Sean Higman, Jon Prime & George Hauptfuhrer • Consultants
Brian Basiliere • Investment Analyst
Nathan Dow • Performance Analyst

pbaTPBH@primebuchholz.com

Town of Palm Beach Health Insurance Trust

Investment Performance Analysis
Period Ended March 31, 2015

Pease International Tradeport, 273 Corporate Drive, Portsmouth, NH 03801 T: 603.433.1143 F: 603.433.8661

Index

SUPPLEMENTAL REPORT

LOCAL MARKET RETURNS AND CURRENCY IMPACT

The strength of the U.S. dollar has continued to be a theme that has broadly impacted markets and portfolios in early 2015. U.S. dollar gains relative to most foreign currencies has mitigated strength exhibited in many local non-U.S. equity and bond market returns over the trailing one-year period. This quarter, we have included a supplemental report in Tab II, which examines the drivers of these trends and considers these returns in their historical context.

Tab I

Global Economic Highlights

Economic divergence continued according to data released during the first quarter of 2015. The U.S. grew 2.2% during the fourth quarter of 2014 compared to growth of 1.5% in Japan and 1.3% in the euro area on a quarter-over-quarter annual rate. However, some early market estimates indicate that first quarter U.S. GDP growth could moderate to below 1%. Within the euro area, Germany (+2.8%) and the Netherlands (+3.2%) were bright spots as was the surprise gain in Spain (+2.7%). However, other countries such as France (+0.5%), Belgium (+0.7%), and Austria (+0.4%) delivered positive, but very modest growth, while both Greece (−1.5%) and Italy (−0.1%) saw output fall. China (+6.1%) continued to slow with the country delivering solid but somewhat disappointing growth compared to historical measures.

Diverging monetary policy paths remained in focus as the European Central Bank (ECB) initiated quantitative easing (QE) purchases in March. Meanwhile, the Fed removed the word "patient" from its statement, opening the door for a rate hike this year. However, global liquidity remained in place as the ECB program, while smaller in absolute terms than the Fed's program, targets a much smaller stock of European sovereign bonds. The ECB has a goal of purchasing a total of €60 billion per month under two existing bond-buying programs. Sweden's Riksbank also announced it was pursuing an unconventional policy via a purchase plan. Other central banks targeted cuts to policy rates, but those in countries with already low policy rates—like Denmark and Switzerland—also reduced deposit rates on excess reserves into negative territory.

Inflation across the Organisation for Economic Co-operation and Development (OECD) countries was a modest 0.6% over the 12-month period ended February 2015. Energy prices declined 11.6% over the same period, while food prices advanced 2.3%. A large number of European countries reported declines, with the exception of Germany, the Netherlands, Sweden, and Norway, where inflation remained in positive territory but at very low levels. U.S. Bureau of Labor Statistics data for this time period reflected the dramatic decline in energy prices, with headline CPI flat over the 12-month period. Excluding food and energy, U.S. prices were 1.7% higher in the trailing year through February.

Unemployment across OECD countries was 7.1% at the end of January. The euro area, while slowly improving, remained elevated at 11.2%, with the highest rates of unemployment in Spain (23.4%), Portugal (13.8%), Italy (12.6%), and France (10.6%). Conversely, Norway (3.9%), Germany (4.8%), the U.K. (5.6%), the U.S. (5.7%), and Canada (6.6%) remained below the OECD average. In general, the unemployment trend has been largely positive. The U.S. had been delivering steady improvements in job creation until March, when job growth was extremely disappointing. However, a falling labor force participation rate has played a significant role in reducing the level of joblessness in the U.S.

The Federal Housing Finance Agency (FHFA) reported its seasonally adjusted, Purchase-Only House Price Index rose 1.4% during the fourth quarter of 2014, the 14th consecutive increase. Low inventories of available-for-sale homes and a stronger labor market continue to benefit the housing market and helped drive prices higher. Home prices had risen 4.9% over the trailing 12 months ended December 2014.

Oil prices remained under pressure. Rig counts appear to be falling but not at a rate fast enough to halt price declines. West Texas Intermediate (WTI) fell 10.6% to end the quarter at $47.60. Brent crude declined 8.5% and by March 31st, it was trading at $55.11. The spread between WTI and Brent widened from $4.06 at fourth quarter-end 2014 to $7.51 at first quarter-end 2015.

Gold prices moderated 0.1% to $1,183.68 per ounce in the first quarter in light of ongoing strength in the U.S. dollar (USD) and due to the lack of inflationary pressure across the globe. A Fed rate hike was perceived to be bearish for gold but gold prices stabilized as expectations for the lift-off was pushed further out. The ECB's launch of QE, as well as persistent concerns about Greece, led to a safe-haven bid for gold.

The USD appreciated relative to most major currencies during the first quarter with the Dollar Index Spot (DXY), which measures the performance of the USD against a basket of currencies, rising 9.0%. The euro, British pound, Canadian dollar, and Swedish krona fell sharply against the USD during the quarter.

Sources: Bureau of Economic Analysis, the Economist, Bloomberg, Board of Governors of the Federal Reserve System, Bureau of Labor Statistics, OECD, Federal Housing Finance Agency

Historical Returns

Equity Index Returns	Qtr	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
S&P 500	1.0	12.7	17.2	16.1	14.5	8.0
CRSP US Total Market	1.8	12.3	17.4	16.4	14.7	8.6
Russell 3000 (Broad Market)	1.8	12.4	17.4	16.4	14.7	8.4
Russell 1000 (Large Cap)	1.6	12.7	17.5	16.4	14.7	8.3
Russell Midcap	4.0	13.7	18.5	18.1	16.2	10.0
Russell 2000 (Small Cap)	4.3	8.2	16.3	16.3	14.6	8.8
MSCI ACWI (USD)	2.3	6.4	10.8	10.7	9.0	6.4
MSCI ACWI (Local)	5.0	14.3	15.8	15.1	11.2	7.5
MSCI ACWI ex-U.S. (USD)	3.5	-1.0	5.4	6.4	4.8	5.5
MSCI ACWI ex-U.S. (Local)	9.1	16.0	14.5	14.2	8.5	7.1
MSCI EAFE (USD)	4.9	-0.9	7.9	9.0	6.2	4.9
MSCI EAFE (Local)	10.8	17.7	16.6	16.6	9.1	6.1
MSCI EM (USD)	2.2	0.4	-0.5	0.3	1.7	8.5
MSCI EM (Local)	4.9	10.9	7.1	6.4	5.6	10.1
S&P Developed ex-U.S. (Small Cap)	4.4	-2.8	9.1	9.9	8.5	6.9
London - FTSE 100*	4.4	6.7	6.8	9.8	7.7	7.5
Japan - Nikkei 225*	10.7	31.4	26.3	26.1	13.7	6.8
Hong Kong - Hang Seng*	6.0	16.9	9.7	10.6	6.9	9.9
China - Shanghai Composite*	15.9	90.3	33.5	21.8	6.4	14.6
40% R 3000/40% EAFE/20% EM	3.1	4.6	10.0	10.2	8.7	7.2

Fixed Income Index Returns	Qtr	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
LIBOR US 3m	0.1	0.2	0.2	0.3	0.3	1.8
Citigroup 3m T-Bill	0.0	0.0	0.0	0.1	0.1	1.4
BOA ML 1-3 Yr Treasury	0.5	1.0	0.7	0.7	1.0	2.6
Barclays 3-10 Yr Treasury	1.9	5.2	1.6	2.3	4.4	5.0
Barclays 5-10 Yr Treasury	2.3	6.9	1.8	5.4	5.6	6.4
Barclays Long-Term Treasury	4.0	21.4	7.9	7.7	10.6	7.9
Barclays Credit	2.2	6.7	3.8	4.9	6.2	5.8
Barclays Gov't/Credit	1.8	5.9	2.8	3.4	4.8	5.0
Barclays Aggregate	1.6	5.7	2.8	3.1	4.4	4.9
Barclays Municipal	1.0	6.6	3.5	4.1	5.1	4.8
Barclays High Yield	2.5	2.0	4.7	7.5	8.6	8.2
JPM Global Bond	-1.8	-3.7	-1.4	-1.2	2.0	3.4
JPM Non-U.S. Bond	-4.1	-9.5	-3.8	-3.4	0.6	2.7
JPM Global Bond-Hedged	2.1	8.4	4.7	4.6	4.7	4.8
JPM Non-U.S. Bond-Hedged	2.3	9.8	6.1	5.8	5.1	4.9
JPM EMBI+	1.9	4.5	1.3	4.0	6.6	8.0
JPM GBI-EM Global Div Bond	-4.0	-11.1	-9.2	-3.9	0.7	6.3
JPM GBI-EM Global Div Bond-Hedged	1.1	3.6	-0.2	2.3	3.6	5.0

Illiquid Partnerships	Qtr	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
Private Real Assets (as of 12/31/2014)						
NCREIF Property Index	3.0	11.8	11.4	11.1	12.1	8.4
Apartment	2.8	10.3	10.4	10.6	13.1	8.1
Industrial	3.9	13.4	12.9	12.1	12.1	8.3
Office	3.1	11.5	10.7	10.3	11.3	8.2
Retail	2.7	13.1	13.0	12.5	12.8	9.2
NCREIF Timber Index	6.0	10.5	10.1	9.3	5.8	8.3
Private Equity (as of 9/30/2014)						
VC: Early Stage	2.3	26.6	19.9	15.7	15.6	9.3
VC: Late/Expansion Stage	1.6	15.7	18.9	13.3	17.4	12.9
VC: Multi - Stage	1.8	22.7	19.3	14.7	13.2	9.8
Growth Equity	1.8	20.1	17.1	14.9	15.1	13.5
Buyout: Small Cap	-0.3	14.4	12.5	13.5	15.6	19.3
Buyout: Mid Cap	-0.3	12.3	12.1	11.9	12.7	16.4
Buyout: Large Cap	-1.1	14.8	14.8	14.0	15.1	15.2
Buyout: Mega Cap	-0.8	16.0	18.1	17.1	16.6	12.1

MSCI ACWI Sector	Qtr	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
Consumer Discretionary	5.7	11.8	17.5	16.7	16.0	9.1
Consumer Staples	2.4	8.9	8.1	12.1	12.7	10.9
Energy	-3.1	-16.5	-3.5	-1.8	2.1	5.0
Financials	0.8	4.2	9.9	12.4	6.9	2.7
Health Care	8.5	21.6	24.0	24.5	18.3	11.2
Industrials	2.2	3.0	11.5	11.6	10.1	7.3
Information Technology	2.8	16.5	20.3	13.3	12.7	9.0
Materials	1.5	-6.6	-0.7	-1.7	-0.4	6.1
Telecom	1.8	2.6	9.5	10.1	9.6	7.4
Utilities	-4.8	1.3	7.5	7.1	4.9	6.3

Hedge Fund Index Returns	Qtr	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
HFRI Fund Weighted Composite	2.4	4.3	5.4	5.3	4.5	5.3
Absolute Return						
HFRI Event Driven (Total)	2.0	1.1	5.8	6.4	5.5	5.7
HFRI Relative Value (Total)	1.7	3.4	4.8	6.3	6.1	6.4
HFRI RV: FI-Convertible Arbitrage	2.1	1.4	4.3	4.6	4.9	5.2
HFRI EH: Equity Market Neutral	1.7	3.5	4.6	4.2	2.8	2.7
Directional Hedge						
HFRI Equity Hedge (Total)	2.3	3.0	6.5	6.2	4.7	4.9
HFRI Macro (Total)	3.4	9.5	3.6	2.5	2.4	4.6
HFRI Emerging Markets (Total)	1.0	-0.9	0.6	2.2	1.2	5.8
HFRI EH: Short Bias	-0.8	-3.6	-9.4	-10.5	-10.8	-10.8
Fund of Funds						
HFRI FOF Strategic	2.9	5.4	6.3	5.9	3.8	3.6
HFRI FOF Diversified	2.6	5.6	5.8	5.6	3.6	3.3
HFRI FOF Conservative	1.0	2.9	4.5	4.5	3.1	2.5

Real Assets and Inflation	Qtr	1 Yr	2 Yr	3 Yr	5 Yr	10 Yr
REITs						
FTSE EPRA/NAREIT Dev'd	4.0	14.8	7.4	11.8	11.0	7.7
Commodities						
Bloomberg Commodity	-5.9	-27.0	-15.4	-11.5	-5.7	-3.6
S&P GSCI	-8.2	-40.3	-22.3	-16.9	-8.0	-7.5
Natural Resources						
S&P NA Natural Resources	-1.5	-13.5	-1.7	0.5	3.9	6.2
Inflation-Protected Bonds						
Barclays U.S. TIPS	1.4	3.1	-1.8	0.6	4.3	4.6
Inflation						
U.S. CPI	-0.1	-0.7	0.4	0.8	1.5	2.0
U.S. CPI Plus 5%	1.2	4.3	5.4	5.8	6.6	7.1

*Returns in local currency.

Note: All returns as of 3/31/2015, unless otherwise noted.

Key Metrics

Option-Adjusted Spreads	Current QTR	1 Year Ago
U.S. High Yield	466	356
U.S. Corporate	129	106
U.S. IG Financials	118	102
CDX IG 5-Yr	64	68
CDX HY 5-Yr	343	330
Agency MBS	20	37
CMBS	95	107
ABS - Fixed Rate	62	50
ABS - Floating Rate	81	90
TED[1]	25	19
Emerging Markets (External)	354	289

[1] *3 month US LIBOR minus 3 Month US T Bills*

U.S. Economy	Current QTR	1 Year Ago
Unemployment Rate	5.50%	6.70%
Quarterly GDP[2]	2.20%	2.60%
Current Account Deficit[2]	$113.50	$81.10
Annualized Current Account Deficit/GDP[2]	2.60%	1.90%

[2] *Statistics as of one quarter prior*

Central Bank Activity	Current QTR	1 Year Ago
Fed Funds Rate	0-0.25%	0-0.25%
Bank of Japan Target Rate	0.10%	0.10%
European Central Bank Policy Rate	0.05%	0.25%
European Central Bank Deposit Facility Rate	-0.20%	0.00%
Bank of England Official Bank Rate	0.50%	0.50%

Inflation Forecast	Current QTR	1 Year Ago
10-Year Treasury Yield	1.92%	2.72%
10-Year Breakeven[4]	1.78%	2.14%
5-Year Treasury Yield	1.37%	1.72%
5-Year Breakeven[4]	1.58%	1.87%

[4] *Breakeven rates calculated by Bloomberg*

Equity Market Valuations	Current QTR			1-Year Ago		
	Trailing P/E	Forward P/E	Div. Yield	Trailing P/E	Forward P/E	Div. Yield
S&P 500 Index	18.x	17.3x	2.0%	17.3x	16.x	1.9%
Russell 1000 Index	18.3x	17.7x	1.9%	16.3x	16.x	1.8%
Russell Midcap Index	21.1x	19.8x	1.6%	19.9x	18.4x	1.6%
Russell 2000 Index	20.6x	19.2x	1.4%	21.x	19.3x	1.3%
Russell 3000 Index	18.4x	17.8x	1.9%	17.8x	16.5x	1.8%
Russell 3000 Growth Index	21.2x	19.4x	1.4%	20.6x	18.5x	1.5%
Russell 3000 Value Index	16.2x	16.3x	2.3%	15.4x	14.9x	2.2%
MSCI ACWI Index	16.2x	16.4x	2.4%	16.x	14.6x	2.6%
MSCI ACWI ex-U.S. Index	14.6x	15.3x	2.9%	14.7x	13.5x	3.2%
MSCI EAFE Index	15.7x	16.4x	3.0%	16.x	14.3x	3.3%
MSCI EM Index	11.7x	12.3x	2.6%	11.4x	10.7x	2.7%
MSCI Frontier Markets Index	10.9x	10.4x	4.1%	12.4x	11.7x	3.6%
London - FTSE 100*	20.4x	16.x	3.8%	16.x	13.3x	4.7%
Japan - Nikkei 225*	20.8x	19.8x	1.3%	18.1x	17.9x	1.5%
Hong Kong - Hang Seng*	10.5x	12.x	3.6%	10.4x	10.2x	3.5%
China - Shanghai Composite*	17.5x	15.1x	1.7%	9.2x	7.6x	3.0%

[3] *Returns in local currency*

P/E excludes companies with negative earnings

U.S. Treasury Yields							Curve Steepness
Date	3-Mo T-Bill	6-Mo T-Bill	2-Yr Note	5-Yr Note	10-Yr Note	30-Yr Note	10-Yr - 2-Yr
1 Year Ago	0.03%	0.06%	0.42%	1.72%	2.72%	3.56%	2.30%
Current Quarter	0.02%	0.14%	0.56%	1.37%	1.92%	2.54%	1.36%

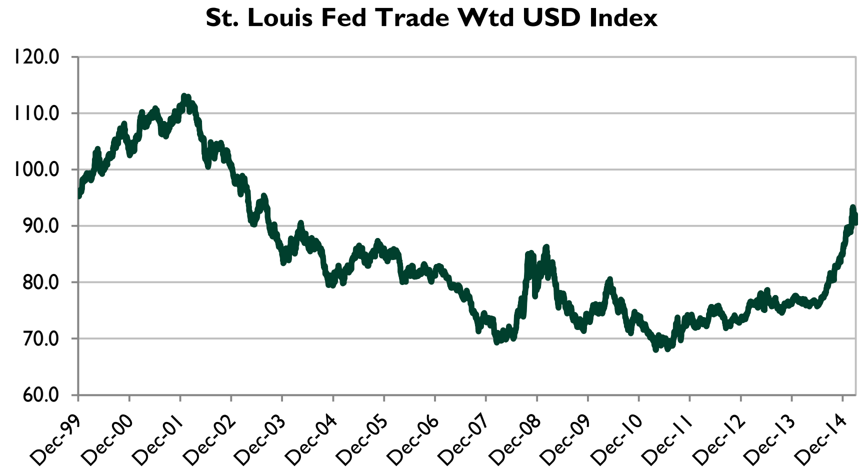
Currency Rates (per U.S. Dollar) (%)	MTD	QTD	YTD	1 Year	2 Year*	3 Year*	5 Year*	Current Spot Rate
U.S. Dollar Spot (DXY)**	3.2%	9.0%	9.0%	22.8%	8.9%	7.6%	3.9%	98.36
Canadian Dollar	-1.4%	-8.4%	-8.4%	-12.9%	-10.4%	-7.7%	-4.4%	1.27
Japanese Yen	-0.4%	-0.4%	-0.4%	-14.1%	-11.4%	-11.6%	-4.9%	120.13
British Pound	-4.0%	-4.9%	-4.9%	-11.1%	-1.3%	-2.5%	-0.5%	0.68
Euro	-4.1%	-11.3%	-11.3%	-22.1%	-8.5%	-7.0%	-4.5%	0.93
Swiss Franc	-1.9%	2.2%	2.2%	-9.1%	-1.2%	-2.5%	1.6%	0.97
Australian Dollar	-2.6%	-7.0%	-7.0%	-17.9%	-14.6%	-9.7%	-3.7%	1.32
Brazilian Real	-11.1%	-17.1%	-17.1%	-29.0%	-20.5%	-17.0%	-11.1%	3.20
China Yuan/Renminbi	1.1%	0.1%	0.1%	0.3%	0.1%	0.5%	1.9%	6.20
GBP/Euro	0.2%	7.2%	7.2%	14.1%	7.9%	4.8%	4.2%	0.72
Yen/Euro	3.9%	12.2%	12.2%	10.3%	-3.2%	-5.0%	-0.4%	128.91

*Annualized Price Change

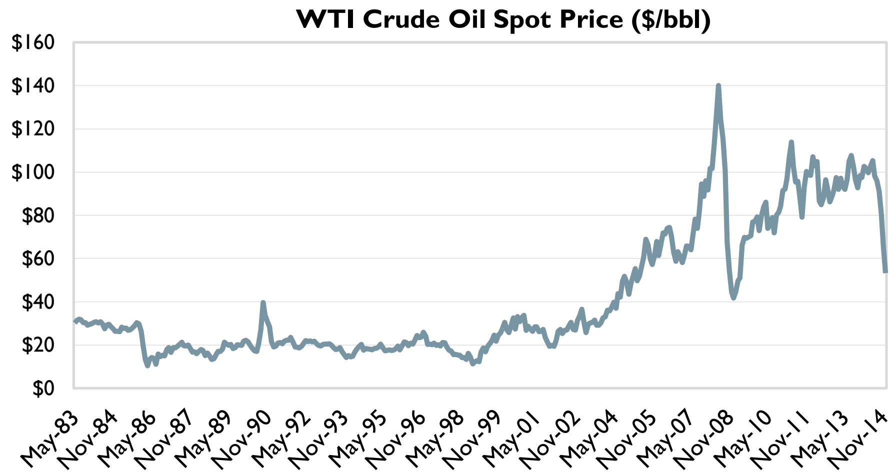
**Index measures value of USD relative to basket of foreign currencies.

Sources: U.S. Bureau of Labor Statistics, Bureau of Economic Analysis, Bloomberg

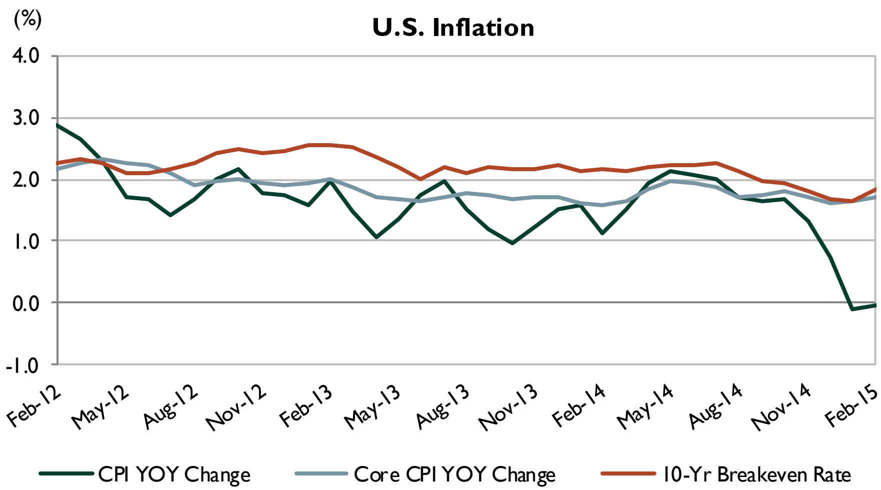
Macroeconomic Trends



The Federal Reserve Bank of St. Louis Trade Weighted U.S. Dollar Index, a composite of the currencies of major U.S. trading partners, increased 8.1% during the first quarter. Over the past year, the dollar has risen 20.0% against major trading partners.



West Texas Intermediate crude oil fell 10.6% to $47.60 as the oil rout continued into the first quarter of 2015. Rig counts have been dropping but not at a rate fast enough to take production offline and support oil prices.



The CPI was flat on a year-over-year basis in February, while the Core CPI (excluding food and energy) rose by only 1.7%. Both measures continue to be well below historical averages, contained by excess capacity and resource slack in the economy. Also, falling energy prices have driven the broader CPI measure down. Ten-year breakeven rates continued to trend lower as falling oil prices and a lack of wage growth fostered less concern about future inflation.

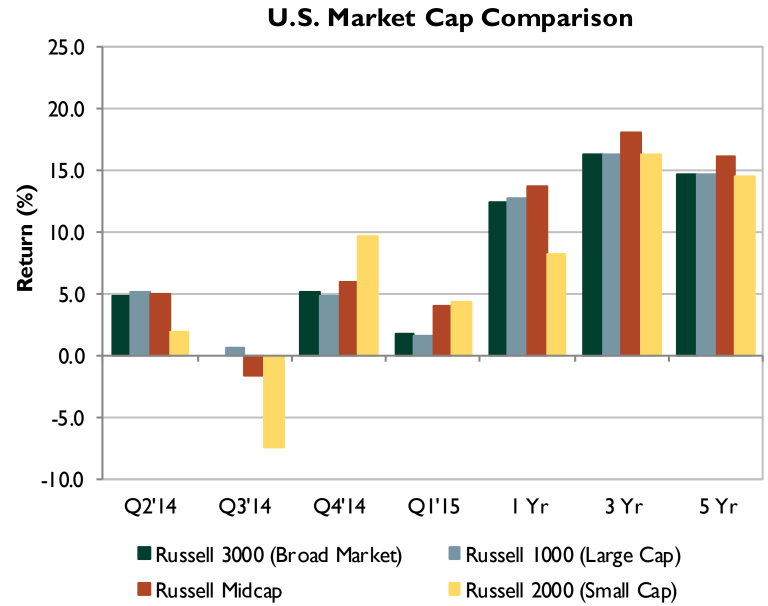
U.S. real GDP increased at an annual rate of 2.2% in the fourth quarter, a sharp deceleration from the previous two quarters. Estimates for the first quarter of 2015 have been revised lower with some strategists calling for a growth rate below 1%.

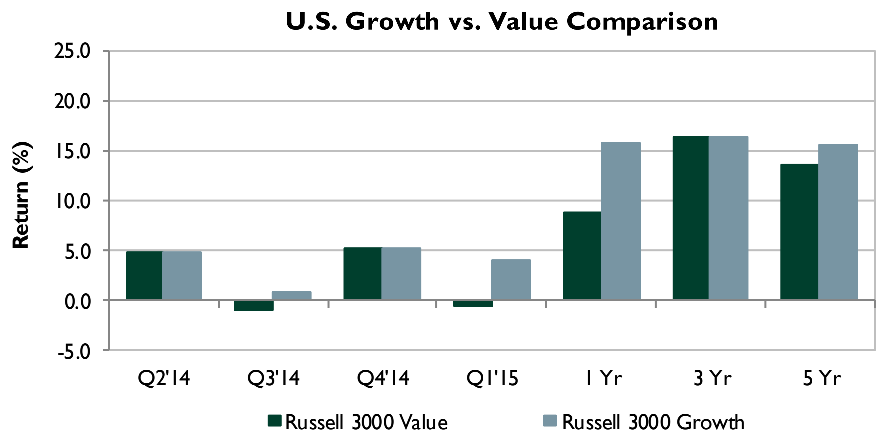
The Russell 3000 Index, a broad proxy for domestic equities, gained 1.8% for the quarter. Despite its pick-up in March, volatility declined during the period. The VIX Index, a measure of implied volatility, fell 20% to 15.3%. In addition to the continuation of low interest rates driving money into stocks, the potential for positive impact from lower energy prices also may be a reason for continued gains in U.S. equities, particularly consumer stocks.

Energy stocks continued to fall, contracting an additional 2.2% from the previous quarter. The utilities sector reversed course after a strong fourth quarter and was the worst performing sector in the first quarter, declining 4.6%. This was in part because investors feared the impact higher interest rates might have on stocks in the sector. Health care (+7.8%) and consumer discretionary (+4.7%) were the top performing sectors, both of which are more domestically oriented. The outperformance of the health care sector versus the broader market was largely attributable to strong performance from biotech stocks.

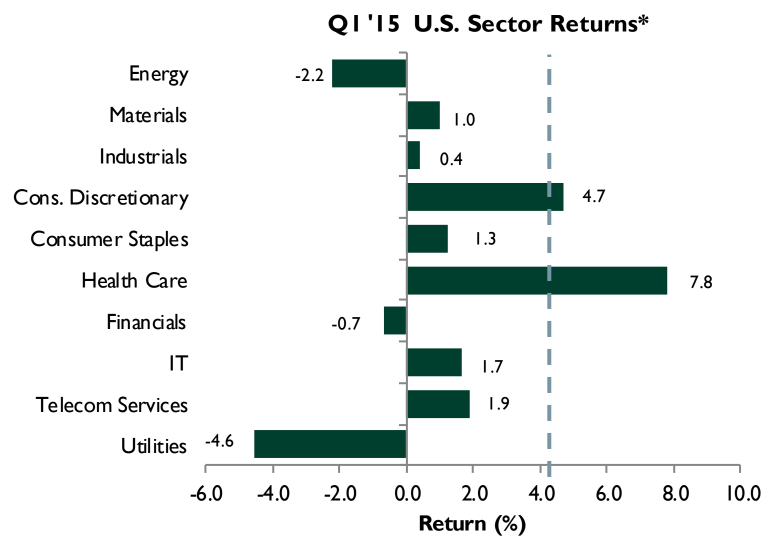
Small and mid cap stocks outperformed their large cap counterparts. The Russell 2000 Index and Russell Midcap Index were up 4.3% and 4.0%, respectively, while the Russell 1000 gained 1.6%. Mid caps have been the best-performing segment size over the past five years, with an annualized return of about 16%. For the quarter, active mid cap fund results improved, with more than 51% of funds outperforming.

The Russell 3000 Growth Index finished the quarter ahead of the Russell 3000 Value Index. The Russell 3000 Growth Index is ahead of the Value Index for the trailing one-, three-, and five-year periods.





Sources: InvestmentMetrics, Russell, Bloomberg



Dotted line indicates total Russell 3000 Index return

International Equity

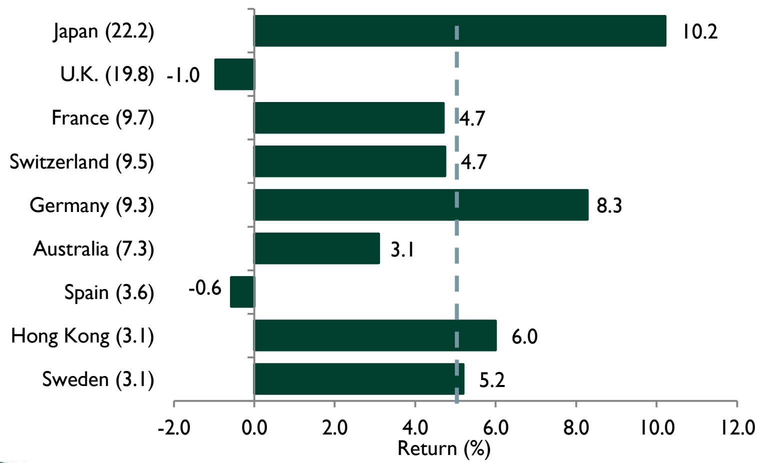
Developed non-U.S. equities, as measured by the MSCI EAFE Index, started the year strong, gaining 10.9% in local terms. Returns for U.S.-based investors were muted, however, due to the continued strength of the USD. Despite currency headwinds, developed foreign markets managed a positive return of 4.9% in USD terms, outpacing the U.S. market on a quarterly basis for the first time since September 2013.

- Continued weakness in the euro, which fell 11.3% relative to the USD in the quarter, served as a tailwind to global-oriented economies such as Germany (+8.3% USD, +22.0% local). Spain (−0.6% USD, +12.0% local) was the only notable laggard (in USD terms) within the euro area. Yet local returns were strong as the Spanish economy displayed signs of accelerating growth in early 2015.
- While inflation data in Japan (+10.2% USD, +10.2% local) came in well below the Bank of Japan's 2% target, the economy proved resilient as unemployment remained low and domestic consumption showed signs of improvement.
- From a sector perspective, returns were broadly positive. The notable exceptions were energy, which remained weak as oil prices continued to fall, and utilities, which also pulled back after a strong 2014.

Emerging markets (EM) equities posted modest gains for the quarter as the MSCI EM Index rose 2.2% in USD terms and 4.9% locally. The strength of the USD was also a headwind in the developing world; however, unlike their developed counterparts, drivers of currency movements varied across EM countries. Divergence of country returns within the broad index continued into 2015 with a spread of nearly 50% between the best (Russia) and worst (Greece) performing countries.

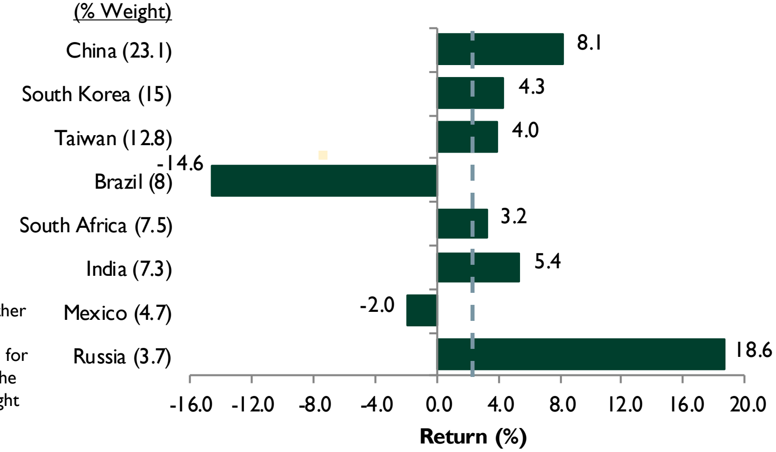
- Russia (+18.6% USD, +15.7% local) rebounded after a difficult 2014, aided by a recovery in the ruble and February's announcement of a cease fire in Eastern Ukraine. While Russia recovered, Greece (−29.3% USD, −20.4% local) continued to struggle with political uncertainty following a Syriza party victory in January's snap election.
- Asia, where most countries are net energy importers, continued to benefit from weak oil prices. China (+8.1% USD, +8.1% local) and India (+5.4% USD, +4.5% local) saw continued strength as investors remained encouraged by policy undertaken by new leadership in each country.
- Returns in Brazil (−14.6% USD, +2.6% local) were hindered significantly by a 17.1% fall in the real relative to the USD during the quarter. Though local returns were positive, the Brazilian economy continued to face headwinds of weaker growth and high inflation.

Q1'15 MSCI EAFE Net Index* Country Returns & Weights



*Note: Other countries accounted for12.6% of the Index weight

Q1'15 MSCI Emerging Markets Net Index* Country Returns & Weights



*Note: Other countries accounted for 18.2% of the Index weight

Sources: MSCI/Barra, Wall Street Journal, Financial Times. *Note: All returns quoted in USD terms, unless otherwise noted.* **Dotted line indicates total index return.*

U.S. Fixed Income

The U.S. Treasury yield curve flattened in the quarter as yields declined at the intermediate and long end of the curve and remained relatively stable within one year. The dovish policy statement from the Fed and monetary stimulus program from the ECB put downward pressure on rates. The 10-year yield, which began the quarter at 2.2%, declined 23 bps to 1.9%. Meanwhile, yield on the 2-year note ended the quarter only 11 bps lower. The spread between the 2- and 10-year yields stood at 1.4% as of quarter-end, down from 1.5% at the end of 2014. The curve has undergone significant flattening over the trailing one-year period as the spread between the 2- and 10-year yields narrowed 91 bps.

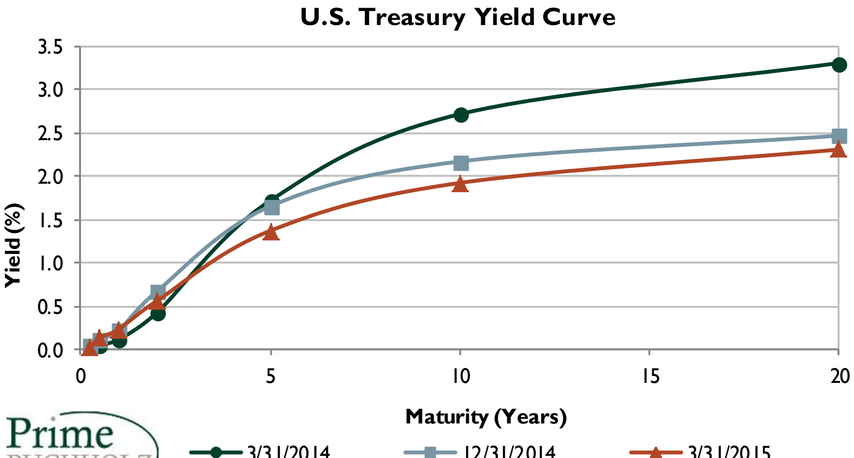
During the quarter, the FOMC began laying the groundwork for a potential rate hike later in the year. In previous statements, the Fed had maintained that it would be "patient" in raising rates; however, this language was removed from March's official statement. Despite the change, the Fed has stated it remains data-dependent and weakening economic data could potentially delay the initial rate hike. Fed estimates of future rate levels also pointed to a more gradual pace of hiking than initially communicated.

The Barclays Aggregate Index returned 1.6% in the quarter, as all major sectors generated modest gains. Returns were strongest within the U.S. corporate sector as spreads came in and higher yields boosted performance. From a maturity perspective, longer-term securities generally outpaced shorter maturities as the curve flattened. Lower quality securities also largely outperformed as BBB-rated securities returned 2.3%, compared to the 1.4% return of AAA-rated securities.

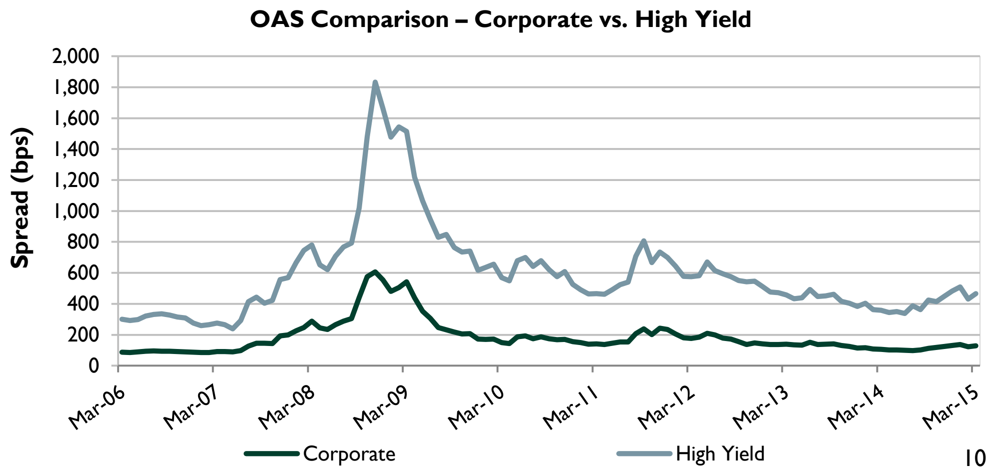
As spreads tightened and rates declined, the U.S. corporate sector returned 2.3%. Investment-grade corporate option-adjusted spreads (OAS) tightened 2 bps to end at 129 bps. Lower quality corporates generally outperformed during the quarter, with BBB-rated securities returning 3.2% vs. 1.2% for AAA-rated bonds. Corporate issuance remained strong ($444.1 billion according to SIFMA) and outpaced the $386.2 billion worth of issuance through the first quarter of 2014.

Securitized securities (+1.1%) generated positive performance, but trailed the broad market. Agency mortgage-backed securities (MBS) returned 1.1% as the Fed continued to gradually withdraw from the market. Commercial MBS gained 1.8%, while asset-backed securities returned 0.9%. Non-agency MBS also generated positive performance as the sector benefited from a favorable technical environment and improving fundamentals.

High yield bonds (+2.5%) and loans (+2.3%) rose during the quarter. Within bonds, there was little differentiation, with most sectors performing in line with the Index. Energy was positive, but consumer-related sectors were among the better performers; utilities (+3.0%) were the strongest category. In loans, energy and utilities delivered flat to slightly positive performance while insurance, lodging, and consumer products outperformed. BB-rated instruments outperformed B-rated; CCC performed best within loans, but performed worst among bonds.



Sources: Bloomberg, Barclays, Federal Reserve



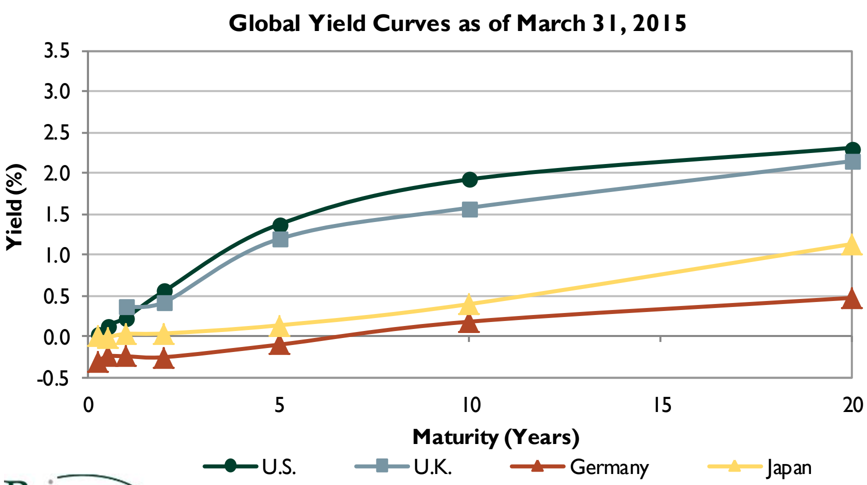
Prime BUCHHOLZ

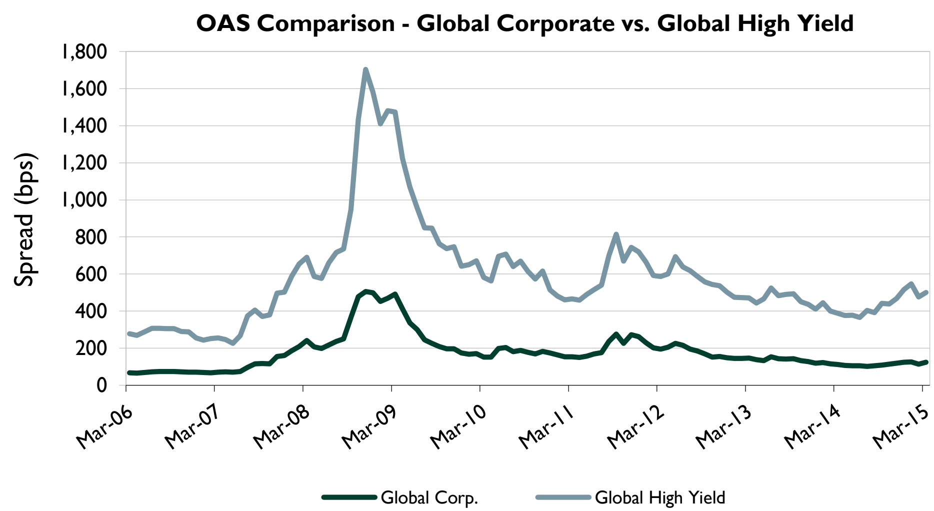
The ECB initiated its QE program in March and by the end of the month it had purchased €60 billion of debt. The Bank of Japan did not adjust its program despite weak inflation readings, while mixed economic data in the U.S. put the timing of the Fed's first rate hike into question. Policy rates were generally cut during the quarter, but a select few central banks—i.e., Brazil and Ukraine—made successive rate hikes to protect their currencies. Russia reversed a portion of the sharp rate hike made in the previous quarter with a cumulative 300 bps in rate reductions to counteract the negative impact of economic sanctions. China surprised markets with easing measures, both to policy rates and to required reserve levels.

