0.13% | 3.12% |
| Ireland | 1.86% | 6.34% | -4.21% | 0.33% |
| Israel | 1.22% | 6.91% | -5.32% | 0.58% |
| Italy | -13.41% | -9.60% | -4.21% | 2.26% |
| Japan | -2.42% | 6.65% | -8.51% | 21.21% |
| Netherlands | -0.27% | 4.12% | -4.21% | 2.76% |
| New Zealand | 2.51% | 2.23% | 0.28% | 0.16% |
| Norway | -24.99% | -12.43% | -14.34% | 0.65% |
| Portugal | -23.01% | -19.63% | -4.21% | 0.15% |
| Singapore | -0.46% | 3.35% | -3.76% | 1.57% |
| Spain | -8.22% | -4.18% | -4.21% | 3.52% |
| Sweden | -3.44% | 4.86% | -7.92% | 3.08% |
| Switzerland | -2.23% | 1.67% | -3.84% | 9.31% |
| U.K. | -4.24% | -0.44% | -3.82% | 21.08% |

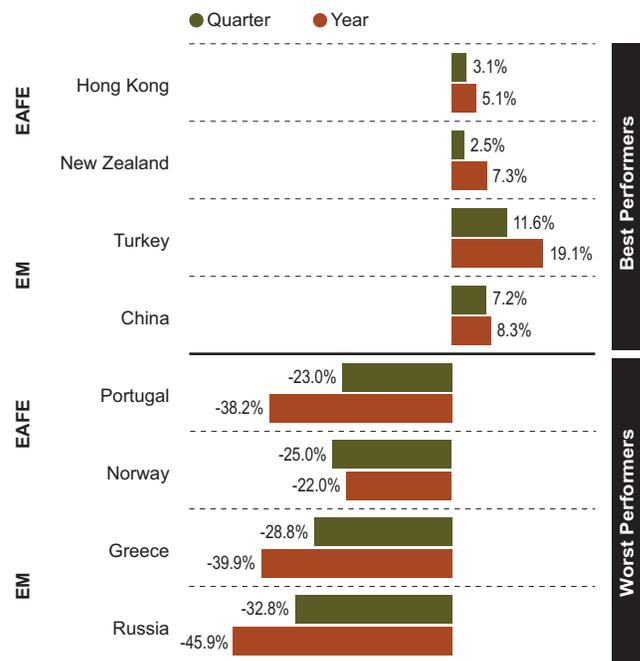
Sources: MSCI, Russell Investment Group, Standard & Poor's.

Quarterly Returns: Strong and Struggling Sectors



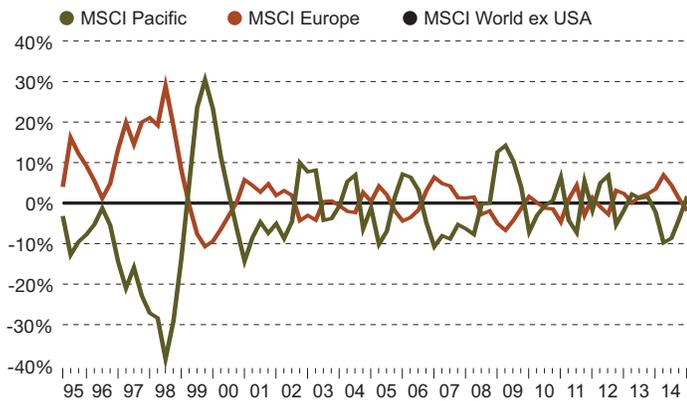
Source: MSCI

Quarterly and Annual Country Performance Snapshot



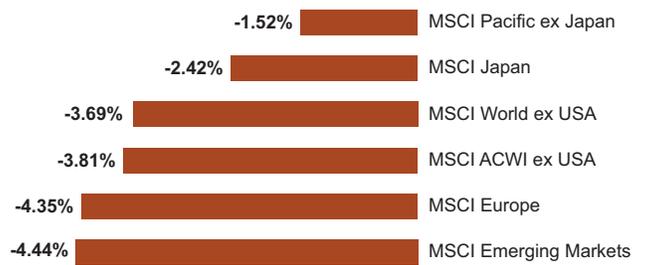
Source: MSCI

Rolling One-year Relative Returns (vs. MSCI ACWI ex USA)



Source: MSCI

Regional Quarterly Performance (U.S. Dollar)



Source: MSCI

Style Median and Index Returns* for Periods ended December 31, 2014

| Non-U.S. Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
|----------------------------------|----------------|--------------|----------------|----------------|-----------------|-----------------|
| Non-U.S. Equity Style | -2.88 | -4.13 | 11.67 | 6.69 | 5.78 | 4.62 |
| MSCI EAFE | -3.57 | -4.90 | 11.06 | 5.33 | 4.43 | 2.54 |
| MSCI EAFE (local) | 1.77 | 5.92 | 16.40 | 7.75 | 5.33 | 1.80 |
| MSCI EAFE Growth | -2.29 | -4.43 | 11.03 | 6.19 | 4.91 | 1.13 |
| MSCI EAFE Value | -4.85 | -5.39 | 11.04 | 4.42 | 3.89 | 3.82 |
| MSCI ACWI ex USA | -3.81 | -3.44 | 9.49 | 4.89 | 5.59 | 3.70 |
| Global Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Global Equity Style | 1.15 | 4.51 | 16.14 | 10.62 | 7.16 | 5.10 |
| MSCI World | 1.01 | 4.94 | 15.47 | 10.20 | 6.03 | 3.12 |
| MSCI World (local) | 3.25 | 9.81 | 17.87 | 11.23 | 6.28 | 2.74 |
| MSCI ACWI | 0.52 | 4.71 | 14.72 | 9.74 | 6.65 | 3.76 |
| Regional Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| MSCI Europe | -4.35 | -6.18 | 11.86 | 5.28 | 4.60 | 3.06 |
| MSCI Europe (local) | 0.00 | 4.66 | 13.72 | 7.33 | 5.77 | 2.08 |
| MSCI Japan | -2.42 | -4.02 | 9.71 | 5.48 | 2.29 | -0.71 |
| MSCI Japan (local) | 6.65 | 9.48 | 27.19 | 10.95 | 3.91 | 0.34 |
| MSCI Pacific ex Japan | -1.52 | -0.47 | 9.36 | 5.93 | 8.40 | 7.57 |
| MSCI Pacific ex Japan (local) | 3.02 | 5.71 | 14.64 | 6.83 | 7.72 | 5.91 |
| Emerging/Frontier Markets | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Emerging Market Style | -3.92 | -1.43 | 5.44 | 2.87 | 9.46 | 8.61 |
| MSCI Emerging Markets | -4.44 | -1.82 | 4.41 | 2.11 | 8.78 | 7.38 |
| MSCI Emerging Markets (local) | 0.08 | 5.57 | 8.75 | 5.19 | 10.27 | 8.50 |
| MSCI Frontier Markets | -12.46 | 6.84 | 13.55 | 8.05 | 5.45 | - |
| Non-U.S. Small Cap Equity | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Non-U.S. Small Cap Style | -2.16 | -4.26 | 15.57 | 10.84 | 8.42 | 7.96 |
| MSCI World ex USA Small Cap | -3.38 | -5.35 | 11.77 | 7.91 | 5.88 | - |
| MSCI ACWI ex USA Small Cap | -3.98 | -4.03 | 10.84 | 6.80 | 6.87 | 6.61 |
| MSCI Emerging Market Small Cap | -6.02 | 1.01 | 7.65 | 2.93 | 9.85 | 8.14 |

*Returns less than one year are not annualized.
Sources: Callan, MSCI

Ending on a High Note

U.S. FIXED INCOME | Nathan Wong, CFA

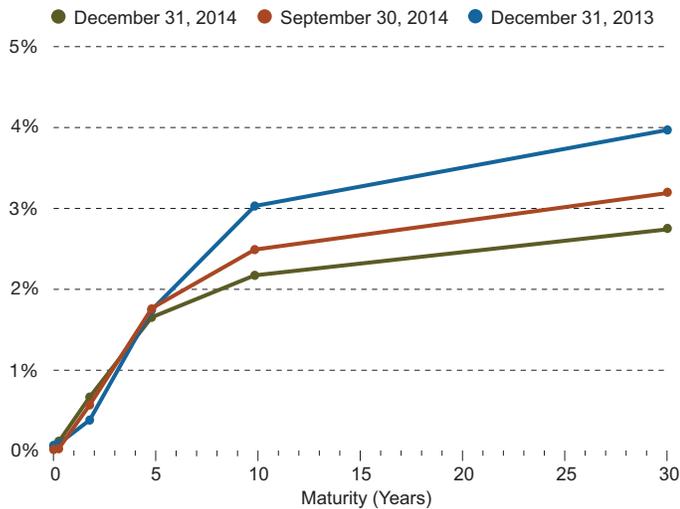
An improving economic picture in the U.S., along with concerns about slower growth in the euro zone and emerging markets, contributed to gains in U.S. fixed income. The yield curve flattened for the fourth consecutive quarter as long Treasury bonds rallied, driven by lower inflation expectations and rising global demand.

Yield spreads widened considerably in both the investment grade and high yield corporate sectors. The **Barclays Aggregate Index** climbed 1.79% during the quarter.

Weakness in oil and a strengthening equity market drove the flattening of the yield curve; the 2-to-30-year spread tightened to 2.08%. Short-term rates rose as the Fed hinted at a normalization of rates in the not-too-distant future. The belly of the curve underperformed the most, with three- and five-year Treasury yields rising 22 bps and 17 bps, respectively.

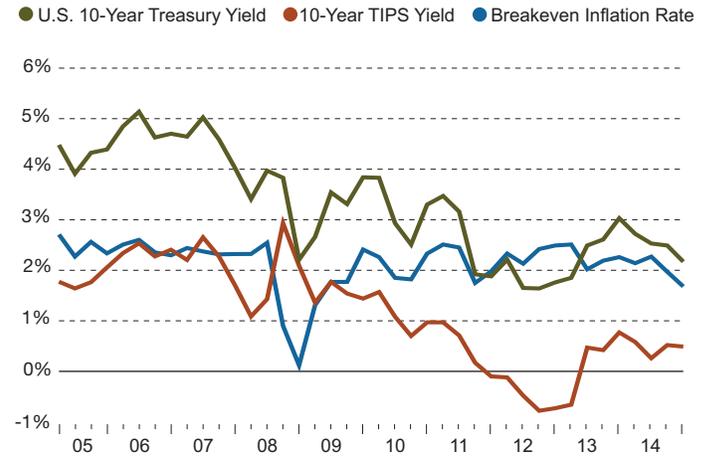
The 30-year yield ended the year at 2.75% and saw its largest annual decline since 2011. The breakeven rate (the differ-

U.S. Treasury Yield Curves



Source: Bloomberg

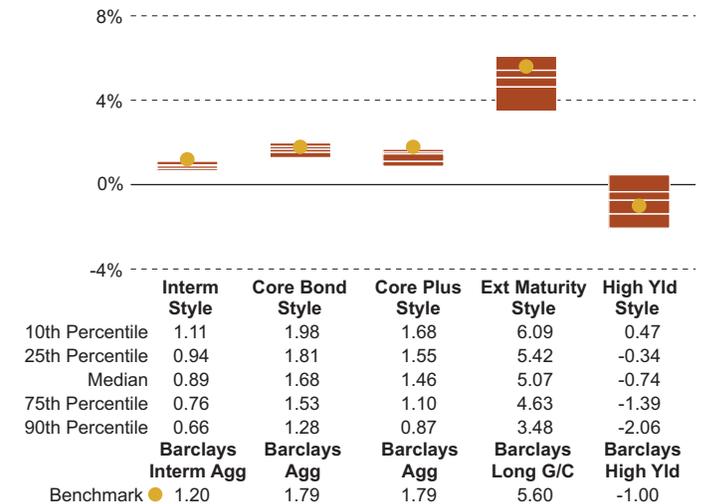
Historical 10-Year Yields



Source: Bloomberg

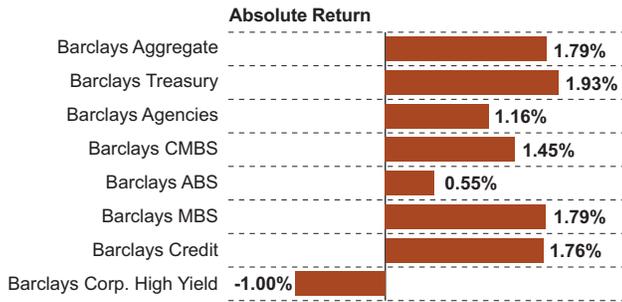
ence between nominal and real yields) on the 10-year Treasury dropped to 1.68%, a level comparable to that seen during the financial crisis, as inflation expectations dissipated commensurately with the fall in oil.

Callan Style Group Quarterly Returns

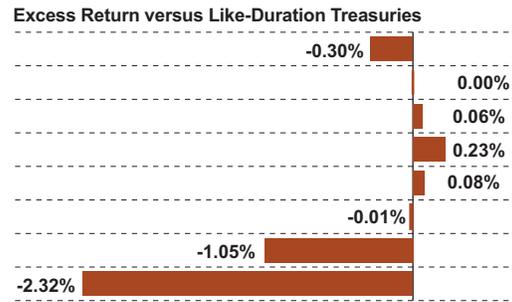


Sources: Barclays, Callan

Fixed Income Index Quarterly Returns

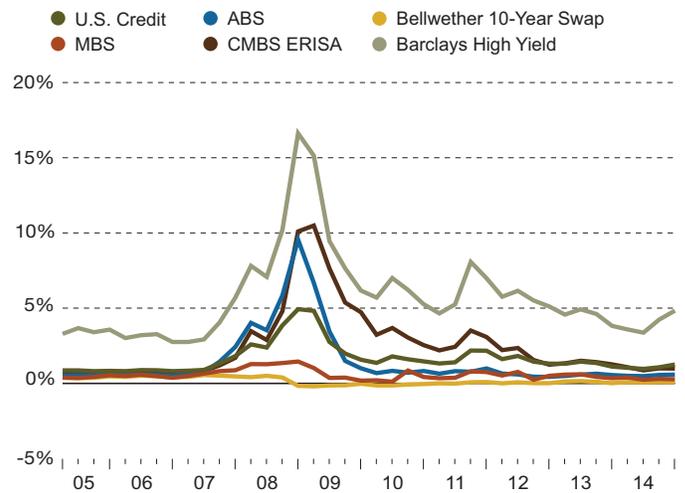


Source: Barclays



Investment-grade corporates climbed 1.76% despite corporate spreads widening, mainly as a result of falling oil prices. Industrials and financials were hit hardest. The Fed pledged to continue buying agency mortgage-backed securities (MBS), which gained 1.79%. High yield corporate bonds were impacted most by the drop in oil prices (the energy complex makes up 15% of the Index). High yield bonds lagged against investment-grade corporates, with BB-rated bonds performing better than lower-rated credits. The **Barclays Corporate High Yield Index** fell 1.00%. New issue activity matched the record issuance of 2013. During 2014, 544 high yield bonds totaling approximately \$356 billion were issued.

Effective Yield Over Treasuries



Source: Barclays

U.S. Fixed Income Index Characteristics as of December 31, 2014

| Barclays Indices | Yield to Worst | Mod Adj Duration | Avg Maturity | % of Barclays G/C | % of Barclays Agg |
|--------------------------|----------------|------------------|--------------|-------------------|-------------------|
| Barclays Aggregate | 2.25 | 5.55 | 7.69 | | 100.00% |
| Barclays Govt/Credit | 2.11 | 6.13 | 8.34 | 100.00% | 68.60% |
| Intermediate | 1.67 | 3.89 | 4.22 | 79.34% | 54.43% |
| Long-Term | 3.76 | 14.72 | 24.17 | 20.66% | 14.17% |
| Barclays Govt | 1.42 | 5.42 | 6.65 | 57.09% | 39.16% |
| Barclays Credit | 3.01 | 7.07 | 10.60 | 42.91% | 29.44% |
| Barclays MBS | 2.60 | 4.34 | 6.45 | | 28.79% |
| Barclays ABS | 1.47 | 2.54 | 2.73 | | 0.54% |
| Barclays CMBS | 2.33 | 4.29 | 4.79 | | 2.01% |
| Barclays Corp High Yield | 6.61 | 4.34 | 6.46 | | |

Source: Barclays

U.S. FIXED INCOME (Continued)

Style Median and Index Returns* for Periods ended December 31, 2014

| Broad Fixed Income | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
|-----------------------------------|----------------|--------------|----------------|----------------|-----------------|-----------------|
| Core Bond Style | 1.68 | 6.23 | 3.48 | 5.10 | 5.21 | 6.16 |
| Core Bond Plus Style | 1.46 | 6.12 | 4.45 | 6.05 | 5.64 | 6.78 |
| Barclays Aggregate | 1.79 | 5.97 | 2.66 | 4.45 | 4.71 | 5.70 |
| Barclays Govt/Credit | 1.82 | 6.01 | 2.76 | 4.69 | 4.70 | 5.79 |
| Barclays Govt | 1.86 | 4.92 | 1.40 | 3.70 | 4.29 | 5.34 |
| Barclays Credit | 1.76 | 7.53 | 4.84 | 6.25 | 5.46 | 6.50 |
| Citi Broad Investment Grade | 1.77 | 5.91 | 2.64 | 4.39 | 4.81 | 5.77 |
| Long-Term | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Extended Maturity Style | 5.07 | 17.99 | 6.68 | 10.40 | 7.63 | 8.61 |
| Barclays Long Govt/Credit | 5.60 | 19.31 | 5.77 | 9.81 | 7.36 | 8.39 |
| Barclays Long Govt | 8.38 | 24.66 | 4.23 | 9.86 | 7.48 | 8.38 |
| Barclays Long Credit | 4.06 | 16.39 | 7.00 | 9.70 | 7.08 | 8.25 |
| Citi Pension Discount Curve | 8.23 | 25.44 | 7.80 | 12.79 | 8.95 | 10.68 |
| Intermediate-Term | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Intermediate Style | 0.89 | 3.38 | 2.52 | 3.89 | 4.60 | 5.55 |
| Barclays Intermediate Aggregate | 1.20 | 4.12 | 2.19 | 3.72 | 4.34 | 5.30 |
| Barclays Intermediate Govt/Credit | 0.89 | 3.13 | 2.03 | 3.54 | 4.10 | 5.12 |
| Barclays Intermediate Govt | 0.95 | 2.52 | 0.99 | 2.78 | 3.76 | 4.69 |
| Barclays Intermediate Credit | 0.80 | 4.16 | 3.98 | 5.00 | 4.88 | 5.92 |
| Short-Term | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Defensive Style | 0.22 | 1.06 | 1.17 | 1.88 | 3.09 | 3.86 |
| Active Duration Style | 1.28 | 4.65 | 2.81 | 4.27 | 4.80 | 5.79 |
| Money Market Funds (net of fees) | 0.00 | 0.01 | 0.01 | 0.01 | 1.43 | 1.79 |
| ML Treasury 1–3-Year | 0.17 | 0.47 | 0.42 | 1.03 | 2.52 | 3.32 |
| 90-Day Treasury Bills | 0.00 | 0.03 | 0.07 | 0.09 | 1.54 | 2.01 |
| High Yield | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| High Yield Style | -0.74 | 2.92 | 8.54 | 9.14 | 7.64 | 7.63 |
| Barclays Corporate High Yield | -1.00 | 2.45 | 8.43 | 9.03 | 7.74 | 7.48 |
| ML High Yield Master | -1.05 | 2.45 | 8.29 | 8.87 | 7.54 | 7.46 |
| Mortgage/Asset-Backed | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Mortgage Style | 1.70 | 6.36 | 3.06 | 4.64 | 5.06 | 5.97 |
| Barclays MBS | 1.79 | 6.08 | 2.37 | 3.73 | 4.75 | 5.54 |
| Barclays ABS | 0.55 | 1.88 | 1.74 | 3.23 | 3.38 | 4.63 |
| Barclays CMBS | 1.45 | 3.86 | 4.52 | 7.82 | 5.29 | 6.61 |
| Municipal | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Barclays Muni | 1.37 | 9.05 | 4.30 | 5.16 | 4.74 | 5.55 |
| Barclays Muni 1–10-Year | 0.57 | 4.66 | 2.61 | 3.70 | 4.00 | 4.63 |
| Barclays Muni 3-Year | -0.13 | 1.22 | 1.47 | 1.93 | 2.97 | 3.57 |
| TIPS | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Barclays TIPS Full Duration | -0.03 | 3.64 | 0.44 | 4.11 | 4.37 | 6.49 |
| Barclays TIPS 1-10 Year | -1.00 | 0.91 | 0.03 | 2.78 | 3.75 | 5.61 |

*Returns of less than one year are not annualized.

Sources: Barclays, Callan, Citigroup, Merrill Lynch

Deflation Demons

NON-U.S. FIXED INCOME | Kyle Fekete

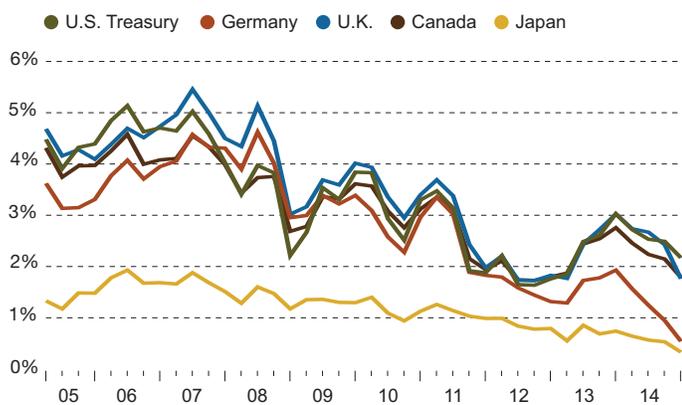
Deflationary concerns, weakening currencies, and further bifurcation among world economies continued to weigh on foreign bond returns. The relative strength of the U.S. dollar depressed local currency investments; the **Citi Non-U.S. World Government Bond Index** (WGBI) tumbled 2.91%. The dollar-hedged **Citi Non-U.S. WGBI** climbed 3.06%, illustrating the disparity against foreign currencies.

The euro zone's battle with disinflation raised concerns of Japan-like deflation among major economies. (In the early '90s, the Bank of Japan lowered interest rates to near zero in order to stimulate inflation, but to no avail. Its deflationary run has lasted well over a decade.) In response to prolonged anemic growth, the ECB announced it would consider a quantitative easing program that would include adding sovereign bonds to its balance sheet. Speculation and a flight to quality fueled a rally in both core and fringe European sovereign

bonds as yields dropped. The German 10-year yield declined to a record low of 0.54%; the spread with U.S. Treasuries widened to 1.63%. The German two-year note remained in negative territory, indicating investors would receive less than what they paid for the debt. Yield on U.K. sovereign debt declined 67 bps as the pound sterling sank and the Bank of England discussed adjusting interest rates. Yields on Spanish and Italian debt declined 52 bps and 44 bps, respectively.

In Asia Pacific, recessionary Japan experienced a fourth straight month of weakening inflation. The 10-year yield fell to 0.33%, its lowest level ever, as the Bank of Japan maintained its aggressive stimulus program. Australia's 10-year yield declined 73 bps, the most compared to its developed peers.

10-Year Global Government Bond Yields



Change in 10-Year Yields from 3Q14 to 4Q14



Quarterly Return Attribution for Non-U.S. Gov't Indices (U.S. Dollar)

| Country | Total | Local | Currency | Wtg |
|--------------|---------|--------|----------|--------|
| Australia | -1.97% | 4.82% | -6.48% | 1.90% |
| Austria | -1.14% | 3.21% | -4.21% | 1.89% |
| Belgium | -1.20% | 3.14% | -4.21% | 3.03% |
| Canada | -1.03% | 2.58% | -3.51% | 2.56% |
| Denmark | -1.02% | 3.37% | -4.24% | 0.83% |
| Finland | -2.05% | 2.26% | -4.21% | 0.74% |
| France | -1.47% | 2.87% | -4.21% | 11.28% |
| Germany | -1.55% | 2.78% | -4.21% | 9.36% |
| Ireland | -2.65% | 1.63% | -4.21% | 0.95% |
| Italy | -1.72% | 2.60% | -4.21% | 11.16% |
| Japan | -6.22% | 2.50% | -8.51% | 32.86% |
| Malaysia | -6.27% | -2.85% | -6.18% | 0.57% |
| Mexico | -6.13% | 3.03% | -8.88% | 1.15% |
| Netherlands | -1.52% | 2.81% | -4.21% | 3.03% |
| Norway | -10.82% | 4.10% | -14.34% | 0.31% |
| Poland | -4.97% | 2.11% | -6.93% | 0.71% |
| Singapore | -2.47% | 1.33% | -3.76% | 0.43% |
| South Africa | 1.92% | 4.34% | -2.34% | 0.60% |
| Spain | -1.56% | 2.76% | -4.21% | 6.23% |
| Sweden | -4.77% | 3.42% | -7.92% | 0.56% |
| Switzerland | -2.65% | 1.24% | -3.84% | 0.38% |
| U.K. | 2.69% | 6.77% | -3.82% | 9.50% |

Source: Citigroup

Source: Bloomberg

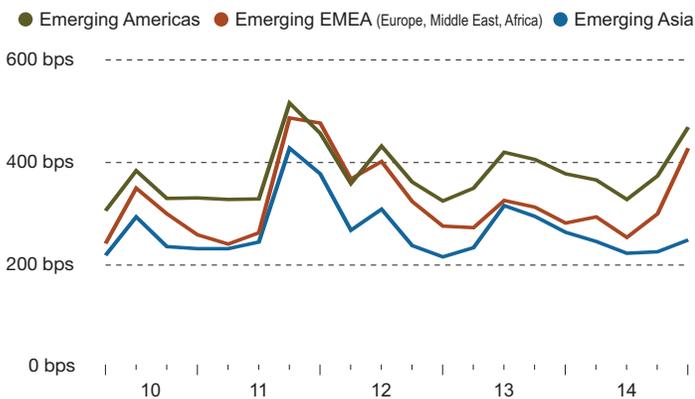
NON-U.S. FIXED INCOME (Continued)

The **JPM GBI-EM Global Diversified Index**, tracking emerging market government bonds denominated in local currencies, plummeted 5.71% given the broad-based currency weakness versus the U.S. dollar. The U.S. dollar-denominated **JPM EMBI Global Diversified Index** fell 0.55% for the quarter. Sinking oil prices weighed heavily on emerging market exporters. Russia's debt continued its downward spiral as the 10-year bond fell 44% in dollar terms. In December, the Russian central bank raised interest rates to 17% from 10.5% in an effort to stem the

ruble's decline. Low oil prices were a major burden on the currency. Colombian debt declined 14%; oil accounts for roughly 50% of the country's exports.

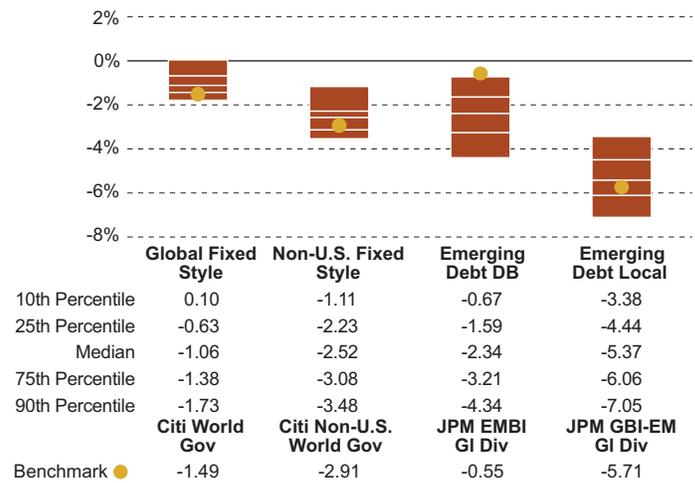
Turkey was a bright spot among emerging market economies. The 10-year bond gained 6.23% despite the negative currency effect. The country's inflationary outlook improved on the back of falling oil prices.

Emerging Spreads Over Developed (By Region)



Source: Barclays

Callan Style Group Quarterly Returns



Sources: Callan, Citigroup, JPMorgan Chase & Co.

Style Median and Index Returns* for Periods ended December 31, 2014

| | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
|---------------------------------|--------------|--------------|-------------|-------------|-------------|-------------|
| Global Fixed Income | | | | | | |
| Global Style | -1.06 | 1.35 | 1.04 | 3.15 | 4.22 | 5.97 |
| Citi World Gov | -1.49 | -0.48 | -0.97 | 1.67 | 3.08 | 4.95 |
| Citi World Gov (Local) | 2.71 | 8.47 | 4.31 | 4.41 | 3.98 | 4.52 |
| Barclays Global Aggregate | -1.04 | 0.59 | 0.73 | 2.65 | 3.60 | 5.20 |
| Non-U.S. Fixed | | | | | | |
| Non-U.S. Style | -2.52 | -1.83 | 0.00 | 1.94 | 3.50 | 5.51 |
| Citi Non-U.S. World Gov | -2.91 | -2.68 | -1.94 | 0.85 | 2.64 | 4.65 |
| Citi Non-U.S. World Gov (Local) | 3.06 | 9.93 | 5.53 | 4.68 | 3.96 | 4.29 |
| European Fixed | | | | | | |
| Citi Euro Govt Bond | -1.56 | -0.61 | 6.07 | 2.43 | 3.80 | 6.96 |
| Citi Euro Govt Bond (Local) | 2.77 | 11.16 | 7.93 | 5.59 | 4.82 | 5.50 |
| Emerging Markets Fixed | | | | | | |
| JPM EMBI Global Diversified | -0.55 | 7.43 | 6.13 | 7.57 | 7.78 | 9.78 |
| JPM GBI-EM Global Diversified | -5.71 | -5.72 | 0.07 | 2.63 | 6.65 | -- |

*Returns less than one year are not annualized.

Sources: Callan, Citigroup, JPMorgan Chase

Onward and Upward

REAL ESTATE | Jay Nayak

The **NCREIF Property Index** advanced 3.04% and recorded a 1.29% income return and a 1.75% appreciation return. For 2014, the Index produced a 5.36% income return, a 6.35% appreciation return, and an 11.82% total return. The Index cash flow returns were 0.80% and 3.57% for the quarter and year, respectively.

A flurry of commercial real estate transactions during the fourth quarter underpinned prevailing real estate returns. The Index tracked 282 transactions representing \$8.0 billion, well ahead of the \$4.9 billion 10-year quarterly transaction average. The maximum quarterly transaction volume over the prior 10-year period was \$8.7 billion in the second quarter of 2007.

Pricing growth continued to characterize asset trades, as value-weighted transactional capitalization rates ticked down to 5.27%. Over the course of the prior cycle, quarterly value-weighted transactional capitalization rates dipped to a low of 5.00% in the third quarter of 2007 and expanded to 8.42% in the third quarter of 2009. Appraisal capitalization rates declined to 4.92% during the fourth quarter of 2014. As markets peaked over the prior cycle, appraisal capitalization rates declined to 4.89% in the third quarter of 2008.

In the listed real estate market, the **FTSE EPRA/NAREIT Developed REIT Index** (USD) advanced 8.07% and domestic REITs, tracked by the **FTSE NAREIT Equity REITs Index**, advanced 14.20%. Favorable economic dynamics are driving rental growth in many major property sectors, and private equity real estate buyers are acquiring assets and platforms that would otherwise have been taken public, driving up REIT values.

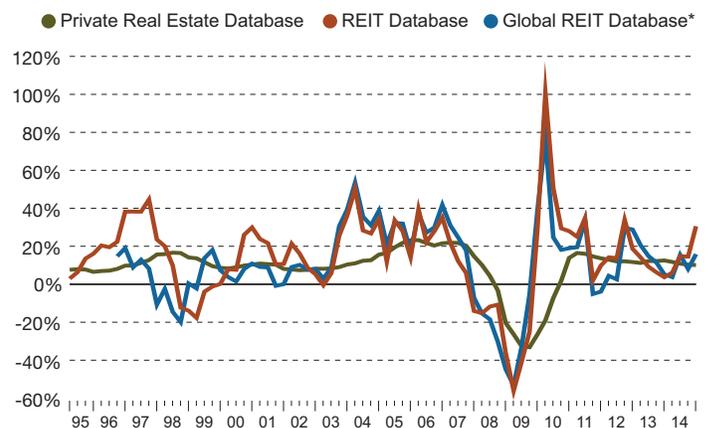
Internationally, the United Kingdom has exhibited softness as residential property sales have slowed with the contraction of foreign buyer demand. In the Asia/Pacific region, headwinds in China have been balanced by a reversal of restrictive policies to curb housing sector growth.

In the U.S., Health Care (+16.98%) led sector performance for the quarter, followed by Residential (+16.39%) and Lodging/Resorts (+16.37%). Even the laggards (Diversified REITs: +11.84%; Retail: +12.37%) were strong. The free standing Retail subsector only gained 1.11%.

U.S. REITs raised \$12.5 billion during the fourth quarter following the completion of two primary offerings that raised \$3.2 billion, 23 secondary offerings (\$3.9 billion), four preferred equity offerings (\$1.6 billion) and 13 unsecured debt offerings (\$3.8 billion). U.S. REITs raised \$63.6 billion in 2014, behind the \$73.3 billion and \$77.0 billion of capital raising activity seen in 2012 and 2013, respectively.

Commercial mortgage-backed securities issuance reached \$25.2 billion in the fourth quarter, just off pace from the \$28.1 billion of issuance volume from the quarter prior. Total issuance for the calendar year was \$94.1 billion, which was just shy of the expected \$100 billion of issuance volume for the year. This represents the largest issuance volume seen since 2004. Peak market (between 2005 and 2007) quarterly issuance volume ranged from \$33.0 billion to \$73.6 billion.

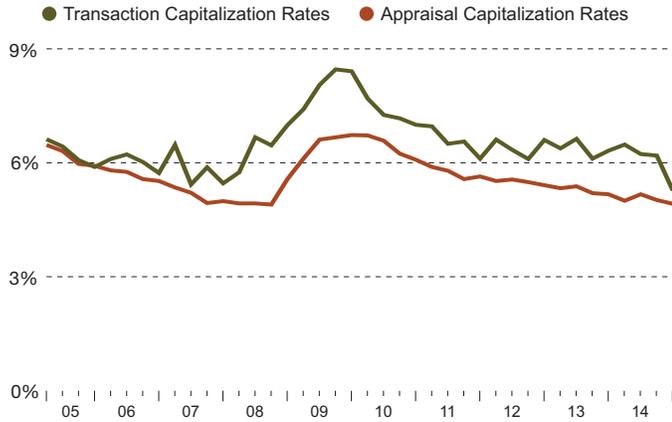
Rolling One-Year Returns



*Global REIT returns from 3Q96
Source: Callan

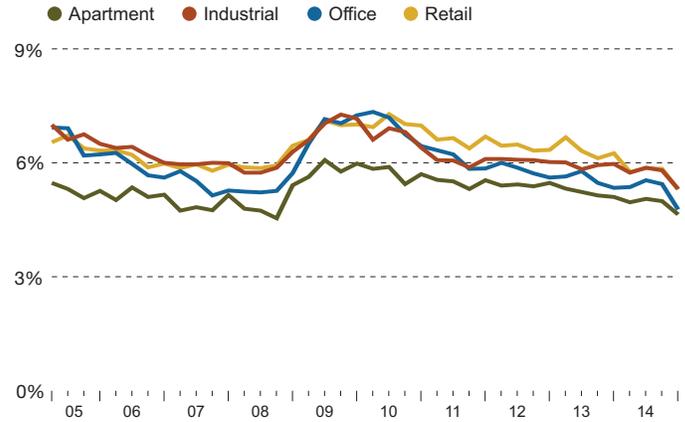
REAL ESTATE (Continued)

NCREIF Transaction and Appraisal Capitalization Rates



Source: NCREIF
Note: Transaction capitalization rate is equal-weighted.

NCREIF Capitalization Rates by Property Type



Source: NCREIF
Note: Capitalization rates are appraisal-based.

Callan Database Median and Index Returns* for Periods ended December 31, 2014

| Private Real Estate | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
|---|--------------|--------------|--------------|--------------|-------------|--------------|
| Real Estate Database (net of fees) | 2.87 | 11.90 | 12.18 | 13.72 | 5.76 | 7.48 |
| NCREIF Property** | 3.04 | 11.82 | 11.11 | 12.13 | 8.38 | 8.89 |
| NFI-ODCE (value wtd. net) | 3.02 | 11.45 | 11.38 | 12.85 | 6.11 | 6.89 |
| Public Real Estate | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| REIT Database | 14.42 | 31.15 | 16.67 | 17.77 | 9.38 | 14.08 |
| FTSE NAREIT Equity | 14.20 | 30.14 | 16.33 | 16.88 | 8.31 | 12.67 |
| Global Real Estate | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Global REIT Database | 7.84 | 16.53 | 16.08 | 12.52 | 7.73 | 9.42 |
| FTSE EPRA/NAREIT Developed REIT | 8.07 | 15.89 | 15.90 | 12.04 | 6.90 | 10.15 |

*Returns less than one year are not annualized.

**Represents data available as of publication date.

All REIT returns are reported gross in USD.

Sources: Callan, NAREIT, NCREIF, The FTSE Group. NCREIF statistics are the product of direct queries and may not represent frozen statistics.

Momentum Builds

PRIVATE EQUITY | Gary Robertson

The year's total for fundraising is the largest since 2008. *Private Equity Analyst* reports that, at \$266.2 billion, the 2014 commitment dollar volume finished up 11.7% from 2013's \$238.4 billion. The number of funds formed also increased by 15.7% to 765, from 661 in 2013. New fourth-quarter commitments totaled \$91.1 billion with 196 new partnerships formed.

According to *Buyouts* newsletter, new acquisitions totaled 1,617 in 2014, up from 1,506 in 2013. Announced dollar volume decreased by 12.9% to \$128.7 billion from \$160.0 billion in 2013. The fourth quarter generated 304 control transactions and disclosed dollar volume on closed deals totaled \$25.5 billion. According to S&P Capital IQ, in the second half of 2014 purchase price multiples climbed into the double digits.

According to the National Venture Capital Association, new investment in venture capital companies jumped 61% for the year, from \$30.0 billion in 2013 to \$48.4 billion. The dollar volume in 2014 is third only to 1999 (\$54.9 billion) and 2000 (\$105.0 billion). The year produced 4,356 rounds of investment, up from 4,193 in 2013. In the fourth quarter, investment volume totaled \$14.8 billion in 1,109 rounds of financing.

Regarding exits, *Buyouts* reports that 2014's aggregate disclosed M&A exit value of \$102.6 billion was up significantly from 2013, which reported \$63.6 billion. Private M&A exits of buyout-backed companies were also up to 534 versus 2013's 377. In the fourth quarter, eight of the completed 108 M&A exits

Funds Closed January 1 to December 31, 2014

| Strategy | No. of Funds | Amt (\$mm) | Percent |
|---------------------|--------------|----------------|-------------|
| Venture Capital | 307 | 32,968 | 12% |
| Buyouts | 305 | 174,783 | 66% |
| Subordinated Debt | 33 | 8,663 | 3% |
| Distressed Debt | 33 | 22,613 | 8% |
| Secondary and Other | 25 | 17,302 | 6% |
| Fund-of-funds | 62 | 9,873 | 4% |
| Totals | 765 | 266,201 | 100% |

Source: Private Equity Analyst

had values over \$1 billion, with the largest being Apollo's \$3.1 billion sale of Prestige Cruises to Norwegian Cruise Lines. There were 18 buyout-backed IPOs with an aggregate value of \$4.7 billion. The full year produced 50 IPOs raising a total of \$42.0 billion.

Venture-backed M&A exits for the year included 455 private sales with 132 announced values totaling \$46.0 billion, up from 2013's 393 exits and \$16.9 billion in announced value. The fourth quarter had 95 exits, of which 29 announced values totaling \$26.4 billion. Facebook's \$19.5 billion purchase of WhatsApp resulted in a significant jump in values from Q3 to Q4. There were 27 venture-backed IPOs in the fourth quarter that raised \$4.4 billion, and the total for 2014 was 115 venture-backed IPOs that raised \$15.3 billion.

Please see our upcoming issue of *Private Markets Trends* for more in-depth coverage.

Private Equity Performance Database (%)

(Pooled Horizon IRRs through June 30, 2014*)

| Strategy | 3 Months | Year | 3 Years | 5 Years | 10 Years | 15 Years | 20 Years |
|---------------------------|------------|-------------|-------------|-------------|-------------|-------------|-------------|
| All Venture | 3.2 | 29.7 | 13.6 | 14.8 | 10.1 | 11.8 | 27.6 |
| Growth Equity | 4.6 | 25.2 | 12.0 | 16.1 | 13.5 | 13.4 | 15.2 |
| All Buyouts | 5.0 | 22.7 | 12.6 | 17.3 | 14.4 | 12.1 | 13.6 |
| Mezzanine | 2.7 | 12.3 | 11.8 | 11.7 | 10.7 | 8.2 | 10.1 |
| Distressed | 3.3 | 16.8 | 11.9 | 16.9 | 11.7 | 11.8 | 12.0 |
| All Private Equity | 4.4 | 23.1 | 12.6 | 16.6 | 13.2 | 12.1 | 14.9 |
| S&P 500 | 5.2 | 24.6 | 16.6 | 18.8 | 7.8 | 4.4 | 9.8 |

Private equity returns are net of fees.

Sources: Standard & Poor's, Thomson/Cambridge

*Most recent data available at time of publication

Shake It Off

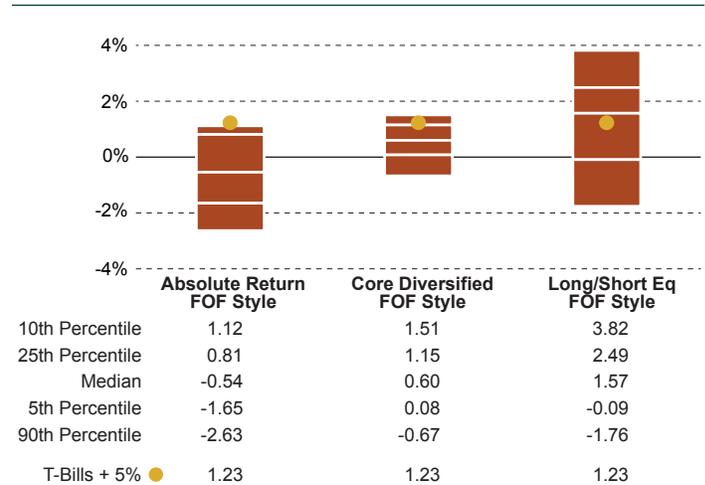
HEDGE FUNDS | Jim McKee

Tectonic stresses of robust supply and fragile demand created cracks in the crust of capital markets. Steady oil production growth overwhelmed consumer needs, resulting in a dramatic breakdown in energy prices. China's ebbing growth story depressed other commodity prices, while disinflationary forces in Europe magnified anxieties. Despite domestic oil weakness, a steady U.S. economy continued to support the market's confidence that a global recession was not looming ahead. While the **S&P 500 Index** gained 4.93%, stocks abroad generally declined. Falling inflation expectations led developed bond markets to accept lower long-term yields.

Illustrating raw hedge fund performance without implementation cost, the **Credit Suisse Hedge Fund Index** (CS HFI) rose 0.70% in the fourth quarter. Representing actual hedge fund portfolios, the median manager in the **Callan Hedge Fund-of-Funds Database** advanced 0.70%, net of all fees.