The Dollar Spot Index rallied 9.0% during the quarter, mostly due to sharp declines in the euro (−11.3%) and Swedish krona (−9.6%). The Swiss franc (+2.2%) was a bright spot as was the yen (−0.3%), which held up relative to the British pound (−4.9%) and Canadian dollar (−8.4%). Other developed market currencies in Norway (−7.6%), Denmark (−11.6%), and Australia (−7.0%) were under pressure relative to the USD. There was differentiation among EM countries with the Russian ruble (+4.4%), Indian rupee (+0.9%), and Thai baht (+1.1%) appreciating versus the USD, while several currencies fell sharply including in Brazil (−16.9%), Turkey (−10.1%), and Ukraine (−32.5%).

The sharp rally in the dollar continues to be a significant headwind for global bonds. The Barclays Global Treasury Ex U.S. Index fell 3.7% in unhedged USD terms but gained 2.0% on a hedge basis. Local market returns in Europe, in light of the launch of the ECB's QE program, were broadly positive, with solid gains of 4.0% in France and Spain, 5.6% in Italy, and 3.7% in Germany. However, accounting for the weakness in the euro, USD results for these countries averaged −7.4%. Japan, the largest Index constituent, delivered weak local market returns of −0.5%, serving as the largest headwind to hedged Index returns. The U.K. rose 2.3%, Sweden gained 3.6%, and Norway rose 0.4% in local terms but currency weakness caused these markets to fall between 2.6% and 6.6% in USD terms.

The Barclays EM Local Currency Government Bond Index fell 2.7% in USD terms but gained 1.4% in hedged terms. Local market returns in Latin America—specifically Brazil (−0.8%), Peru (−1.7%) and Chile (−0.5%)—served as detractors while Turkey (−2.2%) and Nigeria (−7.9%) felt significant headwinds. Russia (+7.6%) sharply rebounded, and markets such as Indonesia (+3.8%), Israel (+4.2%), and South Korea (+2.7%) also contributed positively to local returns. When currency moves are considered, Brazil (−15.5%), Colombia (−6.5%), Turkey (−10.0%), Czech Republic (−9.3%), and Romania (−8.3%) were the weakest markets; Russia (+15.8%), Thailand (+2.9%), and South Korea (+2.2%) were the strongest.





Sources: Bloomberg, Barclays

Private Equity (as of December 31, 2014)

North American private equity raised $82 billion from 117 funds during the fourth quarter of 2014. While it represented the highest quarterly level of capital raised in 2014, overall fundraising for the year remained subdued relative to 2013. The reduction in mega-buyout funds that closed as a result of a shift in limited partner interest towards the smaller end of the market was a factor in the muted fundraising for the year. Globally, 49 Europe-focused funds closed, raising $24 billion combined, while 20 Asia-focused funds collected a total of $11 billion.

North America private equity-backed buyout activity in 2014 remained steady at an aggregate deal volume of $181 billion, the second highest level since the global financial crisis behind 2013 ($185 billion). Buyouts in North America continued to account for a larger portion of the overall global private equity volume during the fourth quarter at 57%.

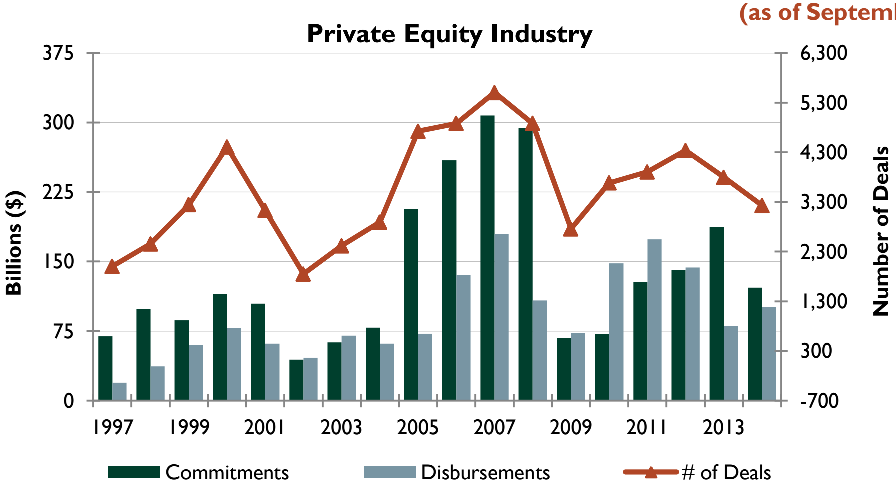
In the U.S., valuations remain elevated as the median valuation-to-EBITDA multiple came in at 11.2x for calendar year 2014, returning to pre-crisis peak levels. Middle-market valuations remained slightly behind the overall market at 10.2x for the year, with the top end of the middle-market segment producing the highest multiple at 10.5x. Private equity investors spent more capital in the U.S. middle market in 2014, with just under half of the deals invested through year-end in the range of $100–500 million.

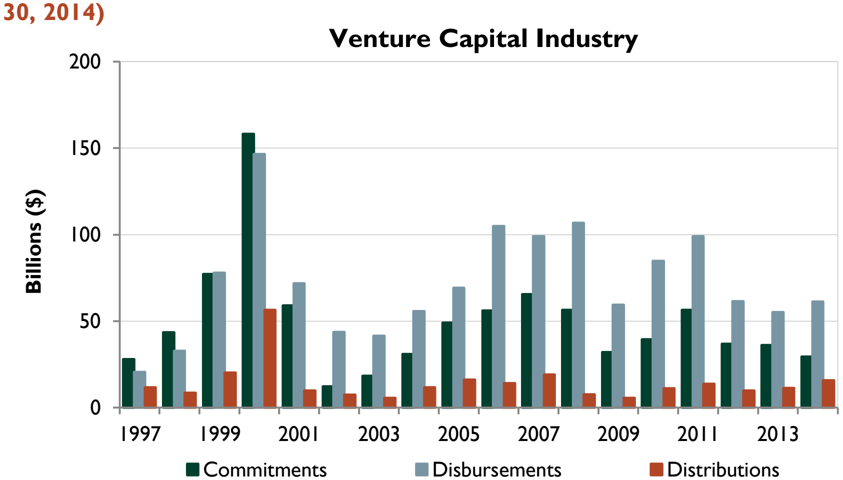
Seventy-five U.S. venture capital funds raised $5.6 billion during the fourth quarter, a 9% decrease from the third quarter. Commitments were allocated to 48 follow-on funds and 27 new funds, with 1.8x new capital going to follow-on funds relative to new funds. There were 27 venture-backed initial public offerings during the quarter, valued at $4.4 billion. This represented an 18% increase in the number of deals from the third quarter and a 68% decrease in the dollar amount.

The total dollar volume of U.S. mergers and acquisitions rose 38.1% from the third quarter, while the transaction count increased 3%. This is contrasted to middle-market mergers and acquisitions, which experienced declines in both transaction counts and dollar volume quarter-over-quarter by 9% and 12%, respectively.

An historic amount of capital overhang in the U.S. has led to a highly competitive deal making environment. The record levels of distributions in 2013 and 2014 that helped boost fundraising, combined with the existing dry powder from 2012–2014 vintage funds and strong public equity markets, has led to an increase in competition for deals. At the same time, an increase in investor appetite for smaller, more cost-effective deals has crowded the smaller segments of the market, making it more difficult to execute deals.

(as of September 30, 2014)

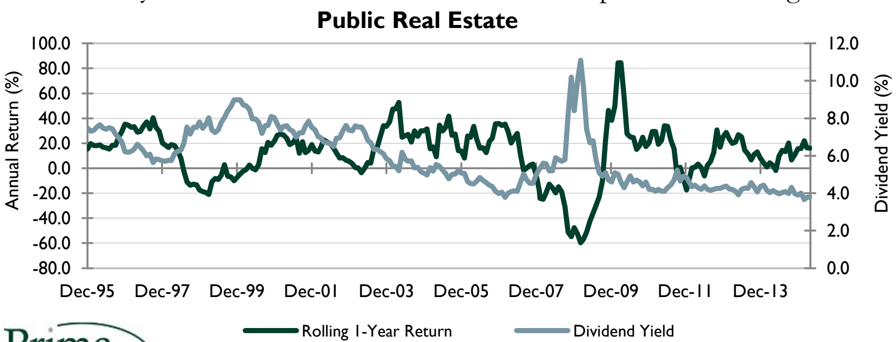




Sources: Dow Jones Private Equity Analyst, National Venture Capital Association, Thomson Financial, S&P LCD, Emerging Markets Private Equity Association, Dealogic, Preqin, Pitchbook

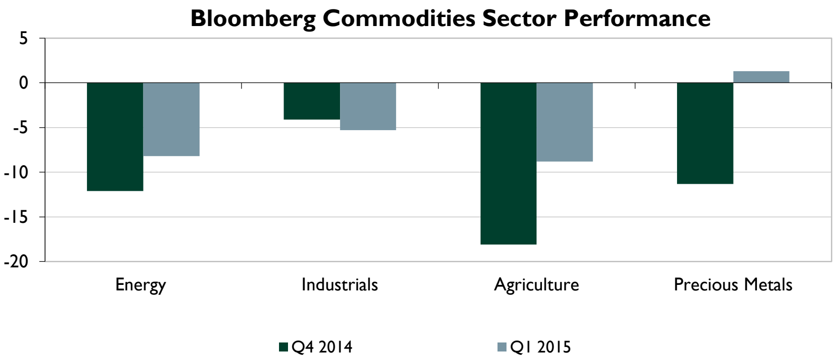
Despite absorbing $7.3 billion in public equity issuance during the quarter, marketable global real estate securities rose 4.2%, as measured by the FTSE EPRA/NAREIT Developed Index. In USD terms, Europe posted the strongest returns (+6.2%), followed by North America (+4.7%), and Asia (+2.7%). Europe (+15.2% local) was driven by investor optimism around the quantitative easing bond-buying program that began in March. The program is expected to keep bond yields low, increase lending availability, lower borrowing costs, and improve rental growth eventually. In North America, higher prices were supported by continued global demand for quality U.S. real estate, lower interest rates, and strengthening fundamentals.

The Bloomberg Commodity Index declined 5.9% during the first quarter. With the exception of precious metals, all sub-sectors posted negative returns, including agriculture (−8.8%), energy (−8.2%), and industrial metals (−5.3%). The continued strength of the USD (+9.0%) appeared to weigh broadly on commodity prices, which primarily trade in dollars. Within agriculture, wheat (−13.2%) declined sharply on strong global supply and soft U.S. export demand, while corn (−7.2%), and soybean (−5.4%) prices fell on growing stockpile data and expectations for a strong crop. Energy retreated as crude oil (WTI) fell 10.6% on a combination of factors, including increases in domestic production, declining growth in demand, and record inventories—both in traditional storage facilities and underground in drilled but uncompleted wells. Despite the industry's persistent reductions in rig count and drilling capital investment, production continued to surge on the lagged impact from record rig counts and drilling activity in the fall of 2014, as well as the industry's reallocation of resources to the most productive acreage.



The NCREIF Property Index returned 3.0% during the fourth quarter of 2014. The index has now delivered positive returns in every quarter over the past five calendar years. All five property types posted positive returns, led by hotels (+4.3%), industrial (+3.9%), and office (+3.1%). The positive returns continued to be driven by a number of factors, including the sustained investor appetite for core domestic real estate, which has produced attractive relative yields in the current low interest rate environment. Other factors include access to low cost debt financing, an improving economy, and stronger underlying space demand and supply fundamentals. Overall, demand and leasing rates have strengthened but at varying clips depending on sector and market. Supply has remained at historically low levels for most sectors, with the exception of apartments and hotels in certain markets. As investor demand and stronger fundamentals for core assets in primary markets have driven valuations well beyond their pre-crisis highs, both domestic and international capital have increasingly turned to well-located core/stabilized assets in secondary markets. Select secondary markets are attractive due to their lower relative valuations, diverse and growing economies, and skilled labor pools.

U.S. TIPS gained 1.4% for the first quarter with real yields falling. On average, yields in the 1–5 year segment fell 110 bps vs. a 38 bps drop in the 5–10 year segment and a 22 bps decline in the 10+ year part of curve. As a result, the curve steepened and real yields out to seven years are now negative. TIPS maturing in the 5–10 year range delivered the strongest performance at 1.9% vs. 0.5% for the 1–5 year segment and 1.8% for the 10+ year segment. Inflation expectations moderated with 5-year breakeven inflation expectations moderating 4 bps to 1.74% and 10-year rates falling 5 bps to 1.78%. U.S. TIPS underperformed nominal U.S. Treasuries across the maturity spectrum due to falling breakeven expectations.



Flexible Capital

The HFRI Fund Weighted Composite advanced 2.4% in the quarter, with major index results ranging from 3.4% for the HFRI Macro Index to −0.8% for the HFRI Short Bias Index. Many strategies outperformed the S&P 500, which returned 1.0%, including equity hedge funds (+2.3%) and event-driven funds (+2.0%). Macro results were relatively strong thanks to CTA strategies profiting from recent trends such as falling energy prices.

Hedge fund performance was encouraging as it was more in line with investor expectations than recent periods. Funds largely protected capital in January, when the S&P 500 fell 3.0%, and picked up a substantial portion of the equity market upside in February and March. Hedge fund managers, particularly those focused on long/short equities, noted the current market environment lends itself to identifying stock-specific opportunities on both the long and short side. However, long positions were the primary source of alpha in the quarter. Following lackluster performance in 2014, many reallocated capital to their highest conviction names while culling the number of smaller positions. Health care continued to be an area ripe with opportunities due to consolidation in the space. Managers with exposure to Actavis benefited from the company's acquisition of Allergan. The tech sector has been a long-time overweight in many long/short equity portfolios and was challenged as a result of disappointing earnings announcements recently. Going forward, many managers expressed a less positive outlook on the sector than in the past. This heightened short-term market activity proved to be beneficial for hedge funds, as many protected against volatility across equity markets.

It was a relatively quiet quarter for credit managers as there were few material announcements related to large distressed situations such as Lehman Brothers, TXU, and the Icelandic banks. Parts of the TXU complex traded down in sympathy with the broader energy market, while certain Lehman Brothers claims appreciated modestly ahead of a distribution planned for April. The most notable event in the credit markets related to the Indiana highway system. Indiana Toll Roads filed for bankruptcy in September 2014 and was approved to pursue a buyer as part of its exit from Chapter 11 in October. Indiana Toll Roads is notable as the highway operator was taken private by a foreign consortium in a highly leveraged transaction in 2006. Many hedge funds initiated positions at the time of the bankruptcy, purchasing debt in the low 70s and upper 60s. Australian infrastructure firm IFM agreed to purchase and operate the highway, causing the debt to trade up to the mid 90s. In a market with limited corporate distress, managers continue to find attractive trades both domestically and abroad.

Merger-arbitrage remains an area of focus for many event-driven and multi-strategy managers. Two notable health care industry transactions, Covidien/Medtronic and Allergan/Actavis, closed during the quarter, and the sector continues to see consolidation with Valeant making an offer for Salix Pharmaceuticals. Other notable announced transactions include DirecTV/AT&T, Comcast/Time Warner, Lorillard/Reynolds, and the recent bid for Kraft Foods by Heinz and private equity firm 3G Capital.

Goldman Sachs Hedge Fund VIP Basket*

Top 5 Q1 2015 Performers

Company	Q1
Valeant Pharmaceuticals Intl	38.8%
Endo International PLC	24.4%
SunEdison Inc	23.0%
Amazon.com Inc	19.9%
Constellation Brands Inc	18.4%
S&P 500 Index	1.0%

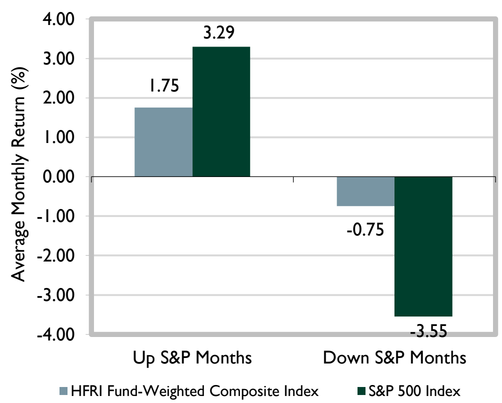
Bottom 5 Q1 2015 Performers

Company	Q1
Micron Technology Inc	-22.5%
Alibaba Group Holding Ltd	-19.9%
Bank of America Corp	-13.7%
EMC Corp/MA	-13.7%
Yahoo! Inc	-12.0%
S&P 500 Index	1.0%

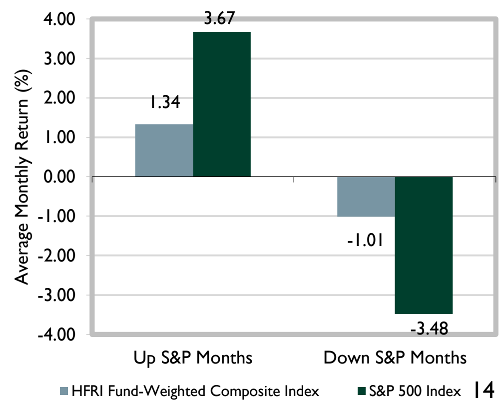
** 50 companies that "matter most" to hedge funds; positions that appear most frequently as top ten holdings of hedge funds with 10–200 total holdings. Performance based on price change.*

Sources: Bloomberg, Hedge Fund Research, Goldman Sachs, Morgan Stanley

Up/Down Market Performance
1/1/1990 - 3/31/2015



Up/Down Market Performance
1/1/2009 - 3/31/2015



Tab II

Non-U.S. Equities

The strength of the U.S. dollar (USD) over the past year has masked the positive returns of foreign equity markets for U.S. investors. Many foreign markets have posted double-digit returns in their local currencies. However, with most currencies depreciating considerably versus the USD over this period, investors have experienced flat to slightly negative returns over the short term. The following chart illustrates the impact of foreign currency translation on equity market returns.

Annualized through March 31, 2015

	Returns in Local Currencies (%)				*Returns in USD (%)*			
	1 Yr	**3 Yr**	**5 Yr**	**10 Yr**	**1 Yr**	**3 Yr**	**5 Yr**	**10 Yr**
MSCI EAFE	17.7%	16.6%	9.1%	6.1%	-0.9%	9.0%	6.2%	5.0%
MSCI Europe ex-UK	18.9%	18.0%	9.8%	6.4%	-4.7%	10.8%	6.1%	5.2%
MSCI UK	6.1%	9.2%	7.3%	6.9%	-5.5%	6.6%	6.8%	4.4%
MSCI Pacific ex-Japan	13.5%	13.9%	8.1%	8.4%	-0.3%	6.6%	5.9%	8.7%
MSCI Japan	30.5%	24.0%	11.3%	4.7%	12.1%	9.4%	5.9%	3.5%
MSCI Emerging Markets	10.9%	6.4%	5.6%	10.1%	0.4%	0.3%	1.8%	8.8%
S&P 500 Index	12.7%	16.1%	14.5%	8.0%	12.7%	16.1%	14.5%	8.0%

Over longer periods, currency has historically had a more muted effect on the return experience for U.S. investors in foreign equities. However, over the recent shorter term periods, disparate currency returns have meaningfully lowered the realized returns for these investors.

Accommodative central bank activity in Europe and Japan aimed at improving global competitiveness of exports, fighting deflationary pressures, and spurring domestic growth, has led to weakness in each currency while also fostering strong local equity market returns.

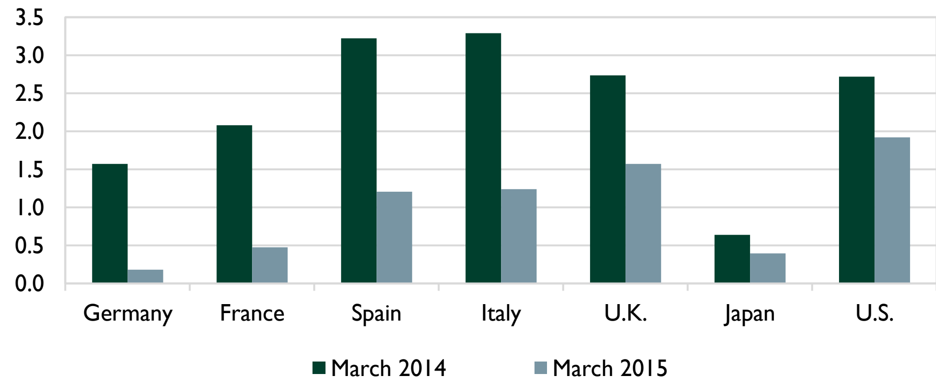
- *Japan* – Japanese equities have risen more than 30% in the trailing year on the back of efforts by Prime Minister Shinzo Abe to inflate the economy, improve corporate governance, and increase export competitiveness through a more competitive currency. While recent CPI core figures show no price inflation over the last year, equity investors have largely shrugged this off in light of lower energy costs, a moderately improving labor market, and the likelihood of the Bank of Japan easing monetary policy further.
- *Europe* – Equity markets in euro area countries have risen nearly 20% over the past year, in aggregate. Similarly, fiscal policy in Europe has focused on spurring economic recovery, with the weaker currency making European exports more attractive globally and potentially serving as a catalyst for earnings growth. Recent GDP figures for the euro area have outpaced investor expectations, with fourth quarter GDP rising by 0.9% and consumer confidence improving in recent months. However, there remains concern regarding efforts to continue to support Greece, resulting in market volatility.

Non-U.S. Bond Returns

Across the globe, many sovereign bond yields have declined over the past year as of March 31, 2015. On average, 10-year bond rates across major markets have fallen 130 bps.

- 10-year Treasury yields moderated from 2.7% to 1.9% over the one-year period ended March 31, 2015.
- Over the same period, similar tenor government bonds tightened even further in Germany (−139 bps) and France (−160 bps), to 0.2% and 0.4%, respectively.
- A similar dynamic occurred in other countries, including the U.K., Japan, Spain, and Italy.

10-Year Sovereign Yields as of March 31, 2015



A number of factors have contributed to the decline in bond yields, both from a fundamental and sentimental perspective:

- Fundamentally, economic growth and inflation trends are attributable to some of the decline in yields.
  - *Lower expected growth* – Global growth expectations have reduced, with the modest economic activity in the U.S. a bright spot.
  - *Low inflation* – Due in part by falling oil and other commodity prices, inflation has been low and projections call for sub-2% inflation growth in OECD countries over the next several years.
- Central bank activity may be a more important driver of falling bond yields.
  - *Negative deposit rates* – The ECB and central banks in Sweden, Denmark, and Switzerland all have negative deposit rates for excess bank reserves. These rates serve as a lower bound of interest rates and impact borrowing costs.
  - *Quantitative easing program* – A number of central banks (ECB, BOJ, Sweden) have bond purchase programs in place.
  - *Low policy rates* – The Fed's quantitative easing program ended in October 2014, but mixed economic data have delayed the expected timing of the first rate hike to later in 2015, or possibly even 2016.
- Falling yields across the globe have led to a sharp rally in local currency bond market returns, as shown in the table to the right.

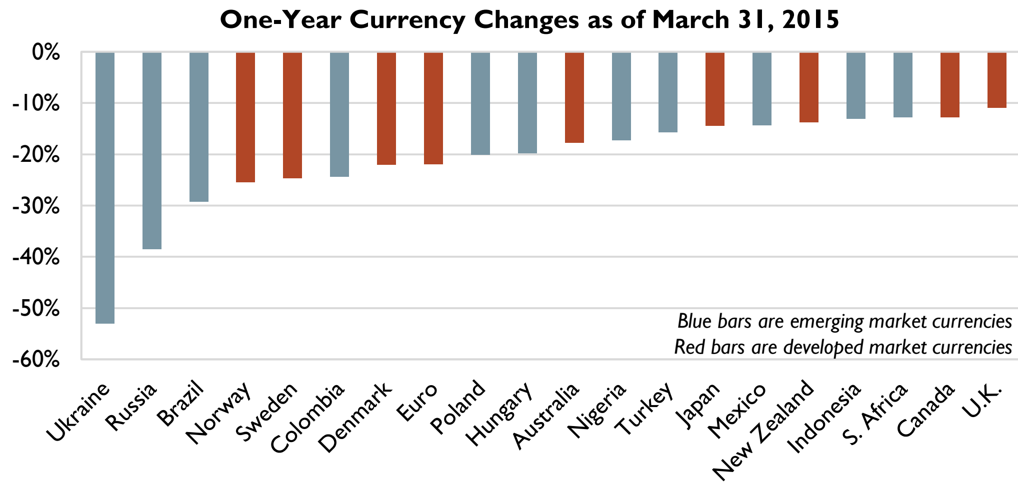
As of March 31, 2015	*Local Returns*				*USD Returns*			
	1 Yr	3 Yrs	5 Yrs	10 Yrs	1 Yr	3 Yrs	5 Yrs	10 Yrs
Barclays Global TSY ex-U.S.	9.0	5.5	4.7	4.7	-9.2	-3.2	0.6	2.6
Germany Bunds	11.5	5.2	5.8	5.1	-13.2	-2.1	1.2	3.2
U.K. Gilts	14.7	5.6	7.6	6.4	2.1	3.0	7.2	3.9
Japan Government Bonds	3.1	2.5	2.5	2.0	-11.4	-9.6	-2.5	0.8
Barclays EM Loc Sov.	5.3	3.1	3.7	NA	-6.1	-0.4	2.6	NA
Barclays U.S. Treasury	5.4	2.4	4.0	4.6	5.4	2.4	4.0	4.6

Recent Currency Trends

The USD has rallied over the last year—a trend that has negated the aforementioned gains in many local non-U.S. equity and bond markets.

Out of 41 currencies tracked, only two—the Chinese yuan (+0.2%) and Philippine peso (+0.4%)—appreciated against the dollar for the one-year period ended March 31, 2015. The remaining 39 currencies displayed sharp weakness against the dollar.

The chart to the right shows the 20 countries that have experienced the greatest declines across developed and emerging markets countries.



The USD rally has been driven by a number of well-documented factors, including:

- The euro and yen have fallen sharply relative to the USD due mainly to the actions taken by ECB and BOJ to further loosen monetary policy. Deflationary fears within the euro area have also been a factor.
- In contrast, the Fed ended its quantitative easing program in October 2014, which was the first step away from a historically loose monetary policy.
- U.S. growth is viewed as stronger and more stable than several other developed countries, which has made the currency more desirable to investors.
- Relative to other large developed markets, the U.S. also has more attractive intermediate-term sovereign yields.
- Falling commodity prices have negatively impacted the currencies of several commodity producing countries, including Canada, New Zealand, and Australia.
- The appreciation of the dollar compared to several emerging markets currencies has been largely driven by increasing country-specific risk factors. Examples of this include rising geopolitical risk in Russia and Ukraine and the political and economic concerns in Brazil.

Historical Context

Many market participants are predicting the USD rally will continue into 2015, as they believe many of the key drivers of the 2014 market environment are likely to continue.

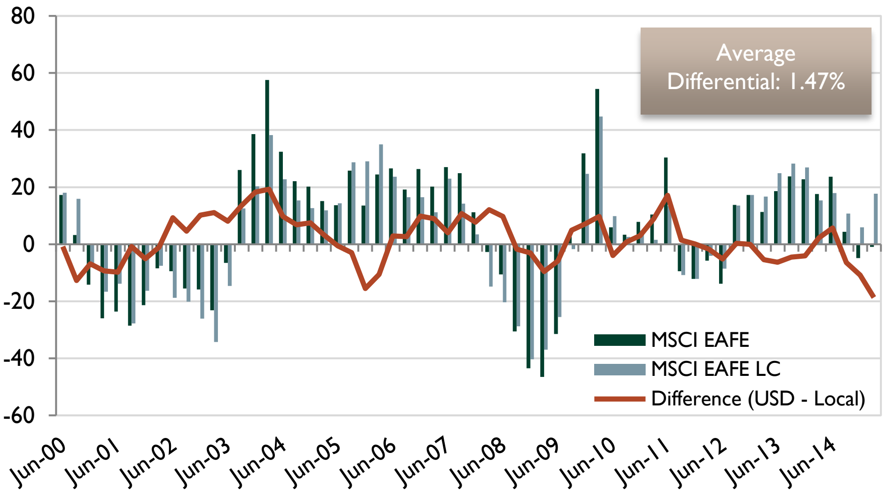
While it is difficult to predict, a delay of the Federal Reserve's first interest rate hike beyond the timing expected by the market could put downward pressure on the dollar. Another potential risk to the rally is rising inflation caused by surprise upside economic growth in other key regions, which could force central banks to follow the Fed's lead and move toward more restrictive monetary policy.

To put recent market returns in historical context, the charts to the right depict rolling quarterly one-year returns for the equity and bond markets in local and USD terms, as well as the difference between the return streams. Recent USD returns for both equity and bond markets are close to extreme levels of underperformance relative to their local market counterparts. It is important to note that these extremes have been reached during a period of unorthodox global monetary policy and unprecedented central bank intervention.

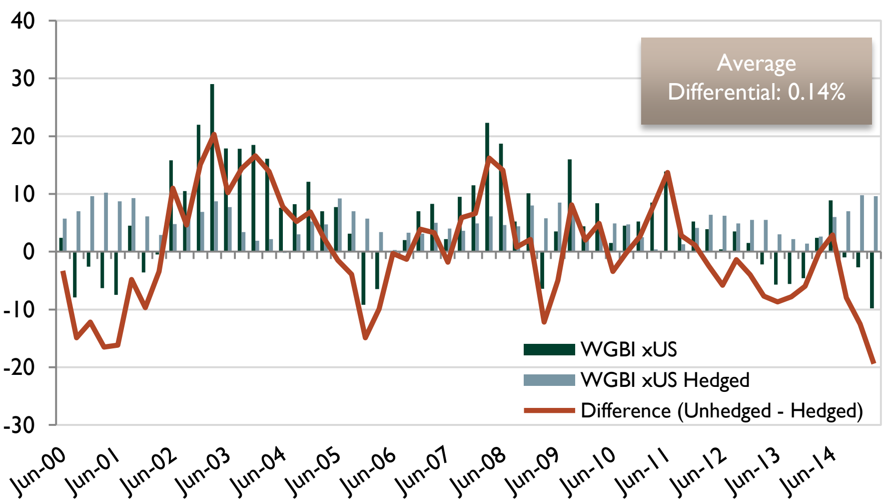
Similar market environments have occurred previously, most notably 2000–2002. We generally recommend investing in non-U.S. markets on an unhedged basis in an effort to benefit more fully from the diversification these markets provide. We also believe predicting inflection points in currency markets can be extremely difficult. However, it can be productive to allow experienced active managers, who are closely monitoring currency market trends and valuations, to hedge currency exposure when they believe adjustments are warranted.

One-Year Rolling Returns

MSCI EAFE (USD) & MSCI EAFE (Local)



Citi WGBI xU.S. & Citi WGBI xU.S. (Hedged)



Disclosures

Indices referenced are unmanaged and cannot be invested in directly. Index returns do not reflect any investment management fees or transaction expenses.

This report was prepared by Prime, Buchholz & Associates, Inc. (Prime Buchholz). The report is intended for informational purposes only; it does not constitute an offer, nor does it invite anyone to make an offer, to buy or sell securities.

Information herein has been obtained from third party sources that are believed to be reliable; however, the accuracy of the data is not guaranteed and may not have been independently verified.

Some statements in this report that are not historical facts are forward-looking statements based on current expectations of future events and are subject to risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements.

The content of this report is current as of the date indicated and is subject to change without notice. It does not take into account the specific investment objectives, financial situations, or needs of individual or institutional investors. All commentary contained within is the opinion of Prime Buchholz.

Past performance is not an indication of future results.

Tab III

Total Fund Highlights

- The Town of Palm Beach Health Insurance Trust portfolio gained 1.7% during the first quarter of 2015. Over the trailing 1-year, the Total Fund gained 2.7% and finished ahead of its Target Index.
- Overall, the global equity segment (+2.6%) positively contributed to absolute performance, with the domestic equity segment (+1.7%) performing in line with its benchmark the Russell 3000 Index (+1.8%). The international equity segment (+4.2%) contributed positively to both absolute and relative performance, outpacing its benchmark the MSCI AC World ex USA Index (+3.5%) by 70 bps. The total flexible capital segment (+1.2%) negatively contributed towards relative performance, trailing its benchmark the HFRI FOF Composite Index (+2.5%). The total fixed income segment gained 1.1% and finished in line with its benchmark the Fixed Income Composite Index (+1.2%). The total inflation hedging segment (-0.9%) negatively contributed to absolute performance but outpaced its benchmark the Inflation Hedging Composite Index (-2.0%).
- At quarter-end, the total fund assets are valued at approximately $26.1 million and all asset class segments are within their targeted asset allocation range.

Recent Actions Taken	Upcoming Agenda Items
First Quarter 2015 • No significant activity occurred. **Fourth Quarter 2014** • Replaced PIMCO CommoditiesPlus with Nuveen Gresham Diversified Commodities. • Replaced PIMCO Total Return II with JP Morgan Core Bond Select Fund. **Third Quarter 2014** • No significant activity occurred.	• 1Q15 Performance Review • Peer Performance Comparison • Asset Allocation Modeling • Global Equity Implementation Presentation • Hedge Fund Performance Review • Inflation Hedging/Real Asset Implementation Presentation

Segment Performance

Benchmark Dependent Metrics relative to S&P 500 Index
As of March 31, 2015

	1 Quarter Return	1 Year Return	2 Years Return	3 Years Return	5 Years Return	Since Inception Return	Since Inception Standard Deviation	Since Inception Beta	Since Inception Actual Correlation	Inception Date
Total Fund	**1.7**	**2.7**	**7.5**	**8.1**	**7.5**	**3.2**	**10.1**	**0.6**	**0.9**	**Jul-07**
Target Index	1.6	2.5	6.4	6.9	6.9	3.4	9.5	0.6	1.0	Jul-07
Actual Index	1.8	3.4	7.3	7.7	7.4	3.6	8.9	0.5	0.9	Jul-07
Consumer Price Index	0.6	-0.1	0.7	1.0	1.6	1.6	1.5	0.0	0.1	Jul-07
Domestic Equity	**1.7**	**10.4**	**16.1**	**15.2**	**13.3**	**4.7**	**17.3**	**1.0**	**1.0**	**Jul-07**
Russell 3000 Index	1.8	12.4	17.4	16.4	14.7	6.8	16.9	1.0	1.0	Jul-07
International Equity	**4.2**	**3.4**	**11.7**	**12.2**	**8.7**	**2.4**	**20.7**	**1.2**	**0.9**	**Jul-07**
MSCI AC World ex USA (Net)	3.5	-1.0	5.4	6.4	4.8	0.4	20.5	1.1	0.9	Jul-07
MSCI EAFE (Net)	4.9	-0.9	7.9	9.0	6.2	0.2	19.9	1.1	0.9	Jul-07
Total Flexible Capital	**1.2**	**2.1**	**5.5**	**6.5**	**5.1**	**3.8**	**5.5**	**0.2**	**0.7**	**Jul-07**
HFRI Fund of Funds Composite Index	2.5	5.3	5.7	5.4	3.5	1.0	5.7	0.2	0.7	Jul-07
Total Fixed Income	**1.1**	**3.2**	**1.3**	**2.2**	**3.1**	**3.3**	**5.7**	**0.2**	**0.7**	**Jul-07**
Fixed Income Composite Index	1.2	3.8	1.8	2.1	2.8	3.9	4.7	0.2	0.7	Jul-07
Total Inflation Hedging	**-0.9**	**-17.7**	**-9.1**	**-5.7**	**0.7**	**-5.8**	**15.2**	**0.2**	**0.2**	**Jul-07**
Inflation Hedging Composite Index	-2.0	-15.6	-7.0	-3.9	1.9	-0.6	11.9	0.2	0.2	Jul-07

Executive Summary

Town of Palm Beach

Health Insurance Trust

Preliminary as of March 31, 2015

Market Value	% of Portfolio		QTR Ended Jun-14	QTR Ended Sep-14	QTR Ended Dec-14	QTR Ended Mar-15	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	Return Since	Inception Date
$26,109,513	**100.0**	**Total Fund**	**3.8**	**-2.3**	**-0.5**	**1.7**	**1.7**	**2.7**	**7.5**	**8.1**	**7.5**	**3.2**	**Jul-07**
		Target Index	3.9	-2.1	-0.8	1.6	1.6	2.5	6.4	6.9	6.9	3.4	Jul-07
		Actual Index	3.9	-2.0	-0.2	1.8	1.8	3.4	7.3	7.7	7.4	3.6	Jul-07
		Consumer Price Index	0.9	-0.1	-1.4	0.6	0.6	-0.1	0.7	1.0	1.6	1.6	Jul-07
$13,157,245	**50.4**	**Global Equity**	**4.9**	**-2.0**	**2.1**	**2.6**	**2.6**	**7.7**	**14.4**	**14.1**	**11.5**	**3.8**	**Jul-07**
$8,249,678	**31.6**	**Domestic Equity**	**4.7**	**-1.0**	**4.8**	**1.7**	**1.7**	**10.4**	**16.1**	**15.2**	**13.3**	**4.7**	**Jul-07**
		Russell 3000 Index	**4.9**	**0.0**	**5.2**	**1.8**	**1.8**	**12.4**	**17.4**	**16.4**	**14.7**	**6.8**	
$5,787,620	22.2	Fidelity Spartan Total Market Index Advisor Fund	4.8	-0.1	5.2	1.8	1.8	12.3	17.3	16.3	14.7	6.8	Jul-07
		Wilshire 5000 Index	**4.8**	**0.0**	**4.9**	**1.8**	**1.8**	**11.9**	**17.2**	**16.3**	**14.7**	**6.9**	
$1,168,435	4.5	FPA Crescent Fund	2.9	-1.0	2.5	0.1	0.1	4.7	10.2	10.4	NA	10.4	Apr-12
		S&P 500 Index	**5.2**	**1.1**	**4.9**	**1.0**	**1.0**	**12.7**	**17.2**	**16.1**	**14.5**	**16.1**	
		60% Russell 2500 / 40% BC Global Credit	**3.3**	**-4.1**	**3.8**	**2.7**	**2.7**	**5.6**	**10.7**	**11.6**	**11.4**	**11.6**	
		HFRI Equity Hedge (Total) Index	**2.1**	**-1.4**	**0.0**	**2.0**	**2.0**	**2.7**	**6.4**	**6.1**	**4.7**	**6.1**	
$1,293,623	5.0	FMI Common Stock Fund	4.9	-4.9	4.8	2.4	2.4	7.0	14.3	12.9	NA	12.9	Apr-12
		Russell 2500 Index	**3.6**	**-5.3**	**6.8**	**5.2**	**5.2**	**10.1**	**16.8**	**17.1**	**15.5**	**17.1**	
$4,907,567	**18.8**	**International Equity**	**5.2**	**-3.7**	**-2.1**	**4.2**	**4.2**	**3.4**	**11.7**	**12.2**	**8.7**	**2.4**	**Jul-07**
		MSCI AC World ex USA (Net)	**5.0**	**-5.3**	**-3.9**	**3.5**	**3.5**	**-1.0**	**5.4**	**6.4**	**4.8**	**0.4**	
		MSCI EAFE (Net)	**4.1**	**-5.9**	**-3.6**	**4.9**	**4.9**	**-0.9**	**7.9**	**9.0**	**6.2**	**0.2**	
$2,427,677	9.3	Dodge & Cox International Stock Fund	5.0	-2.7	-4.7	4.2	4.2	1.5	12.7	12.2	8.0	2.3	Jul-07
		MSCI AC World ex USA (Net)	**5.0**	**-5.3**	**-3.9**	**3.5**	**3.5**	**-1.0**	**5.4**	**6.4**	**4.8**	**0.4**	
$2,479,890	9.5	Artisan International Institutional Fund	5.4	-4.7	0.5	4.3	4.3	5.4	10.6	12.2	NA	9.9	Jul-11
		MSCI EAFE (Net)	**4.1**	**-5.9**	**-3.6**	**4.9**	**4.9**	**-0.9**	**7.9**	**9.0**	**6.2**	**5.0**	

Executive Summary

Town of Palm Beach

Health Insurance Trust

Preliminary as of March 31, 2015

Market Value	% of Portfolio		QTR Ended Jun-14	QTR Ended Sep-14	QTR Ended Dec-14	QTR Ended Mar-15	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	Return Since	Inception Date
$5,048,823	**19.3**	**Total Flexible Capital**	**2.0**	**-1.0**	**0.0**	**1.2**	**1.2**	**2.1**	**5.5**	**6.5**	**5.1**	**3.8**	**Jul-07**
		HFRI Fund of Funds Composite Index	**1.5**	**0.3**	**0.9**	**2.5**	**2.5**	**5.3**	**5.7**	**5.4**	**3.5**	**1.0**	
$2,163,153	8.3	Forester Offshore A2, Ltd.	2.1	-0.3	3.8	1.8	1.8	7.6	8.7	8.5	6.5	5.4	Jul-07
		HFRI FOF: Strategic Index	**1.7**	**-0.2**	**0.9**	**2.6**	**2.6**	**5.0**	**6.1**	**5.8**	**3.8**	**0.9**	
$2,885,670	11.1	Archstone Absolute Return Strategies Fund, Ltd. Class A	1.8	-1.5	-2.7	0.7	0.7	-1.6	3.3	5.1	4.2	2.5	Jul-07
		HFRI FOF: Conservative Index	**1.3**	**0.2**	**0.3**	**1.8**	**1.8**	**3.7**	**4.9**	**4.8**	**3.3**	**0.8**	
$5,234,157	**20.0**	**Total Fixed Income**	**1.3**	**-0.3**	**1.1**	**1.1**	**1.1**	**3.2**	**1.3**	**2.2**	**3.1**	**3.3**	**Jul-07**
		Fixed Income Composite Index	**1.3**	**0.1**	**1.1**	**1.2**	**1.2**	**3.8**	**1.8**	**2.1**	**2.8**	**3.9**	
$2,914,773	11.2	JP Morgan Core Bond Select Fund	NA	NA	NA	1.5	1.5	NA	NA	NA	NA	1.5	Jan-15
		Barclays U.S. Aggregate	**2.0**	**0.2**	**1.8**	**1.6**	**1.6**	**5.7**	**2.8**	**3.1**	**4.4**	**1.6**	
$2,319,383	8.9	Vanguard Short Term US Treasury Admiral Fund	0.4	-0.1	0.3	0.5	0.5	1.2	0.6	0.7	NA	0.7	Dec-11
		Barclays U.S. Treasury: 1-5 Year	**0.5**	**0.0**	**0.4**	**0.9**	**0.9**	**1.8**	**0.9**	**1.0**	**1.8**	**0.9**	
$2,504,682	**9.6**	**Total Inflation Hedging**	**6.9**	**-8.7**	**-15.0**	**-0.9**	**-0.9**	**-17.7**	**-9.1**	**-5.7**	**0.7**	**-5.8**	**Jul-07**
		Inflation Hedging Composite Index	**7.8**	**-8.4**	**-12.7**	**-2.0**	**-2.0**	**-15.6**	**-7.0**	**-3.9**	**1.9**	**-0.6**	
$769,844	2.9	Vanguard Short-Term Inflation Protected Securities Adm. Fund	1.5	-1.4	-1.5	0.3	0.3	-1.0	NA	NA	NA	-1.3	Mar-14
		Barclays U.S. Treasury: 0-5 Year TIPS Index	**1.6**	**-1.4**	**-1.5**	**0.4**	**0.4**	**-0.9**	**-1.4**	**-0.4**	**1.4**	**-1.2**	
$577,535	2.2	Nuveen Gresham Diversified Commodities Fund	NA	NA	NA	-5.9	-5.9	NA	NA	NA	NA	-5.9	Jan-15
		Bloomberg Commodity Index	**0.1**	**-11.8**	**-12.1**	**-5.9**	**-5.9**	**-27.0**	**-15.5**	**-11.5**	**-5.7**	**-5.9**	
$1,157,303	4.4	Van Eck Global Hard Assets I Fund	11.5	-10.5	-20.4	0.9	0.9	-19.8	-6.0	-4.3	NA	-4.3	Apr-12
		S&P North American Natural Resources Sector	**13.4**	**-10.0**	**-13.9**	**-1.5**	**-1.5**	**-13.5**	**-1.7**	**0.5**	**3.9**	**0.5**	

Executive Summary

Town of Palm Beach

Health Insurance Trust

Preliminary as of March 31, 2015

Market Value	% of Portfolio		QTR Ended Jun-14	QTR Ended Sep-14	QTR Ended Dec-14	QTR Ended Mar-15	Calendar YTD	1 YR	2 YRS	3 YRS	5 YRS	Return Since	Inception Date
$164,606	**0.6**	**Total Liquid Capital**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.1**	**0.1**	**0.6**	**Jul-07**
$164,606	0.6	Government Stif 15	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	0.6	Jul-07
		Citigroup 3 Month T-Bill	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.1**	**0.1**	**0.6**	

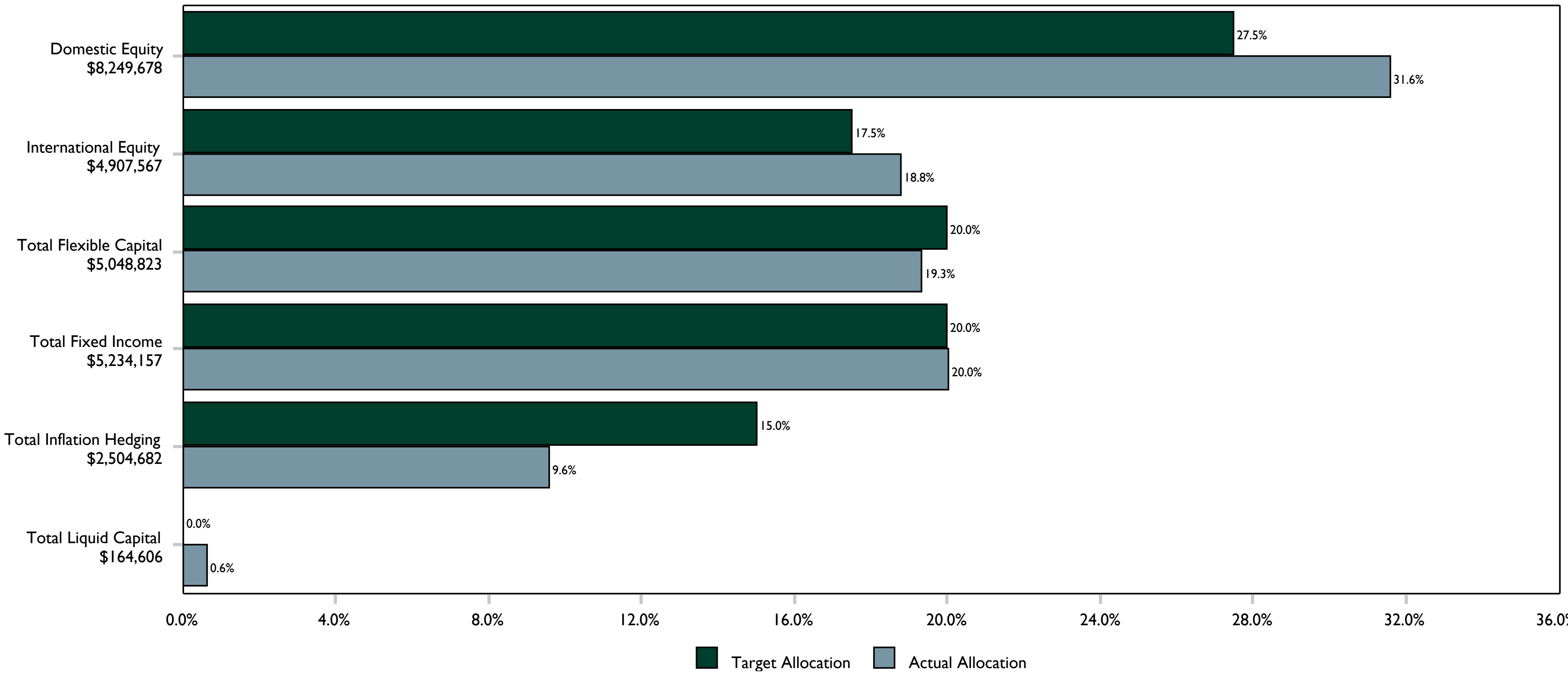
Please Note:

- Periods greater than one year are annualized
- Returns are net of investment management fees and gross of consulting fees unless otherwise stated
- Since inception returns are calculated from the first full month
- Actual Index calculated using manager allocations and index returns
- Performance and market values are subject to change based on statement availability from the investment manager/custodian
- Target Index (as of 9/01/2013): 27.5% Russell 3000 Index/ 17.5% MSCI ACWI ex USA/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Inflation Hedging Composite Index
- Target Index (as of 12/01/2011): 27.5% Russell 3000 Index/ 17.5% MSCI EAFE Net Index/ 20% HFRI FOF Index/ 20% Fixed Income Composite Index/ 15% Inflation Hedging Composite Index
- Target Index reflects the policy limitations regarding international constraints
- Inflation Hedging Composite Index reflects manager allocations and index returns. Components have changed over time.
- Fixed Income Composite Index effective 12/01/2011: 50% Barclays U.S. Aggregate Index / 50% Barclays US Treasury: 1-5 Year Index
- Fixed Income Composite Index (prior to 11/30/2011): 50% Barclays Aggregate Index / 50% BOA Conv. Bond US Inv. Gr. Index
- Domestic Equity, Fixed Income, Inflation Hedging: Performance includes terminated managers
- Government Stif 15: Client specific cash performance not available. Citigroup Treasury Bill 3 Month Index is being reported

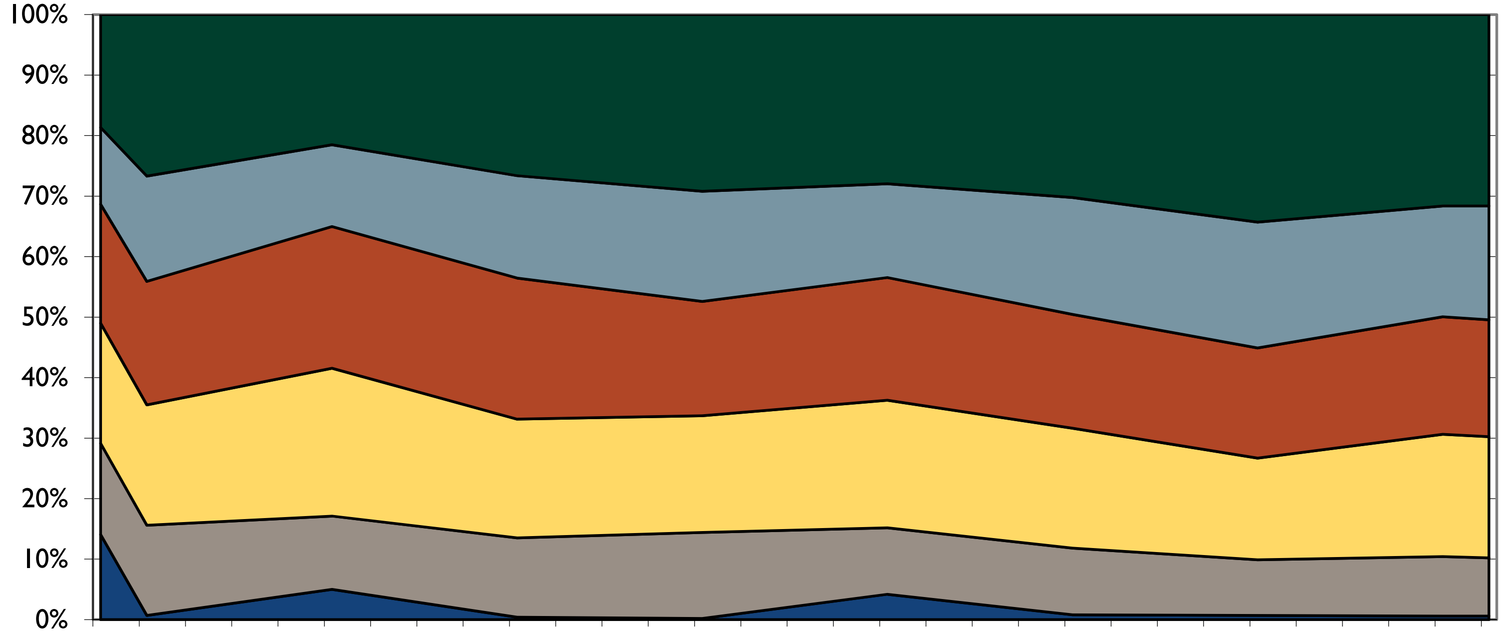
Asset Allocation - Current

As of March 31, 2015

	Asset Allocation (%)	Lower (%)	Target (%)	Upper (%)	Difference (%)
Total Fund	100.0	-	100.0	-	0.0
Domestic Equity	31.6	22.5	27.5	32.5	4.1
International Equity	18.8	15.0	17.5	20.0	1.3
Total Flexible Capital	19.3	15.0	20.0	25.0	-0.7
Total Fixed Income	20.0	15.0	20.0	25.0	0.0
Total Inflation Hedging	9.6	10.0	15.0	20.0	-5.4
Total Liquid Capital	0.6	0.0	0.0	1.0	0.6



Asset Allocation – Historical



	Sep-07	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Mar-15
Domestic Equity	19	27	22	27	29	28	30	34	32	32
International Equity	13	17	14	17	18	16	19	21	18	19
Flexible Capital	20	20	23	23	19	20	19	18	19	19
Fixed Income	20	20	24	20	19	21	20	17	20	20
Inflation Hedging	15	15	12	13	14	11	11	9	10	10
Cash	14	1	5	0	0	4	1	1	1	1

- Sep-07 reflects earliest period for which asset allocation is available

Asset Allocation - Performance Comparison

As of March 31, 2015

Total Fund Performance

	1 Quarter Return	1 Year Return	2 Years Return	3 Years Return	5 Years Return	Since Inception Return	1 Year Standard Deviation	2 Years Standard Deviation	3 Years Standard Deviation	5 Years Standard Deviation	Since Inception Standard Deviation	Inception Date
Total Fund	1.7	2.7	7.5	8.1	7.5	3.2	5.4	6.3	6.5	8.9	10.1	Jul-07
Target Index	1.6	2.5	6.4	6.9	6.9	3.4	5.3	5.9	6.3	8.2	9.5	
Actual Index	1.8	3.4	7.3	7.7	7.4	3.6	5.3	6.1	6.4	8.1	8.9	
Domestic Index	1.8	10.4	12.9	12.4	11.8	6.7	6.2	6.6	6.7	9.1	11.9	
Global Index	1.1	2.7	7.3	7.4	7.1	3.6	6.3	7.4	7.9	10.8	13.7	
Consumer Price Index	0.6	-0.1	0.7	1.0	1.6	1.6	1.3	1.1	1.2	1.2	1.5	

Inflation Adjusted Nominal Portfolio Statistics

Statistical Output (%)	Target Index	Actual Index	Domestic Index	Global Index
Expected Return (Arithmetic)	7.4	7.4	7.2	7.4
Expected Standard Deviation	12.2	12.4	14.0	13.8
Expected Return (Geometric)	6.7	6.6	6.3	6.5
Sharpe Ratio	0.4	0.4	0.3	0.4
Historical Return (Arithmetic)	9.7	9.5	10.0	9.0
Historical Standard Deviation	11.0	11.2	12.3	12.9
Historical Return (Geometric)	9.2	8.9	9.3	8.2
Beta (to S&P 500 Index)	0.6	0.6	0.7	0.7
Correlation (to S&P 500 Index)	0.9	0.9	1.0	0.9
Probability of Returns Exceeding 5%				
10 Years	67.6	66.6	61.4	63.7

Historical Stress Test

	Deflation: Fall '08 to S&P Trough Sep-08 to Mar-09	Corporate Scandals May-02 to Jul-02	Tech Bubble Collapse Mar-00 to Mar-01	Russian Debt/ LTCM Collapse Jul-98 to Oct-98	Rising Rates Jan-94 to Dec-94	Shock Inflation Jan-73 to Dec-73	High Inflation Jan-73 to Dec-81
Target Index	-28.8%	-12.0%	-7.0%	-9.4%	+1.8%	-1.6%	+5.9%
Actual Index	-29.1%	-13.2%	-9.4%	-10.2%	+1.7%	-2.7%	+5.6%
Domestic Index	-32.5%	-16.9%	-11.9%	-11.3%	-0.8%	-9.6%	+5.5%
Global Index	-34.1%	-13.0%	-17.3%	-10.1%	+2.2%	-8.2%	+5.7%

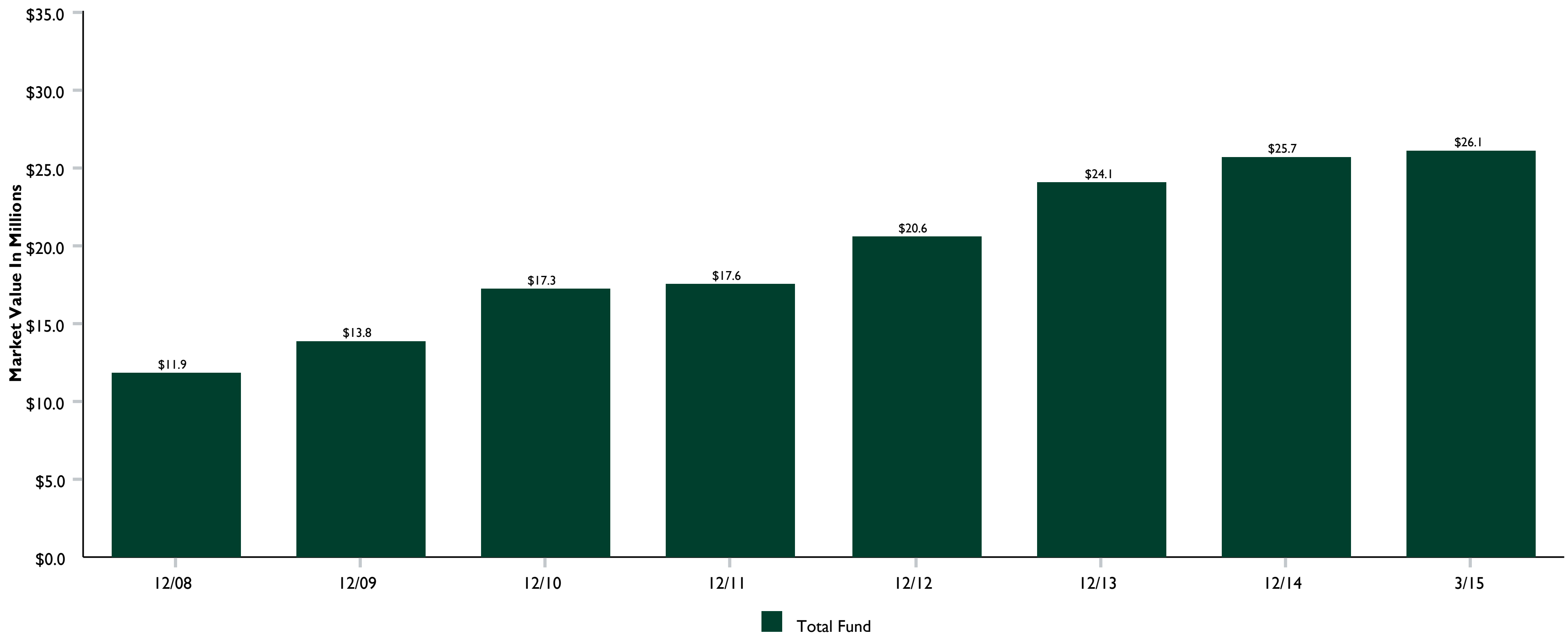
Notes:
- Domestic Index: 70% Russell 3000 Index/30% Barclays Aggregate Index; Global Index: 70% MSCI AC World Index/30% Barclays Global Aggregate Index
- Expected return/risk using 10-15 year Prime Buchholz capital market assumptions
- Historical data based on index returns from 1/1/1988 through 6/30/2014
- Index components utilized: Russell 3000/MSCI World ex U.S./MSCI Emerging Mkts./All Private Equity Benchmark/Barclays Aggregate/Barclays Long G/C/Barclays U.S. Corp. HY/Barclays Muni/HFRI Fund Weighted/ Barclays U.S. TIPS/Private Equity-All Buyouts/S&P Natural Resources/S&P GSCI-DJ UBS/NCREIF Leverage & Fee Adj./Barclays Long Treasury/30-Day T-Bill/JPM Non-U.S. Global Govt.

Schedule of Investable Assets

Total Fund

January 1, 2008 To March 31, 2015

Periods Ending	Beginning Market Value	Net Cash Flow	Investment Performance	Ending Market Value
2008	$16,305,625	$8,989	-$4,447,739	$11,866,875
2009	$11,866,875	0	$1,976,750	$13,843,625
2010	$13,843,625	$1,506,198	$1,904,937	$17,254,761
2011	$17,254,761	$792,031	-$489,399	$17,557,392
2012	$17,557,392	$999,098	$2,078,366	$20,634,856
2013	$20,634,856	0	$3,450,029	$24,084,884
2014	$24,084,884	$1,000,000	$595,975	$25,680,859
To 03/2015	$25,680,859	0	$428,654	$26,109,513
	$16,305,625	**$4,306,315**	**$5,497,573**	**$26,109,513**



Liquidity Schedule

As of March 31, 2015

Redemption Terms		
Daily	$18,145,917	69.5
Semi Liquid	$5,048,823	19.3
Total	**$26,109,513**	**100.0**

Investments	Inception	Subscriptions	Market Value	Daily	Semi Liquid	Notes
Global Equity						
Fidelity Spartan Total Market Index Advisor Fund	Jun-07	Daily	$5,787,620	$5,787,620		
FPA Crescent Fund	Mar-12	Daily	$1,168,435	$1,168,435		
FMI Common Stock Fund	Mar-12	Daily	$1,293,623	$1,293,623		
Dodge & Cox International Stock Fund	Jun-07	Daily	$2,427,677	$2,427,677		
Artisan International Institutional Fund	Jun-11	Daily	$2,479,890	$2,479,890		
Flexible Capital						
Total Flexible Capital	Jul-07	Various	$5,048,823		$5,048,823	See additional report
Fixed Income						
JP Morgan Core Bond Select Fund	Dec-14		$2,914,773			
Vanguard Short Term US Treasury Admiral Fund	Nov-11	Daily	$2,319,383	$2,319,383		
Inflation Hedging						
Vanguard Short-Term Inflation Protected Securities Adm. Fund	Feb-14	Daily	$769,844	$769,844		
Nuveen Gresham Diversified Commodities Fund	Dec-14	Daily	$577,535	$577,535		
Van Eck Global Hard Assets I Fund	Mar-12	Daily	$1,157,303	$1,157,303		
Liquid Capital						
Government Stif 15	Jun-07	Daily	$164,606	$164,606		
Total ($)			**$26,109,513**	**$18,145,917**	**$5,048,823**	
Total (%)			**100.0**	**69.5**	**19.3**	

Definitions:
- Semi-liquid: Redemption can be processed within a period greater than 30 days; liquidity details for semi-liquid investments can be found on the following Flexible Capital Detail Report.
- Illiquid: Redemption cannot be processed (closed end partnerships).

Flexible Capital Detail

Investment	Tranche	Subscription Frequency	Subscription Date	Market Value	Redemption Frequency	Notice Period	Redemption Notice Deadline	Next Possible Redemption Date	Lock	Notes
Forester Offshore, Ltd.	Series A2 Sub-series 07/10	Quarterly	07/01/07	$2,163,153	Annual	60 days	05/01/16	06/30/16	Two years - expired	Reds: available annually on anniversary
Archstone Absolute Return Strategies Fund, Ltd.	A-PB	Monthly	07/01/07	$2,885,670	Semi-annual	90 days	10/02/15	12/31/15	One year - expired	Reds: available on 6/30 and 12/31

Operational Detail

Town of Palm Beach Health Insurance Trust							
Manager	**Vehicle Type**	**Latest Audited Financials**	**Auditor/Accountant**	**Legal Counsel**	**Custodian**	**Administrator**	**Holdings Transparency**
Archstone Absolute Return Strategies Fund, Ltd.	Pooled	12/31/2014	Ernst & Young LLP	Walkers SPV Limited (Cayman); Willi	BNY Mellon	SS&C Technologies, Inc.	High
Artisan International Instl Fd	Pooled	9/30/2014	Ernst & Young LLP	Ropes & Gray LLP	State Street Bank & Trust Company	Artisan Partners LP	High
Dodge & Cox Intl Stock Fund	Pooled	12/31/2014	PricewaterhouseCoopers LLP	Dechert LLP	State Street Bank & Trust Company	Dodge & Cox	High
Fidelity Spartan Total Market Index Adv Fund	Pooled	2/28/2014	PricewaterhouseCoopers LLP	Fidelity Legal Department	BNY Mellon	Fidelity Management & Research Company	High
FMI Common Stock Fund	Pooled	9/30/2014	PricewaterhouseCoopers LLP	Foley & Lardner LLP	U.S. Bank, N.A.	U.S. Bancorp Fund Services, LLC	High
Forester Offshore A2, Ltd.	Pooled	6/30/2014	Ernst & Young LLP	Ogier	State Street Bank and Trust Company	International Fund Services LLC	High
FPA Crescent Fund	Pooled	12/31/2014	Deloitte & Touche LLP	K&L Gates LLP	State Street Bank & Trust Company	First Pacific Advisors, LLC	High
Nuveen Gresham Diversified Commodities Fund	Pooled	9/30/2014	PricewaterhouseCoopers LLP	Dechert LLP	State Street Bank & Trust Company	Nuveen Gresham	High
JP Morgan Core Bond Select Fund	Pooled	2/28/2014	PricewaterhouseCoopers LLP	Dechert LLP	JPMorgan Chase & Co.	JP Morgan Funds Management, Inc.	High
Van Eck Global Hard Assets I Fund	Pooled	12/31/2014	Ernst & Young LLP	Goodwin Procter LLP	State Street Bank & Trust Company	Van Eck Associates Corporation	High
Vanguard Short Term US Treas Adm Fd	Pooled	1/31/2015	PricewaterhouseCoopers LLP	Internal Legal Department	BNY Mellon	The Vanguard Group	High
Vanguard Short-Term Inflation Protected Securities Adm. Fund	Pooled	9/30/2014	PriceWaterhouseCoopers LLP	Internal Legal Department	JPMorgan Chase & Co.	The Vanguard Group	High

N/A: information not applicable. N/P: information not provided at the time of report creation.

Low Transparency: limited disclosure of underlying portfolio holdings/components.

Medium Transparency: partial disclosure of underlying holdings/components.

High Transparency: access to underlying portfolio holdings/components.

Transparency assessments may not be comparable across asset classes or vehicles, given the existence of differing industry practices and implementation methods.

Auditor, latest audited financials, and legal counsel data provided for separate accounts is that of the management firm and provided for informational purposes only. Separate accounts typically are not audited.

Information obtained from third party sources is believed to be reliable, however, the accuracy of the information is not guaranteed and is not subject to independent verification.

Data is as of the most recent calendar year end and updated annually.

Fee Schedule

As of March 31, 2015

Health Insurance Trust

	Fee Schedule	Assets Market Value	Projected Annual Fee ($)	Projected Annual Fee (%)
Fidelity Spartan Total Market Index Advisor Fund	0.05% of NAV	$5,787,620	$2,894	0.05%
FPA Crescent Fund	1.11% of NAV	$1,168,435	$12,970	1.11%
FMI Common Stock Fund	1.18% of NAV	$1,293,623	$15,265	1.18%
Dodge & Cox International Stock Fund	0.64% of NAV	$2,427,677	$15,537	0.64%
Artisan International Institutional Fund	0.95% of NAV	$2,479,890	$23,559	0.95%
Forester Offshore A2, Ltd.	1.00% on assets managed	$2,163,153	$21,632	1.00% *
Archstone Absolute Return Strategies Fund, Ltd. Class A	1.14% on assets managed **	$2,885,670	$32,897	1.14% *
JP Morgan Core Bond Select Fund	0.58% of NAV	$2,914,773	$16,906	0.58%
Vanguard Short Term US Treasury Admiral Fund	0.10% of NAV	$2,319,383	$2,319	0.10%
Vanguard Short-Term Inflation Protected Securities Adm Fund	0.10% of NAV	$769,844	$770	0.10%
Nuveen Gresham Diversified Commodities Fund	1.07% of NAV	$577,535	$6,180	1.07%
Van Eck Global Hard Assets I Fund	1.00% of NAV	$1,157,303	$11,573	1.00%
Total Liquid Capital	--	$164,606	--	--
Total Investment Management Fees		**$26,109,513**	**$162,500**	**0.62%**

Fee Schedule

As of March 31, 2015

Health Insurance Trust

	Fee Schedule	Assets Market Value	Projected Annual Fee ($)	Projected Annual Fee (%)
State Street Bank & Trust Co.				
-Custody Fees	0.015% on assets custodied	$26,109,513	$3,916	0.015%
-Accounting Fees				
Separate Domestic Equity Accounts	$4,000 each (0)		--	
Separate Fixed Income Accounts	$2,500 each (0)		--	
Multiple Line Item Portfolios	$1,500 each (1)		$1,500	
Commingled/Mutual Funds	$500 each (13)		$6,500	
Estimated Total SSB&T Fee:		**$26,109,513**	**$11,916**	**0.05%**
PBA Fees	0.25% on first $20 million 0.10% on next $50 million 0.05% over $70 million $60,000 minimum	$26,109,513	$60,000	0.23%
Total Fees		**$26,109,513**	**$234,416**	**0.90%**

Please Note:

* Base fee only; underlying manager fees, incentive fees, and operating expenses not included

** Archstone management fees may range from 1.1% to 1.2%

- Estimated State Street Bank & Trust Co. custody fee does not include trading/transaction fees

Peer Performance Comparison

As of March 31, 2015

	1 Year Return	3 Years Return	5 Years Return	5 Years Standard Deviation	5 Years Beta	5 Years Actual Correlation	Year To Date Return	2014 Return	2013 Return	2012 Return	2011 Return
Fidelity Spartan Total Market Index Advisor Fund	12.3 (29)	16.3 (40)	14.7 (21)	14.6	1.0	1.0	1.8 (55)	12.5 (27)	33.4 (53)	16.4 (36)	1.0 (19)
Wilshire 5000 Total Market Index	**11.9 (36)**	**16.3 (40)**	**14.7 (23)**	**14.6**	**1.0**	**1.0**	**1.8 (58)**	**12.1 (31)**	**34.0 (48)**	**16.1 (41)**	**0.6 (24)**
IM U.S. Multi-Cap Core Equity (MF) Median	***10.9***	***15.8***	***13.5***	***15.1***	***1.0***	***1.0***	***2.1***	***10.5***	***33.6***	***15.6***	***-1.5***
FPA Crescent Fund	4.7 (39)	10.4 (15)	9.7 (18)	9.1	0.6	1.0	0.1 (86)	6.6 (22)	21.9 (12)	10.3 (60)	3.0 (18)
S&P 500 Index	**12.7 (2)**	**16.1 (4)**	**14.5 (3)**	**14.1**	**1.0**	**1.0**	**1.0 (72)**	**13.7 (4)**	**32.4 (4)**	**16.0 (15)**	**2.1 (23)**
60% Russell 2500 / 40% BC Global Credit	**5.6 (32)**	**11.6 (10)**	**11.4 (7)**	**11.7**	**0.8**	**0.9**	**2.7 (28)**	**5.3 (30)**	**21.4 (12)**	**15.6 (17)**	**0.5 (32)**
HFRI Equity Hedge (Total) Index	**2.7 (57)**	**6.1 (64)**	**4.7 (93)**	**8.4**	**0.5**	**0.9**	**2.0 (48)**	**1.8 (67)**	**14.3 (38)**	**7.4 (83)**	**-8.4 (92)**
IM Flexible Portfolio (MF) Median	***3.5***	***7.1***	***7.5***	***9.6***	***0.6***	***0.9***	***1.9***	***3.3***	***10.9***	***11.5***	***-1.6***
FMI Common Stock Fund	7.0 (81)	12.9 (86)	13.2 (70)	15.1	0.8	1.0	2.4 (80)	6.5 (75)	32.0 (71)	10.2 (86)	4.5 (3)
Russell 2500 Index	**10.1 (57)**	**17.1 (34)**	**15.5 (25)**	**17.6**	**1.0**	**1.0**	**5.2 (22)**	**7.1 (69)**	**36.8 (29)**	**17.9 (26)**	**-2.5 (40)**
IM U.S. Mid Cap Core Equity (MF) Median	***10.5***	***16.1***	***14.0***	***16.9***	***0.9***	***1.0***	***3.7***	***9.3***	***34.5***	***16.0***	***-3.6***
Dodge & Cox International Stock Fund	1.5 (17)	12.2 (3)	8.0 (2)	18.0	1.1	1.0	4.2 (75)	0.1 (15)	26.3 (1)	21.0 (11)	-16.0 (89)
MSCI AC World ex USA (Net)	**-1.0 (39)**	**6.4 (82)**	**4.8 (85)**	**16.4**	**1.0**	**1.0**	**3.5 (82)**	**-3.9 (24)**	**15.3 (80)**	**16.8 (73)**	**-13.7 (66)**
IM International Large Cap Core Equity (MF) Median	***-1.3***	***8.3***	***5.6***	***17.2***	***1.0***	***1.0***	***5.1***	***-6.1***	***20.1***	***18.0***	***-13.1***
Artisan International Institutional Fund	5.4 (8)	12.2 (2)	11.2 (1)	17.0	1.0	1.0	4.3 (67)	-0.7 (12)	25.5 (3)	25.6 (2)	-4.1 (4)
MSCI EAFE (Net)	**-0.9 (51)**	**9.0 (22)**	**6.2 (34)**	**16.5**	**1.0**	**1.0**	**4.9 (52)**	**-4.9 (35)**	**22.8 (10)**	**17.3 (61)**	**-12.1 (33)**
IM International Large Cap Equity (MF) Median	***-0.9***	***7.9***	***5.6***	***17.2***	***1.0***	***1.0***	***5.0***	***-5.7***	***20.0***	***18.1***	***-13.5***
JP Morgan Core Bond Select Fund	5.1 (50)	3.0 (63)	4.5 (50)	2.7	0.9	1.0	1.5 (60)	5.2 (64)	-1.8 (42)	5.1 (70)	7.3 (29)
Barclays U.S. Aggregate	**5.7 (20)**	**3.1 (55)**	**4.4 (54)**	**2.9**	**1.0**	**1.0**	**1.6 (48)**	**6.0 (27)**	**-2.0 (54)**	**4.2 (80)**	**7.8 (11)**
IM U.S. Broad Market Core Fixed Income (MF) Median	***5.1***	***3.2***	***4.5***	***2.8***	***0.9***	***0.9***	***1.6***	***5.5***	***-2.0***	***6.0***	***6.7***

Peer Performance Comparison

As of March 31, 2015

	1 Year Return	3 Years Return	5 Years Return	5 Years Standard Deviation	5 Years Beta	5 Years Actual Correlation	Year To Date Return	2014 Return	2013 Return	2012 Return	2011 Return
Nuveen Gresham Diversified Commodities Fund	-25.7 (36)	NA	NA	NA	NA	NA	-5.9 (48)	-17.3 (45)	-7.8 (38)	NA	NA
Bloomberg Commodity Index	**-27.0 (54)**	**-11.5 (32)**	**-5.7 (39)**	**15.5**	**1.0**	**1.0**	**-5.9 (49)**	**-17.0 (41)**	**-9.5 (53)**	**-1.1 (45)**	**-13.3 (85)**
IM Commodities General (MF) Median	***-26.6***	***-12.4***	***-6.4***	***17.8***	***1.1***	***0.9***	***-6.0***	***-17.7***	***-9.2***	***-1.5***	***-7.9***
Van Eck Global Hard Assets I Fund	-19.8 (68)	-4.3 (56)	-0.6 (41)	25.1	1.1	1.0	0.9 (19)	-19.1 (70)	11.2 (46)	2.9 (42)	-16.3 (50)
S&P North American Natural Resources Sector	**-13.5 (27)**	**0.5 (23)**	**3.9 (9)**	**22.5**	**1.0**	**1.0**	**-1.5 (40)**	**-9.8 (17)**	**16.5 (26)**	**2.2 (46)**	**-7.4 (10)**
IM Global Natural Resources (MF) Median	***-17.2***	***-3.5***	***-1.6***	***23.9***	***1.0***	***1.0***	***-2.3***	***-13.1***	***10.2***	***1.5***	***-16.3***

Please Note:

-Standard Deviation, Beta and Correlation are relative to the primary benchmark for the strategy

-Manager and benchmark universe rankings are listed in parenthesis next to manager and benchmark returns

-Peer Universe rankings range from 1 to 100. The highest (or most favorable) percentile rank is 1 and the lowest (or least favorable) percentile rank is 100.

-IM Median returns for mutual fund (MF) universes reported net of fees.

Tab IV

Portfolio Comparison

As of March 31, 2015

	Fidelity Spartan Total Market Index	FPA Crescent Fund	FMI Common Stock	Domestic Equity	Russell 3000
Composition					
# of Holdings	3,410	46	40	3,432	3,016
% Top 15 Holdings	18.7	65.1	58.2	19.1	17.9
% Top 25 Holdings	25.4	83.0	78.7	26.3	24.7
Characteristics					
Wtd Avg Mkt Cap ($B)	106.3	84.9	4.0	87.2	109.9
Forecast P/E	17.8	15.7	17.3	17.4	17.8
Price/Book ratio	3.1	2.7	2.6	2.9	3.1
Historical EPS Growth - 5 Year	13.7	12.1	14.8	13.7	13.6
Forecast EPS Growth - Long-Term	11.7	11.8	11.3	11.7	11.7
Current Yield	1.9	1.8	1.3	1.8	1.9
GICS Sectors (%)					
Energy	7.3	5.4	1.7	6.1	7.2
Materials	3.5	4.7	10.9	4.8	3.6
Industrials	11.1	4.3	26.6	12.5	11.3
Consumer Discretionary	13.1	9.1	8.8	11.9	13.2
Consumer Staples	8.3	16.2	0.0	8.1	8.5
Health Care	14.0	4.3	7.7	11.7	14.6
Financials	17.3	18.8	8.3	16.1	17.6
Information Technology	18.5	27.4	22.6	20.4	19.0
Telecommunication Services	2.0	0.9	0.0	1.5	2.0
Utilities	3.0	0.0	0.0	2.1	3.1
Cash	1.9	0.0	13.3	3.4	0.0
Other	0.0	8.9	0.0	1.3	0.0
Market Capitalization (%)					
Mega (Above $50B)	48.2	52.3	0.0	41.2	50.0
Large ($12B - $50B)	27.1	25.5	0.0	22.6	27.4
Mid ($4B - $12B)	13.4	10.8	53.0	19.2	13.2
Small/Mid ($2B - $4B)	5.0	2.5	20.0	7.0	4.9
Small ($0 - $2B)	4.4	0.0	13.7	5.3	4.4
Cash	1.9	0.0	13.3	3.4	0.0
Other	0.0	8.9	0.0	1.3	0.0

Portfolio Comparison

As of March 31, 2015

	Dodge & Cox International Stock	Artisan International	International Equity	MSCI AC World ex USA	MSCI EAFE	Global Equity	MSCI AC World
Composition							
# of Holdings	87	69	143	1,841	910	3,560	2,469
% Top 15 Holdings	37.2	48.4	31.6	12.1	16.5	15.9	11.0
% Top 25 Holdings	53.0	65.6	44.5	17.3	23.1	22.2	15.4
Characteristics							
Wtd Avg Mkt Cap ($B)	68.8	75.8	72.3	57.2	62.8	81.7	92.9
Forecast P/E	14.6	19.1	16.5	14.8	15.8	17.1	16.3
Price/Book ratio	2.3	3.1	2.7	2.2	2.2	2.9	2.7
Historical EPS Growth - 5 Year	6.5	20.7	13.7	12.0	11.1	13.7	13.1
Forecast EPS Growth - Long-Term	13.5	14.1	13.8	10.9	9.8	12.5	11.2
Current Yield	2.4	1.5	2.0	2.8	2.9	1.9	2.4
GICS Sectors (%)							
Energy	6.2	0.7	3.4	6.9	5.1	5.1	7.5
Materials	4.7	7.6	6.2	7.6	7.5	5.3	5.3
Industrials	8.3	10.9	9.6	11.1	12.7	11.5	10.5
Consumer Discretionary	15.7	22.4	19.1	11.8	13.1	14.6	12.6
Consumer Staples	3.0	11.7	7.4	9.9	11.0	7.9	9.7
Health Care	13.2	17.6	15.4	9.1	11.4	13.1	12.2
Financials	26.1	12.7	19.3	27.3	26.0	17.3	21.5
Information Technology	16.8	12.8	14.8	7.8	4.9	18.3	14.0
Telecommunication Services	5.8	3.7	4.7	5.1	4.7	2.7	3.6
Utilities	0.0	0.0	0.0	3.4	3.6	1.3	3.2
Cash	0.1	0.0	0.1	0.0	0.0	2.2	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.8	0.0
Market Capitalization (%)							
Mega (Above $50B)	42.3	49.2	45.8	36.3	41.3	42.9	47.6
Large ($12B - $50B)	48.8	37.7	43.1	39.6	39.8	30.3	35.7
Mid ($4B - $12B)	7.6	13.2	10.4	19.7	16.7	15.9	14.4
Small/Mid ($2B - $4B)	1.1	0.0	0.5	3.8	2.1	4.6	1.9
Small ($0 - $2B)	0.1	0.0	0.0	0.6	0.0	3.3	0.3
Cash	0.1	0.0	0.1	0.0	0.0	2.2	0.0
Other	0.0	0.0	0.0	0.0	0.0	0.8	0.0

Regional Exposure

As of March 31, 2015

Regional Allocation (%)

	Global Equity	MSCI AC World	Dodge & Cox International Stock	Artisan International	International Equity	MSCI AC World ex USA	MSCI EAFE
Canada	0.2	3.4	0.4	0.0	0.2	6.8	0.0
United States	59.9	50.7	7.6	12.0	9.8	0.0	0.0
Pacific ex Japan	1.6	5.1	2.8	4.6	3.7	10.2	12.0
Japan	4.5	7.7	13.0	11.0	12.0	15.9	22.2
Europe ex UK	18.4	16.4	43.1	45.4	44.2	32.5	45.3
United Kingdom	5.3	6.9	12.4	13.4	12.9	14.2	19.8
Middle East	0.0	0.2	0.0	0.0	0.0	0.4	0.6
Developed Markets	**89.8**	**90.4**	**79.2**	**86.4**	**82.9**	**80.1**	**100.0**
EM Asia	3.9	6.3	10.0	10.4	10.2	13.1	0.0
EM Europe	0.4	0.8	1.2	0.0	0.6	1.6	0.0
EM Latin America	1.5	1.5	3.9	3.2	3.6	3.1	0.0
EM Mid East+Africa	1.4	1.0	5.6	0.0	2.8	2.1	0.0
Emerging Markets	**7.2**	**9.6**	**20.7**	**13.6**	**17.1**	**19.9**	**0.0**
Cash	2.2	0.0	0.1	0.0	0.1	0.0	0.0
Other	0.8	0.0	0.0	0.0	0.0	0.0	0.0

Regional Allocation (%)

	Global Equity	MSCI AC World
United States	59.9	50.7
Non-US Developed	**30.0**	**39.7**
Emerging Markets	**7.2**	**9.6**
Cash	2.2	0.0
Other	0.8	0.0

Flexible Capital

As of March 31, 2015

	Forester Offshore Fund, Ltd.	Archstone Absolute Return Strategies Fund, Ltd. Class A	Total Flexible Capital	FPA Crescent Fund	Total Leveraged Portfolio
Market Value	$2,163	$2,886	$5,049	$1,168	$6,217
% of Total Managed Portfolio ($26,110)	8.3	11.1	19.3	4.5	23.8
Market Exposure (%)					
Gross Long %	101.0	102.7	102.0	57.5	93.6
Gross Short %	58.0	57.0	57.4	4.2	47.4
Net %	43.0	45.7	44.5	53.3	46.2
Total Gross	159.0	159.7	159.4	61.7	141.0
Strategy Weights (%)					
L/S Equity	100.0	20.0	54.3	51.3	53.7
L/S Credit	0.0	25.8	14.7	2.8	12.5
Event-Driven	0.0	6.3	3.6	0.0	2.9
Distressed	0.0	18.2	10.4	0.0	8.4
Special Situations	0.0	4.2	2.4	0.0	1.9
Relative Value	0.0	7.4	4.2	0.0	3.4
Macro	0.0	0.0	0.0	0.0	0.0
Other/Cash	0.0	18.1	10.3	45.9	17.0
Geography (%)					
U.S. & Canada	71.1	63.4	66.7	66.1	66.6
Dev Europe	18.2	21.8	20.3	30.2	22.1
Asia	6.3	6.5	6.4	0.0	5.2
Emerging Mkts	4.4	0.0	1.9	2.7	2.0
Other	0.0	8.3	4.7	1.0	4.0

Top 10 Long Holdings/Managers

Forester Offshore Fund, Ltd.		Archstone Absolute Return Strategies Fund, Ltd. Class A		FPA Crescent Fund	
Company	**%**	**Company**	**%**	**Company**	**%**
KENSICO	9.0	ELLIOTT INT'L	11.7	ORACLE	3.9
VIKING GLOBAL	9.0	FARALLON	11.2	AON	3.1
SAMLYN CAPITAL	6.0	YORK CREDIT	10.4	CVS CAREMARK	3.0
PENNANT CAPITAL	5.0	DAVIDSON KEMPNER	10.2	MICROSOFT	2.9
ABRAMS BISON	4.0	FIR TREE	10.1	COVIDIEN	2.4
COATUE	4.0	SILVER POINT	10.0	THERMO FISHER	2.1
FALCON EDGE	4.0	DW CATALYST	9.7	AIG	2.1
LANSDOWNE	4.0	SERENGETI	9.3	NASPERS	2.0
TIGER GLOBAL	4.0	KING STREET	8.8	TE CONNECTIVITY	2.0
CASTINE	3.0	OZ OVERSEAS	8.4	CISCO SYSTEMS	1.9

-Forester Offshore Ltd. 3/31/2015 statistics as of 12/31/2014.