Within the CS HFI, the best-performing strategy was *Managed Futures* (+11.27%), where trend-following strategies got their mojo primarily from falling oil prices and the rising dollar. *Long/Short Equity* (+2.25%) benefitted from a resilient U.S.

Callan Style Group Quarterly Returns



Sources: Callan, Merrill Lynch

stock market. Widening credit and deal spreads undermined the event-driven space, led by *Distressed* (-2.31%).

Within Callan's Hedge Fund-of-Funds Database, market exposures marginally affected performance in the fourth quarter. Hurt by widening spreads, the median Callan Absolute Return FOF (-0.54%) trailed the *Long/Short Equity FOF* (+1.57%).

Database Median and Index Returns* for Periods ended December 31, 2014

| Diversified Hedge Fund Strategies | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
|-------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Hedge Fund-of-Funds Database | 0.70 | 2.95 | 6.98 | 4.90 | 4.74 | 6.06 |
| CS Hedge Fund Index | 0.70 | 4.13 | 7.15 | 5.88 | 5.82 | 6.34 |
| Credit Suisse Subindices | Quarter | Year | 3 Years | 5 Years | 10 Years | 15 Years |
| Equity Market Neutral | 0.33 | -1.20 | 2.88 | 2.44 | -1.01 | 2.22 |
| Convertible Arbitrage | -3.01 | -1.67 | 3.98 | 4.75 | 4.06 | 6.49 |
| Fixed Income Arbitrage | 0.04 | 4.37 | 6.35 | 7.22 | 3.85 | 4.88 |
| Multi-Strategy | 1.13 | 6.09 | 9.48 | 7.87 | 6.54 | 7.38 |
| Distressed | -2.31 | 2.55 | 9.96 | 7.02 | 6.57 | 8.33 |
| Risk Arbitrage | -1.71 | -1.32 | 2.11 | 2.06 | 3.82 | 4.57 |
| Event Driven Multi-Strategy | -2.09 | 1.14 | 8.69 | 5.27 | 6.59 | 7.74 |
| Long/Short Equity | 2.25 | 5.54 | 10.37 | 6.37 | 6.41 | 5.88 |
| Dedicated Short Bias | -2.51 | -5.61 | -17.38 | -14.72 | -7.68 | -6.43 |
| Global Macro | 0.47 | 3.11 | 4.00 | 6.32 | 7.72 | 9.83 |
| Managed Futures | 11.27 | 18.36 | 3.84 | 3.78 | 4.29 | 5.76 |
| Emerging Markets | 0.76 | 1.52 | 6.80 | 4.83 | 6.90 | 7.67 |

*Returns less than one year are not annualized. Sources: Callan, Credit Suisse Hedge Index

Tough Third Quarter for DC

DEFINED CONTRIBUTION | James O'Connor

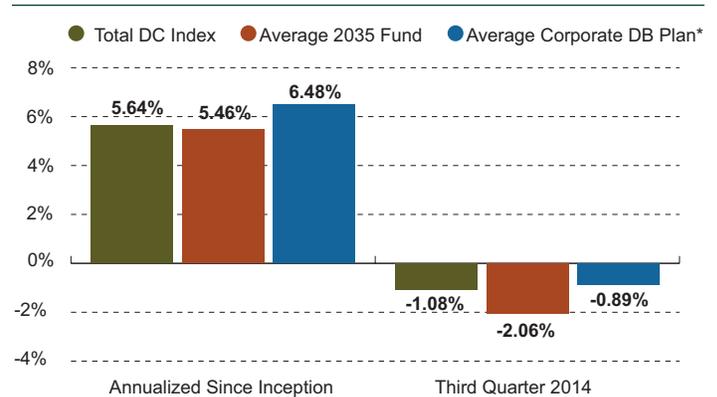
In the third quarter of 2014, the Callan DC Index™ saw its first loss since mid-2012, declining 1.08% as the equity markets—particularly small cap and non-U.S. equities—struggled. The typical 2035 target date fund (TDF) fared even worse, dropping 2.06%. Since the inception of the DC Index in 2006, the typical DB plan has maintained a healthy edge of 84 basis points, on average, over the DC Index’s annualized return. The long-term annualized performance of TDFs, in contrast, is basically in line with that of the DC Index.

Driven primarily by investment losses, the DC Index shrank by 1.26% last quarter in terms of total growth. However, since inception, the average plan balance has grown by a healthy 8.26% on an annualized basis. Over two-thirds of this growth (5.64%) is due to market performance; the rest (2.61%) is driven by plan sponsor and participant contributions.

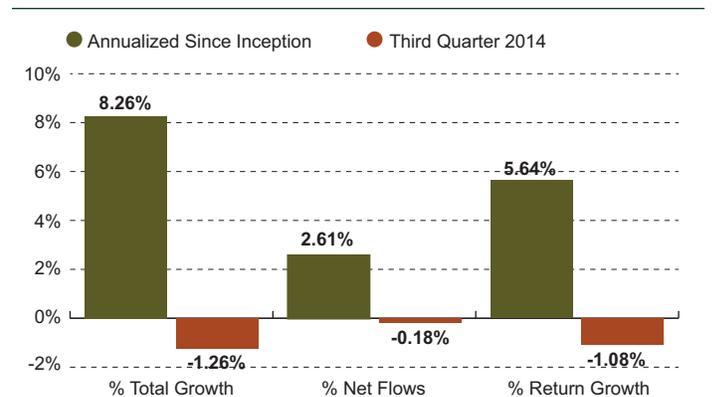
Index turnover came in at 0.47%, compared to historical quarterly levels of 0.68%. TDFs saw the greatest amount of activity, attracting 81 cents for every dollar of flows. This is the second-largest amount the Index has experienced since inception, trailing only March 2014. Money flowed out of a wide variety of asset classes. One of the weakest performers suffered the most: U.S. small/mid cap. However, non-U.S. and global equities showed minimal outflows, while emerging markets saw the strongest inflows in the past two years—albeit minimal, at slightly above 1%.

The Callan DC Index™ is an equally weighted index tracking the cash flows and performance of nearly 90 plans, representing more than one million DC participants and over \$140 billion in assets. The Index is updated quarterly and is available at <http://www.callan.com/research/dcindex/>. Read the quarterly DC Observer newsletter for additional commentary and data.

Investment Performance*



Growth Sources*



Net Cash Flow Analysis (Third Quarter 2014)* (Top Two and Bottom Two Asset Gatherers)

| Asset Class | Flows as % of Total Net Flows |
|-----------------------------------|-------------------------------|
| Target Date Funds | 81.07% |
| U.S. Fixed Income | 12.44% |
| Company Stock | -16.87% |
| U.S. Small/Mid Cap | -44.17% |
| Total Turnover¹ | 0.47% |

¹ Total Index “turnover” measures the percentage of total invested assets (transfers only, excluding contributions and withdrawals) that moved between asset classes.

Source: Callan DC Index

*Notes: DC Index inception date is January 2006. DB plan performance is gross of fees. Data provided here is the most recent available at time of publication.

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The *Capital Market Review* is a quarterly macroeconomic indicator newsletter that provides thoughtful insights on the economy and recent performance in the equity, fixed income, alternatives, international, real estate, and other capital markets.

If you have any questions or comments, please email institute@callan.com.

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About the Callan Investments Institute

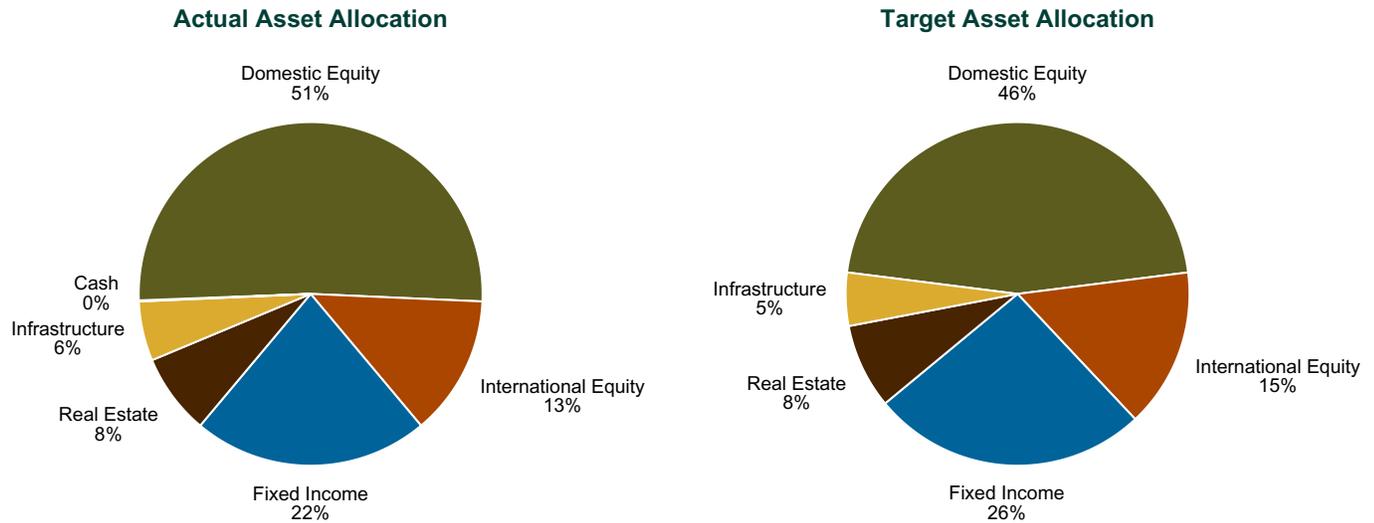
The Callan Investments Institute, established in 1980, is a source of continuing education for those in the institutional investment community. The Institute conducts conferences and workshops and provides published research, surveys, and newsletters. The Institute strives to present the most timely and relevant research and education available so our clients and our associates stay abreast of important trends in the investments industry.

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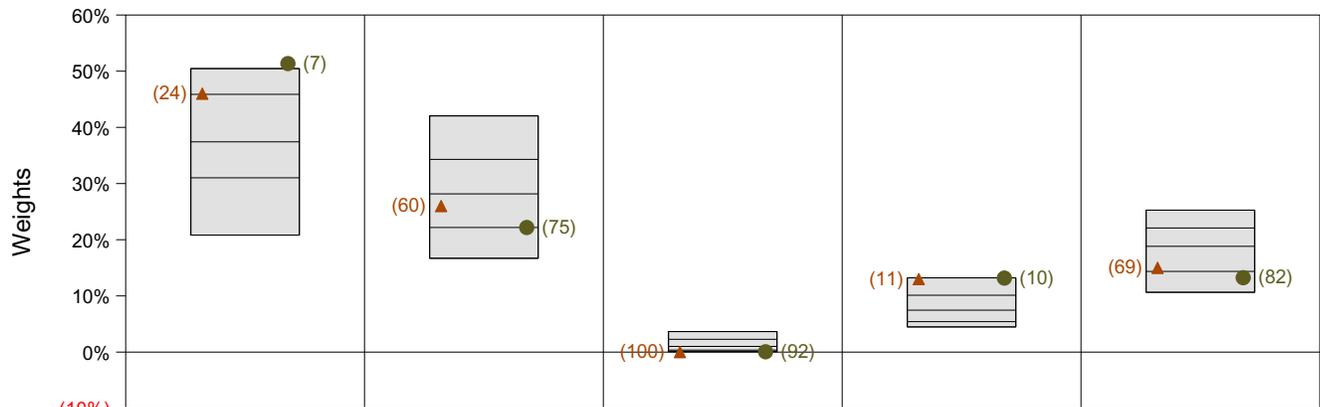
Actual vs Target Asset Allocation As of December 31, 2014

The top left chart shows the Fund's asset allocation as of December 31, 2014. The top right chart shows the Fund's target asset allocation as outlined in the investment policy statement. The bottom chart ranks the fund's asset allocation and the target allocation versus the Public Fund Sponsor Database.



| Asset Class | \$000s Actual | Weight Actual | Target | Percent Difference | \$000s Difference |
|----------------------|----------------|---------------|---------------|--------------------|-------------------|
| Domestic Equity | 374,514 | 51.4% | 46.0% | 5.4% | 39,054 |
| International Equity | 96,555 | 13.2% | 15.0% | (1.8%) | (12,835) |
| Fixed Income | 161,707 | 22.2% | 26.0% | (3.8%) | (27,901) |
| Real Estate | 55,222 | 7.6% | 8.0% | (0.4%) | (3,119) |
| Infrastructure | 40,852 | 5.6% | 5.0% | 0.6% | 4,389 |
| Cash | 411 | 0.1% | 0.0% | 0.1% | 411 |
| Total | 729,261 | 100.0% | 100.0% | | |

Asset Class Weights vs Public Fund Sponsor Database



| | Domestic Equity | Fixed Income | Cash | Real Estate | International Equity |
|------------------|-----------------|--------------|--------|-------------|----------------------|
| 10th Percentile | 50.46 | 42.04 | 3.65 | 13.22 | 25.26 |
| 25th Percentile | 45.88 | 34.30 | 2.28 | 10.12 | 22.09 |
| Median | 37.43 | 28.16 | 1.01 | 7.46 | 18.83 |
| 75th Percentile | 31.02 | 22.18 | 0.35 | 5.42 | 14.36 |
| 90th Percentile | 20.83 | 16.70 | 0.08 | 4.48 | 10.64 |
| Fund ● | 51.36 | 22.17 | 0.06 | 13.17 | 13.24 |
| Target ▲ | 46.00 | 26.00 | 0.00 | 13.00 | 15.00 |
| % Group Invested | 98.73% | 98.10% | 68.99% | 62.03% | 97.47% |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

Investment Manager Asset Allocation

The table below contrasts the distribution of assets across the Fund's investment managers as of December 31, 2014, with the distribution as of September 30, 2014. The change in asset distribution is broken down into the dollar change due to Net New Investment and the dollar change due to Investment Return.

Asset Distribution Across Investment Managers

| | December 31, 2014 | | | Inv. Return | September 30, 2014 | |
|-------------------------------------|----------------------|---------------|----------------------|----------------------|----------------------|---------------|
| | Market Value | Weight | Net New Inv. | | Market Value | Weight |
| Domestic Equity | \$374,514,046 | 51.36% | \$(2,669,748) | \$19,035,816 | \$358,147,978 | 49.72% |
| Large Cap Equity | \$293,073,772 | 40.19% | \$(210,620) | \$13,543,656 | \$279,740,735 | 38.83% |
| Alliance S&P Index | 89,274,697 | 12.24% | (2,165) | 4,188,203 | 85,088,659 | 11.81% |
| PIMCO StocksPLUS | 43,750,972 | 6.00% | 0 | 1,932,385 | 41,818,587 | 5.80% |
| BlackRock Russell 1000 Value | 80,030,123 | 10.97% | (7,768) | 3,816,967 | 76,220,924 | 10.58% |
| T. Rowe Price Large Cap Growth | 80,017,981 | 10.97% | (200,687) | 3,606,101 | 76,612,566 | 10.63% |
| Small/Mid Cap Equity | \$81,440,274 | 11.17% | \$(2,459,128) | \$5,492,159 | \$78,407,243 | 10.88% |
| Champlain Mid Cap | 40,492,128 | 5.55% | (2,388,232) | 1,958,543 | 40,921,817 | 5.68% |
| Pyramis Small Cap | 40,948,146 | 5.62% | (70,896) | 3,533,616 | 37,485,426 | 5.20% |
| International Equity | \$96,554,501 | 13.24% | \$(188,774) | \$(4,988,407) | \$101,731,681 | 14.12% |
| Causeway International Value Equity | 55,001,216 | 7.54% | (103,130) | (2,294,218) | 57,398,563 | 7.97% |
| Aberdeen EAFE Plus | 41,553,285 | 5.70% | (85,644) | (2,694,189) | 44,333,118 | 6.15% |
| Fixed Income | \$161,707,425 | 22.17% | \$(143,281) | \$1,284,651 | \$160,566,055 | 22.29% |
| BlackRock U.S. Debt Fund | 61,504,805 | 8.43% | (8,311) | 1,102,040 | 60,411,076 | 8.39% |
| PIMCO Fixed Income | 100,202,621 | 13.74% | (134,970) | 182,611 | 100,154,980 | 13.90% |
| Real Estate | \$55,222,364 | 7.57% | \$(143,894) | \$1,514,637 | \$53,851,622 | 7.48% |
| JP Morgan Strategic Property Fund | 39,400,455 | 5.40% | (94,128) | 1,049,907 | 38,444,676 | 5.34% |
| LaSalle Income and Growth Fund | 680,237 | 0.09% | (2,300) | (24,132) | 706,669 | 0.10% |
| JP Morgan Income and Growth Fund | 15,141,673 | 2.08% | (47,466) | 488,862 | 14,700,277 | 2.04% |
| Infrastructure | \$40,851,577 | 5.60% | \$(1,135,923) | \$223,724 | \$41,763,776 | 5.80% |
| Macquarie European Infrastructure | 21,796,989 | 2.99% | (593,659) | (309,290) | 22,699,938 | 3.15% |
| SteelRiver Infrastructure | 19,054,588 | 2.61% | (542,264) | 533,014 | 19,063,838 | 2.65% |
| Cash Composite | \$411,408 | 0.06% | \$(3,917,660) | \$0 | \$4,329,068 | 0.60% |
| Cash | 411,408 | 0.06% | (3,917,660) | 0 | 4,329,068 | 0.60% |
| Total Plan | \$729,261,322 | 100.0% | \$(8,199,280) | \$17,070,422 | \$720,390,180 | 100.0% |

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended December 31, 2014

| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 Years |
|--|-----------------|----------------|--------------------|--------------------|---------------------|
| Gross of Fees | | | | | |
| Domestic Equity | 5.35% | 11.46% | 21.97% | 16.50% | 7.63% |
| Total Domestic Equity Target (1) | 5.34% | 12.25% | 20.34% | 15.69% | 7.94% |
| Large Cap Equity | 4.85% | 12.62% | 22.02% | 16.01% | 7.00% |
| S&P 500 Index | 4.93% | 13.69% | 20.41% | 15.45% | 7.67% |
| Alliance S&P Index | 4.92% | 13.65% | 20.36% | 15.47% | 7.73% |
| PIMCO StocksPLUS S&P 500 Index | 4.62% | 14.97% | 23.82% | 18.27% | - |
| | 4.93% | 13.69% | 20.41% | 15.45% | 7.67% |
| BlackRock Russell 1000 Value Index | 5.01% | 13.56% | 20.98% | 15.54% | 7.44% |
| Russell 1000 Value Index | 4.98% | 13.45% | 20.89% | 15.42% | 7.30% |
| T. Rowe Price Large Cap Growth | 4.73% | 9.27% | 23.56% | 16.83% | 9.76% |
| Russell 1000 Growth Index | 4.78% | 13.05% | 20.26% | 15.81% | 8.49% |
| Small/Mid Cap Equity U.S. Equity | 7.16% | 7.42% | 21.54% | 18.14% | 9.90% |
| Russell 2500 Index | 6.77% | 7.07% | 19.97% | 16.36% | 8.72% |
| Champlain Mid Cap Russell MidCap Index | 4.96% | 9.17% | 19.84% | 16.65% | 11.63% |
| | 5.94% | 13.22% | 21.40% | 17.19% | 9.56% |
| Pyramis Small Cap Russell 2000 Index | 9.45% | 5.54% | 23.16% | 19.49% | 11.24% |
| | 9.73% | 4.89% | 19.21% | 15.55% | 7.77% |
| International Equity | (4.91%) | (3.78%) | 11.89% | 5.60% | 5.18% |
| MSCI ACWI x US (Net) | (3.87%) | (3.87%) | 8.99% | 4.43% | 5.13% |
| Causeway International Value Equity | (4.00%) | (4.70%) | 14.66% | 9.07% | - |
| MSCI EAFE Index | (3.57%) | (4.90%) | 11.06% | 5.33% | 4.43% |
| Aberdeen EAFE Plus MSCI ACWI x US (Net) | (6.08%) | (2.53%) | 7.46% | 6.56% | 7.70% |
| | (3.87%) | (3.87%) | 8.99% | 4.43% | 5.13% |
| Fixed Income | 0.80% | 5.77% | 4.94% | 5.58% | 5.79% |
| Barclays Aggregate Index | 1.79% | 5.97% | 2.66% | 4.45% | 4.71% |
| BlackRock U.S. Debt Fund | 1.82% | 6.24% | 2.82% | 4.60% | 4.83% |
| Barclays Aggregate Index | 1.79% | 5.97% | 2.66% | 4.45% | 4.71% |
| PIMCO Fixed Income Custom Index (2) | 0.18% | 5.48% | 6.11% | 6.54% | 6.45% |
| | 0.86% | 6.31% | 5.10% | 5.79% | 5.82% |

(1) The Total Domestic Equity target is currently composed of 78% S&P 500 and 22% Russell 2500 Index.

(2) The custom index is currently composed of 25% Barclays Mortgage, 25% Barclays Credit, 25% Barclays High Yield, and 25% JP Morgan EMBI Global. Prior to 2/1/2012, the custom index was composed of 70% Barclays Mortgage, 15% Barclays Credit, and 15% Barclays High Yield.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended December 31, 2014

| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 Years |
|-----------------------------------|-----------------|---------------|--------------------|--------------------|---------------------|
| Gross of Fees | | | | | |
| Real Estate | 2.82% | 10.78% | 13.29% | 13.45% | 6.95% |
| NFI-ODCE Value Weight Gr | 3.26% | 12.50% | 12.45% | 13.93% | 7.10% |
| JP Morgan Strategic Property Fund | 2.74% | 11.14% | 12.94% | 13.79% | 8.16% |
| NFI-ODCE Value Weight Gr | 3.26% | 12.50% | 12.45% | 13.93% | 7.10% |
| LaSalle Income and Growth Fund | (3.41%) | (0.64%) | 4.16% | 1.58% | - |
| NFI-ODCE Value Weight Gr | 3.26% | 12.50% | 12.45% | 13.93% | 7.10% |
| JP Morgan Income and Growth Fund | 3.33% | 10.85% | 16.53% | 18.95% | - |
| NFI-ODCE Value Weight Gr | 3.26% | 12.50% | 12.45% | 13.93% | 7.10% |
| Infrastructure | 0.54% | 6.53% | 8.17% | 6.79% | - |
| CPI + 4% | (0.78%) | 4.33% | 5.15% | 5.67% | 6.15% |
| Macquarie European Infrastructure | (1.38%) | (3.80%) | 10.07% | 6.59% | - |
| SteelRiver Infrastructure | 2.82% | 21.29% | 6.09% | 6.80% | - |
| CPI + 4% | (0.78%) | 4.33% | 5.15% | 5.67% | 6.15% |
| Cash Composite | 0.00% | 0.00% | 0.02% | 0.13% | 1.70% |
| Total Fund | 2.38% | 7.56% | 14.70% | 11.40% | 6.87% |
| Total Fund Benchmark* | 2.53% | 7.80% | 12.64% | 10.69% | 6.68% |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

| | 6/2014- 12/2014 | FY 2014 | FY 2013 | FY 2012 | FY 2011 |
|---|--------------------|---------------|---------------|-----------------|---------------|
| Gross of Fees | | | | | |
| Domestic Equity | 5.16% | 26.67% | 23.35% | 2.92% | 33.98% |
| Total Domestic Equity Target (1) | 5.02% | 24.84% | 21.70% | 3.77% | 32.56% |
| Large Cap Equity | 5.54% | 27.15% | 22.41% | 3.48% | 32.04% |
| S&P 500 Index | 6.12% | 24.61% | 20.60% | 5.45% | 30.69% |
| Alliance S&P Index | 6.12% | 24.50% | 20.51% | 5.48% | 30.36% |
| PIMCO StocksPLUS S&P 500 Index | 5.97% | 27.61% | 24.51% | 5.80% | 36.12% |
| | 6.12% | 24.61% | 20.60% | 5.45% | 30.69% |
| BlackRock Russell 1000 Value Index | 4.87% | 23.88% | 25.36% | 3.07% | 29.08% |
| Russell 1000 Value Index | 4.78% | 23.81% | 25.32% | 3.01% | 28.94% |
| T. Rowe Price Large Cap Growth | 5.37% | 32.80% | 20.37% | 5.19% | 35.07% |
| Russell 1000 Growth Index | 6.34% | 26.92% | 17.07% | 5.76% | 35.01% |
| Small/Mid Cap Equity U.S. Equity | 3.83% | 24.97% | 26.35% | 0.64% | 41.67% |
| Russell 2500 Index | 1.06% | 25.58% | 25.61% | (2.29%) | 39.28% |
| Champlain Mid Cap Russell MidCap Index | 3.06% | 26.20% | 22.88% | 0.78% | 36.29% |
| | 4.18% | 26.85% | 25.41% | (1.65%) | 38.47% |
| Pyramis Small Cap Russell 2000 Index | 4.56% | 23.59% | 29.74% | 0.44% | 45.35% |
| | 1.65% | 23.64% | 24.21% | (2.08%) | 37.41% |
| International Equity | (8.33%) | 21.26% | 17.18% | (14.49%) | 30.95% |
| MSCI ACWI x US (Net) | (8.93%) | 21.75% | 13.63% | (14.57%) | 29.73% |
| Causeway International Value Equity | (7.10%) | 23.76% | 22.07% | (10.83%) | 35.68% |
| MSCI EAFE Index | (9.24%) | 23.57% | 18.62% | (13.83%) | 30.36% |
| Aberdeen EAFE Plus | (9.90%) | 18.20% | 11.69% | (4.27%) | 31.73% |
| MSCI ACWI x US (Net) | (8.93%) | 21.75% | 13.63% | (14.57%) | 29.73% |
| Fixed Income | 0.09% | 7.64% | 1.84% | 8.32% | 4.66% |
| Barclays Aggregate Index | 1.96% | 4.37% | (0.69%) | 7.47% | 3.90% |
| BlackRock U.S. Debt Fund | 2.06% | 4.49% | (0.48%) | 7.55% | 4.04% |
| Barclays Aggregate Index | 1.96% | 4.37% | (0.69%) | 7.47% | 3.90% |
| PIMCO Fixed Income Custom Index (2) | (1.08%) | 9.60% | 3.27% | 9.56% | 5.64% |
| | 0.04% | 8.48% | 2.41% | 7.63% | 5.86% |

(1) The Total Domestic Equity target is currently composed of 78% S&P 500 and 22% Russell 2500 Index.

(2) The custom index is currently composed of 25% Barclays Mortgage, 25% Barclays Credit, 25% Barclays High Yield, and 25% JP Morgan EMBI Global. Prior to 2/1/2012, the custom index was composed of 70% Barclays Mortgage, 15% Barclays Credit, and 15% Barclays High Yield.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

| | 6/2014- 12/2014 | FY 2014 | FY 2013 | FY 2012 | FY 2011 |
|-----------------------------------|--------------------|---------------|---------------|---------------|---------------|
| Gross of Fees | | | | | |
| Real Estate | 5.31% | 13.27% | 16.00% | 11.63% | 18.18% |
| NFI-ODCE Value Weight Gr | 6.61% | 12.75% | 12.17% | 12.42% | 20.48% |
| JP Morgan Strategic Property Fund | 5.16% | 14.08% | 14.08% | 12.00% | 18.91% |
| NFI-ODCE Value Weight Gr | 6.61% | 12.75% | 12.17% | 12.42% | 20.48% |
| LaSalle Income and Growth Fund | (4.40%) | 10.87% | 5.20% | (3.57%) | 2.44% |
| NFI-ODCE Value Weight Gr | 6.61% | 12.75% | 12.17% | 12.42% | 20.48% |
| JP Morgan Income and Growth Fund | 6.44% | 11.66% | 25.49% | 18.15% | 33.69% |
| NFI-ODCE Value Weight Gr | 6.61% | 12.75% | 12.17% | 12.42% | 20.48% |
| Infrastructure | (2.79%) | 16.31% | 3.27% | 5.68% | 16.10% |
| CPI + 4% | (0.02%) | 6.05% | 5.76% | 5.58% | 8.06% |
| Macquarie European Infrastructure | (7.26%) | 14.63% | 13.28% | 0.54% | 24.31% |
| SteelRiver Infrastructure | 2.82% | 18.46% | (7.19%) | 13.03% | 6.57% |
| CPI + 4% | (0.02%) | 6.05% | 5.76% | 5.58% | 8.06% |
| Cash Composite | 0.00% | 0.00% | 0.05% | 0.03% | 0.25% |
| Total Fund | 1.58% | 19.64% | 14.84% | 2.40% | 23.19% |
| Total Fund Benchmark* | 1.95% | 16.97% | 12.87% | 3.04% | 22.53% |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended December 31, 2014

| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 Years |
|---|----------------|----------------|---------------|---------------|---------------|
| Net of Fees | | | | | |
| Domestic Equity | 5.26% | 11.13% | 21.56% | 16.07% | 7.22% |
| Total Domestic Equity Target (1) | 5.34% | 12.25% | 20.34% | 15.69% | 7.94% |
| Large Cap Equity | 4.80% | 12.45% | 21.81% | 15.75% | 6.72% |
| S&P 500 Index | 4.93% | 13.69% | 20.41% | 15.45% | 7.67% |
| Alliance S&P Index | 4.91% | 13.60% | 20.31% | 15.42% | 7.68% |
| PIMCO StocksPLUS | 4.62% | 14.97% | 23.51% | 18.06% | - |
| S&P 500 Index | 4.93% | 13.69% | 20.41% | 15.45% | 7.67% |
| BlackRock Russell 1000 Value Index | 5.00% | 13.51% | 20.95% | 15.52% | 7.44% |
| Russell 1000 Value Index | 4.98% | 13.45% | 20.89% | 15.42% | 7.30% |
| T. Rowe Price Large Cap Growth | 4.59% | 8.72% | 22.96% | 16.26% | 9.21% |
| Russell 1000 Growth Index | 4.78% | 13.05% | 20.26% | 15.81% | 8.49% |
| Small/Mid Cap Equity U.S. Equity | 6.93% | 6.56% | 20.59% | 17.21% | 9.06% |
| Russell 2500 Index | 6.77% | 7.07% | 19.97% | 16.36% | 8.72% |
| Champlain Mid Cap | 4.73% | 8.25% | 18.84% | 15.67% | 10.70% |
| Russell MidCap Index | 5.94% | 13.22% | 21.40% | 17.19% | 9.56% |
| Pyramis Small Cap | 9.24% | 4.76% | 22.25% | 18.62% | 10.43% |
| Russell 2000 Index | 9.73% | 4.89% | 19.21% | 15.55% | 7.77% |
| International Equity | (5.08%) | (4.47%) | 11.10% | 4.80% | 4.36% |
| MSCI ACWI x US (Net) | (3.87%) | (3.87%) | 8.99% | 4.43% | 5.13% |
| Causeway International Value Equity | (4.16%) | (5.32%) | 13.92% | 8.36% | - |
| MSCI EAFE Index | (3.57%) | (4.90%) | 11.06% | 5.33% | 4.43% |
| Aberdeen EAFE Plus | (6.27%) | (3.31%) | 6.60% | 5.72% | 6.85% |
| MSCI ACWI x US (Net) | (3.87%) | (3.87%) | 8.99% | 4.43% | 5.13% |
| Fixed Income | 0.72% | 5.43% | 4.61% | 5.28% | 5.52% |
| Barclays Aggregate Index | 1.79% | 5.97% | 2.66% | 4.45% | 4.71% |
| BlackRock U.S. Debt Fund | 1.81% | 6.18% | 2.79% | 4.58% | 4.82% |
| Barclays Aggregate Index | 1.79% | 5.97% | 2.66% | 4.45% | 4.71% |
| PIMCO Fixed Income | 0.06% | 4.97% | 5.61% | 6.09% | 6.04% |
| Custom Index (2) | 0.86% | 6.31% | 5.10% | 5.79% | 5.82% |

(1) The Total Domestic Equity target is currently composed of 78% S&P 500 and 22% Russell 2500 Index.

(2) The custom index is currently composed of 25% Barclays Mortgage, 25% Barclays Credit, 25% Barclays High Yield, and 25% JP Morgan EMBI Global. Prior to 2/1/2012, the custom index was composed of 70% Barclays Mortgage, 15% Barclays Credit, and 15% Barclays High Yield.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

Returns for Periods Ended December 31, 2014

| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 Years |
|-----------------------------------|-----------------|----------------|--------------------|--------------------|---------------------|
| Net of Fees | | | | | |
| Real Estate | 2.55% | 9.54% | 12.04% | 12.15% | 5.72% |
| NFI-ODCE Equal Weight Net | 2.88% | 11.42% | 11.23% | 12.75% | 5.78% |
| JP Morgan Strategic Property Fund | 2.49% | 10.06% | 11.84% | 12.68% | 7.10% |
| NFI-ODCE Equal Weight Net | 2.88% | 11.42% | 11.23% | 12.75% | 5.78% |
| LaSalle Income and Growth Fund | (3.74%) | (1.44%) | 3.07% | 0.24% | - |
| NFI-ODCE Equal Weight Net | 2.88% | 11.42% | 11.23% | 12.75% | 5.78% |
| JP Morgan Income and Growth Fund | 3.00% | 9.13% | 14.86% | 17.12% | - |
| NFI-ODCE Equal Weight Net | 2.88% | 11.42% | 11.23% | 12.75% | 5.78% |
| Infrastructure | 0.37% | 5.52% | 6.79% | 5.13% | - |
| CPI + 4% | (0.78%) | 4.33% | 5.15% | 5.67% | 6.15% |
| Macquarie European Infrastructure | (1.43%) | (4.45%) | 8.97% | 5.11% | - |
| SteelRiver Infrastructure | 2.50% | 19.70% | 4.35% | 4.91% | - |
| CPI + 4% | (0.78%) | 4.33% | 5.15% | 5.67% | 6.15% |
| Cash Composite | (0.00%) | (0.00%) | 0.02% | 0.13% | 1.70% |
| Total Fund | 2.26% | 7.07% | 14.13% | 10.82% | 6.33% |
| Total Fund Benchmark* | 2.53% | 7.80% | 12.64% | 10.69% | 6.68% |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

| | 6/2014- 12/2014 | FY 2014 | FY 2013 | FY 2012 | FY 2011 |
|---|--------------------|------------------|------------------|-----------------|------------------|
| Net of Fees | | | | | |
| Domestic Equity | 5.01% | 26.30% | 22.90% | 2.50% | 33.44% |
| Total Domestic Equity Target (1) | 5.02% | 24.84% | 21.70% | 3.77% | 32.56% |
| Large Cap Equity | 5.46% | 26.95% | 22.21% | 3.21% | 31.66% |
| S&P 500 Index | 6.12% | 24.61% | 20.60% | 5.45% | 30.69% |
| Alliance S&P Index | 6.09% | 24.45% | 20.46% | 5.43% | 30.30% |
| PIMCO StocksPLUS S&P 500 Index | 5.97% 6.12% | 27.61% 24.61% | 23.83% 20.60% | 5.56% 5.45% | 36.04% 30.69% |
| BlackRock Russell 1000 Value Index | 4.85% | 23.83% | 25.35% | 3.07% | 29.08% |
| Russell 1000 Value Index | 4.78% | 23.81% | 25.32% | 3.01% | 28.94% |
| T. Rowe Price Large Cap Growth | 5.10% | 32.16% | 19.79% | 4.67% | 34.41% |
| Russell 1000 Growth Index | 6.34% | 26.92% | 17.07% | 5.76% | 35.01% |
| Small/Mid Cap Equity U.S. Equity | 3.41% | 24.00% | 25.36% | (0.16%) | 40.57% |
| Russell 2500 Index | 1.06% | 25.58% | 25.61% | (2.29%) | 39.28% |
| Champlain Mid Cap | 2.61% | 25.16% | 21.86% | (0.08%) | 35.17% |
| Russell MidCap Index | 4.18% | 26.85% | 25.41% | (1.65%) | 38.47% |
| Pyramis Small Cap | 4.17% | 22.70% | 28.79% | (0.31%) | 44.30% |
| Russell 2000 Index | 1.65% | 23.64% | 24.21% | (2.08%) | 37.41% |
| International Equity | (8.66%) | 20.41% | 16.34% | (15.16%) | 29.90% |
| MSCI ACWI x US (Net) | (8.93%) | 21.75% | 13.63% | (14.57%) | 29.73% |
| Causeway International Value Equity | (7.40%) | 22.98% | 21.27% | (11.43%) | 34.80% |
| MSCI EAFE Index | (9.24%) | 23.57% | 18.62% | (13.83%) | 30.36% |
| Aberdeen EAFE Plus | (10.27%) | 17.28% | 10.80% | (5.04%) | 30.75% |
| MSCI ACWI x US (Net) | (8.93%) | 21.75% | 13.63% | (14.57%) | 29.73% |
| Fixed Income | (0.07%) | 7.30% | 1.51% | 8.03% | 4.42% |
| Barclays Aggregate Index | 1.96% | 4.37% | (0.69%) | 7.47% | 3.90% |
| BlackRock U.S. Debt Fund | 2.03% | 4.43% | (0.49%) | 7.55% | 4.04% |
| Barclays Aggregate Index | 1.96% | 4.37% | (0.69%) | 7.47% | 3.90% |
| PIMCO Fixed Income | (1.32%) | 9.07% | 2.77% | 9.15% | 5.28% |
| Custom Index (2) | 0.04% | 8.48% | 2.41% | 7.63% | 5.86% |

(1) The Total Domestic Equity target is currently composed of 78% S&P 500 and 22% Russell 2500 Index.

(2) The custom index is currently composed of 25% Barclays Mortgage, 25% Barclays Credit, 25% Barclays High Yield, and 25% JP Morgan EMBI Global. Prior to 2/1/2012, the custom index was composed of 70% Barclays Mortgage, 15% Barclays Credit, and 15% Barclays High Yield.

Investment Manager Returns

The table below details the rates of return for the Fund's investment managers over various time periods ended December 31, 2014. Negative returns are shown in red, positive returns in black. Returns for one year or greater are annualized. The first set of returns for each asset class represents the composite returns for all the fund's accounts for that asset class.

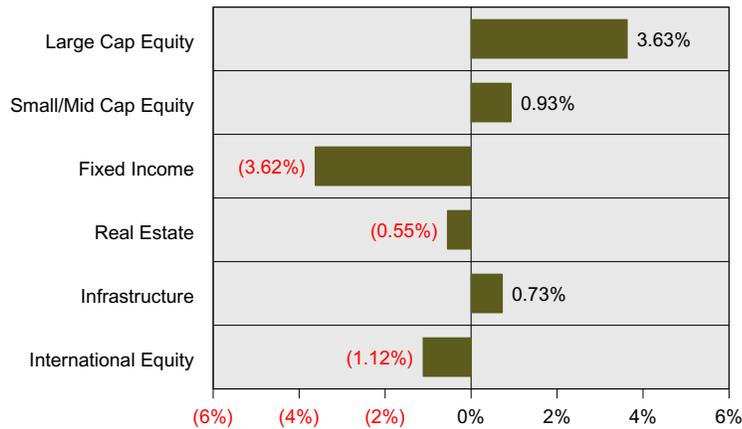
| | 6/2014- 12/2014 | FY 2014 | FY 2013 | FY 2012 | FY 2011 |
|-----------------------------------|--------------------|---------------|---------------|---------------|---------------|
| Net of Fees | | | | | |
| Real Estate | 4.77% | 12.03% | 14.67% | 10.34% | 16.77% |
| NFI-ODCE Equal Weight Net | 6.22% | 11.37% | 10.80% | 11.46% | 19.33% |
| JP Morgan Strategic Property Fund | 4.65% | 12.98% | 12.95% | 10.90% | 17.75% |
| NFI-ODCE Equal Weight Net | 6.22% | 11.37% | 10.80% | 11.46% | 19.33% |
| LaSalle Income and Growth Fund | (4.72%) | 10.18% | 3.80% | (5.24%) | 0.68% |
| NFI-ODCE Equal Weight Net | 6.22% | 11.37% | 10.80% | 11.46% | 19.33% |
| JP Morgan Income and Growth Fund | 5.77% | 9.93% | 23.54% | 16.49% | 31.44% |
| NFI-ODCE Equal Weight Net | 6.22% | 11.37% | 10.80% | 11.46% | 19.33% |
| Infrastructure | (2.98%) | 15.32% | 1.39% | 3.61% | 13.84% |
| CPI + 4% | (0.02%) | 6.05% | 5.76% | 5.58% | 8.06% |
| Macquarie European Infrastructure | (7.34%) | 14.11% | 11.61% | (1.44%) | 21.91% |
| SteelRiver Infrastructure | 2.50% | 16.80% | (9.28%) | 10.85% | 4.48% |
| CPI + 4% | (0.02%) | 6.05% | 5.76% | 5.58% | 8.06% |
| Cash Composite | (0.00%) | 0.00% | 0.05% | 0.03% | 0.25% |
| Total Fund | 1.36% | 19.11% | 14.21% | 1.82% | 22.52% |
| Total Fund Benchmark* | 1.95% | 16.97% | 12.87% | 3.04% | 22.53% |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

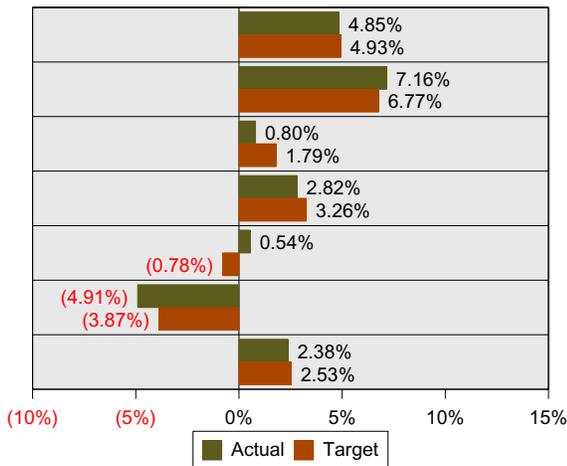
Quarterly Style Attribution - December 31, 2014

The following analysis approaches Total Fund Attribution from the perspective of relative return. Relative return attribution separates and quantifies the sources of total fund excess return relative to its target. This excess return is separated into two relative attribution effects: Style Allocation Effect and Manager Selection Effect. The Style Allocation Effect represents the excess return due to the actual total fund style allocation differing from the target style allocation. Manager Selection Effect represents the total fund impact of the individual managers excess returns relative to their benchmarks.

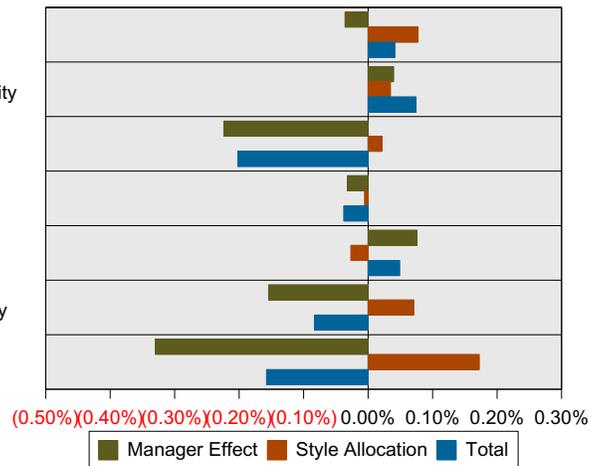
Style Class Under or Overweighting



Actual vs Target Returns



Relative Attribution by Style Class



Relative Attribution Effects for Quarter ended December 31, 2014

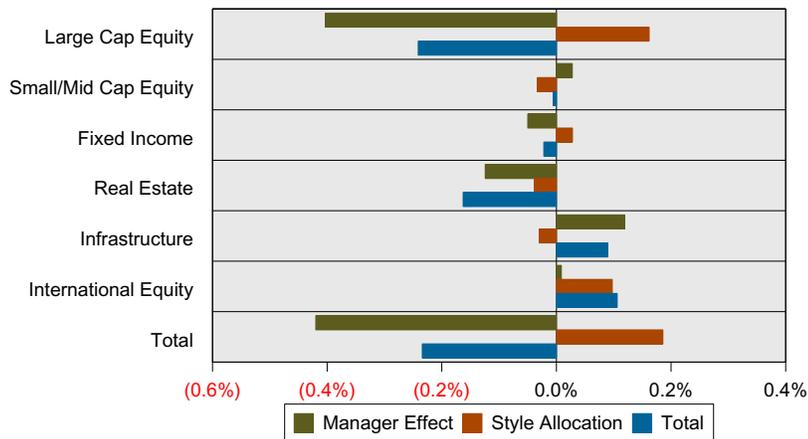
| Style Class | Effective Actual Weight | Effective Target Weight | Actual Return | Target Return | Manager Effect | Style Allocation | Total Relative Return |
|----------------------|-------------------------|-------------------------|---------------|---------------|----------------|------------------|-----------------------|
| Large Cap Equity | 40% | 36% | 4.85% | 4.93% | (0.04%) | 0.08% | 0.04% |
| Small/Mid Cap Equity | 11% | 10% | 7.16% | 6.77% | 0.04% | 0.03% | 0.07% |
| Fixed Income | 22% | 26% | 0.80% | 1.79% | (0.22%) | 0.02% | (0.20%) |
| Real Estate | 7% | 8% | 2.82% | 3.26% | (0.03%) | (0.01%) | (0.04%) |
| Infrastructure | 6% | 5% | 0.54% | (0.78%) | 0.08% | (0.03%) | 0.05% |
| International Equity | 14% | 15% | (4.91%) | (3.87%) | (0.15%) | 0.07% | (0.08%) |
| Total | | | 2.38% | 2.53% | (0.33%) | 0.17% | (0.16%) |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

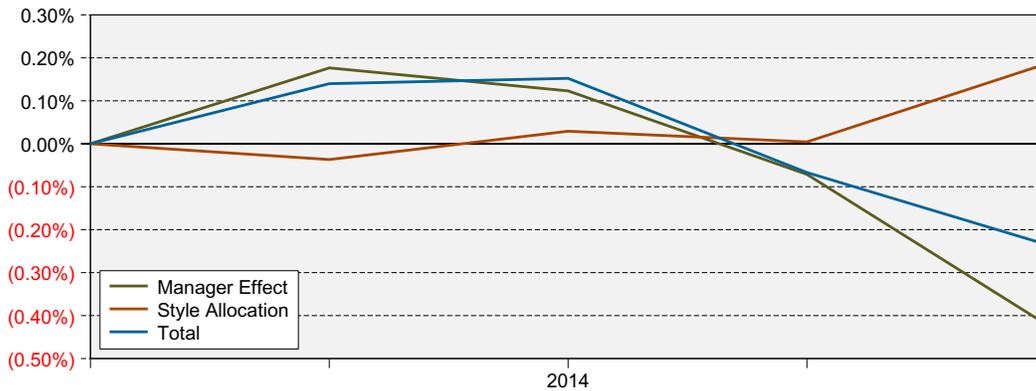
Cumulative Style Relative Attribution - December 31, 2014

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by style class. These relative attribution effects separate the cumulative sources of total fund excess return into Style Allocation Effect and Manager Selection Effect.

One Year Relative Attribution Effects



Cumulative Relative Attribution Effects



One Year Relative Attribution Effects

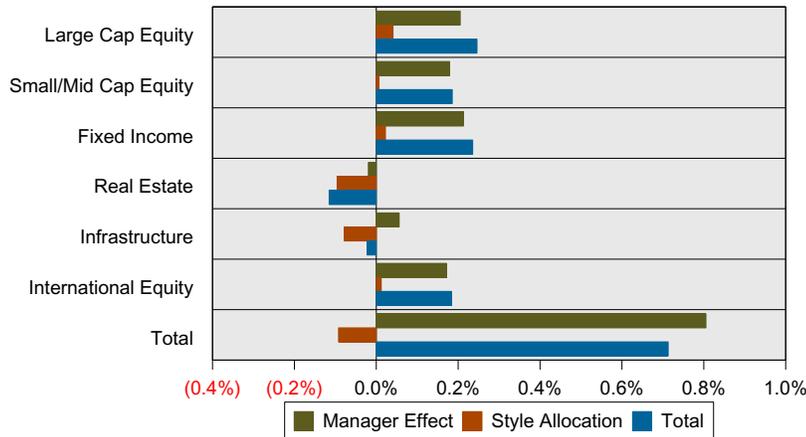
| Style Class | Effective Actual Weight | Effective Target Weight | Actual Return | Target Return | Manager Effect | Style Allocation | Total Relative Return |
|----------------------|-------------------------|-------------------------|---------------|---------------|----------------|------------------|-----------------------|
| Large Cap Equity | 39% | 36% | 12.62% | 13.69% | (0.40%) | 0.16% | (0.24%) |
| Small/Mid Cap Equity | 11% | 10% | 7.42% | 7.07% | 0.03% | (0.03%) | (0.01%) |
| Fixed Income | 22% | 26% | 5.77% | 5.97% | (0.05%) | 0.03% | (0.02%) |
| Real Estate | 7% | 8% | 10.78% | 12.50% | (0.12%) | 0.04% | (0.08%) |
| Infrastructure | 6% | 5% | 6.53% | 4.33% | 0.12% | (0.03%) | 0.09% |
| International Equity | 14% | 15% | (3.78%) | (3.87%) | 0.01% | 0.10% | 0.11% |
| Total | | | 7.56% | 7.80% | (0.42%) | 0.19% | (0.23%) |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

Cumulative Style Relative Attribution - December 31, 2014

The charts below accumulate the Total Fund Attribution Analysis (shown earlier) over multiple periods to examine the cumulative sources of excess total fund performance relative to target. These cumulative results quantify the longer-term sources of total fund excess return relative to target by style class. These relative attribution effects separate the cumulative sources of total fund excess return into Style Allocation Effect and Manager Selection Effect.

Five Year Annualized Relative Attribution Effects



Cumulative Relative Attribution Effects



Five Year Annualized Relative Attribution Effects

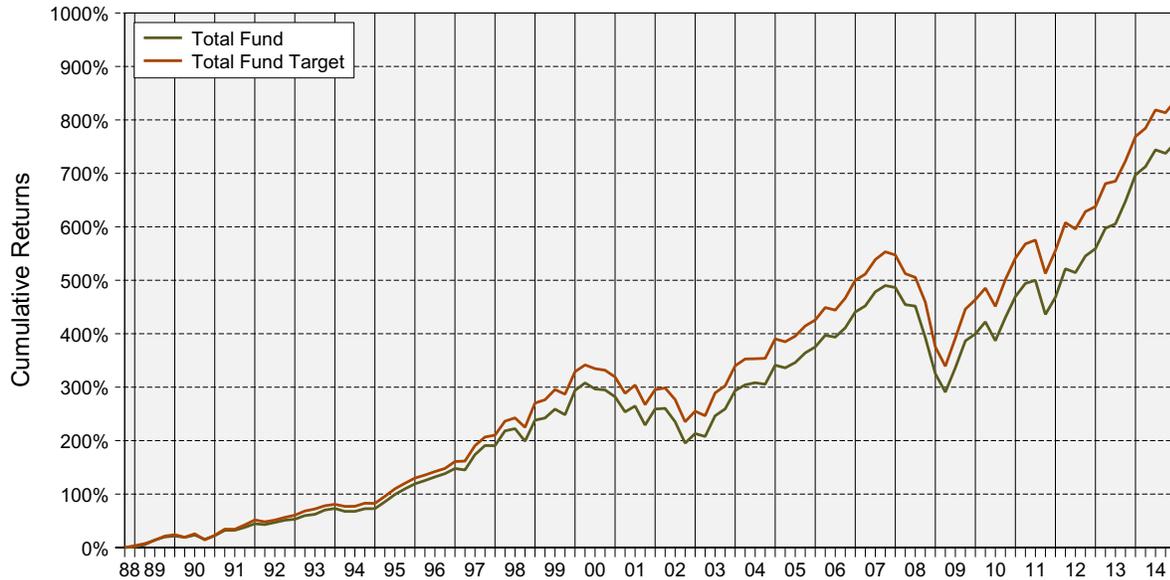
| Style Class | Effective Actual Weight | Effective Target Weight | Actual Return | Target Return | Manager Effect | Style Allocation | Total Relative Return |
|----------------------|-------------------------|-------------------------|---------------|---------------|----------------|------------------|-----------------------|
| Large Cap Equity | 37% | 36% | 16.01% | 15.45% | 0.21% | 0.04% | 0.25% |
| Small/Mid Cap Equity | 11% | 10% | 18.14% | 16.36% | 0.18% | 0.01% | 0.19% |
| Fixed Income | 25% | 26% | 5.58% | 4.73% | 0.21% | 0.02% | 0.24% |
| Real Estate | 7% | 8% | 13.45% | 13.93% | (0.02%) | (0.10%) | (0.12%) |
| Infrastructure | 6% | 5% | 6.79% | 5.67% | 0.06% | (0.08%) | (0.02%) |
| International Equity | 14% | 15% | 5.60% | 4.43% | 0.17% | 0.01% | 0.18% |
| Total | | | 11.40% | 10.69% | + 0.81% | + (0.09%) | 0.71% |

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

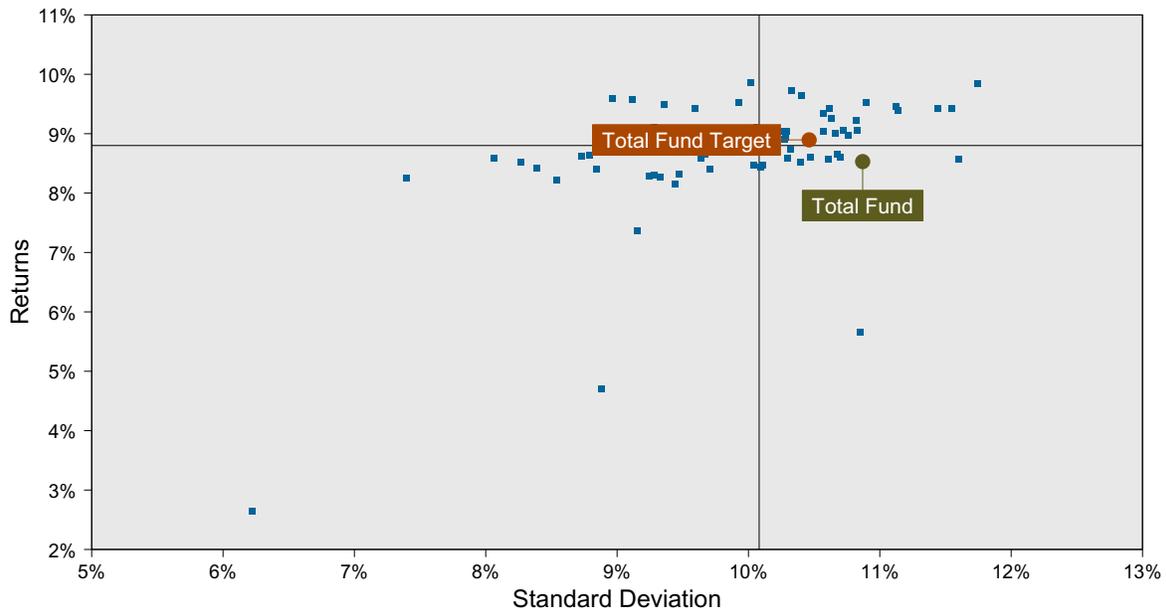
Cumulative Performance Relative to Target

The first chart below illustrates the cumulative performance of the Total Fund relative to the cumulative performance of the Fund's Target Asset Mix. The Target Mix is assumed to be rebalanced each quarter with no transaction costs. The second chart below shows the return and the risk of the Total Fund and the Target Mix, contrasted with the returns and risks of the funds in the Public Fund Sponsor Database.

Cumulative Returns Actual vs Target



Twenty-Six and One-Quarter Year Annualized Risk vs Return



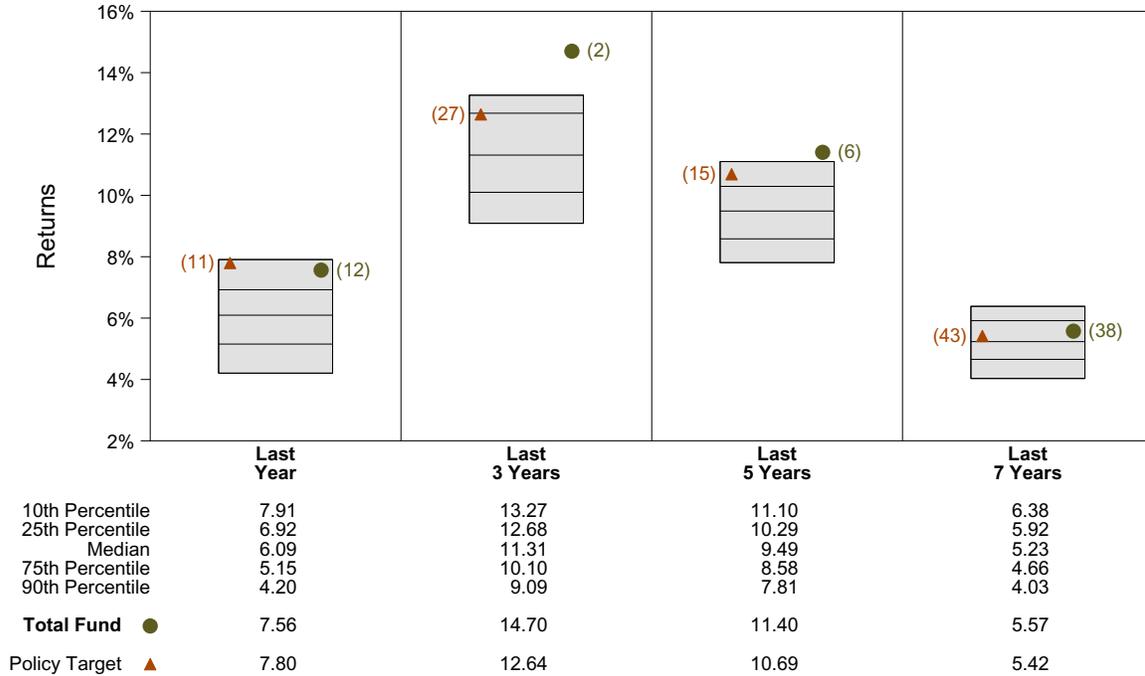
Squares represent membership of the Public Fund Sponsor Database

* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

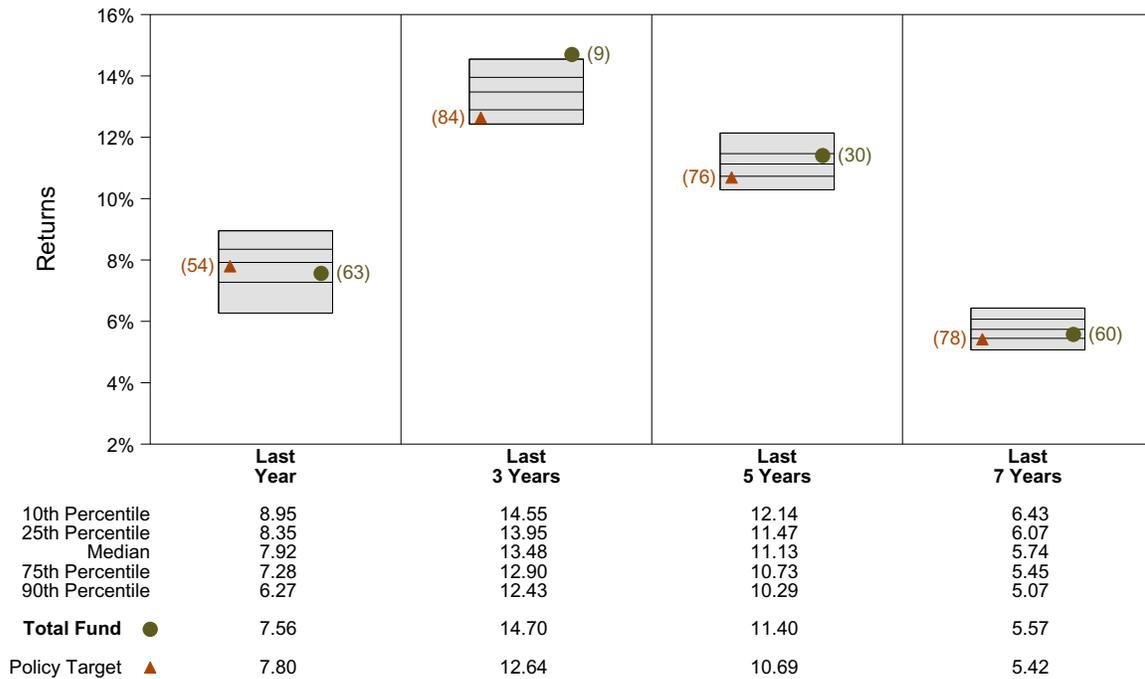
Total Fund Ranking

The first two charts show the ranking of the Total Fund's performance relative to that of the Public Fund Sponsor Database for periods ended December 31, 2014. The first chart is a standard unadjusted ranking. In the second chart each fund in the database is adjusted to have the same historical asset allocation as that of the Total Fund.

Public Fund Sponsor Database



Asset Allocation Adjusted Ranking

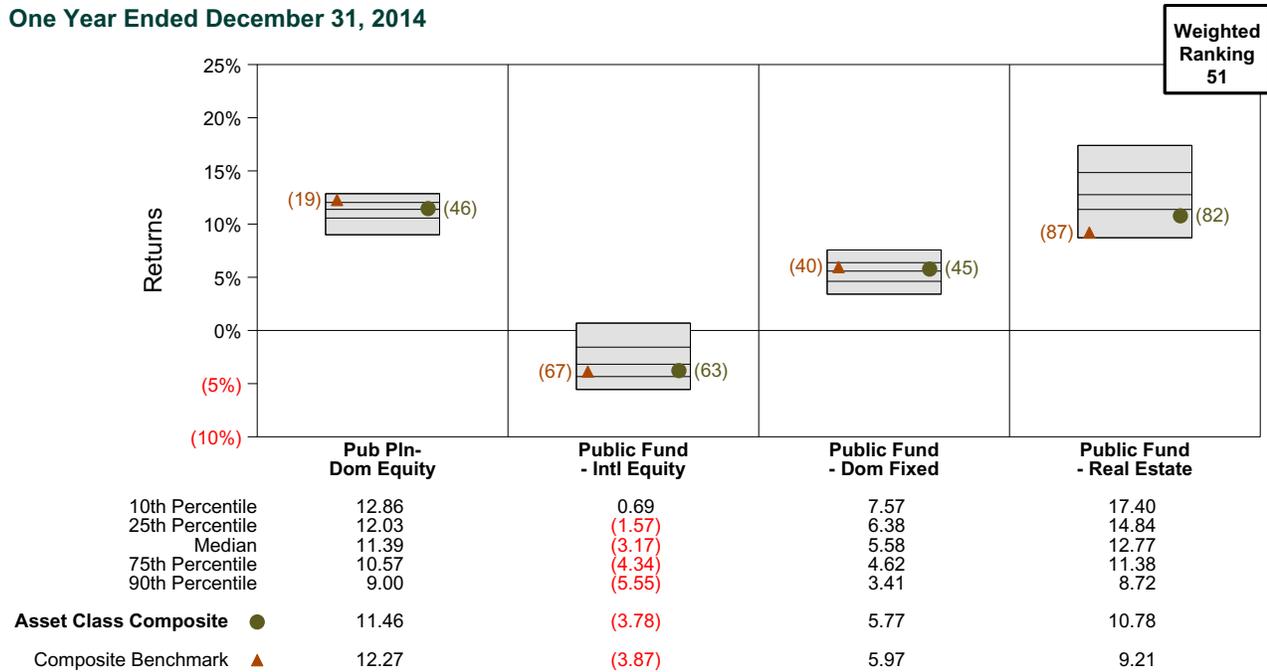


* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

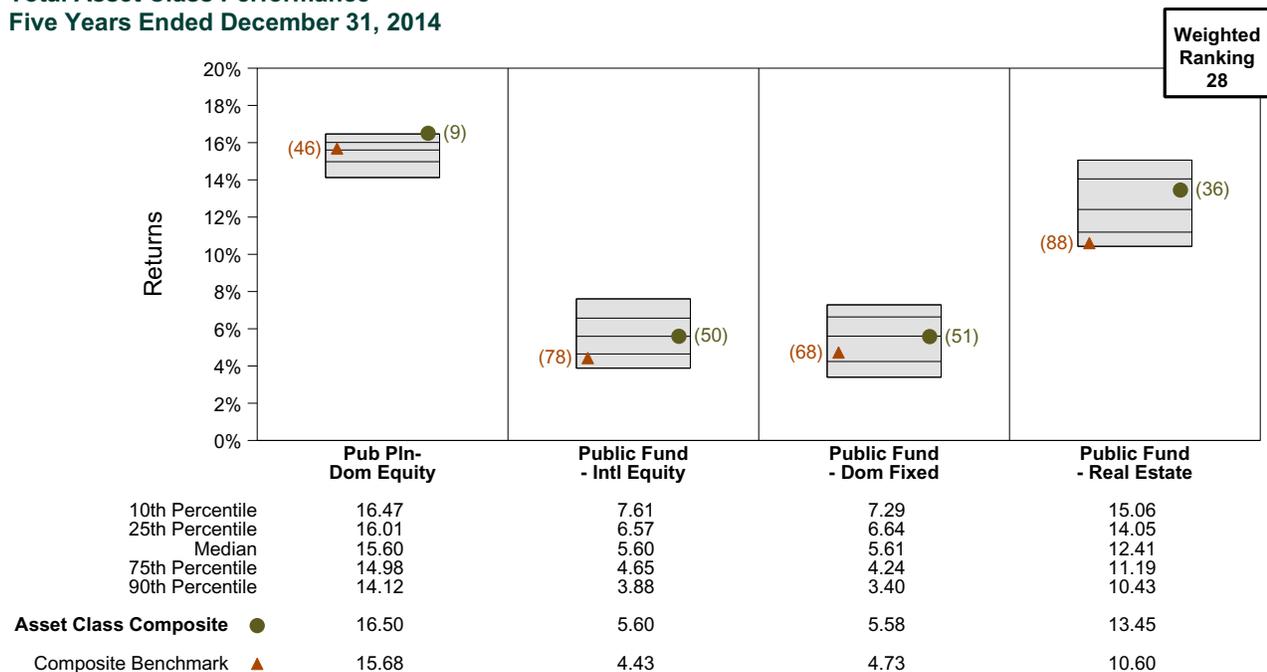
Asset Class Rankings

The charts below show the rankings of each asset class component of the Total Fund relative to appropriate comparative databases. In the upper right corner of each graph is the weighted average of the rankings across the different asset classes. The weights of the fund's actual asset allocation are used to make this calculation. The weighted average ranking can be viewed as a measure of the fund's overall success in picking managers and structuring asset classes.

Total Asset Class Performance One Year Ended December 31, 2014



Total Asset Class Performance Five Years Ended December 31, 2014



* Current Quarter Target = 36.0% S&P 500 Index, 26.0% Barclays Aggregate Index, 15.0% MSCI ACWI x US (Net), 10.0% Russell 2500 Index, 8.0% NFI-ODCE Value Weight Gr and 5.0% CPI-W+4.0%.

Total Fund

Period Ended December 31, 2014

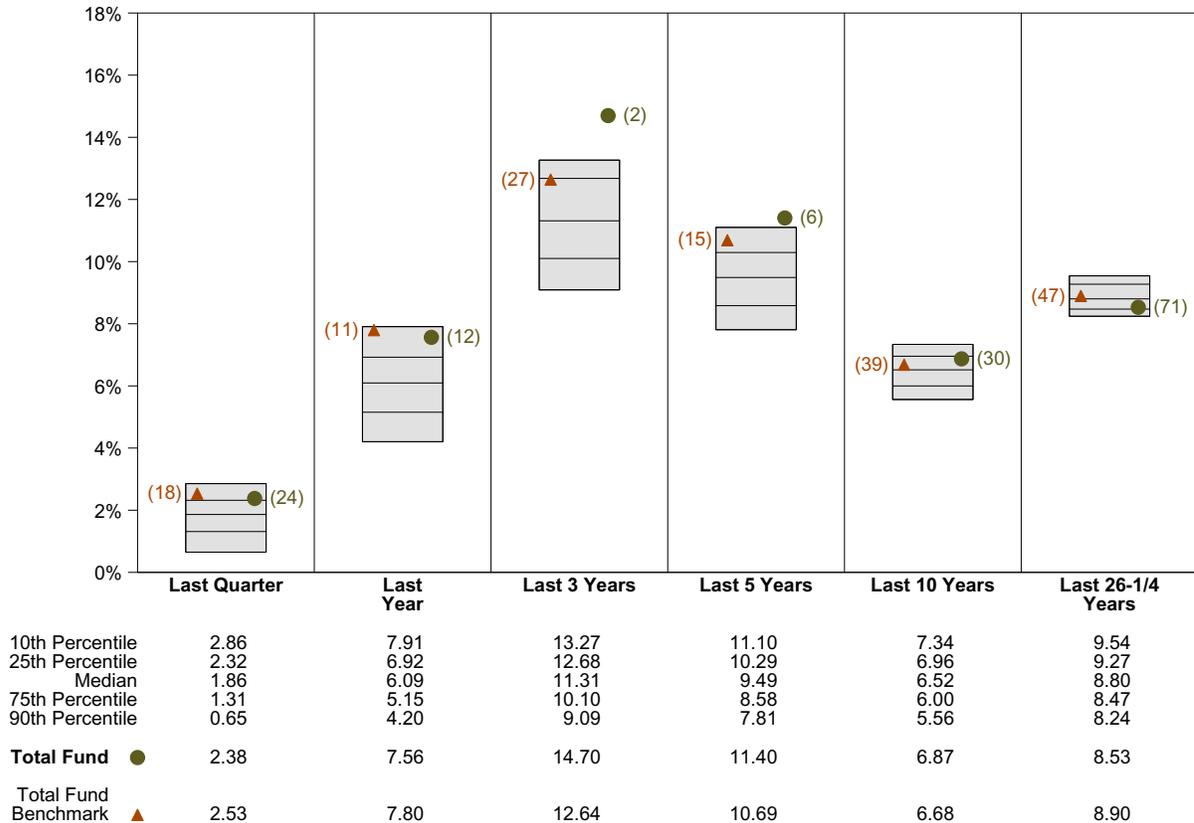
Investment Philosophy

The total fund return stream starts the third quarter of 1988.

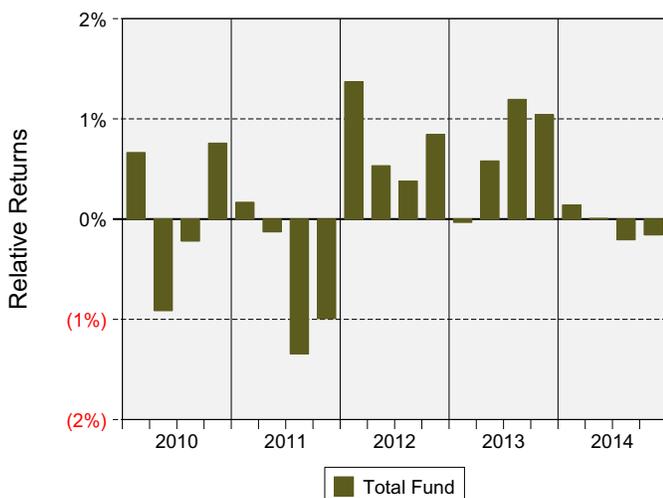
Quarterly Summary and Highlights

- Total Fund's portfolio posted a 2.38% return for the quarter placing it in the 24 percentile of the Public Fund Sponsor Database group for the quarter and in the 12 percentile for the last year.
- Total Fund's portfolio underperformed the Total Fund Benchmark by 0.16% for the quarter and underperformed the Total Fund Benchmark for the year by 0.23%.

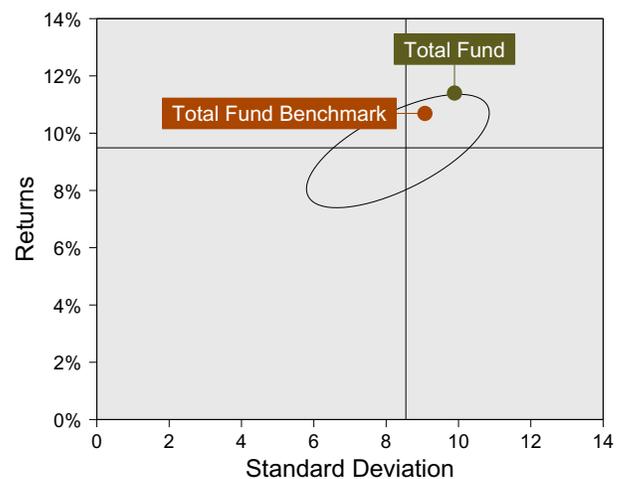
Performance vs Public Fund Sponsor Database (Gross)



Relative Return vs Total Fund Benchmark



Public Fund Sponsor Database (Gross) Annualized Five Year Risk vs Return



Domestic Equity

Period Ended December 31, 2014

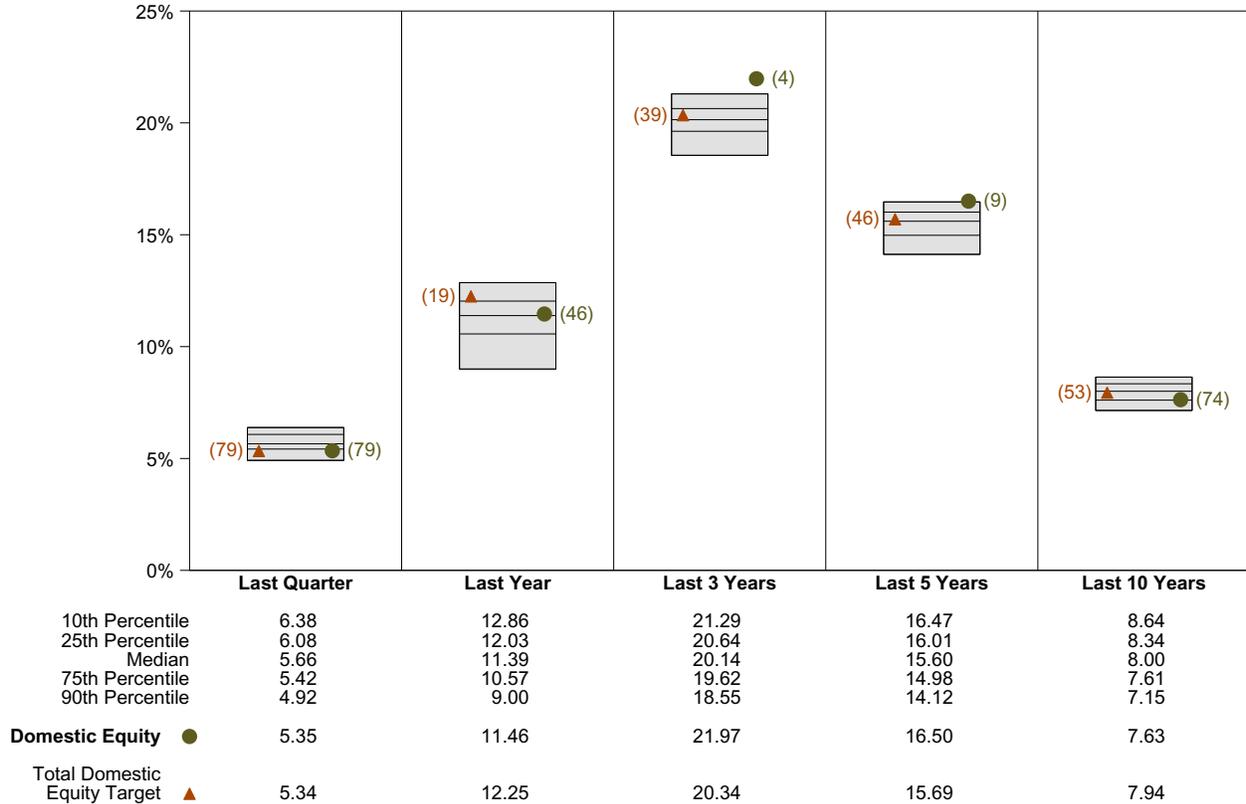
Investment Philosophy

The Total Domestic Equity target is currently composed of 78% S&P 500 Index and 22% Russell 2500 Index.

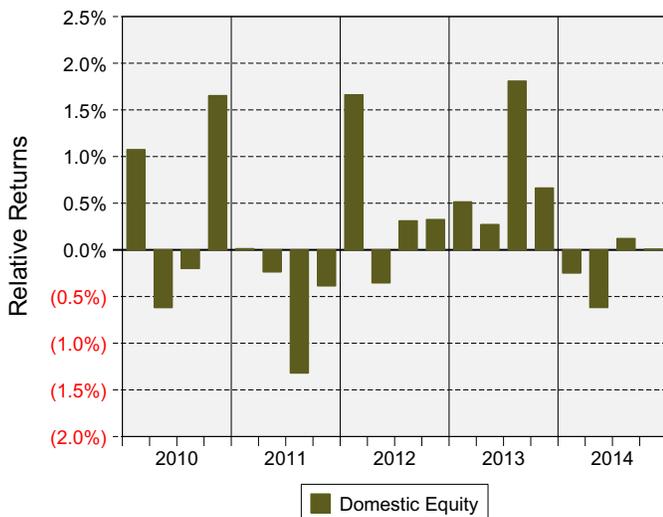
Quarterly Summary and Highlights

- Domestic Equity's portfolio posted a 5.35% return for the quarter placing it in the 79 percentile of the Pub Pln- Domestic Equity group for the quarter and in the 46 percentile for the last year.
- Domestic Equity's portfolio outperformed the Total Domestic Equity Target by 0.01% for the quarter and underperformed the Total Domestic Equity Target for the year by 0.79%.

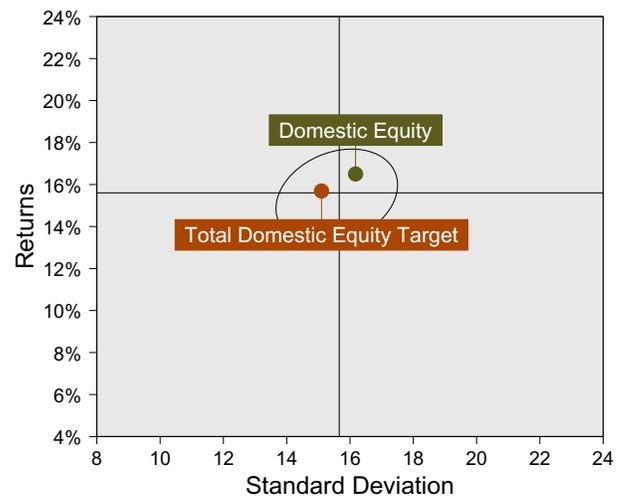
Performance vs Pub Pln- Domestic Equity (Gross)



Relative Returns vs Total Domestic Equity Target



Pub Pln- Domestic Equity (Gross) Annualized Five Year Risk vs Return

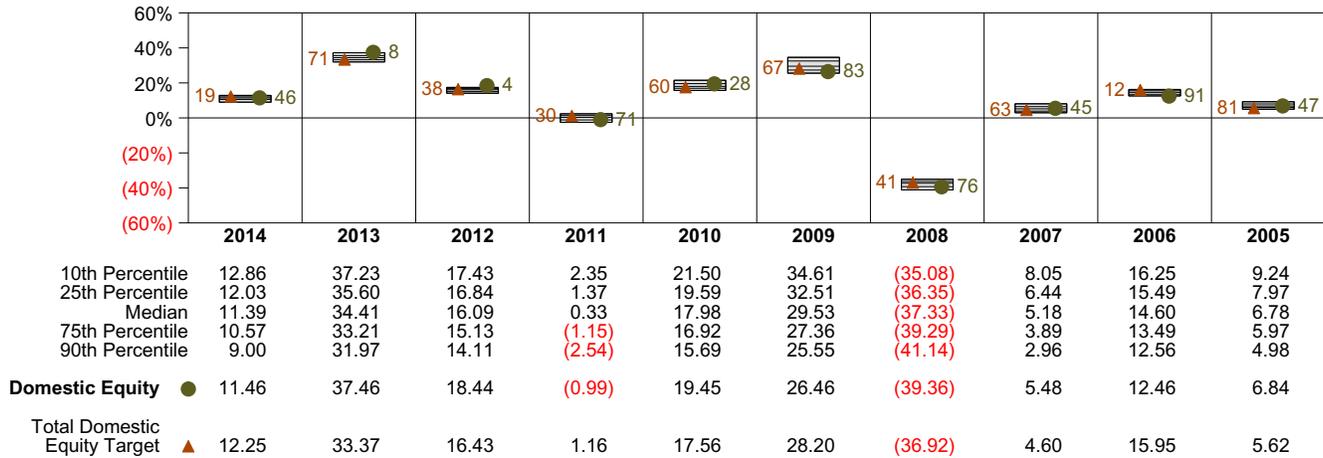


Domestic Equity Return Analysis Summary

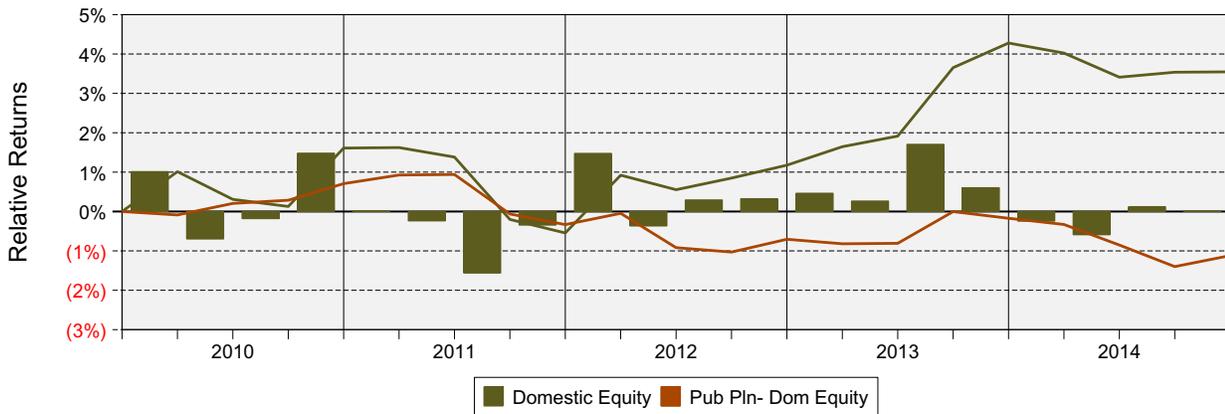
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

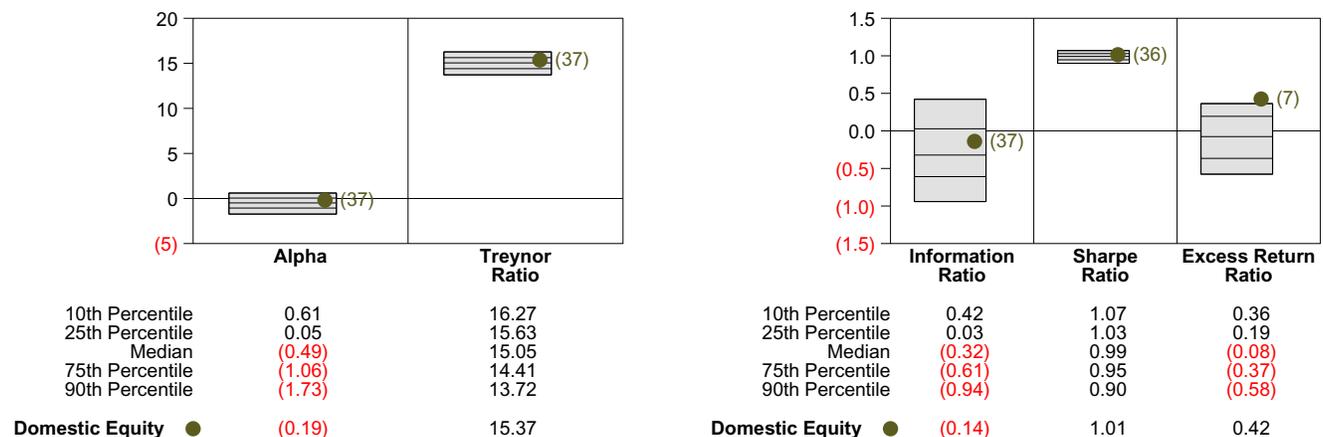
Performance vs Pub Pln- Domestic Equity (Gross)



Cumulative and Quarterly Relative Return vs Total Domestic Equity Target



Risk Adjusted Return Measures vs Total Domestic Equity Target Rankings Against Pub Pln- Domestic Equity (Gross) Five Years Ended December 31, 2014



Alliance S&P Index Period Ended December 31, 2014

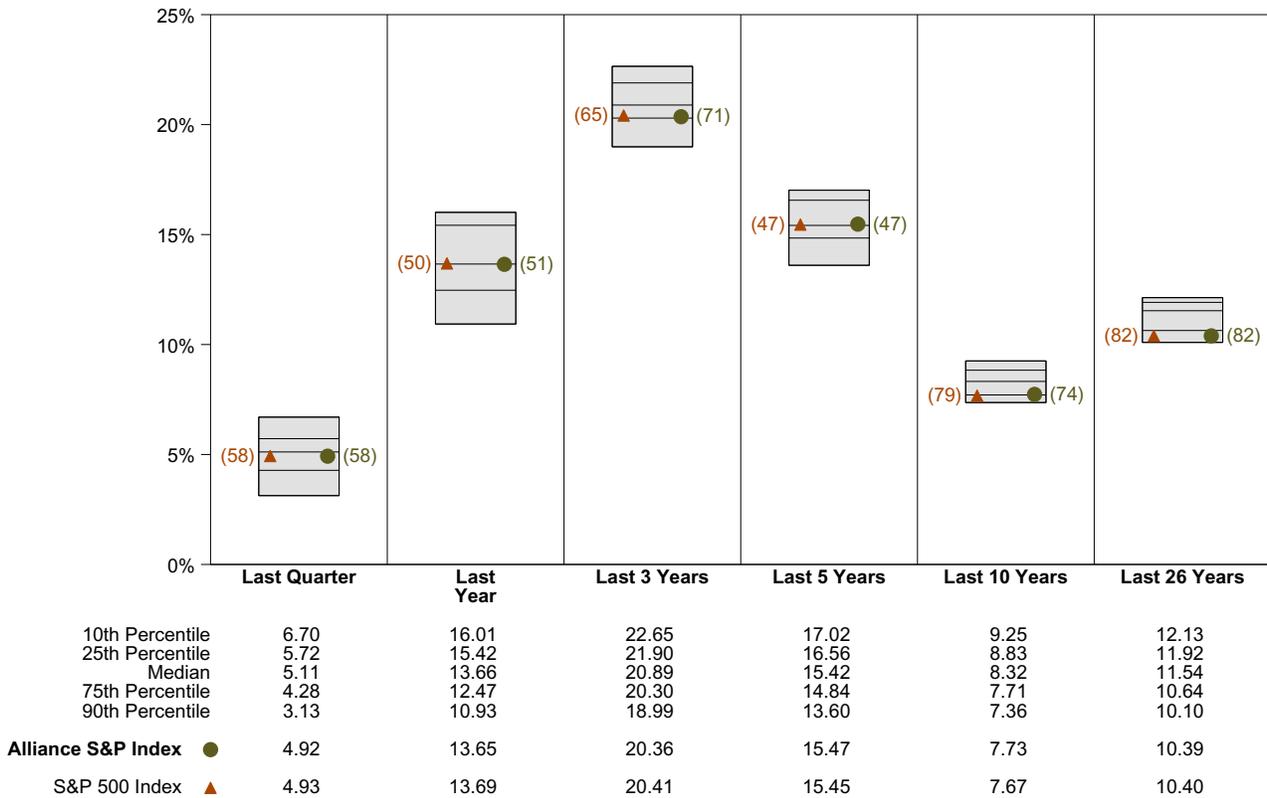
Investment Philosophy

Alliance uses a stratified sampling methodology and purchases a majority of the index stocks to replicate the Standard and Poor's 500. The product was funded during the third quarter of 1988.