-Archstone Absolute Return Strategies Fund, Ltd. 3/31/2015 statistics as of 12/31/2014.

- FPA Crescent Fund market and geographic exposure exclude cash. Region classification "Other" includes Pacific Basin. -3/31/2015 Statistics as of 12/31/2014.

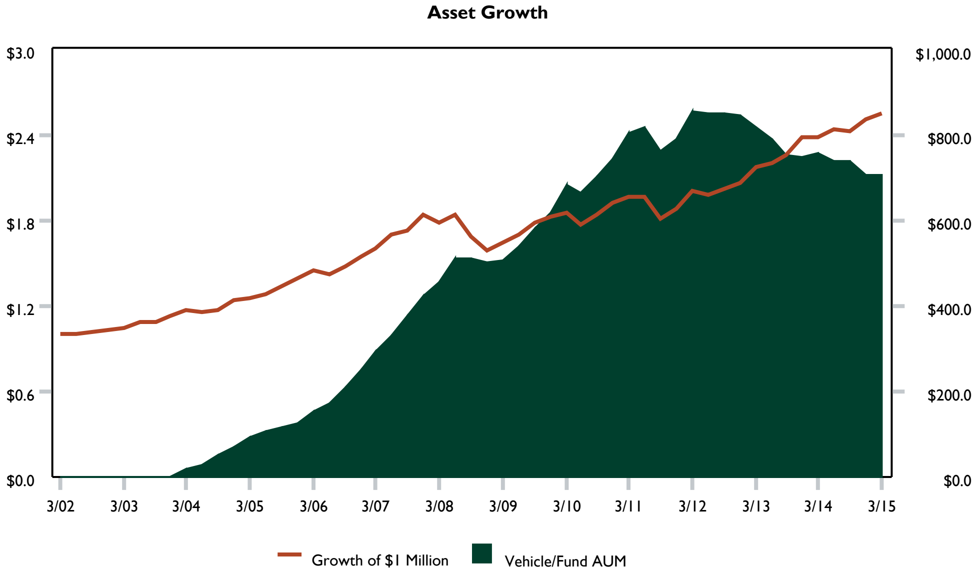
Flexible Capital Underlying Manager Exposure

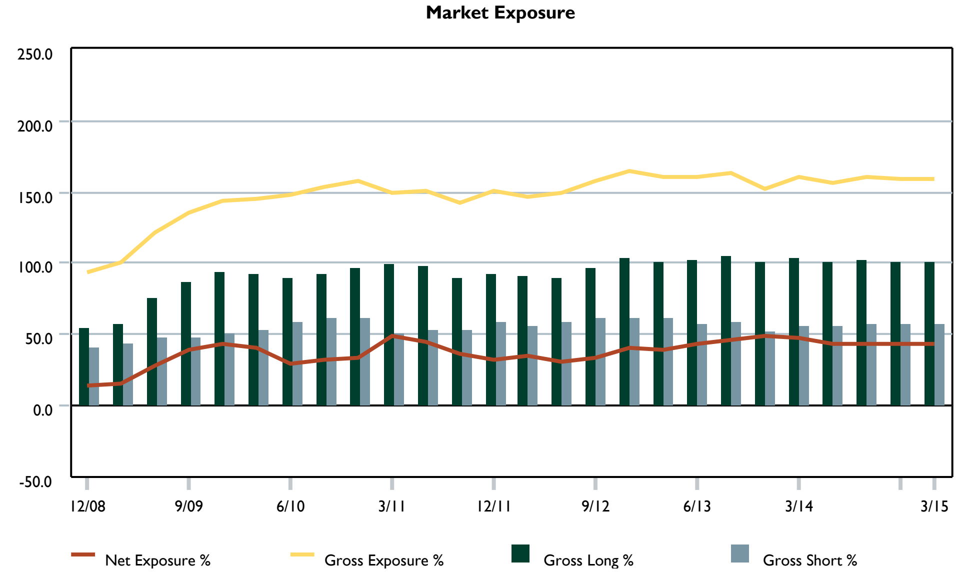
Data as of 12/31/2014	2,864,209	2,124,152	1,166,706	6,155,067	25,680,859	
Product/Investment	Archstone Absolute Return Strategies Fund, Ltd.	Forester Offshore A2, Ltd.	FPA Crescent Fund	% weighting within FlexCap	% weighting within Total Fund	$ weighting within Total Fund
FPA Contrarian Value			100.0%	19.0%	4.5%	1,166,706
Elliott Associates	12.0%			5.6%	1.3%	343,705
Farallon Capital	11.0%			5.1%	1.2%	315,063
Davidson Kempner	10.0%			4.7%	1.1%	286,421
DW Catalyst Fund	10.0%			4.7%	1.1%	286,421
Fir Tree Capital Opportunity Fund	10.0%			4.7%	1.1%	286,421
Silver Point Capital	10.0%			4.7%	1.1%	286,421
York Credit Opportunities	10.0%			4.7%	1.1%	286,421
King Street Capital	9.0%			4.2%	1.0%	257,779
Serengeti Opportunities Fund	9.0%			4.2%	1.0%	257,779
Och-Ziff	8.0%			3.7%	0.9%	229,137
Kensico Partners		9.0%		3.1%	0.7%	191,174
Viking Global Equities		9.0%		3.1%	0.7%	191,174
Samlyn Capital		6.0%		2.1%	0.5%	127,449
Impala		5.0%		1.7%	0.4%	106,208
Pennant Windward		5.0%		1.7%	0.4%	106,208
Abrams Capital		4.0%		1.4%	0.3%	84,966
Coatue Qualified Partners		4.0%		1.4%	0.3%	84,966
Falcon Edge Capital		4.0%		1.4%	0.3%	84,966
Lansdowne Developed Markets Long Only Fund		4.0%		1.4%	0.3%	84,966
Tiger Global		4.0%		1.4%	0.3%	84,966
Castine Capital		3.0%		1.0%	0.2%	63,725
Hengistbury Fund, Ltd		3.0%		1.0%	0.2%	63,725
Steadfast		3.0%		1.0%	0.2%	63,725

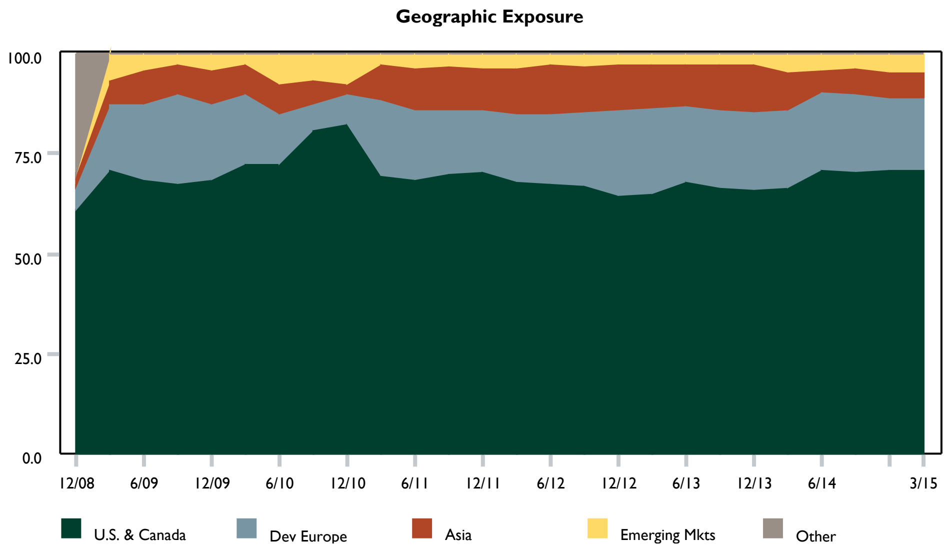
- Content is current as of the date indicated.
- Gray cells represent overlap within the Flexible Capital composite.
- Analysis includes only the top 20 underlying funds for each fund of funds.
- 6 top 20 underlying funds have exposures of less than 1% of the total Flexible Capital composite and have been excluded from the above table.

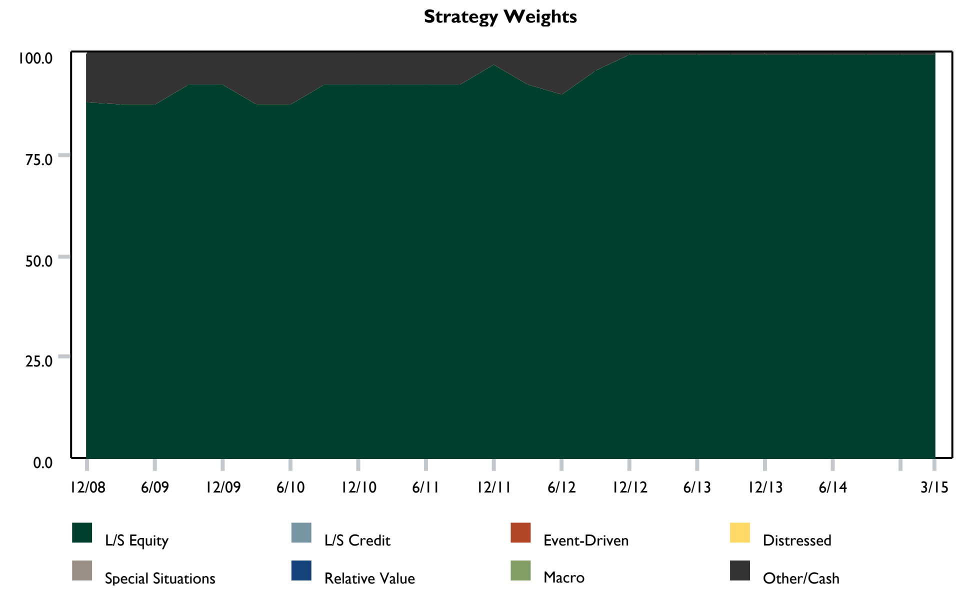
Forester Offshore, Ltd.

As of March 31, 2015







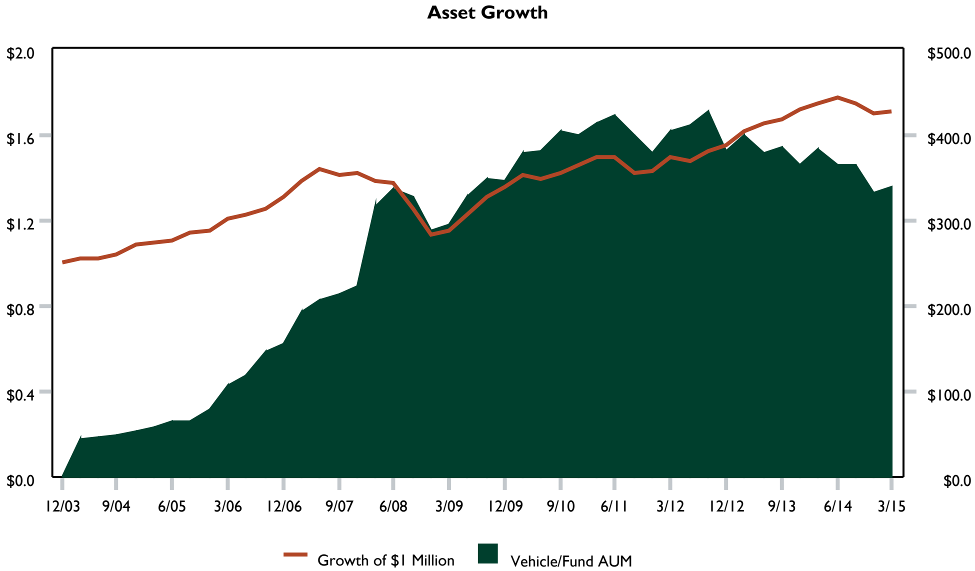


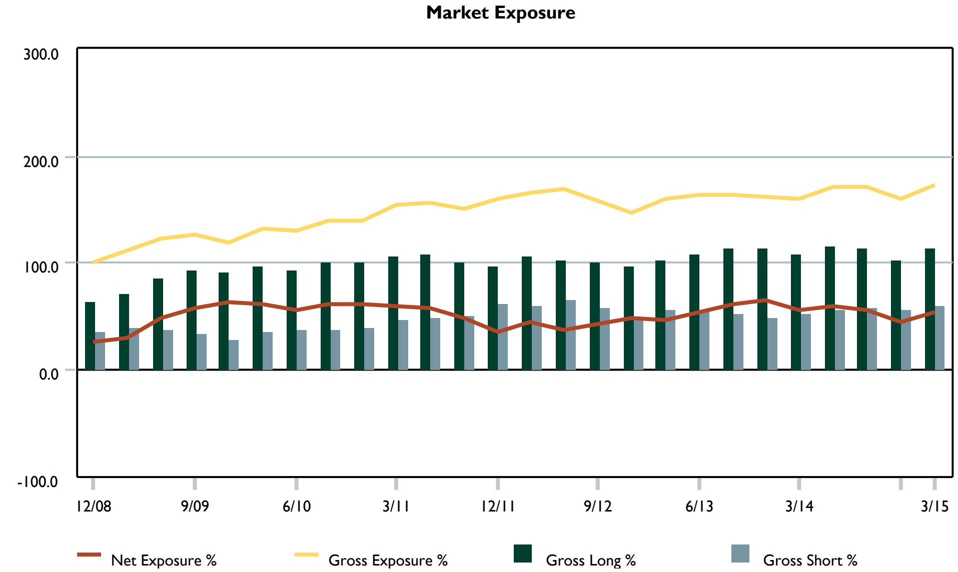
-3/31/2015 statistics as of 12/31/2014. Current assets unavailable.

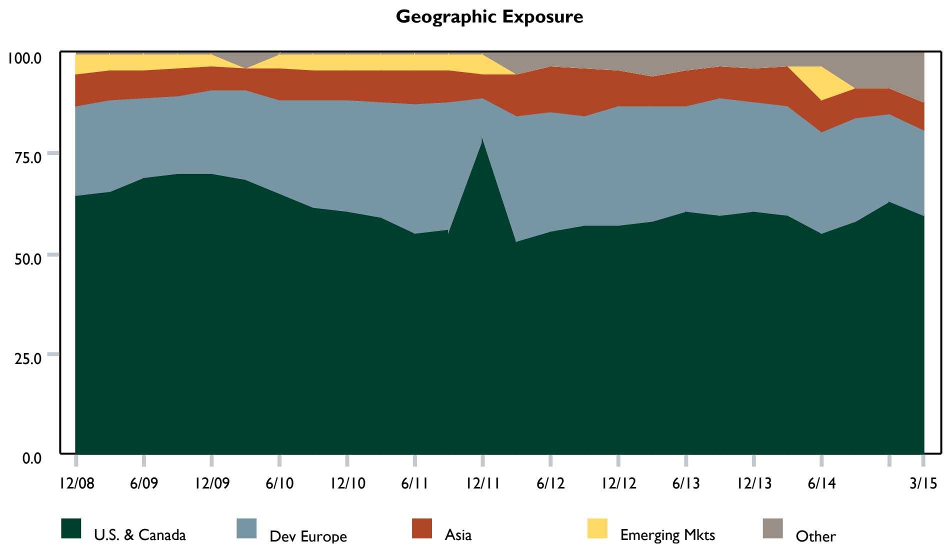
Flexible Capital Strategies

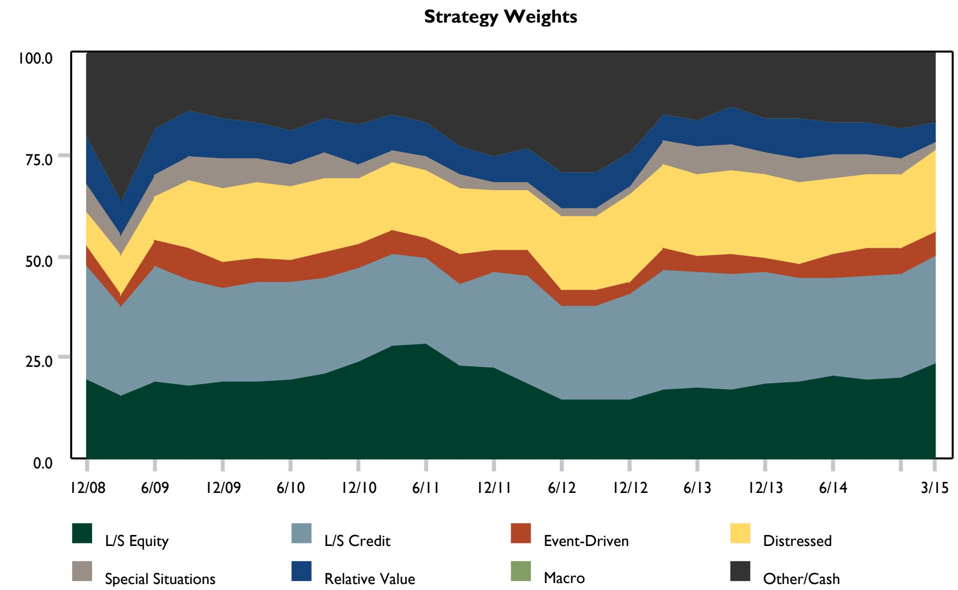
Archstone Absolute Return Strategies Fund, Ltd.

As of March 31, 2015





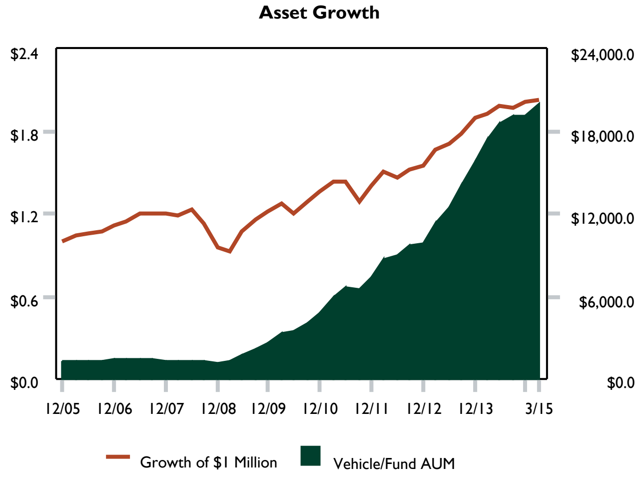


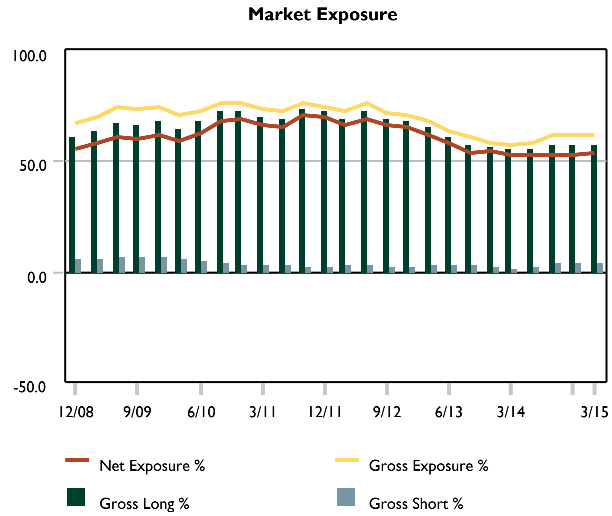


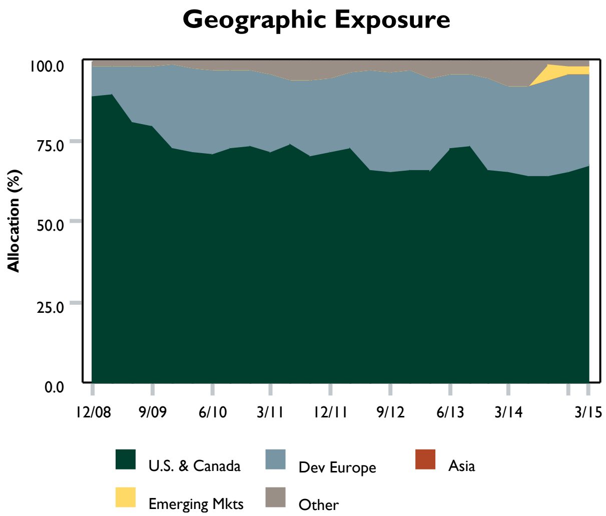
Flexible Capital Strategies

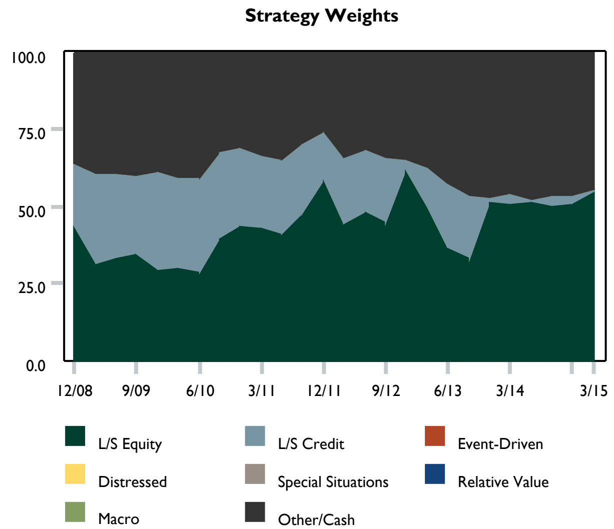
FPA Crescent Fund

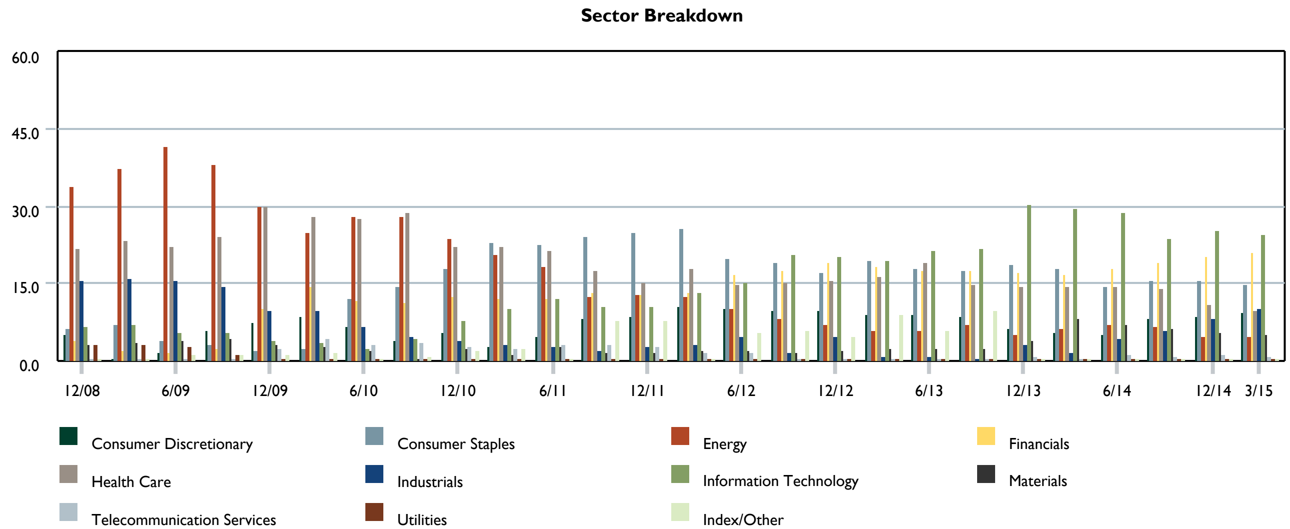
As of March 31, 2015











Market and geographic exposure exclude cash.

Fixed Income

As of March 31, 2015

	JP Morgan Core Bond Select Fund	Barclays U.S. Aggregate	Vanguard Short Term US Treasury Admiral Fund	Barclays U.S. Treasury: 1-5 Year	Total Fixed Income
Portfolio Characteristics					
Yield	2.1	2.1	0.8	0.8	1.5
Average Maturity	6.2	7.7	2.4	2.7	4.5
Duration	4.8	5.5	2.3	2.7	3.7
Quality Breakdown					
U.S. Treasury	24.7	36.1	99.7	100.0	57.9
U.S. Govt/Agency	3.0	3.3	0.0	0.0	1.6
Agency MBS	13.4	28.2	6.4	0.0	10.3
Non-U.S. Sov/Agency	0.0	4.6	0.0	0.0	0.0
AAA	29.7	4.0	0.0	0.0	16.5
AA	4.5	2.4	0.0	0.0	2.5
A	10.0	10.9	0.0	0.0	5.6
BBB	8.6	10.6	0.0	0.0	4.8
BB and Below	1.6	0.0	0.0	0.0	0.9
NR/Other	4.7	0.0	-6.1	0.0	-0.1
Sector Breakdown					
U.S. Treasury	24.7	36.1	99.7	100.0	57.9
U.S. Government Related	3.0	3.3	0.0	0.0	1.6
Non-U.S. Sovereign/Agency	0.0	4.6	0.0	0.0	0.0
Investment Grade Corporate	17.4	23.6	0.0	0.0	9.7
Industrials	8.5	14.2	0.0	0.0	4.7
Utility	1.3	1.8	0.0	0.0	0.7
Financials	7.6	7.7	0.0	0.0	4.2
High Yield	0.0	0.0	0.0	0.0	0.0
Non-U.S. Dollar	0.0	0.0	0.0	0.0	0.0
Emerging Market Debt	0.0	0.0	0.0	0.0	0.0
MBS	19.2	28.2	6.4	0.0	13.5
MBS-Agency	13.4	28.2	6.4	0.0	10.3
MBS-NonAgency	5.8	0.0	0.0	0.0	3.2
CMBS	4.6	2.0	0.0	0.0	2.6
ABS	7.5	0.5	0.0	0.0	4.2
Municipals	0.0	0.0	0.0	0.0	0.0
Cash	7.9	0.0	-6.1	0.0	1.7
Other	15.8	1.7	0.0	0.0	8.8

- Barclays U.S. Aggregate Duration represents Modified Adjusted Duration. Sector Breakdown Other is Supranationals and Other Mtgs.
- Vanguard Short Term Treasury Duration represents Average Duration. Maturity is Average Effective Maturity. Quality and Sector breakout Other/Cash reflects Short-Term Reserves.
- Barclays U.S. Treasury 1-5 Year Index Duration represents Modified Adjusted Duration.

Inflation Hedging

As of March 31, 2015

	Vanguard Short-Term Inflation Protected Securities Adm. Fund	Barclays U.S. Treasury: 0-5 Year TIPS Index
Portfolio Characteristics		
Yield	0.9	0.5
Average Maturity	2.4	2.4
Duration	2.4	1.5
Quality Breakdown		
U.S. Treasury	100.0	100.0
U.S. Govt/Agency	0.0	0.0
Agency MBS	0.0	0.0
Non-U.S. Sov/Agency	0.0	0.0
AAA	0.0	0.0
AA	0.0	0.0
A	0.0	0.0
BBB	0.0	0.0
BB and Below	0.0	0.0
NR/Other	0.0	0.0
Sector Breakdown		
U.S. Treasury	100.0	100.0
U.S. Government Related	0.0	0.0
Non-U.S. Sovereign/Agency	0.0	0.0
Investment Grade Corporate	0.0	0.0
Industrials	0.0	0.0
Utility	0.0	0.0
Financials	0.0	0.0
High Yield	0.0	0.0
Non-U.S. Dollar	0.0	0.0
Emerging Market Debt	0.0	0.0
MBS	0.0	0.0
MBS-Agency	0.0	0.0
MBS-NonAgency	0.0	0.0
CMBS	0.0	0.0
ABS	0.0	0.0
Municipals	0.0	0.0
Cash	0.0	0.0
Other	0.0	0.0

- Vanguard Short-Term Inflation Protected Securities Duration represents Average Duration. Maturity is Average Effective Maturity.

- Barclays U.S. Treasury TIPS 0-5 Years Duration represents Modified Adjusted Duration.

Inflation Hedging

As of March 31, 2015

Sector Breakdown	Nuveen Gresham Diversified Commodities Fund	Bloomberg Commodity Index
Energy	35.9	33.2
Industrial Metals	18.5	16.7
Precious Metals	12.7	16.5
Agriculture/Livestock	32.9	33.7
Other	0.0	0.0

- Nuveen Sector breakout Agriculture/Livestock includes Food & Fibers.

Portfolio Comparison

As of March 31, 2015

	Van Eck Global Hard Assets	S&P North American Natural Resources Sector
Composition		
# of Holdings	61	146
% Top 15 Holdings	53.8	51.9
% Top 25 Holdings	72.8	65.0
Characteristics		
Wtd Avg Mkt Cap ($B)	22.3	70.0
Forecast P/E	25.9	25.1
Price/Book ratio	2.0	1.9
Historical EPS Growth - 5 Year	11.1	13.3
Forecast EPS Growth - Long-Term	13.7	6.9
Current Yield	1.4	2.5
GICS Industries (%)		
Oil & Gas Drilling	2.5	2.0
Oil & Gas Equipment & Services	11.6	14.4
Integrated Oil & Gas	0.0	22.1
Oil & Gas Exploration & Production	34.4	26.8
Oil & Gas Refining & Marketing	4.7	7.6
Oil & Gas Storage & Transportation	5.7	11.1
Coal & Consumable Fuels	3.8	0.8
Fertilizers & Agricultural Chemicals	3.2	0.0
Construction Materials	0.0	1.4
Metal & Glass Containers	0.0	1.9
Paper Packaging	0.0	3.0
Aluminum	0.0	0.9
Diversified Metals & Mining	9.5	1.8
Gold	9.8	3.8
Precious Metals & Minerals	0.0	0.1
Silver	0.0	0.5
Steel	3.3	0.0
Forest Products	1.8	0.1
Paper Products	0.0	1.7
Building Products	0.7	0.0
Construction & Farm Machinery & Heavy Trucks	1.9	0.0
Railroads	0.9	0.0
Semiconductor Equipment	2.5	0.0
Cash	3.5	0.0
Market Capitalization (%)		
Mega (Above $50B)	15.3	35.2
Large ($12B - $50B)	33.9	38.8
Mid ($4B - $12B)	27.2	18.9
Small/Mid ($2B - $4B)	15.0	5.4
Small ($0 - $2B)	5.0	1.6
Cash	3.5	0.0

Inflation Hedging

As of March 31, 2015

Country/Region Allocation (%)	Van Eck Global Hard Assets	S&P North American Natural Resources Sector
Canada	11.7	12.8
United States	76.8	85.6
Europe ex UK	0.0	1.3
United Kingdom	7.4	0.3
Middle East	0.1	0.0
Developed Markets	**96.0**	**100.0**
Cash	3.5	0.0
Other	0.4	0.0

Tab V

Performance Highlights

Equity

- FPA Crescent gained 0.1%, lagging the market and many traditional long/short equity managers. FPA continues to be patient in putting capital to work, maintaining cash at roughly 45% of Fund assets. FPA has recently focused its attention on energy and shipping, which have sold off considerably over the last several quarters amid falling oil prices and day rates for shipping. Underperformance in the quarter was driven by negative returns for many of the Fund's mega cap holdings and a sharp rise from Chinese internet advertiser Tencent Holdings, which FPA is short. Tencent gained roughly 30% on the quarter, driven in part by an opening of the Chinese equity market. FPA's holdings in blue-chip stocks such as Microsoft, Alcoa, and Oracle was a drag, as earnings disappointed the market. On the positive side, FPA's short position in Alibaba, another Chinese internet company, worked in its favor, as the company has traded down since its IPO last year. FPA also had positive contributions from several foreign long equity positions. These included Naspers in South Africa and TE Connectivity in Switzerland. CVS Health was another positive, gaining 5% amid strong earnings and increased speculation regarding consolidation in the drug store industry.

- The FMI Common Stock Fund gained 2.4%, lagging the Russell 2500 Index's 5.2% climb. Though the strategy was up 7.0% for the trailing one-year period, it underperformed the benchmark's return of 10.1% for the same period. While stock selection was strong in consumer discretionary, it was unable to offset the relative underperformance in financials, health care, industrials, and materials. Within consumer discretionary, firearms manufacturer Sturm Ruger & Co (+44%) was among the top performers, bouncing back from a disappointing end to 2014. Out-of-benchmark exposure to Chilean potash producer Sociedad Quimica—the strategy's only American depositary receipt—detracted from performance, as the stock was down almost 24% during the quarter. The portfolio's underweight to health care dragged on performance, though its effects were partially offset by a beneficial underweight to financials. The portfolio's cash balance of over 13% also served as a headwind.

Performance Highlights

Equity (cont'd)

- The Dodge & Cox International Stock Fund rose 4.2% in the quarter. While strong from an absolute perspective, the Fund lagged the 4.9% return of the MSCI EAFE Index. Stock selection over the period was disappointing, particularly within financials, where the portfolio's banking names either domiciled in or exposed to Latin America struggled. Industrials was also an area of weakness. Positions in Dutch electronics company Koninklijke Philips and British engineering company Smiths Group posted losses. Selection was more successful in consumer discretionary, which was helped by positive performance from automotive and media names. Portfolio positioning also served as a tailwind to relative returns. The portfolio benefited from a continued overweight to health care, though there has been some modest profit-taking in the sector as of late. A significant overweight to information technology further boosted performance. Regionally, the portfolio continued to hold a meaningful emerging markets allocation. While valuations in the developing world aren't viewed as compelling as they were in the past, profitability and growth prospects of these companies remains strong.

- Dodge & Cox closed the International Stock Fund to new investors effective January 16, 2015. The Fund saw significant inflow activity from new investors prior to the close. By soft-closing the strategy, Dodge & Cox is seeking to preserve capacity for existing clients and manage asset flows going forward. Future capacity of the Firm's Global Stock Fund, which remains open, was also a factor in the decision. Dodge & Cox noted the International Stock Fund will remain open to existing investors for the foreseeable future.

- The Artisan International Fund rose 4.3% in the quarter, modestly trailing the MSCI EAFE Index, which gained 4.9%. Despite underperformance over the first three months of 2015, longer-term performance remains strong. Specific to the first quarter, stock selection was disappointing, particularly within consumer discretionary and industrials. Notable detractors included Sands China (Macau gaming), Babcock International Group (U.K.-based support services), and IHI Corp. (Japanese heavy equipment producer). Selection within financials was more successful, as the portfolio's names either domiciled in or exposed to Asian markets performed well. From a sector perspective, the portfolio was helped by its large overweight to health care. Holdings with little exposure to energy also were additive, as the sector continued to struggle given weak oil prices. Regionally, a significant overweight to Germany served as a tailwind as the weaker euro boosted competitiveness of the country's globally oriented economy. This benefit was partially offset by a continued underweight to Japan. Emerging markets exposure—approximately 14.1% at quarter-end—also was a headwind during the period.

Performance Highlights

Alternative Strategies

- Forester Partners gained 1.8%, trailing the 2.8% return for the HFRI FOF: Strategic Index. Forester's underperformance in the quarter was driven in part by the Fund's asset allocation. Notably, a lack of exposure to macro managers—among the top performers of the hedge fund universe in the quarter—weighed on results. Forester also avoids highly levered and activist strategies, many of which outperformed in the first quarter. The Fund had disappointing results from one of its largest long/short allocations, as Kensico was negative after a top holding, Sandisk, fell more than 30% in the quarter after missing earnings. Falcon Edge also held Sandisk as a top position and was hurt by an outsized stake in Chinese e-commerce company Alibaba, which was down roughly 20% in the first quarter. The weakness at Kensico and Falcon Edge was mitigated by strong returns elsewhere in the portfolio. Viking (+5.0%) and Samlyn (+6.5%) both profited from trades in consumer and health care, while Steadfast was the top contributor, gaining more than 10% in the quarter. Steadfast had a large position in drug companies Allergan and Actavis, which successfully merged in the quarter, leading to double-digit gains for both companies. European manager TCI was also quite strong, led by a profitable trade in Spanish airport operator Aena, as the company went public during the quarter.

- Archstone Absolute Return rose 0.7% amid modest gains and losses across event-driven and credit focused managers. The top performing managers during the quarter were multi-strategy funds from Farallon and Och-Ziff, which returned 3.7% and 2.6%, respectively. Both managers have increased their allocations to equities in recent periods, which was a benefit during the quarter. A recent uptick in merger activity was also contributive, as several large deals in health care, consumer, and cable/media offered arbitrage opportunities. Multi-strategy manager Davidson Kempner has much less equity exposure than Farallon and Och-Ziff, and was up a modest 1% in the quarter. Elliott International was down 0.5% as gains in credit and arbitrage were offset by the fund's significant equity and volatility hedging portfolios. Results for credit-focused managers were similarly mixed, with York Credit up 1.7%, Silver Point flat, and King Street down 0.4%. York was aided by the successful sale of Indiana Toll Roads to an Australian operator, which caused debt in the restructured highway system to trade up considerably. Ongoing headwinds in energy weighed on bonds of TXU, which are large holdings for King Street and DW Catalyst. However, DW Catalyst was up modestly at 0.7%.

Performance Highlights

Fixed Income

- JPMorgan Core Bond Select rose 1.5%, compared to a 1.6% gain in the Barclays U.S. Aggregate Index. Outside of the expense ratio, there were a few key detractors during the quarter. First, the Fund maintained a duration underweight, which was built via an underweight to the very long-end of the yield curve, and an overweight in the one-year or less part of the term structure. As Treasury yields declined and the curve flattened, duration and term structure positioning served as a headwind. In addition, the Fund had an overall underweight to corporate credit, which detracted from performance as credit spreads narrowed during the quarter. This made corporates the best performing sector in the Index. On the positive side, the Fund's positions in areas of securitized—particularly in MBS, CMO, and CMBS—provided relative strength during the period. Entering the second quarter, there were a few changes in exposure. The cash balance drifted higher as a result of investor inflows and MBS paydowns. The weight in MBS declined, as the team chose not to reinvest principal paydowns received from existing holdings into new production securities that have been coming at tight spreads. The team also modestly reduced corporate exposure. The only area of the market where the team sees value and has been active in is the ABS market. The team is partial to ABS, owing to the short duration and yield advantage that has been typical of the deals in which it's invested. Duration increased a modest 0.1 years to 4.8 years, but remains below the Index duration of 5.3 years. The Fund's 2.0% yield to maturity was at a 15 bps premium to the Index yield, with the option-adjusted spread increasing from 78 bps to 80 bps, compared to a 1 bps increase to 41 bps in the Index. Please note that JPMorgan Private Wealth, a division of the asset management group, is being scrutinized by the SEC and the Office of the Comptroller of the Currency (OCC) regarding conflicts of interest related to allegations that JPMorgan recommended its own funds to clients rather than better-performing options.

- During the quarter, Vanguard Short-Term Treasury returned 0.5% and underperformed the 0.9% return of the Barclays 1–5 Year Treasury Index. The Fund held 82.8% of the portfolio in Treasuries in the 1–3 year maturity range compared to the Index weight of 64.9%. The remainder of holdings in the Fund and in the Index are in the 3–5 year maturity range. Treasuries maturing in the next 1–3 years returned 0.5% compared to 1.5% for those maturing in the next 3–5 years. Some of the impact was offset by the Fund's non-Index exposure in the 5–7 year part of the curve. However, the less than 1% allocation to this segment was not enough to compensate for the overweight at the very front-end of the curve. As a result, this term structure exposure was the key driver of underperformance. Entering the second quarter, the Fund's 2.3 year duration was roughly 0.4 years shorter than the duration of the Index, while the Fund's 0.8% yield was only 4 bps lower than the Index yield.

Performance Highlights

Inflation Hedging

- The Gresham TAP Strategy and the Nuveen Diversified Commodity Fund declined approximately 5.9%, outperforming the 5.9% fall of the Bloomberg Commodity Index. TAP's outperformance during the quarter was largely attributable to its energy and foods and fibers exposure. An underweight to natural gas combined with contract selection was additive, as a mild winter led to lower-than-expected draws on natural gas inventory and a decline in prices. Sugar and coffee were the worst absolute performers, but a relative underweight mitigated the impact on total results. Agriculture was also a relative contributor during the quarter. While wheat declined sharply on strong global supply expectations and soft U.S. export demand, the portfolio's continued underweight to Chicago wheat was positive. Livestock continues to be a source of relative strength—specifically live and feeder cattle—as a result of roll timing and curve positioning.
- Van Eck Global Hard Assets advanced 0.9%, outperforming the 1.5% decline of the S&P North American Natural Resources Index's by 240 bps. The Fund's allocation to energy drove relative performance. Its 32% allocation to exploration and production provided approximately 275 bps in relative out-performance, mostly due to stock selection. Exposure to all other oil and gas sectors—at 23% of Fund capital—was also additive, driven by security selection. Relative performance was helped by the Fund's 0% allocation to integrateds, as that sub-sector sold off 6.6% during the period. Lastly, the Fund's 7% allocation to cash supported performance, as the Index posted a negative return. During the period, the metals and mining sector sold off sharply (-15%) and the Fund's allocations generally underperformed. The 10% allocation to diversified metals and mining cost the Fund approximately 175 bps, while exposure to gold companies (an 11% allocation) detracted about 70 bps. Finally, a 4.5% allocation to coal-focused companies cost the Fund roughly 110 bps.

Firm Information: First Pacific Advisors

Total Assets ($M):	$33,077
Style:	Long/Short Equity
Assets in Style ($M):	$20,000
Year Founded:	1953
Location:	Los Angeles, CA
Ownership:	- Founded in 1953- 100% Employee Owned
Registration:	SEC (2006)
GP Capital:	N/A

Key Investment Professionals:

Steve Romick, CFA joined FPA in 1993 and currently serves as portfolio manager of the FPA Crescent fund and separate accounts in the Contrarian Value style, as well as the FPA Hawkeye Fund and FPA Multi-Advisor Fund. Romick was previously Chairman of Crescent Management and a consulting security analyst for Kaplan, Nathan, and Company. He earned a BS in education from Northwestern University.

Brian Selmo, CFA joined FPA in 2008 and currently serves as co-portfolio manager of FPA Crescent and Dir. of Research for the FPA Contrarian Value Strategy. He was previously a founder and managing member of Eagle Lake Capital, LLC, and Portfolio Manager of its predecessor - the Coast Special Situations Fund, from 2003 to 2008. Previously, he was Analyst at Third Avenue Management and Rothschild, Inc. Brian earned a Bachelor's degree in Economics from The John Hopkins University.

Mark Landecker, CFA joined FPA in 2009 and currently serves as co-portfolio manager of FPA Crescent and as portfolio manager for the FPA Global Opportunity Fund. Prior to joining FPA, Mark served as Portfolio Manager at both Kinney Asset Management and Arrow Investments, Inc. Mark earned a BBA from the Schulich School of Business, York University, Toronto, Canada.

Investment Objective and Philosophy/Process

Portfolio manager Steve Romick seeks to take an opportunistic approach to investing, looking for value in all parts of a company's capital structure, including common and preferred stocks as well as corporate, mortgage-backed and convertible bonds. The focus is on value, emphasizing low price-to-earnings ratios as well as discounts to private market value. The contrarian style may lead to a focus on absolute rather than relative return. As such, Romick has the flexibility to hold meaningful levels of cash during periods when he is not identifying compelling opportunities. The portfolios is constructed without regard to asset class as each investment must pass the same return/risk hurdle. The most commonly held equity positions are intended to be what Romick classifies as 3:1s. Expected return is targeted to be at least the rate of return they expect from the equity market over the long term, and, the 12-month downside potential cannot be greater than one-third of the upside potential over the next 24 months. Romick directs his attention to companies that he believes offer the best combination of quality criteria including, but not limited to, strong market share, good management, and high normalized return on capital. Sales will generally occur when a company reaches its price target. For stocks that meaningfully decline in value, the thesis for ownership is revisited such that the position may be increased if the case for investment still holds, or sold if there is substantive negative change. Short equity investments, which are limited to 10% of assets by the Fund's Board of Directors, are often initiated in deteriorating businesses or companies with balance sheet issues. Romick will allocate to high yield debt when he believes yields are attractive and will also look for distressed debt situations in both the corporate and structured asset classes.

Assessment

FPA has historically generated attractive risk-adjusted returns following a contrarian value strategy in a mutual fund format. Portfolio manager Steve Romick is more than content owning high levels of cash or fixed income if he does not see what he describes as 'fat pitches' in the equity market and cash has reached as high as 55%. Romick's fixed income holdings are typically high yield offerings while his stock investments are value-oriented names, more recently emphasizing large caps but historically tilted to small and midcap stocks. This contrarian approach has done very well in down markets such as 2001, 2002, and 2008. Given the potential heavy allocation to cash, the strategy is likely to underperform in rising markets even during periods when stock selection is strong. Assets for this strategy have increased considerably over the last several years and this may limit FPA's ability to meaningfully invest in smaller companies going forward. However, we believe the highly flexible mandate employed by FPA and the contrarian nature of the strategy make this an attractive option for clients seeking a more liquid absolute return oriented strategy. FPA added Selmo and Landecker as co-PMs in 2013, with Dennis Bryan stepping down as PM to focus on his duties as PM of the Firm's SMAV strategy. We still consider Romick to be the key decision maker for FPA Crescent and do not believe that this transition will have a meaningful impact on the management of the Fund.

This is a Prime Buchholz recommended strategy.

Vehicle Information

Inception:	June 1993	**3c1/3c7:**	None
Assets ($M):	$19,960	**Subscriptions:**	Daily
Minimum Account Size:	$1,500	**Redemptions (notice):**	Daily (2% redemption fee < 90 days)
Management Fee:	1.26%, 2.0% redemption < 90 days	**Lock-up:**	None
Profit Allocation:	None	**ERISA Capacity:**	N/A
Highwater Mark:	None	**Prime Broker:**	N/A
Hurdle Rate:	None	**Administrator:**	First Pacific Advisors, LLC
UBTI:	N/A	**Auditor:**	Deloitte & Touche LLP
Additional Expenses:	Short sale dividend expense, other (0.19% at March 31, 2011)	**Legal Counsel:**	K&L Gates LLP
Additional Vehicles:	N/A		

Profile: Forester Offshore, Ltd. — March 31, 2015

Firm Information: Forester Capital

Total Assets ($M):	$4,000
Style:	Directional Hedge FOF
Assets in Style ($M):	$1,675
Year Founded:	1999
Location:	Greenwich, CT
Ownership:	100% Trent Carmichael and family.
Registration:	SEC
GP Capital:	$28.5 million across funds (as of 9/30/2010)

Key Investment Professionals:

Trent Carmichael - Prior to founding Forester Capital, Mr. Carmichael was with Tiger Management from 1996 to 1999, Nelson Capital Management from 1991-1994 and Donaldson, Lufkin and Jenrette from 1988-1990. Mr. Carmichael has a Master's degree in Management from the Kellogg School and a BA in Economics from Duke University. He has obtained the Chartered Financial Analyst designation.

Fritz Fortmiller - Mr. Fortmiller joined Forester in 2006. Prior to Forester, he worked at Cambridge Associates from 1999-2005 as a Specialist Consultant, Research Consultant and Associate. Prior to that, he founded Turnbuckle Records and worked as a Paralegal Specialist in the U.S. Attorney's Office. BA in Philosophy from Yale University. He has obtained the Chartered Financial Analyst designation.

Investment Objective, Philosophy/Process, and Assessment

The fund seeks to achieve medium to long-term returns that are superior to the broad market averages while assuming less risk.

Diversification will be achieved through investment in managers that have different expertise in industry sectors, cap sizes, or geographical areas. Forester looks for managers who have a demonstrated track record, and a past ability to generate both long and short ideas, as well as have a significant amount of their own net worth in their fund. Individual managers are limited to 25% of overall portfolio. Forester may invest up to 10% in an affiliated fund. The fund does not invest in managers who specialize in currencies, bonds or commodities.

Based on our research of hedge funds, we believe the Fund consists of high quality underlying hedge funds and is offered at a reasonable fee. This Fund may be more diversified than some other fund-of-funds as Forester tends to weight highest conviction ideas in the range of 4.5%-6.5%. Forester has been able to leverage long-standing relationships in the hedge fund industry that can often lead to early access to new managers. Forester provides a high degree of transparency, including manager names and allocation ranges, market and regional exposures, and quarterly letters.

The offshore fund was rolled out in January of 2004. The fund is identical in strategy and process to the Forester Partners, LP. Forester Partners II, LP was created to accommodate 3c1 investors when Forester Partners LP converted to a 3c7 vehicle in January 2008. There is substantial overlap between managers in Forester Partners, LP, Forester Partners II, LP and Forester Offshore, Ltd. This is a Prime Buchholz recommended strategy.

*A partial list of the Fund's largest manager allocations appears to the right. Prime, Buchholz receives full transparency from Forester and clients may receive a full manager list by signing a separate non-disclosure agreement with Forester.

*Forester prefers offshore investors under the $2 million minimum to choose the 3yr liquidity, B share class.

*Allocations to 3c-1 products are subject to slot availability.

Sample Portfolio Characteristics

Underlying Funds (12/31/2014)	*Alloc %*	*Strategy*
Kensico Offshore Fund, Ltd.	9	Long/Short Equity
Viking Global Equities III, Ltd.	9	Long/Short Equity
Samlyn Offshore Fund, Ltd.	6	Long/Short Equity
Pennant Windward Fund, Ltd.	5	Long/Short Equity
Abrams Bison Offshore Fund, Ltd.	4	Long/Short Equity
Coatue Offshore Fund, Ltd.	4	Long/Short Equity
Falcon Edge GLobal, Ltd	4	Global L/S Equity
Lansdowne Developed Markets Long Only Fund Limited USD Shares	4	
Tiger Global, Ltd.	4	Long/Short Equity
Castine Offshore Fund, Ltd	3	US Low Net Sector
Hengistbury Fund, Ltd	3	European Equity
Impala Fund, Ltd.	3	Long/Short Equity
Steadfast International Ltd.	3	Long/Short Equity
Aurelius Capital Management, LP	2	Absolute Return
Cyrus Capital Partners, LP	2	Absolute Return
HHR Atlas Ltd.	2	Long/Short Equity
Hirzel Capital	2	Long/Short Equity
Impala Fund, LP	2	Long/Short Equity
Lakewood Capital Partners, L.P.	2	Long/Short Equity
Newtyn Partners, LP	2	Long/Short Equity

Vehicle Information

Inception:	January 2004	**3c1/3c7:**	3c7
Assets ($M):	$725	**Subscriptions:**	Quarterly
Minimum Account Size:	$2,000,000	**Redemptions (notice):**	A: Annual (anniversary) B: Three-year liquidity (95 days)
Management Fee:	1.0%, underlying manager fees	**Lock-up:**	A: Two years B: Three years
Profit Allocation:	A: 3%, B: None	**ERISA Capacity:**	No
Highwater Mark:	Yes	**Prime Broker:**	N/A
Hurdle Rate:	NA	**Administrator:**	International Fund Services LLC
UBTI:	No	**Auditor:**	Ernst & Young LLP
Additional Expenses:	Accounting, legal, filing (approx. 18 bps)(0.07% in 2012)	**Legal Counsel:**	Ogier
Additional Vehicles:	Onshore 3c1 and 3c7		

Firm Information: Archstone Partners

Total Assets ($M):	$3,340
Style:	Absolute Return - Market Neutral
Assets in Style ($M):	$339
Year Founded:	1991
Location:	New York, NY
Ownership:	Alfred Shuman 80%; Balance in declining order: Stanley Shuman; Richard Nye; Steven Kotler; Stephanie Shuman; Joseph Pignatelli; David Parker; John Marshall
Registration:	SEC
GP Capital:	$6.8 Million

Key Investment Professionals:

- Alfred Shuman - Founder. BA from Harvard ('61) and MBA from Harvard Business School ('63). Serves as Trustee of various non-profit and educational organizations.

- Joe Pignatelli - President of Archstone Funds. Over 15 years experience in investment management. Oversees all manager analysis, asset allocation, and coordination of legal/financial issues. Bachelors from Pace University and Masters from Baruch College.

-David Parker - COO and Chief Compliance Officer. BS from University of Texas and MBA from Harvard Business School. Duties include all management-related issues, strategy, planning, and governance.

Other investment professionals include Mark Smith, Barbara Barlick, Kevin Jornlin & Edgar Smith.

Investment Objective, Philosophy/Process, and Assessment

The Fund's primary objective is to consistently earn positive returns regardless of the direction of the market.

The Fund seeks to achieve its objective by employing a diversified group of managers and strategies that have a low correlation to traditional broad markets. The Fund's volatility seeks to approximate that of the U.S. fixed income markets. Hedge funds that have relatively conservative investment strategies are generally preferred. Relative value and non-directional strategies are emphasized, along with event driven and distressed investing. Specific strategies employed by the underlying managers (ten to twenty) include convertible arbitrage, merger arbitrage, statistical arbitrage, event driven, and fixed income arbitrage (allocations are listed to the right). Archstone requires that its underlying managers have at least $5 million invested in the Fund and that the invested amount represents at least 50% of the managers' net worth. Leverage may be employed by the underlying managers, but has, for the most part, used rarely and for operational purposes at the fund level.

We believe Archstone has a strong and experienced team. Based on our research of hedge funds, we believe the Fund consists of high quality underlying hedge funds. This Fund may be more concentrated than some other fund-of-funds and Archstone is willing to size up their high conviction managers. The firm has been able to leverage long-standing relationships in the hedge fund industry that can often lead to early access to new managers. Archstone provides full transparency, including manager names and allocations, exposures, and detailed quarterly letters. Archstone passes through a greater percentage of operating expenses to fund investors than many of their peers and these increased fees should be taken into consideration when investing with Archstone. This is a Prime Buchholz recommended strategy.

Sample Portfolio Characteristics

Underlying Funds (12/31/2014)	*Alloc %*	*Strategy*
Elliott International, Ltd	12	Multi-strategy Hedge
Farallon Capital Offshore Investors, Inc.	11	Absolute Return - Event-Driven
York Credit Opportunities Unit Trust	10	Credit and distressed debt
Davidson Kempner International, Ltd.	10	Absolute Return Multi-Strategy
Fir Tree Capital Opportunity Fund II, Ltd.	10	Absolute Return
Silver Point Capital Offshore Fund, Ltd.	10	Absolute Return
DW Catalyst Offshore Fund, LTD.	10	Absolute Return
Serengeti Opportunities Fund	9	Event Driven
King Street Capital Ltd.	9	Distressed Debt/Credit
Och Ziff Overseas Fund, Ltd.	8	Absolute Return - Event Driven

Vehicle Information

Inception:	January 2002	**3c1/3c7:**	3c7
Assets ($M):	$339	**Subscriptions:**	Monthly (1mm min for PBA)
Minimum Account Size:	$2,500,000	**Redemptions (notice):**	Semiannual (6/30, 12/31) with 90 days notice
Management Fee:	1.11%-1.14% flat fee or 1% & 5% incentive; Underlying Manager Fees	**Lock-up:**	One year
Profit Allocation:	0% for flat fee/5% for incentive fee structure	**ERISA Capacity:**	Yes
Highwater Mark:	Yes, for incentive fee structure	**Prime Broker:**	N/A
Hurdle Rate:	NA	**Administrator:**	SS&C Technologies, Inc.
UBTI:	No	**Auditor:**	Ernst & Young LLP
Additional Expenses:	Payroll and all operating expenses (0.49% in 2012, capped at 0.60% excl. interest expense)	**Legal Counsel:**	Walkers SPV Limited (Cayman); Willkie Farr & Gallagher LLP (US)
Additional Vehicles:	NA		

Profile: Vanguard Short-Term Inflation Protected Securities Index — March 31, 2015

Firm Information: Vanguard Group, Inc.

Total Assets ($M):	$3,200,842
Style:	Domestic Fixed Sector Index
Assets in Style ($M):	$11,400
Year Founded:	1975
Product Inception:	December 2012
Location:	Valley Forge, PA
Ownership:	The firm is owned by fund shareholders.

Key Investment Professionals:

- Greg Davis - Davis is Head of Fixed Income Portfolio Management and has been with Vanguard since 1999. He earned a B.S. from Pennsylvania State University and an M.B.A. from the University of Pennsylvania.
- Joshua Barrickman, CFA - Barrickman was promoted to Head of Vanguard's Bond Index Group in 2013 and he joined the firm in 1999. He earned a B.S. from Ohio Northern University and an M.B.A. from Lehigh University.
- Gemma Wright-Casparius. Wright-Casparius joined Vanguard in 2011 from GIC, Singapore's SWF. She has more than 30 years of experience and obtained a B.B.A. degree in Economics and Finance and an M.B.A. degree from Bernard M. Baruch College of The City University of New York.

Investment Objective and Philosophy/Process

Investment Objective: The Fund seeks to provide inflation protection and income consistent with investment in short-term U.S. inflation-indexed securities.

Philosophy/Process: Unlike the existing Vanguard Inflation-Protected Securities Fund, which is actively managed, Vanguard Short-Term Inflation-Protected utilizes a more passive approach to build the portfolio; however modest benchmark relative deviations may be implemented from time to time. PM Gemma Write-Casparius works closely with the Bond Index Group that is led by Joshua Barrickman. Securities are selected that will keep the fund's characteristics in line with those of the index. Risk control is a priority of Vanguard. The group created a desktop dashboard report to monitor various risks across the products such as yield curve mismatches, broad sector allocation differences, quality exposure, and issuer-level violations. In addition, the risk management team produces, on a monthly basis, tracking error reports that show total tracking error and the various contributions to tracking error. The dashboard is used on a daily basis to manage tracking error that results from the various risk factors whereas the risk management report quantifies sources of tracking error each month. Given the liquidity of the U.S. TIPS market, virtually all Index securities will be held in the portfolio.

Assessment

Vanguard is one of the largest asset managers in the world, focusing mainly on low cost, passively managed funds. Similar to many Vanguard index options, the Fund carries a low management fee. One of the benefits highlighted by Vanguard is that short-term TIPS offer a better hedge to inflation, particularly to energy-related inflation. Some considerations include Vanguard's preference for longer-term commitments and securities lending. While the Fund offers daily liquidity, Vanguard prefers longer-term commitments and requests advance notice for redemptions of a large dollar amount. Securities lending is allowed per the prospectus. Near the end of Q3 2011, Vanguard announced that it was discontinuing securities lending in its fixed income strategies. As a reminder, Vanguard only lends special securities with a high scarcity premium rather than a liquid security with a low scarcity premium because they can earn a larger spread from the reinvestment for securities with high scarcity premiums and they see few fixed income opportunities at this time. However, if Vanguard were to re-engage in securities lending, we feel that the firm implements a conservative policy as it pertains to the practice. Furthermore, 100% of the net lending proceeds are credited to the Fund. We remain comfortable with Vanguard's practices and believe that the firm would not want to break the implicit trust of shareholders by taking on more risk to pursue these additional revenue sources. Some market-related considerations include the significant yield disadvantage of short-term TIPS vs. full-market TIPS. Also, investors should consider an investment in this strategy vis a vis the client's real asset portfolio to assess whether the incremental inflation protection to energy is warranted. Please note that Robert Auwaerter retired at the end of March 2014 and was replaced by Greg Davis who previously served as Head of Bond Indexing. This is a Prime Buchholz recommended strategy.

Product Information and Sample Operational Detail (Vanguard Shrt-Term Infl-Prot Sec Idx Ins)

Quality/Avg. Quality:	AAA/AAA	**Securities Lending:**	Yes
Duration:	Index-like	**Assets in Composite:**	N/A
% Non-Investment Grade:	0	**GIPS Compliant:**	No
% Foreign:	0	**Last Audited Financials:**	9/30/2014
Security Constraints:	80% of its assets in inflation-indexed securities	**Accountant/Auditor:**	PricewaterhouseCoopers LLP
Sector Constraints:	80% of its assets in inflation-indexed securities	**Custodian:**	JPMorgan Chase
Avg # of Securities:	~15	**Administrator:**	Vanguard
Turnover:	N/A		

Vehicle Information

Vehicle Name (Ticker)	Minimum	Assets ($M)	Fee	Type
Vanguard Short-Term Infl-Prot Secs ETF (VTIP)	$0	$1,700.0	0.10%	MF
Vanguard Shrt-Term Infl-Prot Sec Idx Adm (VTAPX)	$10,000	$1,500.0	0.10%	MF
Vanguard Shrt-Term Infl-Prot Sec Idx Ins (VTSPX)	$5,000,000	$3,300.0	0.07%	MF

Firm Information: Gresham Investment Management, LLC

Total Assets ($M):	$14,800
Style:	Commodities Direct Active
Assets in Style ($M):	$4,500
Year Founded:	1992
Product Inception:	December 1987
Location:	New York, NY
Ownership:	40% Gresham/ 60% TIAA-CREF

Key Investment Professionals:

Jonathan S. Spencer, President of Gresham Investment Management LLC, is responsible for the day-to-day investment and operational activities of Gresham.

Robert J. Reeves, CFO. Reeves joined Gresham Investment Management, LLC in July 2009.

Susan Wager, Managing Director of Gresham LLC-- Senior Trader for Gresham NTA since March 2005. She is responsible for Gresham's Long/Short Strategy as well as all option-related strategies, and she assists with implementation of Gresham's long-only strategies, including TAP®

Randy Migdal, Managing Director of Gresham LLC and Head Trader for Gresham NTA (since June 2006). He is responsible for Gresham's Near Term Active Implementation strategies, including TAP®, and he assists with the implementation of Gresham's Long/Short Strategy.

Investment Objective and Philosophy/Process

Investment Philosophy & Process: The investment objective of the Fund is to provide value enhancement to an investor's portfolio as well as a partial inflation hedge, with an attractive risk/return profile as compared to other products using a commodity index or pool of commodities. The TAP strategy utilizes a passive buy-and-hold investment strategy that seeks to benefit from price movements, combined with premium conditions that may exist from time to time. Weightings of each tangible commodity are reset at the beginning of each year and are determined by Gresham's research and development staff based upon such factors as the dollar value of commodities with the highest production values and greatest dollar volumes of trading from each of the following six exchange traded groups: agricultural, livestock, foods and fibers, energy, precious metals and industrial metals. The commodity groups, selections within the groups, and weightings of commodities have changed during TAP trading history. For example, TAP has exposure to Brent Crude Oil despite it not being included in the Bloomberg Commodities Index. The portfolio seeks to take advantage of both mean reverting and trending characteristics of commodities. Commodities in the portfolio are rebalanced periodically to their target weights when the price changes cause their actual allocations to deviate substantially from those weightings. TAP generally trades the near month futures, but other months might be used for liquidity or other reasons. As a futures nears its last trading date or first delivery date, positions in the contract month are closed out and rolled into later contract months. The timing of this process is market driven.

Assessment

Assessment: Commodities futures investment has historically provided a diversified portfolio with inflation protection and diversification over the long term. Gresham Investment Management has established an over 20 year successful track record of investing in commodities through it's Tangible Asset Program® (TAP) investment strategy which combines a strict rules based methodology with market driven active management oversight. Prime Buchholz recommends the TAP Fund as an appropriate vehicle to access the attributes of investment in a diversified commodities portfolio.

The collateral portfolio for the TAP vehicle is managed by Gresham Investment Management while the collateral portfolio for the Nuveen mutual fund vehicle is managed by Nuveen Investment Management's fixed income team. Both teams manage to the same conservative guidelines of investing in cash equivalents or short term debt with terms of less than one year and primarily direct and guaranteed obligations of U.S. Government and senior obligations of U.S. Government agencies.

Tracking Error For Mutual Fund: Gresham attempts to manage the mutual fund in an identical manner as the TAP commingled fund. However, at lower AUM levels for the mutual fund, futures contract sizes may be too large for the mutual fund's allocation to an individual commodity, resulting in overweights or under-weights to certain commodities and therefore variations in performance relative to the TAP product. Q1 2015 AUM is approximately $120 mln, growing from $7.2 at its Q3 2012 inception. The mutual fund's average quarterly tracking error has been less than 10 bps since inception.

Nuveen Investments, which has a 60% equity stake in Gresham, was acquired by TIAA-CREF. Nuveen Investments was previously owned by the private equity firm Madison Dearborn. Gresham has been operating under an independent operating agreement under Nuveen and will continue to operate independently under TIAA-CREF.

This is a Prime Buchholz recommended strategy.

Product Information and Sample Operational Detail (The TAP Fund, LLC)

Security Constraints:	Strategic Portfolios	**Securities Lending:**	N/A
Sector Constraints:	no 2 sectors may total >60%	**GIPS Compliant:**	
Avg # of Securities:	25	**Last Audited Financials:**	12/31/2014
Turnover:	Continuous	**Accountant/Auditor:**	KPMG (formerly Rothstein Kass)
Assets in Composite:	NA	**Custodian:**	JPMORGAN CHASE
		Administrator:	Citco Fund Services (Curacao) N.V.

Vehicle Information

Vehicle Name (Ticker)	Minimum	Assets ($M)	Fee	Type
Nuveen Gresham Diversified Commodity Strategy I Fund	$100,000	$119.8	1.07%	MF
The TAP Fund LTD	$250,000	$1,500.0	< $5 mil 100 bps; $5 to $10 mil 90bps; >$10 mil 70 bps	3c7
The TAP Fund, LLC	$250,000	$2,998.0	< $5 mil 100 bps; $5 to $10 mil 90bps; >$10 mil 70 bps	3c7

Firm Information: Van Eck

Total Assets ($M):	$32,602
Style:	Public Real Direct Natural Resources
Assets in Style ($M):	$5,841
Year Founded:	1955
Product Inception:	November 1994
Location:	New York
Ownership:	Family Owned - Jan F. Van Eck and Family Trusts (50% - 75%)John C. Van Eck (10% - 25%)Deborah Van Eck and Family Trusts (5% - 10%)

Key Investment Professionals:

Charles Cameron - He has over 20 years of experience in international and financial markets. He joined Van Eck in 1995 as Director of Trading and oversees all trade execution and specializes in constructing commodity spread and directional trades. He has earned a B.A. from Boston University and an M.B.A. from NYU.

Shawn Reynolds - He has over 15 years of experience and was previously employed by Goldman Sachs, Lehman Brothers, and C.S. First Boston prior to joining Van Eck in 2005. He has earned an engineering degree from Cornell, a masters from University of Texas, and an M.B.A. from Columbia Business School.

Investment Objective and Philosophy/Process

Van Eck Global Hard Assets seeks long term capital appreciation through investment across various hard asset sector equities and commodities. The Fund uses a flexible approach to investing in commodity related equities, but also has the ability to invest in commodities by using derivatives. The investment process begins with a universe of 500 companies. Van Eck uses a combination of internal and external research to refine the universe and develop the portfolio. The initial universe of 500 stocks is screened for value and potential growth catalysts. The team creates a focused list and then refines the list through fundamental company research and creating a view of the supply and demand dynamics of the commodity markets. Internal research is conducted through proprietary models by checking valuations and conducting technical analysis. In addition, the team visits companies and conducts on-site meetings with management teams. Van Eck then complements their internal research with external research by using sell side reports, attending conferences, reading trade publications, and speaking with industry consultants. Supply and demand views are developed by analyzing macroeconomic factors, geopolitical risks, and contacting competitors. The final step of the process includes portfolio construction and implementing risk controls. The portfolio is created by diversification across sectors and utilizing position limits for each holding. Van Eck seeks to own about 60 -100 positions at all times. The top ten holdings of the fund usually make up about 30-35% of total assets. Typical sector exposure is as follows; 30% - 65% energy, 0% - 25% precious metals, 0% - 25% base metals, and 0% - 25% agriculture/timber. These ranges are guidelines for the portfolio and management and can deviate from these ranges depending on their view of the current market. Individual positions are capped at 5% of the portfolio and typical exposure is about 2.5%. Commodity positions generally fall within a range of 0% - 5% of the portfolio. Van Eck implements their commodity trades through primarily ETFs, but does have the flexibility to use derivatives to gain market exposure.

Assessment

Van Eck is an investment manager with a long term track record of successful investing. The firm has an evolved research process that provides insights into the relative value of resource assets, as well as thoughtful stock analysis, portfolio construction, and diversification. Global Hard Assets maintains diversified natural resource sector exposures and is actively managed in a risk controlled manner relative to its benchmark. Given these characteristics, we recommend Global Hard Assets for appropriate client investment.

Product Information and Sample Operational Detail (Van Eck Global Hard Assets I)

Security Constraints:	5% cap	**Securities Lending:**	N/A
Sector Constraints:	Energy between 30% - 65%, the remaining between 0% - 25%	**GIPS Compliant:**	No
Avg # of Securities:	~70	**Last Audited Financials:**	12/31/2014
Turnover:	0.4	**Accountant/Auditor:**	Ernst & Young LLP
Assets in Composite:	N/A	**Custodian:**	State Street Bank & Trust Company
		Administrator:	Van Eck Associates Corporation

Vehicle Information

Vehicle Name (Ticker)	Minimum	Assets ($M)	Fee	Type
Van Eck Global Hard Assets I (GHAIX)	$1,000,000	$2,573.3	1.00%	MF
Van Eck Global Hard Assets Y (GHAYX)	$1,000	$1,672.2	1.13%	MF

Historical Performance

Return and Risk Summary

As of March 31, 2015

	1 Quarter Return	Previous Quarter Return	1 Year Return	1 Year Standard Deviation	3 Years Return	3 Years Standard Deviation	5 Years Return	5 Years Standard Deviation	7 Years Return	7 Years Standard Deviation	10 Years Return	10 Years Standard Deviation
Fidelity Spartan Total Market Index Advisor Fund	1.8	5.2	12.3	4.4	16.3	8.0	14.7	14.6	9.4	18.8	NA	NA
Wilshire 5000 Total Market Index	**1.8**	**4.9**	**11.9**	**4.2**	**16.3**	**8.0**	**14.7**	**14.6**	**9.5**	**18.8**	**8.6**	**16.5**
FPA Crescent Fund	0.1	2.5	4.7	3.2	10.4	5.5	9.7	9.1	8.0	12.5	8.2	10.8
S&P 500 Index	**1.0**	**4.9**	**12.7**	**4.1**	**16.1**	**7.8**	**14.5**	**14.1**	**8.9**	**18.2**	**8.0**	**16.0**
60% Russell 2500 / 40% BC Global Credit	**2.7**	**3.8**	**5.6**	**6.4**	**11.6**	**6.6**	**11.4**	**11.7**	**8.9**	**15.5**	**8.1**	**13.5**
HFRI Equity Hedge (Total) Index	**2.0**	**0.0**	**2.7**	**2.9**	**6.1**	**5.3**	**4.7**	**8.4**	**3.3**	**11.5**	**4.8**	**10.3**
FMI Common Stock Fund	2.4	4.8	7.0	8.0	12.9	9.6	13.2	15.1	12.0	18.9	10.5	16.9
Russell 2500 Index	**5.2**	**6.8**	**10.1**	**9.4**	**17.1**	**10.0**	**15.5**	**17.6**	**11.2**	**21.9**	**9.6**	**19.4**
Dodge & Cox International Stock Fund	4.2	-4.7	1.5	8.4	12.2	11.2	8.0	18.0	4.3	25.5	7.0	22.3
MSCI AC World ex USA (Net)	**3.5**	**-3.9**	**-1.0**	**8.9**	**6.4**	**10.6**	**4.8**	**16.4**	**1.2**	**22.8**	**5.5**	**20.2**
Artisan International Institutional Fund	4.3	0.5	5.4	7.9	12.2	9.4	11.2	17.0	4.9	22.8	8.1	20.3
MSCI EAFE (Net)	**4.9**	**-3.6**	**-0.9**	**9.4**	**9.0**	**10.9**	**6.2**	**16.5**	**1.6**	**22.2**	**4.9**	**19.6**
Forester Offshore A2, Ltd.	1.8	3.8	7.6	2.9	8.5	3.8	6.5	6.7	5.2	7.4	7.3	7.0
HFRI FOF: Strategic Index	**2.6**	**0.9**	**5.0**	**2.0**	**5.8**	**3.8**	**3.8**	**5.7**	**1.4**	**8.6**	**3.6**	**8.3**
Archstone Absolute Return Strategies Fund, Ltd. Class A	0.7	-2.7	-1.6	3.6	5.1	3.8	4.2	4.6	3.3	7.5	4.6	6.9
HFRI FOF: Conservative Index	**1.8**	**0.3**	**3.7**	**1.4**	**4.8**	**2.3**	**3.3**	**3.4**	**1.1**	**6.6**	**2.5**	**6.0**
JP Morgan Core Bond Select Fund	1.5	1.6	5.1	1.2	3.0	2.3	4.5	2.7	5.1	2.9	5.2	3.0
Barclays U.S. Aggregate	**1.6**	**1.8**	**5.7**	**1.5**	**3.1**	**2.5**	**4.4**	**2.9**	**4.7**	**3.2**	**4.9**	**3.2**
Vanguard Short Term US Treasury Admiral Fund	0.5	0.3	1.2	0.5	0.7	0.6	1.3	1.0	1.7	1.5	3.0	2.0
Barclays U.S. Treasury: 1-5 Year	**0.9**	**0.4**	**1.8**	**0.7**	**1.0**	**0.8**	**1.8**	**1.4**	**2.1**	**2.2**	**3.2**	**2.5**
Vanguard Short-Term Inflation Protected Securities Adm. Fund	0.3	-1.5	-1.0	2.5	NA	NA	NA	NA	NA	NA	NA	NA
Barclays U.S. Treasury: 0-5 Year TIPS Index	**0.4**	**-1.5**	**-0.9**	**2.6**	**-0.4**	**2.2**	**1.4**	**2.2**	**1.7**	**3.5**	**3.0**	**3.5**

Historical Performance

Return and Risk Summary

As of March 31, 2015

	1 Quarter Return	Previous Quarter Return	1 Year Return	1 Year Standard Deviation	3 Years Return	3 Years Standard Deviation	5 Years Return	5 Years Standard Deviation	7 Years Return	7 Years Standard Deviation	10 Years Return	10 Years Standard Deviation
Nuveen Gresham Diversified Commodities Fund	-5.9	-13.0	-25.7	11.4	NA	NA	NA	NA	NA	NA	NA	NA
Bloomberg Commodity Index	**-5.9**	**-12.1**	**-27.0**	**10.0**	**-11.5**	**13.3**	**-5.7**	**15.5**	**-9.6**	**21.9**	**-3.6**	**20.2**
Van Eck Global Hard Assets I Fund	0.9	-20.4	-19.8	24.0	-4.3	20.1	-0.6	25.1	-2.3	30.6	NA	NA
S&P North American Natural Resources Sector	**-1.5**	**-13.9**	**-13.5**	**20.9**	**0.5**	**17.4**	**3.9**	**22.5**	**0.1**	**27.8**	**6.2**	**25.0**

Historical Performance

Return Summary

As of March 31, 2015

	Year To Date Return	2014 Return	2013 Return	2012 Return	2011 Return	2010 Return	2009 Return	2008 Return	2007 Return	2006 Return	2005 Return
Fidelity Spartan Total Market Index Advisor Fund	1.8	12.5	33.4	16.4	1.0	17.4	28.4	-37.2	5.6	15.8	NA
Wilshire 5000 Total Market Index	**1.8**	**12.1**	**34.0**	**16.1**	**0.6**	**18.1**	**29.4**	**-37.3**	**5.7**	**15.9**	**6.3**
FPA Crescent Fund	0.1	6.6	21.9	10.3	3.0	12.0	28.4	-20.6	6.8	12.4	10.8
S&P 500 Index	**1.0**	**13.7**	**32.4**	**16.0**	**2.1**	**15.1**	**26.5**	**-37.0**	**5.5**	**15.8**	**4.9**
60% Russell 2500 / 40% BC Global Credit	**2.7**	**5.3**	**21.4**	**15.6**	**0.5**	**18.9**	**29.6**	**-26.5**	**3.6**	**13.1**	**4.2**
HFRI Equity Hedge (Total) Index	**2.0**	**1.8**	**14.3**	**7.4**	**-8.4**	**10.5**	**24.6**	**-26.7**	**10.5**	**11.7**	**10.6**
FMI Common Stock Fund	2.4	6.5	32.0	10.2	4.5	22.2	33.9	-20.4	-2.0	17.1	9.5
Russell 2500 Index	**5.2**	**7.1**	**36.8**	**17.9**	**-2.5**	**26.7**	**34.4**	**-36.8**	**1.4**	**16.2**	**8.1**
Dodge & Cox International Stock Fund	4.2	0.1	26.3	21.0	-16.0	13.7	47.5	-46.7	11.7	28.0	16.7
MSCI AC World ex USA (Net)	**3.5**	**-3.9**	**15.3**	**16.8**	**-13.7**	**11.2**	**41.4**	**-45.5**	**16.7**	**26.7**	**16.6**
Artisan International Institutional Fund	4.3	-0.7	25.5	25.6	-4.1	6.2	40.0	-46.8	20.0	25.9	16.5
MSCI EAFE (Net)	**4.9**	**-4.9**	**22.8**	**17.3**	**-12.1**	**7.8**	**31.8**	**-43.4**	**11.2**	**26.3**	**13.5**
Forester Offshore A2, Ltd.	1.8	5.8	15.2	9.3	-2.5	5.2	14.6	-13.0	18.5	11.5	12.0
HFRI FOF: Strategic Index	**2.6**	**3.1**	**10.5**	**5.8**	**-7.3**	**6.3**	**13.2**	**-25.2**	**12.8**	**11.8**	**10.3**
Archstone Absolute Return Strategies Fund, Ltd. Class A	0.7	-0.6	11.2	9.0	-2.3	8.1	19.4	-20.5	8.3	13.8	6.2
HFRI FOF: Conservative Index	**1.8**	**3.1**	**7.7**	**4.2**	**-3.6**	**5.1**	**9.6**	**-19.9**	**7.7**	**9.2**	**5.1**
JP Morgan Core Bond Select Fund	1.5	5.2	-1.8	5.1	7.3	7.3	9.7	4.0	7.0	4.0	2.3
Barclays U.S. Aggregate	**1.6**	**6.0**	**-2.0**	**4.2**	**7.8**	**6.5**	**5.9**	**5.2**	**7.0**	**4.3**	**2.4**
Vanguard Short Term US Treasury Admiral Fund	0.5	0.8	0.0	0.8	2.4	2.8	1.5	6.8	8.0	3.9	1.9
Barclays U.S. Treasury: 1-5 Year	**0.9**	**1.2**	**-0.1**	**0.9**	**3.4**	**3.7**	**0.2**	**8.8**	**8.2**	**3.8**	**1.3**
Vanguard Short-Term Inflation Protected Securities Adm. Fund	0.3	-1.2	-1.5	NA	NA	NA	NA	NA	NA	NA	NA
Barclays U.S. Treasury: 0-5 Year TIPS Index	**0.4**	**-1.1**	**-1.6**	**2.4**	**4.5**	**3.3**	**10.7**	**-2.0**	**9.8**	**2.6**	**1.6**

Historical Performance

Return Summary

As of March 31, 2015

	Year To Date Return	2014 Return	2013 Return	2012 Return	2011 Return	2010 Return	2009 Return	2008 Return	2007 Return	2006 Return	2005 Return
Nuveen Gresham Diversified Commodities Fund	-5.9	-17.3	-7.8	NA	NA	NA	NA	NA	NA	NA	NA
Bloomberg Commodity Index	**-5.9**	**-17.0**	**-9.5**	**-1.1**	**-13.3**	**16.8**	**18.9**	**-35.6**	**16.2**	**2.1**	**21.4**
Van Eck Global Hard Assets I Fund	0.9	-19.1	11.2	2.9	-16.3	28.9	53.2	-44.5	43.2	NA	NA
S&P North American Natural Resources Sector	**-1.5**	**-9.8**	**16.5**	**2.2**	**-7.4**	**23.9**	**37.5**	**-42.6**	**34.4**	**16.8**	**36.6**

Index Descriptions

AEW Spliced Real Estate Index: Prior to January 1, 2015, UBS Global Investors Index, FTSE EPRA/NAREIT Developed Index thereafter.

All Private Equity Benchmark: Prior to December 31, 2013, the private equity benchmark consisted of Thomson Venture Economics All Private Equity Index, subsequent to this period, it is comprised of Cambridge Associates LLC Global Private Equity & Venture Capital Index. The index is an end-to-end calculation based on data compiled from U.S. private equity funds (buyout, growth equity, private equity energy and mezzanine funds), including fully liquidated partnerships. Client performance is generally reported one quarter in arrears unless otherwise noted.

The Alerian MLP Index is a composite of the 50 most prominent energy Master Limited Partnerships (MLPs). It is calculated using a float-adjusted, capitalization-weighted methodology and is disseminated on a price-return basis and on a total-return basis.

Alerian MLP Index, Alerian MLP Total Return Index, AMZ, and AMZX are trademarks of Alerian and their use is granted under a license from Alerian.

Barclays 1-5 Year G/C Flt Adjusted Composite Index: Prior to 1/1/2010, this index is Barclays 1-5 Year G/C Index.

Barclays Aggregate Index comprises government securities, mortgage-backed securities, asset-backed securities and corporate securities to simulate the universe of bonds in the market. The maturities of the bonds in the index are over one year.

Barclays Aggregate Flt Adjusted Composite Index: Barclays Aggregate Index through 12/31/2009; Barclays Aggregate Flt Adjusted Index thereafter.

Barclays Aggregate Float Adjusted Index is a benchmark of the dollar-denominated investment grade bond market that excludes Treasuries, agencies, and mortgage-backed securities held in Federal Reserve accounts.

Barclays Corporate Bond Index includes investment-grade, SEC-registered publicly issued U.S. corporate debentures and secured notes. The corporate sectors are industrial, utility, and finance. All securities must have at least one year to final maturity and at least $250 million of par outstanding.

Barclays High Yield Index covers the universe of fixed rate, non-investment grade debt. Pay-in-kind (PIK) bonds, Eurobonds, and debt issues from countries designated as emerging markets (e.g., Argentina, Brazil, Venezuela, etc.) are excluded, but Canadian and global bonds (SEC-registered) of issuers in non-EMG countries are included. Original issue zeroes, step-up coupon structures, and 144-As are also included.

Barclays Global Aggregate Index measures a wide spectrum of global government, government-related agencies, corporate, and securitized fixed-income investments, all with maturities greater than one year.

Barclays Global Emerging Markets Index represents the union of the USD-denominated U.S. Emerging Markets Index and the predominately EUR-denominated Pan Euro Emerging Markets Index, covering emerging markets in the following regions: Americas, Europe, Middle East, Africa, and Asia. Countries must have a maximum sovereign rating of Baa1/BBB+/BBB+.

Barclays Global Treasury Ex-US Capped Index includes government bonds issued by investment-grade countries outside the United States, in local currencies, that have a remaining maturity of one year or more and are rated investment grade.

Barclays Global Treasury Index tracks fixed-rate local currency sovereign debt of investment-grade countries. The Index represents the Treasury sector of the Global Aggregate Index and currently contains issues from more than 30 countries denominated in over 20 currencies. The three major components are the U.S. Treasury Index, the Pan-European Treasury Index, and the Asian-Pacific Treasury Index, in addition to Canadian, Chilean, Mexican, and South-African government bonds.

Barclays GNMA Index is comprised of 30-year GNMA pass-throughs, 15-year GNMA pass-throughs, and GNMA Graduated Payment Mortgages.

Barclays Govt 1-3 Year Flt Adjusted Composite Index: Prior to 1/1/2010, this index is Barclays Govt 1-3 Year Index.

Barclays Intermediate U.S. Treasury Index includes all publicly issued U.S. Treasury securities that have a remaining maturity of greater than or equal to 1 year and less than 10 years, are rated investment grade, and have $250 million or more of outstanding face value.

Barclays Long U.S. Treasury Index includes all publicly issued, U.S. Treasury securities that have a remaining maturity of 10 or more years, are rated investment grade, and have $250 million or more of outstanding face value.

Barclays LT G/C Flt Adjusted Composite Index: Prior to 1/1/2010, this index is Barclays LT G/C Index.

Barclays LT Govt Flt Adjusted Composite Index: Prior to 1/1/2010, this index is Barclays Long term Government Index.

Barclays U.S. Credit Index includes publicly issued U.S. corporates, specified foreign debentures, and secured notes denominated in U.S. dollars. The Index is a subset of the U.S. Government/Credit Index and the U.S. Aggregate Index.

Index Descriptions

Barclays U.S. Mortgage Backed Securities (MBS) Index covers agency mortgage-backed pass-through securities (both fixed-rate and hybrid adjustable rate mortgages) issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC).

Barclays U.S. Treasury Index is comprised of public obligations of the U.S. Treasury. Treasury bills are excluded by the maturity constraint but are part of a separate Short Treasury Index.

Barclays U.S. TIPS Index is a rules-based, market value-weighted index that tracks inflation protected securities issued by the U.S. Treasury.

Barclays Mortgage Index contains 15- and 30-year fixed-rate securities. These securities are pools of mortgage loans issued by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). The Index holds approximately 600 securities.

Bloomberg Commodity Index (formerly DJ-AIG Commodity Index) is composed of futures contracts on physical commodities. It is composed of commodities traded on U.S. exchanges, with the exception of aluminum, nickel, and zinc, which trade on the London Metal Exchange (LME).

Citigroup 3-Month T-Bill Index consists of equal dollar amounts of three-month Treasury bills that are purchased at the beginning of each of three consecutive months. As each bill matures, all proceeds are rolled over or reinvested in a new three-month bill.

Citigroup World Government Bond Index is a market capitalization weighted index consisting of the government bond markets of the following countries: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Japan, Netherlands, Spain, Sweden, Switzerland, United Kingdom, and United States. It includes all fixed-rate bonds with a remaining maturity of one year or longer and with amounts outstanding of at least the equivalent of U.S. $25 million.

Consumer Price Index (CPI) is an inflationary indicator that measures the change in the cost of a fixed basket of products and services, including housing, electricity, food, and transportation.