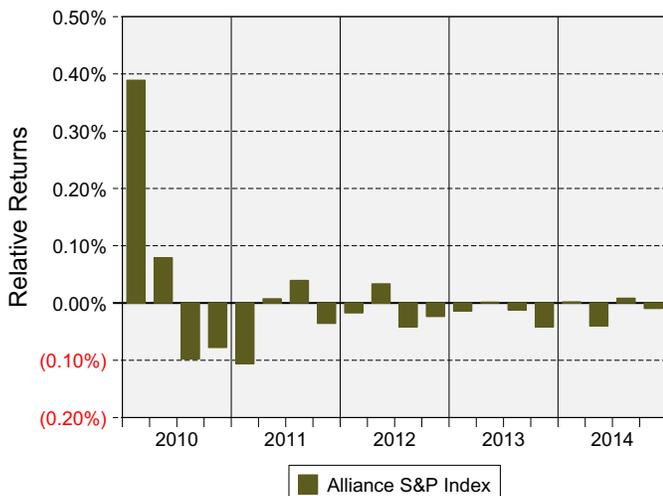
Quarterly Summary and Highlights

- Alliance S&P Index's portfolio posted a 4.92% return for the quarter placing it in the 58 percentile of the CAI Large Cap Core Style group for the quarter and in the 51 percentile for the last year.
- Alliance S&P Index's portfolio underperformed the S&P 500 Index by 0.01% for the quarter and underperformed the S&P 500 Index for the year by 0.04%.

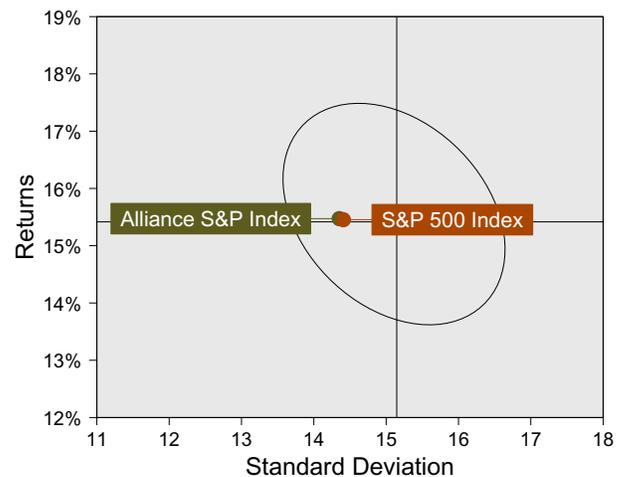
Performance vs CAI Large Cap Core Style (Gross)



Relative Return vs S&P 500 Index



CAI Large Cap Core Style (Gross)
Annualized Five Year Risk vs Return

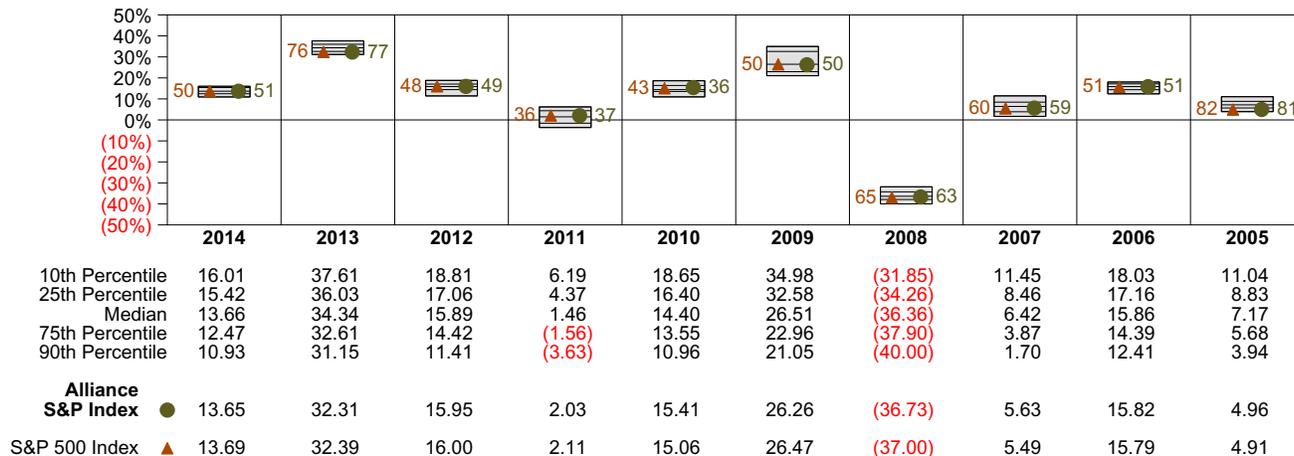


Alliance S&P Index Return Analysis Summary

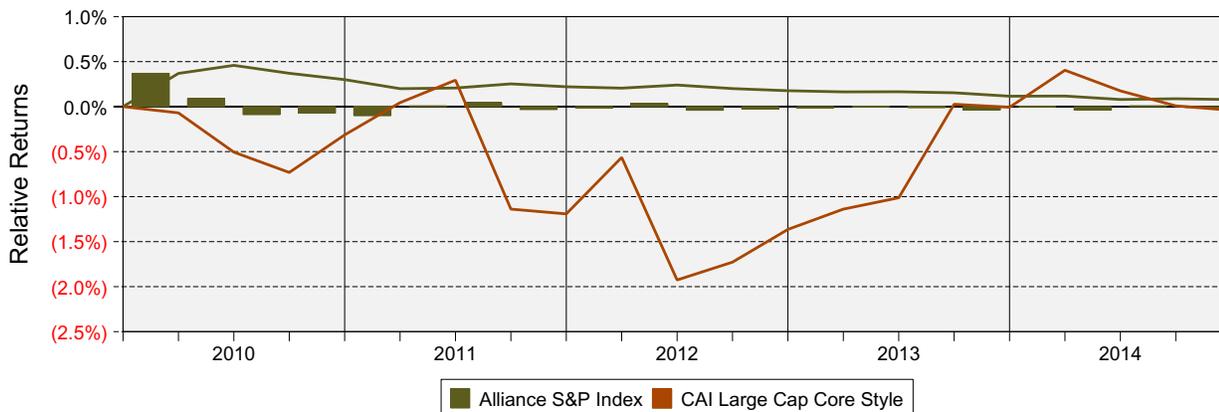
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

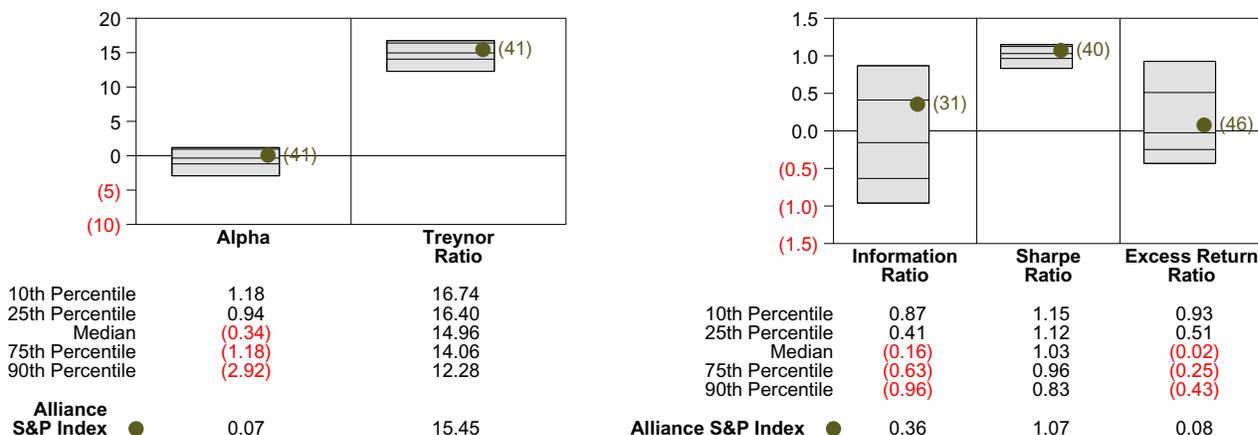
Performance vs CAI Large Cap Core Style (Gross)



Cumulative and Quarterly Relative Return vs S&P 500 Index



Risk Adjusted Return Measures vs S&P 500 Index Rankings Against CAI Large Cap Core Style (Gross) Five Years Ended December 31, 2014



PIMCO StocksPLUS

Period Ended December 31, 2014

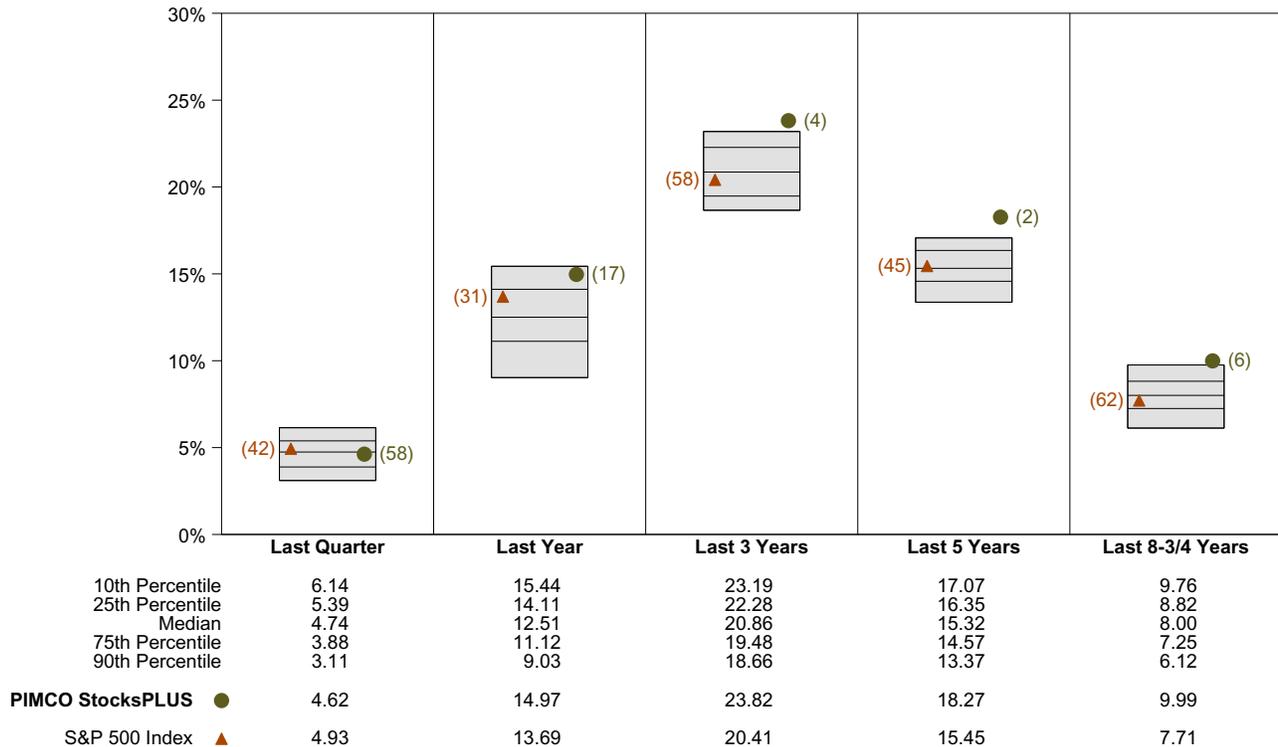
Investment Philosophy

PIMCO's StocksPlus product involves the use of S&P futures to maintain 100% equity market exposure to track the underlying index. Futures are backed by actively managed short-term cash equivalent investments. The product was funded during the first quarter of 2006.

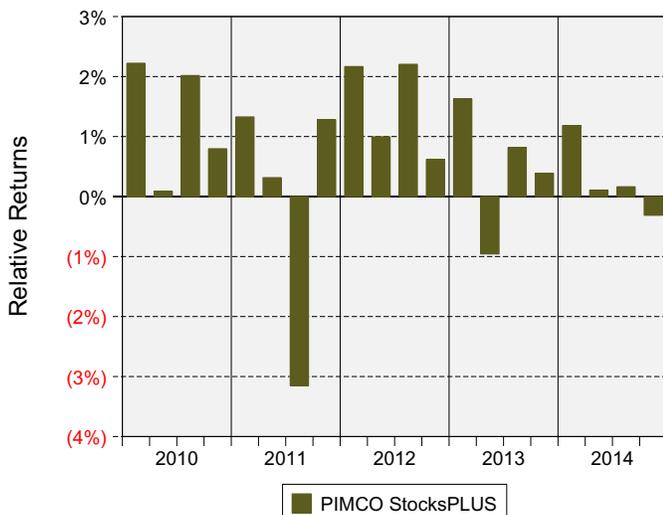
Quarterly Summary and Highlights

- PIMCO StocksPLUS's portfolio posted a 4.62% return for the quarter placing it in the 58 percentile of the CAI Large Capitalization Style group for the quarter and in the 17 percentile for the last year.
- PIMCO StocksPLUS's portfolio underperformed the S&P 500 Index by 0.31% for the quarter and outperformed the S&P 500 Index for the year by 1.28%.

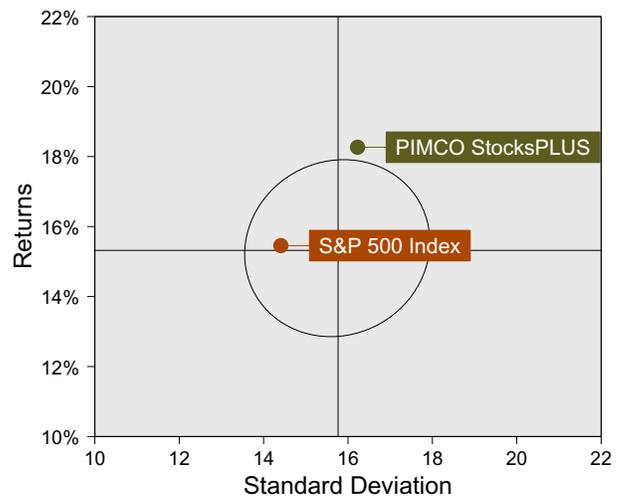
Performance vs CAI Large Capitalization Style (Gross)



Relative Return vs S&P 500 Index



CAI Large Capitalization Style (Gross) Annualized Five Year Risk vs Return

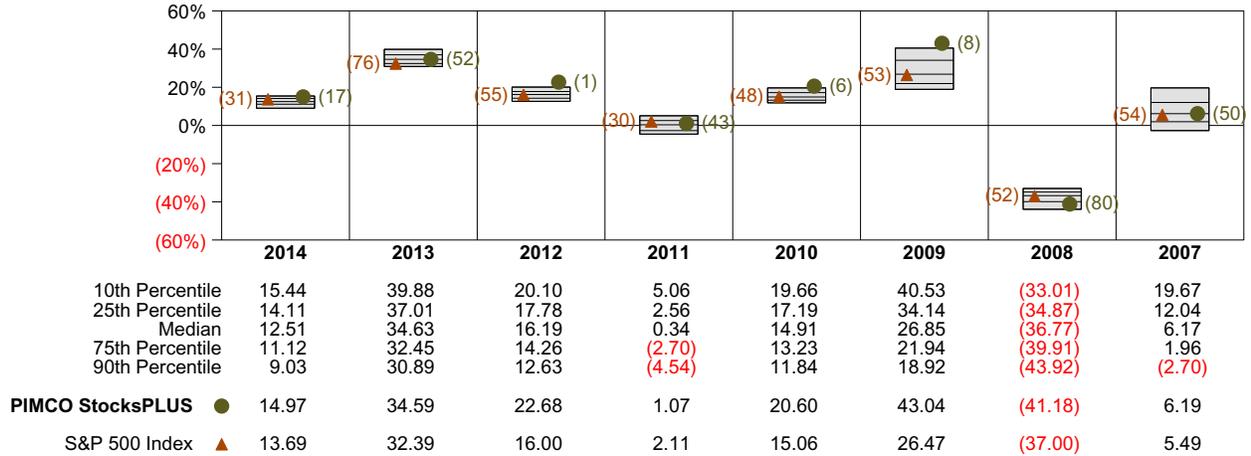


PIMCO StocksPLUS Return Analysis Summary

Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

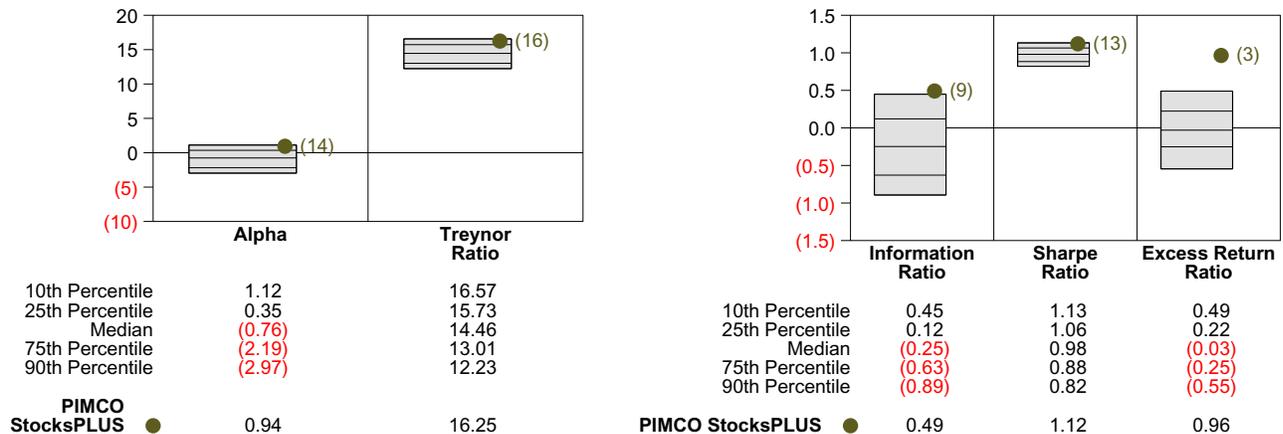
Performance vs CAI Large Capitalization Style (Gross)



Cumulative and Quarterly Relative Return vs S&P 500 Index



Risk Adjusted Return Measures vs S&P 500 Index Rankings Against CAI Large Capitalization Style (Gross) Five Years Ended December 31, 2014



BlackRock Russell 1000 Value Period Ended December 31, 2014

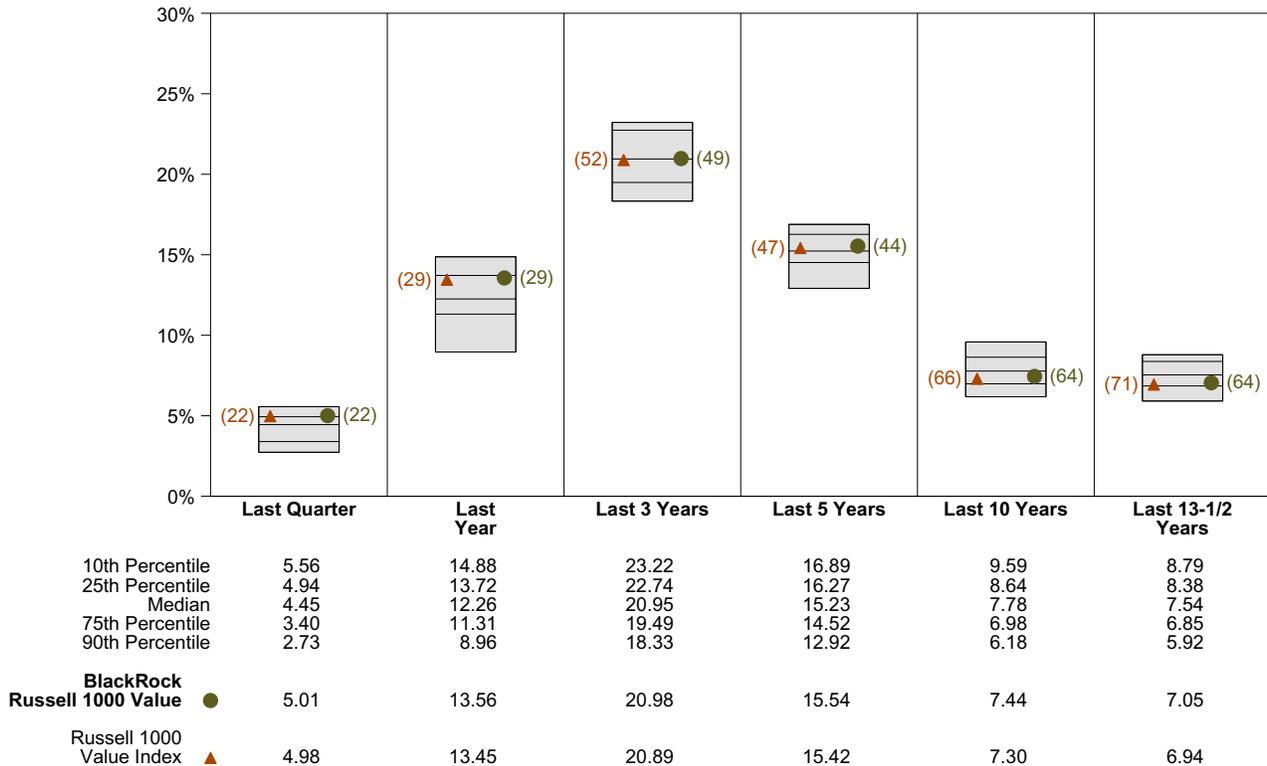
Investment Philosophy

The objective of the Russell 1000 Value Index Fund is to track the performance of its benchmark, the Russell 1000 Value Index. They seek to deliver a high quality and cost-effective index-based solution to institutional investors. The product was funded during the second quarter of 2001.

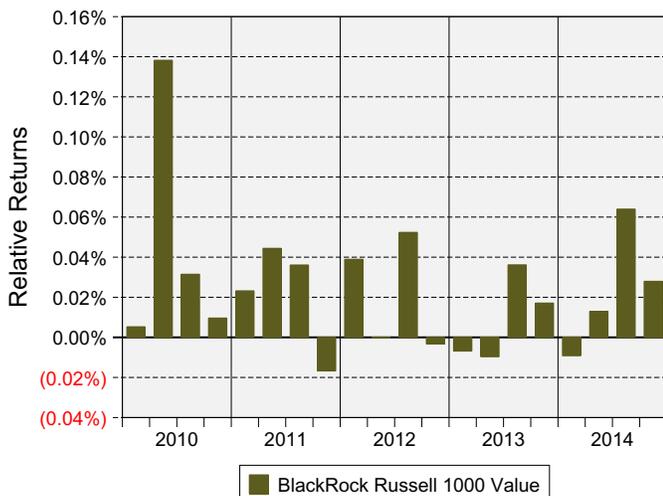
Quarterly Summary and Highlights

- BlackRock Russell 1000 Value's portfolio posted a 5.01% return for the quarter placing it in the 22 percentile of the CAI Large Cap Value Style group for the quarter and in the 29 percentile for the last year.
- BlackRock Russell 1000 Value's portfolio outperformed the Russell 1000 Value Index by 0.03% for the quarter and outperformed the Russell 1000 Value Index for the year by 0.11%.

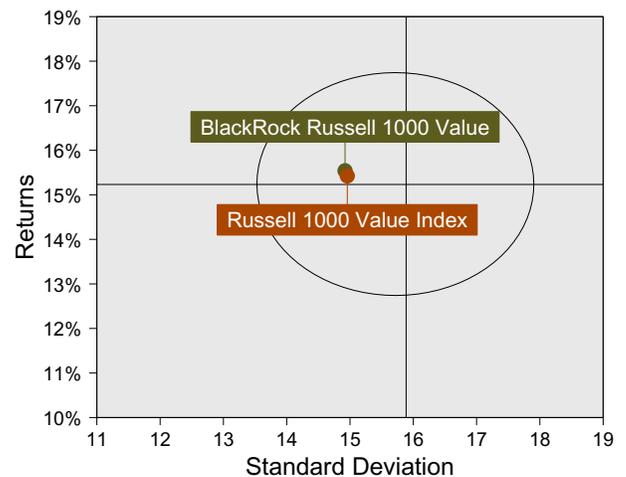
Performance vs CAI Large Cap Value Style (Gross)



Relative Return vs Russell 1000 Value Index



CAI Large Cap Value Style (Gross) Annualized Five Year Risk vs Return

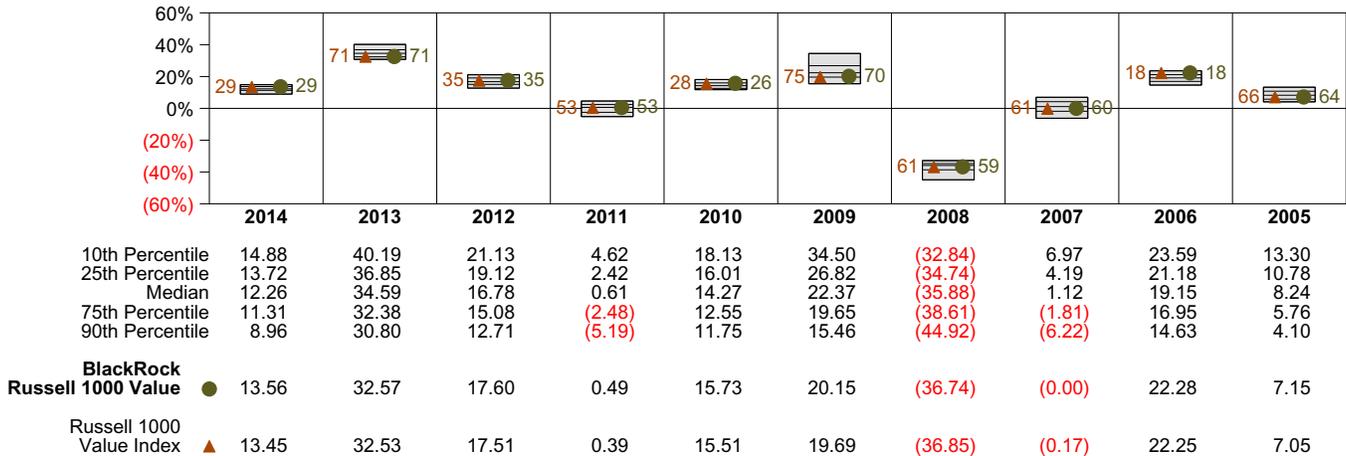


BlackRock Russell 1000 Value Return Analysis Summary

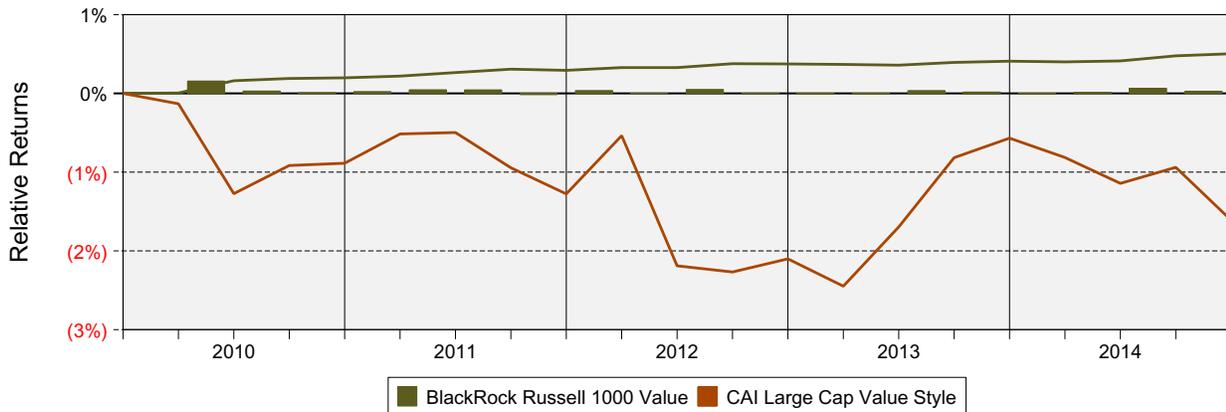
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

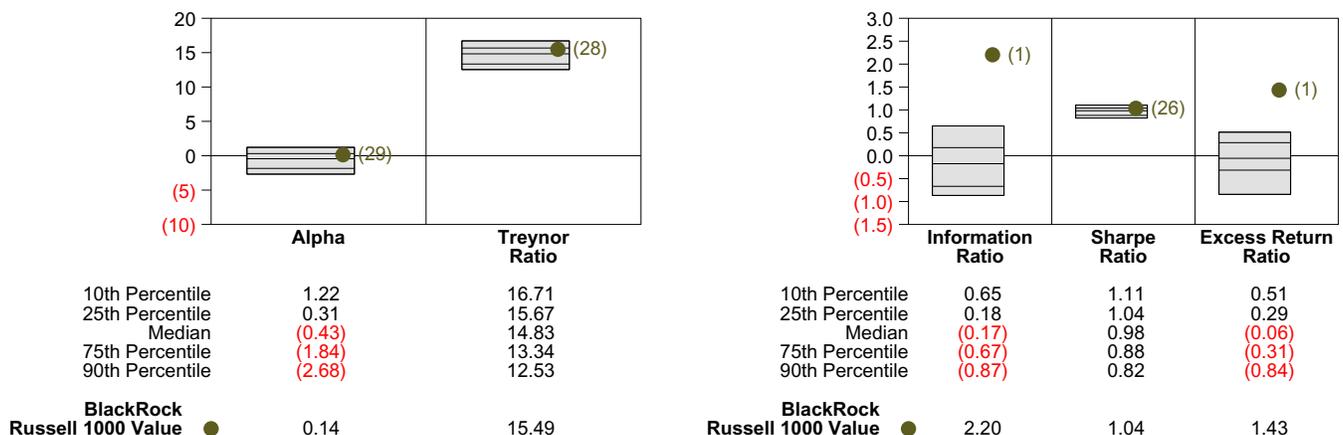
Performance vs CAI Large Cap Value Style (Gross)



Cumulative and Quarterly Relative Return vs Russell 1000 Value Index



Risk Adjusted Return Measures vs Russell 1000 Value Index Rankings Against CAI Large Cap Value Style (Gross) Five Years Ended December 31, 2014



T. Rowe Price Large Cap Growth Period Ended December 31, 2014

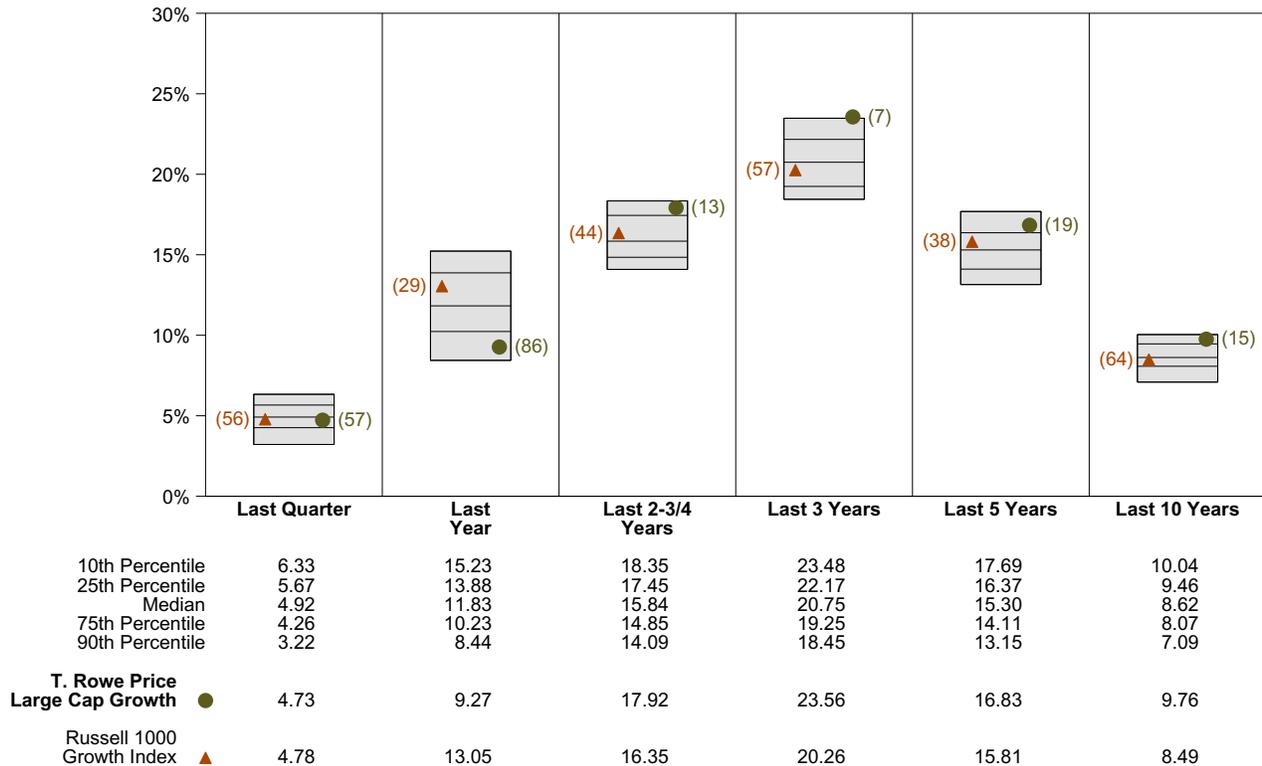
Investment Philosophy

The Large-Cap Growth Strategy is a fundamentally driven, active approach to large company growth investing. The investment philosophy is centered around the manager's belief that long-term growth in earnings and cash flow drive stockholder returns. The product was funded during the first quarter of 2012. Performance prior is that of the composite.

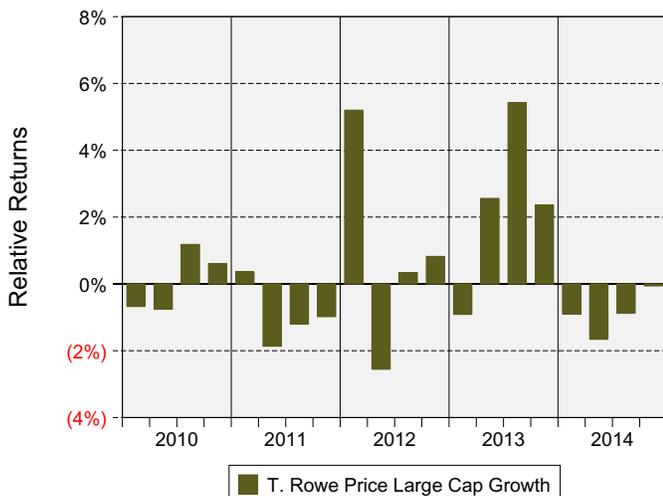
Quarterly Summary and Highlights

- T. Rowe Price Large Cap Growth's portfolio posted a 4.73% return for the quarter placing it in the 57 percentile of the CAI Large Cap Growth Style group for the quarter and in the 86 percentile for the last year.
- T. Rowe Price Large Cap Growth's portfolio underperformed the Russell 1000 Growth Index by 0.06% for the quarter and underperformed the Russell 1000 Growth Index for the year by 3.78%.

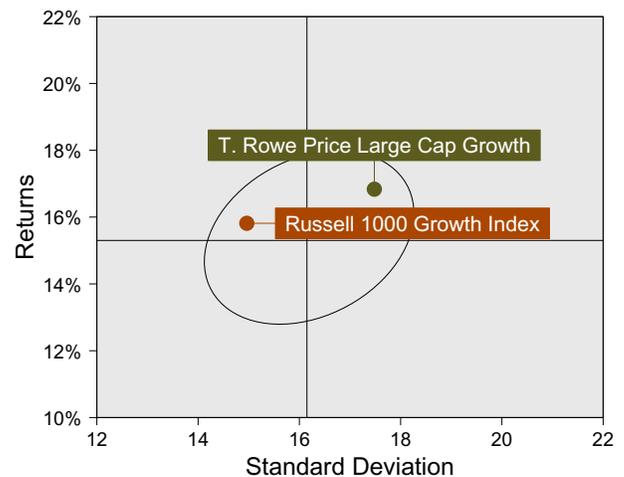
Performance vs CAI Large Cap Growth Style (Gross)



Relative Return vs Russell 1000 Growth Index



CAI Large Cap Growth Style (Gross) Annualized Five Year Risk vs Return

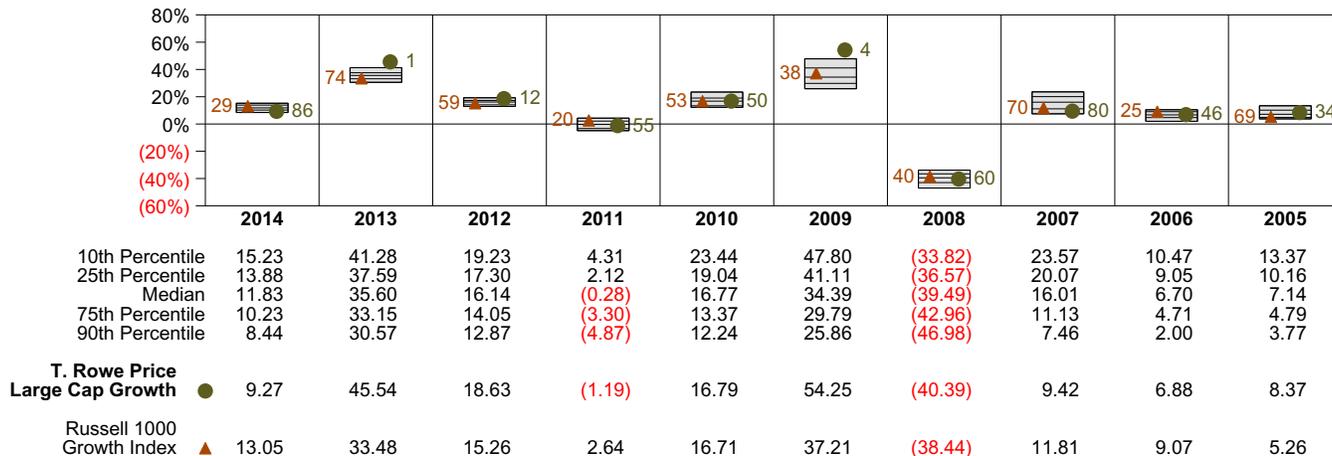


T. Rowe Price Large Cap Growth Return Analysis Summary

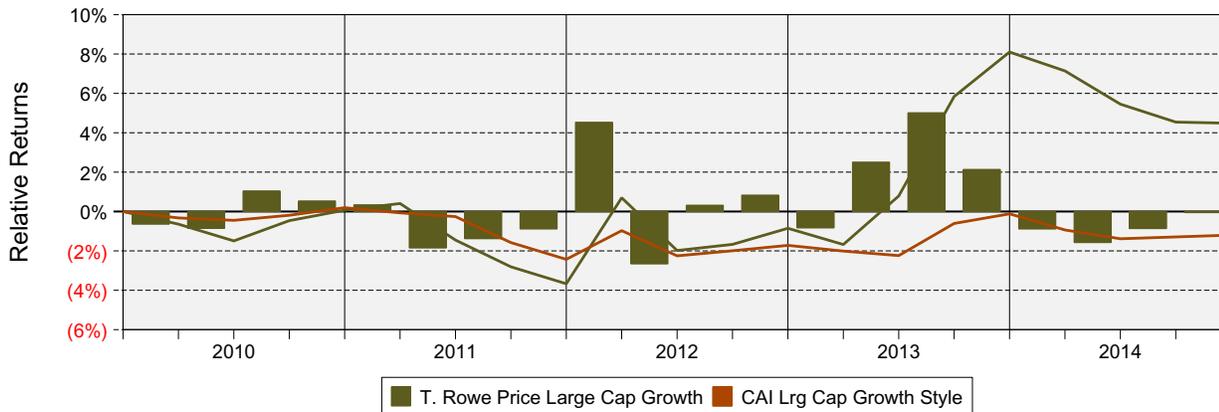
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

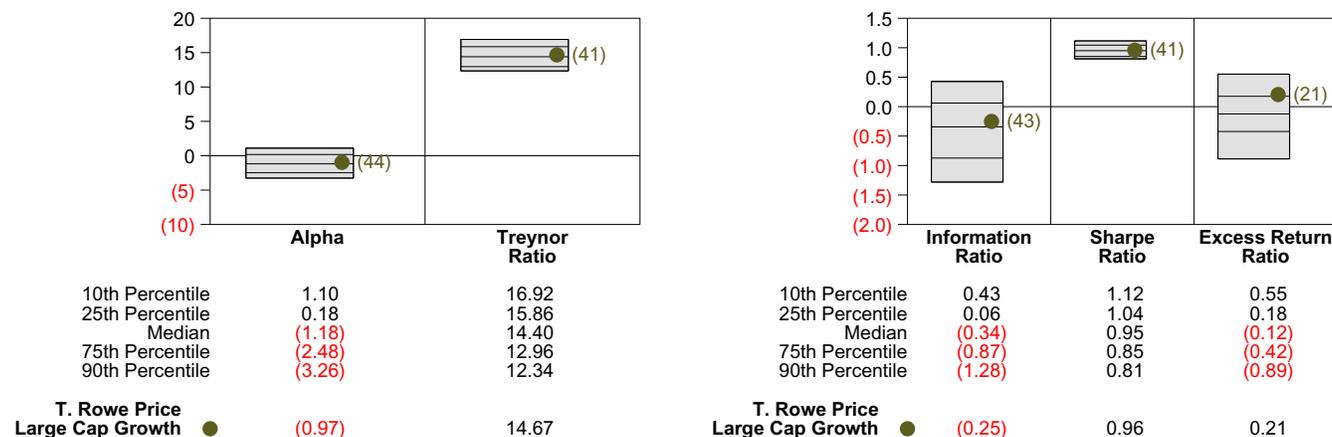
Performance vs CAI Large Cap Growth Style (Gross)



Cumulative and Quarterly Relative Return vs Russell 1000 Growth Index



Risk Adjusted Return Measures vs Russell 1000 Growth Index Rankings Against CAI Large Cap Growth Style (Gross) Five Years Ended December 31, 2014



Champlain Mid Cap Period Ended December 31, 2014

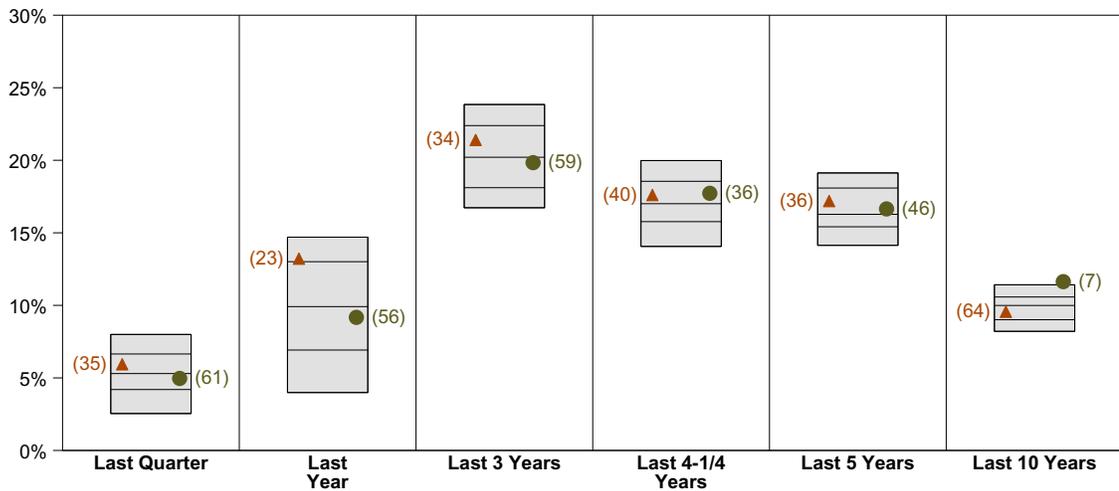
Investment Philosophy

Champlain Investment Partners believes buying the shares of superior businesses with credible and sincere managements at a discount to fair or intrinsic value gives investors several potential paths to wealth creation. First, the market may bid the shares to a premium over fair value. Second, management may grow the fair value over time at a faster rate than market appreciation. Third, the company may be bought by a larger company or private market investor. They are willing to sell over-priced stocks and harvest gains, reducing valuation risk. The product was funded during the third quarter of 2010. Performance prior is that of the composite.

Quarterly Summary and Highlights

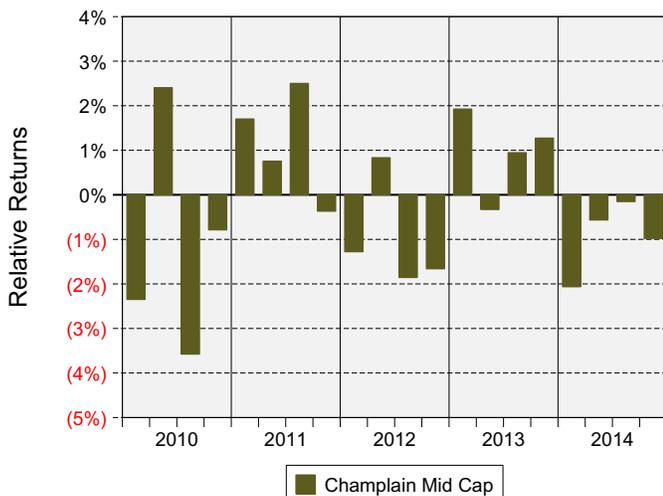
- Champlain Mid Cap's portfolio posted a 4.96% return for the quarter placing it in the 61 percentile of the CAI Mid Capitalization Style group for the quarter and in the 56 percentile for the last year.
- Champlain Mid Cap's portfolio underperformed the Russell MidCap Index by 0.98% for the quarter and underperformed the Russell MidCap Index for the year by 4.05%.

Performance vs CAI Mid Capitalization Style (Gross)

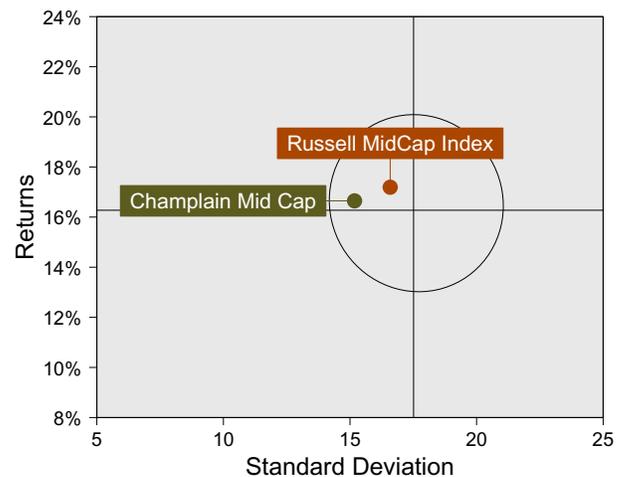


| | | | | | | |
|----------------------------|------|-------|-------|-------|-------|-------|
| 10th Percentile | 8.00 | 14.70 | 23.84 | 19.98 | 19.13 | 11.42 |
| 25th Percentile | 6.65 | 13.01 | 22.39 | 18.55 | 18.09 | 10.58 |
| Median | 5.30 | 9.91 | 20.21 | 17.01 | 16.27 | 9.99 |
| 75th Percentile | 4.20 | 6.92 | 18.11 | 15.77 | 15.42 | 9.01 |
| 90th Percentile | 2.54 | 3.99 | 16.73 | 14.06 | 14.14 | 8.21 |
| Champlain Mid Cap ● | 4.96 | 9.17 | 19.84 | 17.72 | 16.65 | 11.63 |
| Russell MidCap Index ▲ | 5.94 | 13.22 | 21.40 | 17.60 | 17.19 | 9.56 |

Relative Return vs Russell MidCap Index



CAI Mid Capitalization Style (Gross) Annualized Five Year Risk vs Return

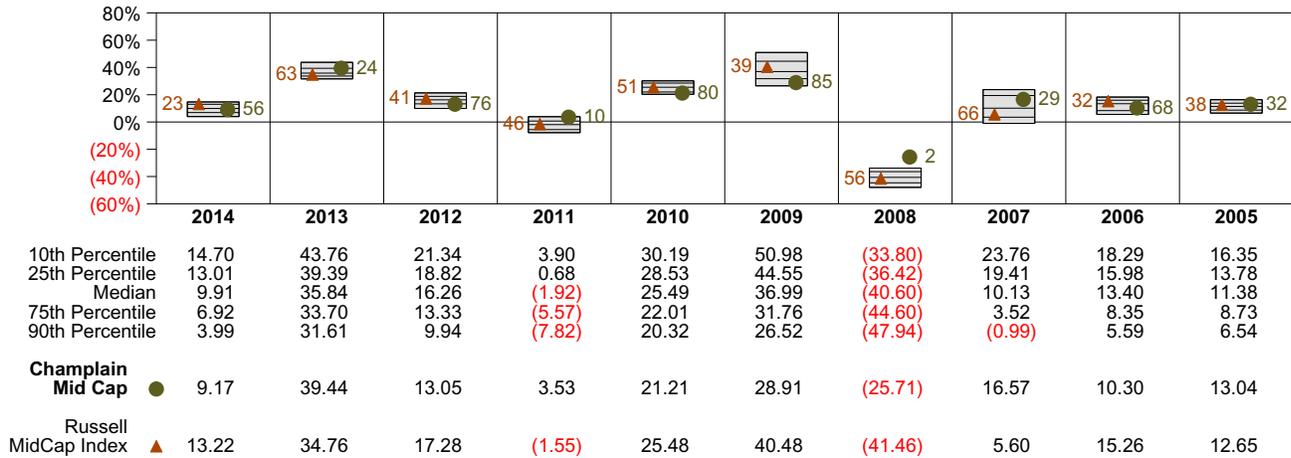


Champlain Mid Cap Return Analysis Summary

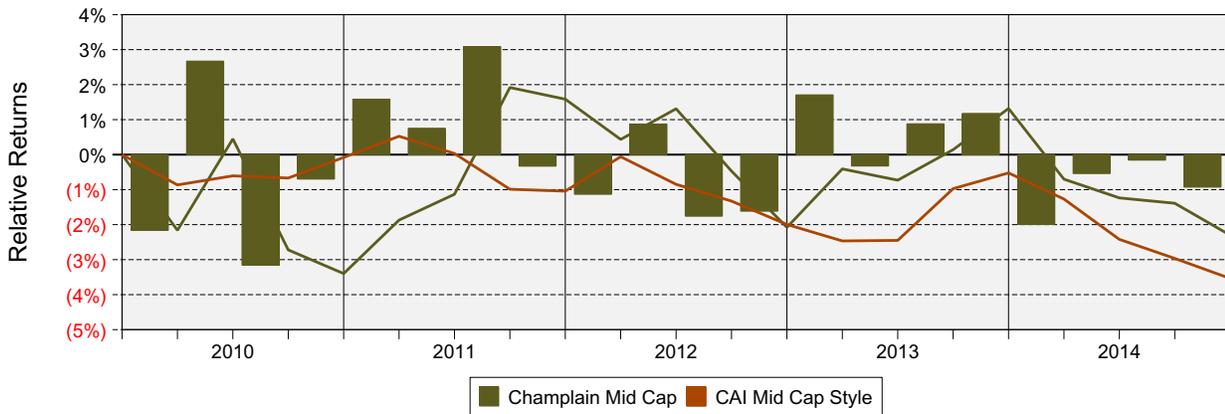
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

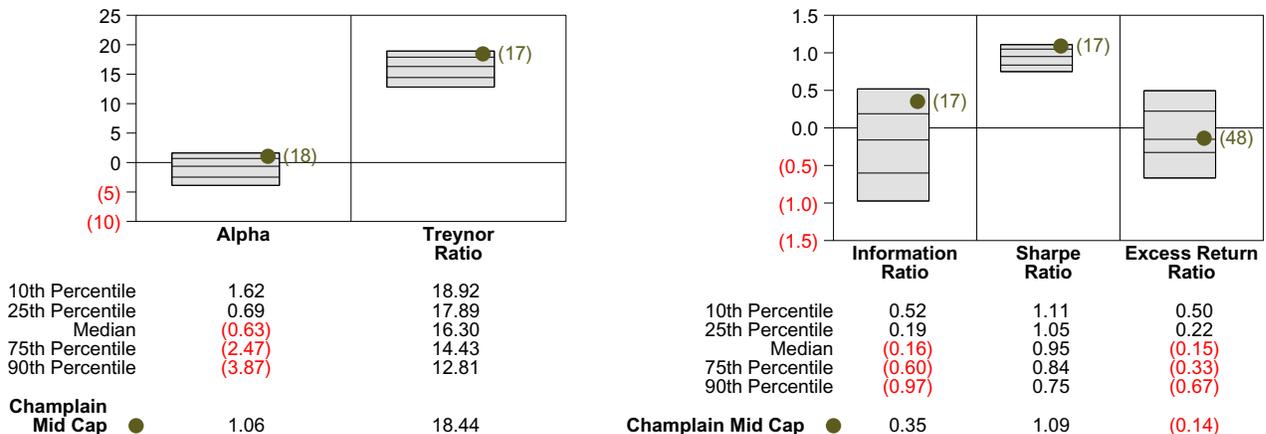
Performance vs CAI Mid Capitalization Style (Gross)



Cumulative and Quarterly Relative Return vs Russell MidCap Index



Risk Adjusted Return Measures vs Russell MidCap Index Rankings Against CAI Mid Capitalization Style (Gross) Five Years Ended December 31, 2014



Pyramis Small Cap Period Ended December 31, 2014

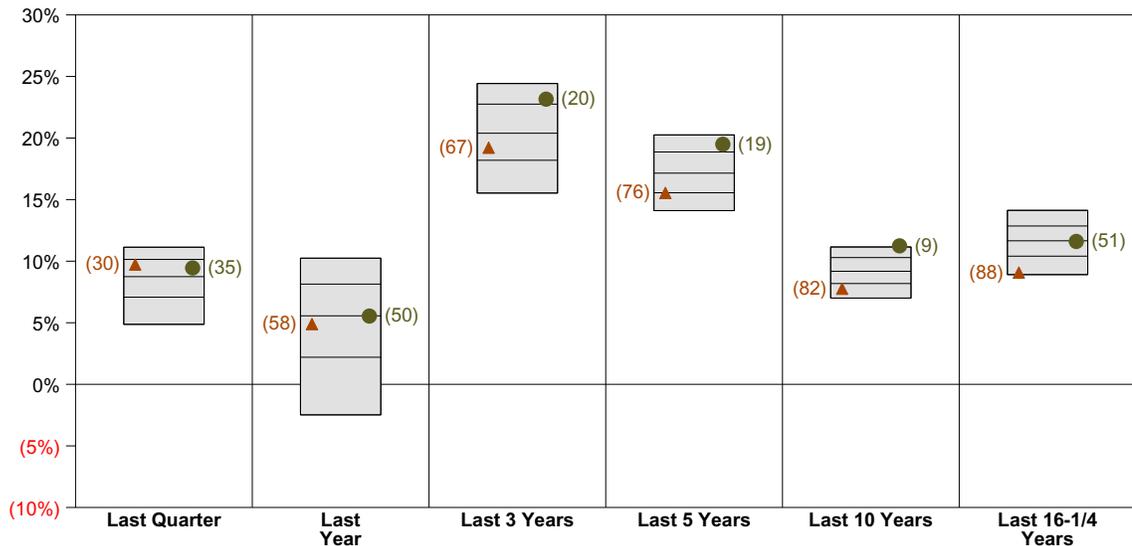
Investment Philosophy

Pyramis believes that pricing anomalies exist within the marketplace. The firm's objective is to exploit these inefficiencies and add value over the Russell 2000 Index using fundamental research to identify potential investment opportunities. The Pyramis Small Cap Core strategy seeks to build a balanced portfolio where returns will be driven by stock selection and not by systemic biases or exposures to market factors. The product was funded during the third quarter of 1998.

Quarterly Summary and Highlights

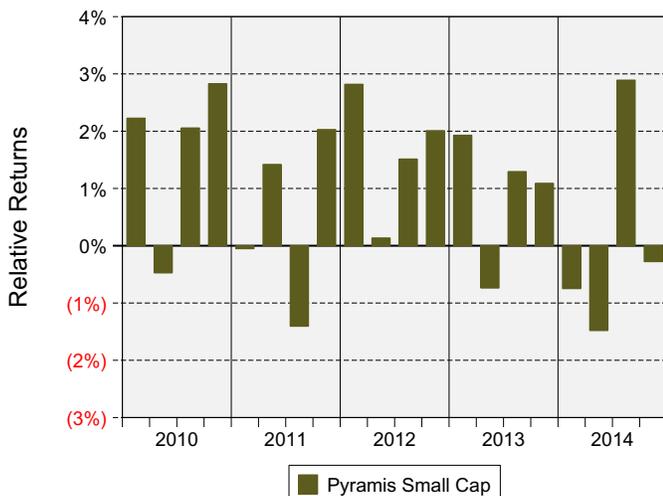
- Pyramis Small Cap's portfolio posted a 9.45% return for the quarter placing it in the 35 percentile of the CAI Small Capitalization Style group for the quarter and in the 50 percentile for the last year.
- Pyramis Small Cap's portfolio underperformed the Russell 2000 Index by 0.28% for the quarter and outperformed the Russell 2000 Index for the year by 0.65%.

Performance vs CAI Small Capitalization Style (Gross)

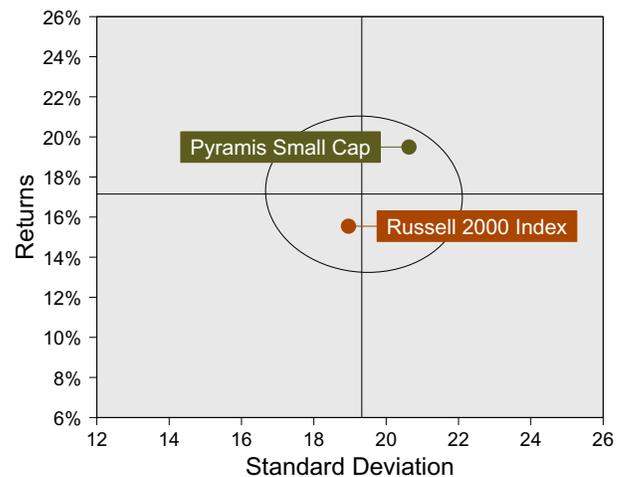


| | | | | | | |
|---------------------------|--------|--------|-------|-------|-------|-------|
| 10th Percentile | 11.14 | 10.24 | 24.43 | 20.25 | 11.15 | 14.13 |
| 25th Percentile | 10.15 | 8.14 | 22.75 | 18.87 | 10.29 | 12.86 |
| Median | 8.74 | 5.56 | 20.39 | 17.15 | 9.18 | 11.66 |
| 75th Percentile | 7.08 | 2.20 | 18.20 | 15.55 | 8.18 | 10.41 |
| 90th Percentile | 4.87 | (2.48) | 15.53 | 14.11 | 7.00 | 8.91 |
| Pyramis Small Cap | ● 9.45 | 5.54 | 23.16 | 19.49 | 11.24 | 11.60 |
| Russell 2000 Index | ▲ 9.73 | 4.89 | 19.21 | 15.55 | 7.77 | 9.08 |

Relative Return vs Russell 2000 Index



CAI Small Capitalization Style (Gross) Annualized Five Year Risk vs Return

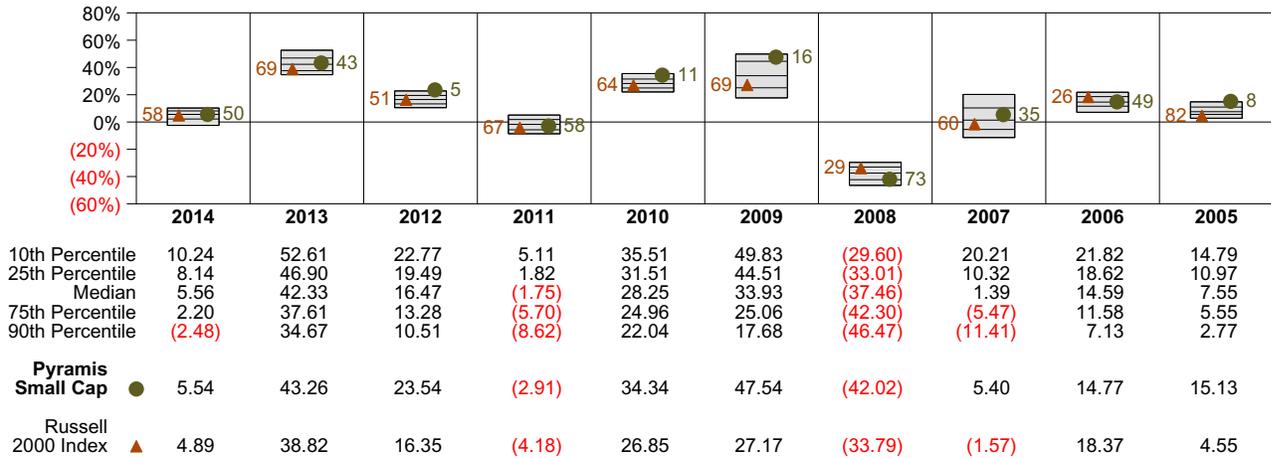


Pyramis Small Cap Return Analysis Summary

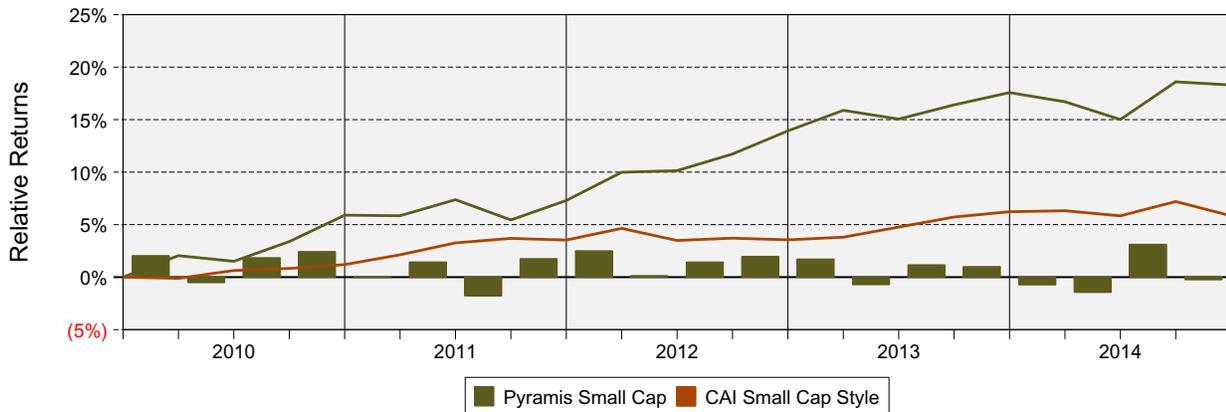
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

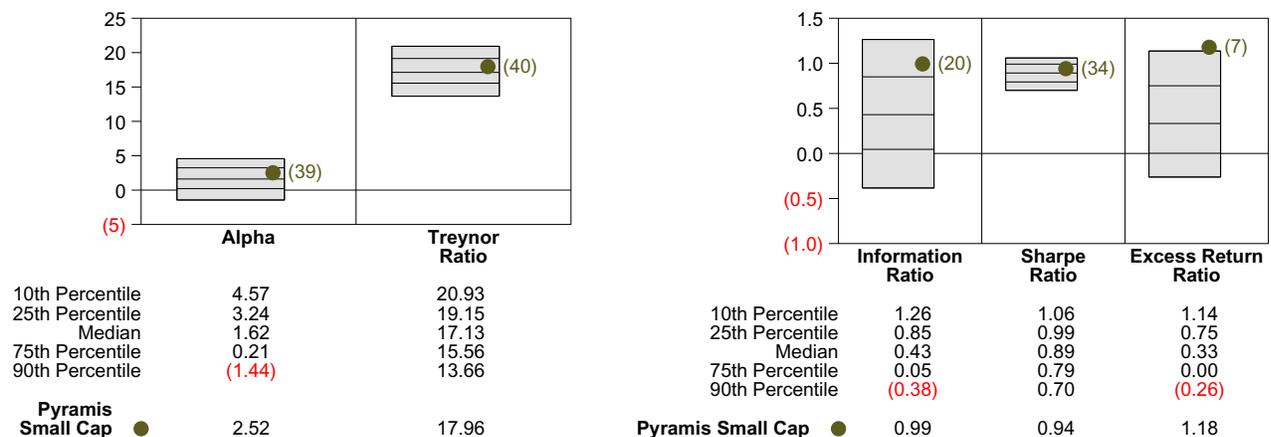
Performance vs CAI Small Capitalization Style (Gross)



Cumulative and Quarterly Relative Return vs Russell 2000 Index



Risk Adjusted Return Measures vs Russell 2000 Index Rankings Against CAI Small Capitalization Style (Gross) Five Years Ended December 31, 2014



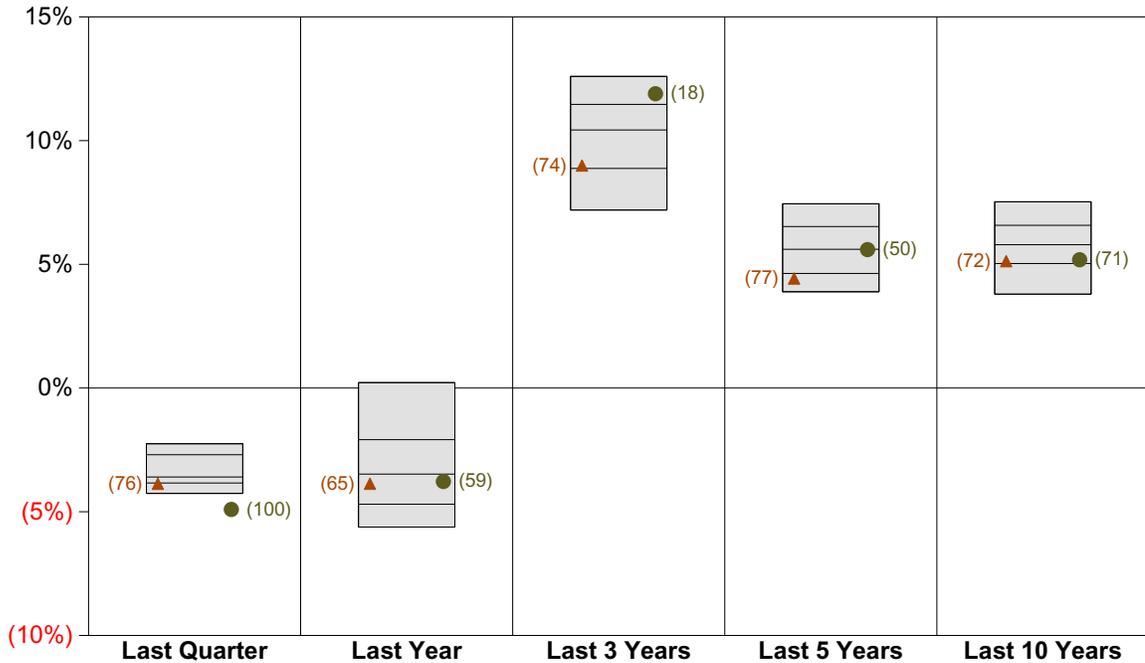
International Equity

Period Ended December 31, 2014

Quarterly Summary and Highlights

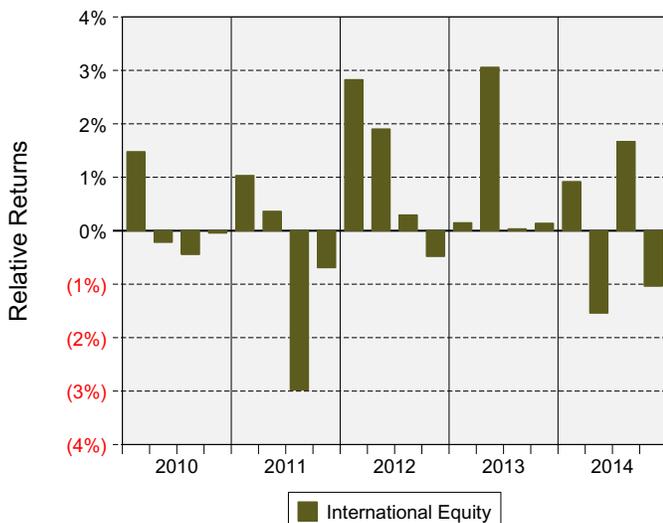
- International Equity's portfolio posted a (4.91)% return for the quarter placing it in the 100 percentile of the Pub Pln- International Equity group for the quarter and in the 59 percentile for the last year.
- International Equity's portfolio underperformed the MSCI ACWI x US (Net) by 1.04% for the quarter and outperformed the MSCI ACWI x US (Net) for the year by 0.09%.

Performance vs Pub Pln- International Equity (Gross)

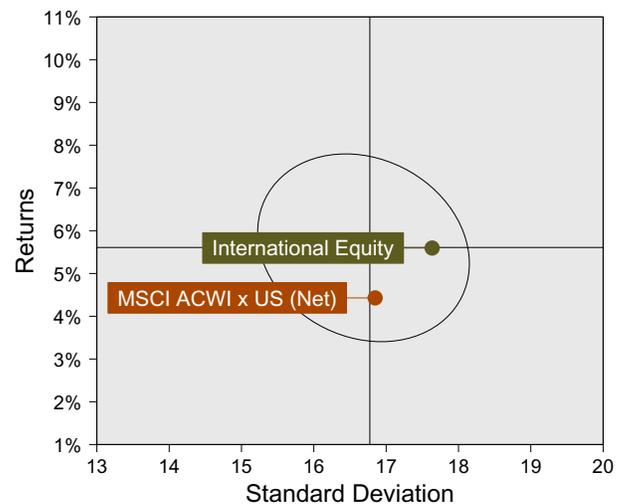


| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 Years |
|-------------------------------|---------------|---------------|--------------|--------------|---------------|
| 10th Percentile | (2.25) | 0.22 | 12.59 | 7.45 | 7.53 |
| 25th Percentile | (2.70) | (2.09) | 11.46 | 6.53 | 6.58 |
| Median | (3.60) | (3.48) | 10.43 | 5.61 | 5.79 |
| 75th Percentile | (3.84) | (4.70) | 8.88 | 4.63 | 5.03 |
| 90th Percentile | (4.26) | (5.62) | 7.19 | 3.89 | 3.79 |
| International Equity ● | (4.91) | (3.78) | 11.89 | 5.60 | 5.18 |
| MSCI ACWI x US (Net) ▲ | (3.87) | (3.87) | 8.99 | 4.43 | 5.13 |

Relative Return vs MSCI ACWI x US (Net)



Pub Pln- International Equity (Gross) Annualized Five Year Risk vs Return

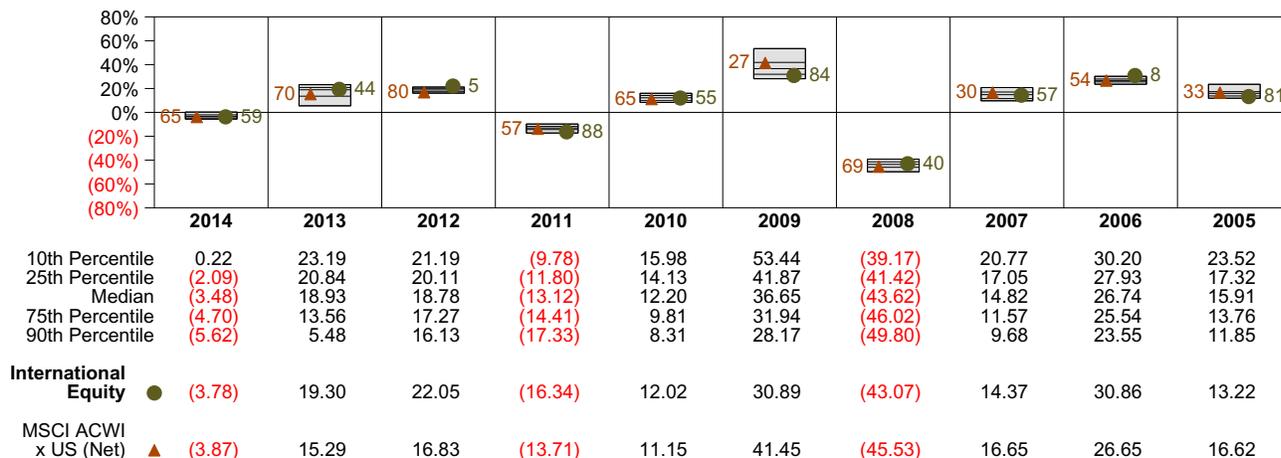


International Equity Return Analysis Summary

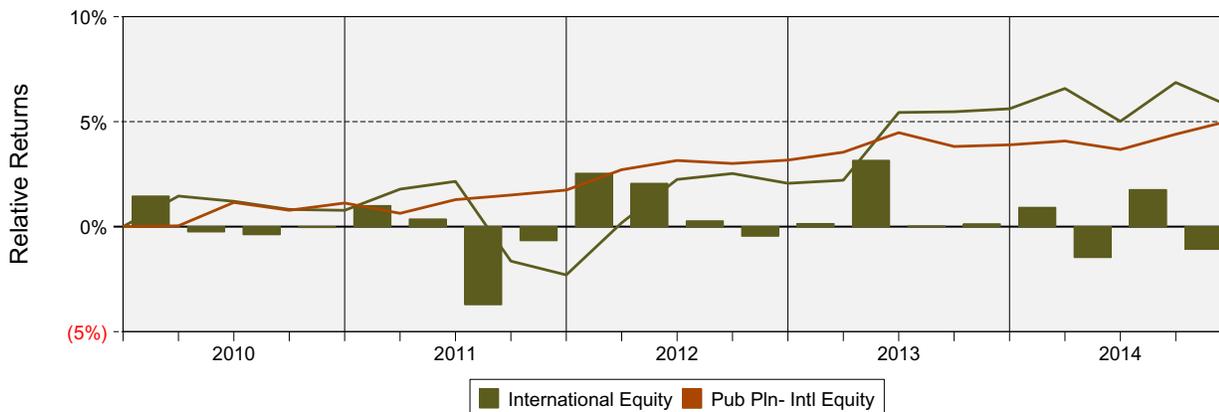
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

Performance vs Pub Pln- International Equity (Gross)



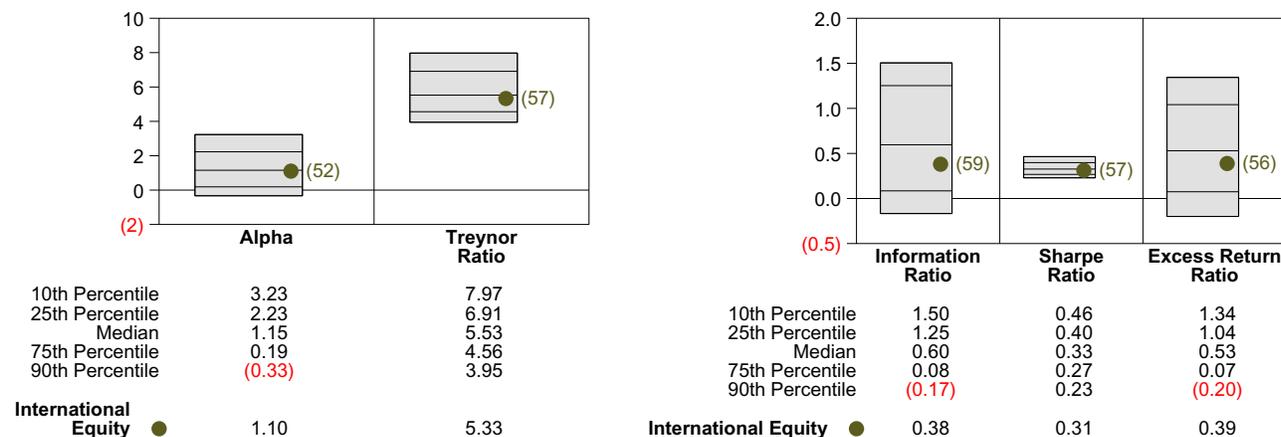
Cumulative and Quarterly Relative Return vs MSCI ACWI x US (Net)



Risk Adjusted Return Measures vs MSCI ACWI x US (Net)

Rankings Against Pub Pln- International Equity (Gross)

Five Years Ended December 31, 2014



Causeway International Value Equity Period Ended December 31, 2014

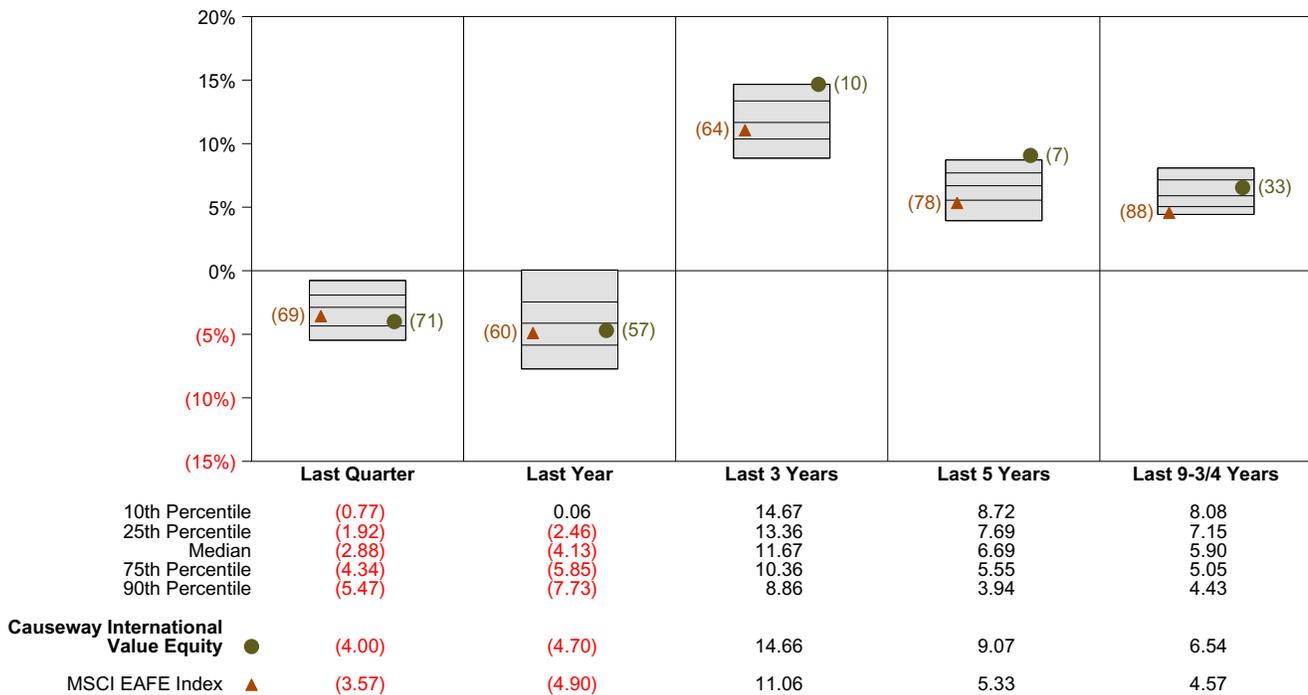
Investment Philosophy

Causeway Capital Management's International Value Equity team focuses on active investment management with a value-driven, bottom-up approach to stock selection. The team believes in managing equity portfolios using a disciplined approach with the goal of producing favorable long-term returns coupled with reduced downside volatility. Although the firm possesses dedicated emerging market capabilities which are quantitative in nature, research for this strategy is fundamentally focused. The product was funded during the first quarter of 2005.

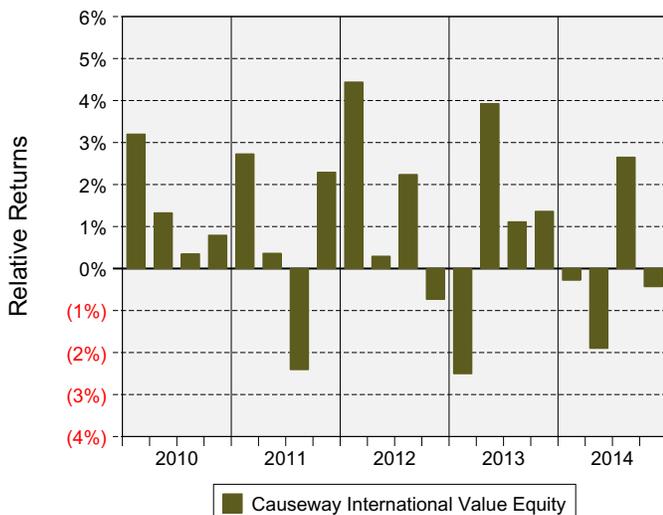
Quarterly Summary and Highlights

- Causeway International Value Equity's portfolio posted a (4.00)% return for the quarter placing it in the 71 percentile of the CAI Non-U.S. Equity Style group for the quarter and in the 57 percentile for the last year.
- Causeway International Value Equity's portfolio underperformed the MSCI EAFE Index by 0.43% for the quarter and outperformed the MSCI EAFE Index for the year by 0.20%.

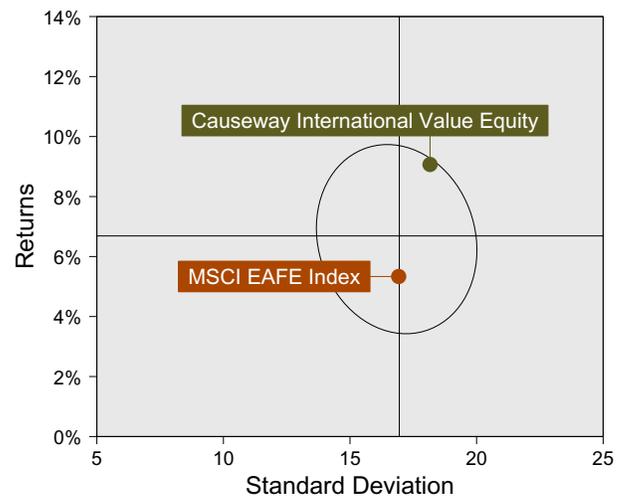
Performance vs CAI Non-U.S. Equity Style (Gross)



Relative Return vs MSCI EAFE Index



CAI Non-U.S. Equity Style (Gross) Annualized Five Year Risk vs Return

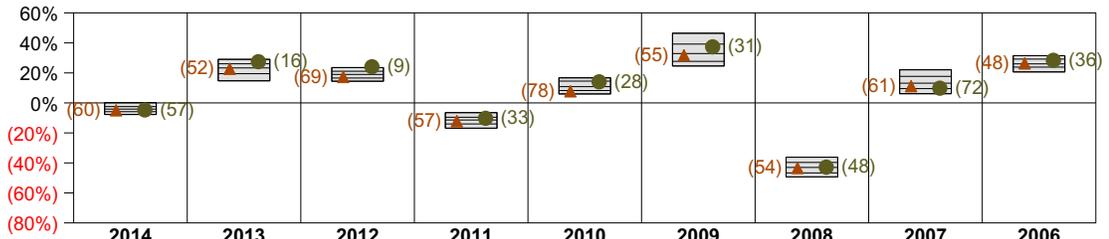


Causeway International Value Equity Return Analysis Summary

Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

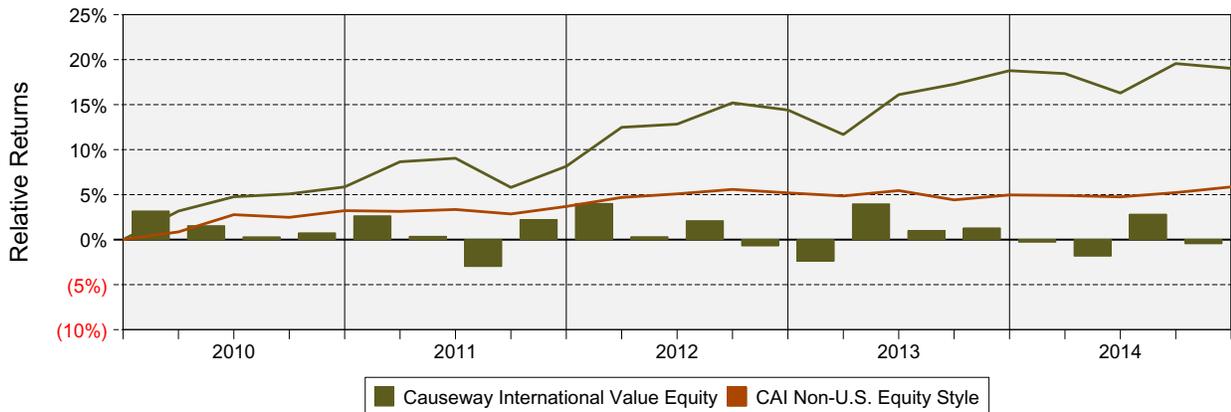
Performance vs CAI Non-U.S. Equity Style (Gross)



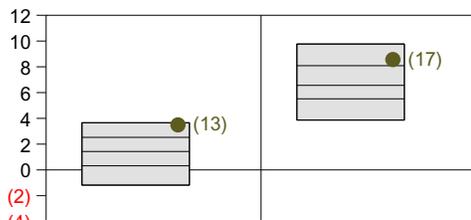
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 |
|-----------------|--------|-------|-------|---------|-------|-------|---------|-------|-------|
| 10th Percentile | 0.06 | 29.05 | 23.54 | (6.48) | 16.72 | 46.43 | (36.19) | 22.09 | 31.47 |
| 25th Percentile | (2.46) | 26.08 | 21.12 | (9.56) | 14.53 | 39.21 | (39.68) | 17.70 | 29.21 |
| Median | (4.13) | 23.32 | 18.99 | (11.40) | 10.84 | 32.89 | (43.02) | 13.15 | 26.02 |
| 75th Percentile | (5.85) | 19.49 | 16.61 | (14.02) | 8.27 | 27.71 | (46.67) | 9.54 | 23.87 |
| 90th Percentile | (7.73) | 14.73 | 14.45 | (16.87) | 5.97 | 24.60 | (49.33) | 6.13 | 20.66 |

| | | | | | | | | | | |
|--|---|--------|-------|-------|---------|-------|-------|---------|-------|-------|
| Causeway International Value Equity | ● | (4.70) | 27.47 | 24.10 | (10.24) | 14.06 | 37.35 | (42.83) | 9.82 | 28.40 |
| MSCI EAFE Index | ▲ | (4.90) | 22.78 | 17.32 | (12.14) | 7.75 | 31.78 | (43.38) | 11.17 | 26.34 |

Cumulative and Quarterly Relative Return vs MSCI EAFE Index

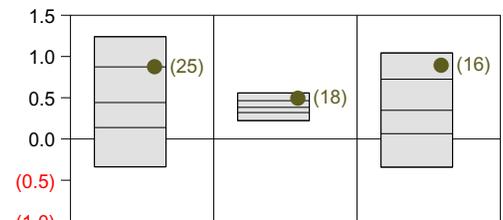


Risk Adjusted Return Measures vs MSCI EAFE Index Rankings Against CAI Non-U.S. Equity Style (Gross) Five Years Ended December 31, 2014



| | Alpha | Treynor Ratio |
|-----------------|--------|---------------|
| 10th Percentile | 3.66 | 9.77 |
| 25th Percentile | 2.53 | 8.09 |
| Median | 1.43 | 6.56 |
| 75th Percentile | 0.32 | 5.52 |
| 90th Percentile | (1.18) | 3.87 |

| | | | |
|--|---|------|------|
| Causeway International Value Equity | ● | 3.49 | 8.56 |
|--|---|------|------|



| | Information Ratio | Sharpe Ratio | Excess Return Ratio |
|-----------------|-------------------|--------------|---------------------|
| 10th Percentile | 1.24 | 0.56 | 1.04 |
| 25th Percentile | 0.87 | 0.46 | 0.72 |
| Median | 0.44 | 0.38 | 0.35 |
| 75th Percentile | 0.14 | 0.32 | 0.06 |
| 90th Percentile | (0.34) | 0.22 | (0.34) |

| | | | | |
|--|---|------|------|------|
| Causeway International Value Equity | ● | 0.88 | 0.49 | 0.89 |
|--|---|------|------|------|

Aberdeen EAFE Plus Period Ended December 31, 2014

Investment Philosophy

Aberdeen believes that given the inefficiency of markets, superior long-term returns are achieved by identifying high quality stocks, buying them at reasonable/cheap prices, and ultimately investing in those securities for the long term. Absolute return is held to be of the utmost importance. The strategy is benchmark aware, but not benchmark driven. This benchmark stance is born from their belief that indices do not provide meaningful guidance to the prospects of a company or its inherent worth.