CRR Composite Index reflects DJ-UBS TR Index + Barclays 1-5 TIPs Index - Citigroup 0-3 month T-Bills Index. The TIPS component of the Index has changed over time reflecting the Barclays 1-10 year from 6/08 to 12/13 and the Barclays US TIPS from 2/97 to 5/08.

CRSP US Total Stock Market Index includes around 4,000 U.S. companies that pass a set of investability screens and is represented by all securities that are members of an index in the CRSP Market Capitalization index family. The Index includes securities traded on NYSE, AMEX, NASDAQ, and ARCA exchanges and is reconstituted quarterly on the third Friday of March, June, September, and December.

CRSP US Large Cap Index includes the U.S. companies that make up the Mega and Mid Cap Indexes, or roughly 85% of investable market capitalization. The Index includes securities traded on NYSE, AMEX, NASDAQ, and ARCA exchanges and is reconstituted quarterly on the third Friday of March, June, September, and December.

CRSP US Large Cap Growth Index includes the U.S. companies that make up the Mega and Mid Cap Indexes, or roughly 85% of investable market capitalization, which are then made eligible for assignment to a growth index using CRSP's multifactor model. CRSP classifies growth securities using the following factors: future long-term growth in earnings per share (EPS), future short-term growth in EPS, three-year historical growth in EPS, three-year historical growth in sales per share, current investment-to-assets ratio, and return on assets.

CRSP US Large Cap Value Index includes the U.S. companies that make up the Mega and Mid Cap Indexes, or roughly 85% of investable market capitalization, which are then made eligible for assignment to a value index using CRSP's multifactor model. CRSP classifies value securities using the following factors: book to price, forward earnings to price, historical earnings to price, dividend-to-price ratio, and sales-to-price ratio.

CRSP US Mid Cap Index includes U.S. companies that make up nearly 15% of investable market capitalization. The Index includes securities traded on NYSE, AMEX, NASDAQ, and ARCA exchanges and is reconstituted quarterly on the third Friday of March, June, September, and December.

CRSP US Mid Cap Growth Index includes U.S. companies that make up nearly 15% of investable market capitalization, which are then made eligible for assignment to a growth index using CRSP's multifactor model. CRSP classifies growth securities using the following factors: future long-term growth in earnings per share (EPS), future short-term growth in EPS, three-year historical growth in EPS, three-year historical growth in sales per share, current investment-to-assets ratio, and return on assets.

CRSP US Mid Cap Value Index includes U.S. companies that make up nearly 15% of investable market capitalization, which are then made eligible for assignment to a value index using CRSP's multifactor model. CRSP classifies value securities using the following factors: book to price, forward earnings to price, historical earnings to price, dividend-to-price ratio, and sales-to-price ratio.

Benchmark analytics and performance are based upon data from Center for Research in Security Prices (CRSP®), The University of Chicago Booth School of Business.

FTSE EPRA/NAREIT Global Index is a free-float, market capitalization weighted real estate index representing 38 countries in both developed and emerging markets. It is designed to represent publicly traded equity REITs and listed property companies.

FTSE EPRA/NAREIT Global Real Estate Index Series is designed to represent general trends in eligible real estate *equities* worldwide. Relevant real estate activities are defined as the ownership, disposure and development of income-producing real estate. The Index series includes a range of regional and country indices.

The FTSE NAREIT All Equity REITs Index is a free-float adjusted, market capitalization-weighted index of U.S. Equity REITs. The Index includes REITs with more than 50 percent of total assets in qualifying real estate assets, except mortgages secured by real property.

FTSE Emerging Index is a market-capitalization weighted index representing the performance of over 790 large and mid cap companies in 22 emerging markets. The index is part of the FTSE Global Equity Index Series.

Global Sustainability Spliced Index: FTSE KLD Global Sustainability Index prior to 9/1/2010; MSCI World ESG Index thereafter.

HFRI Distressed Securities Index is an equally weighted index that represents strategies that invest in, and may sell short the securities of companies where the security's price has been, or is expected to be, affected by a distressed situation as reported by the hedge fund managers listed within the Hedge Fund Research (HFR) database.

HFRI Equity Hedge Index is designed to represent the overall composition of the equity hedge (also known as long/short equity) universe. The Index is constructed with equally weighted composites of constituents as reported by the hedge fund managers listed within the Hedge Fund Research (HFR) database.

HFRI ED: Distressed Restructuring Index is designed to represent strategies which employ an investment process focused on corporate fixed income instruments, primarily on corporate credit instruments of companies trading at significant discounts to their value at issuance or obliged (par value) at maturity as a result of either formal bankruptcy proceeding or financial market perception of near term proceedings.

HFRI Event Driven Index is an equally weighted index that represents constituents investing in opportunities created by significant transactional events as reported by the hedge fund managers listed within the Hedge Fund Research (HFR) database.

HFRI FOF Composite Index includes over 800 constituent fund of funds, both domestic and offshore. Fund of Funds invest with multiple managers through funds or managed accounts. The strategy designs a diversified portfolio of managers with the objective of significantly lowering the risk (volatility) of investing with an individual manager. The Fund of Funds manager has discretion in choosing which strategies to invest in for the portfolio. A manager may allocate funds to numerous managers within a single strategy, or with numerous managers in multiple strategies.

HFRI FOF Conservative Index includes constituents that exhibit one or more of the following characteristics: seeks consistent returns by primarily investing in funds that generally engage in more "conservative" strategies such as Equity Market Neutral, Fixed Income Arbitrage, and Convertible Arbitrage; exhibits a lower historical annual standard deviation than the HFRI Fund of Funds Composite Index. A fund in the Index shows generally consistent performance regardless of market conditions.

HFRI FOF Diversified Index includes constituents that exhibit one or more of the following characteristics: invests in a variety of strategies among multiple managers; historical annual return and/or a standard deviation generally similar to the HFRI Fund of Fund Composite index; demonstrates generally close performance and returns distribution correlation to the HFRI Fund of Fund Composite Index. A fund in the Diversified Index tends to show minimal loss in down markets while achieving superior returns in up markets.

HFRI FOF Strategic Index includes FoFs that exhibit one or more of the following characteristics: seeks superior returns by primarily investing in funds that generally engage in more opportunistic strategies such as Emerging Markets, Sector specific, and Equity Hedge; exhibits a greater dispersion of returns and higher volatility compared to the HFRI Fund of Funds Composite Index.

Index Descriptions

HFRI Fund Weighted Composite Index is designed to represent the performance of domestic and offshore hedge funds across all strategies with the exception of fund of funds. Comprised of over 2000 hedge funds, it is a fund weighted index in that all funds, regardless of assets under management or other factors, are given an equal weighting.

HFRI Merger Arbitrage Index is designed to represent managers who utilize a merger or risk arbitrage investment strategy by investing in securities of companies that are the subject of some form of extraordinary corporate transaction, including acquisition or merger proposals, exchange offers, cash tender offers and leveraged buy-outs.

HFRX Convertible Arbitrage Index is designed to represent managers who utilize convertible arbitrage strategies where, in an effort to capitalize on relative pricing inefficiencies, managers will purchase long positions in convertible securities, generally convertible bonds, convertible preferred stock or warrants, and hedge a portion of the equity risk by selling short the underlying common stock.

HFRX Distressed Securities Index is designed to represent the overall composition of the distressed strategy hedge fund universe. The Index is asset weighted based on the distribution of assets in the hedge fund industry.

HFRX Equity Hedge Index is designed to represent managers who utilize a long/short equity approach to investing with portfolio exposures anywhere from net long to net short depending on market conditions. Equity hedge managers' source of return is similar to that of traditional stock pickers on the upside, but they use short selling and hedging to attempt to outperform the market on the downside. Stock index put options are also often used as a hedge against market risk.

HFRX Equity Market Neutral Index is designed to reflect the performance of Equity Market Neutral strategies which employ sophisticated quantitative techniques of analyzing price data to ascertain information about future price movement and relationships between securities and select securities for purchase and sale. These can include both Factor-based and Statistical Arbitrage/Trading strategies. Equity Market Neutral Strategies typically maintain net equity market exposure no greater than 10% long or short.

HFRX Event Driven Index is designed to represent hedge fun managers who seek investment opportunities created by significant transactional events, such as spin-offs, mergers and acquisitions, industry consolidations, liquidations, reorganizations, bankruptcies, recapitalizations and share buybacks and other extraordinary corporate transactions.

HFRX Global Hedge Index is designed to be representative of the overall composition of the hedge fund universe. It is comprised of eight strategies: convertible arbitrage, distressed securities, equity hedge, equity market neutral, event driven, macro, merger arbitrage, and relative value arbitrage. The Index is asset weighted based on the distribution of assets in the hedge fund industry.

HFRX Macro Index is designed to represent hedge investment strategies that generally employ a top-down global approach that concentrates on forecasting how global macroeconomic and political events affect the valuations of financial instruments. Macro strategies attempt to identify extreme price valuations in stock markets, interest rates, foreign exchange rates and physical commodities, and make leveraged bets on the anticipated price movements in these markets.

HFRX Merger Arbitrage Index is designed to reflect the performance of Merger Arbitrage strategies which employ an investment process primarily focused on opportunities in equity and equity related instruments of companies which are currently engaged in a corporate transaction.

HFRX Relative Value Arbitrage Index is designed to represent investment managers who maintain positions in which the investment thesis is predicated on realization of a valuation discrepancy in the relationship between multiple securities. Managers employ a variety of fundamental and quantitative techniques to establish investment theses, and security types range broadly across equity, fixed income, derivative or other security types.

JPMorgan EMBI+ Index is a market capitalization-weighted index that tracks returns for actively traded external debt instruments in emerging markets.

JPMorgan Global Government Bond Index is a total return, market capitalization-weighted index that is rebalanced monthly. The Index currently comprises the local currency, fixed rate coupon issues of 13 markets greater than 1-year in maturity.

Libor 3-Month Index (London Interbank Offered Rate) is the interest rate some of the world's leading banks charge each other for short-term loans.

Merrill Lynch 1-3 Year Treasury Index is an unmanaged index consisting of all public U.S. Treasury obligations having maturities from 1 to 2.99 years and reflects total return.

Merrill Lynch High-Yield Bond Master II Index tracks the performance of below investment grade U.S. dollar-denominated corporate bonds publicly issued in the U.S. domestic market.

MSCI ACWI (All Country World Index) Index (net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets. The Index consists of 48 country indices comprising 23 developed and 25 emerging market country indices.

Index Descriptions

MSCI ACWI ex-U.S. Index (net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed and emerging markets, excluding the U.S.

MSCI EAFE Index (net) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of developed markets, excluding the U.S. & Canada.

MSCI EAFE Small Cap Index (net) is a free float-adjusted market capitalization index that is designed to measure the equity market performance of small companies within developed markets, excluding the U.S. & Canada, and includes companies that are in the Investable Market Index with a market capitalization below that of the companies in the Standard Index in a particular market.

MSCI EM (Emerging Markets) Index (net) is a free float-adjusted market capitalization index that is designed to measure equity market performance of emerging markets.

MSCI U.S. Investable Market Energy Index represents the investable universe of energy companies in the U.S. equity market.

MSCI U.S. Investable Market Energy 25/50 Index consists of stocks of energy companies in the U.S, energy sector whose businesses are dominated by either the construction or provision of oil rigs, drilling equipment, and other energy-related service and equipment, or companies engaged in the exploration, production, marketing, refining, and/or transportation of oil and gas products.

MSCI U.S. REIT Index is a free-float, capitalization-weighted index representing about 85% of the U.S. REIT universe. The Index is comprised of equity REITs that are included in the MSCI US Investable Market 2500 Index, except specialty equity REITs that do not generate a majority of revenue from real estate rental and leasing operations.

MSCI U.S. Mid Cap 450 Index: History prior to May 16, 2003, reflects the S&P Midcap 400 Index.

MSCI World Index (net) is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The Index consists of 23 developed market country indices.

MSCI World Energy Index is an unmanaged index of more than 1,400 stocks listed on exchanges in the U.S., Europe, Canada, Australia, New Zealand, and the Far East.

MSCI Indexes are calculated on a net basis reinvest dividends after the deduction of withholding taxes, using (for international indices) a tax rate applicable to non-resident institutional investors who do not benefit from double taxation treaties.

NAREIT Equity Index is an unmanaged index of all tax-qualified REITs listed on the NYSE, AMEX, and NASDAQ which have 75% or more of their gross invested book assets invested directly or indirectly in the equity ownership of real estate. Total return calculation for the NAREIT Equity Index include reinvestment of distributions.

NCREIF Property Index provides returns for institutional grade real estate held in a fiduciary environment in the United States. Client performance is generally reported one quarter in arrears unless otherwise noted.

NCREIF Timberland Index is a property-based index reporting returns for three regions of the U.S.: the South, Northeast and Pacific Northwest. In addition to total returns, the Index reports income and appreciation returns. Client performance is generally reported one quarter in arrears unless otherwise noted.

Russell 1000 Growth Index measures the performance of the large cap growth segment of the U.S. equity universe. The Index includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000 Index measures the performance of the large-cap segment of the U.S. equity universe. It is a subset of the Russell 3000 Index and includes approximately 1,000 of the largest securities based on a combination of their market cap and current index membership. The Russell 1000 represents approximately 92% of the U.S. market.

Russell 1000 Value Index measures the performance of the large cap value segment of the U.S. equity universe. The Index includes those Russell 1000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2000 Growth Index measures the performance of the small cap growth segment of the U.S. equity universe. The Index includes those Russell 2000 companies with higher price-to-value ratios and higher forecasted growth values.

Russell 2000 Index measures the performance of the small-cap segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index, representing approximately 10% of the total market capitalization of that Index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership.

Index Descriptions

Russell 2000 Value Index measures the performance of small cap value segment of the U.S. equity universe. It includes those Russell 2000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 2500 Index measures the performance of the small to mid-cap segment of the U.S. equity universe, commonly referred to as "smid" cap. The Russell 2500 Index is a subset of the Russell 3000® Index. It includes approximately 2500 of the smallest securities based on a combination of their market cap and current index membership.

Russell 2500 Value Index measures the performance of the small to mid cap value segment of the U.S. equity universe. It includes those Russell 2500 companies with lower price-to-book ratios and lower forecasted growth values.

Russell 3000 Growth Index measures the performance of the broad growth segment of the U.S. equity universe. It includes those Russell 3000 companies with higher price-to-book ratios and higher forecasted growth values.

Russell 3000 Index measures the performance of the largest 3000 U.S. companies representing approximately 98% of the investable U.S. equity market.

Russell 3000 Value Index measures the performance of the broad value segment of U.S. equity value universe. It includes those Russell 3000 companies with lower price-to-book ratios and lower forecasted growth values.

Russell Microcap® Index measures the performance of the micro cap segment of the U.S. equity market. It includes 1,000 of the smallest securities in the small cap Russell 2000® Index based on a combination of their market cap and current index membership, and includes the next 1,000 smallest stocks.

Russell Midcap® Growth Index measures the performance of the mid-cap growth segment of the U.S. equity universe. It includes those Russell Midcap Index companies with higher price-to-book ratios and higher forecasted growth values.

Russell Midcap® Value Index measures the performance of the mid-cap value segment of the U.S. equity universe. The Index includes those Russell Midcap Index companies with lower price-to-book ratios and lower forecasted growth values.

S&P 500 Index is a gauge of the U.S. equities market and includes 500 leading companies in leading industries of the U.S. economy.

S&P Completion Index: Prior to 6/30/2005 this index is DJ Wilshire 4500 Index.

S&P 500 Energy Index comprises those companies included in the S&P 500 Index that are classified as members of the GICS energy sector.

The S&P Developed Property Index measures the investable universe of publicly traded property companies in developed markets. The companies in the Index are involved in real estate-related activities, such as property ownership, management, development, rental, and investment.

S&P/Dow Jones U.S. Select REIT Index is comprised of companies with charters that have equity ownership and operation of commercial real estate and operate under the REIT Act of 1960.

S&P/Dow Jones U.S. Select Real Estate Securities Index represents REITs and real estate operating companies traded in the United States.

S&P GSCI is a world-production weighted index composed of 24 commodity futures contracts. It is a composite index of commodity sector returns and represents an unleveraged investment through broadly diversified long positions in commodity futures.

S&P Midcap 400 Index tracks a diverse basket of medium-sized U.S. firms whose market capitalization usually range from approximately $2 billion to $10 billion.

S&P MLP Index is designed to provide exposure to partnerships that trade on major U.S. exchanges. It includes both MLPs and publicly traded LLCs.

S&P North American Natural Resources Sector Index measures the performance of natural resource-related stocks traded in the United States.

Spliced Convertibles Composite Index is the CS First Boston Convertible Securities Index through November 30, 2004; Bank of America Merrill Lynch All US Convertibles Index (formerly Bank of America Merrill Lynch All Convertibles-All Qualities Index) through December 31, 2010; and 70% Bank of America Merrill Lynch All US Convertibles Index and 30% Bank of America Merrill Lynch Global 300 Convertibles ex-US Index (hedged) thereafter.

Spliced Developed Ex-North America Index is the MSCI EAFE Index through May 28, 2013; FTSE Developed ex North America Index thereafter.

Spliced Emerging Markets Index reflects performance of the Select Emerging Markets Index through August 23, 2006; the MSCI Emerging Markets Index through January 9, 2013; the FTSE Emerging Transition Index through June 27, 2013; and the FTSE Emerging Index thereafter.

Spliced Energy Index: S&P 500 Index through November 30, 2000; S&P Energy Sector Index through May 31, 2010; MSCI All Country World Energy Index thereafter.

Spliced European Stock Index is the MSCI Europe Index through March 26, 2013; FTSE Developed Europe Index thereafter.

Spliced Extended Market Index is the Dow Jones Wilshire 4500 Index through June 17, 2005; S&P Transitional Completion Index through September 16, 2005; S&P Completion Index thereafter.

Spliced Institutional Total Stock Market Index is the Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 8, 2005; the MSCI US Broad Market Index through January 14, 2013; CRSP US Total Market Index thereafter.

Spliced Intermediate Term Bond Index is the Barclays U.S. 5–10 Year Government/Credit Bond Index through December 31, 2009; Barclays U.S. 5–10 Year Government/Credit Float Adjusted Index thereafter.

Spliced Intermediate-Term Tax-Exempt Index includes investment-grade (rated Baa or above by Moody's) tax-exempt bonds that are issued by state and local governments and have maturities of 1 to 15 years.

Spliced International Index is the MSCI EAFE Index through May 31, 2010; MSCI All Country World Index ex-U.S. thereafter.

Spliced Large Cap Index is the MSCI US Prime Market 750 Index through January 30, 2013; CRSP US Large Cap Index thereafter.

Spliced Long Term Bond Index is the Barclays U.S. Long Government/Credit Bond Index through December 31, 2009; Barclays U.S. Long Government/Credit Float Adjusted Index thereafter.

Spliced Mid Cap Index reflects the performance of the S&P MidCap 400 Index through May 16, 2003; the MSCI US Mid Cap 450 Index through January 30, 2013; and the CRSP US Mid Cap Index thereafter.

Spliced Midcap Growth Index is the MSCI US Mid Cap Growth Index through April 16, 2013; CRSP US Mid Cap Growth Index thereafter.

Spliced Midcap Value Index is the MSCI US Mid Cap Value Index through April 16, 2013; CRSP US Mid Cap Value Index thereafter.

Spliced REIT Index is the MSCI US REIT Index adjusted to include a 2% cash position (Lipper Money Market Average) through April 30, 2009; MSCI US REIT Index thereafter.

Spliced Short Term Bond Index is the Barclays U.S. 1–5 Year Government/Credit Bond Index through December 31, 2009; Barclays U.S. 1–5 Year Government/Credit Float Adjusted Index thereafter.

Spliced Small Cap Index reflects the performance of the Russell 2000 Index through May 16, 2003; the MSCI US Small Cap 1750 Index through January 30, 2013; and the CRSP US Small Cap Index thereafter.

Spliced Total Bond Market Index is the Barclays U.S. Aggregate Bond Index through December 31, 2009; Barclays U.S. Aggregate Float Adjusted Index thereafter.

Spliced Total International Stock Index is the Total International Composite Index through August 31, 2006; MSCI EAFE + Emerging Markets Index through December 15, 2010; MSCI ACWI ex USA IMI Index through June 2, 2013; and FTSE Global All Cap ex US Index thereafter.

Spliced Total Stock Market Composite Index: Dow Jones U.S. Total Stock Market Index (formerly Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI U.S. Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.

Spliced Total World Stock Index consists of the FTSE All-World Index through December 18, 2011, and the FTSE Global All Cap Index thereafter.

SSgA Real Asset Composite Index: 30% Dow Jones US Select REIT Index, 25% Goldman Sachs Commodities Index, 25% MSCI World Natural Resources Index, and 20% Barclays US TIPS Index.

The UBS Global Real Estate Investors Index tracks real estate securities within the S&P/Citigroup World Property Index that derive 70% or more of income from rent.

Vanguard Balanced Composite Index is made up of two unmanaged benchmarks, weighted 60% Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) and 40% Lehman Brothers U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Barclays U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Barclays U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Barclays U.S. Aggregate Float Adjusted Index thereafter.

Wellington DIH Composite: 25% MSCI World Energy >$3 Bil/ 10% MSCI World Metals & Mining >$3 Bil/ 10% Agriculture, Forest Products & Livestock/3% HSBarclays Global Climate Change/ 3.5% MSCI IMI Gold & Precious Metal/ 1.5% S&P GSCI Precious Metals Total Return / 25% equal sector-weighted S&P Goldman Sachs Commodity/ 20% Barclays US TIPS 1-10 Year / 2% Barclays Emerging Markets Tradable Government Inflation-Linked Bond.

Wellington SRA Composite: Beginning July 1, 2014: 40% MSCI ACW Energy Index, 15% MSCI ACW Metals and Mining Index, 25% Equal-Sector Weighted S&P GSCI, and 20% Barclays Capital TIPS 1-10 Year Index. June 30, 2014 and prior: 40% MSCI Energy $3 B and above/15% MSCI Metals and Mining $3 B and above/25% Equal Sector Weighted S&P GSCI Commodities Index/ and 20% Barclays TIPS.

Wilshire 5000 Index represents the broadest index for the U.S. equity market, measuring the performance of all U.S. equity securities with readily available price data.

Policy Index – A custom benchmark consisting of a number of indices which are weighted based on the asset allocation targets within a client investment policy. The index measures the return of the asset allocation strategy if it were implemented using passive (index) portfolios.

Actual Index – A custom benchmark consisting of a number of indices which are weighted based on the allocation of each asset class within a client's overall structure at the beginning of each quarter. The index measures the return of the current asset allocation if it were implemented using passive (index) portfolios.

The difference between the Actual Index and the Policy Index measures the impact of the decision to allocate assets differently than the client's policy mandates (allocation effect). The difference between the Total Fund Return and the Actual Index measures how the management team performed versus a passive strategy (manager selection effect). The difference between Total Fund Return and the Policy Index measures both the allocation effect and the manager selection effect.

EXPOSURES AND CHARACTERISTICS

Flexible Capital – Portfolios with incomplete data are excluded from the total leveraged portfolio calculations. Top holdings are reflected as of current quarter-end when provided by the manager. Otherwise, holdings are based on 13Fs with a quarter lag, when applicable. The 13F reflects top equity holdings as a percentage of total equity holdings at the Firm level. Market values are in '000s.
Fixed Income –Yield represents yield to maturity and duration represents effective duration unless otherwise noted.

Disclosures

Information provided by investment managers may be confidential and should be treated as such.

Periods greater than one year are annualized.

Peer groups, performance, risk and equity analytics are provided by InvestmentMetrics, 2015. All rights reserved. Calculations are based on quarterly periods unless noted otherwise.

MPT (Modern Portfolio Theory) statistics are based on monthly data. Quarterly observations are utilized only when monthly data points are not available. Examples include: beta/correlation/standard deviation calculations.

Indices referenced in this report are unmanaged and cannot be invested in directly. Index returns do not reflect any investment management fees or transaction expenses. Index descriptions listed are representative and not all inclusive.

This report is not an offer, nor does it invite anyone to make an offer, to buy or sell securities. Information obtained from third parties is believed to be reliable; however, accuracy of the data is not guaranteed and may not have been independently verified. Unless otherwise noted, content is current as of the date indicated and subject to change without notice.

Commentary within includes the opinion of Prime Buchholz, is intended solely for our clients, and is not meant to provide tax or legal advice. Clients should consult a tax or legal professional for advice regarding their particular situation.

For modeling output: Prime Buchholz proprietary reporting is compiled utilizing analytics provided by InvestmentMetrics.

Clients may, at times, invest in or request information regarding managers or products that are not Prime Buchholz-recommended. Due diligence and monitoring of managers or products that are not Prime Buchholz-recommended is less rigorous than the level of due diligence applied to recommended managers and products. Also, because these managers and products were not recommended by Prime Buchholz, they are not actively assessed relative to changes in Firm recommendations (i.e., watch list and/or sell recommendations). Reports provided to clients regarding managers or products that have not been recommended by Prime Buchholz are for informational purposes only and do not constitute our endorsement of the manager.

Returns are provided by third-party sources and are net of investment management fees and gross of consulting fees unless otherwise stated. Performance may or may not reflect reinvestment of dividends and other earnings. Performance and market values are subject to change based on statement availability from the investment manager/custodian.

The Prime Buchholz asset allocation model is a tool provided to clients to assist in the evaluation and development of long-term investment and spending policies for their investment programs. No asset allocation model can replicate the same experience for any given investor and clients' results may differ materially from the results portrayed. Therefore, the Prime Buchholz asset allocation model results should be only used as a guide—rather than a specific investment program simulation—as a part of a broader discussion to establish the client's policies. Prime Buchholz relies on the client to provide complete and accurate information regarding the client's specific risk/return/spending profile for the model. The model's factors are derived from historical asset class returns and data in combination with forward-looking estimates. These estimates cannot predict the impact of future market conditions that could have a significant negative impact on the reliability of the hypothetical performance presented. Prime Buchholz does not guarantee the accuracy of the data used. Model performance is based on assumptions about asset class investment returns and risk characteristics. It does not represent actual performance, nor does it reflect actual trading in a client portfolio or the management of a model portfolio on a current basis. Model results are based upon total return and reflect the reinvestment of dividends and distributions. They are also gross of management and consulting fees and other expenses an investor would pay, which would lower results.

Hypothetical performance, as well as past performance, is not an indication of future results.

PLEASE RECYCLE

Tab VI

Historical Performance

Return and Risk Summary as of December 31, 2014

	1 Year Return	1 Year Standard Deviation	3 Years Return	3 Years Standard Deviation	5 Years Return	5 Years Standard Deviation	7 Years Return	7 Years Standard Deviation	10 Years Return	10 Years Standard Deviation	15 Years Return	15 Years Standard Deviation
TPBH Policy	5.2	5.7	9.9	6.6	8.2	9.0	4.5	11.9	6.6	10.5	6.2	10.0
TPB DB	6.1	5.2	9.7	6.3	8.3	8.6	4.8	11.6	7.4	10.4	7.0	9.8
PBA Model	4.3	5.9	8.7	6.4	8.0	8.4	4.7	11.4	7.6	10.3	7.1	9.8
PBA Liquid Model	4.4	5.8	8.4	6.6	7.4	8.5	4.3	11.7	6.9	10.5	6.7	10.0
BNY/TUCS Public DB	5.8	5.3	10.6	6.3	8.8	8.5	5.1	11.2	7.1	9.9	6.2	9.5
FLA Muni DB 70/30	8.9	6.0	14.3	6.8	11.4	9.3	6.7	12.1	7.2	10.6	5.5	10.6
FLA Muni DB 50/50	8.0	4.6	11.0	5.1	9.5	6.5	6.4	8.8	6.7	7.7	5.8	7.6
Trustee	6.9	5.6	12.5	6.4	9.8	8.7	5.9	10.9	6.7	9.6	5.1	9.7
Russell 3000 Index	12.6	8.4	20.5	9.3	15.6	13.4	7.5	17.4	7.9	15.2	4.8	15.6
MSCI World ex-U.S. (Net)	-4.3	9.3	10.5	12.7	5.2	16.3	-0.4	20.5	4.6	18.1	2.8	17.4
MSCI EM (Net)	-2.2	13.0	4.0	15.0	1.8	18.4	-1.3	25.2	8.4	23.6	7.1	22.9
AA Nominal - VE All PE Index (Zero Proxy)	8.3	5.0	13.9	6.9	13.7	7.7	8.4	10.1	11.9	10.0	8.4	11.5
Barclays U.S. Aggregate	6.0	2.2	2.7	2.6	4.4	2.7	4.8	3.4	4.7	3.2	5.7	3.5
Barclays Capital US Corp High Yield (Ext)	2.5	4.3	8.4	4.5	9.0	6.2	8.8	12.1	7.7	10.4	7.5	10.0
HFRI Fund Weighted Composite Index	3.0	3.1	6.1	3.9	4.5	5.2	2.8	6.8	5.1	6.3	5.8	6.4
Barclays U.S. Treasury: U.S. TIPS	3.6	4.3	0.4	5.2	4.1	5.1	4.2	6.9	4.4	6.3	6.5	6.2
S&P 500 Energy/S&P NA NR Splice	-9.8	17.8	2.4	15.8	4.3	20.3	-0.4	24.9	7.7	23.6	7.5	22.4
GSCI Commodity/DJ UBS Splice	-17.0	13.0	-9.4	12.5	-5.5	15.5	-7.6	19.4	-1.9	18.1	2.7	16.9
FTSE NAREIT Equity REIT Index	30.1	12.2	16.3	13.1	16.9	16.5	8.2	28.3	8.3	25.4	12.7	22.2
Long Treasury/50-50 Implementation	15.4	4.8	3.0	8.2	9.2	10.5	7.6	12.0	7.1	10.7	8.1	10.3
Barclays U.S. Treasury: 1-5 Year	1.2	1.0	0.6	1.0	1.8	1.3	2.5	2.0	3.1	2.0	3.9	2.2
JPM Non-US Global Govt Bond	-2.5	5.7	-2.3	5.5	1.1	6.8	2.9	8.4	2.8	7.9	4.8	8.3

Asset Allocation

	TPBH Policy	TPB DB	PBA Model	PBA Liquid Model	BNY/TUCS Public DB	FLA Muni DB 70/30	FLA Muni DB 50/50	Trustee
Domestic Equity	27.5	15.0	15.4	17.6	27.0	60.0	42.5	55.0
Non-US Developed Equity	14.0	15.0	12.6	14.4	18.4	10.0	7.5	8.0
Emerging Markets Equity	3.5	10.0	7.0	8.0	4.6	—	—	2.0
Global Private Equity	—	10.0	10.0	—	9.0	—	—	—
Long/Short & Absolute Return	20.0	15.0	20.0	30.0	6.0	—	—	—
Natural Resources	5.0	—	10.0	5.0	—	—	—	—
Commodities	2.5	2.5	2.5	2.5	3.0	—	—	—
Real Estate	5.0	10.0	5.0	5.0	5.0	—	—	—
US TIPS	2.5	2.5	2.5	2.5	—	—	—	—
Core Bond	20.0	17.5	—	—	24.0	30.0	50.0	—
High Yield	—	2.5	—	—	—	—	—	—
US Treasuries	—	—	10.0	10.0	—	—	—	—
US Treasurites 1-5 Year	—	—	—	—	—	—	—	35.0
Non-US Govt. Bonds	—	—	5.0	5.0	3.0	—	—	—

- All performance pro-forma based on 12/31/14 asset allocations

Historical Performance

Return and Risk Summary

As of December 31, 2014

	2013 Return	2012 Return	2011 Return	2010 Return	2009 Return	2008 Return	2007 Return	2006 Return	2005 Return	2004 Return
TPBH Policy	14.0	10.7	-1.5	13.1	24.5	-25.9	9.6	15.2	10.3	13.0
TPB DB	11.0	12.1	-1.1	14.0	27.7	-26.8	10.3	18.1	12.5	15.2
PBA Model	11.7	10.1	0.2	14.5	24.5	-24.9	13.8	16.6	14.3	15.6
PBA Liquid Model	10.8	10.2	-1.3	13.3	25.1	-24.8	12.0	16.1	11.9	14.4
BNY/TUCS Public DB	14.4	11.8	-0.2	13.0	23.5	-24.8	9.4	16.2	10.0	13.5
FLA Muni DB 70/30	21.6	12.8	1.7	13.0	22.1	-25.2	6.4	13.3	5.8	10.5
FLA Muni DB 50/50	14.8	10.3	3.4	11.1	17.5	-16.5	6.6	10.8	4.9	8.8
Trustee	20.0	11.0	0.4	11.7	19.9	-22.0	7.5	12.7	5.7	9.2
Russell 3000 Index	33.6	16.4	1.0	16.9	28.3	-37.3	5.1	15.7	6.1	11.9
MSCI World ex-U.S. (Net)	21.0	16.4	-12.2	8.9	33.7	-43.6	12.4	25.7	14.5	20.4
MSCI EM (Net)	-2.6	18.2	-18.4	18.9	78.5	-53.3	39.4	32.2	34.0	25.6
AA Nominal - VE All PE Index (Zero Proxy)	20.6	13.1	9.1	17.7	15.4	-19.8	18.0	21.3	22.6	17.7
Barclays U.S. Aggregate	-2.0	4.2	7.8	6.5	5.9	5.2	7.0	4.3	2.4	4.3
Barclays Capital US Corp High Yield (Ext)	7.4	15.8	5.0	15.1	58.2	-26.2	1.9	11.9	2.7	11.1
HFRI Fund Weighted Composite Index	9.1	6.4	-5.3	10.2	20.0	-19.0	10.0	12.9	9.3	9.0
Barclays U.S. Treasury: U.S. TIPS	-8.6	7.0	13.6	6.3	11.4	-2.4	11.6	0.5	2.8	8.5
S&P 500 Energy/S&P NA NR Splice	16.5	2.2	-7.4	23.9	37.5	-42.6	34.4	16.8	36.6	24.6
GSCI Commodity/DJ UBS Splice	-9.5	-1.1	-13.3	16.8	18.9	-35.6	16.2	2.1	21.4	9.1
FTSE NAREIT Equity REIT Index	2.5	18.1	8.3	27.9	28.0	-37.7	-15.7	35.0	12.2	31.6
Long Treasury/50-50 Implementation	-8.7	3.6	29.9	9.4	-12.9	24.0	9.8	1.8	6.5	7.7
Barclays U.S. Treasury: 1-5 Year	-0.1	0.9	3.4	3.7	0.2	8.8	8.2	3.8	1.3	1.3
JPM Non-US Global Govt Bond	-5.1	0.8	5.9	6.8	3.9	11.4	11.3	6.8	-9.2	12.0

- All performance pro-forma based on 12/31/14 asset allocations

Multi Timeperiod Statistics

As of March 31, 2015

	Trailing 5-Year Cumulative Return	Trailing 5-Year Return	Trailing 5-Year Standard Deviation	Trailing 5-Year Sharpe Ratio	Since Inception Cumulative Return	Since Inception Return	Since Inception Standard Deviation	Since Inception Sharpe Ratio
Total Fund	43.6	7.5	8.9	0.9	27.8	3.2	10.1	0.3
Target Index	**39.9**	**6.9**	**8.2**	**0.9**	**29.3**	**3.4**	**9.5**	**0.3**
S&P 500 Index	96.5	14.5	12.9	1.1	62.7	6.5	16.3	0.4
MSCI AC World ex USA (Net)	26.5	4.8	16.1	0.4	2.9	0.4	20.5	0.1
MSCI EM (Net)	9.1	1.7	17.9	0.2	10.3	1.3	24.8	0.2
HFRI Fund of Funds Composite Index	18.9	3.5	4.0	0.9	8.0	1.0	5.7	0.1
HFRI Event-Driven (Total) Index	30.4	5.5	5.1	1.0	31.2	3.6	6.9	0.5
HFRI Equity Hedge (Total) Index	25.6	4.7	7.5	0.6	20.6	2.4	9.3	0.2
Barclays U.S. Aggregate	24.1	4.4	2.8	1.5	49.2	5.3	3.4	1.4
Barclays Long Term Govt Bond	64.7	10.5	11.7	0.9	98.3	9.2	12.1	0.7
Barclays U.S. Treasury: 1-5 Year	9.3	1.8	1.3	1.3	27.6	3.2	2.1	1.3
Citigroup World Government Bond	7.3	1.4	5.3	0.3	34.2	3.9	6.9	0.5

Inception date: July 1, 2007

Barclays US Treasuries – Historic Yields

Modeling

			TPBH Policy	TPB Retirement DB	PBA	PBA Liquid	BNY/TUCS Public DB	FLA Muni DB 70/30	FLA Muni DB 50/50
Equity-Like	Equity	*Domestic Public Equity*	27.5	15.0	15.4	17.6	27.0	60.0	42.5
		Non-U.S. Developed Equity	14.0	15.0	12.6	14.4	18.4	10.0	7.5
		Emerging Markets Equity	3.5	10.0	7.0	8.0	4.6		
		Global Private Equity		10.0	10.0		9.0		
	Flexible Capital	*Long/Short and Absolute Return*	20.0	15.0	20.0	30.0	6.0		
	Inflation Hedging	*Natural Resources (Public & Private)*	5.0		10.0	5.0			
		Commodities	2.5	2.5	2.5	2.5	3.0		
		Real Estate (Public & Private)	5.0	10.0	5.0	5.0	5.0		
Bond-Like		*U.S TIPS*	2.5	2.5	2.5	2.5			
	Credit	*Core Bond*	20.0	17.5			24.0	30.0	50.0
		High Yield		2.5					
	Deflation Hedge	*U.S. Treasuries*			10.0	10.0			
	Dollar Hedge	*Non-U.S. Government Bonds*			5.0	5.0	3.0		
	Liquidity	*Cash (T-bills)*							
Total:			100.0	100.0	100.0	100.0	100.0	100.0	100.0

Statistical Output (%)	TPBH Policy	TPB Retirement DB	PBA	PBA Liquid	BNY/TUCS Public DB	FLA Muni DB 70/30	FLA Muni DB 50/50
Expected Real Return (Arithmetic)	4.9	5.5	5.6	5.1	5.2	4.7	3.8
Expected Standard Deviation	12.2	13.3	13.3	12.3	13.0	13.7	10.1
Expected Real Return (Geometric)	4.2	4.7	4.8	4.4	4.4	3.8	3.3
Sharpe Ratio	0.40	0.41	0.42	0.42	0.40	0.34	0.37
Historical Real Return (Arithmetic)	7.4	7.9	8.2	8.0	7.2	7.2	6.3
Historical Standard Deviation	10.6	11.0	10.6	10.7	10.6	11.8	8.6
Historical Real Return (Geometric) - Since January 1, 1988	6.9	7.3	7.7	7.5	6.7	6.6	6.0
Historical Real Return (Geometric) - Trailing 5 Year	6.4	6.4	6.4	5.8	6.9	9.3	7.6
Historical Real Return (Geometric) - Trailing 10 Year	4.7	5.4	5.5	4.9	5.1	5.3	4.8
Historical Real Return (Geometric) - Trailing 15 Year	3.8	4.5	4.5	4.2	3.7	3.0	3.4

Notes: Expected return/risk using 10-15 year Prime Buchholz asset class assumptions.

Historical data based on index returns from January 1, 1988 through December 31, 2014.

Assumptions*

Risk Factor/Purpose	Asset Class	Long-Term Expected Real Return (Arithmetic)	Long-Term Expected SD	Long-Term Expected Real Return (Geometric)	Liquidity Full (daily, mo.)	Liquidity Semi (qtrly, annual)	Liquidity Illiquid (>1 Yr)
Equity	Domestic Public Equity	6.0%	20.0%	4.2%	x		
	Non-U.S. Developed Equity	6.0%	20.0%	4.2%	x		
	Emerging Markets Equity	8.0%	28.0%	4.5%	x		
	Global Private Equity	9.8%	30.0%	5.9%			x
Flexible Capital	Long/Short and Absolute Return	5.3%	12.0%	4.6%		x	
Inflation Hedging	Natural Resources (Private)	8.8%	26.0%	5.8%			x
	Natural Resources (Public)	6.8%	22.0%	4.6%	x		
	Commodities	5.0%	20.0%	3.2%	x		
	Real Estate (Private)	7.8%	26.0%	4.7%			x
	Real Estate (Public)	6.3%	22.0%	4.0%	x		
	U.S. TIPS	0.5%	5.0%	0.4%	x		
Credit	Core Bond	1.5%	6.5%	1.3%	x		
	Long Gov/Corp	2.0%	11.0%	1.4%	x		
	High Yield	4.3%	11.0%	3.7%	x		
	Municipal Bonds	1.0%	7.5%	0.7%	x		
Deflation Hedge	U.S. Treasuries (long-term) - 5+ years	1.3%	10.0%	0.8%	x		
Dollar Hedge	Non-US Government Bonds	1.8%	10.5%	1.2%	x		
Liquidity	Cash (T-bills)	0.0%	2.0%	0.0%	x		

Inflation Indicators			
Implied Inflation (10-Year Treasury/TIPS Spread)	1.7%	as of 12/31/2014	(Bloomberg)
Long-Term U.S. Inflation Average	2.9%	1926 – 2014	

* Assumptions are designed to be appropriate over a 10-15 year period, reviewed annually in the context of interest rates, inflation, and premiums.

Tab VII

Philosophy of an Investment Program

Build the growth engine, but seek to protect it with hedges.

INFLATION HEDGES

Real Estate

TIPS

Commodities

Resources

DEFLATION HEDGES

U.S. Treasuries

High Quality, Non-Callable Bonds

GROWTH ENGINE

Global Public and Private Equity • Flexible Capital

DOLLAR HEDGES

International Sovereign Bonds

DISLOCATION HEDGES

Flexible Capital (Absolute Return, Hedged Equity)

Important: Hedges are not a predictor of events…but may serve as a protector against extreme negative events

Modeling

			TPBH Policy	Model 1	Model 2	Model 3	PBA Liquid
Equity-Like	Equity	*Domestic Public Equity*	27.5	33.0	36.0	22.5	17.6
		Non-U.S. Developed Equity	14.0	17.6	19.2	17.5	14.4
		Emerging Markets Equity	3.5	4.4	4.8	10.0	8.0
		Global Private Equity					
	Flexible Capital	*Long/Short and Absolute Return*	20.0	15.0	10.0	20.0	30.0
	Inflation Hedging	*Natural Resources (Public & Private)*	5.0	3.3	3.3	3.3	5.0
		Commodities	2.5	1.7	1.7	1.7	2.5
		Real Estate (Public & Private)	5.0	3.3	3.3	3.3	5.0
Bond-Like		*U.S TIPS*	2.5	1.7	1.7	1.7	2.5
	Credit	*Core Bond*	20.0	20.0	20.0	20.0	
		High Yield					
	Deflation Hedge	*U.S. Treasuries*					10.0
	Dollar Hedge	*Non-U.S. Government Bonds*					5.0
	Liquidity	*Cash (T-bills)*					
Total:			100.0	100.0	100.0	100.0	100.0

Statistical Output (%)	TPBH Policy	Model 1	Model 2	Model 3	PBA Liquid
Expected Real Return (Arithmetic)	4.9	5.0	5.0	5.1	5.1
Expected Standard Deviation	12.2	13.1	13.5	12.9	12.3
Expected Real Return (Geometric)	4.2	4.2	4.2	4.3	4.4
Sharpe Ratio	0.40	0.38	0.37	0.39	0.42
Historical Real Return (Arithmetic)	7.4	7.4	7.3	7.5	8.0
Historical Standard Deviation	10.6	11.5	12.0	11.5	10.7
Historical Real Return (Geometric)	6.9	6.7	6.6	6.9	7.5

Notes: Expected return/risk using 10-15 year Prime Buchholz asset class assumptions.

Historical data based on index returns from January 1, 1988 through December 31, 2014.

Assumptions*

Risk Factor/Purpose	Asset Class	Long-Term: Expected Real Return (Arithmetic)	Expected SD	Expected Real Return (Geometric)	Liquidity: Full (daily, mo.)	Semi (qtrly, annual)	Illiquid (>1 Yr)
Equity	Domestic Public Equity	6.0%	20.0%	4.2%	x		
	Non-U.S. Developed Equity	6.0%	20.0%	4.2%	x		
	Emerging Markets Equity	8.0%	28.0%	4.5%	x		
	Global Private Equity	9.8%	30.0%	5.9%			x
Flexible Capital	Long/Short and Absolute Return	5.3%	12.0%	4.6%		x	
Inflation Hedging	Natural Resources (Private)	8.8%	26.0%	5.8%			x
	Natural Resources (Public)	6.8%	22.0%	4.6%	x		
	Commodities	5.0%	20.0%	3.2%	x		
	Real Estate (Private)	7.8%	26.0%	4.7%			x
	Real Estate (Public)	6.3%	22.0%	4.0%	x		
	U.S. TIPS	0.5%	5.0%	0.4%	x		
Credit	Core Bond	1.5%	6.5%	1.3%	x		
	Long Gov/Corp	2.0%	11.0%	1.4%	x		
	High Yield	4.3%	11.0%	3.7%	x		
	Municipal Bonds	1.0%	7.5%	0.7%	x		
Deflation Hedge	U.S. Treasuries (long-term) - 5+ years	1.3%	10.0%	0.8%	x		
Dollar Hedge	Non-US Government Bonds	1.8%	10.5%	1.2%	x		
Liquidity	Cash (T-bills)	0.0%	2.0%	0.0%	x		

Inflation Indicators			
Implied Inflation (10-Year Treasury/TIPS Spread)	1.7%	as of 12/31/2014	(Bloomberg)
Long-Term U.S. Inflation Average	2.9%	1926 – 2014	

* Assumptions are designed to be appropriate over a 10-15 year period, reviewed annually in the context of interest rates, inflation, and premiums.

Input Assumptions—Correlations Matrix

	Expected Real Return	Expected Standard Deviation	Domestic Public Equity	Non-U.S. Developed Equity	Emerging Markets	Global Private Equity	Flexible Capital	Natural Resources (Private)	Natural Resources (Public)	Commodities	Real Estate (Private)	Real Estate (Public)	U.S. TIPS	Core Bonds	Long Gov/Corp	High Yield	Municipal Bonds	U.S. Treasuries (5+ Years)	Non-U.S. Government Bonds	Cash
Domestic Public Equity	6.0	20.0	1.00																	
Non-U.S. Developed Equity	6.0	20.0	0.82	1.00																
Emerging Markets	8.0	28.0	0.69	0.70	1.00															
Global Private Equity	9.8	30.0	0.68	0.58	0.50	1.00														
Flexible Capital	5.3	12.0	0.81	0.74	0.82	0.74	1.00													
Natural Resources (Private)	8.8	26.0	0.51	0.48	0.40	0.64	0.48	1.00												
Natural Resources (Public)	6.8	22.0	0.62	0.66	0.53	0.43	0.56	0.37	1.00											
Commodities	5.0	20.0	0.01	0.14	0.15	0.08	0.09	0.13	0.57	1.00										
Real Estate (Private)	7.8	26.0	0.11	0.13	-0.04	0.25	-0.05	0.28	0.16	0.13	1.00									
Real Estate (Public)	6.3	22.0	0.58	0.51	0.42	0.36	0.46	0.34	0.49	0.18	0.18	1.00								
U.S. TIPS	0.5	5.0	-0.31	-0.23	-0.10	-0.20	-0.17	-0.14	-0.22	0.09	-0.01	0.00	1.00							
Core Bonds	1.5	6.5	-0.05	-0.05	-0.17	-0.16	-0.07	-0.08	-0.21	-0.27	-0.13	0.03	0.66	1.00						
Long Gov/Corp	2.0	11.0	-0.08	-0.07	-0.19	-0.13	-0.10	-0.07	-0.23	-0.26	-0.05	0.03	0.63	0.93	1.00					
High Yield	4.3	11.0	0.67	0.58	0.62	0.36	0.65	0.36	0.48	0.02	-0.13	0.61	0.04	0.07	0.04	1.00				
Municipal Bonds	1.0	7.5	0.04	0.05	-0.03	-0.09	0.06	0.02	-0.07	-0.19	-0.17	0.08	0.70	0.85	0.81	0.23	1.00			
U.S. Treasuries (5+ Years)	1.3	10.0	-0.27	-0.25	-0.35	-0.21	-0.27	-0.17	-0.41	-0.34	0.00	-0.16	0.56	0.86	0.95	-0.21	0.71	1.00		
Non-U.S. Government Bonds	1.8	10.5	-0.04	0.23	-0.11	-0.09	-0.10	0.07	-0.02	0.02	-0.09	0.00	0.40	0.58	0.52	-0.03	0.46	0.46	1.00	
Cash	0.0	2.0	0.07	0.04	-0.03	0.07	0.10	0.03	-0.21	-0.26	0.05	-0.13	0.15	0.57	0.46	-0.11	0.41	0.45	0.31	1.00

* Expected returns are for the next 10-15 years; correlations are based on real returns from January 1,1988-December 31, 2014

Historical Stress Test

Historical Stress Test: The historical stress test provides a comparison of how each portfolio has performed during various periods of market stress.

Historical Stress Test			Deflation: Fall '08 to S&P Trough	Corporate Scandals	Tech Bubble Collapse	Russian Debt/LTCM Collapse	Rising Rates	Shock Inflation	High Inflation
			Sep-08 Mar-09	*May-02 Jul-02*	*Mar-00 Mar-01*	*Jul-98 Oct-98*	*Jan-94 Dec-94*	*Jan-73 Dec-73*	*Jan-73 Dec-81*
Equity-Like	**Equity**	Domestic	-47.3%	-25.4%	-22.3%	-17.6%	0.2%	-14.7%	5.8%
Equity-Like	**Equity**	Non-U.S. Developed	-49.2%	-17.5%	-25.9%	-17.7%	7.4%	-11.4%	7.4%
Equity-Like	**Equity**	Emerging Markets	-48.1%	-12.6%	-36.0%	-28.8%	-7.3%	-14.9%	-2.3%
Equity-Like	**Equity**	Global Private Equity	-18.5%	-7.8%	-12.3%	-6.7%	15.7%	-14.7%	5.8%
Equity-Like	**Flexible Capital**	Flexible Capital	-17.3%	-12.1%	-3.1%	-7.4%	4.1%	-7.3%	2.9%
Equity-Like	**Inflation Hedging**	Natural Resources (Public and Private)	-15.9%	-9.9%	3.6%	-4.1%	9.5%	75.0%	12.8%
Equity-Like	**Inflation Hedging**	Commodities	-44.6%	1.3%	19.3%	-2.0%	5.3%	75.0%	12.8%
Equity-Like	**Inflation Hedging**	Real Estate (Public and Private)	-41.9%	-3.6%	19.2%	-3.5%	3.1%	-9.1%	12.4%
Bond-Like	**Inflation Hedging**	U.S. TIPS	-7.6%	3.8%	13.7%	1.6%	2.7%	8.8%	9.2%
Bond-Like	**Credit**	Core Bond	1.9%	2.9%	12.5%	3.5%	-2.9%	2.3%	5.0%
Bond-Like	**Credit**	High Yield	-26.2%	-10.1%	2.5%	-7.5%	-1.0%	6.8%	5.0%
Bond-Like	**Credit**	Municipal Bonds	-1.4%	3.2%	12.8%	3.9%	-5.2%	2.3%	5.0%
Bond-Like	**Deflation Hedge**	U.S. Long Treasuries	9.8%	5.9%	10.9%	7.3%	-7.6%	1.1%	2.8%
Bond-Like	**Dollar Hedge**	Non U.S. Government Bonds	-1.8%	8.4%	-6.0%	15.4%	4.9%	5.0%	6.4%
Bond-Like	**Liquidity**	Cash	0.6%	0.4%	5.9%	1.3%	3.9%	6.9%	8.2%

TPBH Policy	-28.9%	-12.3%	-7.2%	-9.5%	1.9%	-1.8%	5.9%
Model 1	-31.4%	-13.6%	-10.2%	-10.9%	1.6%	-4.6%	5.7%
Model 2	-32.9%	-14.1%	-11.2%	-11.4%	1.5%	-4.9%	5.9%
Model 3	-29.9%	-12.2%	-10.0%	-11.0%	1.4%	-4.2%	5.1%
PBA Liquid	-27.8%	-11.2%	-8.7%	-9.0%	2.0%	-1.9%	5.2%

Please note:

[1] Periods greater than one year are annualized. Results presented in nominal terms.

[2] U.S. TIPS proxy for periods prior to March 1997: CPI

[3] Flexible capital proxy for periods prior to January 1990: 0.50 x Russell 3000 (0.50 Beta)

[4] Emerging markets proxy for periods prior to Janaury 1988: MSCI EAFE (MSCI World ex US proxy for non U.S. developed)

[5] Private equity proxy for periods prior to 1981: Russell 3000 Index

[6] Core bond & municipal proxy for periods prior to 1976: BC U.S. Gov/Credit Index. Municipal proxy between 1976 & 1980: BC Aggregate Index; BC Municipal Index thereafter.

[7] Natural Resources proxy prior to 1987: S&P GSCI

Disclosures

This presentation contains the opinion of Prime Buchholz and is intended for informational purposes only; it does not constitute an offer, nor does it invite anyone to make an offer, to buy or sell securities.

Information obtained from third party sources are believed to be reliable; however, the accuracy of the data is not guaranteed and may not have been independently verified.

The content is current as of the date indicated and is subject to change without notice. It does not take into account the specific investment objectives, financial situations, or needs of individual or institutional investors.

Indices referenced are unmanaged and cannot be invested in directly. Index returns do not reflect any investment management fees or transaction expenses. Clients may, at times, invest in managers or products that are not recommended by Prime Buchholz. Due diligence and monitoring of managers that are not Prime Buchholz recommended is less rigorous than the level applied to recommended managers. Reports provided to clients regarding managers that have not been recommended by us are for informational purposes only and do not necessarily constitute our endorsement of the manager.

The Prime Buchholz asset allocation model is a tool provided to clients to assist in the evaluation and development of long-term investment and spending policies for their investment programs. No asset allocation model can replicate the same experience for any given investor and clients' results may differ materially from the results portrayed. Therefore, the Prime Buchholz asset allocation model results should be only used as a guide—rather than a specific investment program simulation—as a part of a broader discussion to establish the client's policies. Prime Buchholz relies on the client to provide complete and accurate information regarding the client's specific risk/return/spending profile for the model. The model's factors are derived from historical asset class returns and data in combination with forward-looking estimates. These estimates cannot predict the impact of future market conditions that could have a significant negative impact on the reliability of the hypothetical performance presented. Prime Buchholz does not guarantee the accuracy of the data used. Model performance is based on assumptions about asset class investment returns and risk characteristics. It does not represent actual performance, nor does it reflect actual trading in a client portfolio or the management of a model portfolio on a current basis. Model results are based upon total return and reflect the reinvestment of dividends and distributions. They are also gross of management and consulting fees and other expenses an investor would pay, which would lower results.

For modeling output : Prime Buchholz proprietary reporting is compiled utilizing analytics provided by InvestmentMetrics.

Hypothetical performance and past performance are not an indication of future results.

Tab VIII

Global Equity Implementation

January 2015

Pease International Tradeport, 273 Corporate Drive, Portsmouth, NH 03801 T: 603.433.1143 F: 603.433.8661

Summary

We continue to recommend clients employ a global investment approach within the equity segment of their portfolio to ensure adequate foreign diversification, both at the segment and portfolio levels. We believe clients should utilize MSCI All-Country World Index (ACWI) as the equity benchmark and align their policies to reflect the global nature of the asset class.

We maintain our recommendation of allocating a higher-than-benchmark weight to emerging markets (EM) equity. The strategic rationale for this recommendation reflects the trends in global economic growth and market development, while acknowledging the geographic exposure of the full portfolio. We believe the funding for this overweight should come in aggregate from developed markets equity. We recognize that this is an active bet relative to the MSCI ACWI; however, we believe the long-term investment case remains supportive of this bias.

Our recommendation for the equity segment includes a 2x overweight to EM equity relative to the MSCI ACWI. The increased EM weight should be funded proportionately from developed markets in aggregate, considering the weights of the U.S. and developed international equity of the MSCI ACWI. We recommend these weights be reviewed annually to reflect changes in the global opportunity set.

The following illustrates our recommendation.

	ACWI Weights*	Recommended Weights	Notes**
U.S.	49	44	55% of weighting increase to EM funded through U.S.
Developed Non-U.S.	41	36	45% of weighting increase to EM funded through Developed International
Emerging Markets	10	20	2x increase in weight

**ACWI weights as of 9/30/14. Source: InvestmentMetrics.*

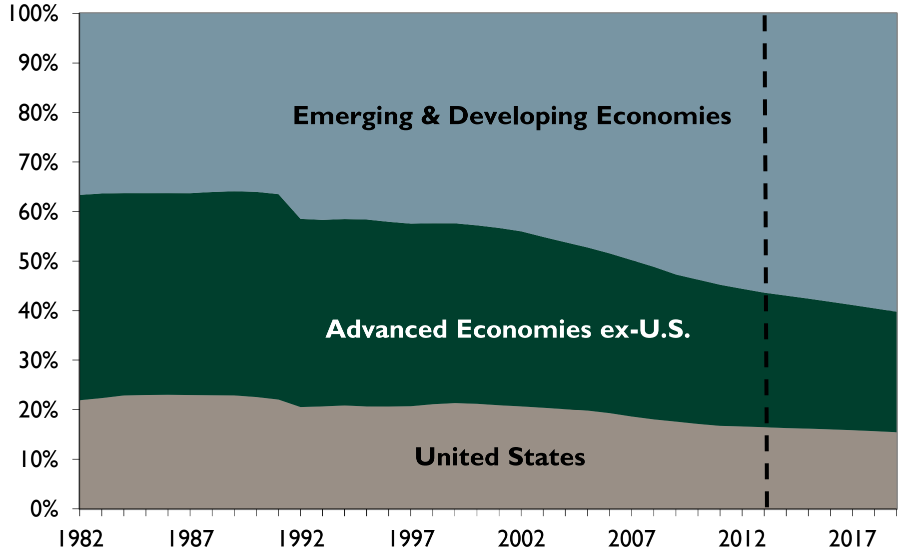
*** Relative percentages to fund EM overweight, as well as recommended weight to EM, will be reviewed annually to reflect changes in market capitalization.*

Emerging Markets Weighting

We believe there is a strategic case for having a higher weighting to EM equity, at the expense of developed markets. Our rationale includes:

- Emerging markets account for more than 55% of global GDP based on purchasing power parity (approximately 40% using current prices) vs. 10% of the MSCI ACWI's current market capitalization. Despite recent underperformance of EM equity relative to many developed stock markets (most notably the U.S.), the share of GDP for both emerging and developing countries has continued to grow at the expense of both the U.S. and other advanced economies.
- The MSCI GDP-Weighted ACWI reflects similar weightings, with the U.S. at 25%, developed non-U.S. at 39%, and EM at 36% as of year-end 2014.
- GDP growth remains stronger in EM countries, which has resulted in them being key drivers of global economic growth. While growth has not been as robust as pre-crisis levels, many emerging economies have instituted policies aimed at shifting growth toward consumption rather than exports.

Global GDP Distribution by Region (PPP)
(Actual figures 1982 - 2013, Projections 2014-2019)



	Actual						IMF Projections		
	2008	2009	2010	2011	2012	2013	2014	2015	2019
World	**3.0**	**0.0**	**5.4**	**4.1**	**3.3**	**3.3**	**3.3**	**3.8**	**4.1**
Advanced Economies	0.1	-3.4	3.1	1.7	1.2	1.4	1.8	2.3	2.3
United States	-0.3	-2.8	2.5	1.6	2.3	2.2	2.2	3.1	2.6
Euro area	0.4	-4.5	2.0	1.6	-0.7	-0.4	0.8	1.3	1.6
United Kingdom	-0.8	-5.2	1.7	1.1	0.3	1.7	3.2	2.7	2.4
Japan	-1.0	-5.5	4.7	-0.5	1.5	1.5	0.9	0.8	1.0
Canada	1.2	-2.7	3.4	2.5	1.7	2.0	2.3	2.4	2.0
Emerging and Developing Countries	5.8	3.1	7.5	6.2	5.1	4.7	4.4	5.0	5.2
Central & Eastern Europe	3.2	-3.6	4.7	5.5	1.4	2.8	2.7	2.9	3.4
Developing Asia	7.1	7.5	9.5	7.7	6.7	6.6	6.5	6.6	6.3
China	9.6	9.2	10.4	9.3	7.7	7.7	7.4	7.1	6.3
India	3.9	8.4	10.3	6.6	4.7	5.0	5.6	6.3	6.7
Middle East & North Africa	5.3	2.4	5.5	4.5	4.8	2.3	2.6	3.8	4.5
Latin America & Caribbean	3.9	-1.3	6.0	4.5	2.9	2.7	1.3	2.2	3.3

Source: International Monetary Fund World Economic Database: October 2014 Edition

**Real GDP is a macroeconomic measure of the value of output economy-adjusted for price changes (inflation or deflation)*

Emerging Markets Weighting (cont'd)

- Continued privatization of EMs, including greater initial public offering (IPO) activity and increased foreign access to local markets is likely to continue.
  - The number of constituents in the MSCI EM Index increased from 707 holdings at year-end 2010 to 834 at year-end 2014, a nearly 18% increase.
  - Recent efforts by the Chinese government to increase foreign access to mainland exchanges through the Hong Kong Shanghai Stock Connect provided access to 600 companies listed in Shanghai. The country plans to increase the list of eligible companies, potentially relax quotas, or roll out a program for the Shenzhen exchange. These securities are presently not included in the MSCI benchmark (the Shanghai and Shenzhen exchanges each have north of 1,000 listings).
  - Saudi Arabia, while currently not in the MSCI EM Index, has announced plans to open its market to foreign investors in the first half of 2015. Historically, foreign investors outside of the Gulf Cooperation Council (GCC) have not had direct access to the stock exchange.
- The majority of a portfolio's non-equity exposure has limited foreign diversification. As a result, the equity segment is an important geographic and currency diversifier for a client portfolio. The following provides an illustration of the geographic exposure of a typical diversified portfolio.

		Estimated Geographic Allocation			*Resulting Estimated Portfolio %*		
	Diversified Portfolio	**U.S.**	**Int'l Dev**	**EM**	**U.S.**	**Int'l Dev**	**EM**
Global Equity	35%	44%	36%	20%	15%	13%	7%
Private Equity	10%	100%	0%	0%	10%	0%	0%
Flexible Capital	20%	70%	25%	5%	14%	5%	1%
U.S. Treasuries	10%	100%	0%	0%	10%	0%	0%
Non-U.S. Gov't Bonds	5%	0%	80%	20%	0%	4%	1%
Natural Resources	5%	90%	10%	0%	5%	1%	0%
Private Real Estate	5%	70%	10%	20%	4%	1%	1%
Commodities	5%	100%	0%	0%	5%	0%	0%
TIPS	5%	100%	0%	0%	5%	0%	0%
	100%				68%	22%	10%

Note: Estimated geographic allocation reflects Prime Buchholz estimates; assumes all asset classes have 100% net exposure.

Emerging Markets Risks

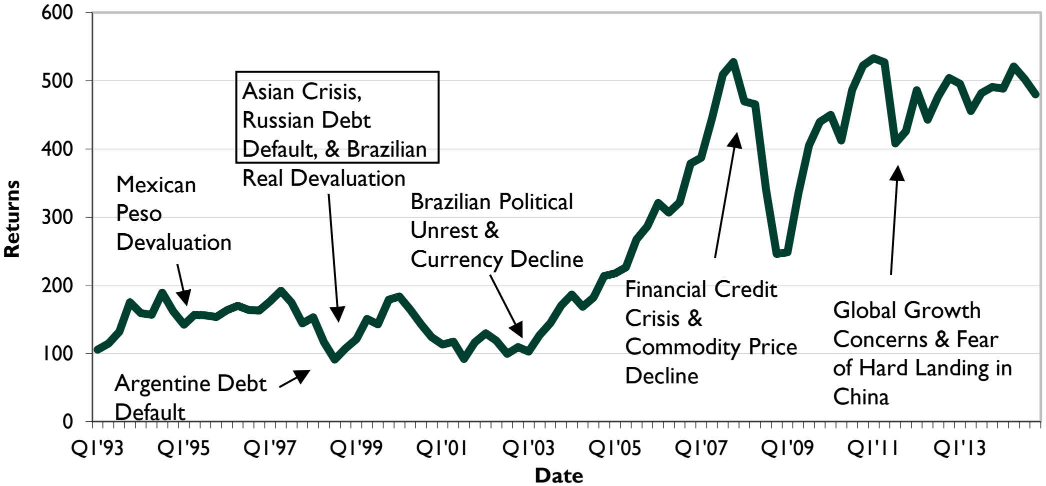
We acknowledge that investing in emerging markets equity may increase the portfolio's sensitivity to unique risks. Such risks can include, but are not limited to, the following:

- *Equity market volatility* – EM countries have historically had higher volatility than developed equity markets. Volatility has come both as a result of EM-specific events and global concerns.
- *Nascent regulatory and operational environments of some emerging countries* – Quality of legal systems, market regulations, transparency, corporate governance, and accounting standards are often not on par with developed markets and vary widely among EM countries. State intervention in business activities and foreign investor rights and restrictions (including limited investability of select markets) can make the process more complicated.
- *Sensitivity to commodity and export-driven industries* – A lack of diversification of some economies can increase the sensitivity to external drivers of growth (i.e., developed market consumption, pricing, demand for commodities). Companies exposed to these global economic factors constitute a significant portion of the MSCI EM Index.
- *Sensitivity to geopolitical events* – An example includes the market and currency impact of Russia's invasion of Ukraine in 2014 and the resulting in Western sanctions.

Quarterly Peak-to-Trough Analysis (Q4'93 – Q4'14)
MSCI Emerging Markets Index

Time Period	Quarters (#)	Move (%)
Q2-97 - Q3'98	5	-52%
Q3'98- Q1'00	6	101%
Q1'00 - Q3'01	6	-50%
Q3'01 - Q4'07	25	474%
Q4'07 - Q4'08	4	-53%
Q4'08 - Q1'11	9	117%
Q1'11 - Q4'11	3	-20%
Q4'11 - Q4'12	4	18%
Q4'12 - Q4'14	8	-5%

MSCI EM Index Net Quarterly Returns: Q1'93 – Q4'14



Volatility of Select Indices
Annualized Standard Deviation (as of Dec. 31, 2014)

	1 Yr	3 Yrs	5 Yrs	7 Yrs	10 Yrs	15 Yrs	20 Yrs
MSCI EM	8.7	13.3	17.5	26.3	24.3	25.4	25.9
MSCI EAFE	7.7	11.9	16.5	22.5	19.6	19.8	18.9
S&P 500	3.7	8.9	14	18.7	16.1	16.9	16.9

Emerging Markets Risks

- *Exchange rate fluctuations and sensitivity to developed country currencies* – While this is generally decreasing, many countries continue to have domestic liabilities denominated in foreign currencies. EM currencies have proven to be a risk asset, showing sensitivity to both global and micro economic factors, as well as shifts in risk sentiment.
  - EM currencies can be volatile, particularly in regions of economic and/or geopolitical instability. In recent years, currency translation for USD investors has served as a headwind, as EM currencies have depreciated against the USD. The MSCI EM Index gained 8.4% in local currencies over the three-year annualized period ended December 31, 2014, compared to a 4.0% rise in USD terms.
  - The USD was particularly strong in 2014, as shown by the Index's gain of 5.2% in local terms for the year that was diminished to a loss of 2.2% in USD terms. Nearly all EM currencies depreciated relative to the USD over the period as strong economic data and the end of quantitative easing have helped make the USD a safe haven for skittish investors. Countries reliant on commodity production and export, such as Russia and Columbia, have seen some of the sharpest currency declines in the developing world.
  - While currency movements as of late have weighed on returns for U.S. investors, at the corporate level, the recent strength of USD has helped improve competitiveness for companies exporting to the U.S. With regard to risk going forward, companies or countries that are financed in USD and do not have corresponding dollar income may be at increased risk once interest rates rise in the U.S.

Given the differing stages of development and varied economic make-up of emerging markets, the underlying level of risk fluctuates significantly. Therefore, diversification across emerging countries is important.

MSCI Emerging Market Index Calendar Year Returns in USD and Local Terms

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005
MSCI EM Index (USD)	-2.2	-2.6	18.2	-18.4	18.9	78.5	-53.3	39.4	32.2	34.0
MSCI EM Index (Local)	5.2	3.4	17.0	-12.7	14.1	62.3	-45.9	33.2	28.5	35.2

Indices referenced are unmanaged and cannot be invested in directly. Index returns do not reflect any investment management fees or transaction expenses.

All commentary contained within is the opinion of Prime Buchholz and is intended for informational purposes only; it does not constitute an offer, nor does it invite anyone to make an offer, to buy or sell securities. The content of this report is current as of the date indicated and is subject to change without notice. It does not take into account the specific investment objectives, financial situations, or needs of individual or institutional investors.

Information obtained from third-party sources are believed to be reliable; however, the accuracy of the data is not guaranteed and may not have been independently verified. Performance returns are provided by third-party data sources.

Past performance is not an indication of future results.

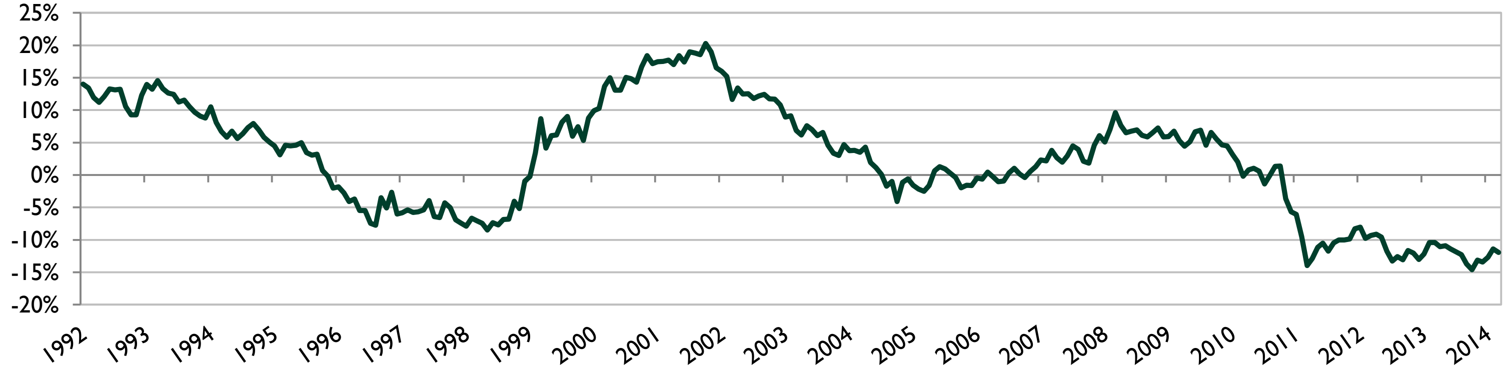
ED150_012615

Tab IX

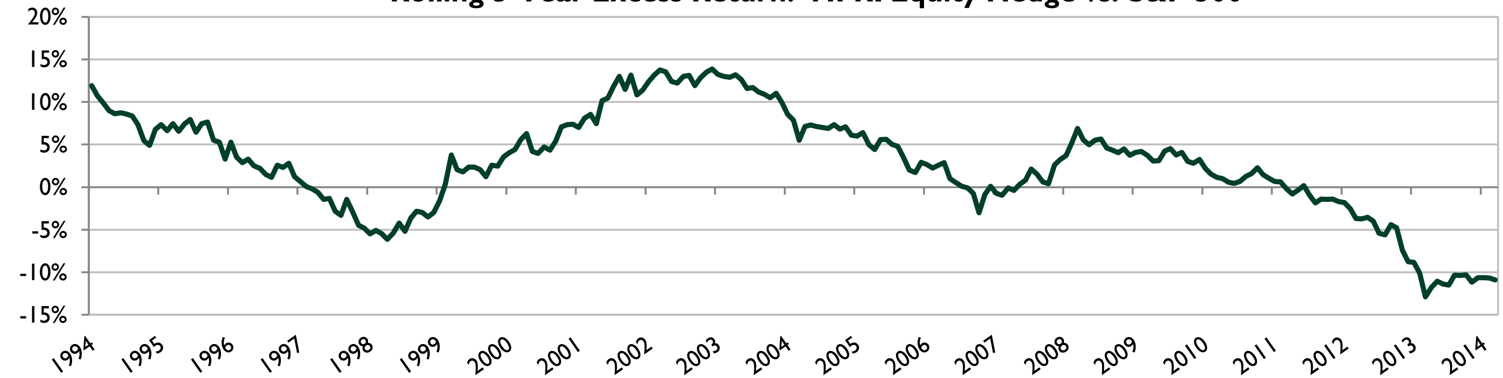
Hedge Fund Performance Over Market Cycles

The last several years have been frustrating for hedge fund investors. The graphs below detail excess returns for the HFRI Equity Hedge Index relative to the S&P 500 Index, using rolling three-year and five-year returns. The HFRI Equity Hedge has outperformed the S&P 500 in 62% of all three-year periods and in 72% of all five-year periods. It is notable that the prior periods of underperformance followed significant equity rallies and immediately preceded major market corrections in 2000 and 2008. While we cannot forecast the next market correction, we believe this level of underperformance is not sustainable. It is also worth noting that the HFRI Equity Hedge can be viewed as representing the average long/short fund. We believe there are exceptional managers that has the potential to add value over a variety of market environments and meaningfully outperform the benchmark.

Rolling 3-Year Excess Return: HFRI Equity Hedge vs. S&P 500



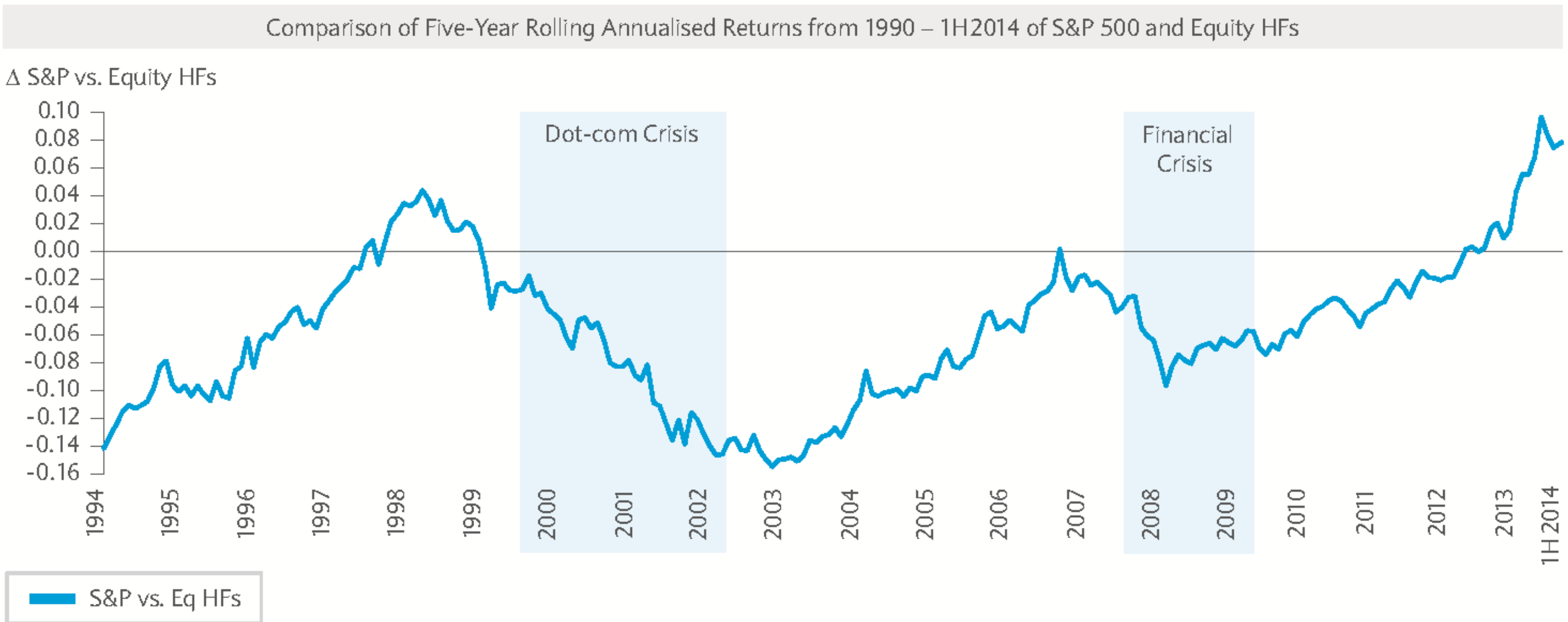
Rolling 5-Year Excess Return: HFRI Equity Hedge vs. S&P 500



Prime BUCHHOLZ

The blistering advance of the S&P 500 Index, where it has more than tripled since March, 2009, has significantly outpaced the overall returns of equity hedge funds. However, an evaluation over modestly longer-term periods reveals that equity hedge funds have exhibited better 5-year rolling returns for the vast majority of the time periods since 1994.

S&P 500 vs. Equity Hedge Fund Returns

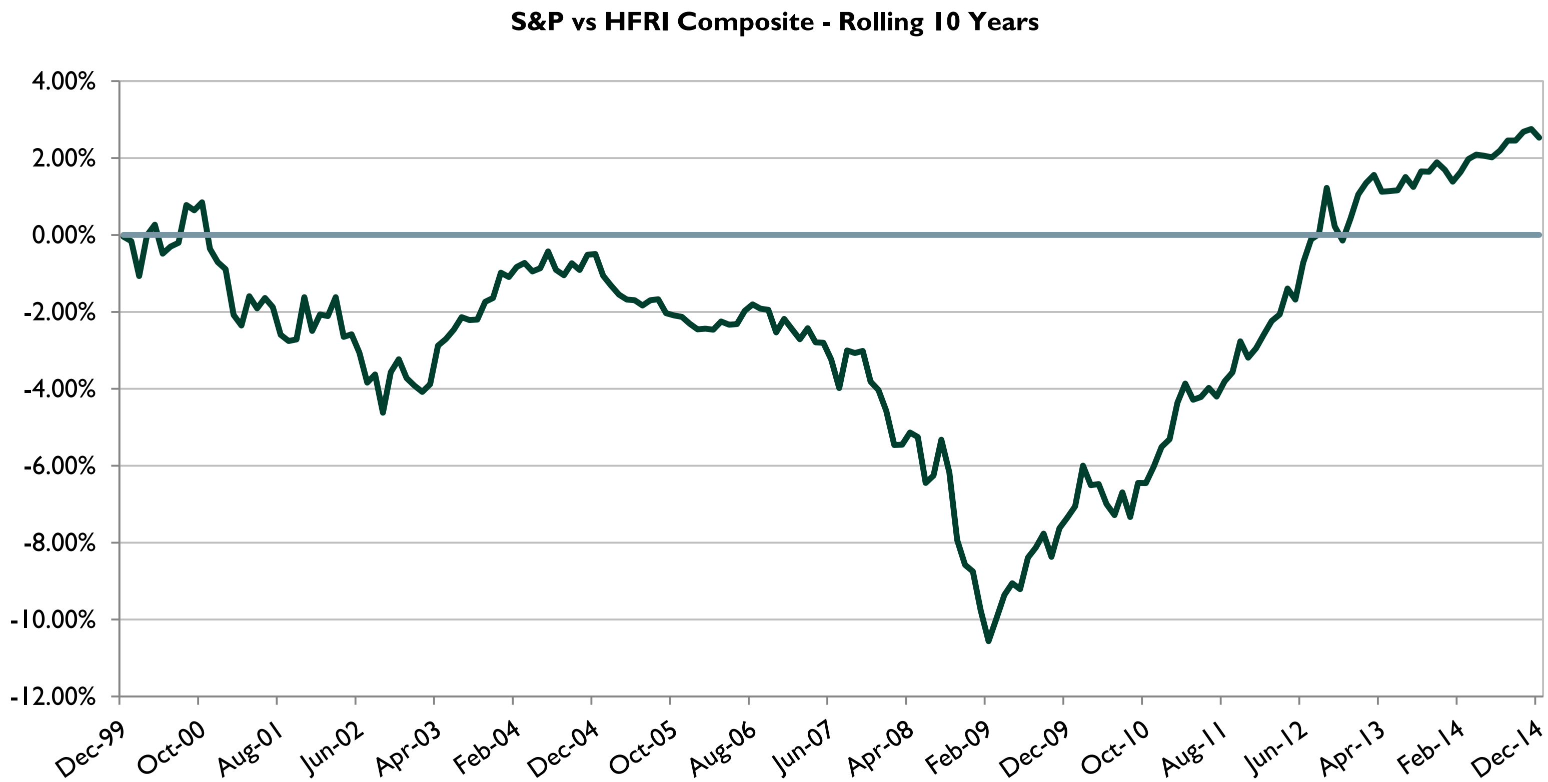


Source: S&P Dow Jones Indices, HFR, Strategic Consulting analysis. Any past or simulated past performance (including back-testing) contained herein is no indication as to future performance;
Note: Equity HF Returns refer to the weighted average (by AUM) of the HFRI Event Driven (Total) Index and the HFRI Equity Hedge (Total) Index

Source: Barclay's

S&P vs HFRI Composite

Examining longer periods also reveals that the HFRI Composite Index has typically outperformed the S&P 500 Index over ten year periods since 1999. The recent S&P 500 outperformance follows an unbroken extended period of underperformance that lasted for over 10 years.



Prime BUCHHOLZ

Performance During Drawdowns

Although hedge fund performance has lagged during the last five years, hedge fund allocations have historically mitigated portfolio volatility and losses during drawdowns in the market. The graph below shows historical drawdowns in the S&P 500 since 1998 compared to a variety of hedge fund strategies. As the graph shows, hedge fund strategies have declined less than the broader market during periods of market volatility. For example, hedge fund strategies declined less than the S&P 500 during the 2000–2001 market drawdown as well as the 2008 –2009 financial crisis. The downside capture of long/short equity hedge funds has increased during recent years, but hedge funds have continued to serve their role as a hedge against market volatility.

It is important to note that the returns listed for the various indices represent cumulative returns for the entire period of the equity market drawdown. The returns for the hedge fund indices do not represent the maximum drawdown for the indices over this period.

Hedge Fund Performance During Equity Market Declines

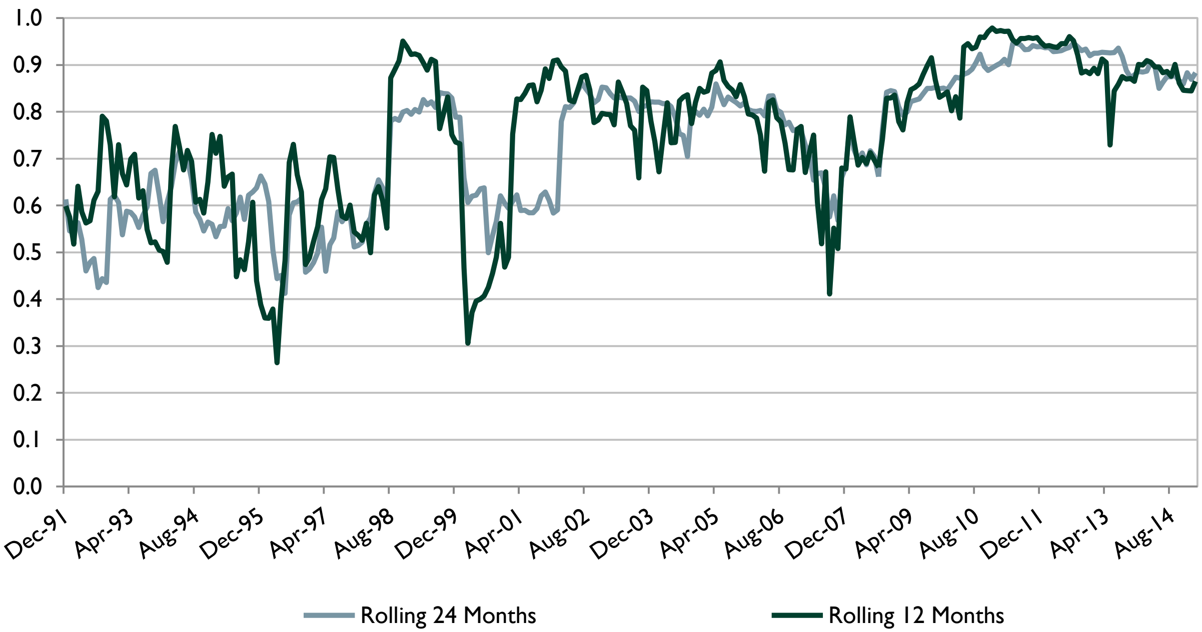
	5/11 - 9/11	11/07 - 11/08	5/10 - 6/10	4/02 - 9/02	9/00 - 9/01	7/98 - 8/98
HFRI Equity Hedge (Total) Index	-13.2%	-28.6%	-5.8%	-7.9%	-9.3%	-9.0%
HFRI Event-Driven (Total) Index	-9.1%	-22.8%	-3.7%	-9.1%	5.9%	-10.8%
HFRI Relative Value (Total) Index	-4.0%	-17.8%	-1.8%	1.4%	7.9%	-6.6%
HFRI Distressed/Restructuring Index	-8.7%	-24.0%	-2.8%	-1.7%	6.5%	-12.8%
HFRI Macro (Total) Index	-4.1%	3.8%	-2.0%	4.8%	4.2%	-5.9%
S&P 500 Index	-16.3%	-40.7%	-12.8%	-28.4%	-30.5%	-15.4%

Hedge Fund Correlation

Correlation of equity hedge funds to the equity markets has remained at elevated levels since the market recovery began in 2009, reaching peak levels in 2011 and 2012. While correlation is high, this pattern is not unusual as equity funds exhibited similar levels of correlation in the late 1990s and during the bull market of the 2000s. The difference between those periods and the current market is the persistence of the rally, as there have been only a handful of short-lived corrections since 2009. This has led to a "buy the dip" mentality and correlation within the equity market has been high.