Quarterly Summary and Highlights

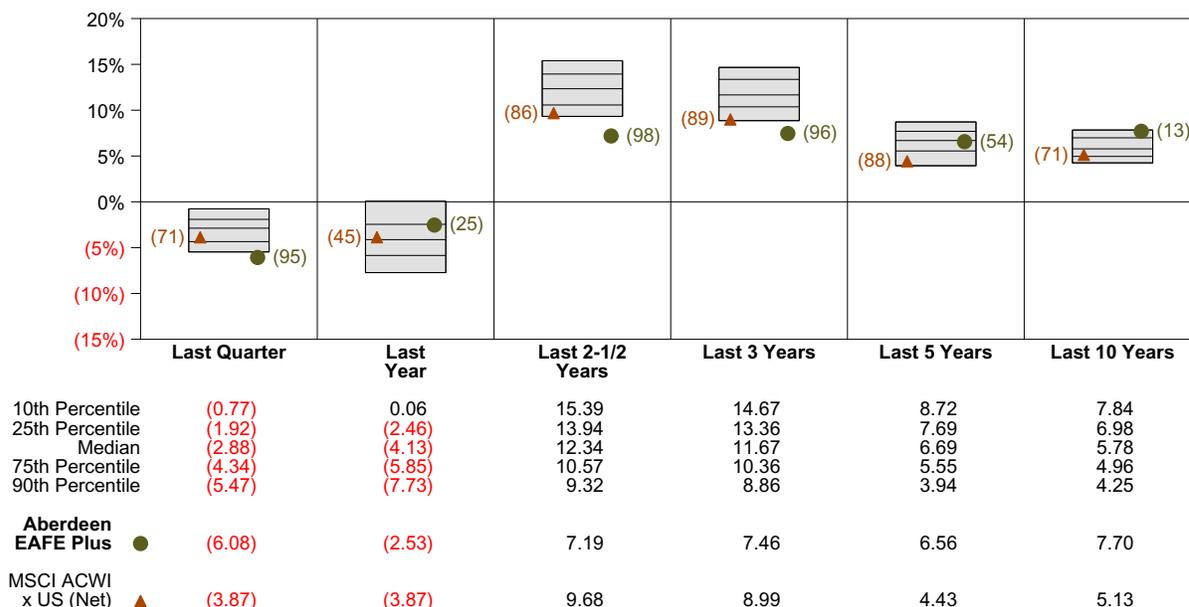
- Aberdeen EAFE Plus's portfolio posted a (6.08)% return for the quarter placing it in the 95 percentile of the CAI Non-U.S. Equity Style group for the quarter and in the 25 percentile for the last year.
- Aberdeen EAFE Plus's portfolio underperformed the MSCI ACWI x US (Net) by 2.21% for the quarter and outperformed the MSCI ACWI x US (Net) for the year by 1.33%.

Quarterly Asset Growth

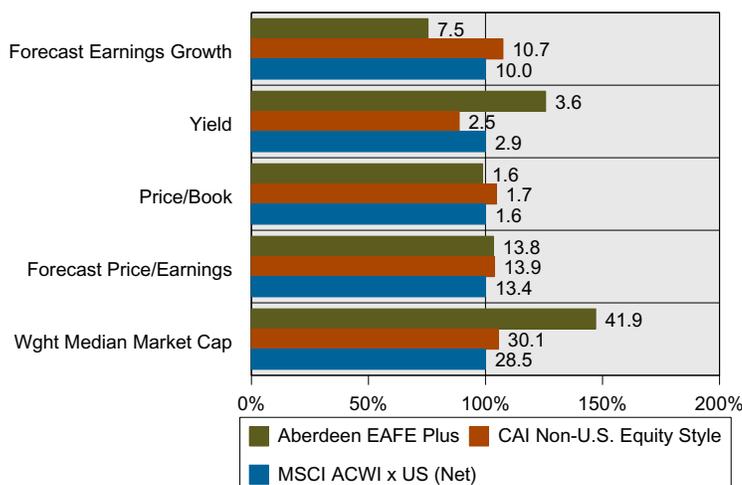
| | |
|---------------------------|--------------|
| Beginning Market Value | \$44,333,118 |
| Net New Investment | \$-85,644 |
| Investment Gains/(Losses) | \$-2,694,189 |
| Ending Market Value | \$41,553,285 |

Percent Cash: 0.0%

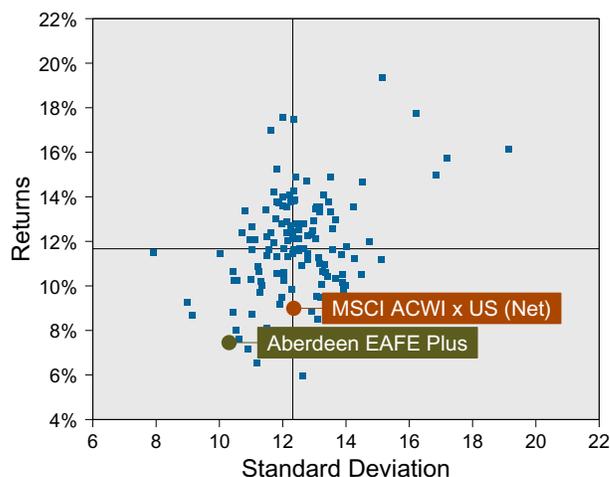
Performance vs CAI Non-U.S. Equity Style (Gross)



Portfolio Characteristics as a Percentage of the MSCI ACWI x US (Net)



CAI Non-U.S. Equity Style (Gross) Annualized Three Year Risk vs Return

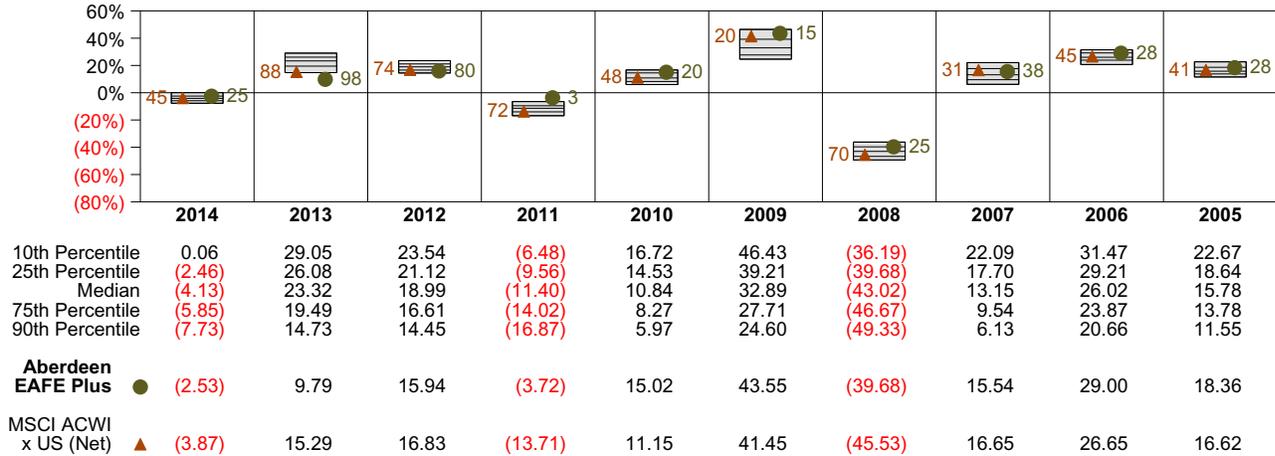


Aberdeen EAFE Plus Return Analysis Summary

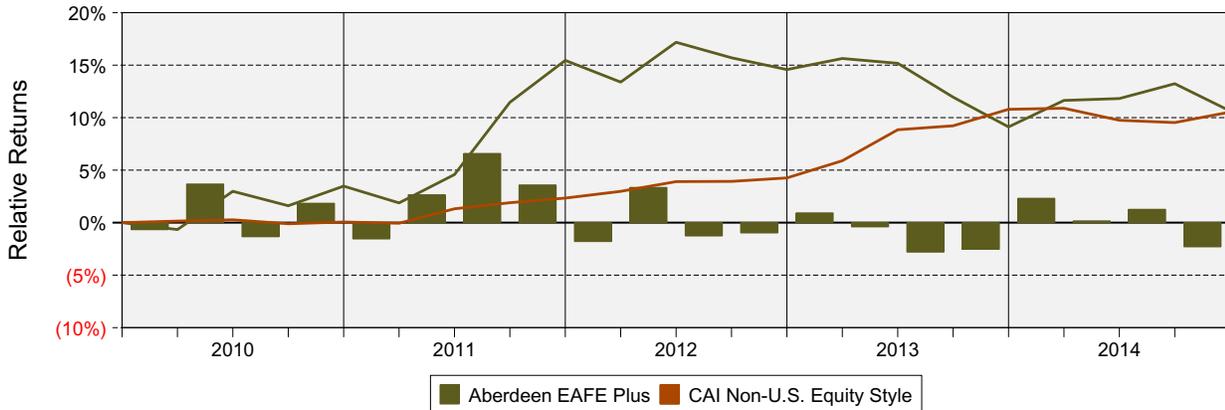
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

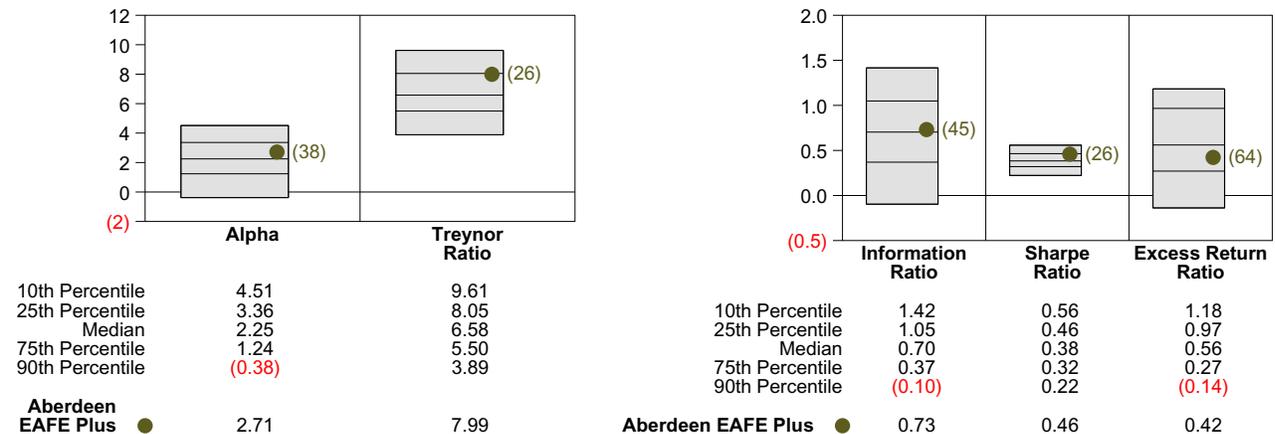
Performance vs CAI Non-U.S. Equity Style (Gross)



Cumulative and Quarterly Relative Return vs MSCI ACWI x US (Net)



Risk Adjusted Return Measures vs MSCI ACWI x US (Net) Rankings Against CAI Non-U.S. Equity Style (Gross) Five Years Ended December 31, 2014

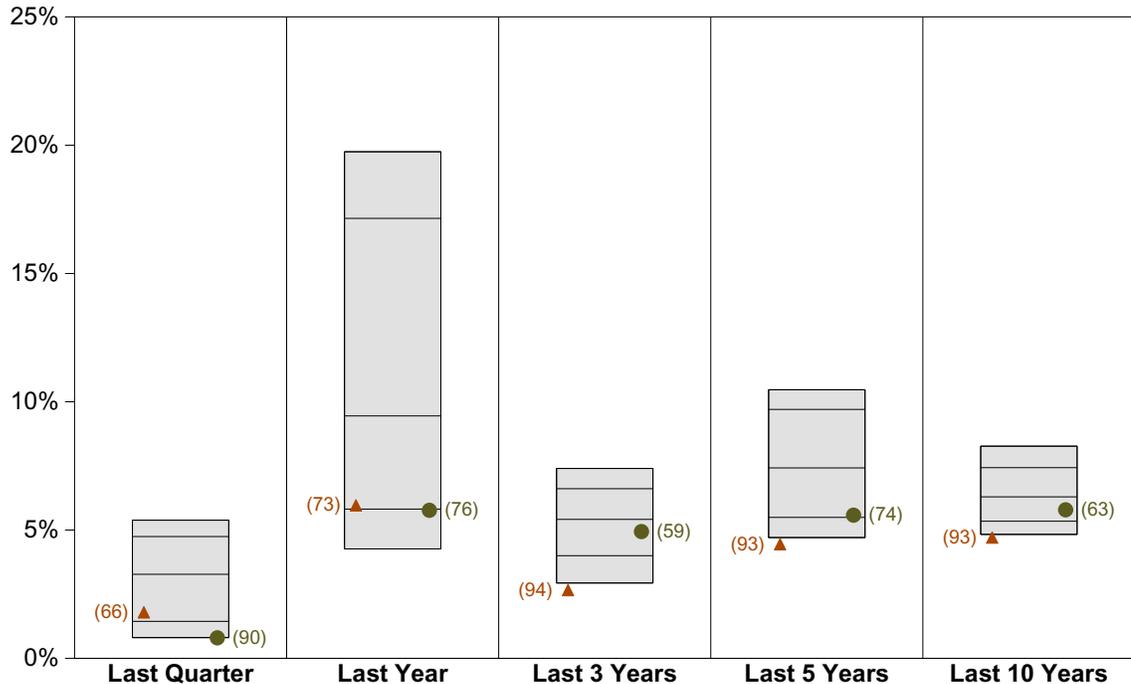


Fixed Income Period Ended December 31, 2014

Quarterly Summary and Highlights

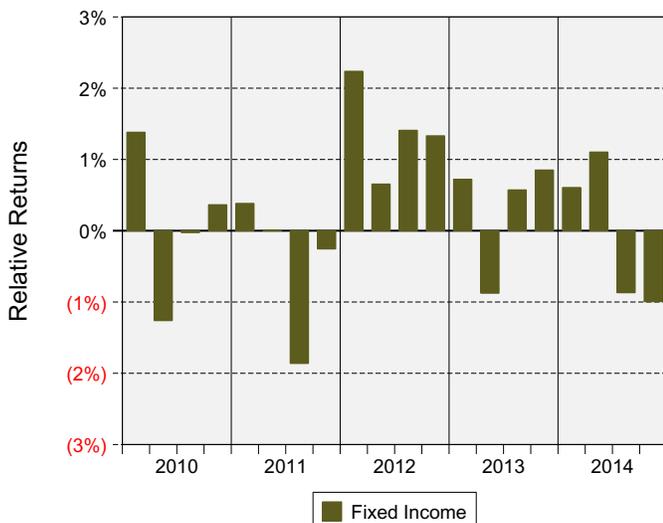
- Fixed Income's portfolio posted a 0.80% return for the quarter placing it in the 90 percentile of the Corp Pln- Domestic Fixed group for the quarter and in the 76 percentile for the last year.
- Fixed Income's portfolio underperformed the Barclays Aggregate Index by 0.99% for the quarter and underperformed the Barclays Aggregate Index for the year by 0.20%.

Performance vs Corp Pln- Domestic Fixed (Gross)

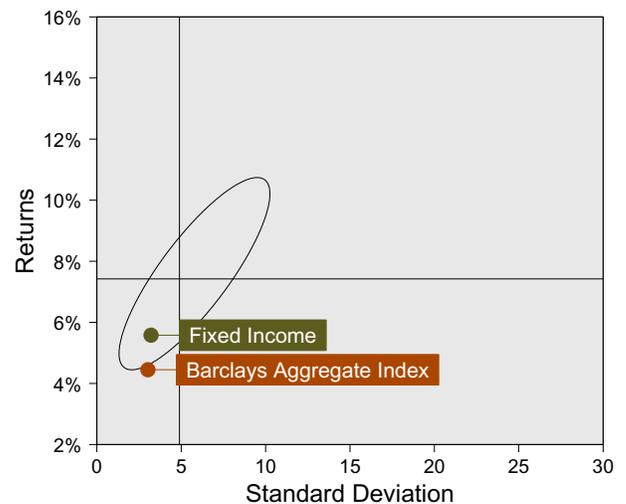


| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 Years |
|----------------------------|--------------|-----------|--------------|--------------|---------------|
| 10th Percentile | 5.39 | 19.75 | 7.40 | 10.47 | 8.27 |
| 25th Percentile | 4.75 | 17.15 | 6.61 | 9.70 | 7.43 |
| Median | 3.28 | 9.45 | 5.42 | 7.42 | 6.29 |
| 75th Percentile | 1.44 | 5.82 | 4.00 | 5.49 | 5.34 |
| 90th Percentile | 0.81 | 4.27 | 2.94 | 4.71 | 4.83 |
| Fixed Income ● | 0.80 | 5.77 | 4.94 | 5.58 | 5.79 |
| Barclays Aggregate Index ▲ | 1.79 | 5.97 | 2.66 | 4.45 | 4.71 |

Relative Return vs Barclays Aggregate Index



Corp Pln- Domestic Fixed (Gross) Annualized Five Year Risk vs Return

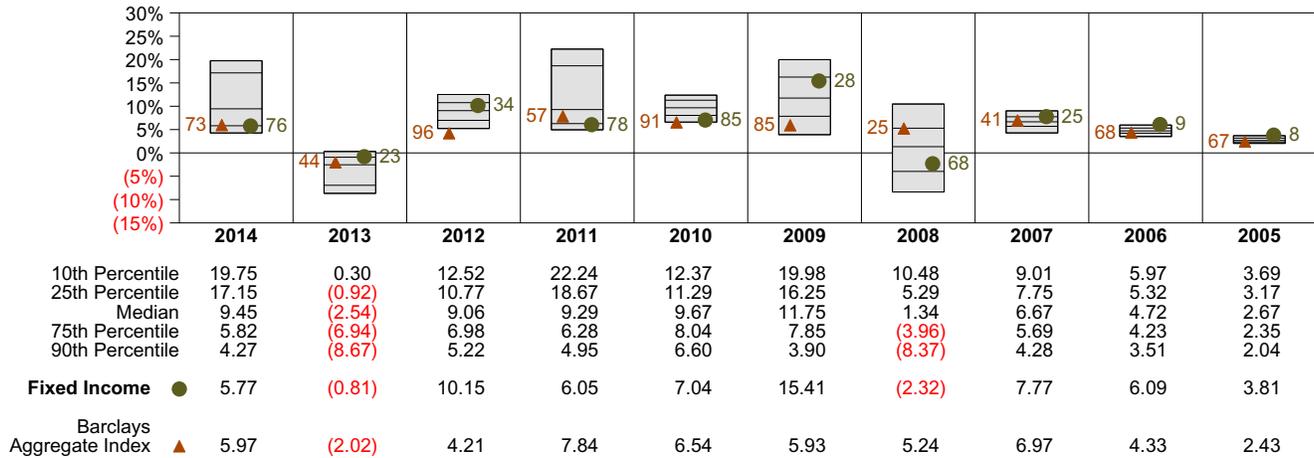


Fixed Income Return Analysis Summary

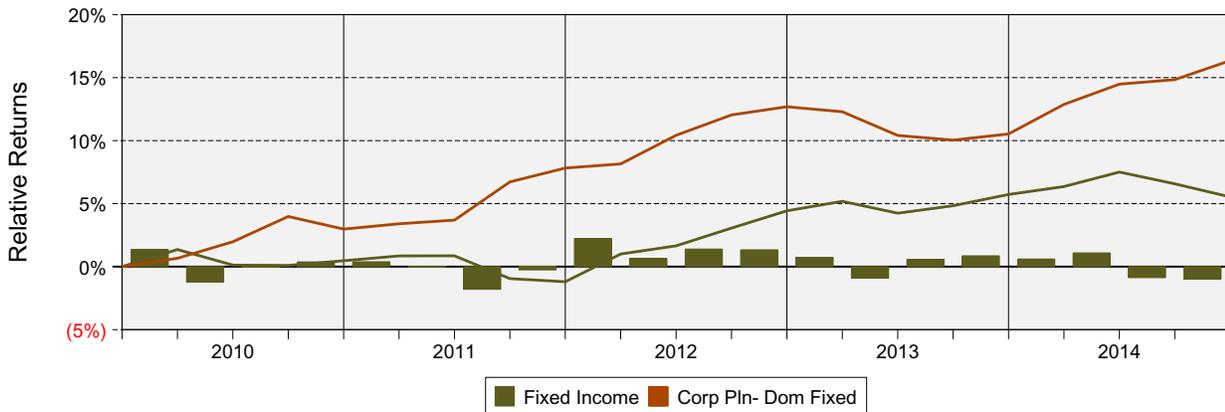
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

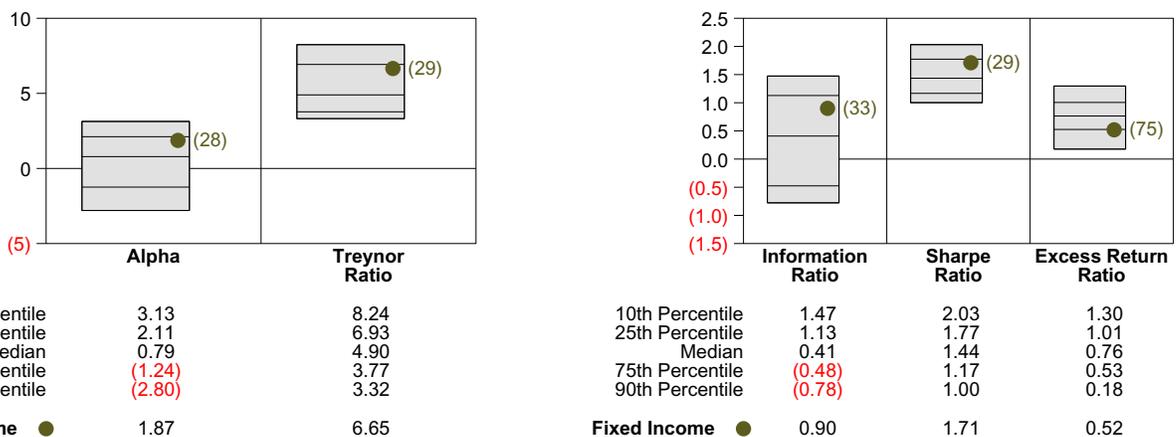
Performance vs Corp Pln- Domestic Fixed (Gross)



Cumulative and Quarterly Relative Return vs Barclays Aggregate Index



Risk Adjusted Return Measures vs Barclays Aggregate Index Rankings Against Corp Pln- Domestic Fixed (Gross) Five Years Ended December 31, 2014



BlackRock U.S. Debt Fund Period Ended December 31, 2014

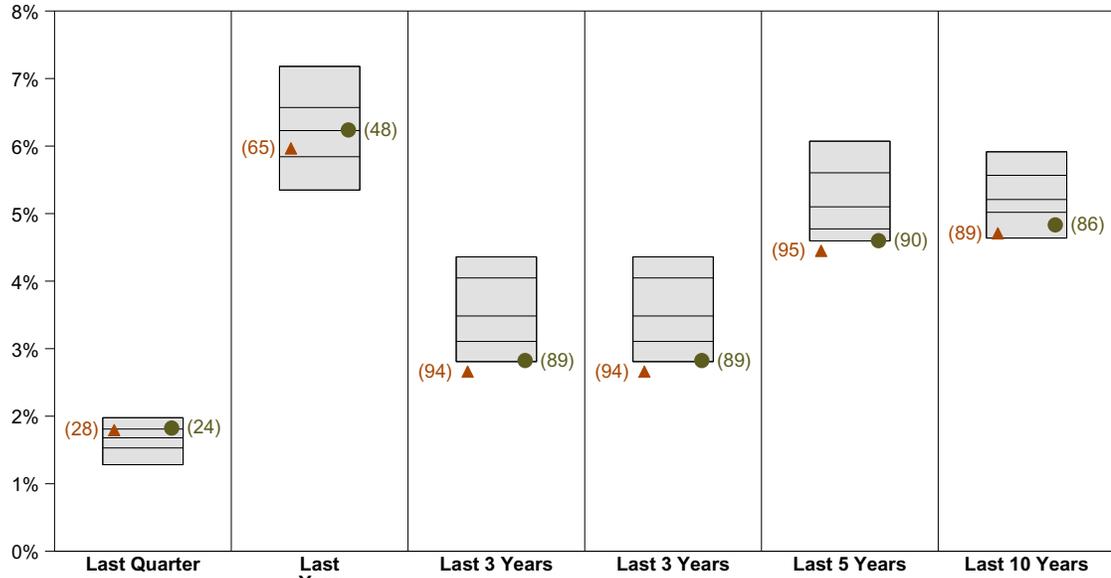
Investment Philosophy

The product was funded during the fourth quarter of 2011. Performance prior is that of the composite.

Quarterly Summary and Highlights

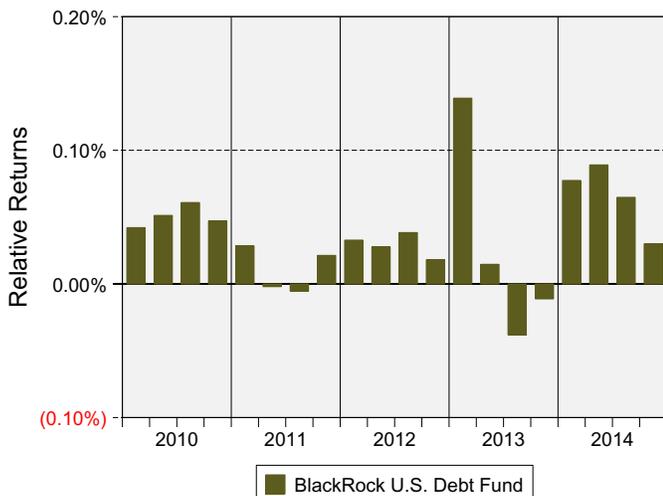
- BlackRock U.S. Debt Fund's portfolio posted a 1.82% return for the quarter placing it in the 24 percentile of the CAI Core Bond Fixed-Inc Style group for the quarter and in the 48 percentile for the last year.
- BlackRock U.S. Debt Fund's portfolio outperformed the Barclays Aggregate Index by 0.03% for the quarter and outperformed the Barclays Aggregate Index for the year by 0.27%.

Performance vs CAI Core Bond Fixed-Inc Style (Gross)

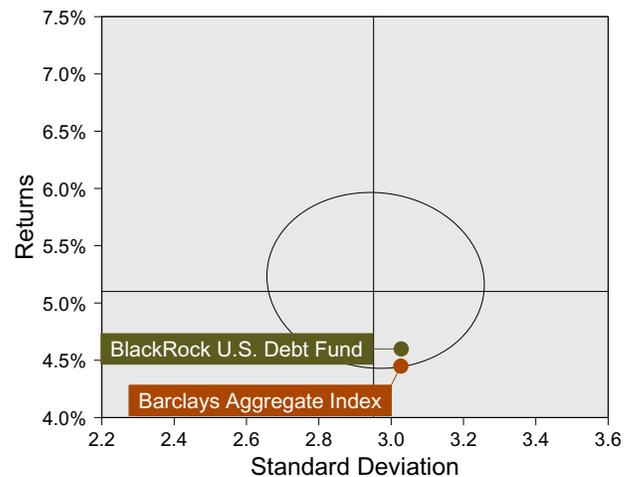


| | | | | | | |
|---------------------------------|--------|------|------|------|------|------|
| 10th Percentile | 1.98 | 7.18 | 4.36 | 4.36 | 6.07 | 5.92 |
| 25th Percentile | 1.81 | 6.57 | 4.05 | 4.05 | 5.60 | 5.57 |
| Median | 1.68 | 6.23 | 3.48 | 3.48 | 5.10 | 5.21 |
| 75th Percentile | 1.53 | 5.84 | 3.11 | 3.11 | 4.77 | 5.02 |
| 90th Percentile | 1.28 | 5.35 | 2.81 | 2.81 | 4.60 | 4.64 |
| BlackRock U.S. Debt Fund | ● 1.82 | 6.24 | 2.82 | 2.82 | 4.60 | 4.83 |
| Barclays Aggregate Index | ▲ 1.79 | 5.97 | 2.66 | 2.66 | 4.45 | 4.71 |

Relative Return vs Barclays Aggregate Index



CAI Core Bond Fixed-Inc Style (Gross) Annualized Five Year Risk vs Return

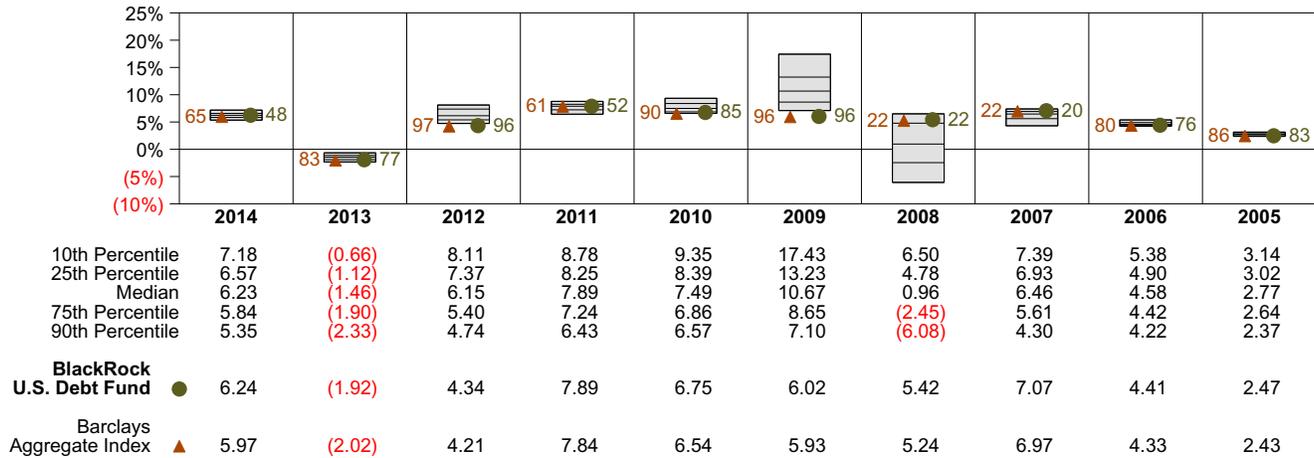


BlackRock U.S. Debt Fund Return Analysis Summary

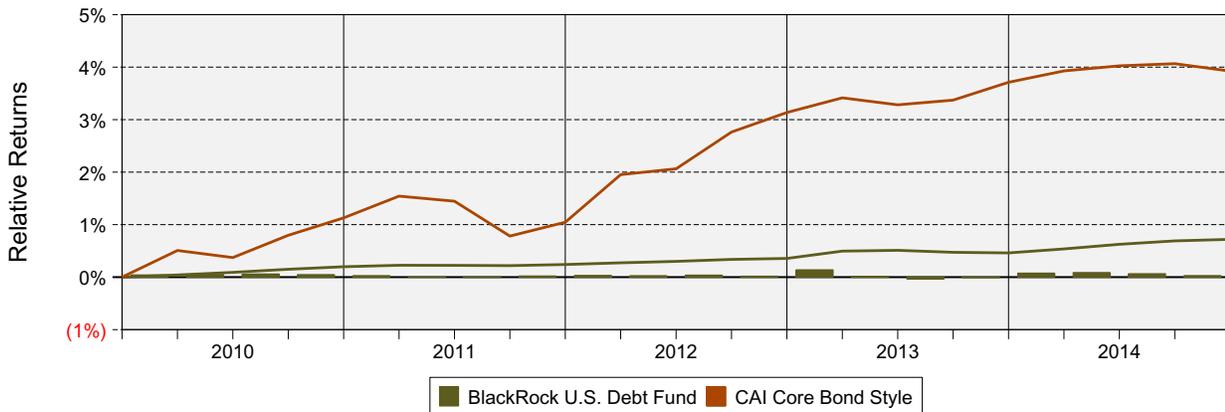
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

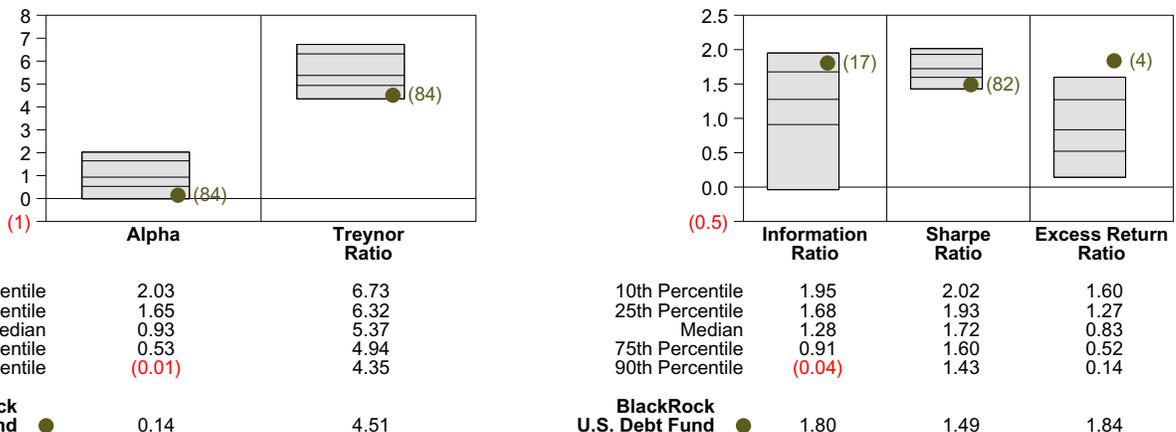
Performance vs CAI Core Bond Fixed-Inc Style (Gross)



Cumulative and Quarterly Relative Return vs Barclays Aggregate Index



Risk Adjusted Return Measures vs Barclays Aggregate Index Rankings Against CAI Core Bond Fixed-Inc Style (Gross) Five Years Ended December 31, 2014



PIMCO Fixed Income Period Ended December 31, 2014

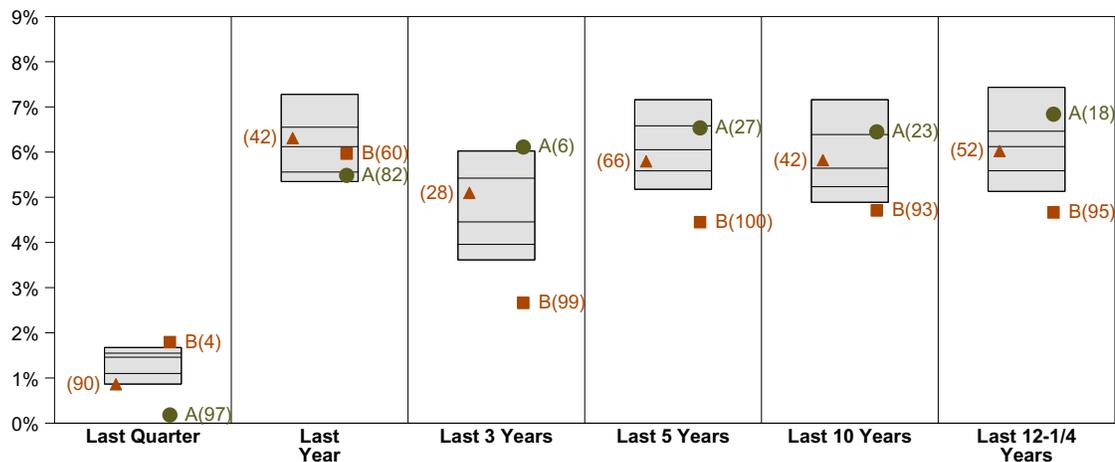
Investment Philosophy

PIMCO emphasizes adding value by rotating through the major sectors of the domestic and international bond markets. They also seek to enhance returns through duration management. The product was funded during the third quarter of 2002. The custom index is currently composed of 25% Barclays Mortgage, 25% Barclays Credit, 25% Barclays High Yield, and 25% JP Morgan EMBI Global. Prior to 2/1/2012, the custom index was composed of 70% Barclays Mortgage, 15% Barclays Credit, and 15% Barclays High Yield.

Quarterly Summary and Highlights

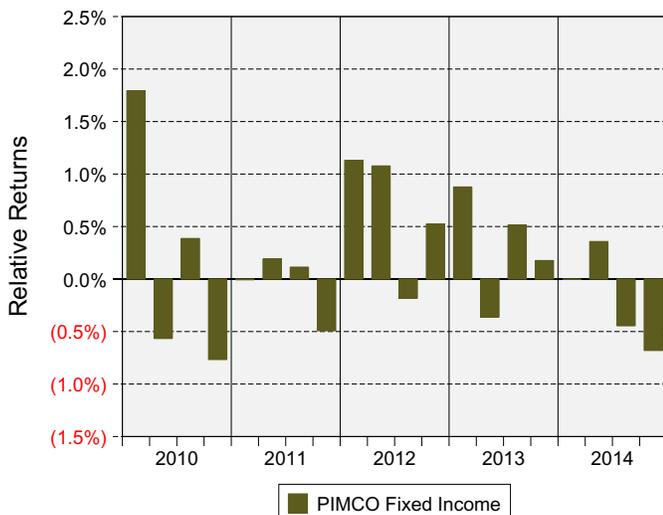
- PIMCO Fixed Income's portfolio posted a 0.18% return for the quarter placing it in the 97 percentile of the CAI Core Bond Plus Style group for the quarter and in the 82 percentile for the last year.
- PIMCO Fixed Income's portfolio underperformed the Custom Index by 0.68% for the quarter and underperformed the Custom Index for the year by 0.83%.