The graph below shows the correlation of the HFRI Equity Hedge Index to the S&P 500 Index over rolling 24- and 12-month periods. While subtle, a reduction in correlation has already occurred over the last few years. If market volatility picks up and correlation within the equity market declines, the correlation of hedge funds to the equity market should also decline, opening up the possibility for stronger alpha generation. Manager selection is also paramount during periods of rising correlation as many managers have remained steadfast in their approach and have not followed the trend of the broader industry.

Correlation of HFRI Equity Hedge Index to S&P 500 Index



Source: StyleAdvisor

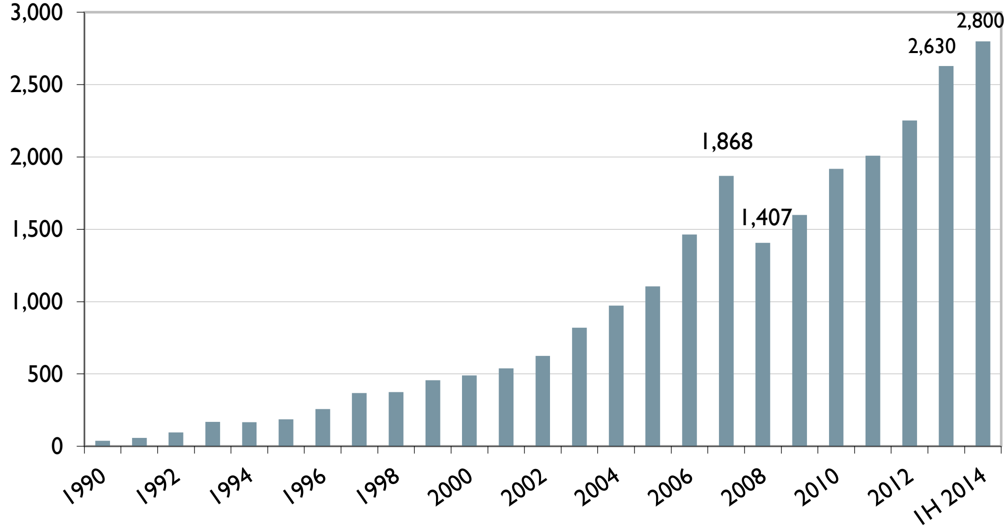
Hedge Fund Industry Growth

As shown in the graph below, hedge fund assets have steadily grown each year since the 2008 financial crisis. According to Hedge Fund Research, Inc., there were $56.9 billion of investor inflows for the six months ended June 30, 2014 and total hedge fund assets under management were $2.8 trillion at that time. This asset level is 50% higher than the previous mark of $1.9 trillion reached in 2007. Hedge fund assets went through a period of rapid growth from 2002 to 2007, then fell sharply in 2008 and stagnated in 2009, only to continue the upward trend in each year since.

The early adoption of hedge funds as an asset class came primarily from high net worth individuals, family offices, and progressive endowments and foundations. Institutional investors (primarily comprised of pension funds, sovereign wealth funds, and insurance companies) have been the greatest source of asset growth since the market correction.

Inflows to the hedge fund space have gravitated toward large and institutionalized managers. In turn, many of these managers have adapted their investment processes to meet the return and volatility expectations of their reshaped client base. This has resulted in a reduction in volatility and in many cases a decrease in absolute returns. However, risk-adjusted returns have generally increased.

Growth of Hedge Fund Assets ($B)



Source: HFR Industry Reports, HFR Inc., year-end 2012, Q4 2013, Q2 2014, www.hedgefundresearch.com

While a reduction in volatility supports the downside protection aspect of hedge funds, we feel it is necessary for investors to have a mix of managers of varying sizes and mandates when seeking to generate competitive returns over the long-term. Small to mid-sized managers rely more heavily on incentive fees, which are dependent upon performance. Balancing these managers with larger, lower volatility strategies should provide elements of protection and capital appreciation, with diverse sources of return.

Disclosures

Indices referenced are unmanaged and cannot be invested in directly. Index returns do not reflect any investment management fees or transaction expenses.

All commentary contained within is the opinion of Prime Buchholz and is intended for informational purposes only; it does not constitute an offer, nor does it invite anyone to make an offer, to buy or sell securities. The content of this report is current as of the date indicated and is subject to change without notice. It does not take into account the specific investment objectives, financial situations, or needs of individual or institutional investors.

Information obtained from third-party sources are believed to be reliable; however, the accuracy of the data is not guaranteed and may not have been independently verified. Performance returns are provided by third-party data sources.

Past performance is not an indication of future results.

Tab X

Inflation Hedging/Real Assets Implementation

February 2015

Pease International Tradeport, 273 Corporate Drive, Portsmouth, NH 03801 T: 603.433.1143 F: 603.433.8661

Summary

We believe the primary objectives of the inflation-hedging/real asset allocation are to hedge the portfolio from the potentially adverse impacts of inflation and to increase its diversification characteristics. Secondarily, we believe that some investments may have target returns in excess of the long-term target return objectives of the overall portfolio.

There is no perfect inflation hedge, as inflation, its catalysts, and the resulting impacts on a portfolio are each dynamic and complex. Consequently, we recommend a diversified basket of exposure to inflationary-related assets in an effort to achieve the long-term goals of the asset class. We divide these instruments into four categories: commodities, energy and natural resources, real estate, and Treasury inflation-protected securities (TIPS).

Each of the categories has implementation options. For example, real estate investment can be through publicly listed real estate securities or private closed-end funds, and with varied degrees of strategy risk. Each client's implementation can also differ depending on liquidity needs, risk tolerance, and resources.

We recommend private real assets implementation as part of the allocation for clients where possible. Private investment has the potential to capture the illiquidity premium created by a longer-term investment horizon and mitigate some of the risks of investing in publicly listed vehicles, including volatility and correlation to other public market sectors.

Overview

Inflation-hedging is a broad category of investments that can include equity, fixed income, hard asset, commodity, derivative, and private vehicles. All of these investments typically share general characteristics of a positive correlation—either directly through quantifiable relationship of returns, or indirectly through characteristics of underlying assets—with inflation and some level of diversification from traditional equity and fixed income instruments. Some, mainly in real estate and natural resources, also can have the potential to provide a portfolio with returns at, or in excess of, overall target objectives.

Based on risk exposures, expected returns, and relationships to inflation, we group the various types of real assets into four broad subcategories:

Commodities | Energy & Natural Resources | Real Estate | TIPS

As with any asset class, there are potential benefits and drawbacks to investing in real assets:

Benefits

- *Diversification* – The addition of real assets to an existing portfolio can produce diversification benefits, especially at times when traditional assets are performing poorly.
- *Inflation-hedging properties* – Real assets, as opposed to traditional investments, have historically been strong performers during periods of high and rising inflation.
- *Income generation* – Some real assets, like real estate and TIPS, have the added potential benefit of producing a steady income stream.
- *Opportunities for value enhancement* – Real assets can provide a value opportunity during periods of market inefficiency.

Drawbacks

- *Illiquidity* – Investing in real assets through private partnerships will most often subject the investor to lock-ups of ten years or more.
- *Cash Management* – Private programs require cash flow planning for capital calls and capital commitments.
- *Volatility* – Many real assets exhibit stock-like volatility when assessed on a standalone basis; however, investing in a basket of uncorrelated real assets may substantially reduce this risk.
- *Cyclicality* – Some real assets are cyclical in nature, especially energy and agricultural commodities.

Subcategories Overview

No inflation hedge is perfect and inflation's impact on a diversified portfolio is dependent on a variety of factors. Each real asset subcategory has unique characteristics, with distinctive benefits, risks, and implementation features.

	Commodities Futures	Energy & Natural Resources	Real Estate	TIPS
Pros	Exposure to resource inputs to global goods production and consumption. More likely to be hedge of shorter-term inflationary spikes, less likely to be correlated over the long term to equities.	Revenues tied to inflationary-linked resources. Higher return potential than other real asset categories.	Tangible assets with inflation adjusting yield (rent) and higher long-term return potential than commodities or TIPS.	TIPS offer inflation protection through principal adjustments that are directly linked to changes in CPI. Low volatility.
Cons	Higher volatility. Lower long-term potential returns than equities. In certain environments, commodity futures may be heavily influenced by external factors, including currency hedging and global macroeconomic forecasting as opposed to supply/demand characteristics of individual commodities.	Correlation to inflation indirect, public market implementation has had a high correlation to equity markets, private implementation high illiquidity.	Correlation to inflation indirect. Public market implementation has had a high correlation to equity markets, private real estate implementation high illiquidity. Ancillary risks including leverage.	Lower long-term potential return than equities. Reliance on CPI as sole measure of inflation.
Implementation	Long-term dedicated exposure through a diversified basket of commodities (Dow Jones UBS as index), utilizing—when possible—active managers or passive exposures to the DJ-UBS Roll Select Index, which have the potential to capitalize on the structural deficiencies of the benchmark.	Long-term private fund implementation, with commitments sourced by public market exposure at targets.	Long-term private fund implementation, with commitments sourced by public market exposure at targets. Global diversification.	Allocation through low cost, passively managed mutual funds or commingled vehicles to gain exposure to the asset class in the most efficient manner and align the portfolio with the investment objective of the allocation. Limited use of active management.

Private Program Considerations:

- Projections of illiquid vehicle exposure will require periodic (annual or semi-annual) updating, as the fund investment and realization timelines can vary widely across funds and managers.
- Liquid investments and exposures should be periodically redeemed/rebalanced as private program matures.
- Private commitment levels should be maintained yearly to provide appropriate vintage year and fund diversification. Commitments should be adjusted for changes in current and projected exposures.
- Target 50% unfunded commitment levels (to target overall exposures).

Vehicle Characteristics

Real assets investment can be implemented in various ways by subcategory, depending on investor characteristics. Larger investors can invest in separate accounts or purchase property directly, while other investors with high short-term liquidity needs can invest in only vehicles with daily liquidity. Below are some commonly used vehicles for long-term-focused institutional investor.

Investment Type	Description	Vehicle	Liquidity	Volatility
Private Real Estate Partnerships	Investments in partnerships that acquire and administer land or developed property, including residential, office, industrial, and retail properties.	Private Partnership	Low 10+ Years	Low
Public Real Estate Securities	Investments in publicly traded companies that manage real estate portfolios.	Commingled or Mutual Fund, Separate Account	High Daily/Monthly	High
Commodities Futures	Investments, generally indirect, in physical assets like metals, energy, agricultural, livestock, and other products.	Commingled or Mutual Fund, Derivatives	High Daily/Monthly	High
Private Energy & Natural Resources Partnerships	Investments in partnerships that acquire and administer properties for the purpose of developing natural resources like timber, oil, natural gas, and agricultural land.	Private Partnership	Low 10+ Years	Low
Publicly Traded Energy & Natural Resources	Publicly traded, resource-related securities.	Commingled or Mutual Fund	High Daily/Monthly	High
TIPS	Investments in fixed income securities that are structured in an effort to provide inflation protection through adjustments to principal and coupon payments.	Commingled or Mutual Fund, Separate Account	High Daily/Monthly	Low

Vehicle Considerations

Prime Buchholz recommends private real asset implementation wherever possible. Private investment has the potential to capture the illiquidity premium created by a longer-term investment horizon and mitigate some of the risks of investing in publicly listed vehicles, including volatility and correlation to other public market sectors. The information below shows the increased correlation of real estate investment trusts (REITs) to the broader equity markets.

- REITs are publicly exchange-traded investment vehicles intended to provide two sources of return: yield and capital appreciation. Since 1972, the primary driver of REIT performance has been income returns versus price appreciation, with income returns being less volatile.

REITs (1972 –2014)

	Price Component	Income Component
Average Annual Return	1.5	8.3
Standard Deviation	17.6	1.4

- A key drawback of REITs is the typically high correlation to equities, especially during times of market stress. Since 1972, when equities returned less than their average return, REITs were 0.58 correlated to equities. When equities were higher by more than their average return, REITs were only 0.28 correlated to equities (from January 1972 to December 2014). Historically, REITs have been more correlated to equities in down-markets than up-markets. When investing in REITs, investors should be aware of how they typically perform in both types of markets and consider their performance behavior relative to equities in times of market stress. Despite the relatively high correlation to equities, we believe REITs can serve as a solid long-term proxy for real estate. For clients unable to build private programs, we feel REITs are the best option to gain real estate exposure.
- Overall, marketable real assets tend to move more in line with the broader equity market when compared to non-marketable, or private real asset investments. Private investment reduces the correlation of inflation-hedging assets to the broader market and provides investors with more direct exposure to pure hard assets such as real estate, oil and gas, and energy infrastructure. Given these attributes, we recommend clients build private investment programs where appropriate.

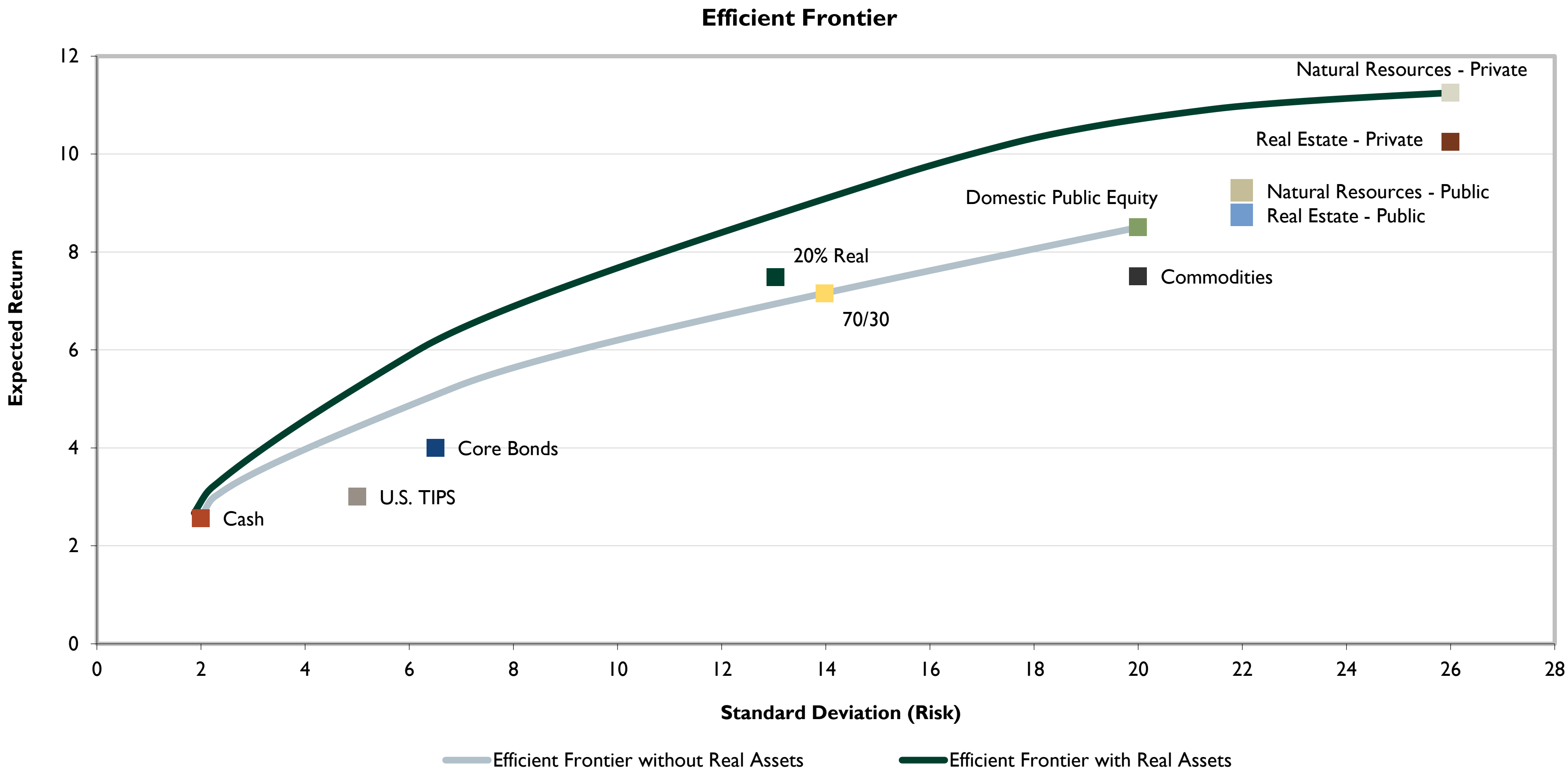
Inflation Considerations

An allocation to a diversified real assets program is not a tactical view on the timing, severity, or impact of a potential higher inflationary environment. Rather, it should be viewed as one component of a broader diversified portfolio that contains various risk exposures that, in aggregate, in an effort to meet long-term projected return expectations, while hedging downside risks where possible. Each subcategory within real assets also has unique potential relationships with inflation as detailed below:

Sub Category	Relationship to Inflation
Commodities	Direct – Commodities are one input into the CPI calculation. Prices also tend to respond rapidly to economic shocks, supply disruptions, and increased demand.
Energy & Natural Resources	Indirect – Higher prices can lead to higher profits for investments tied to basic materials and production inputs.
Real Estate	Indirect – Net profits and rental income from properties tend to increase as prices rise. Replacement costs and values of assets related to basic material and production costs.
TIPS	Direct – Principal is adjusted periodically to reflect changes in the inflation rate during the previous measurement period. Although the coupon rate is constant, actual dollar interest changes as the coupon rate is multiplied by the adjusted principal.

Efficient Frontier

This efficient frontier shows the potential impact of adding real assets to a standard 70% stocks/30% bonds portfolio. The 70/30 portfolio provides a 7.2% expected return with a 14.0 standard deviation (portfolio volatility), and a 0.33 Sharpe ratio (a risk-adjusted return measure). When adding 20.0% real assets to the portfolio, portfolio volatility is reduced —from 14.0 to 13.0—and expected return increases from 7.2% to 7.5%, while risk-adjusted return is increased from 0.29 to 0.38.



* 70%/30% portfolio is a stock and bond portfolio made up of 70% stocks and 30% bonds, respectively.
**20% real portfolio includes the following: 2.5% TIPS, 2.5% commodities, 2.5% public real estate, 2.5% private real estate, 5% public resources, and 5% private resources.
Expected return/risk using 7-10 year Prime Buchholz 2015 asset class assumptions.

Historical Performance

April 1997 – December 2014

Index	3-Year Rate of Return (%)	5-Year Rate of Return (%)	10-Year Rate of Return (%)	10-Year Standard Deviation (%)	Since Inception Apr-97 Rate of Return (%)	Since Inception Apr-97 Standard Deviation (%)
NCREIF Property	11.1	12.1	8.4	6.2	9.7	4.9
FTSE EPRA NAREIT Dev	15.9	12.0	6.9	23.6	8.2	21.0
NCREIF Timberland	9.3	5.8	8.3	5.8	7.5	5.5
MSCI World Energy	2.7	4.2	6.9	23.2	8.7	19.8
MSCI ACWI	14.1	9.2	6.1	17.9	6.1	18.7
S&P 500	20.4	15.5	7.7	16.1	7.8	17.6
Barclays Aggregate	2.7	4.4	4.7	3.2	5.8	3.4
Bloomberg Commodities	-9.4	-5.5	-1.9	20.5	1.3	17.9
Barc. U.S. TIPS	0.4	4.1	4.4	5.4	6.0	5.0
CPI	1.3	1.7	2.1	2.3	2.2	1.9

Source: InvestmentMetrics

Correlations

Historical Correlation of Returns

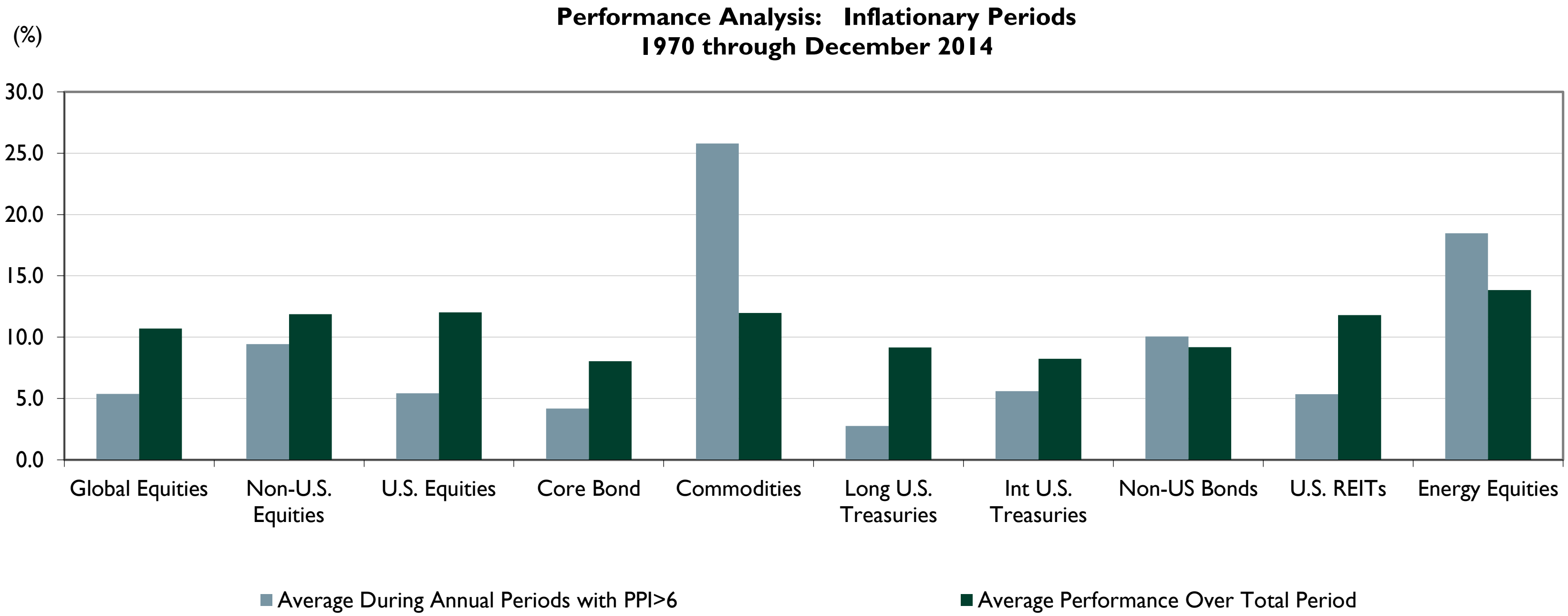
10-Year Period: December 2004 – December 2014

Index	NCREIF Property	FTSE EPRA NAREIT Dev	NCREIF Timberland	MSCI World Energy	MSCI ACWI	S&P 500	Barclays Aggregate	Bloomberg Commodity	Barclays U.S. TIPS	CPI
NCREIF Property	1.00									
FTSE EPRA NAREIT Dev	0.23	1.00								
NCREIF Timberland	0.31	-0.12	1.00							
MSCI World Energy	0.22	0.55	-0.16	1.00						
MSCI ACWI	0.21	0.88	-0.10	0.80	1.00					
S&P 500	0.26	0.85	-0.15	0.71	0.95	1.00				
Barclays Aggregate	-0.19	0.00	0.06	-0.33	-0.20	-0.26	1.00			
Bloomberg Commodities	0.27	0.47	-0.13	0.82	0.62	0.50	-0.24	1.00		
Barclays U.S. TIPS	0.03	0.07	-0.04	0.03	-0.02	-0.09	0.60	0.28	1.00	
CPI	0.27	0.23	-0.29	0.48	0.29	0.23	-0.37	0.60	0.24	1.00

Source: InvestmentMetrics

Inflation Hedging Considerations

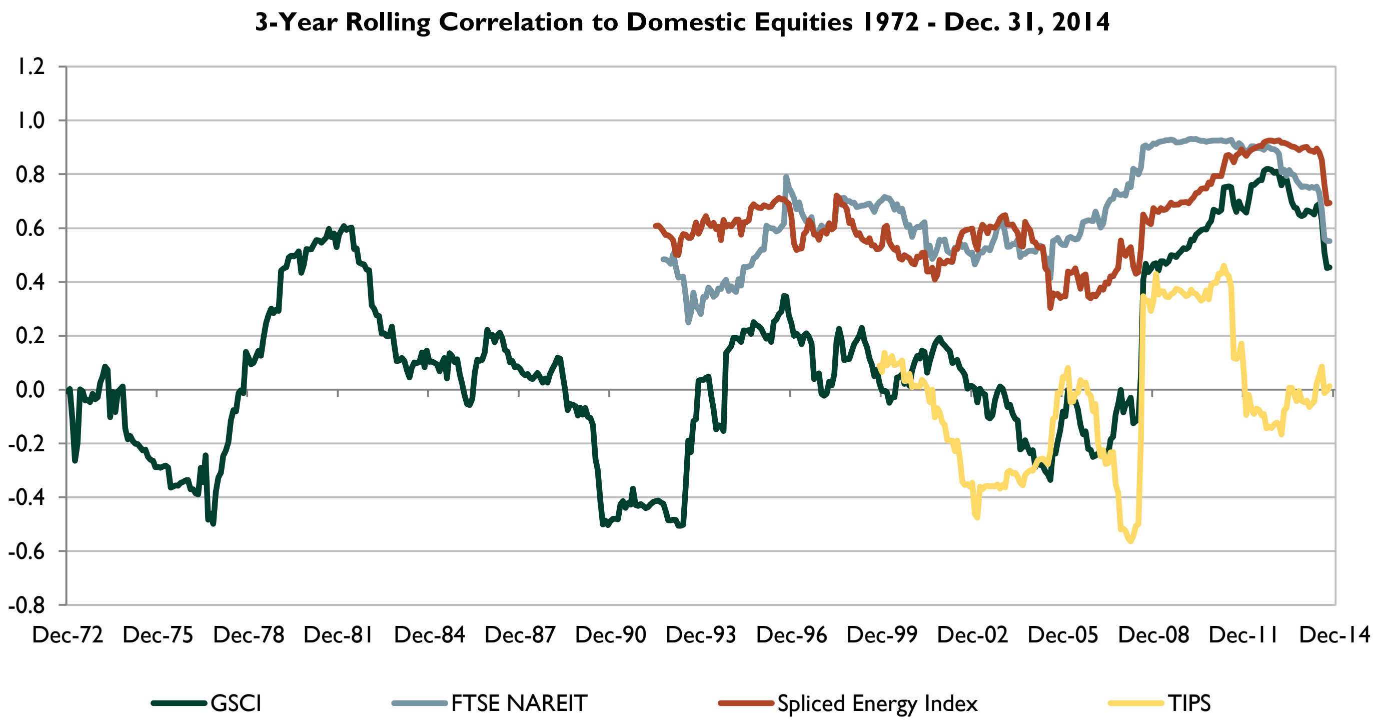
Our market assumptions are long term and intended to encompass varying inflationary and deflationary environments. Assets behave differently across these environments, and diversification has the potential to limit volatility in different periods.



REITs inception date December 1972. Resource equities inception date December 1980.

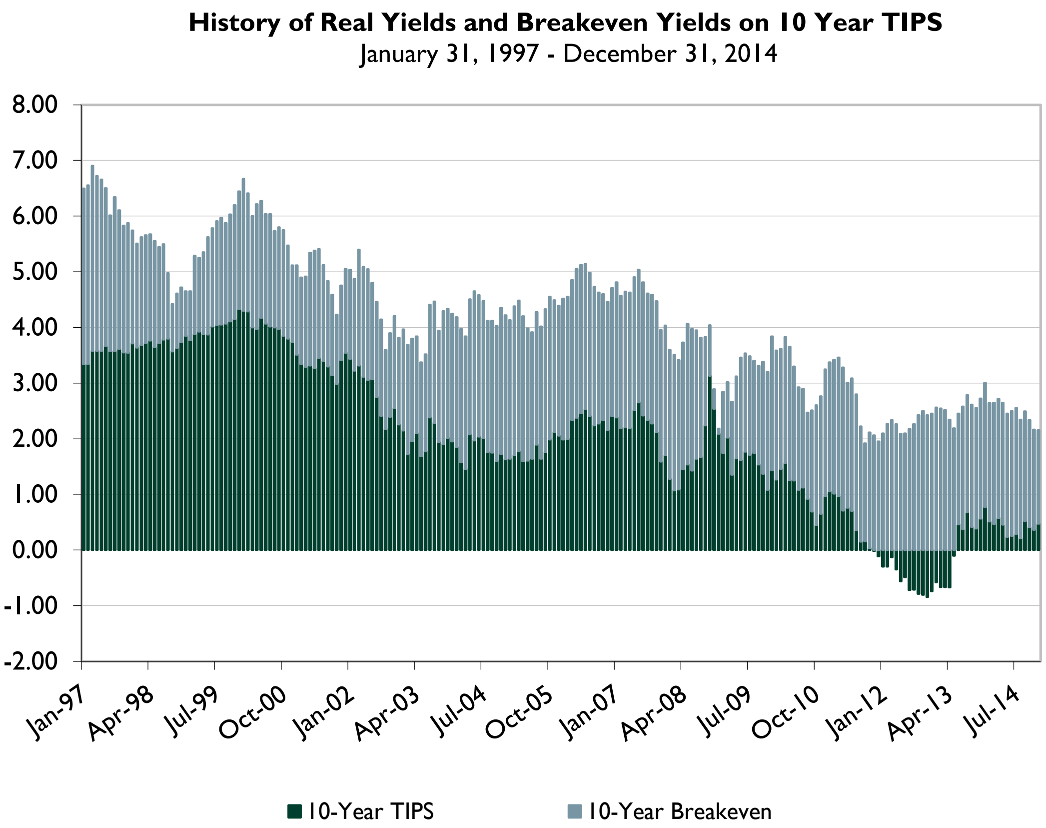
Correlations Considerations

Heightened correlations of real asset equities and commodity futures to the broader markets have appeared to lessen the diversification benefit of real assets. Relationships between assets since the financial crisis and during a longer period of lowering interest rates may not persist in future environments



TIPS

TIPS yields remain low by historic standards, with real yields declining by 50 bps in 2014.



Commodities

Commodities sub-categories typically have low correlation to each other. In 2014, energy commodities were the sharpest underperformers, making diversified exposure more beneficial than more-concentrated energy commodity exposure.

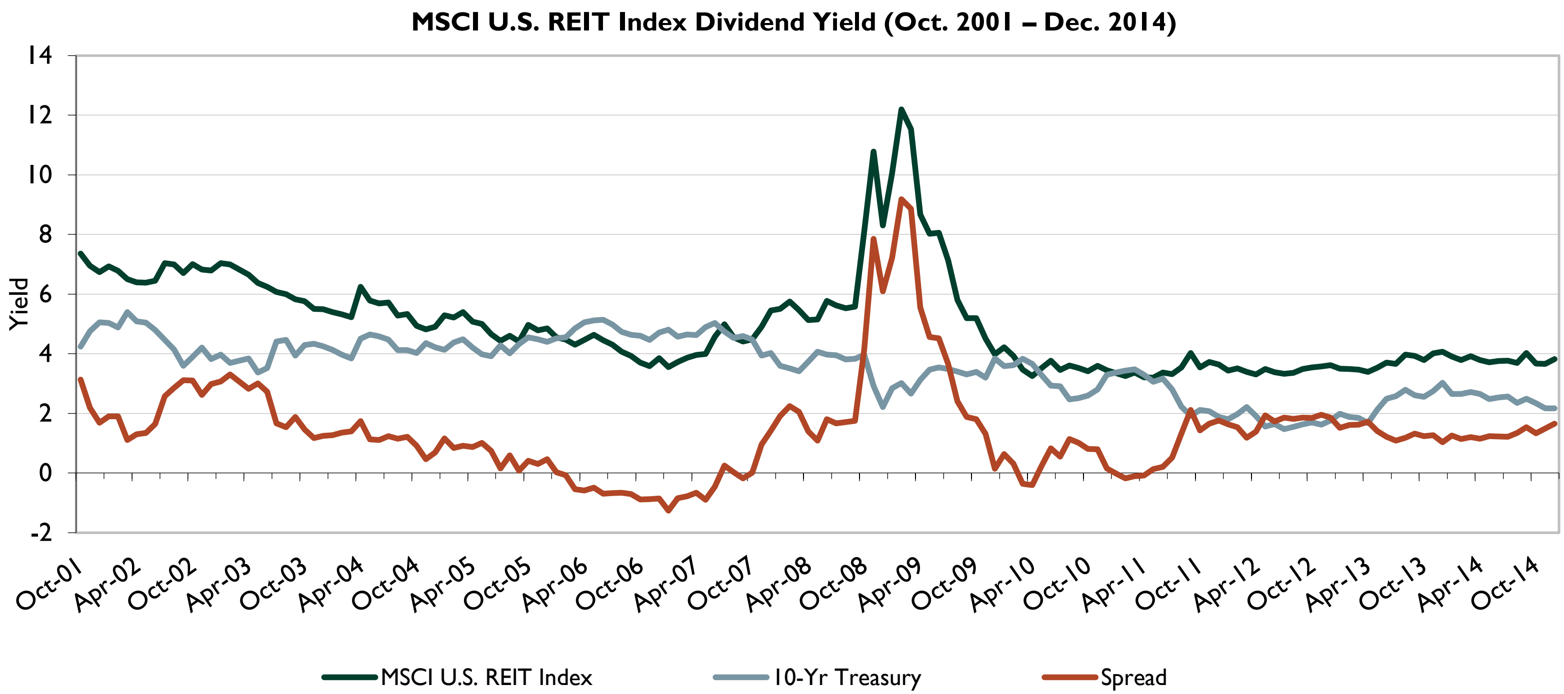
	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	10 Year
DJ-UBS Commodity	21.4	2.1	16.2	-35.6	18.9	16.8	-13.3	-1.1	-9.5	-17.0	-1.9
S&P GSCI Index	25.6	-15.1	32.7	-46.5	13.5	9.0	-1.2	0.1	-1.2	-33.1	-4.8
GSCI Energy	31.2	-26.8	41.9	-52.4	11.2	1.9	4.9	-1.4	5.1	-44.1	-7.7
GSCI Industrial Metals	36.3	60.9	-5.6	-49.0	82.4	16.7	-22.3	1.4	-12.9	-7.4	3.6
GSCI Precious Metals	18.6	24.1	27.9	0.5	25.1	34.5	6.6	6.2	-29.8	-4.1	9.3
GSCI Agriculture	2.4	13.3	28.3	-28.9	3.8	34.2	-15.9	6.5	-18.0	-10.7	-1.8
Dispersion - best/worst performer	33.9	87.7	47.5	52.9	78.6	32.6	28.9	7.9	34.9	40.0	11.7

Best Performer

Worst Performer

Real Estate

REIT yields rose slightly in 2014, but remain lower than historical averages. The spread to Treasury yields remains positive.



Real Estate

We recommend real estate investment exposure as part of a diversified portfolio.

Real estate investment typically combines inflation-related income with growth opportunities. Active management through value-add and opportunistic strategies, which often include leverage, may enhance return potential and heighten risk.

For clients with long-term investment objectives, we recommend private real estate fund commitments to take advantage of potential value-enhancing opportunities of this illiquid asset class. Such investment also mitigates risks such as public market volatility, exposure to market cyclicality, and forced liquidations due to investor sentiment.

Real estate private equity fund investments contain multiple risks. Similar to private equity, risk may be mitigated by constructing a portfolio with diversification by vintage year, investment, and manager exposure. Investment with top quartile managers is key to potentially achieving objectives.

We believe there are three potential options for obtaining target real estate exposures. A description of vehicle characteristics, attributes and risks are as follows:

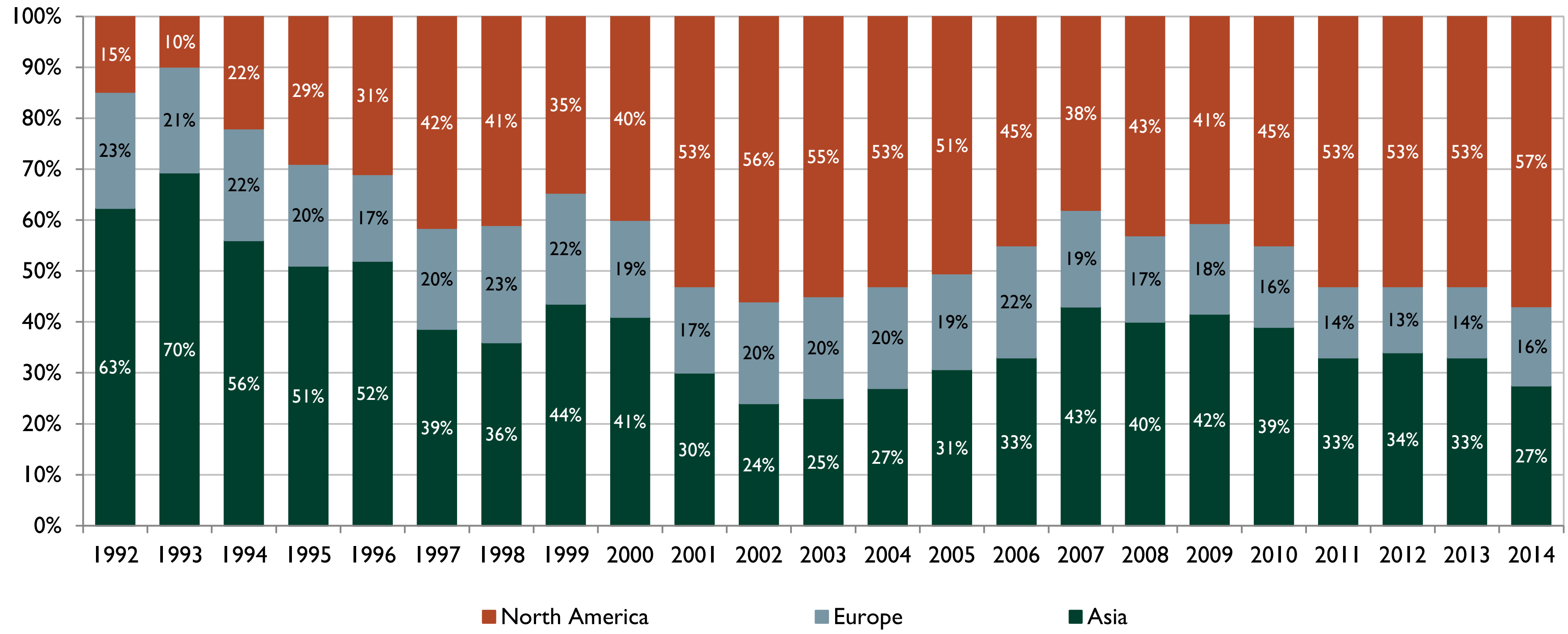
Vehicle	Description	Attributes	Risks	Vehicle Considerations	Assessment
Publicly Traded REITs	Universe of publicly traded companies owning and operating real estate assets	Liquidity, diversification, fees	Volatility, correlation to broad markets, lower return profile	Global vehicles available at low minimums	REITs provide diversified exposure to global core properties. Actively managed portfolios have shown some past ability to outperform benchmarks, net of fees, over the long term. Recommended for liquid exposure to sector either as standalone or to fund private fund investment.
Private Equity Real Estate Funds	Closed end finite life funds acquiring, operating and selling real estate assets	Return potential, lower volatility, fees relative to funds of funds	Illiquidity, manager and strategy concentration, implementation	Minimums for top managers can be high, multiple commitments per year recommended	Private real estate funds typically pursue value added and opportunistic strategies with target returns in excess of core real estate (including REITs). As with private equity, consistent implementation through top quartile managers is a key factor for a successful program.
Private Equity Real Estate Fund of Funds	Portfolio of private real estate funds	Manager and strategy access, portfolio diversification, lower volatility	Fee drag, implementation	Longer timeline for capital investment and return, continued commitment recommended	A fund of funds provides manager access, ability to pursue focused strategies while maintaining overall portfolio diversification, and outsources commitment pacing and timing. Considering the range of potential return outcomes dependent on successful implementation, the extra layer of fees paid to a fund of funds has a greater potential return reward.

Obtaining Real Estate Exposure through REITs

Investing in REITs brings public market volatility and increased correlation to the broader markets, particularly during periods of market stress. However, the modern REIT market contains a universe of companies diversified by sector and geography, and provides the benefits of liquidity and access to international markets. REITs hold primarily core, stabilized assets.

Since the 2008/2009 financial crisis, REITs have reduced leverage and improved their balance sheets through capital raising and asset refinancing. The threat of wide spread defaults and bankruptcies that drove REITs to steep declines during that period appears to have abated. Only one U.S. REIT, General Growth Properties, declared bankruptcy in that time period.

FTSE EPRA/NAREIT Global Dev. Real Estate Index Performance by Region



Disclosures

Indices referenced are unmanaged and cannot be invested in directly. Index returns do not reflect any investment management fees or transaction expenses.

The Prime Buchholz asset allocation model is a tool provided to clients to assist in the evaluation and development of long-term investment and spending policies for their investment programs. No asset allocation model can replicate the same experience for any given investor and clients' results may differ materially from the results portrayed. Therefore, the Prime Buchholz asset allocation model results should be only used as a guide—rather than a specific investment program simulation—as a part of a broader discussion to establish the client's policies. Prime Buchholz relies on the client to provide complete and accurate information regarding the client's specific risk/return/spending profile for the model. The model's factors are derived from historical asset class returns and data in combination with forward-looking estimates. These estimates cannot predict the impact of future market conditions that could have a significant negative impact on the reliability of the hypothetical performance presented. Prime Buchholz does not guarantee the accuracy of the data used. Model performance is based on assumptions about asset class investment returns and risk characteristics. It does not represent actual performance, nor does it reflect actual trading in a client portfolio or the management of a model portfolio on a current basis. Model results are based upon total return and reflect the reinvestment of dividends and distributions. They are also gross of management and consulting fees and other expenses an investor would pay, which would lower results. Hypothetical performance, as well as past performance, is not an indication of future results.

This presentation was prepared by Prime, Buchholz & Associates, Inc. (Prime Buchholz). The report is intended for informational purposes only; it does not constitute an offer, nor does it invite anyone to make an offer, to buy or sell securities. Information obtained from third-party sources are believed to be reliable; however, the accuracy of the data is not guaranteed and may have not been independently verified. The content of this report is current as of the date indicated and is subject to change without notice. It does not take into account the specific investment objectives, financial situations, or needs of individual or institutional investors. All commentary contained within is the opinion of Prime Buchholz and intended solely for our clients.

Peer groups, performance, and risk analytics are provided by InvestmentMetrics 2015. All rights reserved. Calculations are based on quarterly periodicity unless noted otherwise.

Performance returns are provided by third-party data sources and are net of fees unless otherwise stated. Returns may or may not reflect reinvestment of dividends and other earnings, without which returns would be lower. Past performance is not an indication of future results.

ED15018_22715