Performance vs CAI Core Bond Plus Style (Gross)

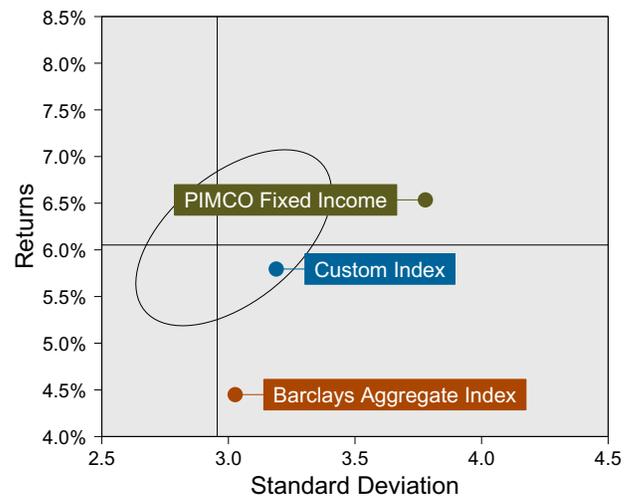


| | | | | | | | |
|--------------------------|------|------|------|------|------|------|------|
| 10th Percentile | 1.67 | 7.28 | 6.02 | 7.16 | 7.16 | 7.43 | |
| 25th Percentile | 1.55 | 6.55 | 5.42 | 6.58 | 6.39 | 6.46 | |
| Median | 1.46 | 6.12 | 4.45 | 6.05 | 5.64 | 6.12 | |
| 75th Percentile | 1.10 | 5.56 | 3.96 | 5.59 | 5.23 | 5.59 | |
| 90th Percentile | 0.87 | 5.35 | 3.61 | 5.18 | 4.89 | 5.13 | |
| PIMCO Fixed Income | ● A | 0.18 | 5.48 | 6.11 | 6.54 | 6.45 | 6.84 |
| Barclays Aggregate Index | ■ B | 1.79 | 5.97 | 2.66 | 4.45 | 4.71 | 4.66 |
| Custom Index | ▲ | 0.86 | 6.31 | 5.10 | 5.79 | 5.82 | 6.02 |

Relative Return vs Custom Index



CAI Core Bond Plus Style (Gross) Annualized Five Year Risk vs Return

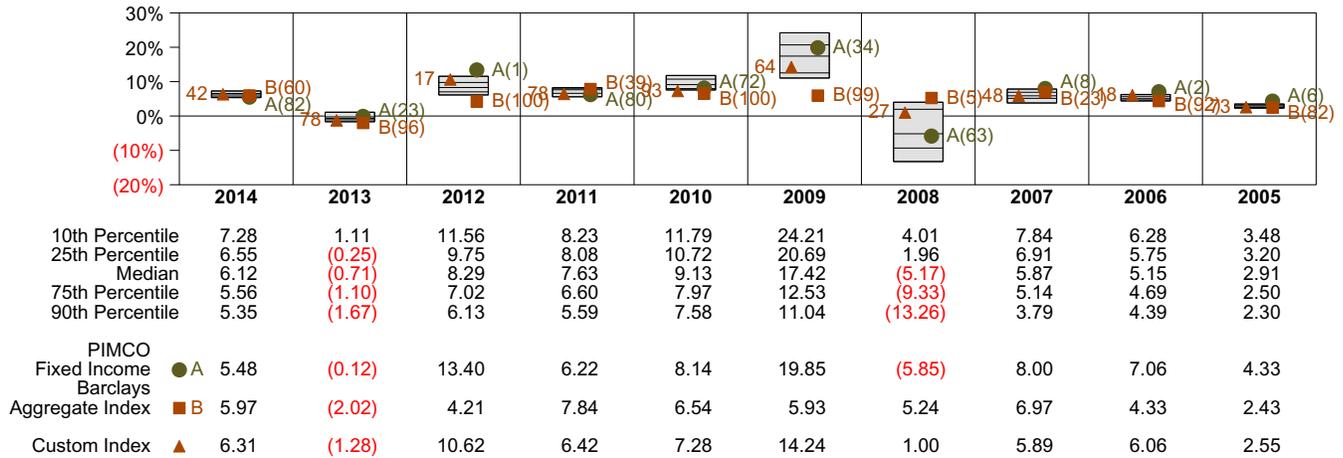


PIMCO Fixed Income Return Analysis Summary

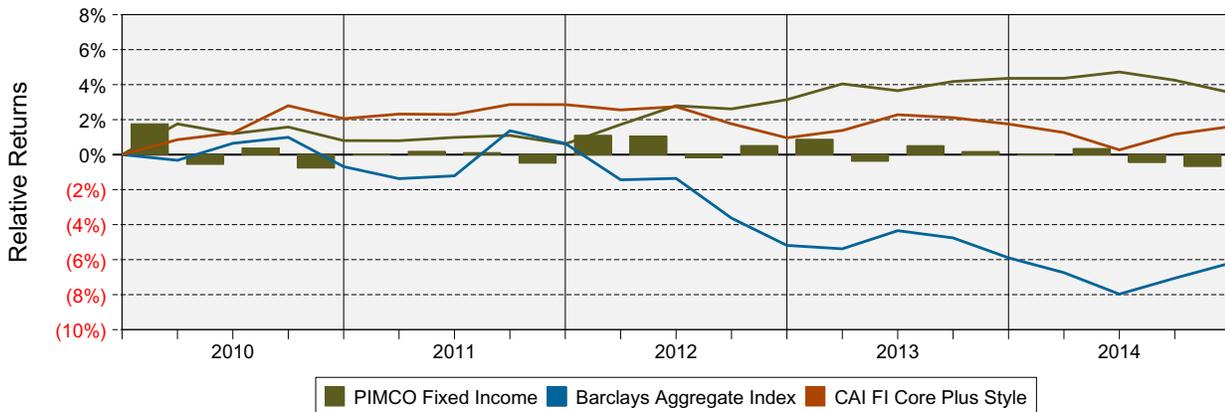
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

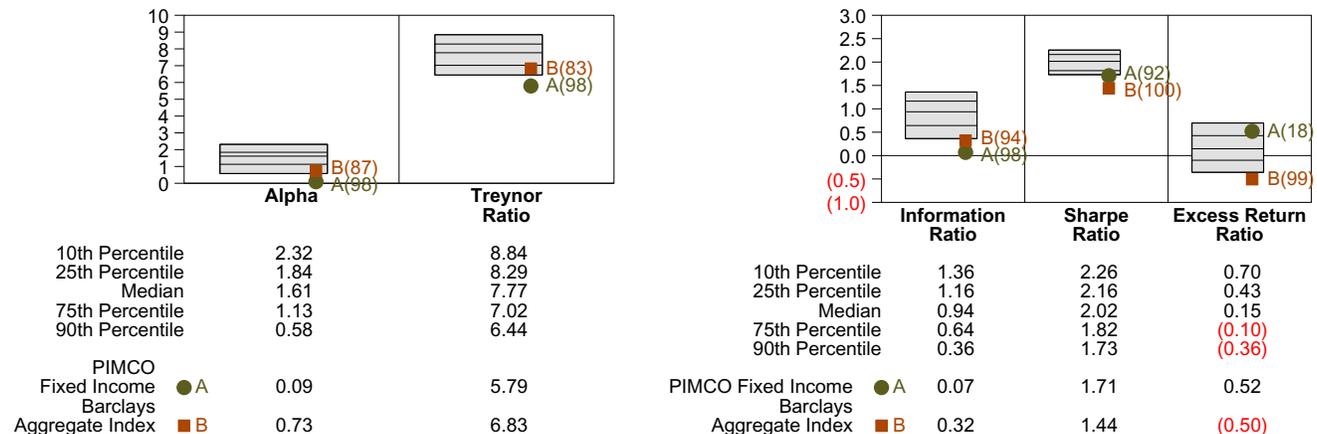
Performance vs CAI Core Bond Plus Style (Gross)



Cumulative and Quarterly Relative Return vs Custom Index



Risk Adjusted Return Measures vs Custom Index Rankings Against CAI Core Bond Plus Style (Gross) Five Years Ended December 31, 2014



Real Estate Period Ended December 31, 2014

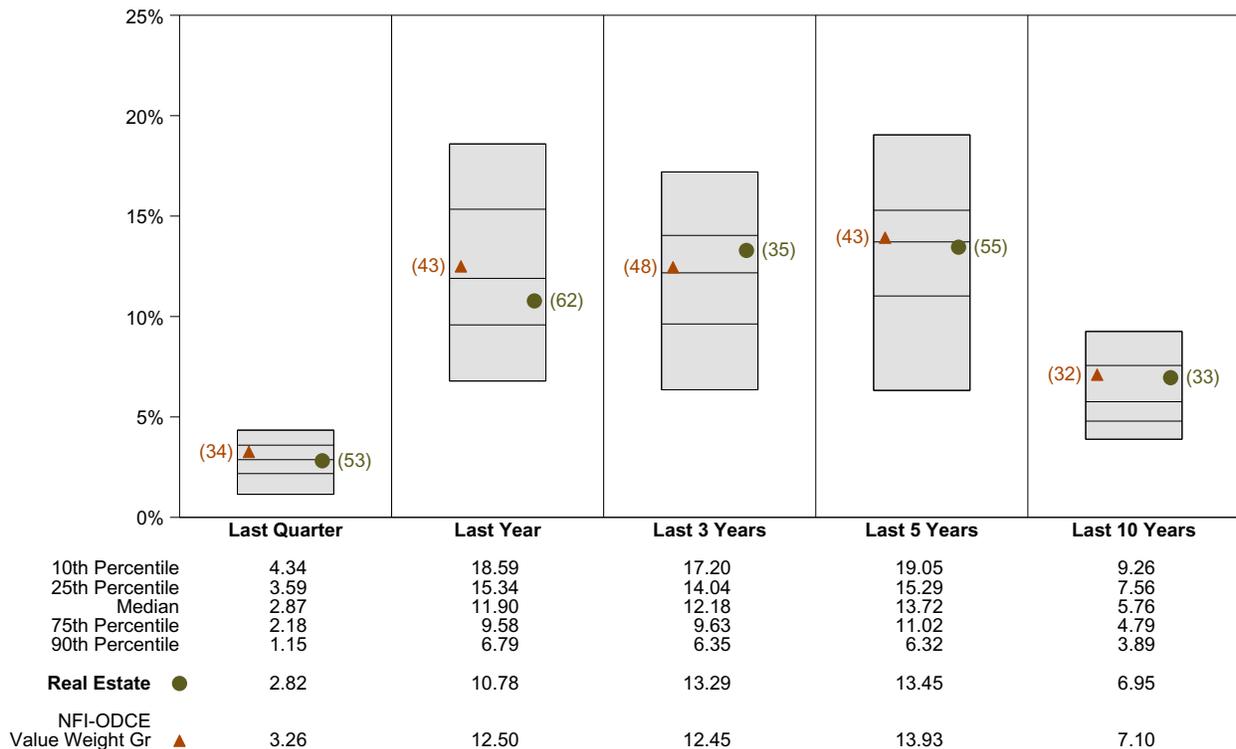
Investment Philosophy

The Total Real Estate Funds Database consists of both open and closed-end commingled funds as well as separate accounts managed by real estate firms. The returns represent the overall performance of institutional capital invested in real estate properties.

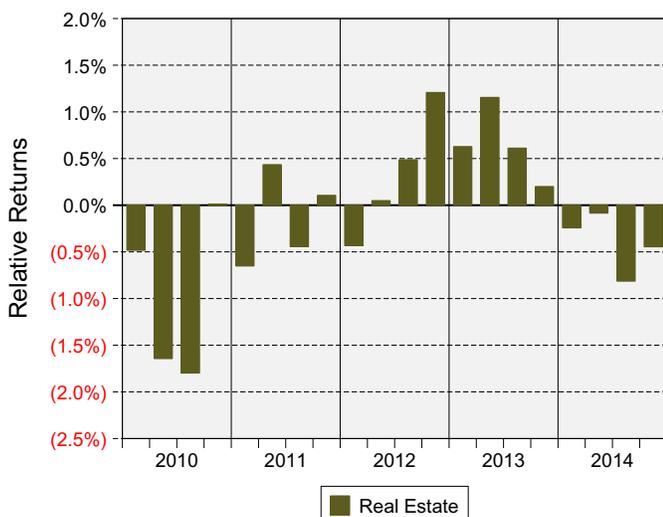
Quarterly Summary and Highlights

- Real Estate's portfolio posted a 2.82% return for the quarter placing it in the 53 percentile of the Total Real Estate DB group for the quarter and in the 62 percentile for the last year.
- Real Estate's portfolio underperformed the NFI-ODCE Value Weight Gr by 0.45% for the quarter and underperformed the NFI-ODCE Value Weight Gr for the year by 1.72%.

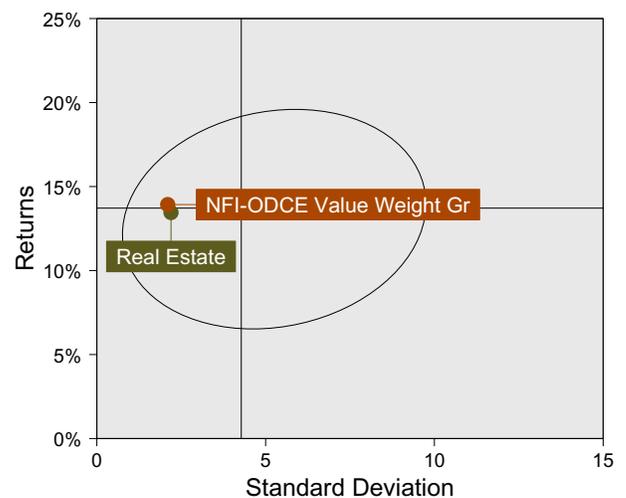
Performance vs Total Real Estate DB (Net)



Relative Return vs NFI-ODCE Value Weight Gr



Total Real Estate DB (Net) Annualized Five Year Risk vs Return

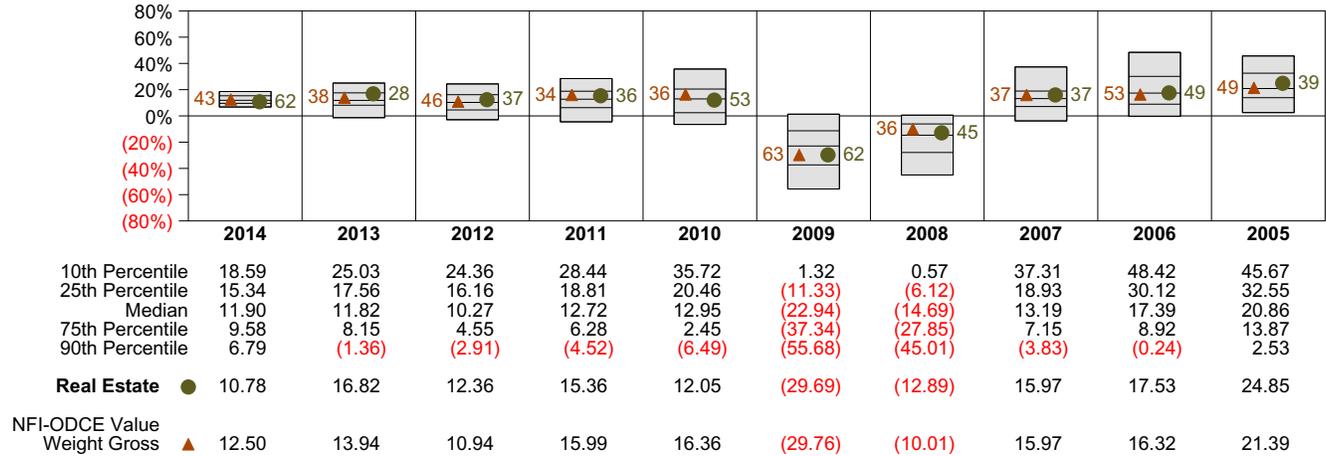


Real Estate Return Analysis Summary

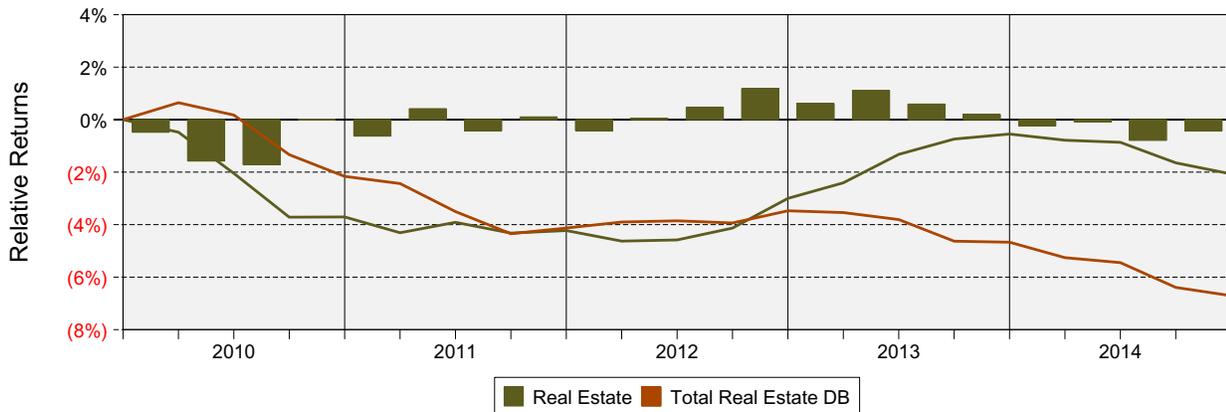
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

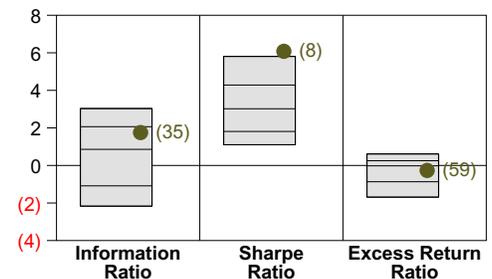
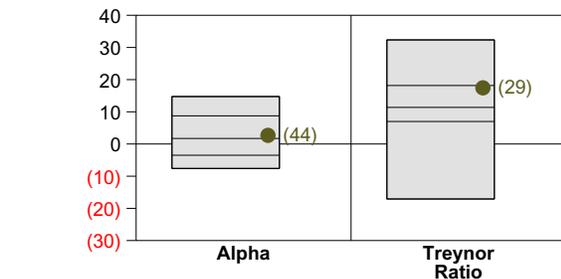
Performance vs Total Real Estate DB (Net)



Cumulative and Quarterly Relative Return vs NFI-ODCE Value Weight Gross



Risk Adjusted Return Measures vs NFI-ODCE Value Weight Gross Rankings Against Total Real Estate DB (Net) Five Years Ended December 31, 2014



JP Morgan Strategic Property Fund Period Ended December 31, 2014

Investment Philosophy

Strategic Property Fund is an actively managed diversified, core, open-end commingled pension trust fund. It seeks an income-driven rate of return of 100 basis points over the NFI-ODCE Equal Weight Net Index over a full market cycle (three to five year horizon) through asset, geographic and sector selection and active asset management. The Fund invests in high quality stabilized assets with dominant competitive characteristics in markets with attractive demographics throughout the United States. The product was funded in the fourth quarter of 2008.

Quarterly Summary and Highlights

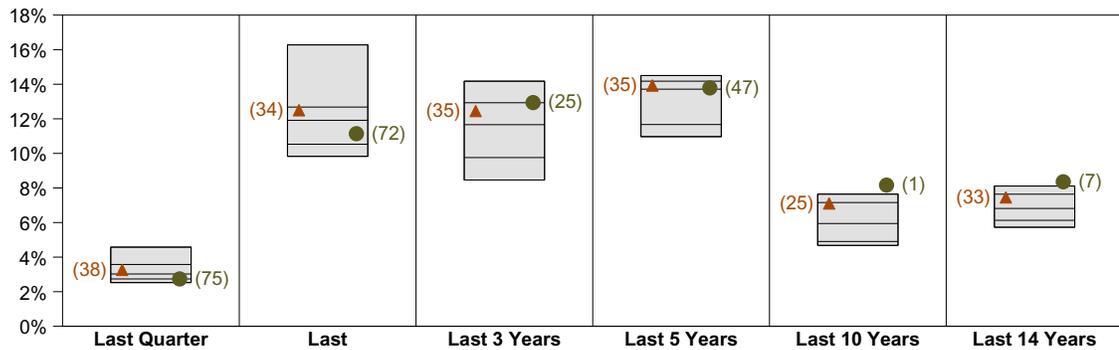
- JP Morgan Strategic Property Fund's portfolio posted a 2.74% return for the quarter placing it in the 75 percentile of the CAI Open-End Real Estate Funds group for the quarter and in the 72 percentile for the last year.
- JP Morgan Strategic Property Fund's portfolio underperformed the NFI-ODCE Value Weight Gross by 0.53% for the quarter and underperformed the NFI-ODCE Value Weight Gross for the year by 1.36%.

Quarterly Asset Growth

| | |
|---------------------------|--------------|
| Beginning Market Value | \$38,444,676 |
| Net New Investment | \$-94,128 |
| Investment Gains/(Losses) | \$1,049,907 |
| Ending Market Value | \$39,400,455 |

Percent Cash: 0.0%

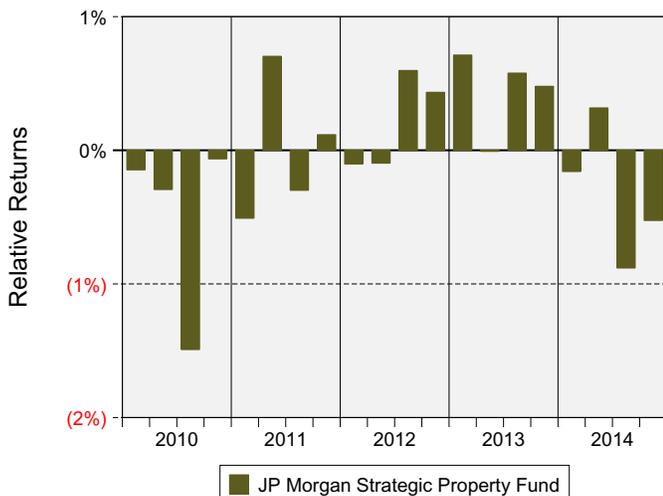
Performance vs CAI Open-End Real Estate Funds (Net)



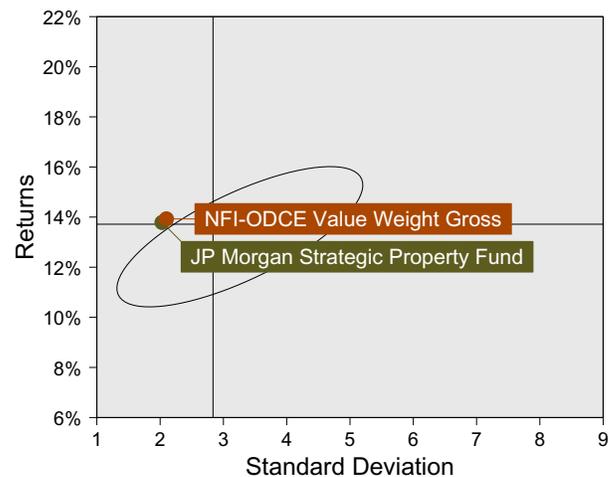
| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 10 Years | Last 14 Years |
|-----------------|--------------|-----------|--------------|--------------|---------------|---------------|
| 10th Percentile | 4.58 | 16.28 | 14.18 | 14.50 | 7.64 | 8.11 |
| 25th Percentile | 3.57 | 12.68 | 12.93 | 14.18 | 7.16 | 7.64 |
| Median | 3.03 | 11.91 | 11.66 | 13.72 | 5.94 | 6.81 |
| 75th Percentile | 2.74 | 10.53 | 9.76 | 11.67 | 4.91 | 6.13 |
| 90th Percentile | 2.53 | 9.83 | 8.46 | 10.97 | 4.68 | 5.73 |

| | | | | | | | |
|--|---|------|-------|-------|-------|------|------|
| JP Morgan Strategic Property Fund | ● | 2.74 | 11.14 | 12.94 | 13.79 | 8.16 | 8.36 |
| NFI-ODCE Value Weight Gross | ▲ | 3.26 | 12.50 | 12.45 | 13.93 | 7.10 | 7.46 |

Relative Returns vs NFI-ODCE Value Weight Gross



CAI Open-End Real Estate Funds (Net) Annualized Five Year Risk vs Return

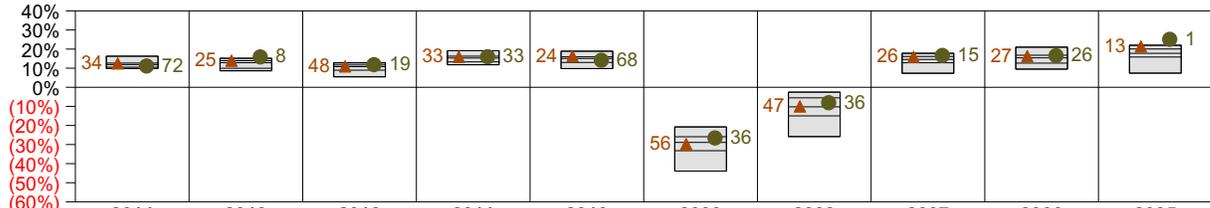


JP Morgan Strategic Property Fund Return Analysis Summary

Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

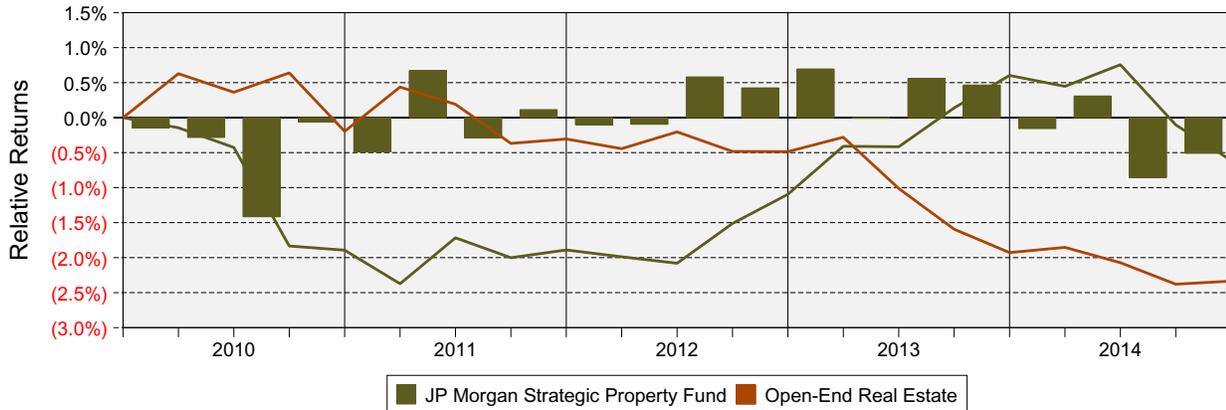
Performance vs CAI Open-End Real Estate Funds (Net)



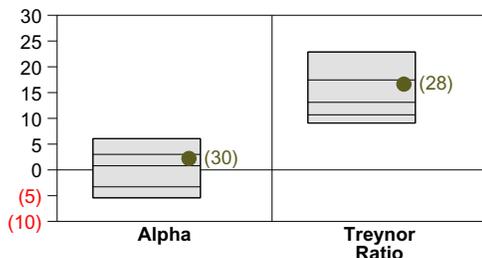
| | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|-----------------|-------|-------|-------|-------|-------|---------|---------|-------|-------|-------|
| 10th Percentile | 16.28 | 15.18 | 12.79 | 19.15 | 18.90 | (20.77) | (2.54) | 17.80 | 21.01 | 22.02 |
| 25th Percentile | 12.68 | 13.94 | 11.67 | 16.29 | 15.94 | (25.92) | (5.53) | 16.15 | 16.80 | 20.05 |
| Median | 11.91 | 12.87 | 10.80 | 15.33 | 15.09 | (28.89) | (10.25) | 14.59 | 15.41 | 17.79 |
| 75th Percentile | 10.53 | 9.95 | 8.95 | 13.30 | 13.02 | (33.22) | (14.99) | 12.84 | 12.65 | 15.85 |
| 90th Percentile | 9.83 | 8.64 | 5.49 | 11.79 | 9.80 | (43.90) | (25.83) | 7.34 | 9.50 | 7.40 |

| JP Morgan Strategic Property Fund | 2014 | 2013 | 2012 | 2011 | 2010 | 2009 | 2008 | 2007 | 2006 | 2005 |
|-----------------------------------|-------|-------|-------|-------|-------|---------|---------|-------|-------|-------|
| ● | 11.14 | 15.90 | 11.84 | 15.99 | 14.16 | (26.53) | (8.09) | 16.67 | 16.59 | 25.11 |
| NFI-ODCE Value Weight Gross ▲ | 12.50 | 13.94 | 10.94 | 15.99 | 16.36 | (29.76) | (10.01) | 15.97 | 16.32 | 21.39 |

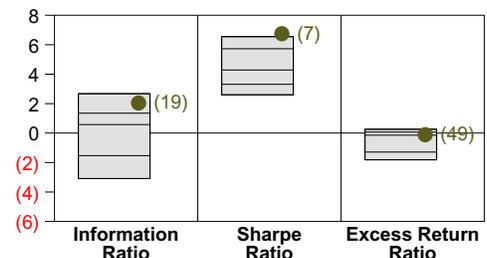
Cumulative and Quarterly Relative Return vs NFI-ODCE Value Weight Gross



Risk Adjusted Return Measures vs NFI-ODCE Value Weight Gross Rankings Against CAI Open-End Real Estate Funds (Net) Five Years Ended December 31, 2014



| | Alpha | Treynor Ratio |
|-----------------|--------|---------------|
| 10th Percentile | 6.07 | 22.88 |
| 25th Percentile | 3.01 | 17.45 |
| Median | 0.80 | 13.11 |
| 75th Percentile | (3.28) | 10.69 |
| 90th Percentile | (5.42) | 9.08 |



| | Information Ratio | Sharpe Ratio | Excess Return Ratio |
|-----------------|-------------------|--------------|---------------------|
| 10th Percentile | 2.67 | 6.55 | 0.26 |
| 25th Percentile | 1.35 | 5.73 | 0.07 |
| Median | 0.58 | 4.28 | (0.14) |
| 75th Percentile | (1.53) | 3.31 | (1.29) |
| 90th Percentile | (3.09) | 2.60 | (1.81) |

| JP Morgan Strategic Property Fund | Alpha | Treynor Ratio |
|-----------------------------------|-------|---------------|
| ● | 2.22 | 16.64 |

| JP Morgan Strategic Property Fund | Information Ratio | Sharpe Ratio | Excess Return Ratio |
|-----------------------------------|-------------------|--------------|---------------------|
| ● | 2.04 | 6.75 | (0.11) |

LaSalle Income and Growth Fund Period Ended December 31, 2014

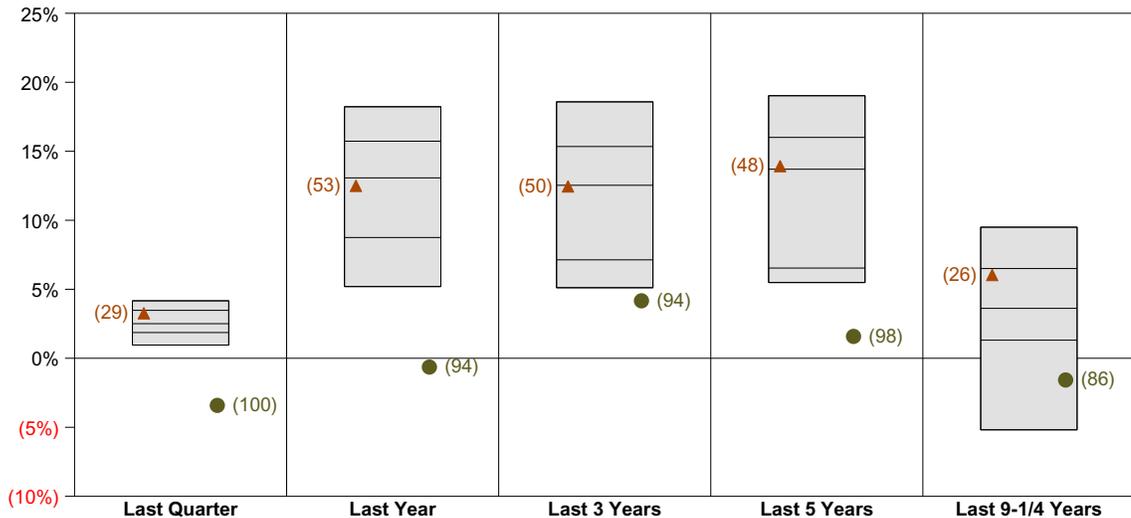
Investment Philosophy

LaSalle Income & Growth Fund IV is a closed-end, value-added commingled fund investing in the four major property types in the U.S. The Fund seeks to add value through renovation, redevelopment and repositioning of assets to core buyers. The product was funded in the third quarter of 2005.

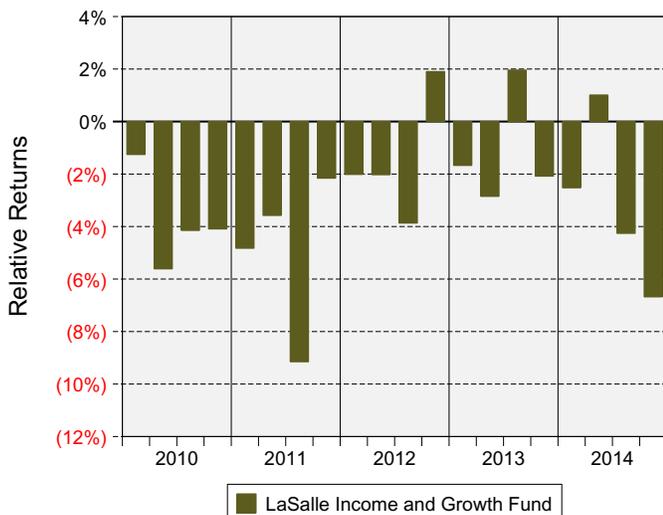
Quarterly Summary and Highlights

- LaSalle Income and Growth Fund's portfolio posted a (3.41)% return for the quarter placing it in the 100 percentile of the Real Estate Value Added group for the quarter and in the 94 percentile for the last year.
- LaSalle Income and Growth Fund's portfolio underperformed the NFI-ODCE Value Weight Gross by 6.68% for the quarter and underperformed the NFI-ODCE Value Weight Gross for the year by 13.13%.

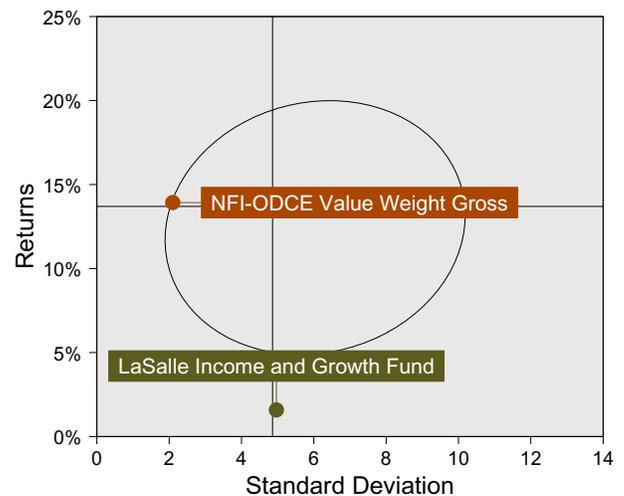
Performance vs Real Estate Value Added (Net)



Relative Returns vs NFI-ODCE Value Weight Gross



Real Estate Value Added (Net) Annualized Five Year Risk vs Return

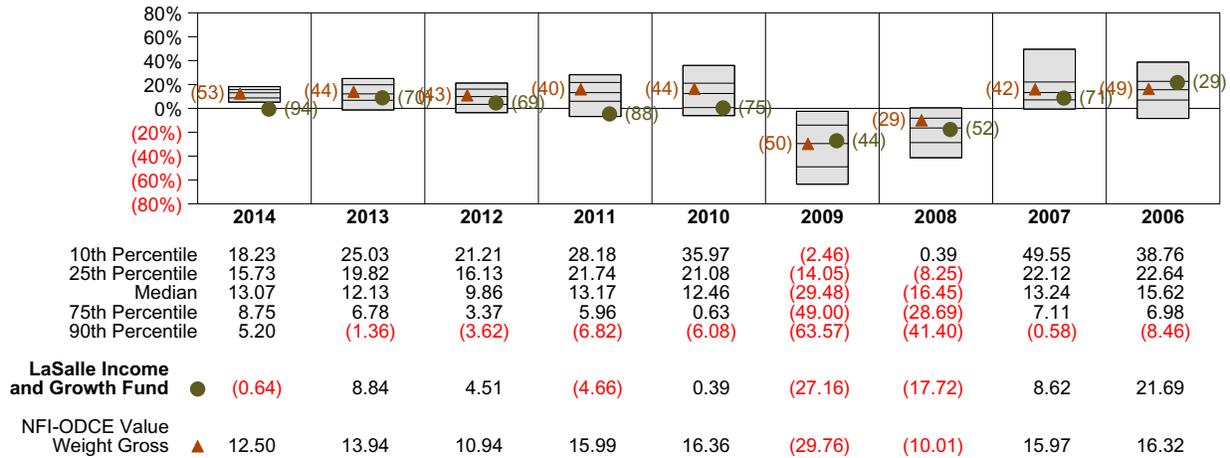


LaSalle Income and Growth Fund Return Analysis Summary

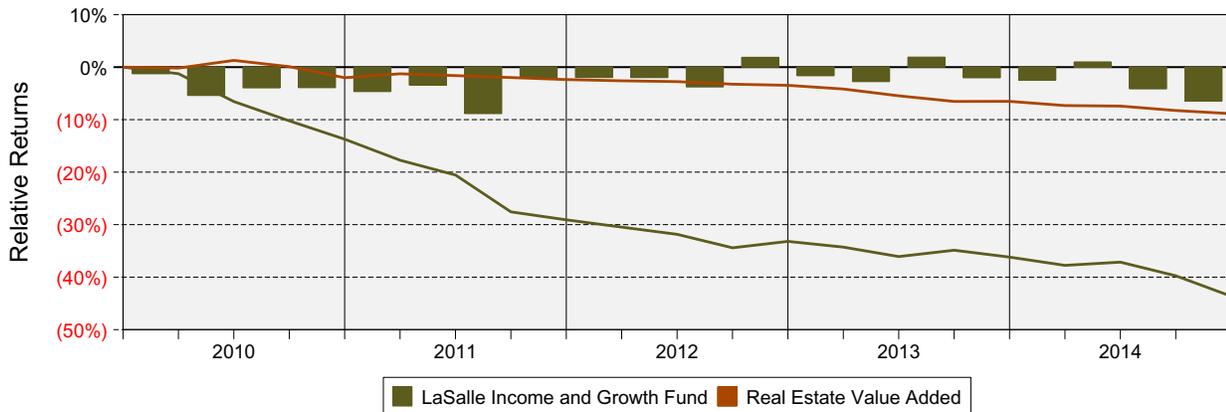
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

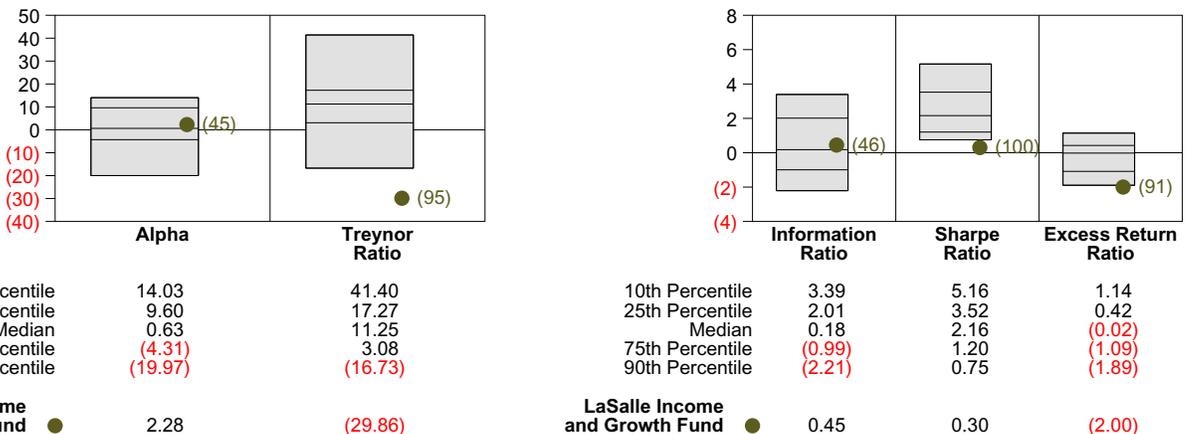
Performance vs Real Estate Value Added (Net)



Cumulative and Quarterly Relative Return vs NFI-ODCE Value Weight Gross



Risk Adjusted Return Measures vs NFI-ODCE Value Weight Gross Rankings Against Real Estate Value Added (Net) Five Years Ended December 31, 2014



JP Morgan Income and Growth Fund Period Ended December 31, 2014

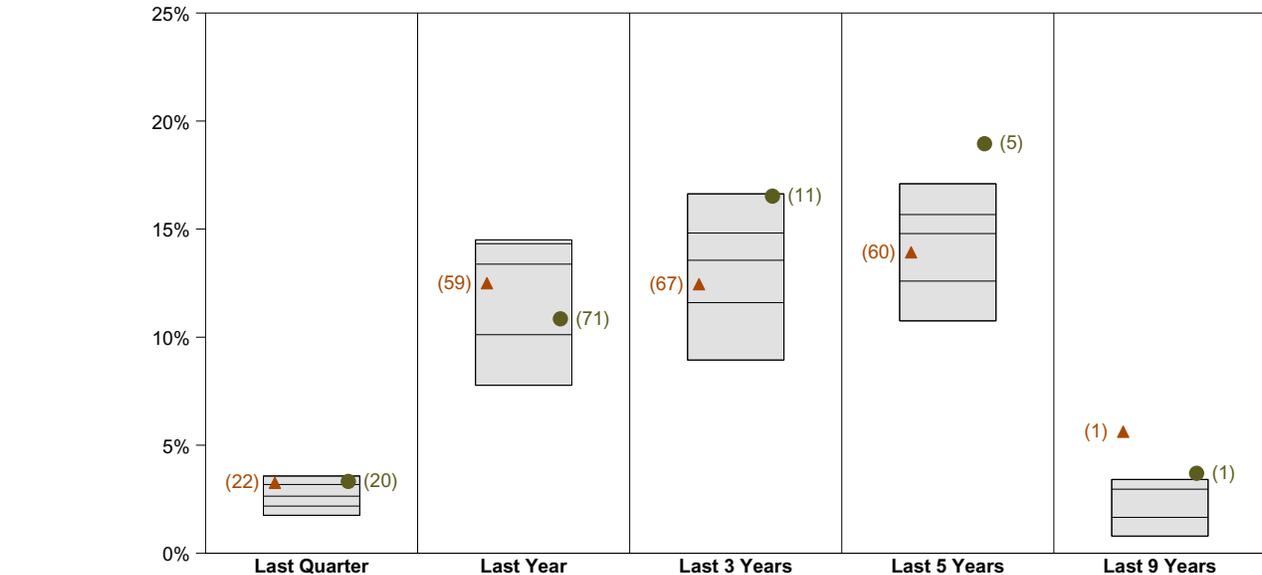
Investment Philosophy

The product was funded in the fourth quarter of 2005.

Quarterly Summary and Highlights

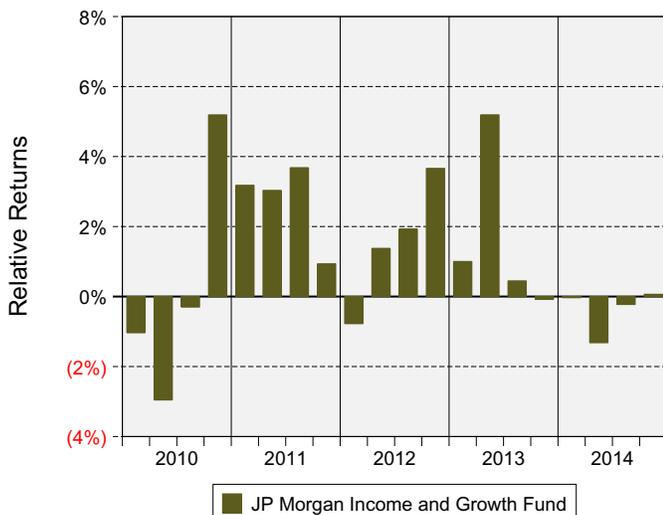
- JP Morgan Income and Growth Fund's portfolio posted a 3.33% return for the quarter placing it in the 20 percentile of the Real Estate Value Added Open End Funds group for the quarter and in the 71 percentile for the last year.
- JP Morgan Income and Growth Fund's portfolio outperformed the NFI-ODCE Value Weight Gross by 0.06% for the quarter and underperformed the NFI-ODCE Value Weight Gross for the year by 1.65%.

Performance vs Real Estate Value Added Open End Funds (Net)

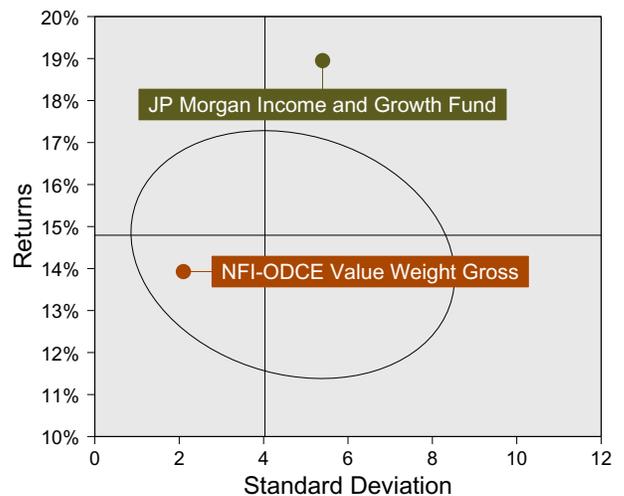


| | Last Quarter | Last Year | Last 3 Years | Last 5 Years | Last 9 Years |
|---|--------------|-----------|--------------|--------------|--------------|
| 10th Percentile | 3.57 | 14.50 | 16.63 | 17.10 | 3.42 |
| 25th Percentile | 3.18 | 14.32 | 14.82 | 15.67 | 3.41 |
| Median | 2.64 | 13.38 | 13.56 | 14.79 | 2.97 |
| 75th Percentile | 2.18 | 10.12 | 11.60 | 12.59 | 1.66 |
| 90th Percentile | 1.76 | 7.77 | 8.94 | 10.75 | 0.79 |
| JP Morgan Income and Growth Fund | 3.33 | 10.85 | 16.53 | 18.95 | 3.70 |
| NFI-ODCE Value Weight Gross | 3.26 | 12.50 | 12.45 | 13.93 | 5.62 |

Relative Returns vs NFI-ODCE Value Weight Gross



Real Estate Value Added Open End Funds (Net) Annualized Five Year Risk vs Return

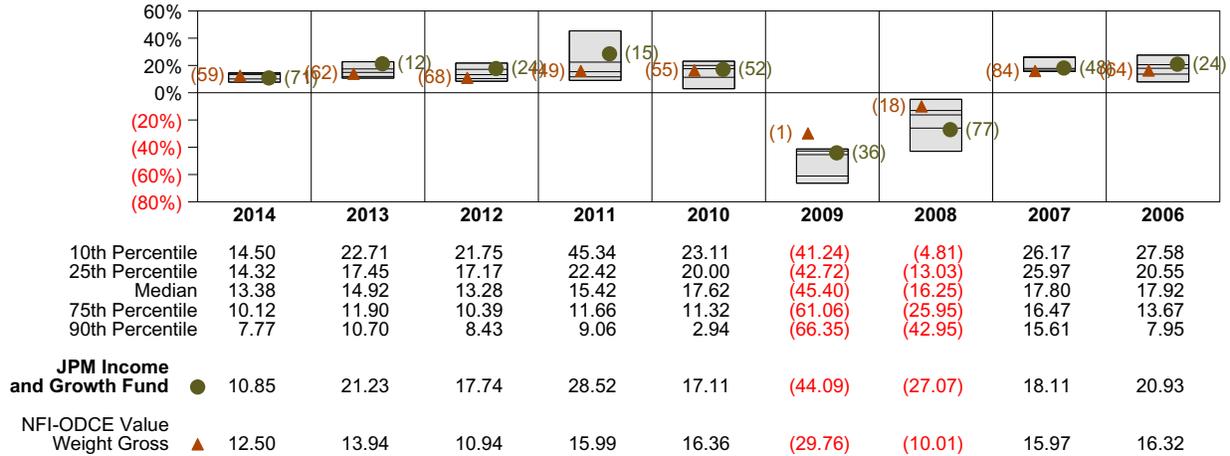


JPM Income and Growth Fund Return Analysis Summary

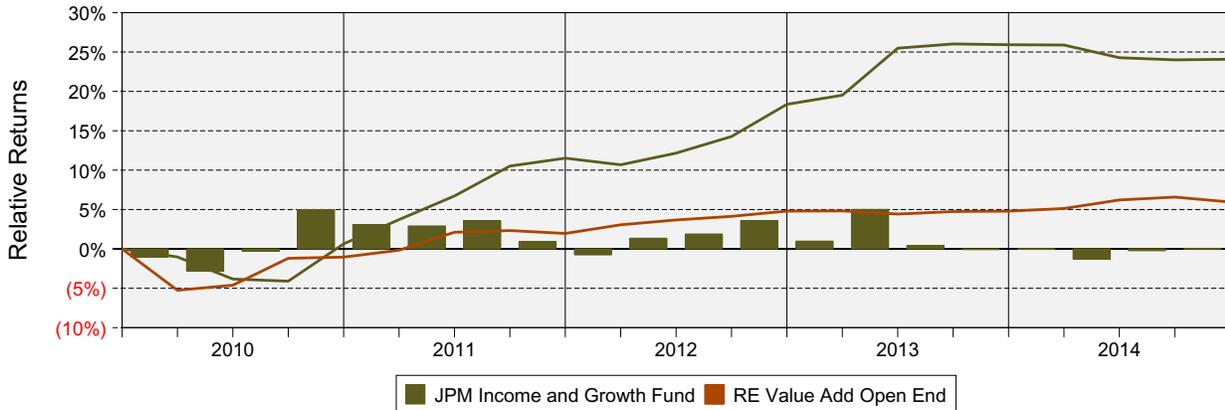
Return Analysis

The graphs below analyze the manager's return on both a risk-adjusted and unadjusted basis. The first chart illustrates the manager's ranking over different periods versus the appropriate style group. The second chart shows the historical quarterly and cumulative manager returns versus the appropriate market benchmark. The last two charts illustrate the manager's ranking relative to their style using various risk-adjusted return measures.

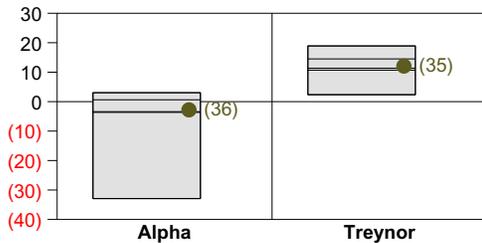
Performance vs Real Estate Value Added Open End Funds (Net)



Cumulative and Quarterly Relative Return vs NFI-ODCE Value Weight Gross

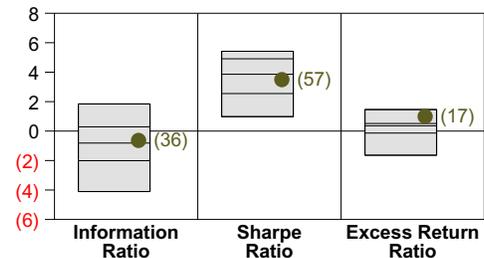


Risk Adjusted Return Measures vs NFI-ODCE Value Weight Gross Rankings Against Real Estate Value Added Open End Funds (Net) Five Years Ended December 31, 2014



| | Alpha | Treynor Ratio |
|-----------------|---------|---------------|
| 10th Percentile | 3.03 | 18.91 |
| 25th Percentile | 0.63 | 14.51 |
| Median | (3.39) | 11.35 |
| 75th Percentile | (3.65) | 10.69 |
| 90th Percentile | (32.92) | 2.35 |

JPM Income and Growth Fund ● (2.79) 12.07



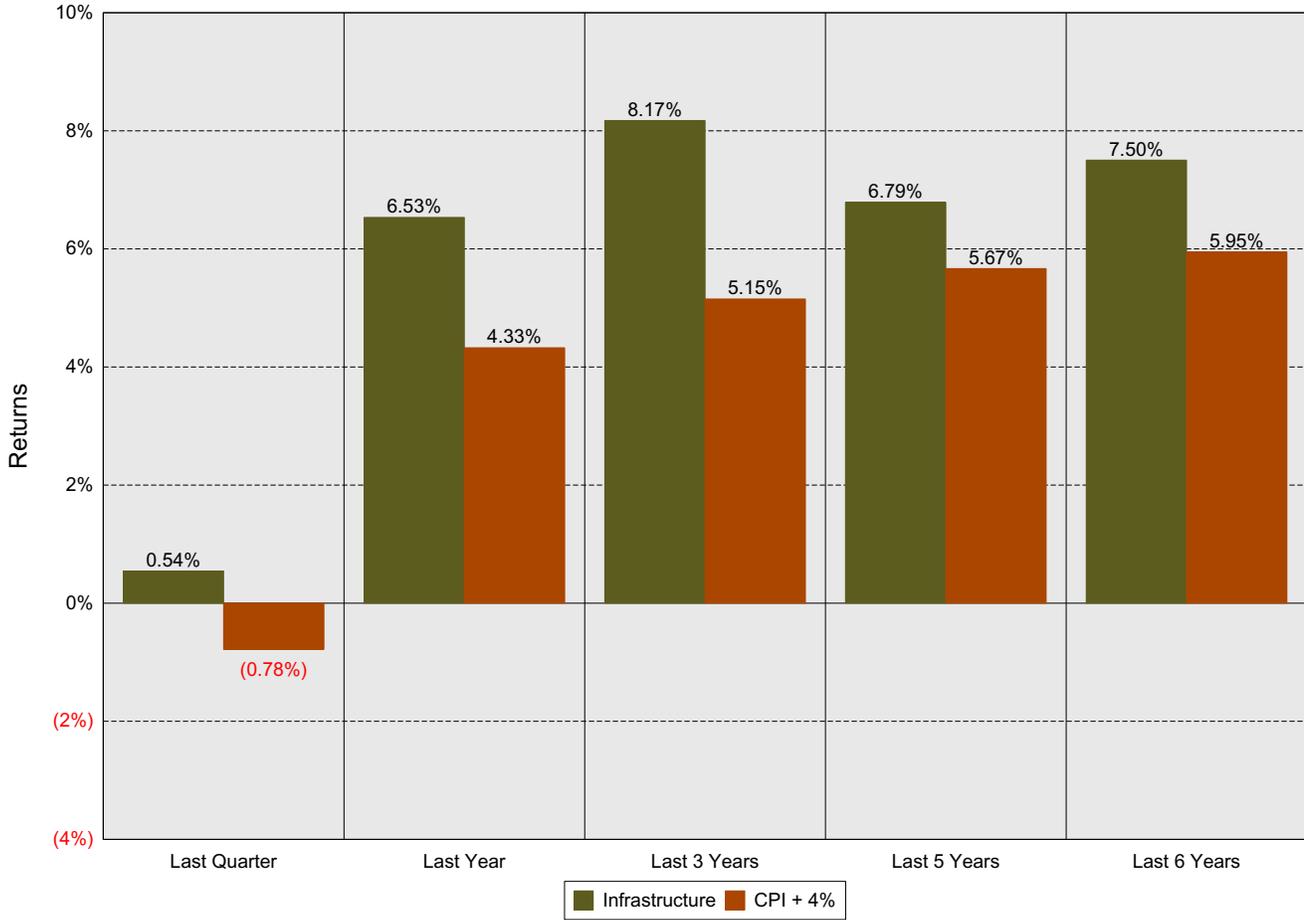
| | Information Ratio | Sharpe Ratio | Excess Return Ratio |
|-----------------|-------------------|--------------|---------------------|
| 10th Percentile | 1.84 | 5.42 | 1.46 |
| 25th Percentile | 0.29 | 4.91 | 0.52 |
| Median | (0.81) | 3.86 | 0.36 |
| 75th Percentile | (2.01) | 2.55 | (0.13) |
| 90th Percentile | (4.11) | 0.98 | (1.64) |

JPM Income and Growth Fund ● (0.63) 3.49 0.99

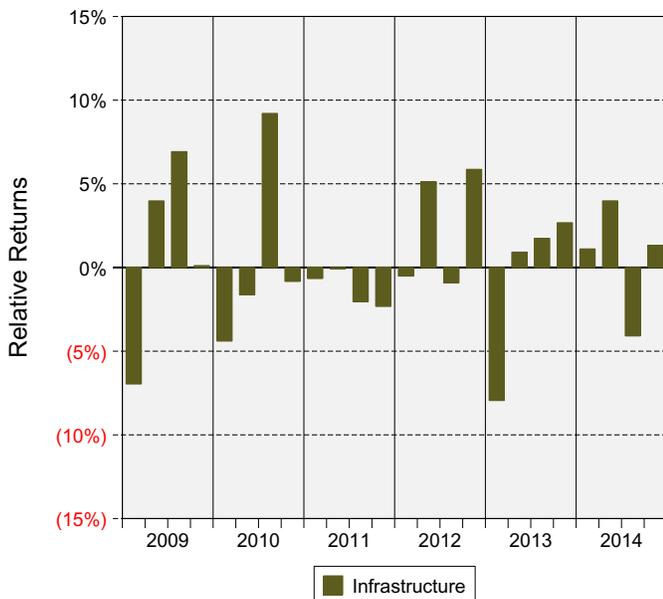
Infrastructure Period Ended December 31, 2014

Quarterly Summary and Highlights

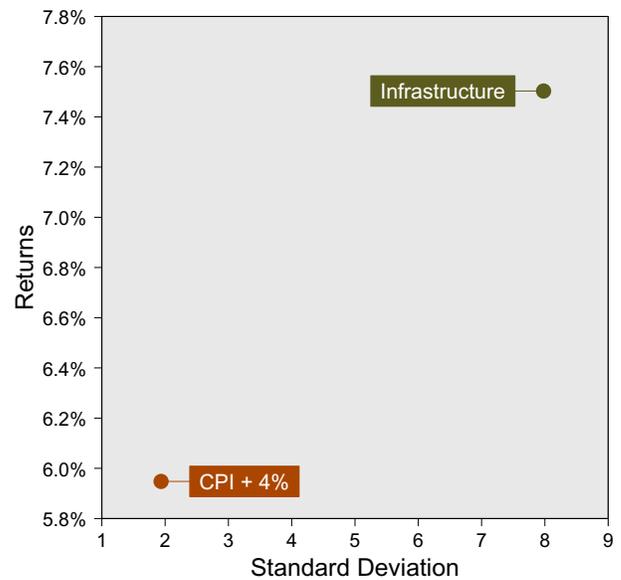
- Infrastructure's portfolio outperformed the CPI + 4% by 1.32% for the quarter and outperformed the CPI + 4% for the year by 2.21%.



Relative Return vs CPI + 4%



Annualized Six Year Risk vs Return



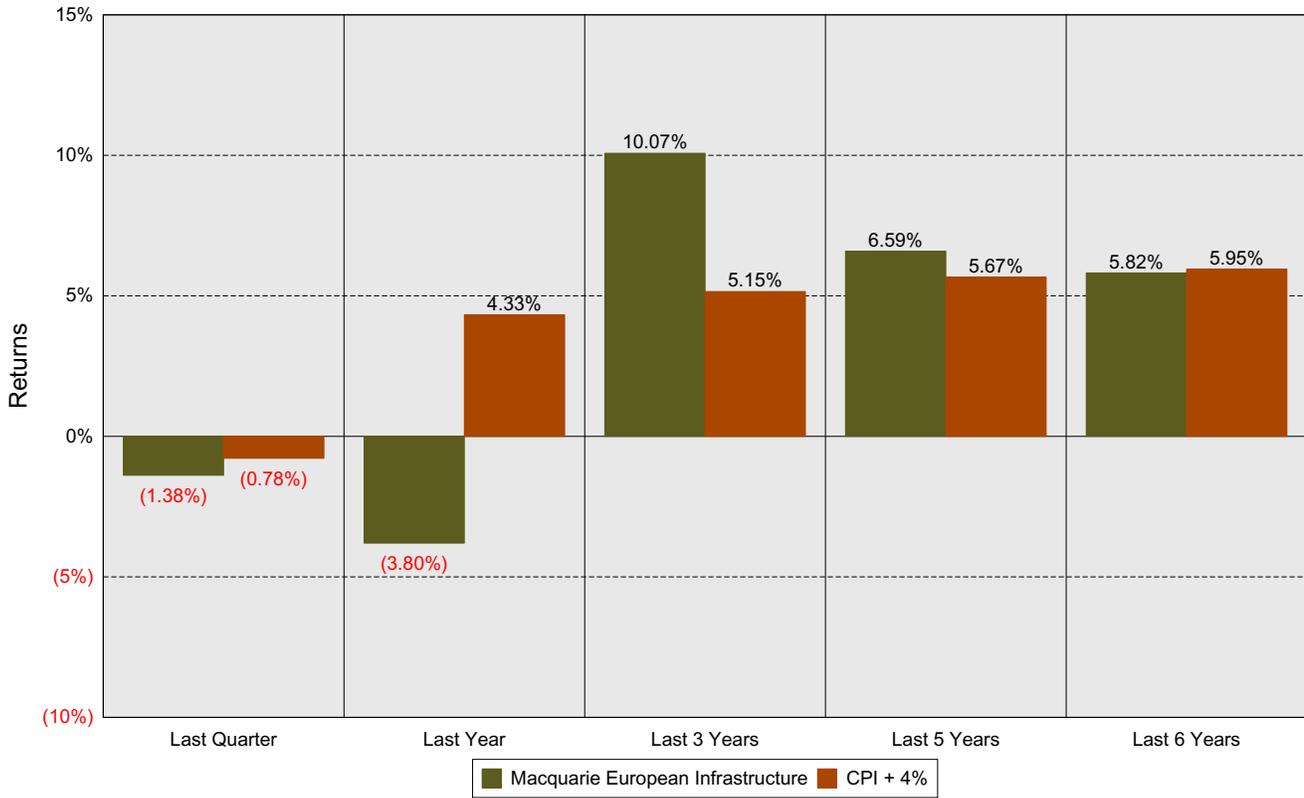
Macquarie European Infrastructure Period Ended December 31, 2014

Investment Philosophy

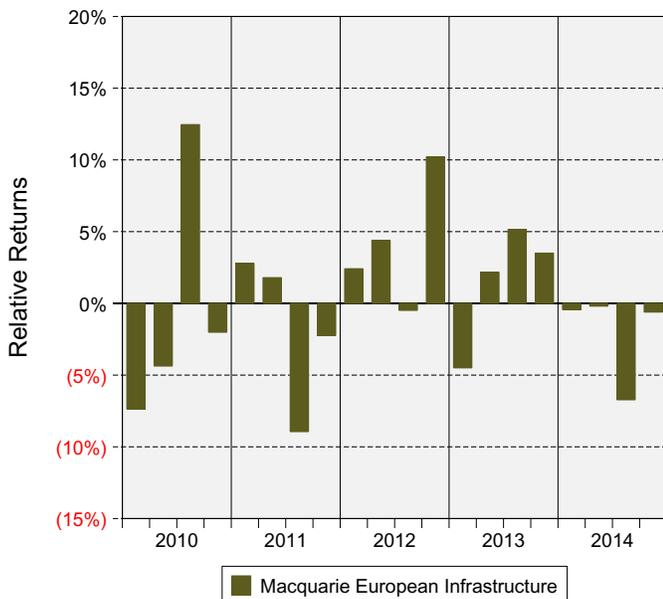
The product was funded in the fourth quarter of 2008.

Quarterly Summary and Highlights

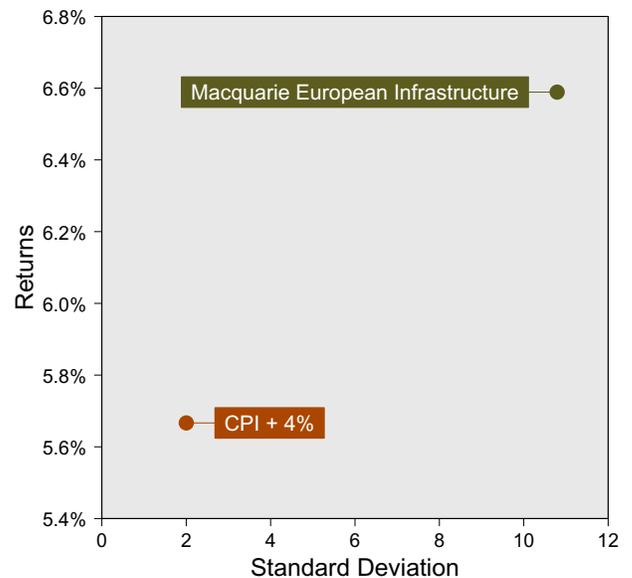
- Macquarie European Infrastructure's portfolio underperformed the CPI + 4% by 0.60% for the quarter and underperformed the CPI + 4% for the year by 8.13%.



Relative Return vs CPI + 4%



Annualized Five Year Risk vs Return



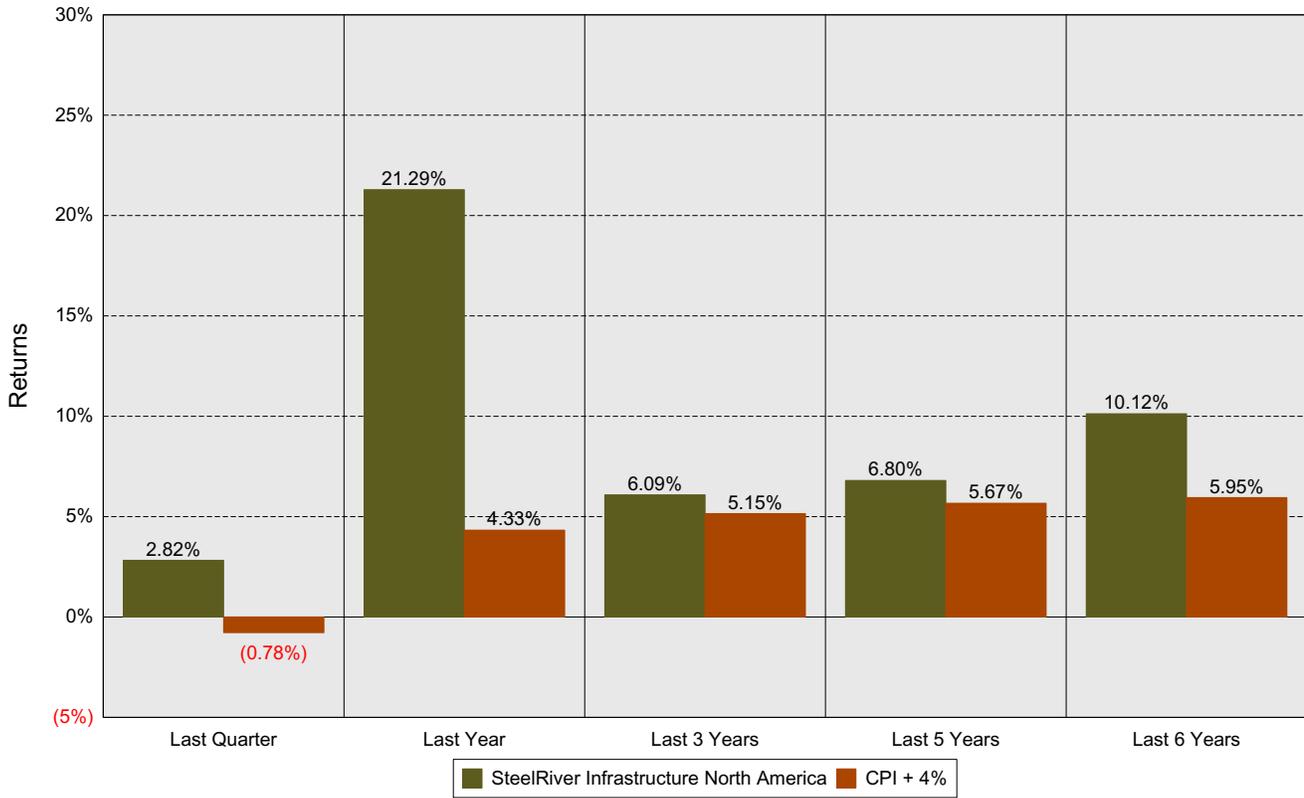
SteelRiver Infrastructure North America Period Ended December 31, 2014

Investment Philosophy

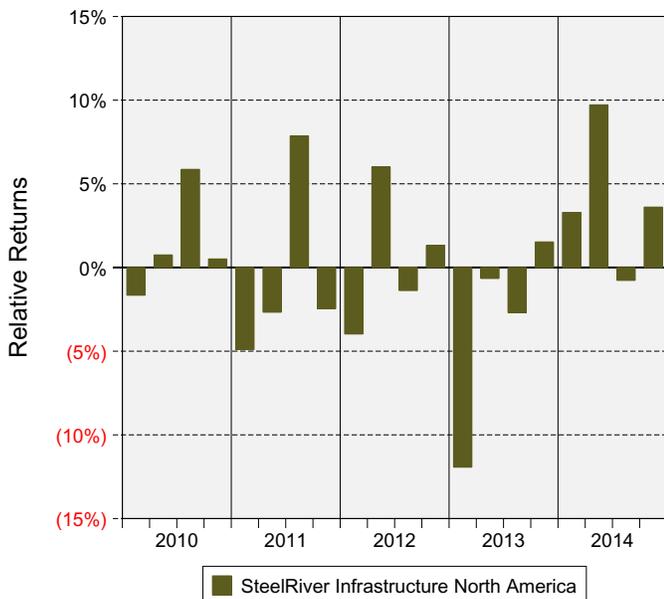
The product was funded in the fourth quarter of 2008.

Quarterly Summary and Highlights

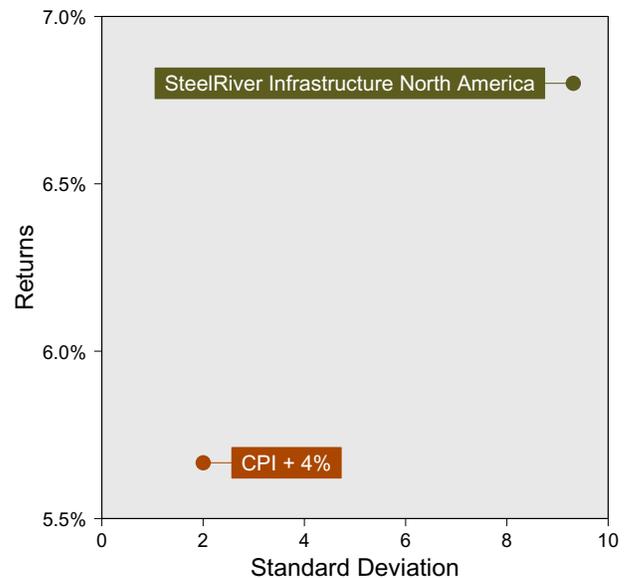
- SteelRiver Infrastructure North America's portfolio outperformed the CPI + 4% by 3.60% for the quarter and outperformed the CPI + 4% for the year by 16.96%.



Relative Return vs CPI + 4%



Annualized Five Year Risk vs Return



Research and Educational Programs

The Callan Investments Institute provides research that keeps clients updated on the latest industry trends while helping them learn through carefully structured educational programs. Below are the Institute’s recent publications—all of which can be found at www.callan.com/research.

White Papers



Emerging Managers: Small Firms with Big Ideas

In this interview, Callan’s Uvan Tseng and Lauren Mathias discuss trends and issues in the emerging manager arena. (Also see our related video: “Manager Trends: Emerging Managers and Minority, Women, and Disabled-owned Firms.”)



Managing DC Plan Investments: A Fiduciary Handbook

In this handbook, Lori Lucas covers eight key areas of responsibility for DC plan fiduciaries, including investment structure, Investment Policy Statement, QDIA oversight, and others. We also include a customizable “Fiduciary Checklist.”



What Do Money Market Reforms Mean for Investors? A Roundtable Discussion with Callan Experts

In July 2014, the SEC adopted amendments to the rules that govern money market mutual funds. The amendments address the risks of an investor run on money market funds, while seeking to preserve the benefits of these funds.



Real Estate Grows Greener: Environmental Sustainability within Institutional Real Estate Investment

Sarah Angus shares commonly held sentiments on the rationale for utilizing environmentally sustainable practices in real estate management. She provides an overview of influential organizations and key trends in the institutional real estate investment industry.

Quarterly Publications

DC Observer & Callan DC Index™: A quarterly newsletter that offers Callan's observations on a variety of topics pertaining to the defined contribution industry. Each issue is updated with the latest Callan DC Index™ returns.

Capital Market Review: A quarterly macroeconomic indicator newsletter that provides thoughtful insights on the economy as well as recent performance in the equity, fixed income, alternatives, international, real estate, and other capital markets.

Hedge Fund Monitor: A quarterly newsletter that provides a current view of hedge fund industry trends and detailed quarterly performance commentary.

Private Markets Trends: A seasonal newsletter that discusses the market environment, recent events, performance, and other issues involving private equity.

Quarterly Data: The Market Pulse reference guide covers the U.S. economy and investment trends in domestic and international equities and fixed income, and alternatives. Our Inside Callan's Database report provides performance information gathered from Callan's proprietary database, allowing you to compare your funds with your peers.

Real Assets Reporter: A recurring newsletter that offers Callan's data and insights on real estate and other real asset investment topics.

Surveys



ESG Interest and Implementation Survey

Callan conducted a brief survey to assess the status of ESG, including responsible and sustainable investment strategies and SRI, in the U.S. institutional market. We collected responses from 211 U.S. funds representing approximately \$1.4 trillion in assets.



2014 Investment Management Fee Survey

This survey captures institutional investment management fee payment practices and trends. We supplemented survey data (from 72 fund sponsors, \$859 billion in assets and 211 investment managers, \$15 trillion in AUM) with information from Callan's proprietary databases to establish the trends observed in this report. Callan conducted similar surveys in 2004, 2006, 2009, and 2011.



2014 DC Trends Survey

This annual survey presents findings such as: Plan sponsors made changes to target date funds in 2013 and will continue to do so in 2014; Passive investment offerings are increasingly common in the core investment lineup; Plan fees continue to be subject to considerable downward pressure; Retirement income solutions made little headway in 2013; and much more.



2013 Cost of Doing Business Survey

Callan compares the costs of administering funds and trusts across all types of tax-exempt and tax-qualified organizations in the U.S., and we identify ways to help institutional investors manage expenses. We fielded this survey in April and May of 2013. The results incorporate responses from 49 fund sponsors representing \$219 billion in assets.

Events

Did you miss out on a Callan conference or workshop? If so, you can catch up on what you missed by reading our “Event Summaries” and downloading the actual presentation slides from our website. Our most recent programs:



October 2014 Regional Workshop, *The Education of Beta*: An exploration of smart beta strategies, or alternatives to traditional cap-weighted indices. Our speakers were Angel Haddad; Gene Podkaminer, CFA; and Mark Stahl, CFA.



June 2014 Regional Workshop, *Policy Implementation Decisions*: A discussion of portfolio biases and the challenges therein. We looked at the common biases, how they’ve worked (or not) for the portfolio, and evaluating time horizons. Our speakers were Jay Kloepfer, Andy Iseri, and Mike Swinney.

Upcoming Educational Programs

The 35th National Conference

January 26–28, 2015 in San Francisco

Speakers include: Erskine Bowles, Alan Simpson, Maddy Dychtwald, Gary Locke, Daniel Pink, Philippe Cousteau, and the 2015 Capital Markets Panel. Workshops on active share, retirement in America, endowments and foundations, and DC plan fees.

June and October 2015 Regional Workshops

Dates and locations TBA

Our research can be found at www.callan.com/research or feel free to contact us for hard copies.

For more information about research or educational events, please contact Ray Combs or Gina Falsetto at institute@callan.com or 415-974-5060.

The Center for Investment Training Educational Sessions

This educational forum offers basic-to-intermediate level instruction on all components of the investment management process. The "Callan College" courses cover topics that are key to understanding your responsibilities, the roles of everyone involved in this process, how the process works, and how to incorporate these strategies and concepts into an investment program. Listed below are the 2015 dates.

An Introduction to Investments

April 14-15, 2015 in Atlanta

July 21-22, 2015 in San Francisco

October 27-28, 2015 in Chicago

This one-and-one-half-day session is designed for individuals who have less than two years' experience with institutional asset management oversight and/or support responsibilities. The session will familiarize fund sponsor trustees, staff, and asset management advisors with basic investment theory, terminology, and practices.

Participants in the introductory session will gain a basic understanding of the different types of institutional funds, including a description of their objectives and investment session structures. The session includes:

- A description of the different parties involved in the investment management process, including their roles and responsibilities
- A brief outline of the types and characteristics of different plans (e.g., defined benefit, defined contribution, endowments, foundations, operating funds)
- An introduction to fiduciary issues as they pertain to fund management and oversight
- An overview of capital market theory, characteristics of various asset classes, and the processes by which fiduciaries implement their investment sessions

Tuition for the Introductory "Callan College" session is \$2,350 per person. Tuition includes instruction, all materials, breakfast and lunch on each day, and dinner on the first evening with the instructors.

Customized Sessions

A unique feature of the "Callan College" is its ability to educate on a specialized level through its customized sessions. These sessions are tailored to meet the training and educational needs of the participants, whether you are a plan sponsor or you provide services to institutional tax-exempt plans. Past customized "Callan College" sessions have covered topics such as: custody, industry trends, sales and marketing, client service, international, fixed income, and managing the RFP process. Instruction can be tailored to be basic or advanced.

For more information please contact Kathleen Cunnie, at 415.274.3029 or cunnie@callan.com.

List of Managers That Do Business with Callan Associates Inc.

Confidential – For Callan Client Use Only

Callan Associates takes its fiduciary and disclosure responsibilities to clients very seriously. The list below is compiled and updated quarterly because we believe our fund sponsor clients should have a clear understanding of the investment management organizations that do business with our firm. As of 12/31/14, Callan provided educational, consulting, software, database, or reporting services to this list of managers through one or more of the following business units: Institutional Consulting Group, Independent Adviser Group, Fund Sponsor Consulting, the Callan Investments Institute and the “Callan College.” Per strict policy these manager relationships do not affect the outcome or process by which any of Callan’s services are conducted.

Fund sponsor clients may request a copy of this list at any time. Fund sponsor clients may also request specific information regarding the fees paid to Callan by the managers employed by their fund. Per company policy, information requests regarding fees are handled exclusively by Callan’s Compliance Department.

Clients should also be aware that Callan maintains an asset management division, the Trust Advisory Group (TAG). TAG specializes in the design, implementation and on-going management of multi-manager portfolios for institutional investors. Currently TAG serves as the sponsor and advisor to a multi-manager small cap equity fund and as the non-discretionary adviser to a series of Target Maturity Funds known as the Callan GlidePath® Funds. We are happy to provide clients with more specific information regarding TAG, including detail on the portfolios that it oversees. Per company policy these requests are handled by TAG’s Chief Investment Officer.

| Manager Name | Educational Services | Consulting Services |
|---|----------------------|---------------------|
| 1607 Capital Partners, LLC | | Y |
| Aberdeen Asset Management | Y | Y |
| Acadian Asset Management, Inc. | Y | |
| Advisory Research | Y | |
| Affiliated Managers Group | | Y |
| AllianceBernstein | Y | |
| Allianz Global Investors U.S. LLC | Y | Y |
| Allianz Life Insurance Company of North America | | Y |
| Altrinsic Global Advisors, LLC | | Y |
| American Century Investment Management | Y | |
| Apollo Global Management | Y | |
| AQR Capital Management | Y | |
| Ares Management | Y | |
| Ariel Investments | Y | |
| Aristotle Capital Management | Y | |
| Aronson + Johnson + Ortiz | Y | |
| Artisan Holdings | | Y |
| Atlanta Capital Management Co., L.L.C. | Y | Y |
| Asset Strategy Consultants | Y | |
| AXA Rosenberg Investment Management | Y | |
| Babson Capital Management LLC | Y | |
| Baillie Gifford International LLC | Y | Y |
| Baird Advisors | Y | Y |
| Bank of America | | Y |
| Baring Asset Management | Y | |
| Barrow, Hanley, Mewhinney & Strauss, Inc. | Y | Y |
| BlackRock | Y | |
| BMO Asset Management | Y | |
| BNP Paribas Investment Partners | Y | |
| BNY Mellon Asset Management | Y | Y |
| Boston Company Asset Management, LLC (The) | Y | Y |
| Boston Partners (aka Robeco Investment Management) | Y | Y |
| Brandes Investment Partners, L.P. | Y | Y |
| Brandywine Global Investment Management, LLC | Y | |
| Brown Brothers Harriman & Company | Y | |

List of Managers That Do Business with Callan Associates Inc. (continued)

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| | | |
|--|---|---|
| Cadence Capital Management | Y | |
| Capital Group | Y | |
| CastleArk Management, LLC | | Y |
| Causeway Capital Management | Y | |
| Central Plains Advisors, Inc. | | Y |
| Chandler Asset Management | Y | |
| Chartwell Investment Partners | Y | |
| ClearBridge Investments, LLC (fka ClearBridge Advisors) | Y | |
| Cohen & Steers | Y | Y |
| Columbia Management Investment Advisors, LLC | Y | Y |
| Columbus Circle Investors | Y | Y |
| Corbin Capital Partners | Y | |
| Cornerstone Capital Management Holdings (fka Madison Square) | Y | |
| Cornerstone Investment Partners, LLC | Y | |
| Cramer Rosenthal McGlynn, LLC | Y | |
| Crawford Investment Council | | Y |
| Credit Suisse Asset Management | Y | |
| Crestline Investors | Y | Y |
| Cutwater Asset Management | Y | |
| DB Advisors | Y | Y |
| Delaware Investments | Y | Y |
| DePrince, Race & Zollo, Inc. | Y | Y |
| Deutsche Asset & Wealth Management | Y | Y |
| Diamond Hill Investments | Y | |
| DSM Capital Partners | | Y |
| Duff & Phelps Investment Mgmt. | Y | Y |
| Eagle Asset Management, Inc. | | Y |
| EARNEST Partners, LLC | Y | |
| Eaton Vance Management | Y | Y |
| Epoch Investment Partners | Y | |
| Fayez Sarofim & Company | | Y |
| Federated Investors | | Y |
| First Eagle Investment Management | Y | |
| First State Investments | Y | |
| Fisher Investments | Y | |
| Franklin Templeton | Y | Y |
| Fred Alger Management Co., Inc. | Y | |
| Fuller & Thaler Asset Management | Y | |
| GAM (USA) Inc. | Y | |
| GE Asset Management | Y | Y |
| Geneva Capital Management | Y | |
| Goldman Sachs Asset Management | Y | Y |
| Grand-Jean Capital Management | Y | Y |
| GMO (fka Grantham, Mayo, Van Otterloo & Co., LLC) | Y | |
| Great Lakes Advisors, Inc. | | Y |
| The Guardian Life Insurance Company of America | | Y |

List of Managers That Do Business with Callan Associates Inc. (continued)

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| | | |
|---|---|---|
| Guggenheim Investments Asset Management (fka Security Global) | Y | |
| GW&K Investment Management | Y | |
| Hancock National Resources Group | Y | |
| Harris Associates | Y | |
| Harbor Capital | | Y |
| Hartford Investment Management Co. | Y | Y |
| Heightman Capital Management Corporation | | Y |
| Henderson Global Investors | Y | Y |
| Hotchkis & Wiley | Y | |
| Impax Asset Management Limited | Y | |
| Income Research & Management | Y | |
| Industry Funds Management | Y | |
| Insight Investment Management | | Y |
| Institutional Capital LLC | Y | |
| INTECH Investment Management | Y | |
| Invesco | Y | Y |
| Investment Management of Virginia | Y | |
| Investec Asset Management | Y | |
| Jacobs Levy Equity Management | | Y |
| Janus Capital Group (fka Janus Capital Management, LLC) | Y | Y |
| Jensen Investment Management | | Y |
| J.M. Hartwell | Y | |
| J.P. Morgan Asset Management | Y | Y |
| KeyCorp | | Y |
| Lazard Asset Management | Y | Y |
| Lee Munder Capital Group | Y | |
| Lincoln National Corporation | | Y |
| Logan Circle Partners, L.P. | Y | |
| Longview Partners | Y | |
| Loomis, Sayles & Company, L.P. | Y | Y |
| Lord Abbett & Company | Y | Y |
| Los Angeles Capital Management | Y | |
| LSV Asset Management | Y | |
| Lyrical Partners | Y | |
| MacKay Shields LLC | Y | Y |
| Man Investments | Y | |
| Manulife Asset Management | Y | |
| Martin Currie | Y | |
| Marvin & Palmer Associates, Inc. | Y | |
| Mellon Capital Management | Y | |
| MFS Investment Management | Y | Y |
| MidFirst Bank | | Y |
| Mondrian Investment Partners Limited | Y | Y |
| Montag & Caldwell, Inc. | Y | Y |
| Morgan Stanley Alternative Investment Partners | Y | |
| Morgan Stanley Investment Management | Y | Y |

List of Managers That Do Business with Callan Associates Inc. (continued)

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| | | |
|---|---|---|
| Mountain Lake Investment Management LLC | | Y |
| MUFG Union Bank, N.A. | | Y |
| Neuberger Berman, LLC (fka, Lehman Brothers) | Y | Y |
| Newton Capital Management | Y | |
| Northern Lights Capital Group | | Y |
| Northern Trust Global Investment Services | Y | Y |
| Nuveen Investments Institutional Services Group LLC | Y | |
| Old Mutual Asset Management | Y | Y |
| OppenheimerFunds, Inc. | Y | |
| O'Shaughnessy Asset Management, LLC | Y | |
| Pacific Investment Management Company | Y | |
| Palisade Capital Management LLC | Y | |
| Parametric Portfolio Associates | Y | |
| Peregrine Capital Management, Inc. | Y | Y |
| Philadelphia International Advisors, LP | Y | |
| PineBridge Investments (formerly AIG) | Y | |
| Pinnacle Asset Management | Y | |
| Pioneer Investment Management, Inc. | Y | |
| PNC Capital Advisors (fka Allegiant Asset Mgmt) | Y | Y |
| Polen Capital Management | Y | |
| Post Advisory | Y | |
| Principal Financial Group | | Y |
| Principal Global Investors | Y | Y |
| Private Advisors | Y | |
| Prudential Fixed Income Management | Y | |
| Prudential Investment Management, Inc. | Y | Y |
| Putnam Investments, LLC | Y | Y |
| Pyramis Global Advisors | Y | |
| Rainier Investment Management | Y | |
| RBC Global Asset Management (U.S.) Inc. | Y | Y |
| Research Affiliates | | Y |
| Regions Financial Corporation | | Y |
| RCM | | Y |
| Robeco Investment Management (aka Boston Partners) | Y | Y |
| Rothschild Asset Management, Inc. | Y | Y |
| RS Investments | Y | |
| Russell Investment Management | Y | |
| Santander Global Facilities | | Y |
| Schroder Investment Management North America Inc. | Y | Y |
| Scout Investments | Y | |
| SEI Investments | | Y |
| SEIX Investment Advisors, Inc. | Y | |
| Select Equity Group | Y | |
| Silvercrest Asset Management Company | Y | |
| Smith Graham and Company | | Y |

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| | | |
|--|---|---|
| Smith Group Asset Management | | Y |
| Standard Life Investments | Y | |
| Standish (fka, Standish Mellon Asset Management) | Y | |
| State Street Global Advisors | Y | |
| Stone Harbor Investment Partners, L.P. | Y | Y |
| Systematic Financial Management | Y | |
| T. Rowe Price Associates, Inc. | Y | Y |
| Taplin, Canida & Habacht | Y | |
| TCW Asset Management Company | Y | |
| UBS | Y | Y |
| Van Eck | Y | |
| Victory Capital Management Inc. | Y | |
| Voya Investment Management (fka ING Investment Management) | Y | Y |
| Vulcan Value Partners, LLC | | Y |
| Waddell & Reed Asset Management Group | Y | Y |
| Wall Street Associates | Y | |
| WCM Investment Management | Y | |
| WEDGE Capital Management | | Y |
| Wellington Management Company, LLP | Y | |
| Wells Capital Management | Y | |
| Western Asset Management Company | Y | |
| William Blair & Co., Inc. | Y | Y |